

Increasingly satisfied customers

Ellevio has nearly one million customers. 86 percent are households and 14 percent are businesses. Our main task is to provide them with an uninterrupted electricity supply – today, tomorrow and in 50 years. By offering support with energy consumption and the transition, we also want to be their partner in the energy transition. Customer satisfaction is measured regularly and increased significantly in 2023.

Ellevio’s customers are spread across the West coast, mid-Sweden, and Stockholm County. Through the acquisition of Markbygden Net 2023, the Group also gained five wind power companies as customers in Norrbotten.

Reliable and affordable electricity supply

A modern, well-developed and resilient electricity system is the foundation of a modern society. As one of Sweden’s largest electricity grid owners, Ellevio therefore bears a huge responsibility.

The foundation of everything we do is about giving customers an outage-free and affordable electricity supply. Electricity transmission prices should be predictable and fair.

In 2023, the reliability of our supply was 99.99 percent. This is a high level, but any disruption is serious, and we are very respectful of the impact a disruption can have on our

customers. Maintaining this high level of reliability requires significant investment and increased flexibility and digitalisation, not least because electricity demand will increase explosively over the next 20 years as sectors and transportation switch over to electric power.

Sustained high demand for customer service

Our customers’ need for information and support from us as an energy company has increased in recent years. Demand was particularly high in 2022 when electricity prices were at a record high and the government paid out electricity bill support. 2023 was a calmer year with more normal price levels, although towards the end of the year the price of electricity increased again due to cold weather and the temporary shut-down of one of the Ringhals nuclear reactors.



Our customers in 2023

969,000

customers in the counties of Dalarna, Gävleborg, Halland, Värmland, Örebro, Västra Götaland and Stockholm.

86%

Households
(apartments 48% and detached homes 38%)

14%

Corporate

62%

in Stockholm County
Ellevio has 596,000 customers in Stockholm

58

minutes of outages
total on average per customer in 2023 (SAIDI)

Causes of outages

Damage to equipment **50%**
Weather-related **30%**
Planned outages **18%**
Fault on another network owner’s network **2%**

Customers

It is clear that our customers want even more help from us than before, and we are working hard to meet that need, both through high levels of customer service staffing, development of our digital communication channels and improved project communication.

Our customer app is becoming increasingly popular, with 182,000 customers having downloaded the app and created an account by the end of 2023. This is an increase of 42 per cent year-on-year. On average, 59,000 unique customers per month used the app in 2023 (38,000).

Satisfied customers but low confidence in the sector

In order to measure our customers' perception of us and ensure we are prioritising the right things, we carry out a number of initiatives each year, including monthly surveys involving a large number of customers. The surveys involve a total of around 24,000 respondents and are aimed at both consumers and corporate customers. The corporate customers are divided into small, medium and large customers to help us analyse the results appropriately.

The surveys for 2023 showed that both private and corporate customers have become increasingly satisfied during the year. The focus on communication via the digital newsletter and digital services, as well as efforts to increase awareness of Ellevio, were important factors in the increased customer satisfaction.

Customer satisfaction is measured based on how satisfied customers are overall with Ellevio as a network company, and during the year this averaged 62.6 for private customers (60.9) and 63.7 for corporate customers (60.3).

In the independent national survey by the research company Svenskt kvalitetsindex (SKI) in autumn 2023, the entire energy sector scored lower than the previous year. The economic crisis and global uncertainty are deemed to have an impact on customers' needs, demands and expectations. For Ellevio, the sector comparison is not entirely relevant as we are the only purely electricity network-oriented major company. Other major network companies also offer competitive

electricity trading under the same brand, making them more visible and better known.

➔ Read more about customer satisfaction on page 37 and 95.

Ongoing efforts to improve customer experience

Efforts to improve the customer experience is ongoing at Ellevio, and in 2023 we have, among other things:

- Finished replacing old electricity meters with second generation smart meters.
- Created a dedicated group of customer service advisers focusing on corporate customers to further improve our service to this customer group.
- Improved information before and during power outages, increased the number of customers receiving power outage information and improved communication after longer power outages.
- Developed Ellevio's customer app on which customers can track their hourly electricity consumption, see details of contracts and invoices, and activate energy efficiency and control services. New features include family sharing, display of quarterly values and the ability to view historical costs.
- Improved the customer website so that private customers can get personalised information about electricity bill support, change billing method, apply to set up a direct debit and use My Pages both before and after moving into Ellevio's network. Our corporate customers have been given the opportunity to group their facilities into customised groups online.



