



MISSION OF NORWAY
TO THE EUROPEAN UNION

Final Commitment Text

14/11/2025

**Commitments offered to the EFTA Surveillance Authority
by the Kingdom of Norway
in
Case 87368 – NSL Interconnector**

Context and Objectives

The Kingdom of Norway ("**Norway**") hereby offers the following commitments ("**Commitments**") to the EFTA Surveillance Authority (the "**Authority**") with a view to address the Authority's preliminary concerns under Article 59(1) in conjunction with Article 54 of the Agreement on the European Economic Area ("**EEA Agreement**") set out in the Authority's Letter of Preliminary Objections of 20 March 2024 (Decision No 038/24/COL) ("**LPO**") in Case 87368 – NSL Interconnector. These commitments are offered to enable the Authority to adopt appropriate measures addressed to Norway confirming that the Commitments meet its concerns ("**Commitments Decision**").

These Commitments may not be interpreted as an acknowledgement of liability by Norway (whether direct or indirect, explicit or implicit) that it has infringed Article 59(1) in conjunction with Article 54 of the EEA Agreement. Norway acts on the assumption that the Authority will adopt a decision addressing these Commitments as appropriate measures to Norway under Article 59(3) of the EEA Agreement and confirming that there are no longer grounds for action by the Authority, without concluding whether or not there has been an infringement of Article 59(1) in conjunction with Article 54 of the EEA Agreement.

The Commitments are without prejudice to Norway's position with regard to the LPO. These Commitments shall be understood in light of the LPO, the Commitments Decision and the general framework of EEA law, in particular Article 59 of the EEA Agreement.

On 20 March 2024, the Authority adopted the LPO in relation to the trading solution applicable to the North Sea Link Interconnector ("**NSL Interconnector**") that connects Norway and the United Kingdom. In the LPO, the Authority set out its preliminary concerns that the exclusive right granted and maintained by Norway in favour of the Nord Pool Group ("**Nord Pool**"), as a Power Exchange, to establish and operate a trading solution on the NSL Interconnector may constitute an infringement of Article 59(1) in conjunction with Article 54 of the EEA Agreement.

Postal address:
Rue Archimède 17
B-1000 Bruxelles

eu.brussels@mfa.no

Office address:
Rue Archimède 17
B-1000 Bruxelles

norway.no/en/missions/eu

Telephone:
+32 (0) 2 238 74 00
Org. no.:
972417920

Mission of Norway to the European Union

In its response submitted on 28 June 2024, Norway disputed the factual and legal assessment set out in the LPO.

In parallel with the Authority's investigation, Statnett SF ("**Statnett**") and National Grid plc ("**National Grid**"), as the owners of the NSL Interconnector, have worked on the establishment of a new trading solution for organising trade over the NSL Interconnector based on the principle of allowing for competition among Power Exchanges in organising trade over the NSL Interconnector from the Norwegian side ("**New Trading Solution**"). The New Trading Solution needs to be developed as a stand-alone solution outside the Internal Electricity Market ("**IEM**"). The owners of the NSL Interconnector will appoint a service provider for developing a trading solution for the allocation of NSL Interconnector capacity outside the IEM of the European Union on a day-ahead and intra-day basis.

On 6 March 2024 the Norwegian Energy Regulator ("**RME**"), adopted a decision obliging Statnett to alter the conditions for the NSL Interconnector to implement the New Trading Solution on the Norwegian side of the NSL Interconnector ("**RME Decision**"). The RME Decision requires Statnett to implement the New Trading Solution by no later than the expiry of the existing contract between Statnett and Nord Pool in October 2026.

RME is independent of the Norwegian Ministry of Energy and is charged with the regulation and supervision of the Norwegian Transmission System Operator, Statnett. To this extent, RME can adopt legally binding decisions and cannot be instructed by the Ministry in its execution of decision power. Nevertheless, the Ministry may require that RME keeps it informed on issues falling within its scope of responsibility.¹

As Statnett has not challenged the RME Decision, the RME Decision is consequently legally binding on Statnett.

Following the RME Decision, a public consultation was held in June 2024 regarding the implementation of the New Trading Solution on the Norwegian side of the NSL Interconnector. After a subsequent prequalification of bidders, an invitation to tender was published on 14 October 2024, with bid closure on 29 November 2024 with the aim to enable the appointment of a service provider for developing the New Trading Solution for the NSL Interconnector. Nord Pool and EPEX SPOT SE ("**EPEX**") submitted bids, which were evaluated for awarding the contract. Nord Pool was eventually awarded the contract following the tender process, and the parties were notified of the outcome of the Tender Process by award / standstill letters on 28th May 2025.

