



Press release

Swisscom and Repower join forces for intelligent power grids

Repower is joining Swisscom Energy Solutions Ltd and will hold a 35% stake in the company. The Swisscom subsidiary has developed an innovative solution that helps to manage power consumption both intelligently and sustainably and that contributes to the energy revolution. With Repower, Swisscom Energy Solutions gains a vital partner from the energy sector. Swisscom Energy Solutions will launch commercial operations in Southeast Switzerland as early as this quarter.

Energy consumption in Switzerland is set to rise in the long term. However, the capacities of existing power plants are limited and hardly any power storage facilities currently exist that can compensate for the production fluctuations that are particularly common in new renewable energies. Founded in September 2012, Swisscom Energy Solutions Ltd offers an alternative for the provision of vitally necessary system services (balancing energy). It links individual customers' electrical heating systems such as heat pumps, off-peak storage heaters and water boilers to form a kind of virtual power plant. Swisscom Energy Solutions can then coordinate and temporarily switch these connected systems on or off in order to be able to provide system services.

Repower is joining Swisscom Energy Solutions Ltd and will hold a 35% stake in the company. Both parties have agreed to not disclose the size of the investment. With its distinctive expertise and deeply-rooted presence in Switzerland, Repower is an ideal partner for Swisscom Energy Solutions. The company has a service area with a high density of suitable systems, providing a sound basis for the virtual power plant, and can, when necessary, supplement the capacities of Swisscom Energy Solutions' virtual power plant with its hydropower plants.

Launch in Southeast Switzerland to be followed by nationwide offering

Private households within Repower's service area will be able to benefit from the innovative offerings as early as this quarter. Participation is free for customers and Repower will actively invite those with suitable systems to participate within the next few weeks.



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If experiences gained in Southeast Switzerland are positive, Swisscom Energy Solutions will market the offer nationwide. Potential participants from anywhere in Switzerland, regardless of their place of residence, can already sign up for this innovative heating control system at be-smart.ch.

Providing balancing energy through virtual power plants is an efficient and economic alternative to conventional means of production and Swisscom Energy Solutions is making a vital contribution toward grid stability and the future of energy in Switzerland with this innovative method.

Berne/Poschiavo, 29 January 2013

About Swisscom Energy Solutions Ltd

The Olten-based Swisscom subsidiary was founded in September 2012. It currently employs around 10 people and is one of Swisscom's several new business areas. The energy market is currently undergoing a transformation similar to that experienced by the telecommunications market following the Internet's growth in popularity. Swisscom is perfectly placed to enter the energy market: It has a neutral market position, is active throughout Switzerland and is well-positioned to combine its energy expertise with ICT (convergence). Swisscom also has the advantage of short technological development cycles and many years of experience in operating secure and reliable communication networks and data centres.

More information can be found at www.be-smart.ch

About Repower

Repower is an internationally-active power company headquartered in Poschiavo (canton of Graubünden) with activities along the entire power value chain and in the gas business. Its key markets are Switzerland, Italy, Germany and Romania. As the leading provider in Southeast Switzerland, the company directly or indirectly supplies some 85,000 households with power; in other countries it concentrates on supplying power to the SME niche market. Repower maintains a geographically and technologically diversified portfolio of power plants and is active in international electricity trading. Repower is prepared to contribute to achieving the goals of the Swiss government's 2050 energy strategy and to improving energy efficiency. More information can be found at www.repower.com