182,000

accounts in the Ellevio app

December 2023

921,000

new smart electricity meters

were installed at our customers by the end of 2023

99.99%

security of supply

on Ellevio's network in 2023

Customers

- Developed project communication, including more digital mailings and the launch of a new and more user-friendly project map for field work.
- Increasing communication to our customers via e-mail, text message, newsletters and social media channels and establishing a technical platform that allows us to tailor information.
- Further improved dialogue with large companies, municipalities and regions to increase understanding of future power needs.

Smart electricity meters for all

In 2023, we completed the installation of the second generation of smart meters for our customers.

Thanks to the new meters, customers can plan their electricity consumption according to when the price is lowest, understand what items in their home are using the most electricity, view their climate impact, choose when to charge their electric car and schedule their heating. They can also easily switch to spot contracts with their electricity trader and connect solar panels more quickly. Demand for this type of service increased further in 2023. In total, we have replaced 921,000 electricity meters since 2020.

For Ellevio, the new meters mean we have access to a large amount of data that provides a better overview of the state of the electricity network. This means that faults can be detected and remedied more quickly, which leads to shorter outages. Smart control can also increase the flexibility of the electricity network, which will help solve the capacity challenge in Stockholm, for example.

Help with installing solar panels

Interest in producing electricity for own use and selling electricity remained very high in 2023. The "gröna avdraget" (green tax break), whereby private individuals can receive tax breaks for installing solar cells, batteries and charging wall boxes, has helped with this, and the electricity price crisis in 2022 gave a further boost to development. However, in the second half of 2023 there was a slowdown in demand as a result of more

stable electricity prices and tough economic conditions for many households.

Ellevio's website offers tips to customers who want to install solar panels. We are also on hand once the customer is up and running and producing their own electricity. Ellevio also arranges digital meetings for tenant-owned housing associations in Stockholm and sends out newsletters to anyone interested in finding out more about solar panels. In 2023, the number of connected solar panel installations (micro-production) in Ellevio's network area increased by 67 percent to 31,500.

Strong growth in charging infrastructure

The transition to electric transport requires both private charging facilities and expanded public charging infrastructure. For many years, the number of plug-in cars grew faster than the number of charging points, but in 2023 there was a shift. The charging infrastructure has caught up, and it is now much easier for electric vehicle owners to find a place to charge their car.

In 2023, the new EU Alternative Fuels Infrastructure Regu-

lation (AFIR) was adopted. The regulation requires a minimum level of charging infrastructure along Europe's major roads and will affect the expansion of heavy goods vehicles in the future.

To make it easier for customers to take an active part in the energy transition, Ellevio has developed the Ellevio Smart Laddinfra (Smart Charging) service. This allows us to help companies, municipalities and housing cooperatives to establish charging infrastructure on streets and in underground environment in a cost-effective and smooth way. We assume overall responsibility for the process, including permit applications, excavation and connection.

In some places on the electricity network where capacity poses a challenge, we can still achieve fast connections via this concept. We achieve this through a conditional agreement that allows us to reduce the power of the chargers on exceptional occasions. In return, customers get a cheaper subscription.

In 2023, Ellevio has connected 174 public charging streets (90) and implemented 136 charging infrastructure projects (113), mostly in Stockholm.



Customers

Collaboration in Stockholm

In order to contribute to the goal of an emission-free Stockholm city centre by 2030, Ellevio founded the so-called “Elektrifieringspakten” (Electrification Pact) in 2021 together with the City of Stockholm, Scania and Volkswagen. The Electrification Pact has also contributed to SNABB-SAM, which is another collaborative initiative that tests solutions aimed at promoting the electrification of the vehicle fleet in Stockholm. The long-term goal is for all of Stockholm to eventually be free of local emissions from fossil fuels.

To promote greater flexibility in the electricity system – while at the same time developing knowledge about what is required to operate and manage a flexibility market – Ellevio founded the sthlmflex marketplace in 2020 together with Vattenfall and others. Through sthlmflex, electricity consumers and producers, businesses and households can pay to either produce more electricity or reduce their electricity consumption when demand for electricity is highest. The fourth season of sthlmflex opened on 1 December 2023 and ran until 31 March 2024.

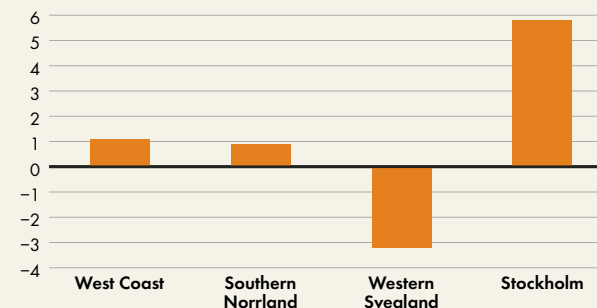
Fair prices

Ellevio’s customers pay the same price for the same service, regardless of where they live or work, but this has not always been the case. We have been working on introducing flat pricing since 2017 when the Swedish Energy Markets Inspectorate decided to authorise it. Step by step, we have evened out the prices between urban areas and more sparsely populated areas. In practice, this has often entailed lower or unchanged prices for sparsely populated areas and small rises for customers in Stockholm. With a few exceptions, flat pricing was completed on 1 January 2023.

