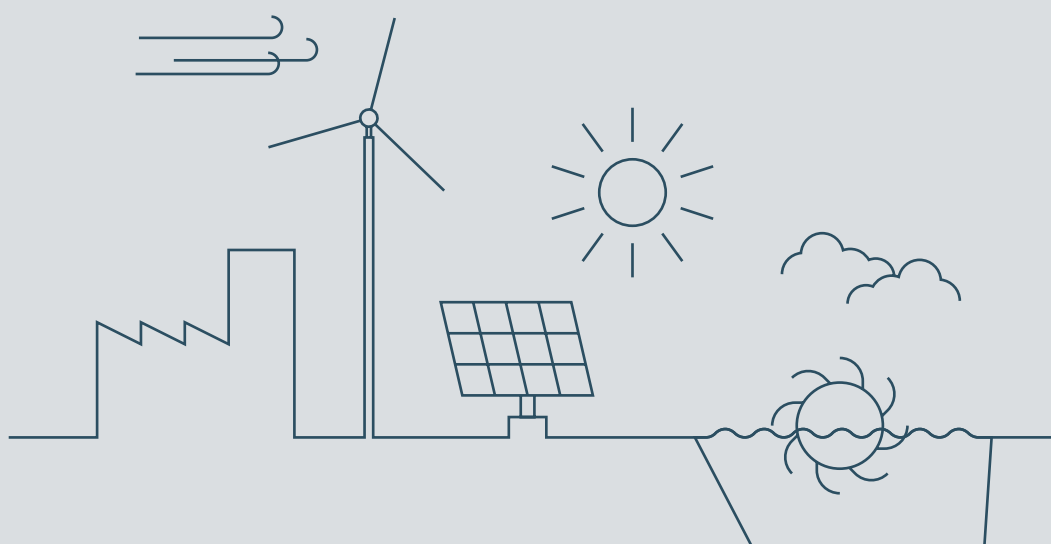


NordREG Annual Report 2025

Approved by NordREG Board 30.01.2026



Preface

The Nordic Energy Regulators (NordREG) have a unique, enduring and strong cooperation in developing electricity regulation for the benefit of Nordic consumers. In 2025 we celebrated our 25th anniversary of Nordic cooperation. Our vision is guided by the strategic principles of correct price signals, active consumers and a dynamic regulatory framework that enables efficient and advanced energy markets towards a decarbonized society.

In 2025, we have seen significant changes and developments in the Nordic energy markets. One of the most notable has been the introduction of flow-based capacity calculation in the Nordic day-ahead market in October 2024, which has fundamentally reshaped market dynamics. Throughout 2025, NordREG has closely monitored the performance of the flow-based approach and will continue this work in 2026.

In the balancing market, NordREG has monitored the Nordic TSOs connection to the MARI and PICASSO trading platforms and coordinated enforcement measures to ensure that the connection aligns with agreed timelines. In March 2025 we also saw the introduction of the mFRR Energy Activation Market (EAM) and the 15-minute Market Time Unit (MTU), which has introduced new challenges. Monitoring the mFRR EAM will remain a priority in 2026, particularly in relation to compliance with the REMIT-regulation.

Joint implementation and enforcement of EU regulations and influencing upcoming EU regulations has been a key area in NordREG for several years. In 2025 the terms and conditions and methodologies under existing network rules and guidelines have been high on the agenda. Amongst others, the revision of the guideline for capacity allocation and congestion management (CACM) has been a central priority, and this work will continue into 2026. We also expect the start of a process for the revised guideline on forward capacity allocation (FCA), alongside the implementation of the network code on demand response (NC DR).

To maintain fruitful cooperation and ensure that resources are used where they are needed most, NordREG has streamlined the organization starting from 2025. The mid management from the NRAs are working directly under NordREG Board and ad hoc expert groups are assigned to work on specific tasks. We believe the new structure enhances flexibility and efficiency in the NordREG work and further strengthens our cooperation.

All in all, 2025 has been an important year for NordREG where we have continued our work to promote efficient electricity markets and developing relevant regulations to benefit the Nordic area and Nordic consumers.

Oslo, 30 January 2026



Tore Langset
Chair of NordREG 2025



Executive summary

NordREG has over the years become increasingly influenced by the development of the electricity market at the EU level. The establishment of a common harmonized European electricity market has been in focus and the Clean Energy for all Europeans legislative package has had a significant influence on the development.

In 2025 NordREG has continued the focus on the work of implementing the European network codes and guidelines in the Nordic region. Other major tasks have involved discussions and knowledge sharing of the Nordic retail market and network regulation, which also have prominent roles in the Clean Energy Package (CEP) regulation. NordREG has also participated in European level discussions and expressed its positions on the market design and follows the implementation of EMD package in the Nordic Region.

The various dedicated NordREG focus areas and task forces carried out important tasks to reach the strategic goals. Several tasks have required close cooperation with stakeholders.