At the end of June 2025, Statnett invited EPEX to state its interest in participating in the NSL Interconnector trading arrangements as a Power Exchange 2 (PX2) from go-live in May 2026. On 7th August 2025, EPEX replied to Statnett that it would not participate, due to the Norwegian VAT rules and [REDACTED]

¹ Regulation on transmission regulation and the energy market (FOR-2019-10-24-1413) (hereinafter the ('NEM Regulation'), Sections 2-1 and 2-3.

The agreements to be concluded between Statnett / National Grid as owners and the designated service provider (Nord Pool EMCO AS and Nord Pool AS) were sent to RME for approval on 11th August 2025. By letter of 18th September 2025, RME notified Statnett of its decision approving the agreements. RME's approval decision includes assessments of the requirement to facilitate participation of additional Power Exchanges on the Norwegian side of the NSL Interconnector.

The New Trading Solution will thus include a requirement of accommodating multiple Power Exchanges at the Norwegian end of the NSL Interconnector. The New Trading Solution foresees that the Market Coupling Operator ("MCO") will receive and share aggregated order books from the associated Power Exchanges active in the relevant bidding zone in Norway, being NO2.

Apart from Nord Pool, no other Power Exchange has announced or requested participation as PX2 in the New Trading Solution.

Norway considers that the New Trading Solution will facilitate competition between Power Exchanges on the Norwegian side of the NSL Interconnector. The owners of the NSL Interconnector have strong financial incentives to ensure that the New Trading Solution is put in place before 2027. If the New Trading Solution is not in place, this will have a considerable negative impact for the owners and for the use of the NSL Interconnector as the trading solution on the NSL Interconnector is organised on a contractual basis outside the IEM. Norway further points out that Statnett is legally obliged to take the above steps, and non-compliance with the RME Decision is subject to administrative sanctions such as coercive fines and penalties.²

² NEM regulation, Sections 4-11 and 6-2.

Definitions

Commitments Decision: The Authority's decision confirming that the Commitments adequately address the Authority's concerns under Article 59(1) EEA in conjunction with Article 54 EEA and that there are no longer grounds for action by the Authority and addressing those commitments to Norway as appropriate measures pursuant to Article 59(3) EEA.

EEA: The European Economic Area.

Effective Date: The date upon which Norway receives formal notification of the Commitments Decision.

Go-Live: The point in time when the New Trading Solution is fully deployed and operational.

Go-Live Date: May 2026.

Implementation Milestones: The six milestones setting out the process and project deadlines for implementing the New Trading Solution for the NSL Interconnector by the Go-Live.

Milestones 1 to 4 have already been completed and included Defining options and scope (May 2024), drafting agreements, defining requirements, etc. (October 2024), review proposals and negotiations to be completed (June 2025) and award of contract to the winner of the Tender Process (September 2025).

The remaining milestones are:

Milestone 5: Design and build period to be completed by May 2026. Contracts and testing with any additional Power Exchange, if relevant, will commence without undue delay upon such a request.

Milestone 6: The Go-Live of the New Trading Solution to be completed by the Go-Live Date.

Interim Period: The time period from the Effective Date until the Go-Live Date.

New Trading Solution: The trading solution for organising trade over the NSL Interconnector based on the principle of allowing for competition among Power Exchanges in organising trade over the NSL Interconnector from the Norwegian side.

NO2 Bidding Zone: The bidding zone comprising Southern Norway as defined by Statnett and labelled "NO2".

Power Exchange: A virtual and/or physical system providing electricity trading facilitation services to facilitate the efficient functioning of the electricity market.

Tender Process: The procedure initiated by Statnett, on behalf of Statnett and National Grid, on 14 October 2024, for the purpose of appointing a service provider for developing the New Trading Solution on the NSL Interconnector.

TSO: Transmission System Operator.

Commitments

Reporting in the Interim Period:

1. Norway commits to submit to the Authority a written report in English at the latest 30 days following the Effective Date ("**the First Report**"), and thereafter every three months during the Interim Period ("**the Subsequent Reports**").
2. The First Report and the Subsequent Reports shall contain any information needed to allow the Authority to assess:

Norway's compliance with the remaining Implementation Milestones and to ensure the timely progress of the implementation of the New Trading Solution for the NSL Interconnector by the Go-Live Date.

