

# Research RES LEGAL – Promotion system

Country: Italy

## 1. Summary of support system

<b>Overview of support system</b>	<p>In Italy, electricity generated from renewable energy sources is mainly promoted through a quota system (certificati verdi). The quota system obliges all producers and importers of electricity to generate a certain quota of electricity from renewable sources or purchase a certain amount of green certificates. As an alternative, small systems and expensive technologies like photovoltaic generation can make use of various kinds of price regulation, which might be more cost-efficient than participation in the certificate system. The price regulation system provides for mechanisms like the feed-in tariff for systems generating less than 1 MW. Likewise, photovoltaic systems are promoted by a premium tariff "conto energia per il solare fotovoltaico". Electricity may also be sold on the free market or within the regulatory system of "ritiro dedicato" (purchase by Gestore dei Servizi Elettrici at a guaranteed price). Under certain conditions, electricity producers can make use of "scambio sul posto" (net-metering).</p>
<b>Means of support</b>	<ul style="list-style-type: none"> <li>• <b>Quota system.</b> Electricity producers and importers shall satisfy a quota of electricity from renewable sources and furnish proof thereof through the submission of green certificates.</li> <li>• <b>Price regulation.</b> Renewable energy sources in general and photovoltaic energy in particular are promoted through several kinds of feed-in and premium tariffs, which especially benefit small systems. Photovoltaic systems are promoted through a guaranteed payment. Small systems, except for photovoltaic systems, can also choose the guaranteed feed-in tariff as an alternative to green certificates. Furthermore, Gestore dei Servizi Elettrici (GSE) shall manage the sale of renewable energy on request, and interested parties can make use of net-metering.</li> <li>• <b>Fiscal regulation mechanisms.</b> Photovoltaic and wind energy systems are eligible for a reduced VAT of 10% (instead of 20%). This fiscal benefit applies to enterprises, the professions and private individuals.</li> </ul> <p>In addition to these national promotion instruments, Italy provides for a series of regional programmes. The Osservatorio Politiche Energetico-Ambientali Regionali e Locali and FIRE give an overview of regional promotion instruments (e.g. "tetti fotovoltaici" programme or regional energy programmes).</p>
<b>Technologies</b>	<p>In general, all technologies used in renewable electricity generation are promoted; however, they are eligible for different promotion instruments.</p>
<b>Statutory provisions</b>	<ul style="list-style-type: none"> <li>• DM 05/05/11 (Decreto Ministeriale 5 maggio 2011 Incentivazione della produzione di energia elettrica da impianti solari fotovoltaici – Ministerial Decree of 5<sup>th</sup> May 2011 Incentivation of electricity production from solar photovoltaic plants).</li> <li>• DL 28/11 (Decreto Legislativo 3 marzo 2011, n. 28. Attuazione della direttiva 2009/28/CE sulla promozione dell'uso dell'energia da fonti rinnovabili recante modifica e successiva abrogazione delle direttive 2001/77/CE e 2003/30/CE - Legislative Decree 3 March 2011, n. 28. Implementation of directive 2009/28/CE on promotion of use of energy from renewable energy sources modifying and repealing directives 2001/77/CE and 2003/30/CE)</li> <li>• L 99/09 (Legge 23 luglio 2009, n. 99. Disposizioni per lo sviluppo e l'internazionalizzazione delle imprese, nonché in</li> </ul>

	<p>materia di energia – Act on the Development of the Business and Energy Sectors)</p> <ul style="list-style-type: none"> <li>• L 244/07 (Legge 24 Dicembre 2007, n. 244. Disposizioni per la formazione del bilancio annuale e pluriennale dello Stato. Legge finanziaria 2008 – Budget Act of 2008)</li> <li>• L 239/04 (Legge 23 agosto 2004, n. 239. Riordino del settore energetico, nonchè delega al Governo per il riassetto delle disposizioni vigenti in materia di energia - Act on the reorganisation of the energy sector)</li> <li>• DL 79/99 (Decreto Legislativo 16 marzo 1999, n. 79. Attuazione della direttiva 96/92/CE recante norme comuni per il mercato interno dell'energia elettrica, „Decreto Bersani“ – Decree for the Regulation of the Electricity Market)</li> <li>• DL 387/03 (Decreto Legislativo 29 dicembre 2003, n. 387. Attuazione della direttiva 2001/77/CE relativa alla promozione dell'energia elettrica prodotta da fonti energetiche rinnovabili nel mercato interno dell'elettricità – Decree for the Promotion of Renewable Energy)</li> <li>• DPR 633/72 (Decreto del Presidente della Repubblica 26 ottobre 1972 n. 633. Istituzione e disciplina dell'imposta sul valore aggiunto – Act on the Value-Added Tax)</li> <li>• DM 18/12/08 (Decreto 18 dicembre 2008. Incentivazione della produzione di energia elettrica da fonti rinnovabili. “Decreto Rinnovabili“- Decree on Renewable Energy)</li> <li>• DM 14/03/03 (Decreto 14 marzo 2003. Attivazione del mercato elettrico, limitatamente alla contrattazione dei certificati verdi – Decree on the Green Certificates)</li> <li>• AEEG 34/05 (Delibera n. 34/05. Modalità e condizioni economiche per il ritiro dell'energia elettrica – Conditions on electricity supply to the grid)</li> <li>• ARG/elt 181/10 (Delibera n. 181/10. Attuazione del decreto del Ministro dello Sviluppo Economico, di concerto con il Ministro dell’Ambiente e della Tutela del Territorio e del Mare 6 agosto 2010, ai fini dell'incentivazione della produzione di energia elettrica mediante impianti fotovoltaici)</li> <li>• AEEG 280/07 (Delibera n. 280/07. Modalità e condizioni tecnico-economiche per il ritiro dell'energia elettrica – Conditions on electricity intakes)</li> <li>• AEEG 348/07 (Delibera n. 348/07. Testo integrato delle disposizioni dell'Autorità per l'energia elettrica e il gas per l'erogazione dei servizi di trasmissione, distribuzione e misura dell'energia elettrica – Resolution on the transmission and distribution of electricity)</li> <li>• ARG/elt 74/08 (Deliberazione 3 giugno 2008 - ARG/elt 74/08. Testo integrato delle modalità e delle condizioni tecnico-economiche per lo scambio sul posto. “TISP” – Conditions for net metering)</li> <li>• ARG/elt 1/09 (Delibera n. 1/09. Attuazione dell'articolo 2, comma 153, della legge n. 244/07 e dell'articolo 20 del decreto ministeriale 18 dicembre 2008, in materia di incentivazione dell'energia elettrica prodotta da fonti rinnovabili tramite la tariffa fissa onnicomprensiva e di scambio sul posto - Implementation of Art. 1, c. 153 of L 244/07 and Art. 20 of DM 18/12/08 as regards promotion of electricity produced by renewable energy sources through the fixed omnicomprehensive tariff.)</li> </ul>
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## 2. Basic information on legal sources

Name of legal source (original language)			
<b>Full name</b>	Legge 23 luglio 2009, n. 99. Disposizioni per lo sviluppo e l'internazionalizzazione delle imprese, nonché in materia di energia	Legge 24 Dicembre 2007, n. 244. Disposizioni per la formazione del bilancio annuale e pluriennale dello Stato. Legge finanziaria 2008	Legge 23 agosto 2004, n. 239. Riordino del settore energetico, nonché delega al Governo per il riassetto delle disposizioni vigenti in materia di energia. („Legge Marzano“)
<b>Name (English)</b>	Act of 23 July 2009. Provisions for the development and the internationalisation of enterprises and the energy sector	Act No. 244 of 24 December 2007. Provisions on the formation of the annual budget. Budget Act of 2008	Act of 23rd August 2004, Nr. 239 on the reorganisation of the energy sector and the review of existing provisions in the field of renewable energy by the government.
<b>Abbreviated form</b>	L 99/09	L 244/07	L 239/04
<b>Entry into force</b>	15.08.2009	01.01.2008 (art. 2, c. 13, and art. 3, c. 36: entered into force on 28-12-2007)	28.09.2004
<b>Last amended on</b>	29.12.2010	28.03.2011	13.04.2011
<b>Future amendments</b>			
<b>Purpose</b>	This act aims to reform existing incentives and provide new incentives for enterprises, especially for enterprises in the energy sector.	Budget act of 2008	This Act mainly defines the rights and duties of the state as regards renewable energy and establishes regulations on fossil fuels.
<b>Relevance for renewable energy</b>	Art. 27 and 42 introduce new regulations on the existing promotion schemes for electricity from renewable sources.	Article 2, paragraphs 143 to 176 of the Budget Act introduces fundamental changes in the promotion of electricity from renewable sources and its supply to the grid.	Article 41 includes provisions on the price regulation.
<b>Link to full text of legal source (original language)</b>	<a href="http://www.parlamento.it/parlam/leggi/09099l.htm">http://www.parlamento.it/parlam/leggi/09099l.htm</a>	<a href="http://www.parlamento.it/parlam/leggi/07244l.pdf">http://www.parlamento.it/parlam/leggi/07244l.pdf</a>	<a href="http://www.parlamento.it/parlam/leggi/04239l.htm">http://www.parlamento.it/parlam/leggi/04239l.htm</a>
<b>Link to full text of legal source (English)</b>			

