

CONSIDERATIONS FOR FURTHER DIRECTION IN THE REGION SOUTH EAST EUROPE ENERGY MARKET SOUTH EAST EUROPE 2013

Agnar Aas
Director of Governmental Affairs



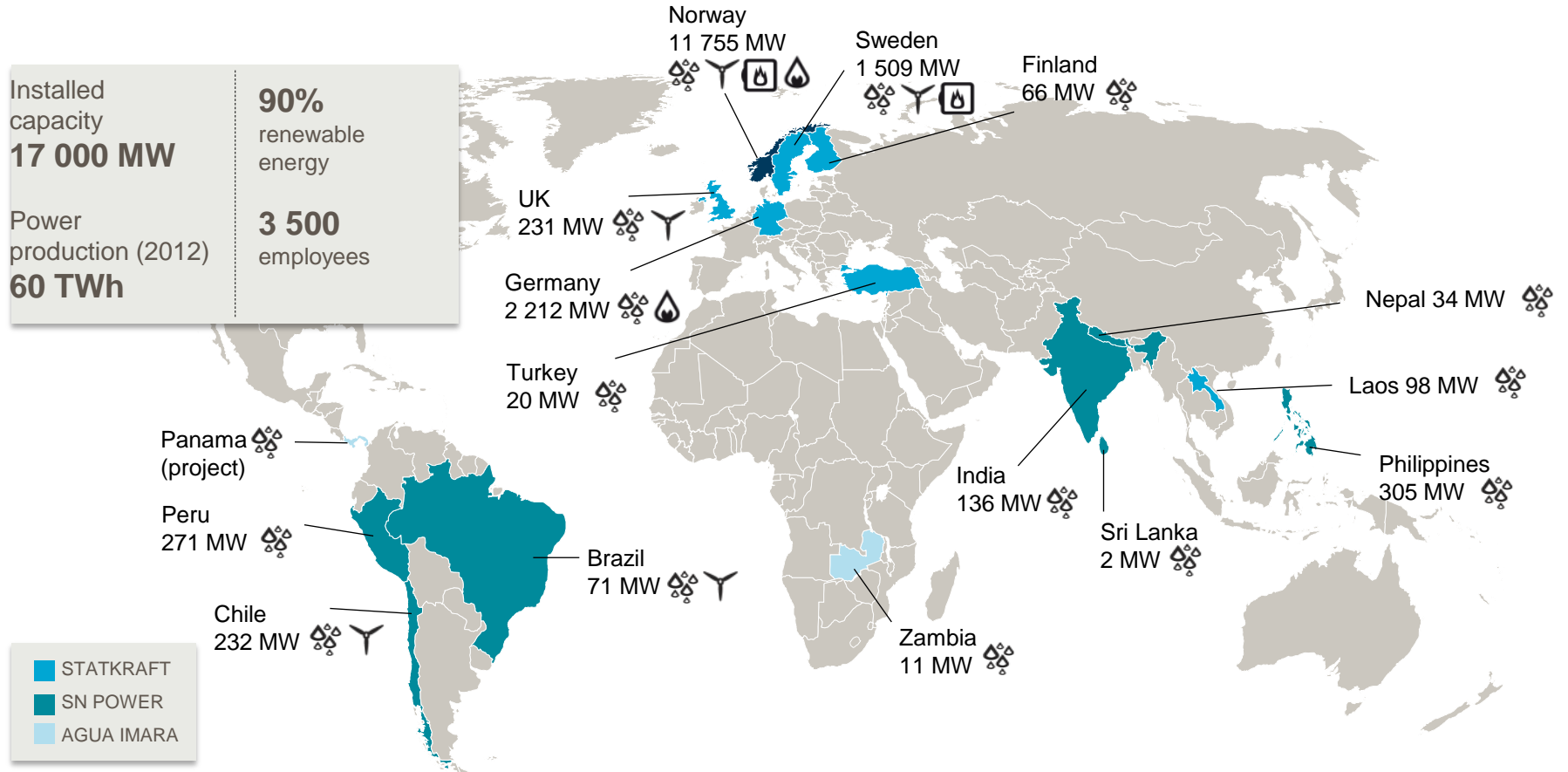
Statkraft at a glance