According to the 2023 edition of the Nils Holgersson report, which surveys Swedish fees and tariffs for electricity, Ellevio’s prices remain around the average for the country as a whole.

Average change in price per year, %¹⁾

Jan 2019–Jan 2024



Ellevio’s customers should pay the same price for the same service, regardless of where they live. This has led to lower prices in rural areas and higher prices in cities such as Stockholm over the last five years. On 1 January 2024, Ellevio implemented a minor price increase of around 2 percent on average as a result of inflation and higher interest rates.

¹⁾ Calculated based on the six types of customers: Apartment 16A – 2,000 kWh, Detached home 16A – 5,000 kWh, Detached home 20A – 10,000 kWh, Detached home 20A – 20,000 kWh, Detached home 25A – 20,000 kWh, and Detached home 25A – 30,000 kWh. The data is based on data reported to Ei. Nynäshamn and Vallentuna are excluded as these two areas’ price changes are not representative for Ellevio during the period. Edsbyn is excluded as this network was acquired during the period and its price change is not representative for Ellevio.

The cost of electricity consists of electricity transmission, electricity consumption and taxes and fees.

The cost of electricity transmission accounted for 22 percent for a customer in a detached home in 2023.

Electricity transmission – the cost of having the electricity transported through the electricity grid to the place where it is to be used

As it is not economically viable to build parallel electricity grids, the electricity user is a customer of the network company that owns the grid in the area where the customer lives or works.

The invoice consists partly of payment to the network company (such as Ellevio) in the form of a fixed subscription fee and a variable cost that is impacted in part by the level of consumption, and in part by taxes and VAT. The fee covers the costs of the electricity grids, such as operation, troubleshooting, maintenance, modernisation, customer service, purchase of electricity to compensate for network losses, costs from overhead lines, etc. The invoice also includes public authority fees and energy tax.

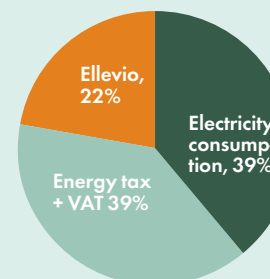
Electricity consumption – the cost of the electricity consumed

The electricity is purchased from an electricity trading company chosen by the customer. The invoice consists of a variable cost for electricity consumed and often a fixed subscription fee.

Taxes and fees to the state

Over 50 percent of the cost of electricity is taxes and charges paid to public authorities, such as energy tax and VAT. The tax is paid via invoices from the electricity network and trading companies, and consists of energy tax (on the network company’s invoice) and 25 percent VAT. The energy tax was 49 öre per kWh including VAT in 2023. The tax is indexed annually by the government and was thus raised by just over 9 percent to 53.5 öre per kWh from 2024.

Distribution of electricity costs – detached home on Ellevio’s network on 2023*



* Calculated based on a customer with a 20A fuse and consumption of 20,000 kWh/year. The electricity trading cost is calculated based on electricity trading prices according to invoices from GodEl (SE3) in 2023. In 2023, the electricity tax consisted of an energy tax of 49 öre per kWh plus VAT on electricity trading and network costs.



“Satisfied customers are extremely important to us. It is a question of legitimacy and trust.”

Kristine Nordström
CX Lead at Ellevio

CUSTOMISED COMMUNICATION LEADS TO MORE SATISFIED CUSTOMERS

“Analysis and new insights lead to more satisfied customers”

Kristine Nordström is CX Lead at Ellevio. This involves turning customer insights into an improved customer experience. Here she talks about how Ellevio has managed to lift the customer satisfaction index from a low level after the energy crisis in 2022 to significantly higher results at the end of 2023.

What?

“Better analysis of customer data has allowed us to improve our digital services, communication and customer management.”

Why?

“Satisfied customers are extremely important to us. It is a question of legitimacy and trust, because our customers are not actually able to switch from us.”

How?

“We measure customer satisfaction among consumers every month, and have found that awareness,

image and sustainability are areas that affect their satisfaction. Those who use our app are also more satisfied than others.”

“We have begun to increasingly customise our communications based on where our customers live and what interests they have. Being able to customise the message and tonality based on customer preferences provides great opportunities to create relevant communication – something we will continue to develop. In 2023, we launched a new communication programme for new residents in our network areas.”