

# Quarterly report from Market Surveillance

This report includes the period from 1 January to 31 March 2024.

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## Updates from Market Surveillance

### EPAD auctions

In February 2023, the Swedish TSO Svenska Kraftnät (SvK) initiated a pilot project by offering auctions of Electricity Price Area Differentials (EPADs) for Swedish bidding areas SE2, SE3 and SE4. The auctions are run by Svenska Kraftmäklings AB (SKM) and the transactions are being registered as exchange transactions at Nasdaq Oslo ASA and cleared at Nasdaq Clearing AB. The key motive behind the EPAD auctions is to improve liquidity and hedging opportunities in the given price area. SvK's involvement in the forward market is in line with the EU regulation NC FCA article 30.5 (b), where the TSO can take measures to provide hedging opportunities by auctioning EPADs.

The auction offering comprise of monthly, quarterly, and yearly EPAD contracts and follows a transparent auction schedule. In 2023 SKM has arranged 22 auctions where a total of approximately 22.7 TWh were auctioned. The Swedish EPAD auction project continues in 2024 and so far six auctions have been arranged. In this period, approximately 7.2 TWh were auctioned. Market Surveillance has been monitoring EPAD auctioning vs. activity in the orderbook on the Exchange since the first auction. No breach of regulations has been found.

The Norwegian TSO Statnett announced in March this year that they are working on a similar EPAD auction project for Norwegian bidding areas. The first auction could be launched in the fourth quarter this year. The Finnish TSO Fingrid is considering an alternative model for improving hedging possibilities in the Finnish bidding area and respective interconnectors.

Nasdaq Oslo ASA supports Nordic EPAD auction initiatives as the means to improve market liquidity, hedging opportunities and price transparency within the Nordic power market.

### Incorrect contact information in Member Portal

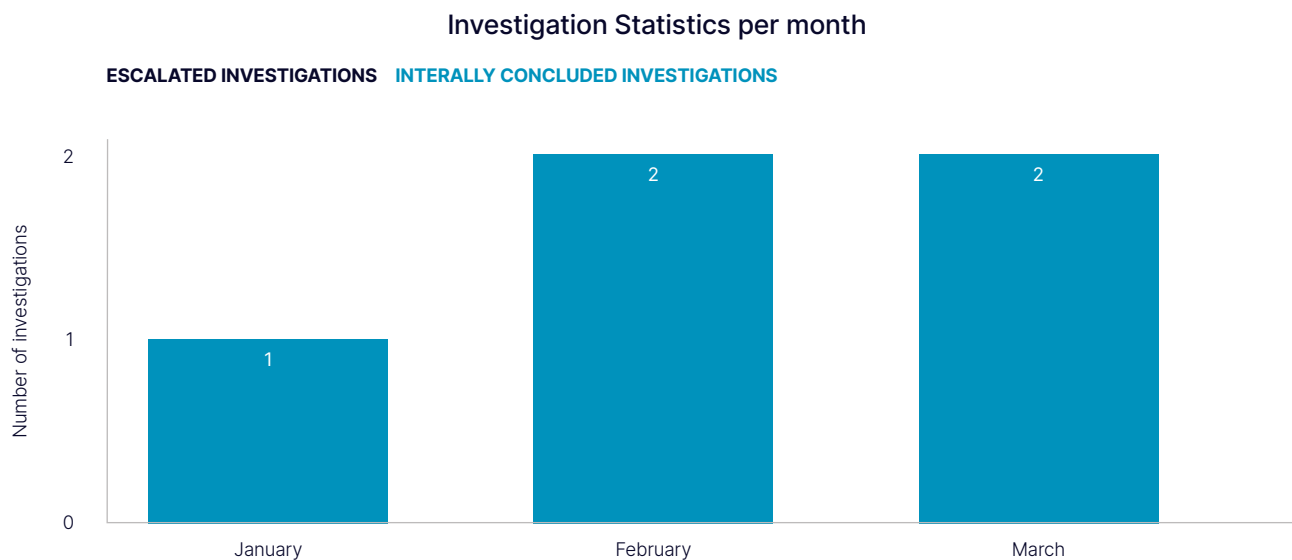
Market Surveillance has noticed some cases of incorrect contact information in Member Portal, such as phone numbers, e-mail addresses or contact types (i.e. for Trading Contact Person, Head of Compliance). It is important that this information is updated whenever there have been any changes. According to Trading Rules – General Terms section 4.3.6, Exchange Members must ensure that all information in Member Portal is kept up to date at all times.