Name of legal source (original language)			
Full name	Decreto Legislativo 16 marzo 1999, n. 79. Attuazione della direttiva 96/92/CE recante norme comuni per il mercato interno dell'energia elettrica. „Decreto Bersani“	Decreto Legislativo 29 dicembre 2003, n. 387. Attuazione della direttiva 2001/77/CE relativa alla promozione dell'energia elettrica prodotta da fonti energetiche rinnovabili nel mercato interno dell'elettricità.	Decreto del Presidente della Repubblica 26 ottobre 1972 n. 633 e successive modificazioni ed integrazioni. Istituzione e disciplina dell'imposta sul valore aggiunto
Name (English)	Legislative Decree No. 79 of 16th March 1999 implementing European Directive 96/92/EC with common rules for the single market of electricity. “Decreto Bersani”	Legislative Decree of 29th December 2003 implementing European Directive 2001/77/EC on the promotion of electricity produced from renewable energy sources in the internal electricity market	Decree No. 633 of the President of the Republic as of 26th October 1972 and subsequent amendments and addenda. Implementation and regulation of the value added tax.
Abbreviated form	DL 79/99	DL 387/03	DPR 633/72
Entry into force	01.04.1999	15.02.2004	06.11.1972
Last amended on	28.03.2011	28.03.2011	21.12.2010
Future amendments			
Purpose	Liberalising the energy market.	Implementing the EU directive 2001/77/EC and promoting renewable energy.	Act on the Value Added Tax
Relevance for renewable energy	The decree is the legal basis for the promotion of renewable energy through the quota system. It stipulates that producers and importers shall feed a certain quota of electricity from renewable sources to the grid from 2001 onwards. They can either produce this electricity themselves or purchase it. Furthermore, the decree includes provisions on access to the grid.	The decree creates a basic framework for the promotion of renewable energy. It establishes an observatory for renewable energy (Osservatorio nazionale sulle fonti rinnovabili e l'efficienza negli usi finali dell'energia).	Table A, Part 3, 127-quinquies provides for a reduction in the VAT for photovoltaic and wind energy systems.
Link to full text of legal source (original language)	<a href="http://www.camera.it/parlam/leggi/del eghe/testi/99079dl.htm">http://www.camera.it/parlam/leggi/del eghe/testi/99079dl.htm</a>	<a href="http://www.ambientediritto.it/Legislazione/Energia/2003/dlgs%202003%20n.387.htm">http://www.ambientediritto.it/Legislazione/Energia/2003/dlgs%202003%20n.387.htm</a>	<a href="http://www.unisi.it/ammin/uff-ragi/Fisco/DPR633-72.htm">http://www.unisi.it/ammin/uff-ragi/Fisco/DPR633-72.htm</a>

<b>Link to full text of legal source (English)</b>			
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<b>Name of legal source (original language)</b>			
<b>Full name</b>	Decreto Ministeriale 18 dicembre 2008. Incentivazione della produzione di energia elettrica da fonti rinnovabili, ai sensi dell'articolo 2, comma 150, della legge 24 dicembre 2007, n. 244 – „Decreto Rinnovabili“	Decreto Ministeriale 14 marzo 2003. Ministero delle Attività Produttive. Attivazione del mercato elettrico, limitatamente alla contrattazione dei certificati verdi	Decreto Ministeriale 5 maggio 2011. Incentivazione della produzione di energia elettrica da impianti solari fotovoltaici.
<b>Name (English)</b>	Ministerial Decree of 18 <sup>th</sup> December 2008 on the promotion of renewable electricity generation according to Art. 2 par. 150 of L 244/07	Ministerial Decree of 14 <sup>th</sup> March 2003 on the trade of green certificates.	Ministerial Decree of 5 <sup>th</sup> May 2011 Incentivation of electricity production from solar photovoltaic plants.
<b>Abbreviated form</b>	DM 18/12/08	DM 14/03/03	DM 05/05/11
<b>Entry into force</b>	02.01.2009	20.03.2003	05.05.2011
<b>Last amended on</b>			
<b>Future amendments</b>			
<b>Purpose</b>	Promoting renewable electricity generation.	This decree regulates the trade of green certificates via the GME (Gestore Mercato Elettrico).	Establishing a support system for PV systems.
<b>Relevance for renewable energy</b>	This decree introduces changes to the existing support system for electricity from renewable sources. The most important changes are related to the Certificati Verdi and the Tariffa Omnicomprensiva.	The decree regulates the trade of green certificates among electricity producers.	Criteria for the promotion of photovoltaic energy.
<b>Link to full text of legal source (original)</b>	<a href="http://www.gse.it/attivita/Incentivazioni/Fonti%20Rinnovabili/Documenti/Decreto%2018%20dicembre%202008.pdf">http://www.gse.it/attivita/Incentivazioni/Fonti%20Rinnovabili/Documenti/Decreto%2018%20dicembre%202008.pdf</a>	<a href="http://www.ambientediritto.it/Legislazione/Energia/2003/dm%2014%20mar%202003.htm">http://www.ambientediritto.it/Legislazione/Energia/2003/dm%2014%20mar%202003.htm</a>	<a href="http://www.sviluppoeconomico.gov.it/images/stories/normativa/DM_PV_firmato.pdf">http://www.sviluppoeconomico.gov.it/images/stories/normativa/DM_PV_firmato.pdf</a>

<b>language)</b>	s/Decreto%20Ministeriale%2018_12_08.pdf	m	
<b>Link to full text of legal source (English)</b>			

<b>Name of legal source (original language)</b>			
<b>Full name</b>	Delibera n. 34/05. Modalità e condizioni economiche per il ritiro dell'energia elettrica di cui all'articolo 13, commi 3 e 4, del decreto legislativo 29 dicembre 2003, n. 387, e al comma 41 della legge 23 agosto 2004, n. 239	Delibera n. 181/10. Attuazione del decreto del Ministro dello Sviluppo Economico, di concerto con il Ministro dell'Ambiente e della Tutela del Territorio e del Mare 6 agosto 2010, ai fini dell'incentivazione della produzione di energia elettrica mediante impianti fotovoltaici	Delibera n. 280/07. Modalità e condizioni tecnico-economiche per il ritiro dell'energia elettrica ai sensi dell'articolo 13, commi 3 e 4, del decreto legislativo 29 dicembre 2003, n. 387/03, e del comma 41 della legge 23 agosto 2004, n. 239/04
<b>Name (English)</b>	Resolution No. 34/05; Modalities and economic conditions on the intake of renewable energy.	Regulation No. 181/10. Implementation of DM 06/08/10 on Photovoltaic Electricity Generation	Regulation No. 280/07. Technical and economic provisions on the intake of electric energy.
<b>Abbreviated form</b>	AEEG 34/05	ARG/elt 181/10.	AEEG 280/07
<b>Entry into force</b>	01.03.2005	25.10.2010	01.01.2008
<b>Last amended on</b>	06.07.2007	29.04.2011	06.08.2010
<b>Future amendments</b>			Annual price adjustments
<b>Purpose</b>	This resolution regulates the intake of electricity by the grid operator.	Implementing DM 06/08/10	Amendment of Annex A of L 239/04 (Amendment of the Act)
<b>Relevance for renewable energy</b>	This regulation includes provisions on the intake of electricity generated from renewable energy sources.	Promotion of photovoltaic systems.	This resolution establishes indirect access to the market and a price regulation system.
<b>Link to full text of legal source (original language)</b>	<a href="http://www.autorita.energia.it/it/docs/05/034-05.htm">http://www.autorita.energia.it/it/docs/05/034-05.htm</a>	<a href="http://www.autorita.energia.it/allegati/docs/10/181-10argallnew.pdf">http://www.autorita.energia.it/allegati/docs/10/181-10argallnew.pdf</a>	<a href="http://www.autorita.energia.it/it/docs/07/280-07.htm">http://www.autorita.energia.it/it/docs/07/280-07.htm</a>

<b>Link to full text of legal source (English)</b>			
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<b>Name of legal source (original language)</b>			
<b>Full name</b>	Delibera n. 348/07. Testo integrato delle disposizioni dell'Autorità per l'energia elettrica e il gas per l'erogazione dei servizi di trasmissione, distribuzione e misura dell'energia elettrica per il periodo di regolazione 2008-2011 e disposizioni in materia di condizioni economiche per l'erogazione del servizio di connessione.	Deliberazione 3 giugno 2008 - ARG/elt 74/08. Testo integrato delle modalità e delle condizioni tecnico-economiche per lo scambio sul posto (TISP)	Delibera n. 1/09 Attuazione dell'articolo 2, comma 153, della legge n. 244/07 e dell'articolo 20 del decreto ministeriale 18 dicembre 2008, in materia di incentivazione dell'energia elettrica prodotta da fonti rinnovabili tramite la tariffa fissa onnicomprensiva e di scambio sul posto
<b>Name (English)</b>	Regulation No. 348/07. Consolidated text of the provisions of AEEG on the supply of electricity through transmission, distribution and metering services in the period from 2008 to 2011 and the provisions on the economic conditions on the service of connection.	Resolution of 3 June 2008 - ARG/elt 74/08. Consolidated text on the technical and economic requirements for net metering/scambio sul posto	Regulation 1/09. Implementation of Art. 1, c. 153 of L 244/07 and Art. 20 of DM 18/12/08 as regards promotion of electricity produced by renewable energy sources through the fixed all-inclusive tariff.
<b>Abbreviated form</b>	AEEG 348/07	ARG/elt 74/08	ARG/elt 1/09
<b>Entry into force</b>	30.12.2007	09.07.2008	12.01.2009
<b>Last amended on</b>	10.12.2010	13.12.2010	06.08.2010
<b>Future amendments</b>			
<b>Purpose</b>	Conditions on the transmission, distribution and metering of energy and the connection of systems to the grid.	This regulation contains detailed provisions on net metering (Scambio Sul Posto).	This regulation contains detailed provisions on the “tariffa onnicomprensiva” (all-inclusive tariff).

