

Press release 31 January 2019 Swissgrid Media Service Bleichemattstrasse 31 P.O. Box 5001 Aarau Switzerland

T +41 58 580 31 00 media@swissgrid.ch www.swissgrid.ch

Revision of the Federal Electricity Supply Act: Swissgrid welcomes the political debate on security of supply

Prompted by the revision of the Federal Electricity Supply Act, the ongoing debate on the security of supply in Switzerland is needed. However, Swissgrid questions the newly proposed solution regarding the storage reserve and, in terms of its specific design, sees a considerable need to clarify the competences and responsibilities of the individual players. The intended electricity market liberalisation will have a positive effect on the transmission grid.

The Federal Electricity Supply Act is the most important legal basis for Swissgrid's operations. The current revision aims, in particular, to completely liberalise the electricity market and introduce a storage reserve.

Second step towards liberalising the electricity market will have a positive effect on the transmission grid

Swissgrid is committed to a competitive and transparent energy market. Full market liberalisation brings new providers and more innovation. This has a positive effect on the transmission grid and on the entire economy. However, market liberalisation also places higher demands on efficiency and data quality for the entire electricity industry. This makes the availability of promptly provided, reliable data for forecasting and monitoring very important. Full market liberalisation is also one of the conditions for the conclusion of a bilateral electricity agreement with the European Union.

Storage reserve: Clarify design questions

Swissgrid supports the debate on the security of supply in Switzerland. However, Swissgrid is critical of the proposed solution that takes the form of a storage reserve. We question its necessity as neither the study on system adequacy (period 2020/2025) by the regulator ElCom nor the study by the Swiss Federal Office of Energy (period 2030/2035) indicate a need for such a reserve. In addition, there are still many unanswered questions regarding the specific design. In addition to the technical implementation, questions about the roles and responsibilities need to be clarified.

Swissgrid has the statutory mandate to ensure that the transmission grid is operated reliably and efficiently. In contrast, the responsibility for supply lies with the electricity industry as a whole. However, by activating a storage reserve, Swissgrid would indirectly become the supplier of last resort. Swissgrid rejects this role.

swissgrid

Press release 31 January 2019

Merely storing the existing energy (for example, water in the reservoirs) also does not contribute to increasing the security of supply. It merely shifts the point in time at which a shortage occurs but does not necessarily prevent an energy shortage from occurring. To effectively counteract an energy shortage, more energy would have to be introduced into the system.

For further information: media@swissgrid.ch or on +41 58 580 31 00.

Powering the future

Swissgrid is the National Grid Company. As the owner of the Swiss extra-high-voltage grid, it is responsible for operating the grid safely and without discrimination and for maintaining, modernising and expanding the extra-high-voltage grid efficiently and with respect for the environment. Swissgrid has more than 450 skilled employees from more than 20 countries at its sites in Aarau, Prilly, Castione, Landquart, Laufenburg, Ostermundigen and Uznach. As a member of the European Network of Transmission System Operators ENTSO-E, it is also responsible for tasks in the fields of network planning, system management and market formation within the European exchange of electricity. The majority of Swissgrid's share capital is jointly held by various Swiss electricity companies.