Current Status and Prospects of Photovoltaic Power Generation in Italy

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PV market in Italy

- Strong Growth in Italy's PV Market in 2008 and 2009
- Expected growth of 33% in 2010 despite the financial crisis
Incentive scheme in Italy

Incentives were first endorsed in 2005, then updated in 2007

The support scheme consists of:

- a tariff (premium) for the electricity produced by PV plant (35-48 c€/kWh) fixed for 20 years
- the value of electricity produced (selfconsumed or sold to the grid).
- a further increase up to 30% in case of improving the energy efficiency of the annexed building

Maximum power supported: 1,2 GW (expected by July 2010) + the power installed in the next 14 months
Supported power

Cumulative power (MW)

- Maximum power supported: 1700 - 2000 MW
- Supported power: 1200 MW

Dates:
- Sep 06
- Jan 07
- May 07
- Sep 07
- Jan 08
- May 08
- Sep 08
- Jan 09
- May 09
- Sep 09
- Jan 10
- May 10
- Sep 10
- Jan 11
- May 11
- Sep 11
- Jan 12

Questions:
- ?
New incentive scheme expected

Maximum power supported: 3 GW (2011-2015)
ongoing tariff reduction of 20%
  ground mounted: 27 c€/kWh
  on buildings: 30-40 c€/kWh +25% for BIPV
• Annual degression rate: 5-20%/year
Same incentive scheme (no changing law) including
  a fixed tariff (premium) for the electricity produced by PV plant
  the value of electricity produced (self consumed or sold to the grid)
PV concentration admitted (200 MW supported)
Granted incentives

The cost of the incentive is covered by a component of the electricity tariff structure to be paid by all consumers.

Granted incentives during 2010: 292 M€

Incentives to be granted from the end of this phase (1.8 GW):

1,000 M€/year

Cost increase per consumer: + 7 €/year (+ 1.3%)
Total investment: 8,000 M€
Labour places: 35,000 units
PV Industry in Italy

- Modules: 15
- Cells: 5
- Inverter: 5

Power (MW)

- Cells
- Modules

2006 2007 2008 2009

Power (MW)

2006 2007 2008 2009

- Inverter
Installed power and module production

- **Power (MW)**
  - cells
  - modules
  - installed plants
Business value in Italy

- Value (M€)
- installe plants
- export of PV products
- import of PV products
- net value of PV business
Conclusion

• With very attractive incentive scheme, Italy is today the world’s second largest PV market
• Nevertheless, the Italian market is not booming (barriers)
• In order to ensure a sustainable development of the market the future incentive scheme should:
  • be based on simplified procedures
  • guarantee an acceptable PBT
  • avoid huge windows of opportunity
  • drive price down
  • create job opportunities
Renewables in Italy

Thank you for the attention