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# 4<sup>TH</sup> OF AUGUST INCIDENT

STIG ÅHMAN

# What happened on Sunday 4 August

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- The incident was linked to the algorithm's handling of flexible hourly orders which failed to calculate the Monday's spot prices
- At the deadline at 20:00 CET we followed all established routines (Nord Pool Spot's Rulebook Elspot Market Regulations paragraph 8.1.2.), and prices and volumes from Friday 2 August were applied for Monday 5 August
- At 21:00 CET we identified a solution to the problem
- 10 Operational Messages were sent out during the day
- The incident is not linked to the European Price Coupling of Regions project (PCR) or the expansion of new bidding areas in the Nordic/Baltic market

# What have Nord Pool Spot done afterwards

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- We identified a solution to the problem and the calculation of prices on Monday (for delivery Tuesday 6 August) succeeded
- Tuesday 6 August it was decided to restrict the use of flexible hourly orders to one (1) order per member (Participants, Client representatives and Clients) per day. The restriction took effect from Wednesday 7 August 2013 (for delivery day Thursday 8 August) until further notice
- Friday 9 August we adjusted Nord Pool Spot's Trading Rules in connection to restriction of Flexible Hourly Offers. (The adjustments are approved by the Norwegian Water Resources and Energy Directorate)
- 30 August NPS suspended the use of flexible hourly offers with effect from 31 August



# What will be done

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- Nord Pool Spot is still in the process of investigating all aspects of the incident. Our members and market will be kept informed throughout this process. Our highest priority is to secure a credible price and Nord Pool Spot regrets the technical problems experienced