

Media release

25 September 2024

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First half of 2024**Swissgrid is making a vital contribution to the transformation of the electricity system**

The national grid company can look back on a successful first half of 2024. Ensuring the secure and stable operation of the transmission system was challenging, not least due to very high exports. Swissgrid continued to modernise the extra-high-voltage grid, which is a key success factor for ensuring a sustainable energy future.

Net income amounted to CHF 54.6 million in the first half of 2024 (2023: CHF 51.6 million). The reduction in financial liabilities brought the balance sheet total to CHF 4.0 billion (2023: CHF 4.2 billion), and the equity ratio rose to 34.8% (2023: 30.9%).

In the first half of 2024, Swissgrid invested a total of CHF 147.5 million (2023: CHF 128.5 million) in modernising the grid infrastructure and guaranteeing grid-related security of supply. At CHF 348.7 million, procurement costs for ancillary services in the first half of the year were 45.5% lower than in the previous year (2023: CHF 639.7 million) thanks to a more relaxed situation on the power markets. Operating expenses stood at CHF 145.4 million (2023: CHF 139.5 million).

Challenging grid operations

Decommissioning of lines for maintenance work, combined with high domestic electricity generation and intensive electricity exchange between France and Germany, made grid operations challenging in the first half of the year. Exports remained at a very high level. In the first half of the year, including transits, a record high of 18 million MWh of electrical energy flowed to foreign countries. (2023: 15 million MWh). The Swiss transmission grid is closely linked to the continental European interconnected grid. An electricity agreement with the EU is therefore essential for ensuring the secure and stable operation of the transmission system. It strengthens grid security and security of supply, legal certainty, as well as Switzerland's opportunities to participate in shaping the European electricity system.

The expansion of photovoltaic plants is progressing in Switzerland. In the first half of the year, inaccurate production data from these plants increasingly led to considerable discrepancies between the balance group schedules and actual production levels. As a result of these differences, Swissgrid had to utilise larger volumes of control energy to maintain secure and stable grid operation.

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Swissgrid is meeting these challenges by working in close cooperation with the industry and by making use of innovative digital solutions.

Progress in the modernisation of the extra-high-voltage grid

Swissgrid made good progress on several ongoing grid projects in the first half of the year. Assembly work on the pylons between Mörel and Ernen was completed at all 27 locations, and the installation of the conductors continued. At the Biasca substation, Swissgrid started replacing the old open-air switchgear with a gas-insulated switchgear. The transformation capacity at the Mettlen substation was doubled thanks to new transformers. In addition, Swissgrid began construction work to replace the switchgear and add a coupling transformer at the Lachmatt substation.

Contribution to a secure supply of electricity in the winter

In view of a possible electricity shortage, the federal government introduced various measures in 2022 to ensure security of supply in the winter. It also assigned additional tasks to Swissgrid by ordinance, including the procurement of the hydropower reserve and the operational management of the power reserves. In the first half of the year, Swissgrid collected the tariff for the federal power reserve for the first time. The tariff revenues in this segment amounted to CHF 326.4 million (2023: CHF 0).

In the same period, costs of CHF 119.7 million (2023: CHF 344.9 million) were incurred for the federal power reserve. Swissgrid launched preparations for the coming winter on behalf of EICOM and initiated the auction for the procurement of the Confederation's hydropower reserve.

Further development of sustainability management

Swissgrid published its first integrated annual and sustainability report in April. The company's ISS-ESG rating subsequently improved from C+ to B. Swissgrid is now in the top 20% of the 70 companies in the industry assessed by ISS.

Outlook

Swissgrid expects grid operations to remain challenging in the second half of the year. Various measures have been taken with industry partners to minimise the use of redispatching and control energy, which will also keep the costs for the secure, effective and efficient operation of the Swiss extra-high-voltage grid low. Swissgrid is pressing ahead with grid expansion in order to eliminate existing and impending congestion. Faster authorisation procedures for grid projects are needed, as the transmission system is a key success factor for the transformation of the energy system.

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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 more than 800 highly qualified people from 39 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.