

Swiss voters adopt revised Energy Act

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Introduction

Revised Energy Act

Referendum

Effective date and amended ordinances

Comment

Introduction

On May 21 2017 Swiss voters adopted a revised Energy Act.⁽¹⁾ The new law includes extensive measures to:

- reduce energy consumption;
- increase energy efficiency; and
- promote renewable energy.

In particular, the revised act aims to promote energy from water, sun, wind and geothermal energy produced in Switzerland. Existing hydroelectric power plants will temporarily obtain subsidies and the construction of new nuclear power plants will be prohibited.

Energy markets, as well as energy supply, are going through a period of substantial change. One reason is the rapid progress of science and technology. Other reasons include declining demand and oversupply of energy, which have caused a substantial price drop. Further, after the Fukushima disaster, nuclear energy supply has been reconsidered.

As a consequence of the changing energy sector, the Federal Council adopted the Energy Strategy 2050. The strategy defines several long-term goals of Swiss energy policy to be achieved by 2050.

Revised Energy Act

On September 30 2016 Parliament adopted a completely revised Energy Act that implements the first steps of the new energy strategy. These first steps cover the period until 2035. After the referendum was launched, the act was submitted to a public vote.

The purpose of the revised Energy Act is defined as follows:

- to secure an economic and ecological supply and distribution of energy;
- to use energy economically and efficiently; and
- to increase the use of renewable energy, especially from domestic sources.

To achieve this, the act sets forth several specific goals and measures to target energy saving and efficiency:

- Target value consumption – a substantial reduction in energy and electricity consumption to be achieved by 2035. Compared to 2000 figures, average energy consumption per person per year is to be reduced by 16% by 2020 and 43% by 2035 (in 2015, a 14.1% reduction had already been achieved). Average electricity consumption per person per year is to be reduced by 3% by 2020 and 13% by 2035 compared to 2000 (in 2015, 3.1% had already been

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achieved).

- Buildings – the existing subsidy programme for energy building refurbishments shall be continued after 2019. (2) The subsidies will be increased and partly financed from revenues of the carbon dioxide (CO₂) tax. In addition, tax deductions for such refurbishments will be extended.
- Vehicles – as of 2021, the average CO₂ emission of new passenger cars must be reduced to 95 grams (g) of CO₂ per kilometre (km) (currently 130g of CO₂/km). The average CO₂ emission of delivery vans and light-duty vehicles must be reduced to 147g of CO₂/km (no threshold value presently applies to these vehicles).
- Smart metering – the existing mechanical electricity meters shall be replaced by smart metering systems that provide more specific data and allow efficient electricity supply and saving.

The following goals and measures target the production of domestic renewable energy:

- Target production value – the domestic production of hydroelectric power shall be increased to 37,400 gigawatt hours (GWh) by 2035. Domestic electricity production from other renewable sources shall be increased to 4,400GWh by 2020 and 11,400GWh by 2035.
- Financial support – the current feed-in compensation for energy from renewable sources (ie, solar, wind, biomass and geothermal energy) will be extended until 2022. Large-scale hydroelectric power plants and photovoltaic and biomass power plants can obtain investment contributions until 2030.
- Subsidies – subsidies for local renewable sources and energy efficiency measures will be financed by increasing the grid fee.
- National interest – to promote and facilitate the construction and expansion of power plants, the act declares that using renewable sources is a national interest equal to the protection of nature and heritage. Accordingly, it will become more difficult to object against power plants by referring to nature and heritage protection.
- Fast approval procedures – to promote the construction, expansion and renewal of power plants, the cantons must provide fast approval procedures.
- Legal process – for disputes concerning planning approvals for power plants, recourse to the Federal Supreme Court will be possible only with regard to legal issues of fundamental importance. For all other cases, legal remedies will be limited to lower-instance courts.
- Promotion of self-consumption – the right to use self-produced energy will be expanded. Pursuant to the act, self-producers will be entitled to deliver such energy to neighbours and tenants.

Another important goal targets the nuclear phase-out:

- existing nuclear power plants may continue operation as long as they run safely, but will not be replaced; and
- the construction of new nuclear power plants will be prohibited.

Referendum

The referendum against the revised Federal Energy Act was launched for several reasons. The main concerns included:

- risks to safe energy supply;
- impacts on landscape by additional windmills and new power plants;
- higher costs than estimated by the government; and
- considerable bureaucracy.

With a 58% yes vote, the revised Energy Act was approved.

Effective date and amended ordinances

The revised Energy Act will come into force on January 1 2018.

On the same date, the following revised or new ordinances will come into force:

- a completely revised Energy Ordinance;(3)
- a new Energy Promotion Ordinance;(4)
- a new Energy Efficiency Ordinance;(5)
- a completely revised Proof of Origin Ordinance;(6)
- a partially revised Nuclear Energy Ordinance;(7)
- a partially revised Electricity Supply Ordinance;(8)
- a partially revised Carbon Dioxide Ordinance;(9)
- a partially revised Energy Sector Charges Ordinance;(10) and
- a partially revised State Geology Ordinance.(11)

Comment

The voting result is a clear statement in favour of a sustainable, renewable and local power supply and against new nuclear power plants. Additional steps to continue along the chosen path and further implement the new energy strategy can be expected.

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Endnotes

- (1) The Federal Energy Act, SR 730.0.
- (2) For further details please see "[Improving the sustainability of real estate](#)".
- (3) The Energy Ordinance, SR 730.01.
- (4) The Ordinance on the Promotion of the Production of Energy from Renewable Sources.
- (5) The Ordinance on the Requirements for the Energy Efficiency of Series-Produced Facilities, Vehicles and Devices.
- (6) The DETEC Ordinance on the Proof of Production Type and Origin of Electricity, SR 730.010.1.
- (7) The Nuclear Energy Ordinance, SR 732.11.
- (8) The Electricity Supply Ordinance, SR 734.71.
- (9) The Ordinance on the Reduction of CO2 Emissions, SR 641.711.
- (10) The Ordinance on Charges and Supervisory Fees in in the Energy Sector, SR 730.05.
- (11) The Ordinance on the State Geology, SR 510.624.

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