Installed capacity
17 000 MW

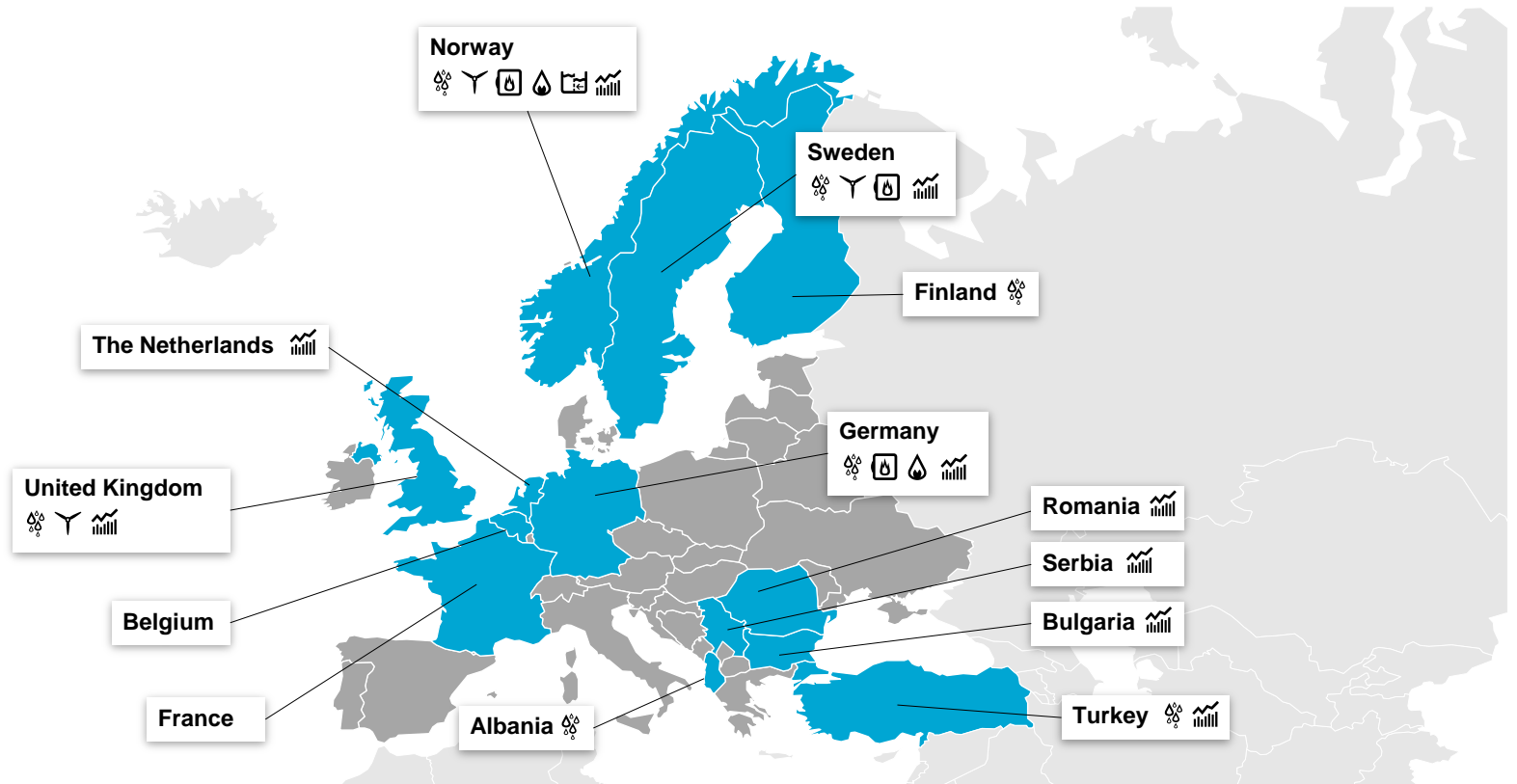
90%
renewable energy

Power production (2012)
60 TWh

3 500
employees



Statkraft in Europe



Trading team for Central- and South East Europe

Düsseldorf:

