

GME NEWSLETTER - The new issue has been published

Rome 17 May 2021 – The new issue of the newsletter of Gestore dei Mercati Energetici (Gme) is online, downloadable from the website www.mercatoelettrico.org.

The newsletter opens with a speech by Chiara Proietti Silvestri of Ricerche Industriali Energetiche (RIE) on energy poverty. *"In addition to the health and social aspects, the current pandemic is weighing heavily on the material needs of families, aggravating the already existing vulnerabilities and increasingly widening the social inequality divide. - underlined the RIE analyst -. In Italy, in 2020, it is estimated that families in conditions of absolute poverty exceeded 2 million, involving a total number of individuals equal to approximately 5.6 million, i.e. over 1 million more than in 2019"*. But how many people are actually in energy poverty? *"Based on the LIHC indicator - highlighted Proietti Silvestri -, the number of families in energy poverty in Italy in 2018 stood at 2.3 million, that's 8.8% of the total, the highest figure ever in the last twenty years. In particular, starting from 2014 there has been a constant increase in families in energy poverty, moving from 7.3% (a historical low) to systematically jumping above 8.5% from 2016 onwards. The South is the area of the country most affected by the phenomenon, reaching over 25% in some areas"*. And that's not all. Underpinning this indicator is the equally interesting data of the energy expenditure of Italian families: *"If we consider the overall figure which also includes fuel for private transport, it can be seen that an average Italian family spends approximately 10% of its total budget on energy, with an incidence that varies between 14% for less well-off families and 7% for the wealthier ones. Energy bills (electricity and heating) account for half of the total energy expenditure"* noted the RIE researcher. In Italy, the measures to combat energy poverty came before measurement of the phenomenon itself. *"In fact, a number of measures have been in place in our country for some years now to mitigate situations of deprivation - clarified Proietti Silvestri -. In particular, national policies to combat energy poverty take the form of bonuses for the partial coverage of energy expenditure and tax breaks, including the Ecobonus for the energy requalification of buildings"*. As for the effects of the pandemic *"it is clear to see that energy poverty is affecting an increasing number of Italian families - continued the RIE analyst -. Even before the COVID-19 crisis, the risk of poverty or social exclusion rate measured by Eurostat indicated Italy as the fourth country in the ranking of member States (27% vs. the*



21% EU average). With the pandemic crisis still underway, this condition can only get worse, forcing the various actors involved to evaluate new measures capable of strengthening the policies implemented so far to combat energy poverty". Among the measures that have been adopted "continuation of the energy supply has been guaranteed to all and specific measures have been put in place to support consumers experiencing difficulties in paying their energy bills - recalled the RIE researcher -. These include: the establishment of a fund with the aim of rapidly providing financial resources for the necessary regulatory interventions, the extension of a 60-day deadline for requesting social bonuses for low-income families and the postponement of bill payments for consumers residing in the 11 municipalities of the first Red Zone in Lombardy and Veneto". Ultimately, Proietti Silvestri concluded, "the urgency and relevance of the fight against energy poverty require a collective awareness of the phenomenon also in view of an acceleration of the energy transition. On the other hand, decarbonisation comes with a cost that cannot be fully passed on to families, especially the most vulnerable ones. Taking up this challenge is fundamental in order to be able to implement measures to tackle the reduction of emissions, without exacerbating old and new poverty".

The new issue also includes the usual technical comments relating to the national and European electricity and environmental markets and exchanges, the section dedicated to the analysis of trends in the Italian gas market and the analysis section on trends in Europe, which explores the trends on the main European commodities markets.

The new GME publication also reports, as is now customary, the summary data of the electricity market for the month of April 2021.

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