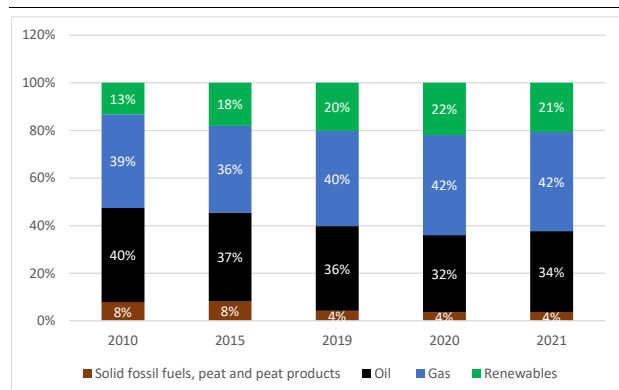


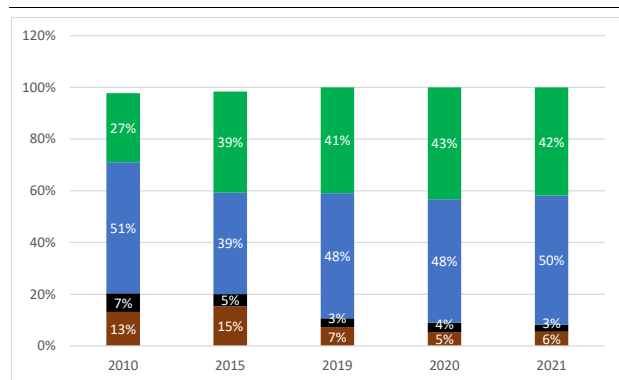
Key energy figures

Graph 1: Energy mix



Source: Eurostat

Graph 2: Electricity mix



Source: Eurostat

Saving energy

1. Key energy savings measures

In line with the **Save Energy Communication**, Italy launched new energy saving measures and progressed with its structural energy efficiency measures, such as:

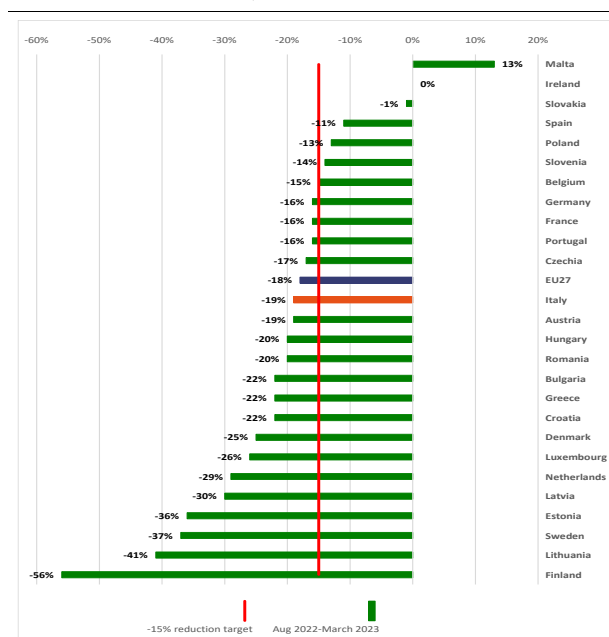
- **the tax deduction schemes** for building renovations, energy efficiency and renewable measures progressed in 2022. At the end of 2022, **SuperBonus 110% scheme** for residential buildings **delivered up to 359 440 energy renovations** (13.4% of which are multi-apartment buildings) ⁽¹⁾.

⁽¹⁾ Energy renovations under Superbonus must achieve at least an improvement of 2 energy performance classes to be

- **Behavioural, support and mandatory energy saving measures** including a communication campaign, the building portal, and updated mandatory requirement for heating temperatures in public and multi-apartment buildings are **expected to deliver 6.1 bcm of natural gas savings** (8% of the total amount of gas consumed in Italy in 2021) ⁽²⁾.
- the **white certificate scheme** delivered in 2022 up to 0.35 Mtoe of energy savings ⁽³⁾.

2. Gas Demand Reduction

Graph 3: Natural gas demand reduction (August 2022 – March 2023)



(1) Cyprus does not use natural gas

Source: Eurostat, DG ENER calculations

Italy has reduced its gas consumption by **19 %** in the period **August 2022-March 2023**, above the decrease achieved at EU level (18%) and surpassing the EU-level legal obligation of 15% ⁽⁴⁾.

eligible. Data from ENEA, 2022 (Link). At the end of 2021, the energy renovations delivered under SuperBonus were 91,880 (Link).

