

Balance Agreement no. XX
[BALANCE RESPONSIBLE PARTY LTD]
and
FINGRID OYJ

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UNOFFICIAL TRANSLATION

1 PARTIES AND INTENT OF THE AGREEMENT

_____ (Balance Responsible Party), Business ID: XXX, ACER ID: _____ and Fingrid Oyj (Fingrid), Business ID: 1072894-3, ACER ID: A0001427Y.FI, have concluded the following balance agreement (the Agreement).

The Agreement sets out the rights and obligations of the contracting parties in relation to balance management, imbalance settlement, and the Balance Responsible Party's open electricity deliveries.

2 VALIDITY OF AGREEMENT

The Agreement shall take effect when both parties have signed it.

The Agreement shall be valid until further notice.

The Agreement shall begin to apply when the new Nordic imbalance settlement model (the single balance model) is adopted. The estimated and, therefore, earliest possible time for this is at 01:00 am on 1 November 2021.

3 TERMS AND CONDITIONS OF THE AGREEMENT

In their operations within the scope of this Agreement, the contracting parties shall comply with the valid appendices to this Agreement.

The rights and obligations of the contracting parties in relation to balance responsibility and imbalance settlement are defined in Appendix 1:

Appendix 1 – Handbook concerning balance responsibility and imbalance settlement

- PART 1: Fingrid Oyj's general terms and conditions concerning balance management
- PART 2: Fingrid Oyj's general terms and conditions concerning imbalance settlement

The principles for determining the fees and taxes based on this Agreement are defined in Appendix 2.

Appendix 2 – Fee components and determination of fees

If the Agreement and the appendices to the Agreement contradict each other, the Agreement shall take precedence.

The Balance Responsible Party shall ensure that the third parties connected to the Balance Responsible Party's chain of open delivery also take into consideration the provisions of section 45 of the Electricity market and the other terms, conditions, and instructions required by Fingrid under the Agreement in relation to the fulfilment of system responsibility.

4 OPEN ELECTRICITY DELIVERY

The Balance Responsible Party shall be entitled to use open electricity deliveries to keep its electricity balance under control, in compliance with the terms and conditions

of Fingrid Oyj's handbook on balance responsibility and imbalance settlement in Appendix 1. Any imbalances incurred by the Balance Responsible Party may be covered using imbalance energy supplied by Fingrid.

5 IMBALANCE SETTLEMENT

The imbalance settlement unit shall carry out centralised imbalance settlement on behalf of the relevant transmission system operators in Finland, Denmark, Sweden, and Norway. Imbalance settlement shall be carried out in Finland in compliance with Fingrid Oyj's handbook in Appendix 1. On assignment from Fingrid, the imbalance settlement unit shall maintain the Nordic Imbalance Settlement (NBS) Handbook in accordance with these terms and conditions. The NBS includes procedures that specify the terms and conditions of Appendix 1 and a more detailed description of the implementation of imbalance settlement.

The Balance Responsible Party must have a valid Imbalance Settlement Agreement with Fingrid's designated imbalance settlement unit. When the Agreement was signed, the imbalance settlement unit was eSett Oy.

The imbalance settlement unit shall determine the magnitude of the imbalance used by the Balance Responsible Party and shall invoice the fees specified in Appendix 2 to the Agreement on assignment from Fingrid. The imbalance settlement unit shall also discharge duties related to power transactions and reserve invoicing on the basis of separate agreements covering these matters.

6 REPORTING AND CONFIDENTIALITY

The Balance Responsible Party shall provide Fingrid and the Imbalance Settlement Unit with information in accordance with Appendix 1.

Fingrid shall report the information stated in Appendix 1 to the Balance Responsible Party.

Both contracting parties undertake to uphold confidentiality when processing the information they receive from each other on the basis of this Agreement, and to refrain from disclosing confidential information or parts thereof to a third party without the prior written consent of the other contracting party.