- Claus Urbanke, *Head of New Markets*
- Anna Meurer, *Portfolio Management*
- Adrian Ivanov, *Trading*
- Plamen Popov, *Business Development and Managing Director
Statkraft SEE*
- Konstantinos Kollias, *Trading Analyst*



Bucharest:

Daniel Pintilie,
*Business
Development*



Sofia:

• Krassimira
Bliznakova, *Business
Support*



Belgrade:

• Dragan Vignjevic,
General Manager

• Biserka Tmusic,
Business Support

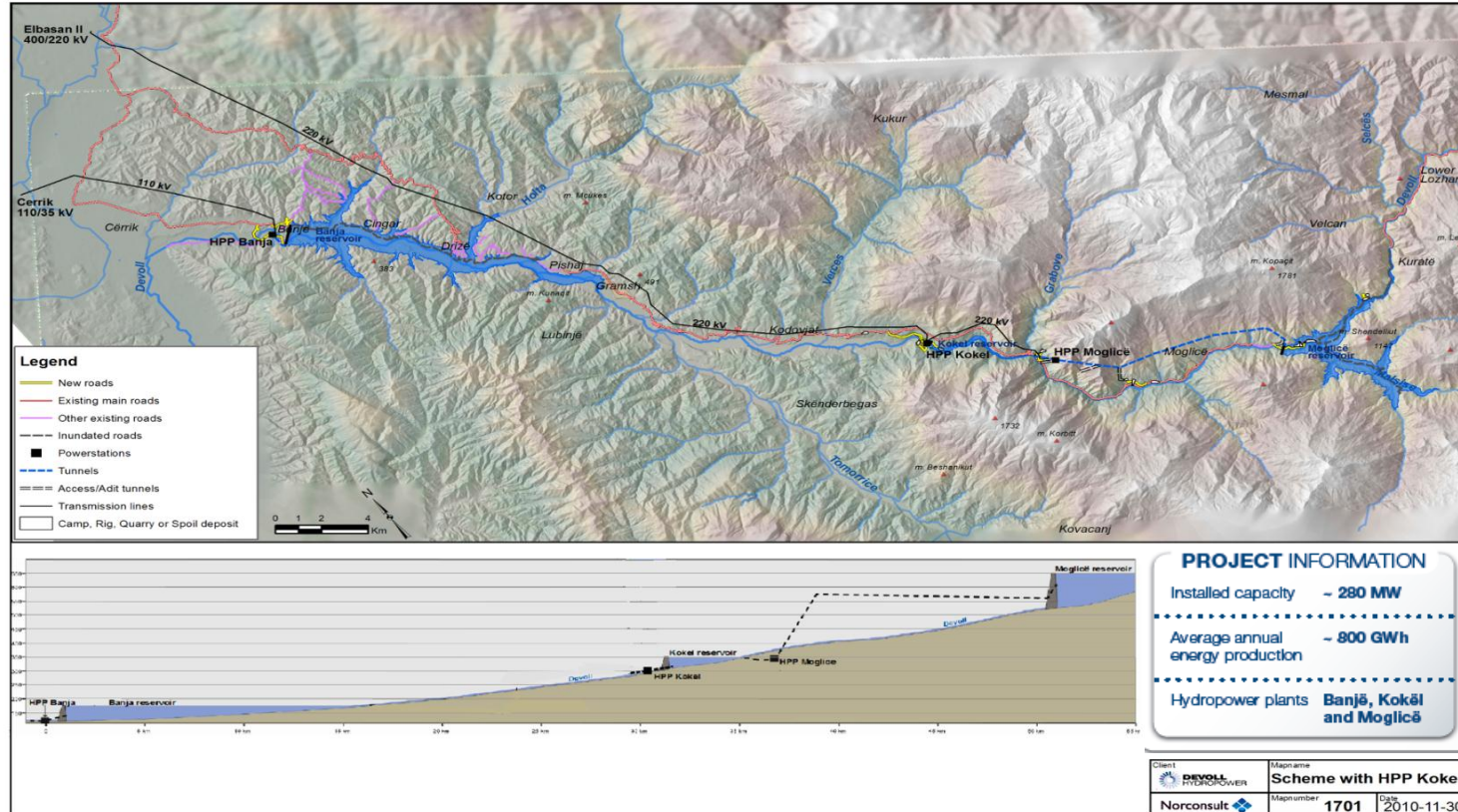


Istanbul:

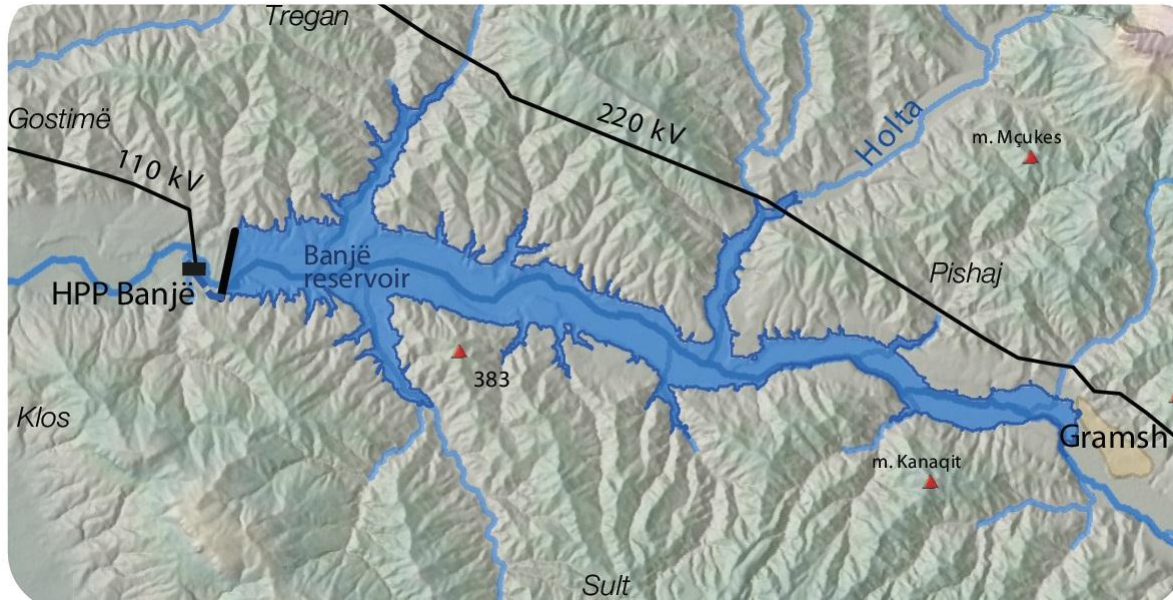
• Akgün Anduvap
Servet, *General
Manager*