Wholesale and Transmission

The Wholesale and Transmission focus area (W&T) has been focusing on the continued development of well-functioning Nordic wholesale markets. A major part of the work relates to the implementation of the CEP and the European network codes and guidelines which includes the coordination of the regulatory oversight of the new Nordic Balancing Model and the implementation of the Nordic flow-based capacity calculation methodology. W&T also forms the link between the Nordic National Regulatory Authorities

and the Nordic Transmission System Operators on Nordic wholesale market and operational issues. The work has been in line with the NordREG vision to achieve efficient and advanced energy markets in terms of promoting efficient price signals, competition, and an efficient and advanced energy system.

Retail Market

The Retail market focus area (RM) has been focusing on organizing a seminar and workshop to share and benefit from national experiences. In 2025, we have arranged a seminar on how retail market statistics can be organized and presented so that it can be a transparent and efficient tool to monitor the retail market. RM has also shared experience regarding the new development and issues regarding the retail market.

Network Regulation

In 2025, the Network Regulation focus area (NR) arranged a workshop reg. anticipatory investments and has worked on and exchanged knowledge across various topics.

Strategy

In 2025 the Strategy Working Group (S WG) has continued the work to strengthen NordREG's organizational and procedural framework to ensure efficient cooperation between the Nordic Energy Regulators. The organizational structure has been evaluated and starting from January 2025, the NordREG work has been divided into three topic areas: Wholesale and Transmission, Network Regulation and Retail Markets. Amongst others the Strategy Working group has updated new strategic priorities for NordREG and revised NordREG Modus Operandi.

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1. Introduction

This report presents the work undertaken by the Nordic energy regulators (NordREG) during 2025 in the areas of wholesale electricity markets, retail markets, network regulation, demand side flexibility and strategy.

The aim of the report is to describe how NordREG has dealt with each task during the year. The annual report presents challenges and success stories from 2025 on a general level.

1.1 Mission and vision

NordREG's objective is to promote and develop efficient electricity markets in the Nordic area, consistent with and in the forefront of the development in the EU. The work within NordREG focuses on practical, relevant solutions to common challenges, e.g. in relation to the European network codes and guidelines.

