

ANNOUNCEMENT

OF COORDINATED MONTHLY AUCTION CAPACITIES AT THE COMMON BORDERS OF

**CEPS, a.s., E.ON Netz GmbH, PSE – Operator S.A., Slovenská elektrizačná
prenosová sústava, a.s. and Vattenfall Europe Transmission GmbH**

for August 2006

CEPS, a.s. (CEPS), in its function as Auction Office for the coordinated auction of capacities at the common borders of CEPS, E.ON Netz GmbH (E.ON), PSE – Operator S.A. (PSE-O), Slovenská elektrizačná prenosová sústava a.s. (SEPS, a.s.) and Vattenfall Europe Transmission GmbH (VE-T), informs, that cross-border transmission capacities at the common borders of CEPS, E.ON, PSE - O, SEPS, a.s. and VE-T offered in monthly *Auction* for the *Reservation Period* of **1st August 2006 – 31st August 2006** are as follows at specified *Technical Profiles*:

| Technical Profile | Offered Capacity IN [MW] | | Offered Capacity OUT [MW] | |
|------------------------------------|-----------------------------|-------|------------------------------|--------|
| PSE-O - (CEPS + SEPS, a.s. + VE-T) | A _{in} | 0 | A _{out} | 15* |
| VE-T - (CEPS + PSE-O) | B _{in} | 159 | B _{out} | 205 |
| CEPS - PSE-O | C _{in} | 300 | C _{out} | 749 |
| SEPS, a.s. - (CEPS+PSE-O) | E _{in} | 715** | E _{out} | 703*** |
| E.ON - CEPS | F _{in} | 3 | F _{out} | 110 |
| CEPS - SEPS, a.s. | G _{in} | 403 | G _{out} | 415 |
| SEPS, a.s. - PSE-O | H _{in} | 0 | H _{out} | 0 |

*) The arrangement of cross-border transmission will be not possible during *Reservation Subperiod 1st – 28th August 2006* at the *Commercial Profile PSE-O – SEPS, a.s.* Assigned capacities at the *Commercial Profile* and direction from PSE-O to SEPS, a.s. are reduced to **0 MW** during *Reservation Subperiod 1st – 28th August 2006*. Reduction may not be a subject of any compensation

