

# Annual Report

## Editorial



Adrian Bult, Chairman of the Board of Directors, and Yves Zumwald, CEO

## Strategy 2027 – Moving into a highly digitalised, innovative and sustainable future

Dear readers,

The energy crisis in 2022 drew the attention of the general public to the importance of the supply of electricity, the transformation of the entire energy system and the associated challenges. Measures were taken promptly and pragmatically to ensure a secure supply of electricity for Switzerland during the winter. Swissgrid contributed in several ways – for instance by taking on responsibility for the auction of the hydropower reserve and for introducing structural measures to allow the voltage increase of certain lines and the connection of the new reserve power plant in Birr.

These efforts to guarantee the winter supply were important and right, but should not obscure the fact that numerous further steps will be necessary to the long-term security of supply. In order to avert the fundamental problem – a structural energy deficit in Switzerland – it is necessary to accelerate and coordinate the approval processes for the renewal of the grids with those for the construction of new production plants, and to create incentives for the expansion and maintenance of domestic production.

Ensuring the grid-related security of supply in the long term and supporting the Confederation's energy

strategy, regardless of EU integration, is a focus of Swissgrid's Strategy 2027, which will be launched in 2023. A further aim is to harness the opportunities offered by the transformation of the energy system towards more renewable and decentralised production: Swissgrid wants to make it easier to tap into the numerous new resources available by introducing digital solutions and developing market platforms, and intends to use their flexibility profitably for system operation.

The transformation of the energy system is both an opportunity and a challenge: system complexity and the volatility of electricity flows are placing increased demands on grid operators. Swissgrid will implement various technical measures and invest in the automation and digitalisation of processes in order to optimise the controllability of the grid. This will enable the company to manage system security risks more effectively as such risks increase due to the lack of integration in Europe.

Switzerland's participation in European processes is essential to ensure a high level of security of supply. Counteracting Switzerland's marginalisation in the European electricity system is another key objective. Swissgrid is therefore looking for new ways to cooperate with European partners on a technical level. Nevertheless, only the conclusion of an electricity agreement can provide a stable legal framework in the long term.

The grid infrastructure is another focus of Strategy 2027. This is because the transformation of the energy system can only succeed if the grids are adapted to new requirements. Swissgrid's goal is to construct and operate the grid even more efficiently and to achieve optimum grid availability and capacity in the future. To do so, it will implement the Strategic Grid 2040, increasingly develop digital solutions for the planning and construction of grid projects, and automate maintenance processes.

Digitalisation and the use of new technologies are the common denominators of these priorities. Innovation and digitalisation are not an end in themselves, but are urgently needed in order to manage the high level of complexity of the electricity system faced by Swissgrid as the grid operator.

In order to achieve the goals of Strategy 2027, Swissgrid will continue to develop its corporate culture and ensure that it has the skills it needs for the future. In addition, Swissgrid will anchor the principle of sustainability even more firmly and broadly within the company. However, even in the new strategy, the issue of security remains central. Over the next five years, Swissgrid will further strengthen the resilience of its core processes.

Strategy 2027 marks the beginning of a new, five-year strategy period for the company. We look forward to tackling the challenges ahead.



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