<b>Relevance for renewable energy</b>	Funding of the system for the promotion of renewable energy laid down by the "Conto per nuovi impianti da fonti rinnovabili e assimilate" (Art. 56 AEEG 248/07).	This regulation contains detailed provisions on net metering (Scambio Sul Posto). Since 04/02/2009 a transitional provision on net metering has been in force: Delibera ARG/elt 184/08. Disposizioni transitorie in materia di scambio sul posto di energia elettrica.	This regulation defines modalities and economic conditions for the intake of renewable energy according to the incentive system known as "tariffa omnicomprensiva".
<b>Link to full text of legal source (original language)</b>	<a href="http://www.autorita.energia.it/allegati/docs/07/tit.pdf">http://www.autorita.energia.it/allegati/docs/07/tit.pdf</a>	<a href="http://www.autorita.energia.it/it/docs/08/184-08arg.htm">www.autorita.energia.it/it/docs/08/184-08arg.htm</a> .	<a href="http://www.autorita.energia.it/it/docs/09/001-09arg.htm">http://www.autorita.energia.it/it/docs/09/001-09arg.htm</a>
<b>Link to full text of legal source (English)</b>			

<b>Name of legal source (original language)</b>			
<b>Full name</b>	Decreto Legislativo 3 marzo 2011, n. 28. Attuazione della direttiva 2009/28/CE sulla promozione dell'uso dell'energia da fonti rinnovabili recante modifica e successiva abrogazione delle direttive 2001/77/CE e 2003/30/CE		
<b>Name (English)</b>	Legislative Decree 3 March 2011, n. 28. Implementation of directive 2009/28/CE on promotion of use of energy from renewable energy sources modifying and repealing directives 2001/77/CE and 2003/30/CE		
<b>Abbreviated form</b>	DL 28/11		
<b>Entry into force</b>	29.03.2011		
<b>Last amended on</b>			



<b>Future amendments</b>			
<b>Purpose</b>	<p>To define instruments, mechanisms, incentives and the institutional, financial and legal frameworks necessary for achieving the 2020 goals as regards the total quota of renewable energy in final consumption and in transports.</p> <p>This legislative decree is the framework basis for radical changes in the Italian support system schemes.</p>		
<b>Relevance for renewable energy</b>	Relevant as regards initiating changes in the support schemes for renewable energy in Italy.		
<b>Link to full text of legal source (original language)</b>			
<b>Link to full text of legal source (English)</b>			

### 3. Further information

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
<b>Autorità per l'energia elettrica e il gas (AEEG) – Regulatory Authority for Electricity and Gas</b>	<a href="http://www.autorita.energia.it/it/inglese/index.htm">http://www.autorita.energia.it/it/inglese/index.htm</a>		+39 026 556 51	info(at)autorita.energia.it
<b>Ministero dello Sviluppo Economico – Ministry of Economic Development</b>	<a href="http://www.sviluppoeconomico.gov.it/">http://www.sviluppoeconomico.gov.it/</a>		+39 06 47051	
<b>Ministero dell'Ambiente e della Tutela del Territorio e del Mare – Ministry of Environment</b>	<a href="http://www.minambiente.it/">http://www.minambiente.it/</a>		+39 06 57221	
<b>Gestore dei Servizi Elettrici (GSE) – Administrative company for electricity services</b>	<a href="http://www.gse.it/Eng/Pagine/default.aspx">http://www.gse.it/Eng/Pagine/default.aspx</a>		+39 068 01 11	info(at)gse.it
<b>APER – Associazione Produttori di energie rinnovabili – Association of renewable energy producers</b>	<a href="http://www.aper.it">http://www.aper.it</a>		+39 02 6692 673	
<b>Legambiente per le Energie Rinnovabili – Association for the promotion of renewable energy</b>	<a href="http://www.fonti-rinnovabili.it/">http://www.fonti-rinnovabili.it/</a>		+39 056 448 771	info(at)fonti-rinnovabili.it
<b>Federazione Italiani Produttori di Energia da Fonti Rinnovabili (Fiper) – Federation of</b>	<a href="http://www.fiper.it/en.html">http://www.fiper.it/en.html</a>		+39 034 270 62 78	info(at)fiper.it

the producers of renewable-energy-sourced electricity				
Nextville: Energie rinnovabili ed efficienza energetica – Information website on renewable energy	<a href="http://www.nextville.it/home.php">http://www.nextville.it/home.php</a>			redazione(at)nextville.i

## Means of support

### 4.1. Subsidy (name of means of promotion)

<b>Abbreviated form of legal source(s)</b>		
<b>Country-specific support system</b>		
<b>Promoted technologies</b>	<b>General information</b>	
	<b>Wind energy</b>	
	<b>Solar energy</b>	
	<b>Geothermal energy</b>	
	<b>Biogas</b>	
	<b>Hydro-electricity</b>	
	<b>Biomass</b>	
<b>Amount</b>		
<b>Addressees</b>		
<b>Procedure</b>	<b>Procedure</b>	
	<b>Competent authority</b>	
<b>Flexibility mechanism</b>		
<b>Funding</b>	<b>State</b>	
	<b>Consumers</b>	
	<b>System operator</b>	
	<b>Grid operator</b>	
	<b>Distribution mechanism</b>	

#### 4.2. Loan (Name of means of promotion)

<b>Abbreviated form of legal source(s)</b>		
<b>Country-specific <u>support</u> system</b>		
<b>Promoted technologies</b>	<b>General information</b>	
	<b>Wind energy</b>	
	<b>Solar energy</b>	
	<b>Geothermal energy</b>	
	<b>Biogas</b>	
	<b>Hydro-electricity</b>	
	<b>Biomass</b>	
<b>Amount</b>		
<b>Addressees</b>		
<b>Procedure</b>	<b>Procedure</b>	
	<b>Competent authority</b>	
<b>Flexibility mechanism</b>		
<b>Funding</b>	<b>State</b>	
	<b>Consumers</b>	
	<b>Grid operator</b>	
	<b>System operator</b>	
	<b>Distribution mechanism</b>	

#### 4.3. Feed-in tariff I (Feed-in tariff for RES electricity except solar power – tariffa omnicomprensiva)

<b>Abbreviated form of legal source(s)</b>	<ul style="list-style-type: none"> <li>• L 99/09</li> <li>• ARG/elt 1/09</li> <li>• L 244/07 (Budget Act)</li> <li>• DL 28/11</li> </ul>	
<b>Country-specific <u>support</u> system</b>	<p>In accordance with the Budget Act of 2008 and ARG/elt 1/09, generators with installed power between 1kW and 1 MW (0,2 MW for wind energy) are entitled to a guaranteed feed-in tariff as an alternative to green certificates (Art. 2 par. 145 L 244/07 and Art 2 par. 3 ARG/elt 1/09).</p> <p>This support scheme will support eligible plants that enter into function by 31 December 2012. All the provisions described in this section apply to these plants (Art. 25, c. 6, 11, l. b DL 28/11). From 1 January 2013, a new incentive system will be in place. This support system will be published through a ministerial decree before 30 September 2011 (Art. 24, c. 5,6 DL 28/11)</p>	
<b>Promoted technologies</b>	<b>General information</b>	This tariff is explicitly designed to promote small systems, except for photovoltaic systems. Photovoltaic systems are subject to the provisions of DL 387/03 (Art. 2 par. 145 L 244/07). To be able to apply for the tariff, a given system operator must present a certificate classifying his system as a renewable energy system (Impianto Alimentato da Fonti Rinnovabili – IAFR). Such a certificate is issued by the GSE and is subject to charges, which depend on the size of the system (Art. 4 DM 18/12/08).
	<b>Wind energy</b>	Eligible if the capacity is between 1 kW and 0,2 MW (Art. 2 par. 145 L 244/07 and Art 2 par. 3 ARG/elt 1/09).
	<b>Solar energy</b>	
	<b>Geothermal energy</b>	Eligible if the capacity is between 1 kW and 1 MW (Art. 2 par. 145 L 244/07 and Art 2 par. 3 ARG/elt 1/09).
	<b>Biogas</b>	Eligible if the capacity is between 1 kW and 1 MW (Art. 2 par. 145 L 244/07 and Art 2 par. 3 ARG/elt 1/09).
	<b>Hydro-electricity</b>	Eligible if the capacity is between 1 kW and 1 MW (Art. 2 par. 145 L 244/07 and Art 2 par. 3 ARG/elt 1/09).
	<b>Biomass</b>	Eligible if the capacity is between 1 kW and 1 MW (Art. 2 par. 145 L 244/07 and Art 2 par. 3 ARG/elt 1/09).
<b>Amount</b>	<b>General information</b>	The amount of payment differs for each source of energy (Art. 2 par. 145 L 244/07):
	<b>Wind energy</b>	30 €ct/kWh.
	<b>Solar energy</b>	
	<b>Geothermal energy</b>	20 €ct/kWh.
	<b>Biogas</b>	28 €ct/kWh (Art. 42 par. 6 a L 99/09).
	<b>Hydro-electricity</b>	22 €ct/kWh.
	<b>Biomass</b>	<b>Wave and tidal energy:</b> 34 €ct/kWh 28 €ct/kWh