• Kasim Tugmaner,
Trader

Project Scheme



Banja HPP



BANJË HPP

Dam Height ~ 80 m

Installed Capacity ~ 65 MW

Average annual energy production ~ 250 GWh



Moglicë HPP



MOGLICË HPP

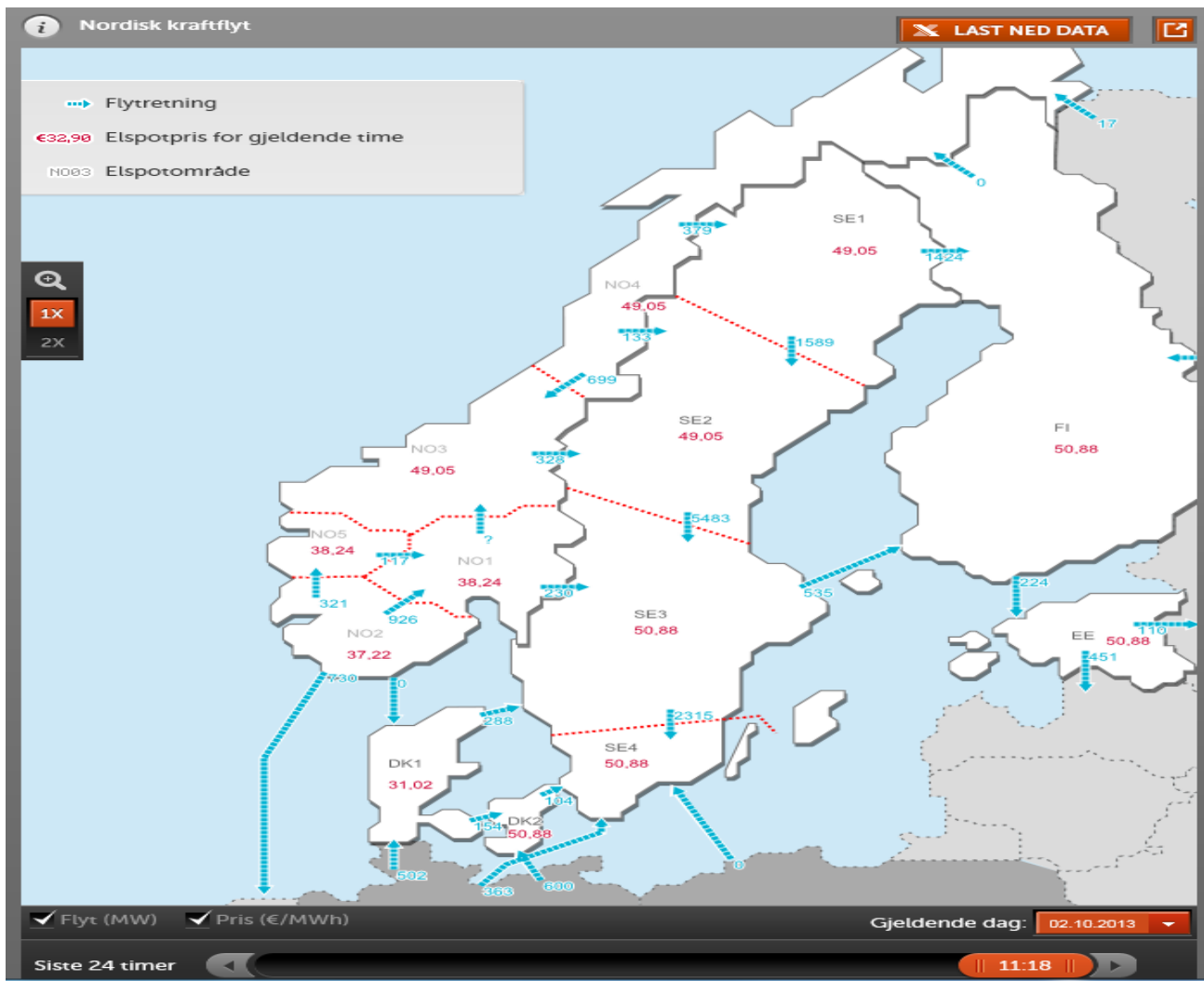
Dam Height	~ 150 m
Installed Capacity	~ 175 MW
Average annual energy production	~ 450 GWh



Project benefits after completion

- Increasing production of electricity in Albania by approx. 20%
- Renewable (green) energy production
- Improvement of grid stability
- Development opportunities for the region
- Public-private partnership
- State of art power plants
- Nordic and European standards





The NWE Project develop solutions for Europe



- Joint project 13 TSO's and 3 stock exchanges
- Greatest multinational market in the World – 2300 TWh
- Dayahead (spot market) and Intraday
- The structure on decision complex Authorities are focused

