

Internal Information

CEZ Group's customers will have possibility to choose from two new products – Kvartal (Quarter) and Mesic (Month) in addition to three current product lines

CEZ Group has prepared another changes in its product offer for household end customers for next year. The goal of these changes is only one, to give households and enterprises a possibility to choose services and establish prices according to their needs and requests. At the same time, CEZ has published a price list of generation of electricity for households and enterprises for next year. The year-on-year increase in the price of electricity generation was 14.4%. The generation of electricity accounts for roughly 50 per cent of households' bills for electricity supplies. CEZ Prodej has derived prices for end customers directly from August prices on the Prague Stock Exchange. The overall increase in households' payments for electricity for next year will be known after the publication of the regulated parts of the price by ERU and the final version of taxes for next year.

Households will still have a possibility to choose a service range with different prices depending on their anticipated needs. Like already this year, customers will be able to save up while choosing Basic line with limited offer of free services or, on the contrary, pay more for above standard services including consultancy with Exclusive line. There will also be two more product lines, Kvartal and Mesic. Households and enterprises will not conclude supply contracts for every quarter or month, but the price will be determined for a relevant period according to the current price on the exchange, which will change during the year.

„The offer of quarterly and monthly products is primarily directed at the enterprise sphere. We do not expect these products to be massively used by households at first. However, we want all our customers, that means households as well, to have an opportunity to use market effects to a large extent. Customers can be convinced that short-term prices will be lower in comparison to yearly prices, like this year, and then they can make a profit on that by using our short-term products. Apparently, they also bear the risk that they will pay more,“ said to that Alan Svoboda, CEZ Chief Sales Officer.

CEZ Group has thus flexibly responded to the transition from campaign based to continual electricity trading in the Czech wholesale market. In addition to the existing yearly-based products for households under Comfort, Basic and Exclusive lines and the basic product offer for enterprises, the offer for end customers has been further extended by these, so called, sliding products under Kvartal and Mesic lines.

Electricity prices with the new Mesic and Kvartal product lines are derived from the current price on the Prague Energy Exchange for a given period and are changed either monthly or quarterly according to the chosen product line, always in advance for the whole following period. If the price on the exchange increases, the electricity price of these sliding products will increase as well, if it falls, the electricity price for customers will fall too. The standard of the customer service and provided energy consultancy are the same as the standards with Comfort line.

This is already a second consecutive year when Czech households have a possibility to choose their supplier, which helps to give rise to wider offer of tailored products with more accommodating selling approach and faster and friendlier customer service. And this is the area where CEZ Group wants to beat its competitors. „We offer a unique range of customer service due to our call centre available on 840 840 840, 24 hours a day, 7 days a week. And also owing to more than 80 own and contractual business centres and

offices and, last but not least, owing to the internet service – Virtual Trade Office (VOK), whose popularity is growing fast,” says Alan Svoboda, Chief Sales Officer CEZ, a.s..

Next year, CEZ Group’s customers will also have an opportunity to use strong strategic partnerships CEZ entered into last year. Namely with SAZKA, whose SAZKA terminals customers will be able to use to pay electricity invoices, and with the gas company RWE, with which it opened joint trade centres where customers can settle matters concerning electricity and gas together. Another service for customers is so called Virtual Trade Office, where they can enter most of their requirements relating to electricity supply through the internet.

This week, a three-month campaign of CEZ Group called „Get Light on Your Savings“ has started. The first city, which the multimedia exposition with a stage and a mobile customer centre visited and where citizens could learn more about how to save, for instance, their energy costs was Hradec Kralove. An amusingly informative tournament, whose main motto is energy saving, will visit 28 cities throughout the whole Czech Republic.

„The goal of our campaign is to draw attention to a possible optimization of energy consumption. Many customers had been ignoring how much electricity actually had cost for a long time until the prices started to rise, when they began to take notice of this product more. We certainly know best how electricity prices tease some of our customers. Although CEZ cannot influence the electricity price, which is created by the market, it can advise its customers how to save energy and save thus their family bills. It can be done through education, consultancy and direct cooperation with customers,“said to the campaign Bohumil Mazac, director of CEZ Prodej.