On 28 October 2022, Confindustria presented a proposal for the reform of the Italian electricity market to a delegation of Italian MEPs at the European Parliament. DG ENER was invited to the event.

Following this presentation, Confindustria discussed more in detail their suggestions with ENER in the framework of the ongoing reflections to improve the electricity market design.

**Summary of the discussion:**

- Confindustria presented the main findings of their report. Their study makes 3 main reform proposals:
  
  1. **RES and flexible resources development:**
     
     o *Creation of a PPA Platform* where consumers can directly purchase renewable energy with profiles suitable to their needs with medium-long term tenures.
     
     o *Creation of a new flexibility market* to complement the PPA Platform: “time-shift market”.
     
     o *Creation of a MAVER* (Mercato di Acquisto e Vendita di Energia Rinnovabile) as a precursor to the PPA Platform that stimulates the creation of new renewables. It would be a semi-regulated market of energy profiles from new-built renewable sources organized on a zonal basis.
  
  2. **Existing markets reform**
The capacity market will become the structural tool to support the capacity needed to ensure system adequacy, it will be updated in order to take advantage of technologies that will also respond to the growing demand for flexibility.

The Dispatching Services Market (MSD) will evolve in line with EU and TIDE guidelines, promoting diversification, full integration and better visibility of resources for the TSO.

3. Improved TSO-DSO Coordination:
   - A necessary evolution in the operational management of networks and services, preserving network security, cost-effectiveness for the system, competitiveness on the markets.

DG ENER then asked some clarification on several issues, notably about the potential risks of market cannibalization; the scope, the functioning and the regulation of the MAVER; the translation of the proposal in the EU framework; the inclusion of existing capacities under PPAs in the PPA Platform, etc.

DG ENER thanked Confindustria and their partners for the fruitful discussion. On their side, the experts restated their availability for further explanations in the coming weeks, if necessary.