

BSP SouthPool Market Results

dr. Tomaž Štokelj

(executive manager of Sales and Trading, HSE):

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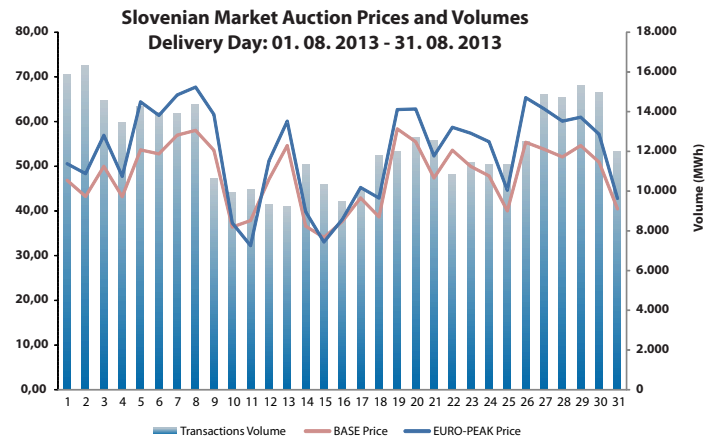
New Member of BSP SouthPool is ENOI Power

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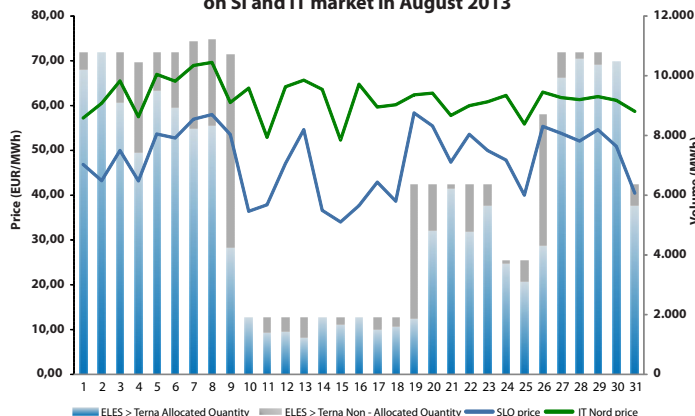
Trading report July - August 2013

In July and August the total volume of concluded transactions amounted to 853.518 MWh, whereas the volume of entered orders in the aforementioned period was 3.031.582 MWh

Total volume in July reached 467.850,986 MWh, which represents 47,4 percent of Slovenian market consumption and in August 385.666,624 MWh, which represents 39,9 percent of Slovenian market consumption. The maximum daily volume in the period from 1st July to 31st August reached 17.435 MWh and took place on 17th July. The maximum hourly delivery volume, an amount of 933 MWh, was realised on the delivery day of 4th July for the 23rd hour.



Correlation between offered and allocated quantity of daily capacity on SI- IT border and difference between Base price on SI and IT market in August 2013

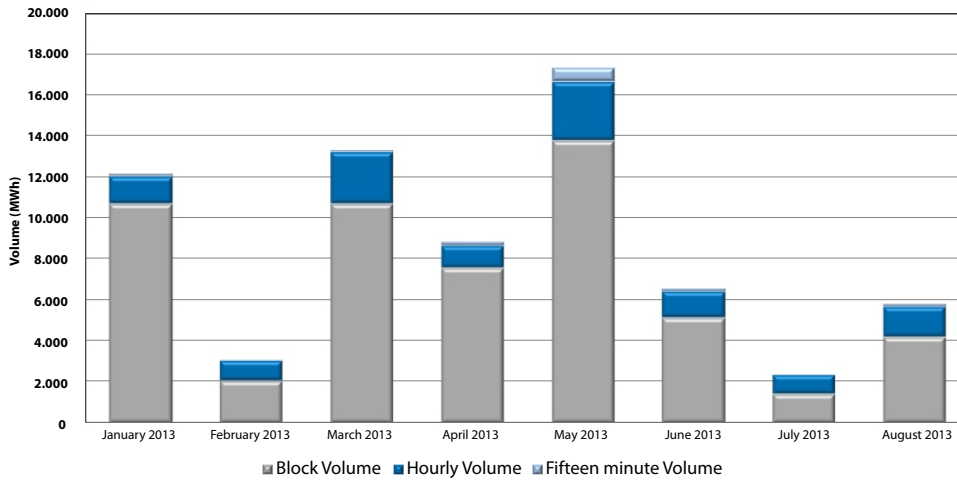


Day-ahead trading - volume of entered orders and total trading volume in the Slovenian market



Trading report for BSP Intraday market for July - August 2013

Slovenian Intraday Market Volumes Delivery Day: 01.01.2013 - 31.08.2013



Total Volume: 69.724 MWh Block Volume: 55.723 MWh Hourly Volume: 12.557 MWh Fifteen minute Volume: 1.444 MWh

In July and August 2013 the total trading volume reached 8.266 MWh. In the same period a total volume of 5.674 MWh was concluded with block products, 2.422 MWh with hourly products and 170 MWh with 15 minute products.

In July and August 2013 a total volume of 7.321 MWh was submitted for clearing (OTC).

BSP SouthPool news

Dr. Tomaž Štokelj

(executive manager of Sales and Trading, HSE):

The Slovenian power exchange (BSP) has become highly solvent, with last year's turnover exceeding 4.4 TWh and the number of members growing constantly.



