

UK Power Derivatives Contract Specification

7th June 2010

Contract specification

Commodity:	GBP Contracts - UK Power Futures
Currency:	Pound sterling £ (UK)
Trading calendar:	UK banking days
Trading periods:	<p><i>Base load:</i> 5 Weekly Contracts, 4 Monthly Contracts, 5 Quarterly Contracts, 5 Seasonal Contracts (Summer Q2+Q3; Winter Q4+Q1) (out to end of 2012 Kyoto Phase II)</p> <p><i>Peak load:</i> 5 Weekly Contracts, 4 Monthly Contracts, 2 Quarterly Contracts</p>
Cascading:	Yes (Seasons to Quarters, Quarters to Months)
Trading hours:	7am to 5pm (London Local Time)
Unit of trading:	MW
Minimum lot size:	1 MW multiplied by contract length. E.g. the smallest trade in a UK Week contract EUKBLW* would equal 168 MWh of energy.
Minimum price tick:	One tick (one penny) 0,01 £/MWh
Maximum price tick:	No
Position limits:	No limits
Ticker code Week:	EUK[BL/PK]W[i]-yy (E=Energy, UK=United Kingdom, BL/PK=Base Load/Peak Load, W=Week, i=01, n=52 (53), yy=year with two digits. Example: EUKBLW01-10.
Ticker code Month:	EUK[BL/PK]M[mmm]-[yy] (E=Energy, UK=United Kingdom, BL/PK=Base Load/Peak Load, M=Month, mmm=first three letters of month, yy=year with two digits. Example: EUKBLMSEP-11.
Ticker code Quarter:	EUK[BL/PK]Q[i]-[yy] (E=Energy, UK=United Kingdom, BL/PK=Base Load/Peak Load, Q=Month, i=1 n=4, yy=year with two digits. Example: EUKBLQ2-11.
Ticker code Season:	EUK[BL/PK]S[W/S]-[yy] (E=Energy, UK=United Kingdom, BL/PK=Base Load/Peak Load, S=Season, Winter =W or Summer=S, yy=year with two digits. Example: EUKBLSW-11.
Time Spreads:	On member request products can be setup like e.g. Q1-11/Q2-11
Expiry day:	Last day of delivery period.

Trading model:	Continuous trading throughout trading hours.
Trading system:	Trading through Nord Pool's electronic trading system (Click Trade) or through API using 3party systems e.g. Trayport.
Support/voice broking:	Voice execution by the Marketplace Service.
Trading confirmation:	CLICK Trade trades are registered in trade statistics. The clearing report application (CRA) reports all cleared trades via web.
OTC clearing:	Available through the internet based SECUR participant interface (PI) and OTC Broker Gateway.
Brokers:	Brokers who wish to operate the PI/use Broker Gateway to clear trades on behalf of their customers, link up to NASDAQ OMX Clearing through a separate agreement.
Price information:	Through Genium Consolidated Feed.
Fees:	Trading/Clearing fees: <i>To Be Confirmed</i> £/MWh
Settlement type:	Financial Settlement
Settlement basis:	The N2EX UK Base load Reference price, i.e. either the N2EX Auction or the N2EX Prompt Index. The underlying reference price has not yet been decided. When decided, all series will be referenced against the same index.
Settlement prices:	Trade weighted average during the daily closing period with Quoted Settlement Prices to be produced in instances of low liquidity.
Counterparty risk:	NASDAQ OMX Stockholm AB (NASDAQ OMX) to act as central counterparty to all exchange and cleared non-exchange trades.
Margin rules futures:	All contracts to be marked-to-market (Daily Market Settlement) on a daily basis in the trading period. Margining is based on Initial Margin in the trading and delivery period and on Variation Margin (Profit and loss) in the delivery period. The daily margin call will be calculated for all open positions in the account holder's clearing account based on daily closing prices. NASDAQ OMX uses SPAN ¹ as the risk-based calculation system.
VAT and taxes:	Not applicable for financial derivatives, all cash settlement amounts shall be exclusive of VAT.
Other Information:	Day definition: EFA Calendar within day i.e. 11.00 p.m. (t-1) to 11.00 p.m. (t) London Local Time. <i>Example: 17 of Feb 2010 start 11:00 p.m. 16th Feb 2010 end 11:00 p.m. 17th Feb.</i> Regular Annual Calendar for the division of Weeks, Months, Quarters and Seasons. Peak Products are defined as 07:00 a.m. to 07:00 p.m. London Local Time.

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