



THE FUTURE OF THE NORDIC ELECTRICITY MARKET

NORDIC STAKEHOLDER PERSPECTIVES

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outokumpu



NORILSK NICKEL

BOLIDEN

OVAKO



sappi
Inspired by life

Association of Energy Users in Finland's owners

are major Finnish companies in
the industry, trade and service
sectors.

All of them are net-buyers in
the market and employ directly
100,000 people in Finland.

They use 17% of Finland's
electricity consumption.

AkzoNobel

SSAB



FINNSEMENTTI

LUVATA

Nordkalk



BOREALIS

SHAPING the FUTURE with PLASTICS



MetsäBoard



KONE

KESKO

Linde Gas | AGA



SUOMEN SÄHKÖNKÄYTTÄJÄT

MAJOR TOPICS FOR LARGE ELECTRICITY USERS

- Security of supply
 - The most expensive electricity is if you don't get it when needed.
- Functioning of the electricity market
 - Logical
 - Transparent
 - Under competition



END-USERS VIEW, SHORT HISTORY

1990-2003(5)

- **EU**

- What market?
- Political concensus for European wide markets

- **Nordic**

- Forerunners!
- PEX
- Implicit auctions
- All end-users to the market
- Increased competition

2003(5)-2016

- **EU**

- 3rd EU package (CO2)
- All areas equal
- Fast learning

- **Nordic**

- TSOs building agreed border lines
- No serious progress in the market
- Nordic market model -> base for European electricity market

- TSO co-operation?

2016- 2021-2030 -?

- **EU**

Clean Energy package
(End-users to the market)
Regional approach
Detailed regulation

- **Nordic**

?

WHAT ARE RISKS FOR LARGE END USERS TOWARDS YEAR 2030

- 1. When there will be first Nordic brown out?**
 - Lack of power or lack of energy?
- 2. Increased system costs for end users**
 - 15 min balances.
 - from two balances to one balances
 - Back to the year 2004?
- 3. How long PEX is the best solution?**
 - Liquidity? Lack of competition in EPADs.
- 4. National approach in politics**
 - Make America great again syndroma?
- 5. TSOs have taken too strong role in the open market?**

WHAT IS NEEDED

1. Level of playing field to Nordic Market

- Promote Nordic wide solutions
- Promote Nordic wide terms
- Equal tax level for industry
- Equal RES support level (if needed)

2. Enchant competition

- Increase power system transparency
- Activate end-users to real time balancing
- More grid investment inside Nordic area
- More resources to competition authorities
 - How biggest producers can publish common support for ETS price manipulation (Policy Coherence Mechanism)?

Competitiveness is not gift!

STRONG TODAY – STRONGER TOMORROW

Strong support from Association of Energy Users in Finland for:

- ✓ Conduct Nordic peer reviews before deciding on and implementing national
- ✓ Create a vision for Nordic energy research
- ✓ Optimise the Nordic investment environment
- ✓ Renew the political vision for the electricity market co-operation
- ✓ Establish a Nordic Electricity Market Forum to ensure that the right decisions are taken at the right time



THANK YOU!

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