



Contact: Nodal Exchange, LLC  
Nicole Ricard  
Director of Marketing  
Tel: 703-962-9816  
Email: [ricard@nodalexchange.com](mailto:ricard@nodalexchange.com)

LCH.Clearnet Ltd  
Rachael Harper,  
Corporate Communications  
Tel: + 44 (0) 20 7426 7463 /7175  
Email: [rachael.harper@lchclearnet.com](mailto:rachael.harper@lchclearnet.com)

## **Nodal Exchange and LCH.Clearnet Ltd announce expiry extensions on all 72 daily auction locations**

**WASHINGTON and LONDON, October 6, 2009**

Nodal Exchange, LLC and LCH.Clearnet Ltd announced today that extended expiries on 72 locations, 144 peak and off-peak contracts, are now available for trading. The locations, which include all of the hubs and zones currently offered in Nodal Exchange's daily auction, are now available for trading in the current month plus 32 months forward. In less than 6 months, Nodal Exchange and LCH.Clearnet Ltd have introduced 2,880 new tradable expiries in response to direct market demand.

Roger Liddell, Chief Executive Officer, LCH.Clearnet said: "Together with Nodal Exchange we continue to transform the North American power marketplace. Since launching this groundbreaking service, in April 2009, we have made remarkable progress as this extension demonstrates. Responding to the demands of participants and supporting the future growth of the marketplace is our ongoing focus."

"Interest and participation in Nodal Exchange is growing, and after the positive reaction to our expiry extension in August, participants requested we broaden the service to more locations. We are very happy to be able to better meet market demand," said Paul Cusenza, Chief Executive Officer of Nodal Exchange.

Nodal Exchange is the only market where the majority of these 144 extended expiry contracts can be centrally cleared. Nodal Exchange also offers over 1,700 additional locations (over 3,400 contracts) that can also only be central counterparty cleared on Nodal Exchange through LCH.Clearnet Ltd. Launched in April 2009, Nodal Exchange has successfully been trading across four market locations: ISO-NE (ISO New England), NYISO (New York ISO), PJM (PJM Interconnection), and MISO (Midwest Independent Transmission System Operator).

LCH.Clearnet is the world's leading independent clearing house group and has a long history of successfully managing credit risk through central counterparty clearing. LCH.Clearnet Ltd has continued its history of innovation through pioneering the clearing of nodal power contracts and the use of Value-at-Risk (VaR) based margining on Nodal Exchange.

- Ends -

.....More/

### **About Nodal Exchange, LLC**

Nodal Exchange is the first independent electronic commodities exchange dedicated to offering locational (nodal) forward trading products and services to participants in the organized North American electric power markets. Nodal Exchange builds on the success of the existing Regional Transmission Organization/Independent System Operator (RTO/ISO) day-ahead markets through the development of cash-settled forward nodal/zonal auctions that enables Nodal Exchange participants to effectively manage basis and credit risk. The Nodal Exchange platform also accepts for clearing bilateral over-the-counter (OTC) transactions submitted by participants and brokers. Nodal Exchange is an independent, privately held company. For more information, visit [www.nodalexchange.com](http://www.nodalexchange.com).

### **About LCH.Clearnet**

LCH.Clearnet is the leading independent clearing house group, serving major international exchanges and platforms, as well as a range of OTC markets. It clears a broad range of asset classes including: securities, exchange traded derivatives, energy, freight, interbank interest rate swaps and euro and sterling denominated bonds and repos; and works closely with market participants and exchanges to identify and develop clearing services for new asset classes.

A clearing house sits in the middle of a trade, assuming the counterparty risk involved when two parties (or members) trade. When the trade is registered with a clearing house, it becomes the legal counterparty to the trade, ensuring the financial performance; if one of the parties fails, the clearing house steps in. By assuming the counterparty risk, the clearing house underpins many important financial markets, facilitating trading and increasing confidence within the market.

Initial and variation margin (or collateral) is collected from clearing members; should they fail, this margin is used to fulfill their obligations. The amount of margin is decided by the clearing house's highly experienced risk management teams, who assess a member's positions and market risk on a daily basis. Both the soundness of the risk management approach and the resilience of its systems have been proven in recent times.

LCH.Clearnet is regulated or overseen by the national securities regulator and/or central bank in each jurisdiction from which it operates.