

## PRESS RELEASE

### **Gas: gas bill down (-12.9%) for consumption in October** *ARERA communicates the value of the commodity: € 78.05/MWh.* *Besseghini: "there's no letting our guard down"*

Milan, 3 November 2022 - Gas bill drops for households still covered by the standard offer. Despite the record highs in the wholesale markets last summer, with the application of ARERA's new monthly update method, the significant reductions in the cost of commodities in recent weeks could be retained. The typical household<sup>1</sup>, **for consumption in October**, will receive a bill with a reduction of -12.9% compared to the cost in Q3 2022.

According to the new calculation method introduced in July by ARERA, the gas price component covering procurement costs (CMEMm), applied to customers covered by the standard offer, is updated as a monthly average of the price on the Italian wholesale market (the PSV day ahead) and published within the first 2 working days of the month following the reference month. For the month of October, the price of the commodity (CMEMm), for customers with protection regime contracts, is therefore set at € 78.05/MWh\*, equal to the average of the prices recorded daily throughout the month just ended.

In terms of final effects, **the gas expenditure for the typical household** in the rolling year (from 1 November 2021 to 31 October 2022) is about 1,702 euros, +67% compared to the equivalent 12 months of the previous year (1 November 2020 - 31 October 2021).

For those who have received a bill in recent weeks with the *value on account of the CMEMm component*, the recalculation will be made in the next appropriate bill with the actual (lower) value published today. The same CMEMm value is to be used by suppliers to invoice, as an advance payment, the November consumption in their inter-monthly bills.

*"There's no letting our guard down. The cost of gas for October is lower than in the previous quarter" says **Stefano Besseghini**, ARERA's Chairman, 'but percentages should not mislead. The figures remain very high compared to the past, and while they had a modest impact on households in the summer period, they will lead to more challenging bills as consumption increases in the winter season, with prices expected to rise due to higher demand in the colder months. The call remains to pay attention to energy saving and energy efficiency. The Authority remains fully committed to ensuring the resilience of the entire energy system as the first necessary condition for consumer protection'.*

It should be noted that, as provided for in the 'Aiuti Bis' decree, for the entire fourth quarter ARERA set the general system charges to zero also for the gas sector, also confirming the application of the negative UG2 component for the benefit of gas consumption up to 5,000 scm/year.

Interventions that, together with the confirmation of the 5% VAT reduction on gas, support the generality of gas users. Also in compliance with 'Aiuti bis' Decree, the extension of the social bonus for gas is also confirmed until the end of the year, aimed at households with an ISEE level of up to 12,000 euros (threshold rising to 20,000 euros for large families). All eligible families receive the bonuses directly in their bill, provided that they have a requested an ISEE for 2022.

\*Below is the table with the values of the CMEMm component published today on the arera.it website

October 2022	Euro/GJ	Euro/Scm (**)	Euro/MWh
<b>CMEM,m component</b>	21.681788	0.835182	78.0544

(\*\*) for supplies of natural gas with a reference higher (gross) heat content of 0.038520 GJ/Scm.

<sup>1</sup> The typical household has an average gas consumption of 1,400 cubic metres per year.