

Media release
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Transfer of the extra-high-voltage grid to Swissgrid: ECom stipulates the regulatory values of the installations

The Swiss Federal Electricity Commission (ECom) has issued several rulings whose implementation will result in an increase in Swissgrid's non-current assets. On this basis, Swissgrid will raise the remuneration for a number of former transmission system owners.

As stipulated by the Electricity Supply Act, the Swiss transmission system operator Swissgrid is the owner of the Swiss extra-high-voltage grid. To implement the requirements of the Act, since the start of 2013 the installations of the transmission grid have been transferred to Swissgrid from the former owners. Specifically, this relates to more than 17,000 installations worth over CHF 2,300 million and represents the largest and most complex transaction stipulated by law in Switzerland to date.

The value of the individual installations was not able to be conclusively determined at the time of the respective non-cash contribution, as proceedings influencing the valuation were still pending between the owners and ECom on the relevant transaction dates. As a result, a provisional valuation initially took place to determine the value of the plants, followed by the first valuation on the transfer date. The recent ECom rulings on the regulatory values on the respective transaction date are expected to finalise the remuneration for the transmission grid systems transferred to Swissgrid. The second valuation adjustment will settle any remaining difference between the remuneration already paid on the transfer date and the recent ruling on the regulatory value on the transaction date.

These valuation-influencing rulings issued by ECom and the additional rulings expected in the coming weeks will satisfy the requirements for the equal treatment of all parties for the execution of the valuation adjustment.

The valuation adjustment is expected to increase the value of Swissgrid's non-current assets by between CHF 100 and 150 million, which will also indirectly lead to a higher profit due to the regulatory business model. In addition, this also increases Swissgrid's share capital, and the ownership interests of shareholders will change slightly. The necessary amendments to Swissgrid's Articles of Incorporation require the approval of the Federal Council. This is expected to be provided by the end of 2021.

For more information, visit media@swissgrid.ch or call +41 58 580 31 00.

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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 more than 600 highly qualified people from 22 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.