## Investigation summary

For all incidents and relevant events that Market Surveillance investigate, we look at the incident both in isolation and in a greater perspective. In general, we assess the following components:

- Activity of relevant market participant(s) before and after the incident
- Activity of relevant market participant(s) in other correlated products before and after the incident
- Changes in price formation before and after the incident
- Activity of other market participants
- Market participant(s) position in relevant contracts
- Previous activity and knowledge about market participant(s)

Through analysis, automated alerts and incoming tips Market Surveillance has investigated and reported relevant cases to the relevant authorities, as presented in the figure below:



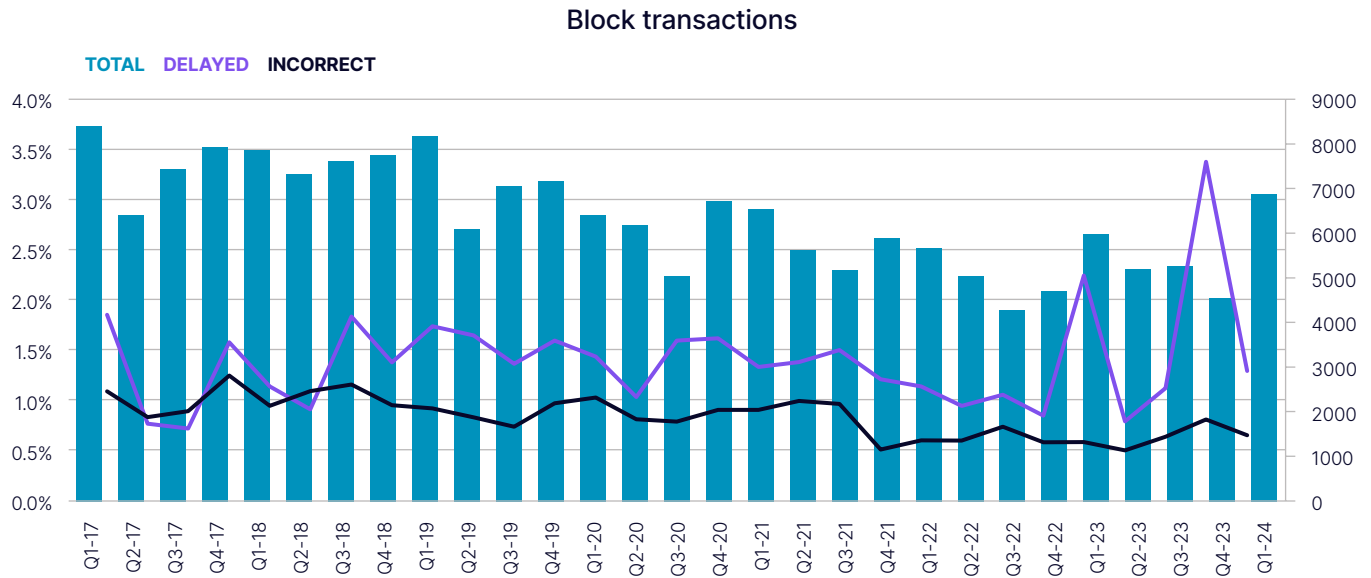
## Selection of concluded investigations

During this period, Market Surveillance had no incoming notifications from market participants.

## Reporting of block trades

The percentage of delays in reporting of block trades was 1.19% in the first quarter of 2024, this is down from 3.55% in the fourth quarter of 2023.

The percentage of erroneous reported block trades was 0.56% in the first quarter of 2024, this is down from 0.80% in the fourth quarter of 2023.



\*Block Trades with Contract Time within Exchange Opening Hours, or 15 minutes or less before the start of Exchange Opening Hours, reported later than 15 minutes after their Contract Time is defined as delayed.