		fluid biofuels, landfill gas and gas resulting from purification processes: 18 €/kWh (Art. 42 par. 6 a L 99/09).
<b>Degression</b>	<b>General information</b>	Statutory law does not provide for any adjustment mechanism. Yet, the amount of feed-in tariff may be adjusted by a decree of the Ministry of Economic Development every three years (Art. 2 par. 145 L 244/07). The tariffs have been last reviewed with L 99/09 at the end of 2010.
	<b>Wind energy</b>	
	<b>Solar energy</b>	
	<b>Geothermal energy</b>	
	<b>Biogas</b>	
	<b>Hydro-electricity</b>	
	<b>Biomass</b>	
<b>Cap</b>		
<b>Eligibility period</b>	The period of payment is limited in time. It amounts to 15 years starting at the date of commissioning (Art. 2 par. 145 L 244/07).	
<b>Addressees</b>	<p><b>Entitled party.</b> The persons entitled are the producers of less than 1 MW of electricity from renewable sources per year (less than 0,2 MW for wind energy), provided that they feed electricity into the grid and apply for the tariff (art 2 par. 145 L 244/07). Systems must be commissioned after 31st December 2007 to be eligible for the tariff (Art. 3 par. 2 DM 18/12/08 ). Systems commissioned after 30<sup>th</sup> June 2009 are eligible for the tariff as long as they do not receive incentives other than the tariffa omnicomprensiva (Art. 2 par. 152 L 244/07).</p> <p><b>Obligated party.</b> Grid operator GSE is obligated to pay the tariff (Art. 3 DM 18/12/08).</p>	
<b>Procedure</b>	<b>Procedure</b>	The system operator requests the incentive to the grid operator within three years from the commissioning of the plant. If the grid operator does not provide an answer within 90 days, the request is automatically accepted (Art. 4 DM 18/12/08).
	<b>Competent authority</b>	The grid operator (GSE) is obligated to pay the tariff (Art. 3 DM 18/12/08).
<b>Flexibility Mechanism</b>		
<b>Funding</b>	<b>State</b>	
	<b>Consumers</b>	The costs of feed-in tariff are borne by the consumers.
	<b>Grid operator</b>	
	<b>System operator</b>	

	<b>Distribution mechanism</b>	The system costs paid by the consumers are transferred to a fund for the promotion of systems generating electricity from renewable energy sources (Conto per nuovi impianti da fonti rinnovabili ed assimilate). The fund is managed by GSE (Gestore Servizi Elettrici), who uses the money to cover the cost arising from the feed-in tariff (Art. 56 par. 2 l. r. AEEG 348/07).
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**Feed-in tariff II** (Purchase and sale by the grid operator – Ritiro dedicato)

<b>Abbreviated form of legal source(s)</b>	<ul style="list-style-type: none"> <li>• L 239/04</li> <li>• DL 387/03</li> <li>• AEEG 34/05</li> <li>• AEEG 280/07</li> <li>• AEEG 348/07</li> </ul>	
<b>Country-specific support system</b>	<p>"Ritiro dedicato" is the regulation of the sale of electricity in Italy rather than a "classical" feed-in tariff. The grid operator (GSE) manages the sale on behalf of the producers, who thus need not sell their energy on the free market in person. Thus, GSE is a mediator between the producers and the market. This system aims to enable renewable energy to access the market indirectly and more easily. Producers of up to two 2.000.000 kWh of electricity from renewable sources may choose between the minimum tariff (prezzo minimo garantito) determined by the energy authority (Art. 7 AEEG 280/07) and the market prices dependent on time of day and region (prezzo zonale orario) (Art. 4 AEEG 34/05). If production exceeds 2.000.000 kWh, the surplus is subject to the market price (Art. 7 AEEG 280/07).</p>	
<b>Promoted technologies</b>	<b>General information</b>	All technologies are eligible; the output of a given system must not exceed 10 MVA. Systems shall be commissioned after 1st April 1999 (Art. 1 par. 41 L 239/04).
	<b>Wind energy</b>	Eligible (Art. 1 par. 41 L 239/04).
	<b>Solar energy</b>	Eligible (Art. 1 par. 41 L 239/04).
	<b>Geothermal energy</b>	Eligible (Art. 1 par. 41 L 239/04).
	<b>Biogas</b>	Eligible (Art. 17 par. 1 DL 387/03).
	<b>Hydro-electricity</b>	Wave and tidal power stations and run-of-river plants are eligible (Art. 1 par. 41 L 239/04).
<b>Amount</b>	<b>Biomass</b>	Eligible (Art. 17 par. 1 DL 387/03).
	<b>General information</b>	<p>The amount of payment decreases with increasing output and depends on the following categories (Art. 7 par. 5 AEEG 280/07). The following amounts represent the payments for 2011:</p> <ul style="list-style-type: none"> <li>• 103,4 €/MWh for outputs of up to 500.000 kWh per year</li> <li>• 87,2 €/MWh for outputs from 500.000 kWh to 1.000.000 kWh per year</li> <li>• 76,2 €/MWh for outputs from 1.000.000 kWh to 2.000.000 kWh per year</li> <li>• Market price (prezzo zonale orario) for outputs &gt; 2.000.000 kWh (Art. 7 par. 2 AEEG 280/07).</li> </ul>
	<b>Wind energy</b>	
	<b>Solar energy</b>	
	<b>Geothermal energy</b>	



	<b>Biogas</b>	
	<b>Hydro-electricity</b>	
	<b>Biomass</b>	
<b>Degression</b>	<b>General information</b>	Only the statutory minimum tariff is subject to adjustments. This tariff is re-assessed every year and is based on the ISTAT's (office for statistics) calculation of the consumption costs of families of workers and employees (Art. 7 par. 5 AEEG 280/07).
	<b>Wind energy</b>	
	<b>Solar energy</b>	
	<b>Geothermal energy</b>	
	<b>Biogas</b>	
	<b>Hydro-electricity</b>	
	<b>Biomass</b>	
<b>Cap</b>	Different levels of payment are provided according to the amount of output, see "Amount"	
<b>Eligibility period</b>	The guaranteed minimum prices are valid for one year (Art. 7 par. 2 AEEG 280/07).	
<b>Addressees</b>	<b>Entitled party.</b> All eligible operators of systems that generate electricity from renewable energy sources (Art. 13 par. 3, Art. 17 par. 1 DL 387/03). <b>Obligated party.</b> The obligated party is grid operator GSE (Art. AEEG 34/05).	
<b>Procedure</b>	<b>Procedure</b>	A given producer shall submit an application within 60 days from commissioning and conclude a contract, which may be renewed annually, with GSE. Payment starts on a date agreed by the parties, provided that the generation plant is deemed admissible by the GSE in the verification process. (Artt. 3 and 14 AEEG 280/07).
	<b>Competent authority</b>	The GSE checks the information and data submitted by the producers (Art. 14 par. 3 AEEG 280/07).
<b>Flexibility Mechanism</b>		
<b>Funding</b>	<b>State</b>	
	<b>Consumers</b>	Part of the costs is borne by the consumers through the electricity price (Art. 56 AEEG 348/07).
	<b>Grid operator</b>	
	<b>System operator</b>	The system operators also bear part of the costs. They shall pay to the grid operator a fee for the services regarding the sale of electricity. This fee amounts to 0.5% of the value of the energy fed in, the maximum being 3,500 € per year and

		system (Art. 4 par. 2 e AEEG 280/07). The fee is levied to cover GSE's administrative costs.
	<b>Distribution mechanism</b>	The grid operator receives the difference between the minimum tariff, which he shall pay to the system operators, and the price he achieves on the market from the fund for the promotion of systems generating electricity from renewable energy sources (Conto per nuovi impianti da fonti rinnovabili ed assimilate), which is in turn alimented through a component in the electricity bills of consumers (Componente A3) (Art. 56 par. 2 l. r AEEG 348/07).