What is actually going on in the Balkan region? Is the market still attractive to energy traders?

Yes it is, despite the fact that some traders have failed to succeed and retreated. Due to Greece's financial difficulties, we have withdrawn from the market for the time being. Also, trading in Bulgaria has become less interesting in recent years, as the country had introduced an extremely high export fee, which in turn boosted the prices of electricity imported from Bulgaria.

As the respective measure resulted in a substantial decline in exports, Bulgaria realised that the said export fee was more to the detriment of the country than to its benefit and consequently cut the fee in August from 17.52 €/MWh to 6.37 €/MWh. Romania has introduced a similar export fee as well.

What we look forward to is market opening in Serbia and Croatia.

Also because Croatia's accession to the European Union? Do you consider Croatia a promising market for HSE?

No major difference can yet be identified on the Croatian wholesale market, but in the future, that might change as well, since from next year on, electricity trading in Croatia will no longer require a legal entity in the country with at least one employee, as it has been so far.

In general, congestions on the Slovenian-Croatian border are not frequent, so Croatian power utility Hrvatska elektroprivreda (HEP) has been extremely active on the Slovenian power exchange. The prices of electricity on both markets are very much alike, and I do not think that would change markedly notwithstanding Croatia's accession to the European Union.

Considering the fact that there is no connection yet between Slovenia and Hungary, Croatia plays a crucial role for HSE, as it is a transit country which also provides a link between our business activities in the SEE region and our local product portfolio and trading activities in the west.

We can expect major changes on Croatia's retail market, whereby our activities in that regard will depend also on our ties with Slovenian distributors.

How important is HSE as a trader today? What does your portfolio comprise? And what do you expect for the future – what is your vision and what your realistic expectations?

In our region, HSE is recognised as a serious and reliable business partner. Over the past three years, we have expanded our business activities by nearly 140 per cent, without overexposing ourselves to risks. Last year, we sold over 31 TWh of electricity, recording nearly two billion Euros in turnover. Over the next couple of years or at least until the economical and financial situation has improved, we do not plan to boost our sales volumes but focus instead on increasing our profit margin as well as entering new markets and introducing new products. We are currently present on twenty European markets and we have been looking into entering some new ones, such as Turkey which appears to be a highly promising market. As for the future, we plan to focus on intraday trading, as we consider that as an opportunity to make more use of the flexibility of our Group's production resources.

Also, we have undertaken some activities related to natural gas, having sold a minor volume of the latter (slightly less than six million m³) to the company Soenergetika in 2013. Furthermore, we plan to enter the retail market in partnership with distribution companies, since we consider that to have much potential with regard to the development of new customised products and extending our retail business abroad.

What level of importance will Slovenian market retain in the next couple of years, and how would you evaluate the situation as it is today – do wholesale and retail markets operate similarly to the ones in the more developed European countries?

Our market is important primarily because our production is located here. Even if trading was managed under a separate company, Slovenian market would be hugely important because having production where your consumers are, there are less risks which normally accompany import and export.

I think that Slovenian wholesale electricity market has become very much alive over the past few years. That can also be seen within the power exchange which has become highly solvent, with last year's turnover exceeding 4.4 TWh and the number of members growing constantly.

Being a trader in Slovenia, do you feel threatened by that?

No; just the opposite. We consider this an opportunity. HSE has always been a great supporter of the local exchange, which we have been part of from the very beginning, but we are also a market maker.

But I do think that shortly, the situation on the local retail market will settle down. We can see constant and heavy battle among distributors who often set their prices below market prices, just to be able to maintain their market shares. Of course that does not enable companies to operate normally in the long run; and sooner or later, that would need to be sorted out.

To read the full interview with Mr. Tomaž Štokelj please visit the web page: www.energetika.net.

New Member of BSP SouthPool is ENOI Power

New Member of BSP SouthPool is ENOI Power 46th company group that entered into the membership at BSP SouthPool.

The ENOI Power will henceforth – as the 41st participant on the Slovenian electricity market – actively participate on the Slovenian market.

BSP regional energy exchange members are: Alpiq Energy, Axpo Trading, Borzen, Dans Energy, Danske Commodities, Dufenergy Trading, Edelweiss, EDF Trading, Electrade, Elektro Slovenija, Edison Trading, Elektro Energija Celje, Elektro Energija, Energija Plus, E3, Elektro prodaja E.U., E.ON Energy Trading, Enel Trading, Energi Danmark, Energy Financing Team, ENOI Power, Europe Energy, EVN Trading South East Europe, Ezpada, Gala, Gazprom Marketing & Trading, Gen-I, HEP Trgovina, Holding Slovenske elektrarne, Interenergo, JAS Energy Trading, MVM Partner, Petrol energetika, Petrol, Repower Trading, RD CZ Energy, Rudnap Energy, Statkraft Markets, TEI Deutschland, Termoelektrarna toplarna Ljubljana, Tradition Financial Services (TFS), Vattenfall Energy Trading, Verbund, Virtuse energija and Vitol Gas & Power.

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Conference & dinner cruise, 1 October



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- » Helsinki 13 Jun
- » Oslo 21-22 Aug
- » London 19 Sep
- » Prague 1 Oct

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