

One-Sided Combinations

Input an Outright Bid or Offer Interest in a Specific Price Area

In order to address customer interest for hedging both the Nordic System Price (System) and the Area Price in the Nordic Electricity market, Nasdaq Commodities has decided to introduce a fee holiday for the EPAD contract executed directly in a one-sided combination (System and EPAD) transaction in ETS. The fee holiday will be effective from October 1, 2020 until September 30, 2021.

01. What is a One-sided combination?

A One-sided combination allows you to input an Outright Bid or Offer interest in a specific price area, by combining the System Leg and the EPAD leg.

- BUY SYS + BUY EPAD = Outright Area Bid
- SELL SYS + SELL EPAD = Outright Area Offer

02. Why trade One-sided combinations?

- By trading the One-sided combination you are able to eliminate the Price risk in the specific price area, were both legs (System + EPAD) are traded simultaneously.
- If you trade a One-sided combination electronically as an On-Order book transaction, Nasdaq will waive the trading and clearing fee on the EPAD leg, so the cost of eliminating the area price risk is the same as trading the System contract alone as a proxy. This is something that we will offer to the market for a limited period until end of September 2021.

03. Which One-sided combinations are available or could be set up?

Swedish areas:

5 Months, 4 Quarters and 4 Years
(weeks not included in phase 1)

Finnish areas:

5 Months, 4 Quarters and 4 Years
(weeks not included in phase 1)

Danish areas:

3 Months, 3 Quarters and 3 Years

Norwegian areas:

3 Months, 3 Quarters and 3 Years

Baltic areas:

3 Months, 3 Quarters and 3 Years (Riga only 2 years)

Interested to learn more about One-sided combinations? Please feel free to contact the **Market Place Services team:**

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In **Genium INET Trading Workstation**, you will find the One-sided combinations in the following lists:

- SWEDISH-AREA
- FINNISH-AREA
- DANISH-AREA
- NORWAY-AREA
- BALTIC-AREA

If you are using a different front end, please reach out to your vendor for further assistance.

