

Autorità per l'energia elettrica e il gas

PRESS RELEASE

Energy: further drop in bills from April 1st electricity -2%, gas -7.5%

The average expenditure for a typical household is further reduced by 92 Euro (-6%)

Milan, March 30th 2009 - Another drop in electricity and gas bills. After the reduction at the beginning of the year, the Authority has fixed a new reduction of the *economic conditions of reference*¹ starting from April 1st: -2% for electricity and -7.5% for gas, with an average weighted reduction of approximately 6%. The annual expenditure for a typical household will decrease by 9,4 euro for electricity and 83 euro for natural gas, giving a total annual savings of **92 euro (-6%)**. Furthermore, network-supplied LPG (Liquefied Petroleum Gas)² continues to decrease considerably: -5%, with an annual savings of 35 euro for a typical household.

“Today we can confirm other reductions in utility bills for consumers, thanks to the drop in oil prices from September 2008,” said Mr. Alessandro Ortis, President of the Italian Regulator “For electricity, these positive effects had already been Particularly significant ,” pointed out Mr. Ortis, “is the current decrease in gas prices, which follows the trend of electricity prices, but with a delay since gas prices are connected with oil price trends of the previous 9 months. For this reason, last January the reduction of gas prices, -1%, was much less evident than the current one.”

“And we have to remember,” concluded Mr. Ortis, “that the *electricity bonus* is already available, granting average discount levels of approximately 20% (net after taxes) for lower-income households, and providing help also for those who require the use of electromedical life-support equipment. The bonus may be extended retroactively for the entire year of 2008, for those who submit applications to their local municipal authorities by June 30th 2009.

By the end of this coming June, there will be also a fully operational *gas bonus*, which may be extended retroactively from the beginning of 2009.”

The resolutions and their updates (ARG/elt 35/09, ARG/com 36/09, ARG/elt 37/09, ARG/gas 3809, ARG/gas 39/09, ARG/gas 40/09, and ARG/gas 41/09) are published on the website www.autorita.energia.it.

¹ The *conditions of reference*, or *greater protection conditions*, are the prices set by the Authority, which must be obligatorily offered to households and small businesses that have not yet decided to switch to a new market supplier. In fact, starting July 1st 2007, all consumers are free to choose from among the various alternatives coming out on the market or take advantage of the economic conditions of reference set by the Authority. In any case, the standards and regulations set by the Authority on the technical and commercial quality of the services apply to any type of choice and supply.

² LPG (Liquefied Petroleum Gas). This is a mix of hydrocarbons consisting mainly of propane and butane, which may be supplied through pipeline networks connected with storage tanks, particularly in those areas where the development of natural gas distribution networks is not yet convenient because of the logistic and geographical conditions.