

**Meeting with Confindustria, [REDACTED], at their request**

For the Commission: [REDACTED], ENER A4

23.3.2022

Confindustria is mostly concerned about high gas prices; afraid of future reliance on LNG. Currently the **prices are more a problem than the quantities.**

EGD is part of the answer, and 70bn from RRF are helpful, but mostly private sector investments will be needed to meet the 2030 targets.

At the same time, Confindustria explained the spare capacity Italy has for gas imports: Algerian gas pipeline uses 10-12 bcm of a total capacity of 30 bcm. Italy expects competition with the LNG for Spain and East Asia.; Libya greenstream 3(?)bcm; LNG port close to Venice 3-4 bcm per year.

They lamented the shift towards Russia over the last decade, at the cost of energy security.

**Renewables:**

- PPAs difficult in Italy (looking for it but cannot find it), because of bottlenecks for industrial scale level projects, due to government externalities related to permitting;
- Asking for a new definition of energy communities that would allow industrial participation

**Electricity market:**

- MC not optimal for new reality of high capex RES; propose to establish 2 platforms for 1) RES long term contracts, 2) platform for time shifting (with MC optimisation)
- Tackle gas speculations through new tools ("TTF not working")

**Gas market:**

- See risk of pancaking; want to avoid distortion between MS in relation to cross border tariffs