

Media Release

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Limmern PSP: Axpo and the Canton of Glarus reach settlement

Axpo and the Canton of Glarus have come to an agreement on their collaboration regarding the Limmern pumped storage plant (LPSP). The agreement was the outcome of a preparatory hearing before the Supreme Court of the Canton of Berne. The Canton of Glarus will bear 15 per cent of the annual costs for the LPSP up to its commissioning on 18 August 2017. Costs incurred after this point in time will be fully borne by Axpo because the Canton of Glarus will no longer procure power from LPSP.

Axpo and the Canton of Glarus are joint owners of Kraftwerke Linth-Limmern AG (KLL). The two parties also built the new Limmern pumped storage plant (LPSP). KLL is owned to 85 per cent by Axpo and to 15 per cent by the Canton of Glarus. With the construction of the LPSP, the Canton of Glarus has the right to procure 15 per cent of the additional power from its operation, and, in turn, is obligated to pay 15 per cent of the annual costs.

The difference in interpretation of the founding treaty of KLL from the year 1957 resulted in a legal dispute between Axpo and the Canton of Glarus regarding the assumption of annual costs of the LPSP. The dispute was resolved with a legal settlement agreement in the course of the 2nd preparatory hearing before the Supreme Court of the Canton of Berne on 25 March 2018.

These are the most important settlement details :

- Annual costs of the LPSP that were incurred up to its commissioning on 18 August 2017 will be borne in the amount of 85 per cent by Axpo and in the amount of 15 per cent by the Canton of Glarus.
- Annual costs that were incurred from 19 August 2017 and future costs must be fully borne by Axpo. In turn the Canton of Glarus will no longer procure energy from the LPSP and has agreed to a reduction of the dividend payment on the total share capital.

Axpo welcomes the settlement which is acceptable to both parties. The clarification was necessary in order to re-establish a common understanding between the KLL partners and to continue the good collaboration between Axpo and the Canton of Glarus, which is a shareholder and owner of Axpo with a 1.7 per cent interest.

About Axpo: About Axpo: The Axpo Group produces, trades and distributes energy reliably for over 3 million people and several thousand companies in Switzerland and in over 30 countries throughout Europe. Around 4500 employees combine the expertise from 100 years of climate-friendly power production with innovative strength for a sustainable energy future. Axpo is an international leader in energy trading and in the development of tailor-made energy solutions for its customers.

Additional information

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