



Press release

Morges, 29 August 2014

Slight increase in electricity bills (+2%) for residential customers

By reducing the usage cost of its regional power grid, Romande Energie has been successful in partially offsetting the price rise stemming from the sizeable increase in the residential contribution to the Confederation's scheme for promoting green power generation.

On 25 June, the Federal Council decided to increase the contribution to the CFR fund from 0.6 to 1.1 centime per kilowatthour (kWh). CFR (compensatory feed-in remuneration) is a scheme promoting the generation of power from renewable sources. The substantial increase in this power price component (+83%) will impact the electricity bill of every household in Switzerland.

Fifth consecutive decline in regional grid costs

The good news is that the increase will be minor (+2%) for Romande Energie's customers. This is because the higher CPR levy will be offset by a decline, or stability, in the price components that depend directly on the power company.

The cost of the regional power grid will drop by 3% in 2015. This price component, which accounts for close to 40% of electricity bills, will fall for the fifth year running as a result of the grid-installation management strategy brought in by Romande Energie in 2005 with the aim of improving process and infrastructure efficiency while maintaining a high quality of supply. Furthermore, the actual energy component in the price of electricity will be stable between 2014 and 2015.

Customers choose how and where their power is generated thanks to *Terre Suisse* and *Terre Romande*

Terre Suisse is Romande Energie's flagship offer. It offers customers power sourced exclusively from Switzerland in keeping with the country's generation mix, which is currently 60% hydro and 40% nuclear.

Those customers wanting all their electricity to originate in Western Switzerland, and from renewable sources, can subscribe to *Terre Romande*. *Terre Suisse* and *Terre Romande* are accompanied by information and services for promoting energy efficiency.

The *standard* price plan, under the terms of which the energy source is not specified, is also available to customers. It is slightly more economical than the flagship *Terre Suisse* price plan. However, customers opting for this formula do not benefit from the mechanisms designed for reducing energy consumption.

Detailed information on 2015 pricing will be available from 15 September at www.romande-energie.ch/prix2015. A simulator will also be available for customers who wish to estimate their future electricity bills.

Notes to editorial desks

This press release is being issued outside the trading hours of the SIX Swiss Exchange as required by the SIX Listing Rules on ad hoc publicity.

The **2015 prices** of Swiss power companies can be consulted by visiting <http://www.prix-electricite.elcom.admin.ch/start.aspx?lang=fr>

The price of electricity is comprised of the following:

- Cost of power
- Grid usage fee
- Taxes and duties charged by the Confederation, cantons and municipalities

Network charges represent the cost of moving power from its point of generation to the ultimate point of consumption in addition to costs for balancing the system. There are three components:

- Regional grid usage fee, within the remit of Romande Energie
- Transmission fee for use of the VHV national grid, within the remit of Swissgrid SA
- Regulating power (system services), which also comes under Swissgrid SA

Price components that depend directly on Romande Energie (power and grid usage fee) altogether account for slightly over 80% of the average electricity bill.

The remaining 20% - the transmission fee, balancing power, and taxes and duties - is collected by Romande Energie and passed on, as appropriate, to Swissgrid SA, the Confederation, the cantons or municipalities.

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Romande Energie at a glance

Romande Energie Group is the leading electricity distributor in Western Switzerland. Through its subsidiary Romande Energie Commerce, it supplies more than 300,000 end-customers directly in approximately 300 municipalities in the cantons of Vaud, Valais, Fribourg and Geneva. Its core business lines are the **generation, distribution and marketing** of power together with **energy services**.

Priorities are liaising with customers to ensure high-quality services in line with expectations; guaranteeing a reliable, sustainable and competitive supply of energy; developing proprietary power generation through priority investments in renewable energy; and promoting innovative energy-efficiency solutions.

Romande Energie's corporate social responsibility policy systematically guides its approach to business.

For more information on Romande Energie Group, visit www.romande-energie.ch