



Authority for Electricity and Gas

ANNUAL REPORT ON THE STATE OF THE SERVICES AND THE ACTIVITY CARRIED OUT

Introduction by the President of the Authority

Rome, 6 July 2004

Presidents of the Senate and the Chamber of Deputies,
Ministers, Authorities, Ladies and Gentlemen,

The Authority for Electricity and Gas today presents its seventh Annual Report on the State of Services and Activities carried out.

With the phrase "state of the services," we will all remember the trouble caused to the Italian population—ourselves included—during last summer's heat wave and the blackout in late September. The fact that similar outages occurred last year in the United States, England and Scandinavia is of little consolation.

We have no choice but to file away 2003 with bitter dissatisfaction. It was a year from which we can and absolutely must move toward levels of reliability and competitiveness that are consistent with our goal of a solid, secure and economical energy system, which we take as the basis for any further strategy for the growth of our country.

With regard to last year's failures, the Parliament, the Cabinet and our Authority, which by law is responsible for defending all categories of consumer, have already stepped in with investigations and initiatives for emergency management and an immediate improvement of rules and expected behaviour.

But the blackouts were also the result of functional and structural shortcomings whose origins go back many years and that can only be overcome with time. These are problems that highlight the vulnerability and unwieldiness of the Italian energy system in the face of today's challenges: the growing

demands of consumers; the needs of the production system; the rising sensitivity to environmental issues; and the competitive and collaborative arrangements that keep our country engaged on the playing field of Europe and the world.

International scenario

The international scenario for energy over the past 12 months started out having apparently absorbed the oil shock associated with the Iraqi conflict. During the early months of 2004, however, persistent doubts as to a political resolution of the conflict, the intensification of terrorist activity in Saudi Arabia, and above all the steep increase in worldwide demand caused a gradual rise in the price of crude oil. The rising demand, more apparent in the North American and Chinese markets, was not matched by a prompt increase in the volumes supplied by the main oil-producing countries.

These two factors—geopolitical uncertainty and growing demand—were reflected in the price of all other energy raw materials: not just gas, whose prices are generally indexed to that of oil, but also coal, the price of which was increased further by the surge in maritime freight and nearly doubled between June 2003 and March 2004. In any case, coal is still a competitive source for current thermoelectric production.

On the technological development front, good results have been achieved in gas utilization systems (particularly combined-cycle plants), and there is a growing R&D commitment in the areas of renewable sources, distributed generation, nuclear energy, clean coal using carbon sequestration technology, and the hydrogen cycle. Important, widespread benefits may be produced by these efforts in the medium- to long-range future; institutions, including the Authority, must increase their focus on the distant horizon,

especially in a competitive and financial context that tends to foster shorter-term visions and strategies.

As for the market structure, the recent World Forum on Energy Regulation, held in Rome in October, confirmed that liberalization is taking hold across the globe and that regulators play an increasingly important role; over the past three years, more than 60 new regulatory bodies have been established around the world. One of the decisions taken at the World Forum is that our Authority will help create a worldwide network of regulators, to facilitate the permanent exchange of ideas and the promotion of increasingly harmonized principles of regulation.

European legislation

Just a few days ago, on the first of July, the two European Directives of 26 June 2003 (on the internal electricity and gas market) came into effect. They reinforce the previous versions, which contributed to the liberalization process including in Italy.

The new directives constitute a major step toward the creation of a single European energy market; the extension of unbundling; greater competition; and the freedom to choose one's own supplier, which is guaranteed for all non-residential customers from 1 July 2004 and for households from the same date in 2007. Beyond the immediately applicable rules, such as the new eligibility thresholds, it is now urgent that the new directives be incorporated into each country's legislation. A delay on our part would be a mistake, as it would justify the behaviour of countries that have incorporated previous directives to the minimum possible degree and have thus enjoyed unwarranted favour.

In June 2003 the rules for the cross-border trading of electricity were approved. This is an especially delicate matter for Italy, which is essentially an import country. The Authority, together with the other institutions involved, is thus working on the gradual adoption of mechanisms that will not hinder the Italian market.