In addition, Fingrid may disclose confidential information without the other party's consent in the following circumstances:

- Disclosure of information to Fingrid's service providers in order to acquire services related to balance management, imbalance settlement or market oversight. Before the information is disclosed, Fingrid must conclude a non-disclosure agreement with the said service provider that limits the use of party-specific information to the aforementioned purposes.
- If a balance responsible party is a customer of a nominated electricity market operator operating in the Finland bidding area, Fingrid may disclose information about the balance responsible party's operations at the request of the electricity market operator for the purpose of market oversight conducted by the electricity market operator.

- The disclosure to the Imbalance Settlement Unit of information that is provided to Fingrid by the Balance Responsible Party or that is otherwise in Fingrid's possession concerning the Balance Responsible Party's operations as required by the Imbalance Settlement Unit in order to discharge its duties.

Furthermore, each contracting party may disclose confidential information related to the agreement to the authorities without the other party's consent on the basis of a statutory duty of disclosure.

Notwithstanding the foregoing, Fingrid or the imbalance settlement unit acting on Fingrid's behalf may publish the following information about the balance responsible party:

- Information on the existence of the Balance Responsible Party's agreement;
- Quality information describing the Balance Responsible Party's imbalances; and
- Quality information describing the Balance Responsible Party's generation plans.

7 REVIEWS OF THE FEES AND THE CONTRACTUAL TERMS AND CONDITIONS

Fingrid shall be entitled to amend the terms and conditions of Appendix 1 after receiving the Energy Authority's confirmation of the amendments. In addition, Fingrid shall be entitled to make amendments to the appendices to the Agreement without substantially changing the content of the service. Fingrid shall provide written notice of the amendments no later than one (1) month before the amendment takes effect.

Any changes that directly and materially affect the costs of Fingrid's balance services and that could not be taken into consideration when the Agreement was made and are not offset on the basis of Appendix 2 shall have the effect of increasing or decreasing the fees according to their impacts. Such changes include taxes, public levies, obligations arising from national or European legislation or other measures taken by the authorities, and other changes affecting the balance service referred to in this Agreement for the aforementioned reasons.

In addition to the foregoing, Fingrid reserves the right to review the fees agreed in Appendix 2 if necessary. Fingrid or the Imbalance Settlement Unit, with Fingrid's authorisation, shall provide written notice of the amendments no later than one (1) month before the amendment takes effect.

8 ASSIGNMENT, TERMINATION, AND CANCELLATION OF THE AGREEMENT

8.1 Assignment of the Agreement

Each contracting party is permitted to assign this Agreement to a third party with the prior written consent of the other contracting party.

8.2 Termination and cancellation of the Agreement

The Agreement may end through termination or cancellation. The prerequisites for cancellation are stipulated in the terms and conditions appended to the Agreement.

Each contracting party shall be entitled to terminate the Agreement in writing with one (1) month's notice. The rights of the Balance Responsible Party in accordance with this Agreement shall end upon the expiry of the notice period.

The Balance Responsible Party shall communicate the termination or cancellation to the electricity market parties within the scope of its balance responsibility and to the network operators for which deliveries have been metered from the Balance Responsible Party's scope of balance responsibility into the said operator's network, so that the electricity market parties within the scope of the Balance Responsible Party's balance responsibility can rearrange their balance responsibilities.

9 APPLICABLE LAW AND DISPUTES

The Agreement shall be governed by Finnish law, with the exception of the connecting factor rule.

Any disputes that arise out of the Agreement and cannot be resolved through negotiation between the parties shall be conclusively settled by arbitration in accordance with the arbitration rules of the Finland Chamber of Commerce. The seat of the arbitration shall be Helsinki, Finland.

10**SIGNATURES**

This Agreement has been made and signed in two (2) identical copies, one (1) for each contracting party.

Day

Month Year

BALANCE RESPONSIBLE PARTY

Helsinki,

Day

Month Year

FINGRID OYJ

APPENDICES

- Appendix 1 Handbook concerning balance responsibility and imbalance settlement
- PART 1: Fingrid Oyj's general terms and conditions concerning balance management
 - PART 2: Fingrid Oyj's general terms and conditions concerning imbalance settlement

Appendix 2 Fee components and determination of fees