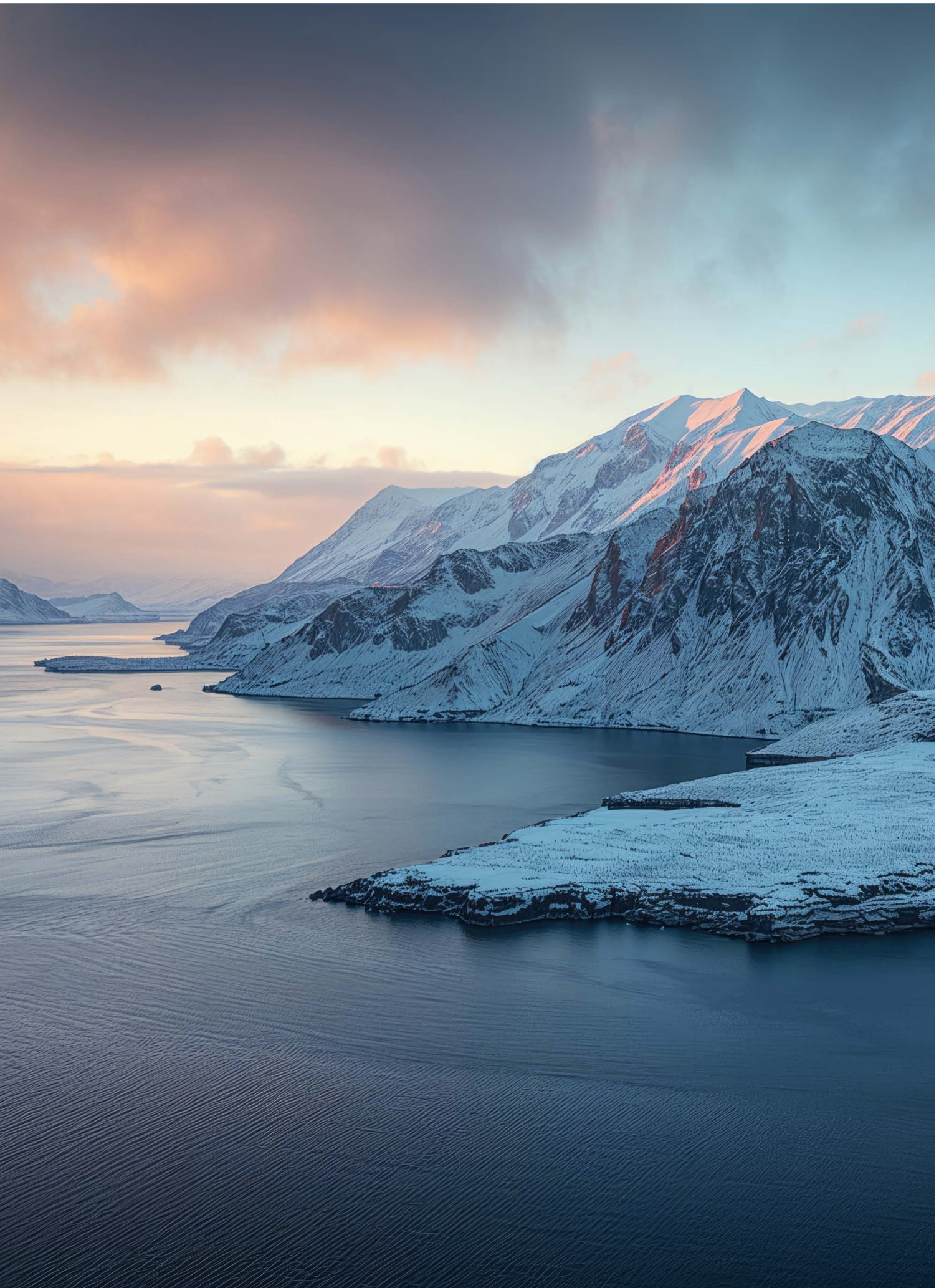
NordREG's mission

In cooperation, we actively promote legal and institutional framework and conditions necessary for developing the Nordic and European electricity markets.

NordREG's vision

Efficient and advanced energy markets, for the benefit of consumers towards a decarbonized society.





1.2 NordREG Strategy

The report explains what various NordREG focus areas have done to achieve the goals set in the NordREG Strategy, which was revised in 2024 for the forthcoming years. The aim of the strategy is to provide clear guidance for the development during the years up to 2030. NordREG's mission is to actively promote legal and institutional framework and conditions necessary for developing the Nordic and European electricity market. NordREG's strategy consists of three strategic principles:

1. Correct price signals
2. Active consumers
3. Dynamic framework enabling advanced energy markets and green transition

NordREG has three focus areas as seen in the chart below.

1.3 Priorities for 2025

The strategic principles are complemented by three strategic priority areas that guide NordREGs work from 2025 onwards. While performing national tasks, NRAs increasingly encounter matters of regional concern and cross border implications. Nordic cooperation ensures a streamlining of processes that ultimately benefit Nordic consumers.

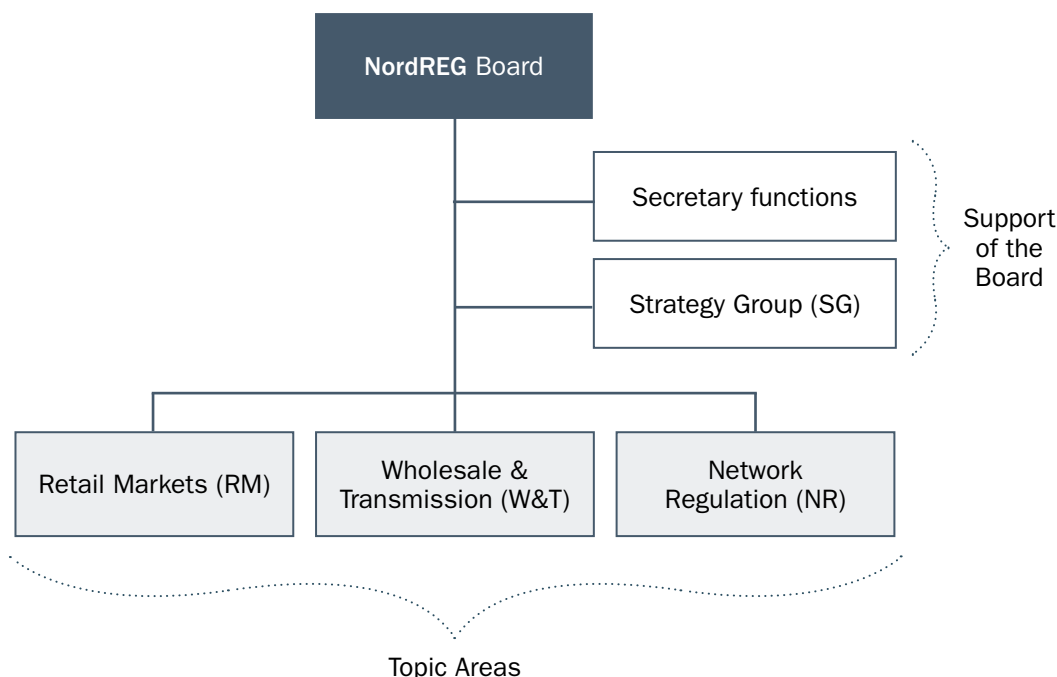
The priority areas are:

(1) Implementing the EU regulations and jointly influencing on upcoming new EU regulations

Joint implementation of EU regulations has already for several years been the key area in the NordREG cooperation. This will remain our strategic priority area also in coming years. The first objective of this priority is to carry out jointly the National Regulatory Authorities' (NRAs') legal tasks stemming from EU network codes and guidelines. This includes approval of proposed methodologies for the Nordic area, as well as joint monitoring of the implementation of approved methodologies and legal tasks and responsibilities set for NEMOs, TSOs, and the Nordic RCC.

Secondly, this strategic priority area includes exchange of views and discussion on possible joint approaches on the implementation of recently adopted EU regulations.

Thirdly, the strategic priority area covers discussions on possible joint Nordic views and influencing on upcoming EU regulations.





“In cooperation, we actively promote legal and institutional framework and conditions necessary for developing the Nordic and European electricity markets.”

