A common interest in developing a reliable, sustainable and affordable energy system was the main driver for the Nordic energy policy cooperation since the creation of the Nordic Council of Ministers. The diversity of the energy systems in the Nordic countries facilitated this cooperation, not least in the power sector. Over the years, five focus areas have been addressed. Energy security of supply triggered the Nordic cooperation with the need to develop a long-term energy policy. This required decision-making support and energy systems analyses based on reliable and valid data, modelling and policy scenarios.

Energy markets developed from a political wish to make the important oil and gas sector an area of cooperation that led finally to the recognition that there was no common ground for closer cooperation in this field. However, power utilities and grid companies cooperated across the borders long before the politicians supported and pushed for further cooperation. Energy efficiency was addressed by a portfolio of activities ranging from knowledge-sharing, public campaigns, labelling and standardisation of products. The need to address environmental degradation was inspired by the UN Brundtland Commission Report, and climate change became a common concern. Energy technology cooperation was an integral part of Nordic energy policy cooperation from the very beginning. The Nordic Energy Research Programme was established with funding from each of the Nordic countries, and was earmarked for Nordic projects of common interests. This created the necessary critical knowledge base in new energy technologies, energy systems and energy markets.

Nordic energy policy cooperation followed the ordinary Nordic governance structures, rules and mode of operation with Council of Ministers, supported by a committee of senior officials and a secretariat. This was characterised by an incremental development of the cooperation based on consensus, mutual understanding and trust facilitated through exchange of experiences, work groups, seminars, educational activities and mobility schemes for energy policy officials. With the consolidation of Nordic Energy Research in 1999, the cooperation benefitted from having an institution that exclusively could focus on Nordic energy policy issues and deliver research-based decision support to decision makers in the Nordic energy sector.