#### 4.4. Premium tariff I (Conto Energia IV)

<b>Abbreviated form of legal source(s)</b>	<ul style="list-style-type: none"> <li>• L 99/09</li> <li>• ARG/elt 181/10</li> <li>• AEEG 348/07</li> <li>• DL 28/11</li> <li>• DM 05/05/11</li> </ul>
<b>Country-specific <u>support</u> system</b>	<p>In Italy, photovoltaic systems are promoted through a premium tariff (conto energia per il solare fotovoltaico). Operators of photovoltaic systems receiving a premium tariff are not eligible for either green certificates or the tariffa omnicomprensiva. PV systems commissioned before 31.12.2012 (Art. 5, c. 5 DM 05/05/11), however, may be eligible for selling the electricity on the free market, for selling electricity within the regulatory system of "ritiro dedicato" (purchase by the Gestore dei Servizi Elettrici at a fixed price), or, if their capacity is below 200 kW, for net-metering ("scambio sul posto")(Art. 5, c. 5 DM 05/05/11).</p> <p>This support system is applied to systems entering into function between 1 June 2011 and 31 December 2016 (Art. 1, c. 2 DM 05/05/11).</p> <p>PV systems, in the context of DM 05/05/11, are divided in the following three categories</p> <ol style="list-style-type: none"> <li><b>PV plants</b> <ol style="list-style-type: none"> <li>Small plants: <ol style="list-style-type: none"> <li>building-mounted PV systems with capacity below 1000 kW;</li> <li>PV systems with capacity below 200 kW operating under "scambio sul posto" (net-metering)</li> <li>PV systems of any capacity operating on buildings and areas of public administrations (Art. 3, c.1, l. u DM 05/05/11),</li> </ol> </li> <li>Large plants: <ol style="list-style-type: none"> <li>Any plant that is not grouped under the definition of small plants (Art. 3, c.1, l. v DM 05/05/11).</li> </ol> </li> </ol> </li> <li><b>Integrated PV plants with innovative characteristics</b></li> </ol>

	<b>3. Concentration PV plants</b>	
<b>Promoted technologies</b>	<b>General information</b>	Only electricity generated by photovoltaic systems is eligible.
	<b>Wind energy</b>	
	<b>Solar energy</b>	<p><b><u>Eligibility of different system types</u></b></p> <p><b>PV plants</b> are eligible under the following conditions:</p> <ul style="list-style-type: none"> <li>• Nominal power above 1 kW (Art. 11, c.2, l.a DM 05/05/11);</li> <li>• Complying with the technical requirements laid down in Annex 1 of DM 05/05/11 and in Art. 10, DL 28/11 (Art. 11, c.2, l.b, e, f DM 05/05/11).</li> <li>• Realised with new components or components which were not already used in other systems (Art. 11, c.2, l.c DM 05/05/11).</li> <li>• Connected to the electricity grid or to a small, isolated grid so that each plant has a single connection point to the grid (Art. 11, c.2, l.d DM 05/05/11).</li> </ul> <p><b>Integrated PV plants with innovative characteristics</b> are eligible under the following conditions:</p> <ul style="list-style-type: none"> <li>• Nominal power between 1 kW and 5 MW (Art. 15, c.2, l.a DM 05/05/11);</li> <li>• Complying with the technical requirements laid down in Annexes 1 and 4 of DM 05/05/11 and in Art. 10, DL 28/11 (Art. 15, c.2, l.b, c DM 05/05/11).</li> <li>• Realised with new components or components which were not already used in other systems (Art. 15, c.2, l.d DM 05/05/11).</li> <li>• Connected to the electricity grid or to a small, isolated grid so that each plant has a single connection point to the grid (Art. 15, c.2, l.e DM 05/05/11).</li> </ul> <p>Before 30 June 2011, GSE will publish an updated version of the guidelines for these plants (Art. 15, c.3 DM 05/05/11).</p> <p><b>Concentration PV plants</b> are eligible under the following conditions:</p> <ul style="list-style-type: none"> <li>• They are owned by legal entities of public entities (Art. 17, c. 1 DM 05/05/11);</li> <li>• Nominal power between 1 kW and 5 MW (Art. 17, c.2, l.a DM 05/05/11);</li> <li>• Complying with the technical requirements laid down in Annex 1 of DM 05/05/11 and in Art. 10, DL 28/11 (Art. 17, c.2, l.b DM 05/05/11).</li> <li>• Realised with new components or components which were not already used in other system (Art. 17, c.2, l.c DM 05/05/11).</li> <li>• Connected to the electricity grid or to a small, isolated grid so that each</li> </ul>

		<p>plant has a single connection point to the grid (Art. 17, c.2, l.d DM 05/05/11).</p> <p>Special provisions are given for ground-mounted systems in agricultural areas (Art.11, c. 2, l. e DM 05/05/11 in connection with Art. 10, c. 4 DL 28/11).</p> <p><b>Tariffs are not applied</b> in case the systems benefitted of the following incentives:</p> <ul style="list-style-type: none"> <li>• Contributions for construction higher than 30% of the investment cost for: <ul style="list-style-type: none"> <li>○ plants under 20 kW;</li> <li>○ plants placed on public buildings or on buildings owned by not-for-profit organizations of public utility providing social services;</li> <li>○ plants placed in reclaimed areas;</li> <li>○ integrated PV plants with innovative characteristics</li> <li>○ concentration PV plants; (Art. 5, c. 1, DM 05/05/11).</li> </ul> </li> <li>• Contributions for construction higher than 60% of the investment cost for systems placed on schools, public healthcare buildings or administrative public buildings (Art. 5, c. 1, DM 05/05/11);</li> <li>• Tax reductions apart from the VAT reduction established by DPR 633/72 and DM 29/12/1999.</li> <li>• Previous premium tariffs (Art. 5, c. 3, DM 05/05/11).</li> </ul> <p><b><u>Future Milestones</u></b></p> <p>From <b>30.3.2012 onwards</b>, PV plants (Art. 11, c. 5 DM 05/05/11) will be able to access incentives only if:</p> <ul style="list-style-type: none"> <li>• Components and plants have been realised in agreement with the minimal technical requirements established in DM 05/05/11 and this condition is certified by labs accredited by institutions belonging to or recognised by the European Co-operation for Accreditation (EA) (Art. 10, c. 1 DL 28/11 in connection with art. 4 and 7, Annex 2, DL 28/11).</li> <li>• Modules are guaranteed for a minimum of 10 years (Art.11, c. 5 DM 05/05/11 in connection with Art. 4, Annex 2, DL 28/11).</li> </ul> <p>From <b>30.06.2012 onwards</b>, the following certificates must be provided to GSE by PV plants operators:</p> <ul style="list-style-type: none"> <li>• A certificate of the PV modules producer, confirming its affiliation to a European system or consortium that guarantees recycling of the PV modules at the end of their life cycle (Art.11, c. 6, l.a DM 05/05/11);</li> </ul>
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		<ul style="list-style-type: none"> <li>• A certificate released by the PV modules producer indicating its possession of the following certifications: ISO 9001:2008, OHSAS 18001, ISO 14000 (Art.11, c. 6, l.b DM 05/05/11);</li> <li>• A certificate of inspection of the facility released by a body certified at European or national level to verify the quality of the productive process, of the used materials, of the certificates mentioned in the above two points and of the fact that the investment costs (not accounting for labour) relate for at least 60% to a production realized within the EU (Art.11, c. 6, l.c DM 05/05/11 in connection with Art. 14, c. 1, l.d).</li> </ul> <p><b>From 01.01.2013 onwards:</b></p> <ul style="list-style-type: none"> <li>• Inverters of PV plants (Art.11, c. 3 DM 05/05/11), of integrated PV plants with innovative characteristics (Art. 15, c.4, DM 05/05/11) and of concentration PV plants (Art. 17, c.3, DM 05/05/11) that enter into function must provide the following ancillary services: <ul style="list-style-type: none"> <li>○ Maintain unsensitivity to quick tension drops;</li> <li>○ Allow for remote grid disconnection;</li> <li>○ Increment selectivity of protections in order to avoid phenomena of untimely disconnection of the PV plant;</li> <li>○ Allow for providing or absorbing reactive power;</li> <li>○ Limit the power fed into the grid;</li> <li>○ Avoid the possibility that the inverters would power the electric loads of the grid in absence of tension on the transforming station (Art. 11, c.3 DM 05/05/11)</li> </ul> </li> <li>• Cumulability of incentives is applied as indicated in Artt. 24, c.5 and 26 DL 28/11 (art. 5, c. 4, DM 05/05/11).</li> </ul>
	<b>Geothermal energy</b>	
	<b>Biogas</b>	
	<b>Hydro-electricity</b>	
	<b>Biomass</b>	
<b>Amount</b>	<b>General information</b>	<p>The amount of payment depends on the system type, the positioning and the capacity. Tariffs are recognized at the current value of money for the whole eligibility period (20 years from commissioning) (Art. 12, c. 2 DM 05/05/11).</p> <p>Detailed provisions are given per month or semester <b>up to 2013</b> in Annex 5 of DM 05/05/11. As an example, the following ranges are provided for PV plants:</p>

