



GME'S NEWSLETTER – New issue now on line

Rome, 14 March 2014 – The new issue of the Newsletter of Gestore dei Mercati Energetici (GME) is now downloadable at www.mercatoelettrico.org

The newsletter opens with a contribution by Mario Cirillo, Marco Franceschini and Tommaso Franci, from REF-E, about the use of natural gas in the residential heating & cooling market. The analysis of the activity of installation of air conditioning systems in 2012 shows a contracting market: *the Italian heating & cooling market reflects the negative economic cycle* - point out the researchers from REF-E -. *The number of systems sold, almost exclusively for the residential and service sectors, dropped to about 2.5 million in 2012, after reaching about 3.2 million just 4 years before.* More generally, stress Cirillo, Franceschini and Franci, *the weight of efficient technologies in the mix of heating & cooling systems is growing, although the penetration of some of them (e.g. heat pumps) in absolute terms is still limited. Heating & cooling systems consisting of multiple units are becoming more and more widespread, driven by economic factors (savings on bills) and regulatory factors (mandatory installation and incentives).* The data collected on system replacements indicate *a shrinking market share for the gas source: approximately 580,000 systems installed in existing buildings vs. 640,000 replacements.* This - grant the analysts from REF-E - *implies that the penetration trend of condensing boilers is opposite the one of conventional boilers. The dissemination of condensing boilers is indeed significant and, in most cases, to the expense of inefficient gas-fired systems. Conversely, for conventional boilers, the balance between systems installed and replaced is highly negative, to the advantage of the condensing technology and, increasingly, of systems fuelled by renewable energy (heat pumps and biomass-fired units). As in the case of gas, negative balances are also observed for technologies using LPG and above all gas-oil.* This is why, conclude Cirillo, Franceschini and Franci, *operators' expectations about conventional*



technologies using fossil fuels in the near future are definitely negative. In the opinion of interviewees, the most promising technologies are heat pumps, which thus have slightly better outlooks than other systems using renewable energy. The collected data also highlight an expected major growth of gas-fired condensing boilers.

The new issue comes with the usual technical commentaries about European and national power exchanges and environmental markets, with the section devoted to the analysis of Italian gas market trends and with the one giving insight into the trends of the main European commodity markets.

As has become customary, the new publication of GME also reports **the summary data of the Electricity Market for the month of February.**

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