

AGREEMENT ON TRANSMISSION SERVICE ON FINGRID'S CROSS-BORDER CONNECTIONS BETWEEN RUSSIA AND FINLAND, NO. XXX/2012

The Customer Ltd (the Customer) and Fingrid Oyj (Fingrid) have concluded this agreement on transmission service concerning transmission of electricity on the 400 kV alternating current connections owned by Fingrid between Russia and Finland (the Power transmission). This Agreement is based on the Intersystem Agreement, Operation Agreement and Capacity Allocation Agreement between the Russian party; joint stock company "Federal Grid Company of the Unified Energy System" (FGC), joint stock company "System Operator of the United Power System" (SO), and Fingrid Oyj (Fingrid).

1 PURPOSE AND VALIDITY OF AGREEMENT

- 1.1 The Customer and Fingrid use this agreement to agree on the terms and conditions of transmission service on the Power transmission.
- 1.2 This agreement will enter into force when both parties have signed it.
- 1.3 The application of this agreement will commence on 1 January 2012.
- 1.4 This agreement will be valid until 31 December 2012.

2 TRANSMISSION SERVICE

- 2.1 Through this agreement, the Customer reserves the right to trade bilaterally electricity or via direct trade on the Power transmission during the agreement period with volumes not exceeding the hourly average of his agreed commercial transmission capacity of bilateral trade or direct trade, respectively. The trade across the Power transmission can be executed by deliveries under bilateral commercial contracts between seller and the Customer - hereinafter referred as *bilateral trade* or by direct trade allocated through Nord Pool Spot (NPS) power exchange on Elspot market and Elbas market - hereinafter referred as *direct trade*.

For the purposes of direct trade the term the Customer refers to the Customer itself or to the principal who has authorised the Customer. The transmission service will be implemented in accordance with this agreement and its appendix for operational regulations (Appendix) which forms an integral part of this agreement.

- 2.2 The Customer's transmission capacity for bilateral trade is xxx MW and the Customer's transmission capacity for direct trade is xxx MW. Changes between transmission capacities for bilateral trade and direct trade shall be agreed well in advance in writing between the Customer and Fingrid.
- 2.3 Customers having transmission capacity for direct trade shall provide Fingrid with evidence of membership of NPS Elspot and Elbas market. The trades concerning direct trade and bilateral trade shall be separately reported.
- 2.4 The rules of the Appendix shall be followed in the validation of the deliveries of electricity.
- 2.5 In case of faults and failures in the grid (the Power transmission and national grid), Fingrid has the right to limit the Customer's transmission service or to interrupt it completely.
- 2.6 If, due to a grid fault, delivery failure or other serious cause attributable to a Russian party, the commercial transmission capacity is less than the sum of trade schedules confirmed by Fingrid to its customers, Fingrid has the right to limit the trade schedule of the Customer.
- 2.7 In case of planned and system limitations, the contracted commercial transmission capacity for bilateral trade is limited pro rata among the traders of bilateral trade in order to cover the full limitation. If the limitation of the commercial transmission capacity for bilateral trade is not sufficient to cover the full limitation of the technical transmission capacity, the commercial transmission capacity for direct trade will be limited.
- 2.8 In case of emergency (unplanned) limitations the hourly confirmed bilateral trade schedules are limited pro rata. If the limitation of the bilateral trade is not sufficient to cover the full limitation, the trade schedules for direct trade will be limited.
- 2.9 When the commercial transmission capacity for direct trade is limited, the volume of direct trade (day-ahead plus intraday trade) shall not exceed the limited commercial transmission capacity for direct trade.
- 2.10 In case of grid faults and disorders, Fingrid shall primarily ensure the technical operation of the power system. As soon as possible thereafter, Fingrid shall inform the Customer of potential limitations or interruptions in the transmission service and of the removal of such limitations or interruptions.
- 2.11 During outages on the Power transmission or during outages having an impact on the operation of a grid section which is directly connected to the Power transmission, Fingrid has the right to limit the Customer's transmission service on the Power transmission or to interrupt it completely. Fingrid shall together with the Russian parties coordinate timing of maintenance outages on the Power transmission as well as make reasonable effort in taking into account the views of customers in timing the maintenance outages. As far as possible and as early as possible, Fingrid shall inform the Customer of the maintenance outages and of grid outages affecting imports of electricity.

3 TRADE PLANNING, CONFIRMATIONS AND REPORTING

- 3.1 Trade schedules, confirmations and reports between the Customer, Fingrid and NPS, concerning the bilateral and direct trade for the NPS commercial day, shall be executed in accordance with items 2, 3, 4 and 5 of the Appendix.
- 3.2 Based on this agreement, the Customer, Fingrid and NPS shall make the trade schedules, confirmations and other reports covered by the terms of this agreement separately in each case in writing or in some other verifiable manner.