		<ul style="list-style-type: none"> <li>• June 2011: 0,264 – 0,387 €/kWh</li> <li>• December 2011: 0,172 – 0,298 €/kWh</li> <li>• 1<sup>st</sup> semester 2012: 0,148 – 0,274 €/kWh</li> <li>• 2<sup>nd</sup> semester 2012: 0,133 – 0,252 €/kWh</li> </ul> <p><b>From 2013 onwards</b>, this system will undergo a change: electricity fed into the grid will be paid at a tariff equal to the sum of the value of electricity and of the incentive; self-consumed electricity will be paid a premium tariff. The overall range for the first semester of 2013 is 0,121 – 0,375 €/kWh.</p> <p>Under certain conditions, the tariff may be increased. In case more than a condition applies, only one of the corresponding benefits may be received. Up to 31 December 2012, these increases will be calculated on the full tariff. From 1 January 2012, these increases will be calculated on the basis of the self-consumption tariff (Art. 12, c. 3 in connection with Annex 5 DM 05/05/11):</p> <ul style="list-style-type: none"> <li>• PV systems not mounted on buildings and placed in industrial, commercial areas, exhausted quarries or landfills, contaminated areas benefit of a 5% increase in the applicable tariff (Art. 14, c. 1, l. a DM 05/05/11).</li> <li>• Small PV systems realized by in municipalities with less than 5,000 inhabitants (which are also responsible for the PV system are eligible for an increase of 5% in the applicable premium tariff (Art. 14, c. 1, l. b DM 05/05/11).</li> <li>• Building-mounted PV systems substituting building parts containing asbestos receive a premium of 0,05€/kWh (Art. 14, c. 1, l. c DM 05/05/11).</li> <li>• PV systems whose investment costs (not accounting for labour) relate for at least 60% to a production realized within the EU are eligible for an increase of 10% in the applicable premium tariff (Art. 14, c. 1, l.d DM 05/05/11).</li> <li>• The operators of small, building-mounted systems receive a bonus ("premio") amounting to a maximum of 30% of the applicable tariff, if they implement additional energy-saving measures in the building (Art. 13 DM 05/05/11).</li> </ul>
	<b>Wind energy</b>	

	<b>Solar energy</b>	
	<b>Geothermal energy</b>	
	<b>Biogas</b>	
	<b>Hydro-electricity</b>	
	<b>Biomass</b>	
<b>Degression</b>	<b>General information</b>	<p>The tariff decreases over time according to the tables presented in Annex 5 of DM 05/05/11).</p> <p>In case the actual cost of the installed capacity calculated for the premium tariff in a semester is above the estimated cost for the same semester, as presented in Art 4 DM 05/05/11, the tariffs for the coming periods are further reduced according to a calculation in Annex 5 DM 05/05/11.</p>
	<b>Wind energy</b>	
	<b>Solar energy</b>	
	<b>Geothermal energy</b>	
	<b>Biogas</b>	
	<b>Hydro-electricity</b>	
	<b>Biomass</b>	
<b>Cap</b>	Goals are set at 13.100 MW of installed PV capacity under this system by 2016 (Art 4 DM 05/05/11), which corresponds to funds made available up to 13,1 billion €. In general, the overall goals is indicated at around 23.000 MW of installed capacity by 2016 (Art. 1, c. 2 DM 05/05/11).	
<b>Eligibility period</b>	The period of payment is limited in time. It starts at the date of commissioning and lasts for 20 years (Artt. 12, c. 2; 16, c. 2; 18, c. 2 DM 05/05/11).	
<b>Addressees</b>	<p><b>Entitled party.</b> The persons entitled are the system operators. System operators are natural persons or legal entities, public entities or the operators of systems on multi-family buildings and blocks of flats ("condomini") (Artt. 11, 15 c. 1 DM 05/05/11) (only legal entities and public entities for concentration PV, Art. 17, c. 1 DM 05/05/11). In order to be eligible, operators of systems mounted on residential buildings shall own the building or be authorised by the owner to operate a system. Furthermore, they shall comply with all necessary authorizations as regards building permits, safety and technical conditions when constructing the systems (Art. 7 par. 3 ARG/elt 181/10).</p> <p><b>Obligated party.</b> The obligated party is the GSE S.p.a. – Manager of electrical services.</p>	
<b>Procedure</b>	<b>Procedure</b>	System operators are contractually entitled to promotion. Eligible system operators shall apply for promotion to Gestore Servizi Elettrici ( <b>GSE</b> ) within 15 days after commissioning (Art. 10, c. 1 DM 05/05/11). Large PV plants need to register in a specific roster (Art. 8 DM 05/05/11).
	<b>Competent authority</b>	GSE checks and monitors the eligible systems and communicates with the system operator within 120 days from the date of the receipt of the application- (Art. 10, c. 3 DM 05/05/11). If a system operator does not comply with the existing provisions, GSE may reclaim the premium tariff or the increased payment (Art. 14 par. 3 ARG/elt 181/10).

Flexibility Mechanism		
Funding	State	
	Consumers	The costs of premium tariff are borne by the consumers.
	Grid operator	
	System operator	
	Distribution mechanism	The system costs paid by the consumers are transferred to a fund for the promotion of systems generating electricity from renewable energy sources (Conto per nuovi impianti da fonti rinnovabili ed assimilate). The fund is managed by GSE (Gestore Servizi Elettrici), who uses the money to cover the cost arising from the premium tariff (Art. 16 ARG/elt 181/10 and Art. 56 par. 2 l. s AEEG 348/07).

**Premium tariff II**(Meccanismo incentivante per la corretta previsione delle unità di produzione rilevanti alimentate da fonti rinnovabili non programmabili)

Abbreviated form of legal source(s)	AEEG 111/06	
Country-specific <u>support</u> system	This incentive system provides a bonus for the producers of non-programmable renewable energy sources in case their actual production is in line with their stated production program. The amount of the bonus paid out is proportional to the accuracy of the programming.	
Promoted technologies	General information	"Non-programmable RES-E plants (Art. 40bis par 1 AEEG 111/06).
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Hydro-electricity	
	Biomass	
Amount	General information	For each dispatchment point, Terna calculates on an hourly basis the difference between the actually produced energy and the programmed produced energy. In case this difference is lower, in absolute value, than the produced energy multiplied by the $S_{rif}$ parameter (0.2 for 2011 and 0.15 from 2012 onwards), Terna pays the producer an amount equal to a premium (3 €/MWh) multiplied by the difference



		between the $S_{rif}$ parameter multiplied by the produced energy and the misalignment in absolute value between the produced and the programmed energy (Art. 40bis par 2 AEEG 111/06).
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Hydro-electricity	
	Biomass	
Degression	General information	The $S_{rif}$ parameter is 0.2 for 2011 and 0.15 from 2012 onwards. (Art. 40bis par 2 AEEG 111/06)
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Hydro-electricity	
	Biomass	
Cap		
Eligibility period		
Addressees		
Procedure	Procedure	Terna calculates the corresponding premium on an hourly basis. (Art. 40bis par 1, 2 AEEG 111/06)
	Competent authority	Terna (grid operator)
Flexibility Mechanism		
Funding	State	
	Consumers	The cost for this incentive system is considered a grid usage cost, and as such it is borne by the consumers through their electric bills.
	Grid operator	

	System operator	
	Distribution mechanism	

#### 4.1.Tender

Abbreviated form of legal source(s)		
Country-specific support system		
Promoted technologies	General information	
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Hydro-electricity	
	Biomass	
Amount	General information	
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Hydro-electricity	
	Biomass	
Degression	General information	
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Hydro-electricity	
Cap		
Eligibility period		
Addressees		
Procedure	Procedure	
	Competent authority	

Flexibility Mechanism		
Funding	State	
	Consumers	
	Grid operator	
	System operator	
	Distribution mechanism	

