



Press release

Morges, 31 August 2015

2016 tariffs

Lower electricity prices for all customers

Romande Energie is reducing regulated power tariffs for all its customers, both residential and business users, despite the surge in Swissgrid's VHV transmission grid fee and the increased residential contribution to be levied by the Confederation for its green-power scheme. It has done this by passing on the drop in the power-acquisition component to customers and holding the usage cost of its regional power grid steady.

Romande Energie today publishes the regulated power tariffs that will enter into force on 1 January 2016 – and is delighted to announce that household customers will see their total bills (network tariff + *Terre Suisse* price plan + feed-in contribution) fall by 2% on average. Business customers that have not opted out of regulated pricing will also see tariffs decline by around 5%.

The 15% increase in Swissgrid's transmission fee and the 18% rise in the federal CFR levy both spell higher electricity bills for Swiss households everywhere, irrespective of supplier. In response to this cost inflation, Romande Energie has decided to pass on power-tariff savings to customers and hold the regional grid tariff steady – pricing components over which it has control.

Cheaper power and stable regional grid costs

Power-acquisition tariffs, which account for 35% of the total price of electricity, are going to be cut sharply. The price of power will fall by 6% for households supplied through the *Terre Suisse* basic price plan and which use 2,500 kWh annually – the norm for the majority of Romande Energie's residential customers.

The reason behind this is that procurement costs have fallen for Romande Energie thanks to lower power prices on Swiss and European markets.

After falling for five successive years (2011-2015), the regional grid fee will be unchanged in 2016. Continued process optimisation and tight cost management will offset sizeable capital expenditure assigned to maintaining and modernising distribution infrastructure.

Customers choose power source and generation mix

Terre Suisse, Romande Energie's basic price plan, offers customers power sourced exclusively from Switzerland in line with the country's generation mix, which is currently 60% hydro and 40% nuclear.

Customers who want their energy to be procured entirely in Western Switzerland, exclusively from renewable sources, can opt for *Terre Romande* or *Terre d'ici*, a new price plan which will be available from 1 January 2016 offering a mix of 80% hydro and 20% solar power sourced from Romande Energie's solar parks, with customers being able to select location from among the five regions of Western Switzerland.

As well as guaranteeing the source and mix of the power supplied, *Terre Suisse*, *Terre Romande* and *Terre d'ici* come with information and services for helping customers save on energy.

Customers may of course opt for the standard tariff but, in that instance, there is no guarantee regarding energy source. The standard tariff is slightly more economical than the basic *Terre Suisse* price plan but does not include Romande Energie's special energy-saving tools.

Detailed information on 2016 tariffs can be consulted by visiting www.romande-energie.ch/tarifs2016. A simulator is also available for customers who wish to estimate their future power 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 price of electricity is comprised of the following :
 - Power-acquisition cost (in kilowatt hours)
 - Grid usage fee
 - Taxes and duties charged by the Confederation (including CFR), cantons and municipalities
- The grid usage fee has three components :
 - Regional distribution fee, falling within the remit of Romande Energie
 - Transmission fee for use of the VHV national grid, charged by Swissgrid SA
 - Balancing power (system services), again under the auspices of Swissgrid SA

Price components that depend directly on Romande Energie (power-acquisition cost and regional grid fee) together account for slightly over 75% of the average electricity bill.

The remaining 25% – the transmission fee, balancing power, and taxes and duties – is collected by Romande Energie and remitted to either Swissgrid SA, the Confederation, the cantons or municipalities, as appropriate.

- This press release concerns customers supplied through Romande Energie's regional power grid. Customers of partners to Romande Energie Commerce (marketing venture of which SIE SA, Forces Motrices de l'Avançon and municipal utilities providers of Pully, Paudex, Belmont-sur-Lausanne, Romanel-sur-Lausanne and Bussigny are also part) benefit from the same power tariff but pay a different regional grid fee.

For information on these tariffs, please refer to integrated tariffs by visiting www.romande-energie.ch/tarifs2016

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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