

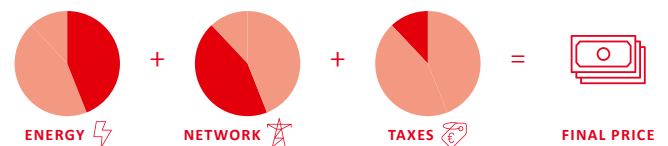
A NEW NETWORK USE TARIFF

TAKING ACTION TODAY TO AVOID HIGHER COSTS TOMORROW

On 1 January 2025, the Luxembourg Regulatory Institute (Institut luxembourgeois de Régulation - ILR) and network operators will apply a new tariff structure for use of the electricity network. The objective? To contribute to the development of a modern and secure electricity network, fit for digitalisation and electrification. The new tariff structure, which is fairer and designed to encourage consumers to stagger their use of electronic appliances, will encourage users to avoid using multiple appliances at the same time and therefore limit the need for grid reinforcements.

WHAT ARE WE TALKING ABOUT, AND WHAT'S CHANGING?

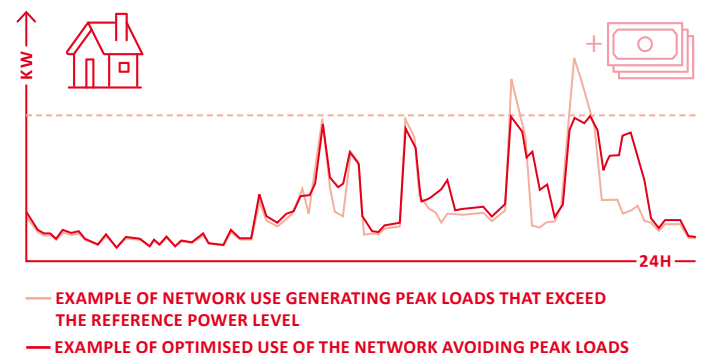
The price of electricity paid by the consumer is made up of the price of energy, the network use tariff and taxes. From 1 January 2025, the **network use tariff** will focus more on the power used and less on the amount of energy consumed.



Take note: For the time being, **this change will have little impact on the vast majority of consumers** who will end up being allocated the basic reference power level (3 kW). Households whose consumption is limited to normal household appliances

will only be slightly affected by the new tariff structure. For others, **the impact will depend on their capacity to reduce, or even avoid, peak loads in the future**, irrespective of the time of consumption.

For example, some consumers may require more power to supply a charging station, a heat pump, a sauna or even a swimming pool. Depending on their usage behaviour, these consumers may be allocated a higher reference power, at a higher fixed monthly cost. A higher reference power level will reduce the exceedance that is responsible for higher network costs. Nonetheless, even in an optimised situation the presence of exceedance is not unusual. It is, however, possible to reduce the impact of these threshold overruns by avoiding, or reducing, the peak loads that cause them.



Take note: Reference power levels are **automatically allocated** to all consumers on the basis of their consumption history. In

each case, the **level allocated is the most financially advantageous** based on the consumer's historical consumption.

WILL THE NETWORK COST MORE AT NIGHT WITH THE NEW TARIFF STRUCTURE?

No, **network use tariffs are the same throughout the day** and, therefore, do not depend on the time of consumption.



Take note: In parallel to the change in tariff structure, an increase in network costs has raised the price of electricity by around 5% for all consumers, irrespec-

tive of their consumption behaviour. This increase was taken into account when setting the state contribution to the electricity price.

WHAT CAN USERS DO?

- As a general rule, **simultaneous use** should be limited, although simultaneous use of standard domestic appliances rarely leads to the 3 kW threshold being crossed.

- Consumers with equipment or appliances requiring more power can **stagger their use over time**. For example, by charging electric cars at lower power levels. The more peak loads can be reduced, the lower the bill for network charges.

In this way, all users can contribute to **more efficient network use, by being flexible in their consumption**.



The **reference level allocated to each user** will be shown on bills issued by suppliers and will be accessible directly via network operators' online customer areas (my.creos.net, my.sudstrom.lu) from January 2025.



Operators also offer **an explanatory guide** and a power curve simulation tool enabling a simulation on individual historical load curves, or with various typical scenarios.



Further information and **advice on how to reduce peak loads** is available from Klima-Agence: www.klima-agence.lu/fr/tarification

Une version française est disponible sur www.my.ilr.lu

Eine deutsche Version ist verfügbar unter www.my.ilr.lu