(2) Enhancing NRAs' skills through information exchange and knowledge sharing

The second strategic priority area for NordREG cooperation is enhancing each NRA's skills by learning from each other. This priority area includes information exchange and knowledge sharing between NRAs by organizing internal workshops in which Nordic NRAs share their experiences and best practices.

In addition, knowledge sharing with other Nordic regulators interacting with regulated companies from other sectors and knowledge sharing with other European energy regulators are elaborated.

(3) Preparing Nordic NRAs for the future challenges in the Nordic energy system

The third strategic priority area is forward looking and is related to the ongoing changes in the Nordic energy system and to preparation of Nordic NRAs for the possible challenges in near future.

The electricity demand in the Nordic region has been estimated to grow remarkably by 2030 which increases the need for new production and infrastructure. Increased share of intermittent wind and solar power generation as well development in energy storages like in batteries and hydrogen production will also lead changes in system operation and markets.

This priority area includes within NordREG joint analysis and discussions on changes and possible effects on regulatory environment and how Nordic energy regulators should prepare themselves for these challenges.

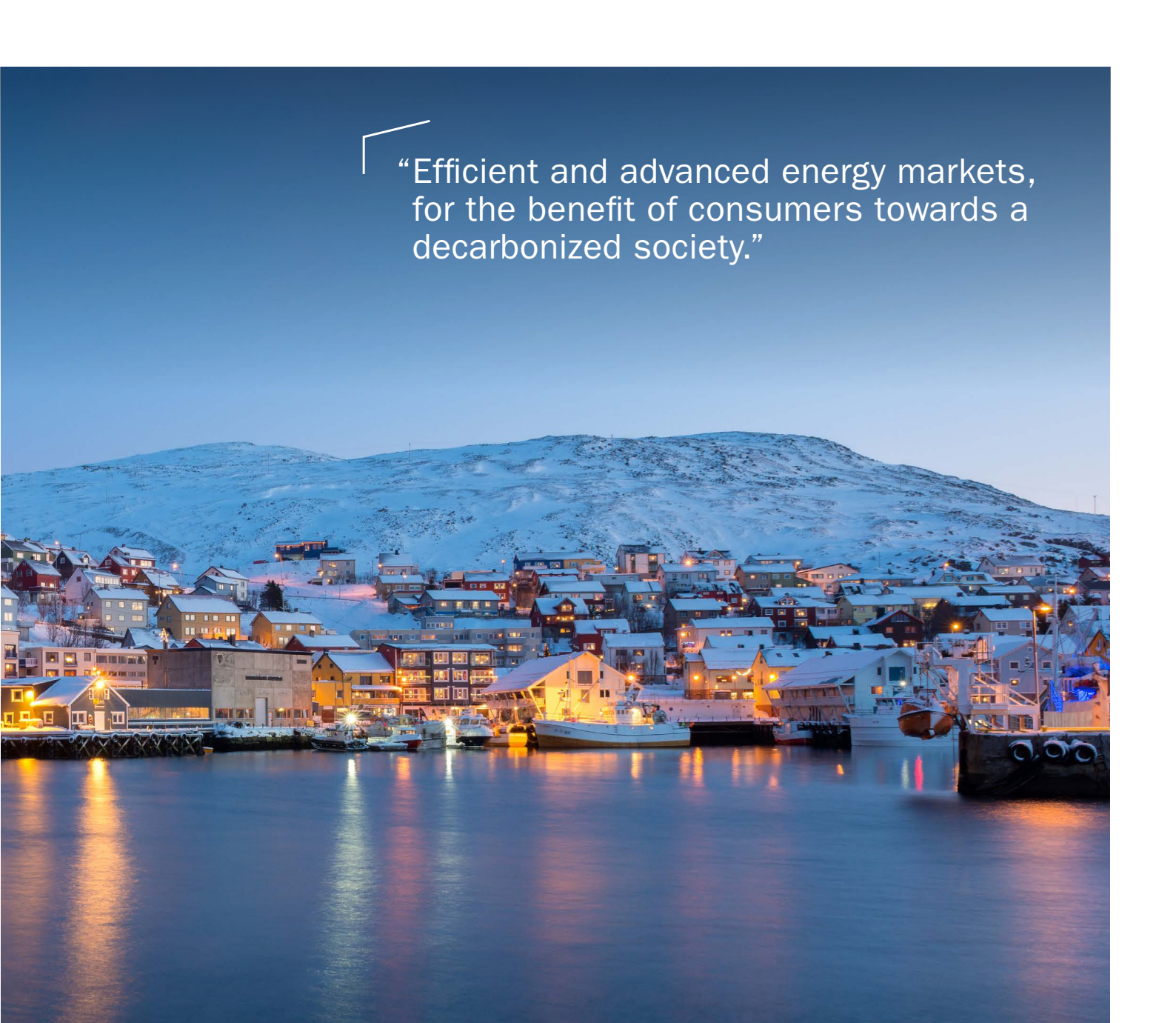


2. Wholesale and Transmission (W&T)

This chapter describes the work carried out by NordREG within the Wholesale and Transmission topic area (W&T) and the current state of affairs. In 2025, the W&T work has been focusing on the continued development of well-functioning Nordic wholesale markets. A major part of the work relates to the implementation of the CEP and the European network codes and guidelines. W&T also forms the link between the managerial level of the Nordic NRAs and the Nordic TSOs regarding the Nordic

wholesale markets and operational issues as well as contact with the nominated electricity market operators (NEMOs) active on the Nordic market. W&T thus acts as a link between the Nordic NRA/TSO discussions at a technical level and the Nordic NRA/TSO discussions at a Director General/CEO level as well as discussions with NEMOs.

