

Dr. Brigitta Kratz
Rechtsanwältin



SELA Webinar on PPAs Swiss Regulatory Aspects

Dr. Brigitta Kratz, LL.M.
Färberstrasse 6
8008 Zürich

Telefon: +41 44 380 24 85
Mobile: +41 79 335 31 93

bkr@kratz-legal.ch
www.kratz-legal.ch



What's new?

1. Revised Articles 6 of the Federal Electricity Supply Act (StromVG) and 4a of the Federal Electricity Supply Ordinance (StromVV)

New Requirements for Basic Supply

article 6 para. 5 StromVG, article 4a StromVV, effective 1 January 2026

- ▶ art. 6 para. 5 StromVG: **new minimum quotas** of own generation and electricity from renewable energy sources generated by domestic plants for basic supply
 - ▶ lit. b: ...; if their expanded in-house production is **insufficient** for this purpose, they **procure the necessary domestic volumes through medium- and long-term supply contracts**
 - ▶ art. 4a para. 2 StromVV: ... If the conclusion of procurement contracts is necessary to achieve this minimum quota, **such contracts must have a term of at least three years**
- incentive for PPAs



What's new?

2. Federal Act
on Supervision and Transparency in the
Wholesale Energy Markets
(BATE)

Registration and Information Requirements

article 26a^{bis} StromVV

- ▶ ¹ Any person who is domiciled or resident in Switzerland, participates in an EU wholesale electricity market and is required under [the EU REMIT Regulation] to provide information to the authorities of the EU or its Member States must also provide the same information to ElCom at the same time and in the same format.

- ▶ ⁶ The following are considered wholesale products, regardless of whether they are traded on an exchange or by other means:
 - a. Contracts relating to the transmission and supply of electricity that do not directly concern use by end consumers;
 - b. Derivatives relating to the generation, trading, supply and transmission of electricity

New BATE

of 21 March 2025

- ▶ Swiss federal act
- ▶ autonomous adaptation of REMIT into Swiss law
- ▶ draft ordinance VATE, published 28 January 2026, sets out in more detail
 - the scope of application
 - ElCom's registration procedure for market participants,
 - the mechanisms and data required for reporting transactions and trading orders on the wholesale energy markets to ElCom, and
 - the fees charged by ElCom for its supervisory activities.
- ▶ public consultation on draft VATE ends 5 May 2026
- ▶ to enter into force simultaneously on 1 January 2027

BATE

Scope, article 2

- 1 ... applies to natural persons and legal entities governed by private or public law that **operate on wholesale energy markets in Switzerland or in the European Union (EU)**:
- a. persons resident or established in Switzerland or abroad who conclude transactions or place trading orders on such markets relating to Swiss wholesale energy products (**participants in the Swiss market**);
 - b. persons **resident or established in Switzerland** who conclude transactions or place trading orders on such markets relating to wholesale energy products within the meaning of EU regulations (**participants in the European market**);
 - c. persons who, on such markets, **act as intermediaries on a commercial basis** in transactions involving Swiss wholesale energy products (**intermediaries on the Swiss market**).

→ comprehensive scope of BATE

- 2 It does not apply to unlawful market conduct on the wholesale energy markets which also contravenes the Swiss Federal Financial Market Infrastructure Act of 19 June 20153 (FinfraG)

BATE

Scope, article 1 draft VATE

Distinguishes between:

- ▶ Standard contracts
 - reference to EU list
 - information to be delivered to ElCom by organized markets

- ▶ Bilateral standard contracts
 - reference to EU practice: customisation options
 - information to be delivered to ElCom by market participants

- ▶ Non-standard contracts
 - information to be delivered to ElCom by market participants

BATE

Definitions, article 3, g. organised market

- ▶ a forum within which the **interests of numerous third parties** regarding the purchase or sale of wholesale energy products **interact in such a way that a transaction can be concluded**, in particular **energy exchanges, energy brokers and capacity platforms for energy**

→ reporting obligations

BATE

Definitions, article 3, b „Swiss wholesale energy product“

- ▶ 1. A contract for the supply of electricity or gas within Switzerland; contracts for the supply of electricity or gas to end consumers in Switzerland are only included if they may have a significant influence on the prices of Swiss wholesale energy products,
- ▶ 2. Contract for the distribution of electricity or gas to end consumers in Switzerland which may have a significant influence on the prices of Swiss wholesale energy products,
- ▶ 3. Contract for the transmission of electricity or gas within Switzerland, through or into Switzerland, or from Switzerland to another country,
- ▶ 4. Contracts for the storage of electricity or gas in Switzerland,
- ▶ 5. Derivatives on electricity or gas that is produced, traded, stored or supplied in Switzerland, or on the transmission of electricity or gas within Switzerland, through or into Switzerland, or from Switzerland to other countries