⁽²⁾ Ministry of the Environment and Energy Security, Piano Nazionale di Contenimento dei Consumi di Gas Naturale, 2022. Available at: Link

⁽³⁾ GSE, 2022 Annual Report White Certificates (Link)

⁽⁴⁾ Regulation (EU) 2022/1369 of the Council of 5 August 2022.

Diversification of energy supplies

1. Key actions

Import dependency from Russian natural gas was **40%** in 2021 (equalling 29.2 bcm). In **2022**, Italy received 1,36 bcm of Russian gas via LNG.

In **June 2022**, Gazprom halved the amount of gas sent to Italy. On **5 October 2022**, Gazprom resumed gas deliveries to Italy via Austria.

Diversification efforts with gas supplies coming through pipeline from Libya, Azerbaijan, Algeria⁵. Italy put in place a determined energy diplomacy and extra volumes are expected to come from Qatar, Egypt, and the US.

2. Gas Infrastructure Developments

The Italian government mandated its grid operator Snam to buy and set up **two additional floating storage and regasification units (FSRUs)** near **Ravenna and Piombino**. The new site at Piombino, consists of a new moored FSRU dubbed 'Golar Tundra' in the port of Piombino for the next three years, before moving it offshore. It has an annual regasification capacity of 5 bcm. The ship **arrived in the harbour of Piombino on 19 March 2023** and already received its first LNG cargo. on May 4 coming from Egypt's Damietta export facility. The Ravenna site will use the 'BW Singapore' FRSU. This FSRU also has a regasification capacity of 5 bcm per year and is on track to begin commercial operations in the third quarter of 2024. The two FSRUs combined will cover **13% of the energy supply needs** of the country.

⁽⁵⁾ On 23rd January 2023, Eni signed two agreements with the Algerian company Sonatrach to identify opportunities for the reduction of GHG and methane emissions and to define energy efficiency initiatives, renewable energy developments, green hydrogen projects and CCS projects to support energy security and promote a sustainable energy transition. In addition, the companies agreed to conduct studies to identify possible measures to improve Algeria's energy export capacity to Europe.

Map 1: LNG terminals and cross-border interconnections



Source: DG ENER

3. Gas Storage

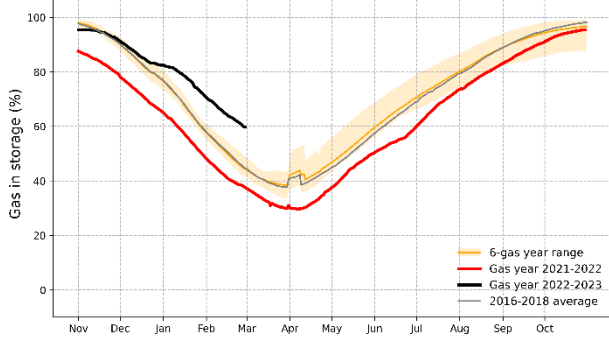
Italy operates **nine storage fields**⁽⁶⁾ with a total capacity of around 19.8 bcm, representing 26% of its total yearly demand.

Italy fulfilled its gas storage obligations last winter, reaching 95.45% by 1 November 2022 (well above the 80% EU legal obligation⁷), and ended the heating season with a filling gas storage at 66.06% by 2 May 2023.

⁽⁶⁾ Through its subsidiary company Stogit, Snam is the largest storage operator in Italy and one of the largest in Europe. It manages nine storage facilities: 5 in Lombardy (Brugherio, Bordolano, Ripalta, Sergnano and Settala), 3 in Emilia-Romagna (Cortemaggiore, Minerbio, Sabbioncello), and 1 in Abruzzo (Fiume Treste). It operates in synergy with the company's transport and regasification infrastructure, ensuring energy security for the country.

⁽⁷⁾ Regulation (EU) 2022/1032 of the European Parliament and of the Council of 29 June 2022 amending Regulations (EU) 2017/1938 and (EC) No 715/2009 with regard to gas storage.

Graph 4: **Storage levels in Italy**



Source: JRC calculation based on AGSI+ Transparency Platform, 2022

Energy Platform

Regional Group of reference: Central and Eastern Europe.

