

Company AS TALLINNA VESI  
Type Company Release  
Category Other corporate action  
Disclosure time 15 Aug 2022 15:55:39 +0300

## Currency

Title AS Tallinna Vesi submitted an application to the Competition Authority to adjust the price for

AS Tallinna Vesi submitted an application to the Competition Authority on 15/08/2022 to increase the price for water services by 26 cents per cubic metre on average.

According to Aleksandr Timofejev, Chairman of the Board of Tallinna Vesi, the price of electricity has increased approximately 3.5 times since the current price for water services provided by the Company was applied. "With inflation of nearly 23% and in a situation where high electricity prices affect all sectors, the current price for water services no longer covers justified costs. The electricity accounts for about 25% of our operational costs and in order to ensure the high quality and consistency of the service, we must apply to the Competition Authority for an increase in the price for water services to cover the costs."

The price for water services includes the water and sewerage service fee. When the application submitted to the Competition Authority is approved, the price for water services provided by AS Tallinna Vesi will increase by 14% on average. Upon approval of the application, domestic customers would pay 1.87 euros, including VAT, for one cubic metre of water and sewerage services, and commercial customers 3.57 euros, plus VAT, respectively.

Tallinna Vesi is applying for the increased price for water services in its service area in Tallinn and Saue. In these areas, an application for a shortened procedure can be submitted to the Competition Authority because the current price has been in force there for less than three years. In addition, Tallinna Vesi also seeks to change the bulk service price for water companies located in the surrounding municipalities. Upon approval of the application, Tallinna Vesi's annual sales revenue will increase by 5.6 million euros.

Since the Public Water Supply and Sewerage Act provides for the gradual harmonisation of the prices for water services charged from domestic and commercial customers, the increase in prices for private customers will be higher in percentage terms. In addition to the electricity price and the



requirement for price harmonisation, the addition of a component of the supervision fee which entered into force from 2022 shall be taken into account in the adjustment of the price for water services, i.e., one part of the price for water services will be the supervision fee for the Competition Authority.

Tallinna Vesi is consistently investing in sustainable technologies, which, among other things, helps to alleviate the sharp rise in electricity prices. "Over the last three years, we have invested approximately EUR60 million. The goal is to make a number of major investments in the coming years to reduce energy costs and environmental impacts," Timofejev said. For example, the Company plans to start producing electricity from biogas at its wastewater treatment plant. Today, biogas is used to heat buildings and provide heat for the wastewater treatment process. According to Timofejev, reactive energy compensators have been introduced at major consumption points to save electricity costs. "Recently, we also introduced automated technology to reschedule electricity consumption to the times when prices on the electricity exchange are lower."

AS Tallinna Vesi is the largest water utility in Estonia, providing services to more than 23,900 private customers and businesses and 470,000 end consumers in Tallinn and its surrounding municipalities. Tallinna Vesi is listed on the main list of the Nasdaq Tallinn Stock Exchange. The City of Tallinn (55.06%) and the energy group Utilitas (20.36%) own the largest share in the Company. 24.58% of the Company's shares are freely transferable on the Nasdaq Baltic market.

Aleksandr Timofejev  
Chairman of the Board of AS Tallinna Vesi  
Tel: +372 626 2200  
Email: [aleksandr.timofejev@tvesi.ee](mailto:aleksandr.timofejev@tvesi.ee) (mailto:[aleksandr.timofejev@tvesi.ee](mailto:aleksandr.timofejev@tvesi.ee))