The W&T is also responsible for hosting and chairing an annual seminar with the stakeholders. In 2025, a NordREG seminar on Wholesale and Transmission Developments was arranged 20 November in Oslo.



“Efficient and advanced energy markets,
for the benefit of consumers towards a
decarbonized society.”

A large part of the work undertaken in 2025 is supported by NordREG’s vision to achieve efficient and advanced energy markets in terms of promoting efficient price signals, competition, and an efficient and advanced energy system.

2.1 Reports from the Wholesale and Transmission taskforces

W&T is supported by six task forces and two ad hoc groups on Forward Capacity Allocation and Legal issues respectively. In the following subsections, the work carried out in 2025 by various W&T Task Forces is described below.

2.1.1 Capacity Task Force

The Capacity Task Force (Capacity TF) focuses its work on issues related to implementation of the capacity calculation and redispatch/countertrading methodologies according to European regulations in the Nordic region. The task force is also involved in processes on a European level in instances where topics with potential implications for CCR Nordic are under consideration.

In 2025, the main task of this TF has been to monitor the implementation of the Flow-Based capacity calculation methodology for the Day Ahead timeframe, which went live on 29th October 2024. Capacity TF has been closely following the implementation, ensuring that the methodology works as intended, and will deliver the expected



benefits. A key part of this work has focused on the reports the Nordic regulatory authorities requested from the TSOs, aiming at understanding the effects of the newly adopted capacity calculation on the markets, including the subsequent timeframes after day-ahead. In addition to merely understanding the effects, the aim of Capacity TF's work during 2025 has been to identify and assess possible measures that could be taken to alleviate the negative effects to the markets, such as limited capacities in the ID-market on some BZ borders.

2.1.2 Single Market Task Force

The main task of the Single Market Task Force (SM TF) is to exchange views and reach common Nordic positions related to the implementation of CACM GL and FCA GL in the areas not covered by the Capacity TF.

In 2025, the task force discussed and collaborated on possible common positions and proposed amendments in connection with the European Commission's revision of CACM GL. The task force has also followed up the implementation and derogation process related to a shorter intraday cross-zonal gate closure time and the delayed go-live of the 15-minute MTU in the day-ahead market.

2.1.3 System Operation Task Force

The System Operation Task Force (SO TF) seeks to support the implementation of the rules in SOGL. In 2025 SO TF monitored the implementation of the provisions regarding common grid models, which should be implemented by the TSOs and the Nordic RCC, following provisions in SOGL, CACM and FCA.

The task force has also had dialogue with the Nordic TSOs regarding dimensioning and sharing mFRR reserves in the Nordic LFC block, and the mFRR dimensioning methodology.

The task force also exchanges views and interpretation of the network codes, RfG NC, DCC NC, HVDC NC, and the ER NC. This work is conducted in the task force, but decisions in accordance with these regulations are made separately by each NRA.

In addition, the Nordic TSOs have submitted reports and documents in accordance with SOGL and the decisions made by the Nordic NRAs.

2.1.4 Electricity Balancing Task Force

The Electricity Balancing Task Force (EB TF) has been in dialogue and has carried out regulatory oversight and assessments of the Nordic TSOs' implementation of the Nordic Balancing Model (NBM), with several proposals following from the EB Regulation.

Due to the Nordic TSOs delay in connection to the European balancing energy platforms MARI and PICASSO, the Nordic NRAs' have coordinated the deadline for national injunctions regarding MARI accession (RME and Ei have done likewise regarding PICASSO) and sent the national injunctions to the respective TSOs in June 2025 in line with national enforcement regulations.

This comes after NordREG sent a letter on 25 July 2024 to the Nordic TSOs observing the breach of the legal deadline and considering appropriate enforcement actions in line with national enforcement regulations.

Moreover, the EB TF gave informal guidance to TSOs through NRA/TSO meetings. An important aspect has been the dialogue with the Nordic TSOs regarding the issues with high prices on Nordic mFRR EAM that also has included meetings with ACER.

2.1.5 REMIT Task Force

The REMIT task force has as its main objective to be a forum for exchanging information and best practice. In the task force participants can discuss both challenges regarding the implementation of the REMIT regulations as well as how to interpret and conduct market surveillance. Though not all NordREG members have implemented the regulation we stand in many cases in front of the same challenges when it comes to ensuring fair energy markets by market monitoring. Therefore, it is important with a task force designated for those challenges.

During 2025 the REMIT task force has arranged three meetings. In those meetings the TF has discussed topics relating to remit cases after the introduction of flowbased capacity calculations and mFRR EAM, several NRAs have had cases related to those changes in the market. The Danish NRA has been giving us valuable insights in working with a case involving prosecutors and police. Other topics that have been discussed is justifications on prices for bids and Remit issues from coming development of the energy markets.