Market Development in one Direction
– Rapidly



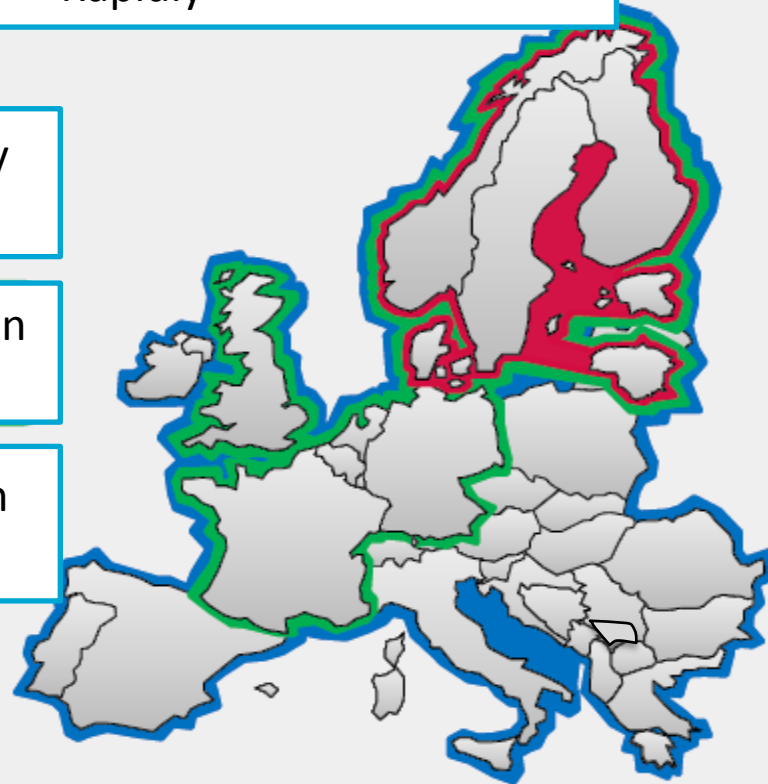
Nordic Electricity
Market



NWE one common
El-market



United European
El-market



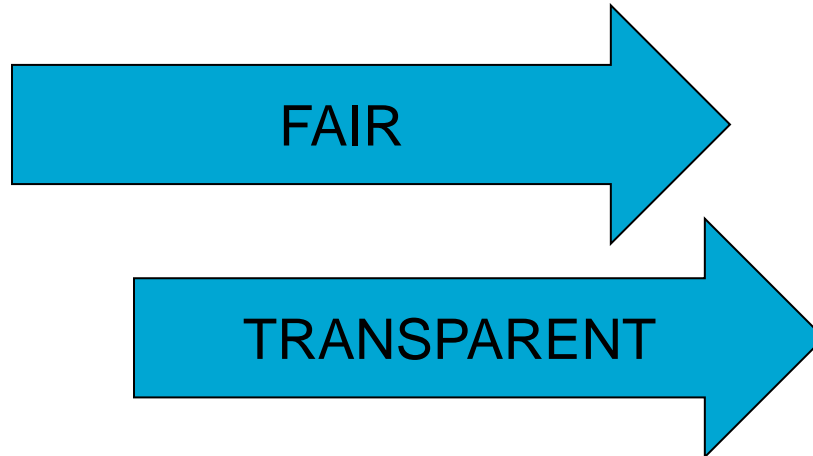
Statnett

AN ATTRACTIVE MARKET DESIGN: WHICH FEATURES ARE MOST IMPORTANT?

1. PRICES

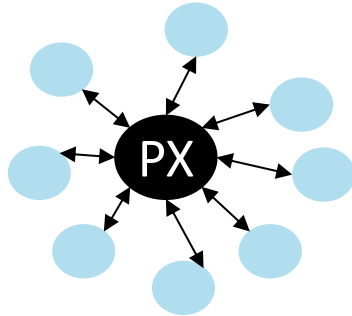
2. PRICES

3. PRICES



To the benefit of the TSO, generators, investors, traders, and ultimately consumers

