Press release

Morges, 31 August 2017

2018 tariffs

Romande Energie once again cuts electricity prices for all customers

Information on the regulated power tariffs taking effect on 1 January 2018 has been released today. As in 2016 and 2017, all Romande Energie customers will benefit from lower pre-tax tariffs. Savings in 2018 will range from 4.6% for low-consumption households to nearly 5.5% for business customers supplied with medium-voltage power.

Electricity tariffs comprise 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 other charges. The broad-based price reduction announced by Romande Energie will stem first and foremost from savings on energy costs and the regional-grid usage fee. Other factors are a lower balancing-power requirement and decreased costs relating to Swissgrid's national transmission grid.

As in 2017, Romande Energie is passing on to customers its own advantageous energy procurement terms, which are the result of low power prices on Swiss and pan-European markets.

The usage fee for Romande Energie's grid will decrease further in 2018 after falling for five consecutive years (2011-2015) and remaining stable in 2016 and 2017. This price reduction is the consequence of constant cost-control and streamlining measures. Continued substantial investments are also being made to maintain and modernise power-distribution infrastructure.

At this point in time, the Federal Council has not calculated the amount that Swiss households must pay into the CFR fund starting on 1 January 2018. The main purpose of CFR (compensatory feed-in remuneration) is promoting the generation of renewable energy. This additional charge, which could vary between 1.5 and 2.3 cts/kWh, will be applied to customers' bills.

Customers free to choose power-generation source and mix

In 2014, Romande Energie launched three new price plans, *Terre Suisse*, *Terre Romande* and *Terre d'Ici*, thanks to which many customers have been able to do their part for the environment by choosing which certified source and generation mix of electricity will be supplied to them. Alternatively, customers may opt for an indeterminate generation mix through the standard tariff, which is marginally cheaper than the basic *Terre Suisse* plan.

Detailed information on 2018 pricing can be consulted by visiting www.romande-energie.ch/tarifs2018 (in French only). In September, a simulator will be made 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

  There are three components to the grid usage fee:
  - The regional distribution fee, within the remit of Romande Energie
  - The transmission fee for use of the VHV national grid, within the remit of Swissgrid SA
  - Balancing power (system services), also within the remit of Swissgrid SA

  Price components that depend directly on Romande Energie (energy costs and the regional grid charge) together 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 on behalf of Swissgrid SA, the Confederation, cantons or municipalities.
- This press release concerns customers supplied through Romande Energie's regional power grid. Customers supplied by partners of Romande Energie Commerce (a supply company, affiliated with SIE SA, Forces Motrices de l'Avançon and the municipal utilities 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 tariffs for these customers, please refer to the integrated tariffs by visiting www.romande-energie.ch/tarifs2018 (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