- 3.3 The Customer shall report to Fingrid the hourly trade schedule and the seller in Russia.
- 3.4 Fingrid shall confirm the Customer's bilateral trade schedule for each NPS commercial day after having received confirmations for the trade schedules from the Russian party. The confirmed trade for direct trade is stated under item 5.1 of the Appendix
- 3.5 The objective is to use as automatic data exchange as possible in the transmission trade schedules, confirmations and other reports pertaining to the transmissions. The Customer, Fingrid and NPS shall agree separately on the practical implementation of data exchange.

4 USE OF TRANSMISSION CAPACITIES FOR THE NEEDS OF THE POWER SYSTEM

- 4.1 Fingrid has the right to use the transmission capacity reserved by the Customer for the system operation. Fingrid has this right in situations where there is transmission capacity available on the Power transmission and the transmission capacity of the Customer is not in full use by the Customer. Fingrid's right to use the transmission capacity concerns in principle the operating hour and the hour following the operating hour. The transmission capacity is primarily available to the Customer.
- 4.2 If the Customer does not use its trade schedule for his own use in full, Fingrid has the right to use the unused portion of the Customer's transmission capacity during the period of the operating hour and extending to the hours following the operating hour.

5 FEES AND ADJUSTMENTS

- 5.1 Based on this agreement, the Customer shall pay Fingrid on a monthly basis following transmission service fees:
- The unit price for the Cross-border fee is 0.5 €/MWh.
 - The unit price for the Main grid service fee is 2.0 €/MWh.
 - The unit price for the ITC/Perimeter fee is 0.8 €/MWh
 - The hourly trade difference for direct trade as specified in the Appendix.

Fingrid shall inform the Customer well in advance and in writing of changes in the above fees concerning electricity imported from Russia to Finland.

- 5.2 In addition to the fees specified in this agreement and the Appendix, the Customer shall pay Fingrid the respectively valid value-added tax as well as the relevant proportions of indirect taxes and charges imposed by authorities on Fingrid as far as the transmission service specified in this agreement is concerned.
- 5.3 The fees applicable in the EU internal electricity market on the transmission between internal electricity market and the third countries (at present so called ITC/Perimeter fee) levied to the imports from Russia shall be collected as such. These fees are based on EU Regulation No. 838/2010 point 7. The unit price for the year 2011 ITC/Perimeter fee is 0.80 €/MWh. The unit price for the year 2012 shall be modified retrospective, if need, based on the calculation by ENTSO for Electricity. The unit price 0.80 €/MWh shall be applied until ENTSO for Electricity has given the information for 2012.
- 5.4 Changes which have a direct and essential effect on the costs of the transmission service presented in this agreement and which could not have been taken into account when contracting on the service and which are not compensated on the basis of transmission service fees specified shall be taken into account as factors increasing or reducing the fees in accordance with their respective effects. Such changes include taxes, public charges and obligations due to legislation or other measures by authorities and other changes due to the above causes which concern the transmission service specified in this agreement.

- 5.5 If reasons beyond the control of the contracting parties to the transmission service pertaining to this agreement lead to an evident disparity in the performance of the contractual obligations, the contracting parties shall negotiate on the adjustment of the fees or other terms of contract in order to eliminate the disparity. Such reasons include changes in financial or commercial circumstances, changes taking place in legislation, measures by authorities, or other reasons which could not have reasonably been taken into account when preparing the agreement.

6 PAYMENTS

- 6.1 The Customer shall pay the fees specified in this agreement and the Appendix as per invoices sent by Fingrid. The fees are invoiced after the month of delivery. The due date shall be the 14th day from the date of the invoice. The due date shall be indicated in the invoice.
- 6.2 If necessary, the Customer shall make complaints regarding the invoice in writing. Fingrid shall inspect the invoice and send the necessary rectification invoice to the Customer without delay. The complaint does not exempt the Customer from the payment obligation by the due date unless otherwise agreed upon between the parties.
- 6.3 If payment by the Customer is delayed and the invoice is not essentially erroneous, the Customer shall pay Fingrid the annual penalty interest stated in the invoice from the due date to the date of receipt of the payment. The annual penalty interest is the reference rate of interest in accordance with the valid interest legislation added by seven percentage units. The same rule can be applied to the refund of an excess fee.
- 6.4 Fingrid has the right to terminate the transmission service specified in this agreement if, despite of Fingrid's written reminder, the Customer essentially neglects his obligation to pay Fingrid, if bankruptcy or liquidation proceedings have been initiated with the Customer's or if an appropriate authority has declared the Customer insolvent. However, this is not carried out if the Customer gives Fingrid a sufficient security.