Power Exchange Advantages



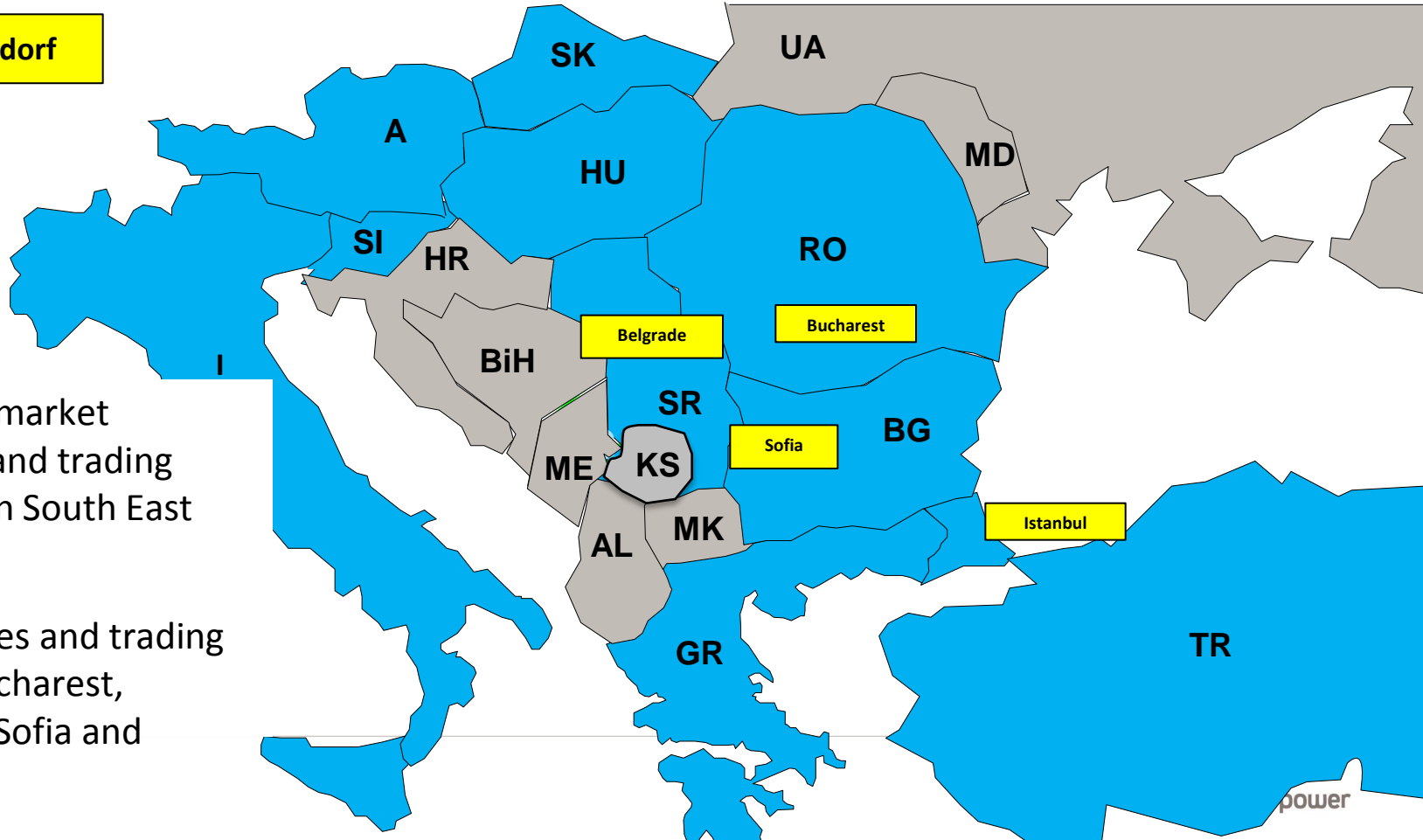
- ▶ Less bilateral agreement;
- ▶ Reduced credit risk;
- ▶ Collaterals – only to the exchange (clearing house);
- ▶ Invoicing – only against the exchange;
- ▶ High automation and standardization degree.

