



Press release

EDF's commitment proposals for its alternative energy supplier tender accepted by the French competition authority

The French competition authority (Conseil de la Concurrence) has just ratified and enforced EDF's commitment proposals to provide alternative energy suppliers with significant electricity volumes of 1500MW, or around 10 TWh/year over a 15-year period, at prices enabling them to compete effectively on the free mass market.

This commitment procedure reflects EDF's willingness to take part in the development of competition on the residential and business market.

Over the initial five-year period (2008-2012), EDF has put forward an average supply price of €42/MWh (in current euros) for base-load electricity. This price fixed at €36.8/MWh for the first year gradually increases until 2012.

For the second 10-year period, it is expected that the price will cover the costs of the EPR in Flamanville (€46/MWh in 2005 euros), a prerequisite for the needed long-term development of the electricity sector.

In addition, it is also thought that these volumes will be allocated through three invitations to tender, based on an open auction procedure in 2008 and 2009, to all alternative energy suppliers. The auctions will be based on the price that buyers, at the end of the first five years, will be willing to pay, to get electricity at the EPR cost for a further 10-year period. The minimum capacity accessible to each buyer is 1 MW.

EDF will implement its commitments as soon as possible.

The EDF Group, one of the leaders in the energy market in Europe, is an energy specialist that is active in all the businesses of electricity: production, transport, distribution, energy supply and trading. The Group is the leading electricity producer in Europe. In France, it has mainly nuclear and hydraulic production facilities where 95% of the electricity output involves no CO₂ emissions. EDF operates over 1,200,000 km of low and medium voltage overhead and underground electricity lines and around 100,000 km of high and very high voltage networks. The Group is involved in supplying energy and services to close to 38 million customers around the world, including more than 28 million in France. The Group generated consolidated sales of € 58.9 billion in 2006, of which 42 % in Europe excluding France. Net income (Group share) stood at € 5.6 billion, with net income from ordinary operations at € 4.2 billion. EDF is listed on the Paris Stock Exchange and is a member of the CAC 40 index.

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