2.1.6 NRCC Task Force

The Nordic RCC Task Force (NRCC TF) focuses its work on issues related to the establishment and operation of the Nordic Regional Coordination Centre (RCC), in line with European legislation on regional coordination and system operation. The task force serves as a forum for regulatory cooperation and dialogue with the Nordic RCC on topics such as governance, costs, and the implementation of the RCC's mandated tasks under the related EU regulations.

In 2024, the main focus of NRCC TF was to monitor and support the continued development and consolidation of the Nordic RCC's operational and analytical services. This included the implementation of methodologies related to short-term adequacy, outage planning coordination, and operational

security analysis, as well as the establishment of governance and cost sharing arrangements. The task force also followed European-level discussions concerning the evolving role of RCCs.

In 2025, the task force continues to focus on the effective operation of the Nordic RCC and on ensuring that the Nordic RCC delivers its services in line with the regulatory framework and provides added value for the Nordic power system. As part of this work, NRCC TF carries out annual supervision of the Nordic RCC, assessing its compliance with regulatory requirements, and performance in delivering its mandated services. The findings are summarized in an annual report published under NordREG, providing a shared Nordic regulatory perspective on the functioning and development of the RCC.

2.2 Complete list of activities

Table. Complete list of the Wholesale and Transmission activities from 2025

Activities from 2025	Description
NordREG Wholesale & Transmission Development seminar 2025	The seminar took place 20 November in Oslo as a physical event and included topics related to ongoing regulatory processes and current topics regarding well-functioning markets presented by NordREG TFs and external speakers ¹ .
Monitoring the implementation of the Nordic flow-based capacity calculation methodology	The main task has been to monitor the implementation of the Flow-Based capacity calculation methodology for the Day Ahead timeframe, which went live on 29th October 2024. In addition, to ensure that the methodology works as intended, and to identify and assess possible measures that could be taken to alleviate the negative effects to the markets.
MARI and PICASSO delay	The Nordic NRAs' have coordinated the deadline for national injunctions regarding MARI accession and sent the national injunctions to the respective TSOs in June 2025 in line with national enforcement regulations.
Nordic RCC	Annual supervision of the Nordic RCC, assessing its compliance with regulatory requirements, and performance in delivering its mandated services.

1. Presentations from the NordREG Wholesale and Transmission Developments Seminar 2025 are now available | NordREG (nordicenergyregulators.org)



3. Retail Market topic area

This chapter describes the work that NordREG has done within the Retail Market focus area (RM).

3.1 Highlighted activities from 2025

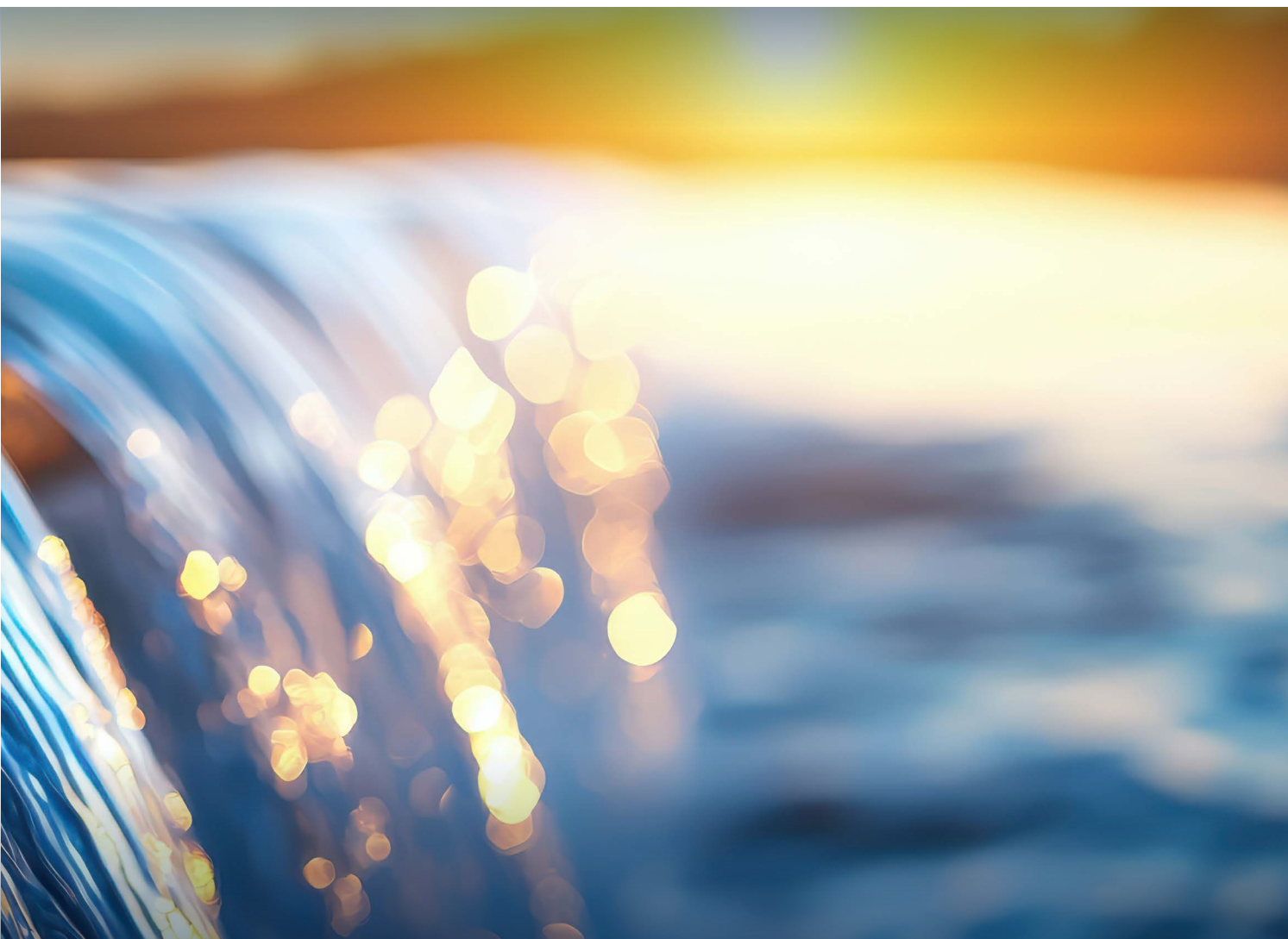
The new organizational structure started in January 2025, where the topic area of Retail Market should