#### 4.2. Quota system (Certificati verdi)

Abbreviated form of legal source(s)	<ul style="list-style-type: none"><li>• L 99/09</li><li>• L 244/07 (Budget Act)</li><li>• DL 79/99</li><li>• DL 387/03</li><li>• DM 18/12/08 (Decreto Rinnovabili)</li><li>• DM 14/03/03</li></ul>	
Country-specific support system	<p>In Italy, electricity from renewable sources is mainly promoted through a quota system. According to the quota system, producers and importers of electricity are obliged to prove that a certain quota of the electricity produced or imported by them was generated from renewable energy sources. On the one hand, electricity producers may satisfy this obligation by generating "green electricity", which is rewarded with tradable green certificates (certificati verdi). On the other hand, they may satisfy the quota by purchasing green certificates. The producers are obliged to prove that they have satisfied the quota to GSE. The certificates are issued by GSE, who acts as a supervisor and regulates the market by purchasing excess certificates or selling additional certificates (Art. 14 DM 18/12/08). The certificate system may be combined with other promotion instruments, except for the premium tariff for photovoltaic systems (conto energia) and the feed-in tariff for electricity from renewable energy (except photovoltaic energy below 1 MW/year, tariffa omnicomprensiva), (Art. 2 par. 145 L 244/07).</p> <p>he Budget Act of 2008 limits the period during which certificates are issued for all systems commissioned after 31 December 2007 to 15 years, regardless of the source of energy used (Art. 2 par.143, 144 L 244/07).</p> <p>This system will not be applicable for plants entering into function from 1 January 2013 (Art. 25, c. 11, l. b DL 28/11). Before 30 September 2011, a ministerial decree will be published containing specifications of a new support system and provisions related to the transition from this system to the other (Art. 24, c. 5, 6 DL 28/11). Eligible plants entering into function before 31 December 2012 will still receive incentives under this scheme for the whole period for which they hold the right to (Art. 25, c. 7, 8 DL 28/11).</p>	
Promoted technologies	General information	Except for solar energy generation, all renewable energy generation technologies are eligible for the green certificate system. Hybrid systems are also eligible (Art. 9 DM 18/12/08). Certificates are issued only if the power generation system has received an IAFR (impianto a fonti rinnovabili) certificate from GSE (Art. 3 par. 3 DM 18/12/08).
	Wind energy	Eligible; the annual output must exceed 200 kW (Art. 2 par. 144 L 244/07).
	Solar energy	Photovoltaic systems commissioned after 31 December 2007 are eligible for Conto Energia only (Art. 2 par. 143 L 244/07).
	Geothermal energy	Eligible (Art. 2 par. 144 L 244/07).
	Biogas	Eligible (Art. 2 par. 144 L 244/07).
	Hydro-electricity	Eligible (Art. 2 par. 144 L 244/07).
	Biomass	Eligible (Art. 2 par. 144 L 244/07).
Amount	Amount of quota and period of application	The percentage of renewable energy in electricity production for 2011 is 6,8% per 100 GWh (see homepage of GSE: <a href="http://www.gse.it/attivita/Incentivazioni%20Fonti%20Rinnovabili/Pagine/QuadroNormativo.aspx">http://www.gse.it/attivita/Incentivazioni%20Fonti%20Rinnovabili/Pagine/QuadroNormativo.aspx</a> ). For 2012, the quota will be 7,55%.

		<p>The term of promotion depends on the date of commissioning (this also applies to renewal, capacity upgrades and re-commissioning):</p> <ul style="list-style-type: none"> <li>• <b>Systems commissioned between 1 April 1999 and 31 December 2007</b> receive certificates for a period of 12 years (Art. 2 par. 151 L 244/07).</li> <li>• <b>Systems commissioned after 31st December 2007</b> whose annual production exceeds 1 MW (0,2 MW for wind energy) receive certificates for a period of 15 years (Art. 2 par. 143, 144 L 244/07 and Art. 10 par 1 DM 18/12/08).</li> <li>• <b>Systems commissioned after 30 June 2009</b> will be eligible for the same term of promotion, unless they receive other national, regional, local or European public subsidies (Art. 2 par. 152 L 244/07).</li> <li>• <b>Systems commissioned after 1 January 2013</b> will not be eligible for this support scheme. The new support scheme for such systems will be published in a ministerial decree before 30 September 2011 (Art. 24, c. 5, 6 DL 28/11).</li> </ul>
	<b>Adjustment of quotas</b>	<ul style="list-style-type: none"> <li>• <b>2007 to 2012.</b> The quota increases by 0.75 percentage points and depends on the electricity produced and imported in the previous year.</li> <li>• <b>Every three years,</b> the quota system is expected to be amended by GSE (Art. 2 par 143 L 244/07)</li> <li>• <b>From 2012 onwards,</b> the quota (7,55% in 2012) will linearly decrease until becoming equal to 0 in 2015 (Art. 24, c. 3 DL 28/11).</li> </ul>
	<b>Number of certificates according to technology</b>	<p><b>Value of certificates.</b> Since 2008, the value of one certificate has been 1 MWh. However, the value of a certificate may be altered by a decree of the Ministry of Economic Development. For systems operative since 2008, the number of certificates is based on the net production the previous year, which is multiplied with a certain coefficient (Art. 2 par 147, 148 L 244/07).</p> <ul style="list-style-type: none"> <li>• <b>Wind energy:</b> The coefficient is 1 for systems whose output exceeds 200 kW (Art. 2 par.144 L 244/07). The coefficient for offshore systems (no minimum kW requirement) is 1.5 (Art. 42 par. 4 a L 99/09).</li> <li>• <b>Geothermal energy:</b> The coefficient is 0.9 (Art. 2 par. 144 L 244/07).</li> <li>• <b>Biomass:</b> <ul style="list-style-type: none"> <li>○ The coefficient is 1.3 for biomass that does not come under the categories mentioned below and recyclable waste (Art. 42 par. 4 L 99/09).</li> <li>○ Biomass and biogas from agricultural, livestock and forestry products produced within 70 kilometers of a given power station (filiera corta) have a coefficient of 1.8 (see homepage of the GSE: <a href="http://www.gse.it/attivita/Incentivazioni%20Fonti%20Rinnovabili/Pagine/QuadroNormativo.aspx">http://www.gse.it/attivita/Incentivazioni%20Fonti%20Rinnovabili/Pagine/QuadroNormativo.aspx</a>).</li> <li>○ Landfill gas, gas resulting from exhaust purification, and other types of biogas have a coefficient of 0.8 (Art. 2 par.144 L 244/07).</li> </ul> </li> <li>• <b>Hydro-electricity:</b> The coefficient is 1.8 for wave and tidal power stations and 1 for hydraulic power stations (Art. 2 par.144 L 244/07).</li> </ul>
	<b>Minimum price per certificate</b>	

	<b>Fees and penalty charges</b>	In a case when the obligated party fails to submit enough amount of certificates and to buy them ex post, the GSE informs the energy authority (Art. 13 par. 4 DM 18/12/08), which issues a warning and may even impose sanctions (Art. 4, par 2 DL 387/03). Sanctions are subject to the provisions of Regulation No. 481 of 14 November 1995 and its amendments (Art. 4 par. 2 DL 387/03). GSE shall report the names of those electricity producers that fail to satisfy the quota to Regulatory Authority AEEG, which can impose sanctions (Art. 13 par. 4 DM 18/12/08).
<b>International applicability</b>	<b>International certificate trade</b>	
	<b>Flexibility Mechanism</b>	
<b>Addressees</b>	All those importing or producing more than 100 GWh of electricity per year are obliged to satisfy the national quota (Art. 11 par. 1, 2 DL 79/99).	
<b>Procedure</b>	<b>Procedure</b>	<p>Electricity producers and importers shall submit to supervising authority GSE the number of certificates necessary to satisfy their quota of produced or imported energy (Art. 7.1 DM 24/10/05) by March 31<sup>st</sup> each year. They shall attach to the certificates a declaration stating the amount of non-renewable energy imported or produced (Art. 8 par. 1 DM 18/12/08). The quota obligation may be satisfied as follows:</p> <ul style="list-style-type: none"> <li>• <b>Own generation of electricity.</b> Enterprises may generate the electricity required for the green certificates themselves (Art. 2 par. 144 L 244/07).</li> <li>• <b>Purchase of certificates ex ante.</b> The obligated persons may purchase green certificates either directly from private producers of electricity from renewable sources or on the market. Certificates are traded at GME (Gestore dei Mercati Energetici) every week (Art. 87 DM 14/03/03, see homepage of GME: <a href="http://www.mercatoelettrico.org/En/Mercati/CV/ComeOperareCV.aspx">www.mercatoelettrico.org/En/Mercati/CV/ComeOperareCV.aspx</a>). Only those certificates registered in GSE's index may be purchased and sold (Art. 88 par. 5 DM 14/03/03). The transaction procedure is laid down by statutory law in detail. GME plays an important mediating role (Art. 91-93 DM 14/03/03). Since 30 September 2009, system operators must submit to GSE "a preventivo" guarantees in the form of an equivalent amount of energy or a bank guarantee to be able to purchase green certificates (Art. 11 par. 1 l. b, et artt. 5-9 DM 18/12/08).</li> <li>• <b>Purchase of certificates ex post.</b> If GSE notices that the number of certificates submitted by a given producer is insufficient, the producer shall compensate for the difference by purchasing additional certificates (Art. 11 par. 1 a, et art.4 DM 18/12/08).</li> </ul>
	<b>Competent authority</b>	
<b>Funding</b>	<b>State</b>	
	<b>Consumers</b>	Green certificates create additional costs to producers and importers. These costs are mirrored by the market prices for electricity.
	<b>Grid operator</b>	