7 DAMAGES

- 7.1 Fingrid is liable to the Customer for direct damage or loss which is the result of interruptions or disorders in the transmission service in cases where the damage or loss is caused by Fingrid's negligence or negligence by someone employed by Fingrid and the negligence cannot be regarded as minor.
- 7.2 Fingrid is not liable for any other damage or loss than what has been specified under item 7.1. Neither contracting party shall be liable for indirect damage or loss suffered by other contracting party. Indirect damage or loss includes issues such as unreceived profit, loss of production, damaged raw material, restarting of production, or damages which have been ordered to be paid or which have been paid by the other contracting party.

8 FORCE MAJEURE

- 8.1 In case of force majeure, Fingrid has the right to limit the Customer's transmission service or to interrupt it completely.
- 8.2 Cases of force majeure are deemed to cover events which Fingrid could not have prevented through reasonable caution and which make Fingrid's transmission service specified in this agreement impossible, impair it essentially or make it financially or otherwise unreasonable.
- 8.3 Force majeure covers war, internal unrest, mischief, sabotage, explosion, fire, flood, storm or other exceptional weather conditions, general interruption in traffic, strike or stoppage by a key employee group, lockout by an employer organisation, measures by authorities, insufficiency of production capacity or other causes with equally

significant and unusual consequences. Force majeure is also considered to cover interruption in power production or such damage to the power production system or power transmission system caused by the above causes which could not have reasonably been prepared for, taking into account the reliability requirements concerning the supply of electricity generally applied to the Nordic power systems.

8.4 Fingrid shall inform the Customer of the occurrence of force majeure as well as of its end without delay.

9 TRANSFER AND TERMINATION OF AGREEMENT

9.1 A party can transfer this agreement to a third party through a written consent of the other contracting party.

9.2 A party has the right to terminate this agreement if the other party has essentially violated the agreement.

10 DISPUTES

10.1 Any potential disagreements arising from this agreement which cannot be solved through mutual negotiations are to be solved by the Helsinki District Court as the first instance if the contracting parties do not agree in writing on another procedure.

10.2 Finnish law is applied to this agreement.

11 RIGHT TO CHANGES

11.1 Fingrid reserves the right to change the procedures specified under items 2 and 3 of this agreement inclusive the regulations in the Appendix in the course of this agreement for a reason attributable to a Russian party and/or if otherwise found necessary for reliable processing of transmission schedules and secure operation of the Power transmission. Fingrid shall inform the Customer on potential changes duly in advance.

11.2 In case principles or procedures are generally implemented within the internal market in Europe, that presume changes to be effected or have an effect in the terms or fees of the national transmission service, in the intramarket transmission service or in the transmission service between the said internal market and the third countries, Fingrid has the right to take such changes or effects into account in performance of the service and in the terms of this agreement in accordance with their full effect therein. The effects may be caused, but not limited to, by limitation of the duration of the transmission capacity, by compensation of costs caused by transit flows as well as by harmonization of grid input fees. Fingrid shall notify the Customer on the application of potential changes prior their becoming effective.

11.3 In case principles and procedures of the electricity transmission between Finland and Russia will be changed by Finnish and Russian system responsible operators of the national grids, Fingrid has the right to change the terms of this agreement accordingly.

12 OTHER TERMS OF AGREEMENT

12.1 Each contracting party shall contribute to the due implementation of this agreement. The contracting parties shall provide each other without delay with the necessary information required by the application of this agreement, aiming at as automatic data transfer as possible.

12.2 If the scope of the service specified in this agreement is changed by the order of authorities or for other similar reason, this agreement is supplemented by a supplementary agreement between the Customer and Fingrid.

12.3 The information, correspondence and other documents exchanged between the contracting parties by virtue of this agreement shall be treated as confidential information, and they shall not be made available to third parties even after the termination of this agreement.

- 12.4 Being the system responsible operator of the national grid as defined by the Finnish Electricity Market Act, Fingrid has the obligations and rights relating to the implementation of system operation as stipulated in the associated licence.
- 12.5 Prerequisite for power transmission across cross-border connections is that Intersystem Agreement, Operation Agreement and Capacity Allocation Agreement between joint stock company "Federal Grid Company of the Unified Energy System" (FGC), joint stock company "System Operator of the United Power System" (SO) and Fingrid Oyj on 400 kV cross-border connections Russia-Finland are signed and in force.

This agreement has been drawn up and signed in two identical copies, one for each party.

In _____, 2011

CUSTOMER LTD

In _____, 2011

FINGRID OYJ