

GME'S NEWSLETTER – The new issue has been published

Rome, 15 November 2016 – The new issue of the newsletter of Gestore dei Mercati Energetici (Gme) is online and can be downloaded from the website www.mercatoelettrico.org.

The newsletter starts with the speech by Mr. Gian Paolo Repetto of RIE Srl about routes and objectives of the Italian multi-utilities in face of change.

"The profound structural changes that have occurred in recent years on the traditional electricity markets of multi-utilities, with falling demand, overcapacity, oversupply and declining margins, are forcing companies a strategic repositioning and focusing on different or new business routes – Mr. Repetto notes -. The reduced ability to overcome the current challenges in a standalone context leads companies to develop defense strategies and to seek new development opportunities through a mix of internal and external growth." Essentially, the analyst of RIE Srl emphasizes *"the need to counter the adverse conditions of the 'traditional' electricity market are favoring efficiency processes and a new attention to the waste cycle and integrated water services, affected by growth opportunities and an improvement of the regulatory framework. In addition to the obligations set down by the EU decarbonisation path undertaken, companies drive to new sectors, such as electricity efficiency, modernization and technological development of infrastructure, other modes of electricity production."*

While, from one hand, above all, the regulated sectors of infrastructure carry out *"a central and balancing role of critical trends and risks related to the free electricity market"*, the Italian multi-utility companies have found *"in the changed context and in the electricity transition"* even the opportunity *"to re-establish the concept of territorial rooting on new content, so as to combine corporate growth processes with the ability to develop investment and business on the local social and productive area,"* said Mr. Repetto, according to which *"the consolidation process through an aggregating center, accompanied by modernization of old services and the development of new activities, is assumed as potentially virtuous for all stakeholders of the areas involved: multi-service companies, enterprises, local authorities, citizens."*



This establishes - the analyst of Rie Srl says - an interaction, a nearly circular connection between the main aspects of the paths that have been examined: aggregations, technological innovation of networks, new methods of electricity production and management, environmental sustainability, re-establishment of contacts with the region through a 'multi-stakeholder model', Mr. Repetto concludes.

GME's new issue also reports, as customary, the summary data of the electricity market for the month of October 2016.

Gestore dei Mercati Energetici S.p.A.

Institutional Relations and Communication

Tel. +39 06 8012 4549

Fax. +39 06 8012 4519

relazioni.istituzionali@mercatoelettrico.org

www.mercatoelettrico.org