→ comprehensive definition of „wholesale energy product“

BATE

Definitions, article 3, reference to ordinance

- ▶ The Federal Council shall determine what constitutes a **significant influence on prices** [...]. It may also restrict the scope of paragraph 1(b)(4) to contracts relating to the storage of electricity or gas in Switzerland in a facility with significant storage capacity

- ➔ **Exemptions, art. 2 draft VATE:**
 - a. Contracts for the supply or distribution of electricity or gas [...] to end consumers in Switzerland with an annual consumption capacity of less than 600 GWh, provided that such contracts are concluded for the actual consumption by the end consumer;
 - b. Contracts under Article 3(1)(b)(4) of the BATE which relate exclusively to the storage of gas in a single storage facility with an installed capacity of less than 100 MW or in several facilities with a total installed capacity of less than 100 MW.

BATE

Registration requirements for market participants, article 4

- ▶ ¹ Participants in the Swiss market and participants in the European market [cf. art. 2] **must register with the Federal Electricity Commission (ElCom) before** they can conclude transactions or place trading orders on an energy wholesale market.
- ▶ ² To register, they **must provide ElCom with the information necessary for regulatory surveillance** [as specified in this para.]
- ▶ ³ If they are **already registered with ACER**, they will need to **submit to ElCom only the information that they have already submitted** in accordance with EU regulations.

BATE

Designation of a representative in Switzerland, article 6

- ▶ ¹ Participants in the Swiss market who are based or resident abroad **must appoint a representative in Switzerland.**
- ▶ ² The representative must be appointed by means of a written mandate and **must be authorised to act on behalf of the participant in the Swiss market.**
- ▶ ...

→ within three months (art. 34) = by end of March 2027

BATE

Reporting to ElCom, article 12

- ▶ ¹ **Participants in the Swiss market** must provide ElCom with the following information:
 - a. **Details of their transactions and trading orders on the wholesale energy markets relating to Swiss wholesale energy products;**
 - b. **Basic data** on their facilities.
- ▶ ² This reporting obligation does not apply to information referred to in paragraph 1(a) that has already been reported pursuant to an obligation under the FinfraG.
- ▶ ³ **Participants in the European market** must submit to ElCom, **at the same time and in identical form**, the information which they are required to provide to the authorities of the EU or an EU Member State in accordance with EU regulations....
- ▶ ⁴ **Organised markets** must provide ElCom with **order book data** relating to the transactions and trading orders referred to in paragraphs 1(a) and 3(a).



What's new?

3. Reform of the Swiss Balancing Energy Market with New Rules

Reform of Swiss Balancing Energy Market

effective 1 January 2026

- ▶ Swissgrid introduced **comprehensive reform**, which includes **new balancing group contracts** and mechanisms
- ▶ Key changes include introduction of single-price mechanism for balancing energy and an obligation to manage positions in the intraday market on a daily basis
- ▶ **Key changes for balance groups (from 2026):**
 - **Single price:** Deviations will no longer be settled via a two-price system but through a single price, which creates incentives for system stabilisation
 - **Intraday obligation:** Balance group managers must **update forecasts daily and manage positions in the intraday market**, including at weekends and on public holidays
 - Legal succession: **Contracts must be settled in the event of a transfer** (e.g. sale), whereby the new BG manager must meet all requirements
 - EIC code changes: From 1 May 2026, Swissgrid will introduce **separate X-code pages for electricity communities**
- ▶ The amended contract documents and general balance group regulations can be found on the Swissgrid website, www.swissgrid.ch, Partner > Balance groups
- ▶ Balancing Roadmap published in February 2026, www.swissgrid.ch, Newsroom > Blog > Eight Key Points to remember about the Swiss Balancing market, <https://www.swissgrid.ch/en/home/newsroom/blog/2026/20260305-01.html>



Anything new?

3. Guarantees of Origin

Guarantees of Origin

since 2021

- ▶ Switzerland continues to recognise EU guarantees of origin
 - ▶ Swiss guarantees of origin, however, have not been recognised in the EU since 1 July 2021
- Electricity agreement with the EU shall reinstate non-discriminatory market access

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- ▶ Kratz Legal, www.kratz-legal.ch
- ▶ Färberstrasse 6, 8008 Zürich
- ▶ bkr@kratz-legal.ch
- ▶ +41 44 380 24 85 or
+41 79 335 31 93