National companies participating to the Industrial Advisory Group: Enel, Eni, Edison, Solvay.

On Wednesday, May 10, the European Union launched its first international tender for joint gas purchases. A total of 25 international suppliers and more than 110 companies have decided to participate and intend to purchase 11.6 billion cubic meters of gas. Deliveries are expected to take place between June 2023 and May 2024.

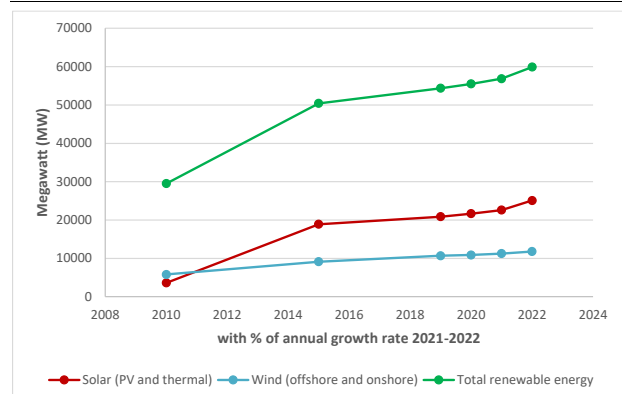
Accelerating clean energy

1. Installed Renewable Capacity

In **2022**, Italy installed around 3 GW of renewable capacity, bringing the total to **59.8 GW** (v. 56.8 GW in 2021).

In **2022**, the annual growth rate of installed renewables power capacity rose to **5.3%**, compared to only 2.5% in 2021.

Graph 5: **Installed solar and wind power capacity (in megawatt)**

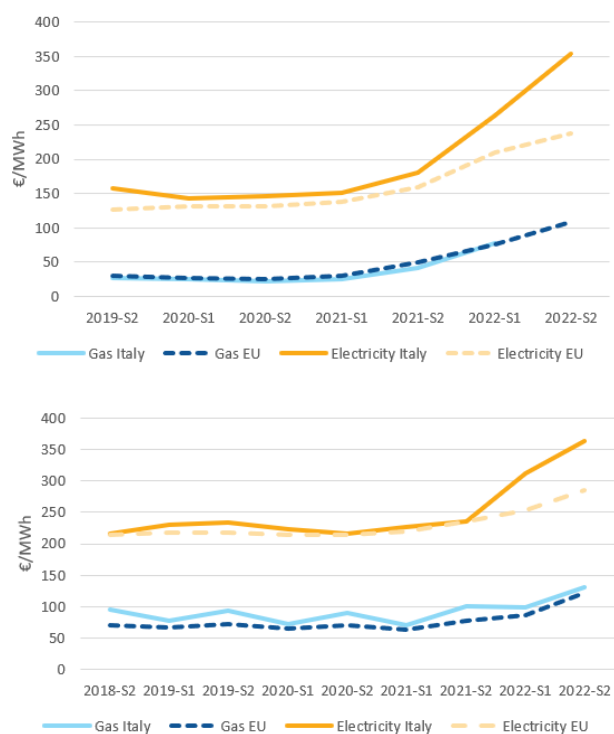


- (1) The renewable power capacity data reflects the capacity installed and connected at the end of the calendar year.
- (2) In 2022, Italy installed 0.5 GW in wind power capacity (vs. 0.3 GW in 2021)
- (3) In 2022, Italy installed around 2.5 GW in solar power capacity (vs. 0.9 GW in 2021)

Source: IRENA, RE Capacity statistics, 2023

Energy prices developments

Graph 6: **Italy's energy retail prices for industry (top) and households (bottom)**



(1) Italy has not communicated its industry retail gas prices for 2022-S2

(2) On electricity, the band consumption is for DC households and ID for industry

(3) On gas, the band consumption is D2 for households and I4 for industry

Source: Eurostat

Recovery and Resilience Plan (RRP)

- **EUR 69 billion in grants** (updated, representing approximately 3.9% of 2021 GDP). **EUR 122.6 billion in loans**
- **Adoption date by Council: 13 July 2021**
- **Third payment request submitted on 30 December 2022**, with an agreed extension of the assessment period to three months to enable sufficient time for technical exchanges.
- **The RRF mission** took place in the week of 28 November, and the annual RRF event with stakeholders took place on 2 December 2022.
- **Climate target:** 37.5%