



Consultations with Italian RES-E Stakeholders

**Summary of the Activity carried out by the Italian Desk
in the First Half of 2006**

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1. Foreword

On January 1st 2006, the role of CESI in the REALISE-Forum project was fully taken over by CESI RICERCA S.p.A. This was the result of splitting the CESI company into two entities, namely the former CESI - "Centro Elettrotecnico Sperimentale Italiano Giacinto Motta" S.p.A - which remained in charge of more market-oriented activities, and CESI RICERCA S.p.A., which was established at the end of 2005 as a new and separate company with the mission to carry out research activities of national and international interest, under assignment by the Italian government. The technical staff involved in REALISE-Forum was moved from CESI to CESI RICERCA, which took the required steps with the Co-ordinator and the IEEA to have this partner change recognised through an amendment to the Grant Agreement.

2. Monitoring of Italy's Support System Developments

In the meantime, after completing and fine-tuning the Country Report from Italy and the other documents produced as outcome of the first year of work (including the Summary and Proceedings of the Milan Workshop held on 15-16th December 2005), CESI RICERCA, as the hub of the Italian consultation desk, pursued the monitoring of further developments affecting the RES-E support system in Italy in 2006.

In keeping up-to-date with the latest developments and monitoring the reactions of stakeholders, especially of RES-E undertakers, CESI RICERCA at first took advantage of events that could bring together the widest possible range of actors to listen to their discussions and exchange views with them on the latest developments.

In this respect, mention has to be made of the workshop on "Renewables in 2005: Health Conditions of the Sector, Developments and Prospects Analysed by APER" which was organised by APER, the Italian Association of RES-E Producers, in Milan on 11th April 2006. The event was attended not only by RES-E investors, but also by representatives of AEEG, GRTN (body managing all RES-E support mechanisms), Terna (Italy's current transmission system operator), ENEA, Assoelettrica, Gifi, Kyoto

Club, Federpern etc. The event not only reviewed the end-2005 progress of the various RES-E technology applications in Italy, but made it possible to get a timely overview of what had recently been going on in the sector and what were the feelings of Italy's RES-E world.

Another similar good chance was offered by the workshop on "The Wind Energy Potential of North and Central Italy" organised within the framework of the SolarExpo fair in Vicenza on 27th April 2006. This event, too, gathered a good number of representatives of the main RES-E actors in Italy, and led to a discussion that involved not only technical subjects, but also economic, financial and permitting matters. These last issues proved to be the most pressing ones to RES-E investors.

3. Interviews with Italian RES-E Stakeholders

In June 2006, since the situation of RES-E policy seemed to be going to be frozen at least for some time (the political elections had brought about a change in the governing party coalition and the new government would, in all likelihood, take some time before taking any major step in RES-E support policy), CESI RICERCA got in touch with APER to arrange for interviews aimed at gathering the latest views and impressions emerging from Italian RES-E investors.

To this end, a set of questions were worked out by CESI RICERCA and written down in a document to be submitted to interviewed RES-E actors. The questions touched on a number of aspects, namely:

1. How financial risk (which was pointed out in last year's questionnaire survey as the main issue to be tackled in any possible change to the national RES-E support system) is now perceived by RES-E investors after the recent developments.
2. Whether the Italian RES-E support system can, as a whole, still be considered as a market-based one, considering the presence of PV feed-in tariffs, the linking between TGC prices and CIP 6/92 feed-in tariffs, the extension of the TGC availability term, the somehow guaranteed purchase of all TGC from renewable energy plants etc.
3. The still awaited measures required to implement Decree 387/2003 transposing Directive 2001/77/EC, mainly concerning plant permitting procedures, updating of RES-E quotas for 2007 and beyond, etc., and reasons for these persisting delays.
4. How far it will be possible for Italy to achieve its 2010 RES-E goal set in Directive 2001/77/EC and whether or not imports of certified RES-E could be taken into account in the reckoning of the relevant RES-E percentage.
5. Whether aspects such as the possibility, granted by Decree 387/2003 to quota-liable producers and importers, to use certified imported RES-E to reduce their RES-E amount to be supplied, and the possibility for imported RES-E to get TGC, are seen as a remarkable setback by Italian RES-E producers.

6. To what extent Italian RES-E producers currently take advantage of foreign RES-E markets as an outlet for their energy production and relevant labels, in addition to chances given by domestic RES-E mechanisms.
7. What actions could actually be taken, and who could undertake them, to carry into effect the Commission' s advice that national RES-E support systems should, for the moment, rather be optimised and co-ordinated than harmonised.

These questions were discussed and fine-tuned with APER at a meeting held in Milan on 15th June 2006. APER took it upon itself to answer the questions in writing in early July on behalf of its members, thus providing an overview of their current opinions.

To get some possibly differing opinions from stakeholders standing on the other side than RES-E producers, CESI RICERCA is going to submit the same questions to other entities; among these, GRTN (formerly Italy' s transmission system operator and currently the body in charge of managing RES-E support mechanisms) is looked to with the most interest.

CESI RICERCA will then draw up a short updating report for the convenience of the project in the summer of 2006, summarising the developments that have recently occurred in Italy as well as the viewpoints of RES-E stakeholders as they have been gathered in meetings and interviews over the first part of 2006.