3. In addition to the general information obligations set out in No. 2 above, the First Report shall, in particular, include:
 - a. Communication with, as well as information from, relevant stakeholders such as Statnett and RME concerning the implementation process of the New Trading Solution;
 - b. If an Implementation Milestone is not met, a detailed description of the reasons for the delay, the measures taken to avoid/minimise the delay, any relevant documentation to substantiate this, as well as a forecast of the expected time of the delay and implications on the other Implementation Milestones;
 - c. Information on whether any problems were faced in complying with the Implementation Milestones, and what steps were/are being taken in order to solve them;
 - d. A list of the most relevant documents, including new or amended contracts concluded with Power Exchanges, and decisions of RME;
 - e. Any questions, requests or complaints from actual or potential bidders in relation to how the Tender Process has been carried out; and
 - f. A forecast of the expected future progress in accordance with the Implementation Milestones. If delays are foreseen, the report shall include a plan to avoid and/or minimise the delay.
4. In addition to the general reporting obligations set out in No. 2 above, the Subsequent Reports shall, in particular, include for each reporting period, unless already covered by a prior Report:

- a. A description of the steps taken by Norway towards the implementation of the New Trading Solution for the NSL Interconnector since the previous report including compliance with the relevant Implementation Milestones;
 - b. Communication with, as well as information from, relevant stakeholders such as Statnett and RME concerning the implementation process of the New Trading Solution;
 - c. If an Implementation Milestone is not met, a detailed description of the reasons for the delay, the measures taken to avoid/minimise the delay, and any relevant documentation to substantiate this as well as a forecast of the expected time of the delay and implications on the other Implementation Milestones;
 - d. Information on whether any problems were faced in complying with the Implementation Milestones, and what steps were taken/are being taken in order to solve them;
 - e. a list of all relevant documents including new or amended contracts concluded with Power Exchanges, and decisions of RME;
 - f. a forecast of the expected future progress in accordance with the Implementation Milestones. If delays are foreseen, the report shall include a plan to avoid and/or minimise the delay.
5. Norway commits, as soon as it becomes aware, to promptly notify the Authority in writing of potential non-compliance with the Implementation Milestones, setting out the reasons for the delay, remedies to address the delay, the time of the expected delay and the implications on the other Implementation Milestones.
 6. Norway commits to provide additional reports, either orally or in writing, at the request of the Authority, on any matters falling within the scope of the Commitments. Additional reports under this section shall comply with the general reporting obligations in these Commitments and shall be provided in a timely manner following the request of the Authority.
 7. Norway commits to alert the Authority in writing of the Go-Live of the New Trading Solution.

Reporting following the Go-Live

8. Norway commits to submit to the Authority a written report in English within 6 months of the Go-Live of the New Trading Solution ("**the Final Report**"). The Final Report shall contain a full description of the final result of the implementation of the New Trading Solution.

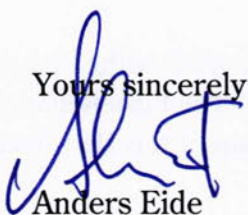
Entry into force, duration and force majeure

9. Norway shall comply with the commitments as from the Effective Date. The Commitments shall apply until Norway delivers the Final Report in accordance with point 8 above.
10. In case Norway is partially or entirely unable to comply with its obligations under the Commitments due to an event of force majeure, Norway will be relieved of the relevant obligations for the period during which the inability to comply lasts. To that end, Norway commits to submit without delay to the Authority evidence of the event of force majeure and of the exercise of all the due care. The same will apply in the case of delayed or failing contribution from the parties involved in the Tender Process to facilitate the development of the New Trading Solution.

Review clause and extension of the time periods

11. Norway may request the Authority to review and modify the Commitments in case of a material change in any of the facts or circumstances on which the offered Commitments are based, including changes in the market structure or in the applicable regulatory framework. Such request shall be duly reasoned.
12. In response to a reasoned request from Norway showing a good cause, the Authority may waive, modify or substitute, in exceptional circumstances, these Commitments, taking into account, where relevant, the view of third parties and the impact that a waiver, modification or substitution may have on the position of third parties and thereby the overall effectiveness of the Commitments.
13. In particular, in case of unforeseen circumstances affecting the implementation of the Commitments, the Authority may extend the time periods provided in these Commitments in response to a reasoned request by Norway showing good cause. Where Norway requests an extension of a time period, it shall submit the request to the Authority no later than 1 month before the expiry of that period showing good cause. Only in exceptional circumstances shall Norway be entitled to request an extension within the last month of any period.
14. The Authority may, on its own initiative, review these Commitments if there has been a material change in any of the facts on which the Commitments Decision was based.

Yours sincerely



Anders Eide

Ambassador of Norway to the EU

