

Autorità per l'energia elettrica e il gas

PRESS RELEASE

Electricity: over 2.7 million households and SMEs have changed their supplier

In two years, 7.6% of consumers have chosen the free market. Over 150,000 'Trova offerte' contacts

Milan, June 1st, 2009 – The number of Italian families and small businesses that change their electricity supplier, choosing from among various offers on the free market, is increasing. In fact, almost two years after the total opening of the electricity market, over 2,715,000 consumers have decided to switch to a new supplier: these include over 1,640,000 households, 5.8% of the total, and more than 1 million small businesses, 14.3% of the total¹. This is what emerges from the Italian Energy Regulator's survey on the first 21 months of the liberalization, from 1 July 2007 till 31 March 2009. The average national switching rate has thus reached 7.6%, a level in line with the best experiences of other European countries.

There is, thus, a strengthening of the positive trend registered up to now, with significant percentage increases compared to the three previous months, in particular for households. In fact, from December 2008 till 31 March, around 300,000 households chose a new supplier on the free market, meaning a growth of 23.3%, while small businesses register an increase of 10.5%; the aggregate rate of all consumers thus stands at +18%.

Among the different areas of the country, the one where households appeared most ready to take advantage of the free market opportunity is the South, with a switching rate of 6.5%, higher than the national average; this is followed by the North, with 5.7%, and the Centre, with 5.3%.

¹ *The data include customers under "protected tariffs". . Households that have not yet decided to change their supplier, choosing an offer on the free market, are covered by reference conditions or "protected tariffs". , updated every three months by the Italian Energy Regulator. The consumers who choose a new offer on the free market, leave the " protected tariffs", but can always decide to return to it.*

As for the small businesses, it is the North that registers the highest number of switches to a new supplier, at a rate of 15.5%; in the Centre and South the rates are, on the other hand, 14.2% and 12.9%.

“Considering the fact that the opening of the Italian market to competition is still ‘recent’, the trend gives reason for hope and encourages us to continue to promote a competition that is increasingly real, for the consumers’ benefit,” said the President of the Regulatory Authority for Electricity and Gas. “Liberalization is producing its first benefits, especially in terms of the possibility to choose. The suppliers have started to develop their offers and for households there is the possibility for additional, differentiated options and improvements of the service quality. The more competition develops, the better the prospects for consumers will be, in terms of end price reduction. Now the hope is that more and more competitive operators will propose a wider range of transparent and advantageous alternatives. For our part, we have further strengthened the controls on the correctness of the procedures”.

“In order to help consumers to find the most suitable electricity package for one’s needs, by comparing the various offers available on the market,” concluded Ortis, “we have created the “*Trova Offerte*” (Offer Finder) on our website: a simple tool which enables consumers to compare offers of many suppliers.”

Thanks to the ‘*Trova Offerte*’, it is now possible to identify and compare electricity offers in a certain area and evaluate the various conditions and costs, taking into account also the “protected tariffs” conditions set by the Authority on a quarterly basis.

The tool is very simple to use: the consumer has just to enter the website www.autorita.energia.it click on the ‘trova offerte’ icon, and enter the postal code of his local municipality and indicate his contract type and annual consumption, information which can be easily found on any electricity bill. By following the instructions of the various windows, it will be possible to browse the offers of various suppliers operating in the chosen area. Since April, over 150,000 persons have visited the Authority’s website to try out the ‘*Trova Offerte*’. Those who do not have access to a computer can phone the toll-free number 800.166.654.