

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 November 2007

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 November 2007 – 30th November 2007** 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}	200
VE-T - (CEPS + PSE-O)	B _{in}	203	B _{out}	115
CEPS - PSE-O	C _{in}	300	C _{out}	730
SEPS, a.s. - (CEPS+PSE-O)	E _{in}	425*	E _{out}	695**
E.ON - CEPS	F _{in}	250	F _{out}	105
CEPS - SEPS, a.s.	G _{in}	210***	G _{out}	225 ⁺
SEPS, a.s. - PSE-O	H _{in}	200 ⁺⁺	H _{out}	485 ⁺⁺⁺

*) Value of cross-border capacity announced for *Reservation Subperiod* **1st - 2nd November 2007** and **24th - 25th November 2007** at the *Technical Profile* and direction from (CEPS + PSE-O) to SEPS is **175 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 Subperiod*, assigned capacities at this *Technical Profile* and direction during given *Reservation Subperiod* are reduced proportionally to the value of cross-border capacity announced for given *Reservation Subperiod*. Reduction may not be a subject of any compensation.

) Value of cross-border capacity announced for *Reservation Subperiod* **1st - 2nd November 2007 and **24th - 25th November 2007** at the *Technical Profile* and direction from SEPS, a.s. to (CEPS + PSE-O) is **445 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 Subperiod*, assigned capacities at this *Technical Profile* and direction during given *Reservation Subperiod* are reduced proportionally to the value of cross-border capacity announced for given *Reservation Subperiod*. Reduction may not be a subject of any compensation.

***) Value of cross-border capacity announced for *Reservation Subperiod 1st - 2nd November 2007* and *24th - 25th November 2007* at the *Technical Profile* and direction from SEPS, a.s. to CEPS is **0 MW**.

Assigned capacities at this *Technical Profile* and direction during this *Reservation Subperiod* are reduced to **0 MW**. Reduction may not be a subject of any compensation.

⁺) Value of cross-border capacity announced for *Reservation Subperiod 1st - 2nd November 2007* and *24th - 25th November 2007* at the *Technical Profile* and direction from CEPS to SEPS, a.s. is **0 MW**.

Assigned capacities at this *Technical Profile* and direction during this *Reservation Subperiod* are reduced to **0 MW**. Reduction may not be a subject of any compensation.

⁺⁺) Value of cross-border capacity announced for *Reservation Subperiod 1st - 9th November 2007* at the *Technical Profile* and direction from PSE-O to SEPS, a.s. is **150 MW**.

Value of cross-border capacity announced for *Reservation Subperiod 10th - 11th November 2007* at the *Technical Profile* and direction from PSE-O to SEPS, a.s. is **100 MW**.

If sum of assigned capacities at the *Technical Profile* and direction from PSE-O to SEPS, a.s. is higher than value of cross-border capacity announced for *Reservation Subperiod*, assigned capacities at this *Technical Profile* and direction during given *Reservation Subperiod* are reduced proportionally to the value of cross-border capacity announced for given *Reservation Subperiod*. Reduction may not be a subject of any compensation.

⁺⁺⁺) Value of cross-border capacity announced for *Reservation Subperiod 1st - 9th November 2007* at the *Technical Profile* and direction from SEPS, a.s. to PSE-O is **435 MW**.

Value of cross-border capacity announced for *Reservation Subperiod 10th - 11th November 2007* at the *Technical Profile* and direction from SEPS, a.s. to PSE-O is **385 MW**.

If sum of assigned capacities at the *Technical Profile* and direction from SEPS, a.s. to PSE-O is higher than value of cross-border capacity announced for *Reservation Subperiod*, assigned capacities at this *Technical Profile* and direction during given *Reservation Subperiod* are reduced proportionally to the value of cross-border capacity announced for given *Reservation Subperiod*. Reduction may not be a subject of any compensation.

Any *Capacity*, which should become *Promised Capacity* to *Auction Participant* after the proportional reduction in *Reservation Subperiod*, is rounded down to entire MWs.

Specific reduction procedure

A:

There is a specific reduction procedure applied during *Reservation Subperiod 1st - 2nd November 2007* because of different reduction at two or more *Technical Profiles* during part of the *Reservation Subperiod*:

There are calculated coefficients of reduction on *Technical Profile* E_{in} and H_{in} for *Reservation Subperiod 1st - 2nd November 2007* following these definitions:

RC E_{IN} - coefficient of reduction on *Technical Profile* E_{in}

E_{in} - Value of cross-border capacity announced for given *Reservation Subperiod*

e_{in} - capacity assigned at the *Technical Profile* and direction from

(CEPS +PSE-O) to SEPS, a.s. after reduction on *Technical Profile* G_{out} , i.e. capacity at the *Commercial Profile* from PSE-O to SEPS, a.s.

