

Media release
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Tariffs 2022 for the Swiss transmission grid

The tariffs for the transmission grid are set to increase for the first time in seven years. A household with an annual consumption of 4,500 kWh will pay an average of CHF 50 for Swissgrid's services in 2022. This amounts to around 6 per cent of its annual electricity costs.

In 2022, a household with an average consumption of 4,500 kWh will pay an average of CHF 50 for the services provided by the national grid company. This equates to around 6 per cent of a household's total annual electricity costs. This means that the average financial burden on electricity consumers for the Swiss transmission grid will increase for the first time in seven years (2021: CHF 44).

The tariffs charged by Swissgrid cover expenditure for grid usage and ancillary services. In particular, the increase in the tariffs for grid usage is due to the regulatory requirements of the Swiss Federal Electricity Commission (EiCom). The tariff for reactive energy will also rise in 2022. The tariff for general ancillary services will remain the same, but the tariff for active power loss will decrease.

Higher tariffs for grid usage, steady tariff for general ancillary services

The tariffs for grid usage include a working tariff, a power tariff and a fixed basic tariff per weighted outflow point. In 2022, these will rise compared to the current year, among other things because Swissgrid is entitled to use only part of the income from auctions that the company collects from cross-border congestion management to reduce tariff-determining costs. The majority of the income will be invested in the transmission grid. In addition, Swissgrid needs to eliminate a deficit in the Grid Usage Division, which will also contribute to higher tariffs.

The tariff for general ancillary services will remain unchanged from the current year at 0.16 cents per kWh.

Diverging developments in the tariffs for individual ancillary services

In the Individual Ancillary Services Division, the tariff for active power loss will decrease in comparison with the current year to 0.14 cents per kWh (2021: 0.15 cents). By contrast, the tariff for reactive energy will rise to 1.64 cents per kvarh (2021: 1.38 cents). Overall, the average financial burden on electricity consumers will decrease for these two divisions in 2022.

Swissgrid is consistently focussed on improving efficiency in its relevant markets, and the company is constantly refining the product range in the control power market in order to attract

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new providers. These developments not only improve liquidity in the respective market, but also lead to greater security in grid operation. Swissgrid's reliable and efficient operation of the transmission grid plays an important role in ensuring the security of supply in Switzerland.

A detailed overview of Swissgrid's tariffs can be found [on the website](#). For background reading on Swissgrid's business model and annual tariff calculation, please see the blog [«A business model like no other»](#).

Ancillary services tariffs

Ancillary service tariffs cover the costs of general and individual ancillary services. The costs of provisioning control power, for example, fall under the heading of general ancillary services. Swissgrid uses the control energy made available by the power plants to balance short-term differences between electricity generation and consumption. Individual ancillary services include, in particular, the tariffs for compensating active power losses and delivering reactive energy.

Grid usage tariffs

The grid usage tariffs cover the costs of renewing, expanding, maintaining, operating and monitoring the transmission grid. Swissgrid calculates each tariff based on forecasts. There is a working tariff, a power tariff and a fixed basic tariff per weighted outflow point.

Surpluses and deficits

Surpluses and deficits can occur because Swissgrid determines its tariffs in advance on the basis of budget figures. Within the financial year concerned, the actual costs and income regularly differ from the budgeted figures. Swissgrid must balance out these differences – surpluses or deficits – within a certain timeframe in accordance with the regulatory requirements.

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Passing on Swissgrid tariffs

Swissgrid bills the general ancillary services tariff to all distribution grid operators. They pass it on to their end consumers. Swissgrid bills the tariffs for grid usage and individual ancillary services to distribution grid operators that are directly connected to the transmission grid. On the basis of the tariffs Swissgrid has passed on and their own grid costs, these operators in turn calculate the tariffs for their end consumers. Consequently, these tariffs may vary depending on the distribution grid operator.

For more information, visit 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 about 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.