

## **NEWSLETTER GME – The lastest newsletter is now available**

Rome March 15, 2017 – The latest GME Gestore dei Mercati Energetici newsletter is now available online. Go to www.mercatoelettrico.org to download the most recent newsletter.

The newsletter starts with the remarks of Mr. Gian Paolo Repetto, expert of the RIE Srl (Energy and Industry Research), on the new measures promoting the use of biomethane in the transport sector. "There are only seven biomethane plants in Italy today" but "none of these plants is connected to the methane network. New production projects are currently being analysed and examined; however, it may be stated that in Italy a biomethane industry doesn't exist yet', underlined Mr. Repetto, stressing that nevertheless, Italy is the second largest biogas producer in Europe after Germany. "The draft decree published and made available for consultation in December 2016 by the Ministry of Economic Development (MiSE) and the Ministry for the Environement acknowledges the inefficiency of the existing incentive schemes (Ministerial Decree of December 5, 2013) in stimulating the growth of a biomethane industry and suggests the introduction of new support measures for the construction of biogas production plants to provide fuel for the transport sector – outlined the RIE expert – . A growth in biomethane production will help Italy to bridge the gap with the targets set by the EU for 2020 for the use of renewable energy sources in the transport sector and will boost the creation of a new supply chain, promoting the development of circular economy". Mr. Repetto actually believes that "a strong biomethane industry offers a great number of favourable conditions for developing a national integrated supply chain, with circular economy solutions, a "virtuous" waste cycle, environmental and agricultural benefits, and potential fuel supply for the coverage of the national methane requirements". Furthermore, biomethane may represent a good opportunity "for local multiutilities which may use it for the biodigestion of FORSU (Organic Fraction of Municipal Solid Waste) and sewage sludges produced by the integrated water cycle, for the local public transport, powered by self-generated biofuel" and for the whole transport system thanks to a "rational development of the biomethane and LNG (Liquified Natural Gas), including bio-LNG, potential".



However, says the RIE expert, "a number of technical issues may arise from the forseen biogas development, such as ensuring the quality of new types of gas in comparison with the qualitative standards of traditional methane, guaranteeing the effective and safe feeding of fuel into the existing gas network, implementing telemetering and remote management systems. Some issues have already been solved while for others, solutions have yet to be defined". The development of the biomethane supply chain as well as the supply chain for LNG end-uses requires substantial investments, therefore "a long-term coordinated legislative and regulatory framework is fundamental to reassure the producers involved and guarantee the effective use of resources in the Italian system often characterized by the unbalance between costs and benefits", Mr. Repetto remarks. The newsletter also includes the usual technical opinions concerning the markets and the national and European power and environmental Exchanges as well as articles on the Italian gas market performance and on the performance of European markets, which further examine the commodities performance on the most important European markets. In addition to this, the latest GME newsletter includes, as usual, the the summary data of the electricity market for the month of February, 2017.

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