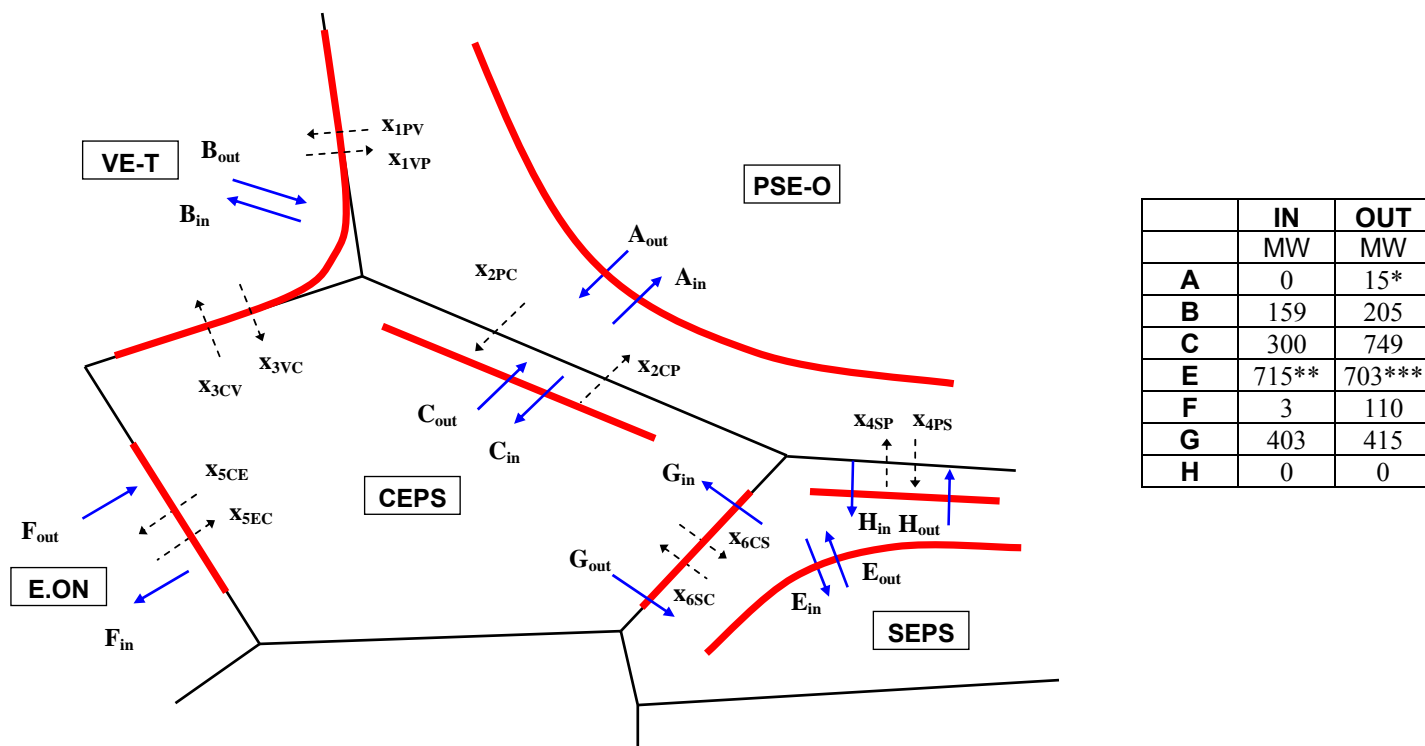
) Value of cross-border capacity announced for *Reservation Subperiods 1st – 6th August 2006* and *29th – 31st August 2006* at the *Technical Profile* and direction from (CEPS + PSE-O) to SEPS, a.s. is **415 MW.

If sum of assigned capacities at the *Technical Profile* and direction from (CEPS + PSE-O) to SEPS, a.s. is higher than value of cross-border capacity announced for *Reservation Subperiods 1st – 6th August 2006* and *29th – 31st August 2006*, assigned capacities at this *Technical Profile* and direction during these *Reservation Subperiods* are reduced proportionally to the value of cross-border capacity announced for *Reservation Subperiods 1st – 6th August 2006* and *29th – 31st August 2006*. Reduction may not be a subject of any compensation

***) Value of cross-border capacity announced for *Reservation Subperiods 1st – 6th August 2006* and *29th – 31st August 2006* at the *Technical Profile* and direction from SEPS, a.s. to (CEPS + PSE-O) is **403 MW**.

If sum of assigned capacities at the *Technical Profile* and direction from SEPS, a.s. to (CEPS + PSE-O) is higher than value of cross-border capacity announced for *Reservation Subperiods* 1st – 6th August 2006 and 29th – 31st August 2006, assigned capacities at this *Technical Profile* and direction during these *Reservation Subperiods* are reduced proportionally to the value of cross-border capacity announced for *Reservation Subperiods* 1st – 6th August 2006 and 29th – 31st August 2006. Reduction may not be a subject of any compensation

The following graph and table present cross-border transmission capacities at the common borders of CEPS, E.ON, PSE – O, SEPS, a.s. and VE-T offered in monthly *Auction* for the *Reservation Period* 1st August 2006 – 31st August 2006:



The following table presents the Auction Procedure Schedule for monthly *Auction* for August 2006.

| | Publishing Offered Capacities | Closing date for submitting Bids 12:00 (CET) | Publishing results until 18:00 | Issuing invoices | Due date of invoices | Expiration of payment period |
|---------------|-------------------------------|--|--------------------------------|------------------|----------------------|------------------------------|
| Month | Deadline 1M | Deadline 2M | Deadline 3M | Deadline 4M | Deadline 5M | Deadline 6M |
| August | 04.07.2006 | 11.07.2006 | 13.07.2006 | 14.07.2006 | 26.07.2006 | 01.08.2006 |