PURE
ENERGY



TRADING PRESENCE IN SOUTH EAST EUROPE

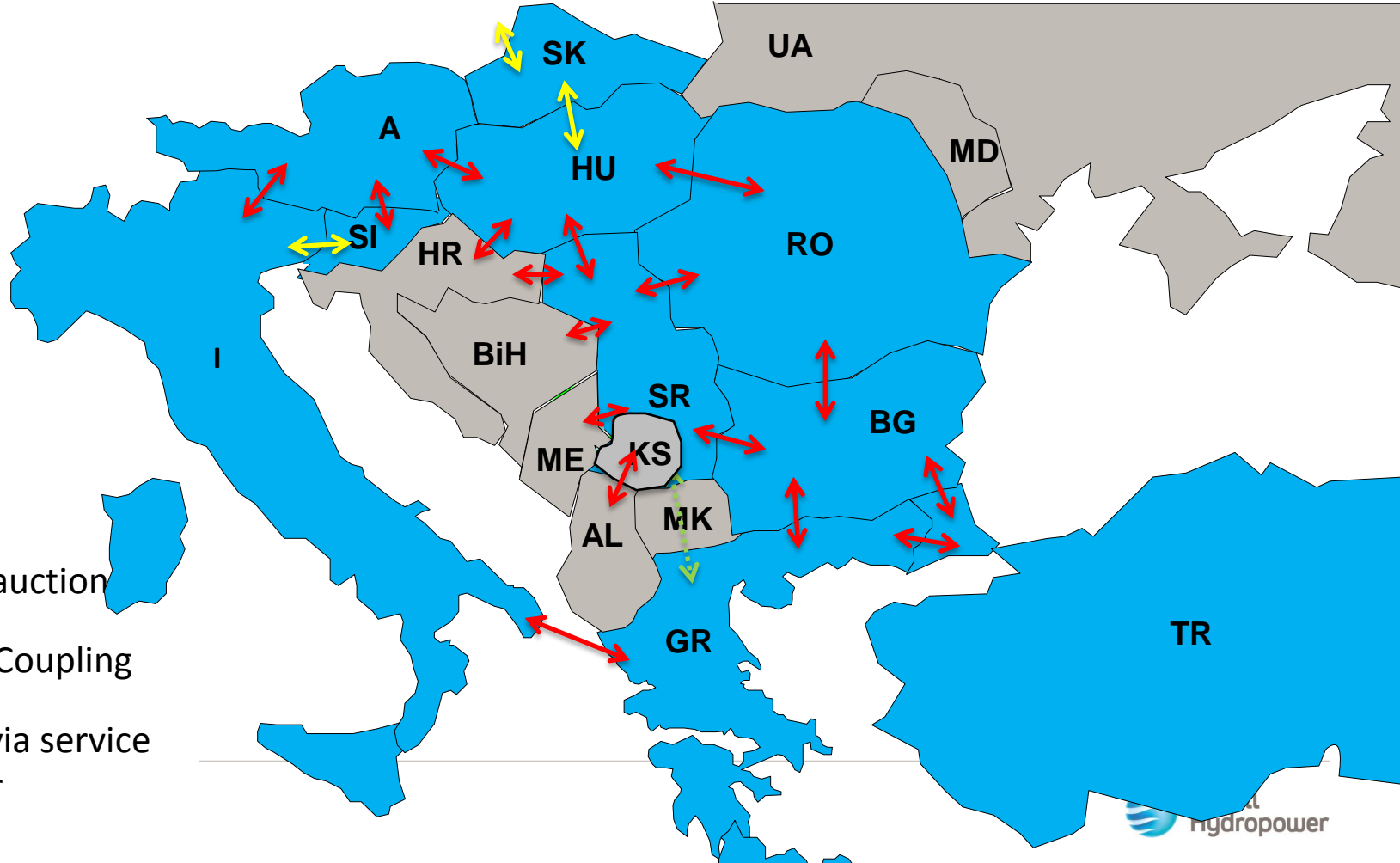
Düsseldorf



-> Extensive market coverage and trading activities in South East Europe

-> Local offices and trading staff in Bucharest, Belgrade, Sofia and Istanbul

TRADED BORDERS



- Explicit auction
- Market Coupling
- Transit via service provider