

PRESS RELEASE

Electricity: protected electricity bill almost unchanged at +0.4% Besseghini: “*efficiency and energy savings remain key*”

Milan, 28 June 2023 - **Electricity bill** for the typical protected household¹ **essentially unchanged (+0.4%) in the third quarter of 2023.**

For the forthcoming quarter, **the reinforcement of social bonuses for electricity and gas** for families with an ISEE level of up to 15,000 euros (30,000 euros for large families) is confirmed, as envisaged by the government in the decree approved at the Council of Ministers meeting held on 27 June. **This is in addition to those for gas, with the confirmation of the zeroing of general charges and the reduction of VAT to 5%**, as well as for heat management and district heating.

Commodity prices seem to have relatively stabilised in the first half of 2023, after the strong growth seen in 2022. Developments in the energy markets saw **gas wholesale prices fall sharply in the current quarter** due to abundant supply relative to demand, which allowed European storage to reach more than 70% of capacity. **However, the fall in prices came to a halt in June**, also due to critical issues caused by the unavailability of some Norwegian production facilities. For the summer quarter, although there are no particular tensions in the European market, rising temperatures and the resulting increase in demand could lead to higher prices, especially if LNG demand from the two main Asian importers (China and Japan) shows signs of strong recovery.

In this framework, wholesale national electricity prices (PUN) also moved downwards in the second quarter of 2023, despite a sustained CO2 price. According to preliminary data, they were down by approximately 27% compared to the first quarter of 2023. Current forecasts suggest essentially stable prices for the third quarter of 2023.

"We are in a very delicate phase and one that is very difficult to 'read' in view of the coming winter. The recent rise of some indicators tells us of a market that has not yet found its normality" - says ARERA Chairman Stefano Besseghini - "The energy saving and efficiency solutions that we, as customers, can adopt to influence demand, and accordingly prices, remain essential".

According to the calculation method introduced last July by ARERA (resolution 374/2022/R/gas), **the gas price for customers still under protection, for gas consumed in June, will be published on 4 July 2023** (the second working day after the end of the reference month).

The effects in electric power bills

The trend seen in wholesale prices over the last year and their continued high level is reflected in the **electricity bill**. In terms of final effects, **the expenditure for the typical household in the rolling year**² (from 1 October 2022 to 30 September 2023) **will be about 1,150 euros**, +7.3% compared to the equivalent 12 months of the previous year (1 October 2021 - 30 September 2022).

Therefore, the support provided by social energy bonuses to support households is still relevant. These are applied directly in their bill, provided that they have a valid ISEE in 2023 and within the specified threshold of 15,000 euros (30,000 euros for large households with at least 4 dependent children).

In this regard, **it is recalled that**, the ISEE is valid for the calendar year and it is therefore **important to resubmit the Dichiarazione sostitutiva unica DSU (Consolidated Declaration in lieu) in order to obtain the certification for 2023.**

¹ The typical household has an average electricity consumption of 2,700 kWh per year and a committed power of 3 kW.

² A rolling year is defined as the year consisting of the quarter being updated and the three preceding quarters, including considering the consumption associated with each quarter.

The components of the bill

Going into detail on the individual bill components, **for electricity the +0.4% change in the final price paid by the typical household, which thus amounts to 23.85 euro cents per kWh**, is essentially linked to the slight increase in the PE component covering the costs of purchasing electricity (+1.7%), to which a slight increase in the PD component covering dispatching prices (+0.7%) is added, with a reduction in the EPP component for the equalisation charge (-1.3%) and a reduction in general system charges (-0.7%). Regulated grid tariffs (transmission, distribution and metering) are unchanged.

Data on the “average customer” also published

The recent analyses carried out on electricity consumption³ have revealed that the typical household with an annual consumption of 2,700 kWh, which has always been used as a reference index for the quarterly update of the protection conditions, should be flanked by the household customer with an average consumption of 2,000 kWh/year.

Therefore, ARERA's website will also make the data available on the update of electricity bills for the protected household customer calculated on the consumption of 2,000 kWh/year, in addition to the 2,700 kWh/year typical household.

Full details on the update are available in the [Data Sheet](#).

³ https://www.arera.it/it/dati/mr/mr_consumiele.htm