

**Affärsverket svenska kraftnät
Energinet
Fingrid Oyj
Kraftnät Åland Ab
Statnett SF**

**System Operation Agreement between the Nordic
Transmission System Operators (Nordic SOA)**

1 The Parties

(1) **Affärsverket svenska kraftnät**, a Swedish state utility, having its registered office at P.O. Box 1200, SE-172 24 Sundbyberg, Sweden, registered under the number 202100-4284;

(2) **Energinet**, a state owned independent public enterprise incorporated under the laws of Denmark, having its registered office at Tonne Kjærsvej 65, DK-7000 Fredericia, Denmark, registered with the Danish Business Authority under number 28980671;

(3) **Fingrid Oyj**, a public limited liability company incorporated under the laws of Finland, having its registered office at Lökkisepäntie 21, FI-00620 Helsinki, Finland, and registered in the Finnish Trade Register with number 1072894-3;

(4) **Kraftnät Åland Ab**, a limited liability company incorporated under the laws of Finland, having its registered office at Dalvägen 3, AX-22150 Jomala, Finland, and registered in the Finnish Trade Register with number 1068562-1; and

(5) **Statnett SF**, a Norwegian state owned enterprise with limited liability, company registration number 962 986 633 and registered office at Nydalen Allé 33, 0484 Oslo, Norway;

hereinafter also referred to jointly as "**Parties**" and separately as "**Party**", have entered into the following System Operation Agreement (the "**SOA**");

2 The agreement

The complete Nordic SOA consists of

- This main Agreement body of the Nordic SOA
- Annex 1 (table of content which contains a list of the annexes)
- Annexes

3 Background and purpose

The subsystems of Norway, Sweden (including the subsystem of Kraftnät Åland), Finland and Eastern Denmark are synchronously interconnected, forming the Nordic synchronous system. The subsystem of Western Denmark is interconnected to the Nordic synchronous system using DC interconnectors. The Nordic synchronous system and the subsystem of Western Denmark jointly constitute the interconnected Nordic power system.

The geographical scope is different for the different annexes and is specified in each annex. The purpose of the Nordic SOA is to agree between Nordic TSOs on the principles for system operation in the interconnected Nordic power system. Moreover, the Nordic SOA shall take into account and facilitate the adaptation of the Nordic SOA to the European Network Codes that will constitute binding rules in the form of EU Regulations.

4 Objective, scope and interpretation of the Agreement

The objective of the Nordic SOA is:

- a) to meet the requirements of the European Network Codes that will constitute binding rules in the form of EU Regulations
- b) to create a legal framework for agreeing on specific operational issues relevant for the Nordic TSOs that are not regulated directly through the Network Codes.
- c) to ensure that the Nordic interconnected system is operated on a satisfactory level of reliability and quality.

The provisions of this Agreement shall be complementary and interpreted in accordance with the applicable European Union legislation, and the provisions of this Agreement shall be amended accordingly.

5 Definitions

All expressions used in the Nordic SOA shall be defined the way they are defined in the relevant Network Codes, unless otherwise stated in the Nordic SOA.

6 The parties' own subsystem

The Parties recognize that each Party has a responsibility to ensure system security in their own subsystem. This responsibility shall be carried out in accordance with the intentions and principles of this agreement.

7 Update, amendments and changes of the Nordic SOA

The Parties agree that it is of utmost importance that the Nordic SOA is regularly updated, when needed. A specific group shall be formed for such update. The group shall be responsible for making sufficient procedures for updating both the main body of the agreement, and the appendices, including how to document and publish any changes made. The group shall also be responsible for ensuring that the updates comply with applicable procedures.

Changes in the main body of the agreement shall be made by a unanimous decision by the Parties, and shall be drawn up in writing and signed by all Parties.

Changes in the Annexes shall be made by a unanimous decision by the Parties and shall be confirmed in writing so that all decisions and changes are well documented.

8 Breach of Nordic SOA

If a Party is in breach of the Nordic SOA, the Party shall immediately give the other Parties a written explanation to why he is in breach and how he is to solve the situation. The Party in breach shall without undue delay explain which measures that will be taken in order to avoid future breaches.

9 Exchange of information

Each Party shall inform the other Parties as soon as practically possible about operational events and issues that might have an influence on the Parties or the Nordic power system.

The Parties undertake to carry out their duties and comply with their obligations under this Agreement with the diligence of a specialized professional and as a responsible TSO, in compliance with the applicable laws and regulations in the electricity sector. Under the same standard of diligence, each Party shall notify the other Parties of all risks and dangers inherent to the performance of this Agreement. The Parties undertake to cooperate with each other to adequately identify such risks and dangers and mitigate them where possible.

10 Order of Merit

In the event of any discrepancy between the contents of the Network Codes, the main body of the Agreement, the detailed annexes and other documents, the order of merit shall be as follows:

1. The European Union legislation
2. The main Agreement
3. The Annexes
4. Operational Instructions

11 Liability

The Parties will only be liable to one another for damage resulting from gross negligence or willful misconduct.

The negligent party is not liable for consequential damages, loss of profit or other indirect losses, unless such damage has been caused by gross negligence or willful misconduct.

12 Assignment of rights and obligations

Unless otherwise provided by the present Agreement, Network Codes and Guidelines or the applicable legislation, each Party is prohibited from transferring (including by means of

merger, split-off or transfer or contribution of universality or a branch of activity or otherwise) all or part of its rights and obligations arising under this Agreement to a third party, without the prior, express and written consent of all other Parties which cannot be unreasonably withheld or delayed.