	System operator	
	Distribution mechanism	



#### 4.3. Net-Metering (scambio sul posto)

4.6. Net metering (scambio sul posto)		
Abbreviated form of legal source(s)	<ul style="list-style-type: none"><li>• L 99/09</li><li>• DL 387/03</li><li>• ARG/elt 74/08</li></ul>	
Country-specific support system	<p>In Italy, the producers of electricity from renewable sources generated by systems whose production does not exceed 20 kW and systems whose production is 20 kW to 200 kW but which were commissioned after 31 December 2007 can make use of net-metering (scambio sul posto). This possibility may be used instead of the tariffa omnicomprensiva or the sale of electricity on the free market or on the market regulated by "ritiro dedicato". Scambio sul posto may be combined with the green certificates and conto energia (see <a href="http://www.nextville.it/index/668">www.nextville.it/index/668</a>). This mechanism does not result in direct payments and is based on the balance of the energy fed in and consumed (Art. 1, 2 ARG/elt 74/08). Scambio sul posto in accordance with ARG/elt 74/08 differs from traditional net metering, as the system operator pays the supplier for the electricity consumed, while the GSE gives credit for the electricity fed in. This method can lead to a surplus on behalf of the system operator (Art. 1 par. 1 a ARG/elt 74/08). The balance is calculated once a year (Art. 6 par. 2 ARG/elt 74/08). Precisely, this systems allows the owner of such plants to receive a compensation equal to the difference between the value of electricity fed in the grid (e.g. for PV systems the energy fed in during daytime) and the value of the electricity consumed in a different period.</p> <p>If more energy is fed in than is consumed, this positive balance can compensate for a possible negative balance in the following years (Art. 5 ARG/elt 74/08). Generators who feed in more electricity than they consume do not receive any payment under the net metering scheme. If they feed in less than they consume, the difference is subject to a payment.</p> <p>System operators receive credit for electricity produced but not consumed. This credit will be available for an unlimited period of time (Art. 5 par. 6 ARG/elt 74/08).</p>	
Promoted technologies	General information	<p>Regardless of the technology used, all systems generating up to 20 kW are eligible. Furthermore, systems generating 20 kW to 200 kW are eligible if commissioned after 31 December 2007. Since 1 January 2009, scambio sul posto also applies to CHP stations with an output of up to 200 KW (Art. 2 par. 2 ARG/elt 74/08).</p> <p>In order for scambio sul posto to apply, electricity must be supplied to and received from the grid at one and the same connection point (Art. 1 ARG/elt 74/08). L 99/09 was introduced to enable municipalities with less than 20,000 inhabitants to make use of net metering without being obliged to use the same connection point to supply and receive electricity (Art. 27 par. 4 L 99/09).</p>
	Wind energy	Eligible (Art. 2 DL 387/03).
	Solar energy	Eligible (Art. 2 DL 387/03).
	Geothermal energy	Eligible (Art. 2 DL 387/03).
	Biogas	Eligible (Art. 2 DL 387/03).
	Hydro-electricity	Eligible (Art. 2 DL 387/03).
	Biomass	Eligible (Art. 2 DL 387/03).
Amount	<p>System operators receive as much energy for free as they produce (Art. 5 par. 2 ARG/elt 74/08). For this reason, scambio sul posto is cost-effective only if the amount of electricity produced does not substantially exceed the amount consumed.</p>	

<b>Addressees</b>	<p><b>Entitled party.</b> The persons entitled are the operators of renewable energy systems with a capacity of up to 20 kW. Since 1 January 2009, operators of systems with a capacity of 20 kW to 200 kW and high-efficiency CHP stations with a capacity of up to 200 kW are also eligible (Art. 2 ARG/elt 74/08).</p> <p><b>Obligated party.</b> The obligated party is the grid operator (GSE) (Art. 3 par. 1 ARG/elt 74/08). He is also responsible for measuring the electricity fed into the grid (Art. 5 par. 1 ARG/elt 74/08).</p>	
<b>Procedure</b>	<b>Procedure</b>	A given system operator is contractually entitled to the net-metering against the grid operator. System operators must submit an application as defined by GSE. Applications are assessed by the directorate of the Regulatory Authority for Electricity and Gas (AEEG) (Art. 3 par. 2 ARG/elt 74/08). GSE is obliged to pay a surcharge of 50 € for every kW of system capacity within 30 days starting after the end of the trimester in which the agreement was concluded. This surcharge is gradually compensated for by the payments claimed by the grid operator in accordance with ARG/elt 74/08 (Transitional provisions ARG/elt 184/08 on Resolution ARG/elt 74/07).
	<b>Competent authority</b>	The GSE checks the information and data submitted by the producers (Art. 7 ARG/elt 74/08).
<b>Flexibility Mechanism</b>		
<b>Funding</b>	<b>State</b>	
	<b>Consumers</b>	
	<b>Grid operator</b>	
	<b>System operator</b>	Operators of renewable energy generation systems are obliged to pay an annual fee of 30 € per connection point to cover the grid operator's administrative costs (Art. 6 par. 1 c ARG/elt 74/08).
	<b>Distribution mechanism</b>	

#### 4.4. Tax regulation mechanisms I (Reduction in value-added tax)

<b>Abbreviated form of legal source(s)</b>	DPR 633/72	
<b>Country-specific support system</b>	Since 1993, Italy has promoted the generation of electricity from the renewable energy sources of wind and solar energy through a reduction of 10% on the value-added tax (l'aliquota agevolata del 10 per cento) for deliveries and services related to investments in plants that generate electricity from wind and solar power and investments in grids that distribute this electricity.	
<b>Promoted technologies</b>	<b>General information</b>	Investments in plants generating electricity from wind and solar energy and investments in grids that distribute this electricity are eligible (Art. 127-quinquies DPR 633/72, table A).
	<b>Wind energy</b>	Eligible.
	<b>Solar energy</b>	Eligible.
	<b>Geothermal energy</b>	
	<b>Biogas</b>	
	<b>Hydro-electricity</b>	
	<b>Biomass</b>	
<b>Amount</b>	The value-added tax amounts to 10% (instead of 20%).	
<b>Addressees</b>	<b>Entitled party.</b> The entitled party are enterprises (Art. 1 DPR 633/72) and private individuals.	
<b>Procedure</b>	<b>Procedure</b>	The companies entitled to the VAT reduction shall charge the reduced VAT only (Art. 1 DPR 633/72).
	<b>Competent authority</b>	
<b>Flexibility Mechanism</b>		
<b>Funding</b>	<b>State</b>	The reduced VAT on deliveries and services related to investments in plants generating renewable-energy-sourced electricity leads to a lower state revenue, which is compensated for by other revenue.
	<b>Consumers</b>	
	<b>Grid operator</b>	
	<b>System operator</b>	
	<b>Distribution mechanism</b>	

# **Tax regulation mechanisms II (Reduction in property tax)**

<b>Abbreviated form of legal source(s)</b>	L 244/07 (Budget Act)	
<b>Country-specific support system</b>	The Budget Act of 2008 gives municipalities the opportunity to grant a reduction in property tax (imposta comunale sugli immobili, ICI) to buildings equipped with systems that generate renewable-energy-sourced electricity from 2009 onwards. The amount of ICI depends on the value of the property and differs from municipality to municipality. The ICI is levied on secondary and luxury residences only.	
<b>Promoted technologies</b>	<b>General information</b>	All technologies used for the generation of electric and thermal energy for domestic use, provided that they are produced within the property in question are eligible for promotion (Art. 1.6.a.2 ff. L 244/07).
	<b>Wind energy</b>	Eligible.
	<b>Solar energy</b>	Eligible.
	<b>Geothermal energy</b>	Eligible.
	<b>Biogas</b>	Eligible.
	<b>Hydro-electricity</b>	Eligible.
	<b>Biomass</b>	Eligible.
<b>Amount</b>	The reduced property tax amounts to less than 4 per mille. The reduction is valid for a maximum period of five years starting at the date of installation of the plant (Art. 1.6.a.2 ff. L244/07).	
<b>Addressees</b>	<p><b>Entitled party.</b> The entitled party is the owner or proprietor of the property (soggetto passivo), even if neither his place of residence nor place of work nor administrative or principal company office is within Italy. In May 2008, the government abolished the property tax on principal residences. This means that the ICI is levied on secondary and luxury residences only.</p> <p><b>Obligated party.</b> The obligated party are Italian municipalities.</p>	
<b>Procedure</b>	<b>Procedure</b>	The property tax is levied annually.
	<b>Competent authority</b>	The obligated party are Italian municipalities.
<b>Flexibility Mechanism</b>		
<b>Funding</b>	<b>State</b>	The property tax reduction causes revenue losses for municipalities. So far, the property tax was one of the most important sources of revenue of Italian municipalities.
	<b>Consumers</b>	
	<b>Grid operator</b>	
	<b>System operator</b>	

	<b>Distribution mechanism</b>	
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