## Energy efficiency: what we're doing in Italy

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## Giampaolo Valentini

ENEA, Italian National Agency for New technology, Energy and the Sustainable Economic Development

## **Abstract**

The two most important Italian tools to promote energy efficiency are 55% tax deduction and the white certificates system. These are two specific and complementary mechanisms operating mainly in building and industrial sector.

The tax deductions of 55% of total sum paid to perform energy efficiency actions, in force since January 2007, represents the most generous system of incentives ever established by the Government to promote energy efficiency and sustainable economic development in the Italian real estate system.

The results reached till now have been successful. Since 2007, 106,000 requests for deduction have been submitted. In the following years the public acceptance for this type of incentives has been further confirmed and strengthened. In late 2008, about 248,000 people had taken advantage of deductions. In 2009 the situation stabilized with 238,000 interventions, confirming the validity of the measure and the users' satisfaction. In 2010, finally, the numbers broke every previous record, reaching even 406,000 performed projects.

During the first four years about 12.8 billion € were spent by taxpayers with 6,800 GWh of energy saved per year and roughly 1.4 million tons of CO₂ emissions avoided. The validity of the incentives expires, for the moment, on 31 December 2011 but it's very probable that the duration will be extended. The ENEA working group, charged to manage the incentives, has showed that the renewal of this instrument will represent a benefit for the citizens and for the government in terms of tax return, energy saved, GHG reduction, employment & production development.

The White Certificate (WC) Law obliges the EE&Gas Distribution System Operators (DSO) with more than 50,000 customers to reach certain energy saving yearly targets proportionally to the energy delivered to their end users. For each toe saved, the DSO gets 1 WC (or Title of Energy Efficiency, TEE). Every DSO must submit to the Authority for Electric Energy & Gas (AEEG) an amount of WCs equivalent to the assigned target for the previous year. Till now, the results reached by the White Certificate System have overcome the fixed target paving the way for a future prolonging of the mechanism which, for the current legislation, is going to expire on December 31<sup>st</sup> 2012.