13 Confidentiality

Within the limits of their national legislation, the Parties and the representatives of the Parties shall maintain confidentiality regarding all commercial and other confidential information provided in connection with this Agreement. The obligation of confidentiality shall continue after any termination of this Agreement.

Each Party shall take reasonable measures to ensure that its officers, agents and employees, in relation to each item of Confidential Information of each other Party:

- a. preserve the confidentiality of the Confidential Information;
- b. only use the Confidential Information for the purpose of performing its obligations under the network codes, the Nordic SOA and for general system operations purposes.

A Party may, to the extent necessary, disclose Confidential Information of another Party:

- a. with the prior written consent of the other Parties; or
- b. to the extent expressly permitted by the Nordic SOA; or
- c. as may be directed or ordered or required in order to comply with any applicable law or order; or
- d. as may be required by any court, arbitrator or administrative tribunal in the course of proceedings before it to which the disclosing Party is a party; or
- e. in order to ensure compliance with a license issued under applicable Law or to obtain clearances or consents from a competent authority which reasonably requests disclosure.

14 Force majeure

None of the Parties will in any circumstances be in breach of the Nordic SOA or liable for delay in performing, or failure to perform, any of its obligations under the Nordic SOA if such delay or failure results from a Force Majeure provided that the affected Party:

- As soon as reasonably possible notifies the other Parties of the Force Majeure identifying: (i) the nature of the event; (ii) the likely effect of the event on its ability to perform its obligations; and (iii) the likely duration of the event; and

- has used all reasonable endeavors to mitigate the effect of the Force Majeure, to carry out its obligations under the Nordic SOA in any way that is reasonably practicable and to resume the performance of its obligations as soon as reasonably possible.

15 Disputes

Should a dispute arise in connection with the Nordic SOA, The Parties shall attempt to solve the dispute through negotiation. If no solution is reached, the disputes shall be settled by arbitration in accordance with the Rules of the Arbitration Institute of the Swedish Chamber of Commerce. The arbitration procedure shall take place in Stockholm. Swedish law shall apply. The arbitration proceedings shall be conducted in English.

16 Termination

If a Party deems the terms and conditions of this Agreement to entail unreasonable or inappropriate consequences, then this Party will be able to request, in writing, from the other Parties that negotiations be entered into as soon as possible with the aim of bringing about appropriate changes to the Agreement. Equivalent negotiations can also be entered into if the pre-conditions for the Agreement change significantly due to altered legislation or a decision made by an authority, or due to physical changes being made to the interconnected Nordic power system.

If a Party requests renegotiation, the other Parties will be obligated to actively take part in such negotiations within one (1) month of receiving such a request. If renegotiations do not, within twelve (12) months of the request for renegotiation being made, lead to agreement being reached as regards such changes to the Agreement that the Party deems satisfactory, the Party shall have the right to terminate the Agreement. Termination, which must be in writing, shall occur by at the latest two (2) weeks from the expiration of the renegotiation deadline. If such termination occurs, the Agreement shall be deemed to have ceased to be valid in respect of the terminating Party, once a period of six (6) months has elapsed from the time when the notice of termination was communicated to all the other Parties.

17 Entry into force

The Nordic SOA enters into force on the date it has been validly signed by all the Parties. Should the Parties not sign it on the same date, the date of last signature shall be considered as the date that the Nordic SOA comes into force.

The Nordic SOA shall remain in force for an indefinite period of time.

18 Previous agreement

System Operation Agreement between the Nordic Transmission System Operators

This Nordic SOA supersedes and replaces the previous System Operation Agreement. In case the Nordic SOA, including any underlying operational instructions, is not addressing an operational issue that should be complied with and which was formerly covered by the previous System Operation Agreement, the Parties agree to apply the relevant regulations of the previous System Operation Agreement as an intermediate remedy.

Energinet Elsystemansvar A/S

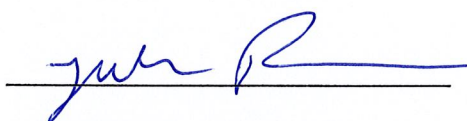


Name: Thomas Egebo
Position: CEO, Energinet
Date: 05/08/2019



Name: Søren Dupont Kristensen
Position: CEO, Energinet Elsystemansvar A/S
Date: 05/08/2019

Fingrid OYJ

A handwritten signature in blue ink, appearing to read 'Jukka Ruusunen', is written over a horizontal line.

Name: Jukka Ruusunen

Position: President & CEO

Date: AUG 9, 2019

Affärsverket svenska kraftnät

A handwritten signature in blue ink, appearing to read "Lotta Medelius-Bredhe", written over a horizontal line.

Name: Lotta Medelius-Bredhe
Position: Acting Director-General
Date: 5/8-2019

Statnett SF



Name: GUNNAR G. LÖVÅS

Position: EVP

Date: 14.08.2019

Kraftnät Åland AB

A handwritten signature in blue ink, appearing to read "Jan Mörn", is written over a horizontal line.

Name: Jan Mörn
Position: Acting CEO
Date: 05/08/2019

Annex 1: List of the annexes

This Annex 1 includes the list of annexes and will be regularly updated, when annexes are approved by the Parties.

- Annex Load-Frequency Control & Reserves
- Annex Electricity Balancing (to be included)
- Annex Operational Planning (to be included)
- Annex Operational Security (to be included)
- Annex Emergency and Restoration (to be included)
- Annex Capacity Calculation and Congestion Management (to be included)
- Annex Forward Capacity Allocation (to be included)