



Energy Policy

The electricity agreement is *an important contribution to energy security*

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At a glance

- For Switzerland, the electricity agreement is a key pillar of an affordable, clean, and secure electricity supply.
- In addition to expanding renewable energy and lifting the ban on nuclear power, the agreement is intended to strengthen Switzerland's position in the European electricity market.
- Today's decision by the Council of States' Energy Commission to take up the matter sends the right signal. Now we need a practical domestic implementation plan.

Today's decision by the UREK-SR marks an important milestone in the debate over the electricity agreement. Switzerland's industrial sector needs this agreement: It secures access to eight gigawatts of import capacity—equivalent to eight times the capacity of the Gösgen nuclear power plant. It empowers consumers—Swiss companies account for about half of the electricity consumed in our country. The freedom to choose an electricity provider benefits small and medium-sized enterprises (SMEs) and helps keep electricity prices—which are very high by global standards—in check. The agreement also lowers costs and promotes innovation: 600 local monopolies and electricity rates, thousands of pages of electricity market regulation—the Swiss electricity market is not prepared for the future. The domestic implementation of the agreement presents an opportunity to correct this. Thanks to market reforms, secured imports, and new export opportunities, the system costs in 2050 could be around CHF 50 billion (30%) lower.

A well-negotiated agreement

Sovereignty over Switzerland's own electricity production and its own systems remains fully safeguarded under the electricity agreement; this has also been confirmed as such by the EU institutions (esp. electricity reserves, hydropower). Dynamic adoption of EU law is clearly defined: In total, 12 EU legislative acts must be adopted. Concession law is not affected; the principle of equivalence applies to environmental law. Switzerland also gains a say in technical matters and in political decision-shaping. The negotiation objectives have thus been fully achieved.

Streamlined domestic implementation: The leeway is there; it's up to us to use it

With the revision of the Energy and Electricity Supply Act, Switzerland has an opportunity to greatly simplify its own electricity market and significantly reduce the regulatory burden. This opportunity must be seized, as the Electricity Agreement sets only very loose guidelines. A streamlined implementation includes, among other things, a revision of complicated support mechanisms, a pragmatic unbundling of grid operations from other activities, preventing “Swiss finishes,” avoiding unnecessary detailed regulations in the new universal service framework, and ensuring lean, effective market oversight. The goal is clear: the regulated framework for the open electricity market must not be more complicated than that of today’s closed market.



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