

## **Swedish Parliament Approves Nordic Balance Settlement**

Press Release

October 22, 2015

On 14 October, the Swedish Parliament approved a bill introducing a Nordic Balance Settlement regime on the Scandinavian power market. Through the decision, which passed with a broad majority, Parliament has approved that the Swedish transmissions systems operator, Svenska Kraftnät (SvK), may entrust balance settlements to a third party thus making cross-border settlements possible across Scandinavia. Paving the way for this development, SvK has with its Norwegian and Finnish counterparties established a jointly owned Finnish company, e-Sett, which shall provide imbalance settlement services to the electricity market participants in Finland, Norway and Sweden. A balance responsible party who has a balance settlement agreement with SvK today, will from 3 October 2016 (SvK's target date) also need an agreement with eSett covering cross-border settlements. A contract with SvK will still be needed as domestic balance settlement procedures in Sweden will continue to be managed by SvK. The objective with implementing equal and shared settlement rules is to lower the barriers of entry and thus increase competition on the electricity market. By reducing long term costs for the market parties the Scandinavian governments see this as step towards establishing a proper Nordic end-user market. Companies within the sector are well-advised to ascertain, well ahead of October 2016, whether they'll be affected by the transition. To assist market participants eSett has published a commissioning plan to serve as guidelines.

More information: Read the bill at [www.riksdagen.se](http://www.riksdagen.se) and read more about eSett and the commissioning plan at [www.esett.com](http://www.esett.com)