



- The Nordic market is well functioning (bottom line)
- Room for improvement
 - Investment in infrastructure
 - Price areas should be balanced
 - Transparency in the network handling
- Two groups of price areas in the Nordic market
 - High correlation (Norway and Northern Sweden) – no need for LTTR
 - Low correlation (Denmark, Southern Sweden, Finland) – LTTR would add value

Summary

- Hedging opportunity for fundamental market participants or products for traders?
- Regulators key focus is for fundamental market participants
 - Big consumers don't want LTTR – say there is sufficient hedging in current markets
 - Producers – one says 'continental instruments are a catastrophe' and one wants LTTR as a supplement to EPAD and SYS

Summary

- Is this a product question or a risk question (who should take risk – the market or the TSO?)
- What role should the TSO take?
 - Direct role through auctioning EPAD or LTTR
 - Indirect role through lowering spread in EPAD market
 - Indirect role in auctioning market making role in the EPAD market
- Maintain TSO neutrality
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- **Next steps**
 - **Tri-lateral meetings**
 - **Commission Internal-Service Consultation**
 - **Commotology**
 - **European Parliament/ Council**
 - **Adoption by European Commission**