consist of mid-level representatives. In 2025, a seminar reg. retail market statistics and how this can be used as a tool to monitor the retail market has been arranged. RM have also discussed prioritized areas for the NordREG Work Program for 2026 focusing on exchange of information regarding best practice for supervision, consumer protection and sanctioning, energy communities and other issues where it is beneficial to share experiences.

3.2 Complete list of activities

Table. Complete list of the Retail Market topic area activities from 2025

Activities from 2025	Description
Retail Market statistics seminar	Seminar to share experiences, reg. monitoring of the retail markets.



4. Network Regulation topic area

4.1 Highlighted activities from 2025

The new organizational structure started in January 2025, where the topic area of Network Regulation should consist of mid-level representatives. In 2025, a workshop reg. Anticipatory Investments was

arranged on 25 September arranged in the Network Regulation topic area (NR). The mid-level group in NR have also discussed prioritized activities for the work program 2026 which incl. a workshop in the spring regarding Security and preparedness in the economic regulation and a workshop in the autumn where possible topics are “Incentives for flexibility in the regulation and utilization of the grid” and “Regulation of the TSO and system operation”.

4.2 Complete list of activities

Table. Complete list of the Network Regulation topic area activities from 2025

Activities from 2025	Description
Workshop reg. Anticipatory Investments	Workshop to discuss how anticipatory investments can be used for developing forward-looking electricity networks and how to provide incentives for anticipatory investments without undermining incentives for cost efficiency.



5. Strategy Working Group

The Strategy Working Group (S WG) has the mission to deepen NordREG's cooperation. In 2025, the S WG has been preparing the NordREG Work Program and the Annual report. In addition, the strategy group coordinates cross-cutting activities and handles issues not covered by other NordREG working groups.

In 2025 NordREG has continued the work to ensure efficient organizational and procedural structures and framework for the cooperation of the Nordic Energy Regulators. In 2025, the new organizational structure came into effect with mid-level representatives in the topic areas for wholesale and Transmission, Retail Markets and Network regulation to streamline NordREGs work. The S WG has prepared new strategic priorities to link NordREGs mission and vision to new organizational framework and guide NordREGs work and focus for the Work Program 2026.

5.1 Highlighted activities from 2025

5.1.1 Organization reform

S WG has ensured that the new organizational reform to streamline NordREG work and ensure available resources are used effectively where they are needed without compromising the well-established network of electricity market regulation professionals and knowledge sharing platform NordREG has developed into. The new organization reflects better the actual needs of experts and regulators without compromising on the benefits and experience NordREG has gained as organization through cooperation.