RC H_{in} - coefficient of reduction on *Technical Profile H_{in}*
H_{in} - Value of cross-border capacity announced for given *Reservation Subperiod*
h_{in} - capacity assigned at the *Technical Profile* and direction from PSE-O to SEPS, a.s.
cs - capacity assigned at the *Commercial Profile* from CEPS to SEPS, a.s.

$$\text{RC } E_{IN} = \text{Min} [E_{in} / e_{in}; 1]$$

$$\text{RC } H_{IN} = \text{Min} [H_{in} / h_{in}; 1]$$

2. If **RC E_{IN}** ≤ **RC H_{in}**, then coefficient **RC E_{IN}** will be used for the reduction on *Technical Profile E_{in}*

3. If **RC E_{IN}** > **RC H_{IN}**, then **RC H_{IN}** will be used for the reduction on *Technical Profile H_{in}* and there is calculated another reduction coefficient [**NRC E_{IN}**] for the remaining *Commercial Profile* being a part of *Technical Profile E_{in}* as follows:

$$[\text{NRC } E_{IN}] = \text{Min} [(E_{in} - H_{in}) / cs; 1]$$

Reduction may not be a subject of any compensation.

B:

There is a specific reduction procedure applied during *Reservation Subperiod 24th - 25th November 2007* because of different reduction at two or more *Technical Profiles* during part of the *Reservation Subperiod*:

There are calculated coefficients of reduction on *Technical Profile E_{in}* and *H_{in}* for *Reservation Subperiod 24th - 25th November 2007* following these definitions:

RC E_{IN} - coefficient of reduction on *Technical Profile E_{in}*

E_{in} - Value of cross-border capacity announced for given *Reservation Subperiod*

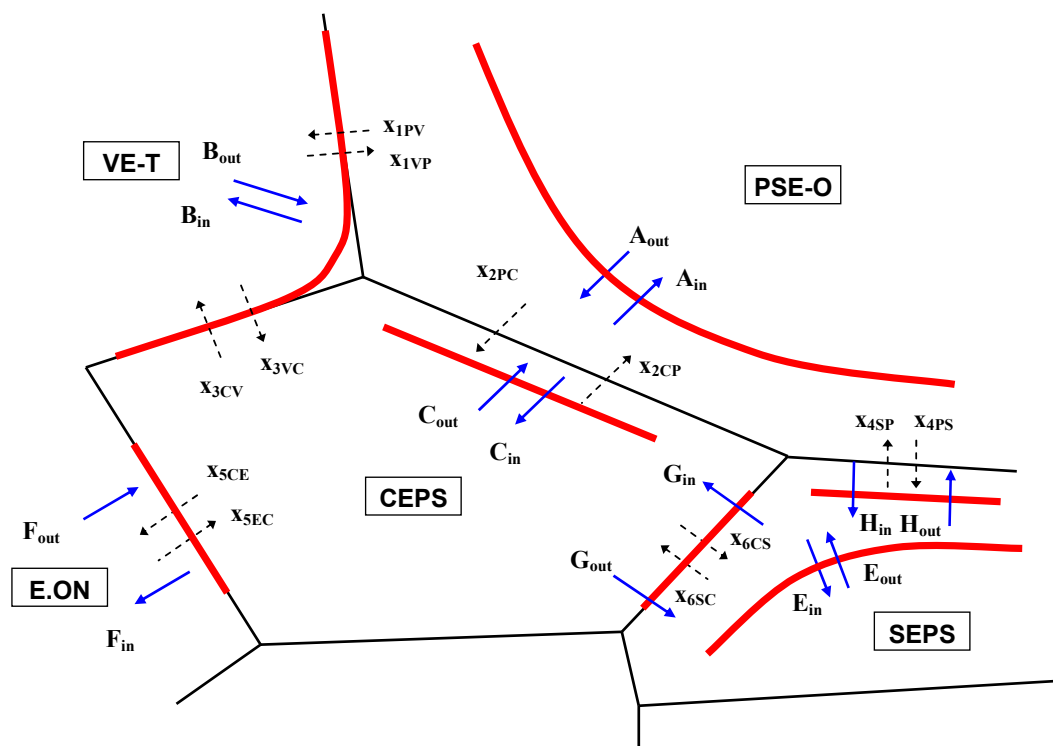
e_{in} - capacity assigned at the *Technical Profile* and direction from (CEPS +PSE-O) to SEPS, a.s. after reduction on *Technical Profile G_{out}*, i.e. capacity at the *Commercial Profile* from PSE-O to SEPS, a.s.

$$\text{RC } E_{IN} = \text{Min} [E_{in} / e_{in}; 1]$$

Coefficient **RC E_{IN}** will be used for the reduction on *Technical Profile E_{in}*

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 November 2007 – 30th November 2007*



	IN	OUT
	MW	MW
A	0	200
B	203	115
C	300	730
E	425*	695**
F	250	105
G	210***	225 ⁺
H	200 ⁺⁺	485 ⁺⁺⁺

The following table presents the Auction Procedure Schedule for monthly *Auction* for November 2007.

	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
November	09.10.2007	16.10.2007	17.10.2007	18.10.2007	29.10.2007	05.11.2007