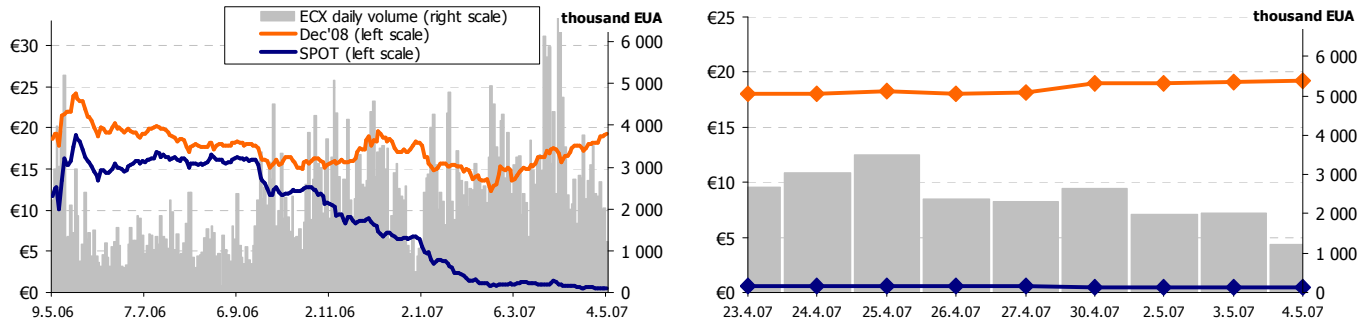## EUA PRICE NEW RECORD LOW AGAIN
EC announced its decision over Estonian NAP2

May 7

Trading FORWARD:

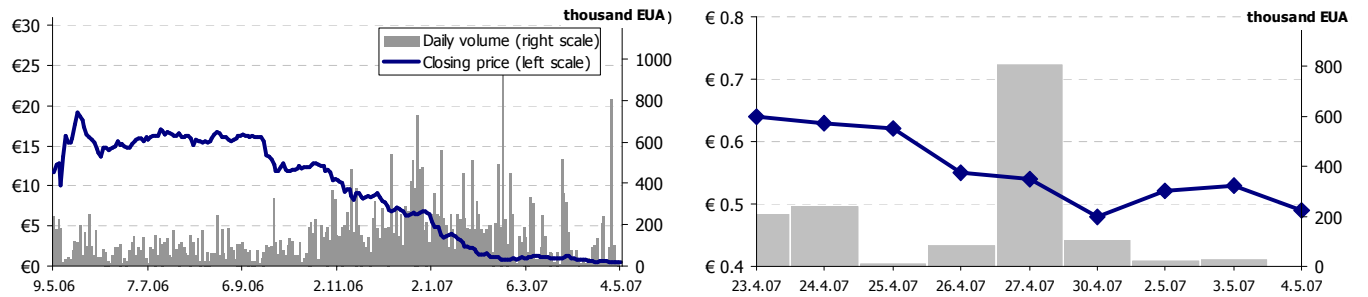**EUA SPOT and December 2008 Prices and futures volumes on ECX - last twelve month (LTM) and last two weeks**

	Price (€/EUA)	Day
Weekly maximum	**19.25**	**Friday**
Weekly minimum	**18.98**	**Tuesday**

Source: Powernext, Pointcarbon, ECX

High German power prices, buying support from utilities were the main reasons of the last week price growth. Additionally price increase was supported by low liquidity on the market caused by public holidays at the beginning of the week and conference at the end of the week, which have took off major players from the market. Total ECX (Forward) volume traded was 10.2 million last week. That was about 27% (or 3.73 million) less than week ago.

Trading SPOT:

EUA Prices and Volumes on Powernext - last twelve month (LTM) and last two weeks

	Price (€/EUA)	Day
Weekly maximum	**0.53**	**Thursday**
Weekly minimum	**0.48**	**Monday**

Source: Powernext

Oversupply of allowances continues to put downward pressure on price. Last week EUA price has reached its new record low of €0.48 on Monday. Total Powernext (SPOT) volume of allowances traded last week was 0.15 million. That was about 89% (or 1.20 million) less than week ago.

News:

Estonia will be allowed to allocate about 12.71 million allowances annually in the 2008-2012 period, according to the EC decision announced on 4th of May. This is about 0.09 million (or 0.7%) more than Estonian 2005 emissions that were 12.62 million and about 11.66 million (or 48%) less than Estonia initially proposed in NAP2 draft submitted to EC on January. EC decision means that fewer allowances will supply the market in the second phase. However, total Estonian allocation is relatively small and should not have significant influence on the price in the phase two.

NAP2: Countries, which are still waiting for EC final decision: **Cyprus, Denmark, Estonia, Finland, Italy, Portugal, Romania.** Countries that haven't yet submitted NAP2 draft to the EC: **Bulgaria**