5.1.2 NordREG Work Program 2025

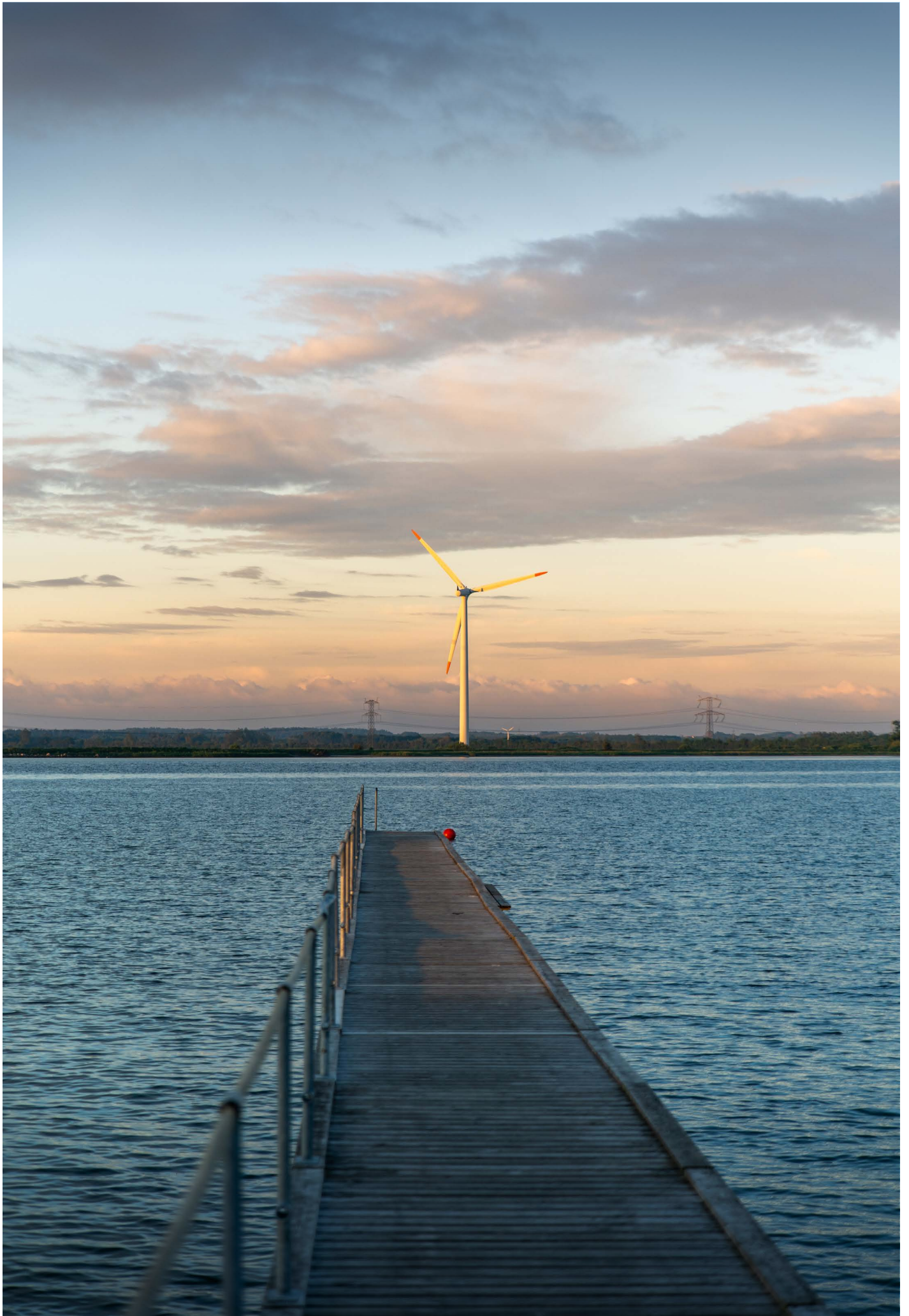
NordREG Work Program was renewed to reflect the renewed organization and way of working in NordREG. Strategic guidance of NordREG work is streamlined by new strategic priorities that are reflected in Work Program 2025.

5.1.3 Modus Operandi update

Modus Operandi has been updated to better reflect the new organizational structure and to ease onboarding of experts new to NordREG work from all member NRAs and how we work in NordREG.

5.1.4 NordREG Strategic Priorities

Strategic priorities were Streamlined to larger entities that fulfill the mission and vision of NordREG. Streamlining strategic priorities improves implementing NordREGs strategic scope in practice.



5.2 Complete list of activities

Table. Complete list of the Strategy WG's activities from 2025

Activities from 2025	Description
NordREG Work Program 2026 and NordREG Annual Report 2025	The S WG has been collecting top-down priorities from the NRAs for 2025 that has been used as guidance when preparing the Work Program for 2026. The S WG has also prepared the NordREG Annual Report. Both reports are published and submitted to the Electricity Market Group (EMG).
Coordination of NordREG work in connection to the Nordic Electricity Forum (NEMF)	NordREG has participated as an observer in the Nordic Electricity Market Forum Coordination Group (NEMF CG) set up by the EMG. The objective of this group is to monitor progress of the NEMF Road Map at national and regional level, monitor progress on NEMF WG deliveries, and in cooperation with the NEMF WGs identify relevant topics for the annual NEMF Forum where Forum discussions might motivate activities to achieve the (long and medium term) Electricity Market Vision.
NordREG Strategy Days	The NordREG Strategy Days were arranged 3 June and 4 December 2025 where the NordREG Board discussed strategic topics related to the organisation's future work.
Modus Operandi update	The Strategy WG has updated NordREGs Modus Operandi to reflect the current NordREG organization.

6. Upcoming work in 2026

NordREG will start coordinating the implementation of the EU's EMD and keep coordinating implementation of CEP to ensure harmonized understanding and implementation of the rules and regulations. Additionally, focus will remain on the effective implementation of the European network codes and guidelines.

Please see the NordREG Work Program 2026 for more information on NordREG activities in 2026.



NordREG is a voluntary cooperation between the Nordic energy regulators. The chairmanship and secretariat rotate annually.

The chairmanship and secretariat of NordREG was held by The Norwegian Energy Regulatory Authority (RME) in 2025.

Please contact us if you have any questions.

Webpage: nordicenergyregulators.org