FEDIL

Position - 18/07/2025

FUTURE NETWORK TARIFF STRUCTURE – FEDIL POSITION

As Luxembourg undertakes a critical reform of its MT/HT/THT electricity tariffs, FEDIL calls for a system that enables, not penalizes, industrial electrification.

In our response to the public consultation, we highlight that *"Grid tariffs are more than a cost recovery mechanism – they are a strategic tool of industrial policy. When well designed, they can actively support Luxembourg's and Europe's ambitions for strategic autonomy by attracting electricity-intensive businesses, active in clean technologies, data infrastructure, and net-zero manufacturing."*

To achieve this, grid tariffs must become simpler, more transparent, and better aligned with the realities of a decarbonising economy:

- Predictable reference capacities
- Fair contribution from all grid users, including self-consumers
- No double grid fees for storage
- Smart time-of-use signals, not complexity
- Targeted public support to spread costs and drive investment

We also underline a key principle: *"Any tariff methodology, regardless of its internal logic, must ultimately be assessed against its ability to support industrial electrification, decarbonisation, and preserve the long-term competitiveness of businesses. Cost structure matters, but cost level remains decisive."*

FEDIL advocates for a tariff system that balances cost recovery with economic resilience, flexibility, and strategic industrial policy.

Read the full position HERE