

Media release

8. March 2024

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Negotiations on an electricity agreement with the EU can begin Swissgrid explains the advantages of an electricity agreement

Today, the Federal Council adopted the definitive negotiating mandate with the European Union (EU). It includes negotiating guidelines for an electricity agreement. Swissgrid welcomes this important step towards strengthening grid security and security of supply, legal certainty and Switzerland's ability to help shape the European electricity system.

An electricity agreement would make an important contribution to the secure and efficient operation of the transmission grid by regulating cooperation between Switzerland and the EU in the electricity sector. Consequently, an electricity agreement would help ensure that Swiss consumers have sufficient electricity available at all times and that Swiss producers can market their energy in the best possible conditions. It would also increase legal certainty in Switzerland with regard to the country's participation in European cooperation and processes in the electricity sector. Overall, this would enable Switzerland to maintain its historic pioneering role in the establishment and further development of the European electricity system in the long term.

Reliable supply for consumers

For Swiss consumers to be able to obtain sufficient electricity at all times, high enough volumes of electricity must be available in Switzerland, and it must be possible to transport this electricity safely via the grid. An electricity agreement would help improve grid stability by enabling Swissgrid to participate on an equal footing in European platforms and processes for the operation of the transmission system. The agreement would also help increase the availability of electricity in Switzerland by strengthening the country's import capability. This is particularly important in winter, as it is usually not always possible to produce enough electricity in Switzerland to cover electricity consumption. An electricity agreement would also strengthen Switzerland's security of supply in critical situations, as Switzerland would be included in international electricity crisis response plans at authority level.

Efficiency gains for all market players

However, an electricity agreement with the EU would benefit not only consumers, but also market players in general. The EU is constantly developing the European internal electricity market, and is able to achieve efficiency gains as a result. An electricity agreement would ensure that Switzerland has equal access to this market and that Swiss market players can also take advantage of these efficiency gains. It would also increase sales opportunities for Swiss producers. An electricity agreement would allow Swissgrid to participate on an equal footing in European market platforms (e.g. control energy platforms) for the operation of the transmission

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system. This could have a positive effect on electricity tariffs and therefore ultimately benefit Swiss consumers.

Clear rules of the game

An electricity agreement would also offer clear advantages in terms of legal certainty. Swissgrid can currently ensure technical cooperation with neighbouring transmission system operators to a certain extent by means of contracts under private law. However, these contracts are of limited duration, must be renewed annually, have no durable EU legal basis and can be overridden by new EU legislation. An electricity agreement would create security by establishing permanent cooperation at an intergovernmental level. Furthermore, an electricity agreement would improve Switzerland's position on disputes relating to its participation in European platforms and processes, given that the introduction of a joint arbitration tribunal would clarify institutional jurisdiction. The current legal disputes against EU authorities before EU courts in connection with Swissgrid's participation in control energy platforms would become irrelevant following the signature of an electricity agreement. It would also offer a chance to structure other important aspects of the electricity system alongside technical cooperation. Swissgrid believes that the handling of European cybersecurity regulations in particular should be defined as part of the electricity agreement, as these regulations have a direct impact on grid operations.

Facing the future together

Last but not least, an electricity agreement would give Swiss players equal access to European bodies. This would enable Swissgrid, the Swiss Federal Electricity Commission (EiCom) and other Swiss players to once again be more actively involved in shaping the development of the European electricity system in the future. After all, Switzerland has historically played a pioneering role in the development of the continental European interconnected grid. In the light of the current transformation of the energy system, Switzerland needs to seize this opportunity to champion sustainable solutions with a spirit of innovation.

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History of the electricity agreement

Switzerland and the EU began negotiations on an electricity agreement in 2007. Since 2012, the EU has made its conclusion dependent on the resolution of institutional issues. The most recent negotiations regarding an electricity agreement were held in July 2018. At the time, they were still based on the EU's Third Energy Package. In May 2021, Switzerland broke off negotiations with the EU regarding an institutional agreement. As a result, an electricity agreement became a distant prospect as well. This changed when the exploratory talks between Switzerland and the EU on a broad package approach, which had been ongoing since April 2022, were concluded at the end of October 2023. On 8 November 2023, the Federal Council announced its decision to prepare a negotiating mandate with the EU. The Federal Council adopted a draft negotiating mandate on 15 December 2023. After completing the consultation, the Federal Council approved the definitive negotiating mandate on 8 March 2024.

For more information: [Blog post «Why Switzerland needs an electricity agreement»](#) or media@swissgrid.ch or call +41 58 580 31 00.

Powering the future

Swissgrid is the national grid company. As the owner of Switzerland's extra-high-voltage grid, it is responsible for operating the grid safely and without discrimination and for maintaining, modernising and expanding the grid efficiently and with respect for the environment. Swissgrid has around 700 highly qualified people from 33 countries at its sites in Aarau, Prilly, Castione, Landquart, Laufenburg, Ostermundigen and Uznach. As a member of the European Network of Transmission System Operators for Electricity (ENTSO-E), it is also responsible for grid planning, system management and market design in the European exchange of electricity. The majority of Swissgrid's share capital is jointly held by various Swiss electricity companies.