Press release

Morges, 31 August 2016

2017 tariffs

Lower electricity prices for all Romande Energie customers

Information on the regulated power tariffs taking effect on 1 January 2017 was released today. As in 2016, all Romande Energie customers will gain from a reduction in the pre-tax tariff ranging from 1% for low-consumption households to almost 2% for business customers supplied with medium-voltage power.

Electricity tariffs have several components. In addition to the actual electricity price, they also include the cost of using the regional power grid, VHV national grid and balancing power (system services), as well as various levies. The broad-based reduction in tariffs announced by Romande Energie stems from price savings on the “energy” and “balancing power” components as well as a stable usage cost for Romande Energie’s regional distribution grid and Swissgrid’s national transmission grid.

As in 2016, Romande Energie’s favourable procurement terms for energy – the consequence of low power prices on Swiss and pan-European markets – are being passed on to customers.

The usage fee for Romande Energie's grid has not changed since 2016 after falling for five consecutive years (2011-2015). It is moreover kept lower than the Swiss average through constant cost controls and streamlining. At the same time, substantial investments are made to maintain and modernise power distribution infrastructure.

Taxes represent 18% of electricity bills

On 29 June, the Federal Council decided to increase the contribution of Swiss households to the CFR fund from 1.3 to 1.5 centime per kilowatt hour (kWh). The main purpose of CFR (compensatory feed-in remuneration) is promoting the generation of renewable energy.

This increase of 0.2 ct per kWh will be added to the bills of all Swiss households. For customers of Romande Energie, it will be fully offset by the aforementioned price reductions.

Customers free to choose power-generation source and mix

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

Those customers wanting all their electricity to originate from Western Switzerland, and from renewable sources, can subscribe to the *Terre Romande* offer. Lastly, the *Terre d’ici* price plan offers a mix of 80% hydro and 20% solar sourced from Romande Energie's solar parks, with customers able to select their desired generation location from among the five regions of Western Switzerland.

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

Customers may still opt for a power supply of unspecified origin through the standard tariff, which is marginally cheaper than the basic *Terre Suisse* plan.

Detailed information on 2017 pricing can be consulted by visiting www.romande-energie.ch/tarifs2017 (in French only). 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:
  - The cost of the energy (measured in kilowatt hours)
  - The 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, within the remit of Romande Energie
  - Transmission fee for use of the VHV national grid, within the remit of Swissgrid SA
  - Balancing power (system services), again under the authority of Swissgrid SA

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

  The remaining 25% – the national VHV transmission fee, balancing power, and taxes and duties – is collected by Romande Energie for either Swissgrid SA, the Confederation, cantons or municipalities.
- This press release concerns customers supplied through Romande Energie's regional power grid. Customers linked to partners of Romande Energie Commerce (marketing venture that also includes SIE SA, Forces Motrices de l'Avançon and the municipal utilities providers of Pully, Paudex, Belmont-sur-Lausanne, Romanel-sur-Lausanne and Bussigny) have 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/tarifs2017 (in French only).

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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