The new directives also address regulation, requiring the formation of a regulatory authority in all member states, assigning it specific responsibilities, and formally establishing its independence.

Meanwhile, with a view to closely coordinating the rules of the market and the actions of authorities already established, in recent years the Council of European Energy Regulators (CEER)—of which the Italian Authority was an active proponent—has taken on an increasingly important role. The European Commission, on the basis of the constructive dialogue developed with the CEER, has since set up the European Regulators Group for Electricity and Gas, an independent advisory body made up of the top figures from each regulatory authority.

The process of EU enlargement is now facing in a south-easterly direction. In support of the European Commission's efforts, the Italian and Greece authorities currently share presidency of the task force of regulators in the Balkans area, which was set up to design and institute a regional market. We have also been asked by the Turkish regulator to help with the Euromed project, concerning the development of interconnections and market integration in the Mediterranean basin, one result of which is to support industrial and commercial participation by Italian businesses in the region.

Still on the subject of international cooperation, the Authority is helping the European Commission and the CEER set up a European centre for regulatory studies and training in Florence.

As for the creation of efficient single regional markets and of the European gas and electricity market, it should be borne in mind that grid congestion and discrepancies in transport tariffs are structural obstacles, as is the continent's lack of a sufficient surplus with respect to demand. Under these circumstances, the Commission's interest in grid development is especially welcome. Realized through initiatives promoting the speedy construction of national and cross-border infrastructures, this will improve the reliability and competitiveness of the Italian energy system as well. Also, in the gas sector, our country has the potential to serve as a hub—a natural bridge for deliveries to central Europe—which could turn us from an importer into a transit and exchange country to the benefit of costs and prices.

National legislation

In the wake of the June and September blackouts, the Italian Parliament and Cabinet took prompt action to improve the reliability of the national electricity system. Some of the rules necessary for ensuring the proper functioning of our production plants and grids were already contained in the energy bill being debated by Parliament, but were pushed forward and approved through emergency procedures.

As for the government's measure to reunite the ownership and management of the electricity transmission grid, the Authority announced that in exchange for the expected improvements in terms of cost, efficiency and security and for a full guarantee that the managing body would be independent and impartial, it would contribute with promotional tools and a prompt adjustment of regulations. On the matter of energy infrastructure authorization, particularly in light of the reform of Chapter V of the Constitution, the Constitutional Court intervened once again last year in the conflict between

the state and the regions, and it is urgent that responsibilities be clarified once and for all.

The Comprehensive Government Conference (addressing matters pertaining to all levels of government) recently came out in favour of the new ministerial decrees for energy conservation, which also introduce the market mechanism of "white certificates" well ahead of most of the rest of Europe. The implementation measures requested of the Authority can thus be initiated shortly. Meanwhile, to ensure that implementation is swift and thorough, the Authority has advised the Cabinet and Parliament not to prevent distributors from carrying out post-meter conservation efforts in the areas where they are service concessionaires, at least until such time as the market can include alternative utilities of sufficient size and capacity.

Thus, the Authority continues to work actively with the Italian Cabinet and Parliament, by issuing opinions and comments and taking part in Parliamentary hearings. Our most recent contribution concerned the Cabinet's assignment to revise existing legislation, as stated in the current text of the Energy Bill. While we agree that the creation of a consolidated energy act is important, we feel that the breadth of that authority, as currently envisaged, could suggest that every law in the energy sector is up for modification. This could instill a climate of such uncertainty that operators would freeze investment and financing decisions for infrastructures and other works that are motivated by the certainty of future profits.

The Cabinet would also have the authority to regulate public utilities, which would clash directly with the Authority's mandate. This would endanger the very independence of the Authority, whose actions could be influenced by the government's power to affect not only individual decisions but also the Authority's set-up and sphere of duties.

Liberalization, markets and competition

Italy's electricity and gas sectors are among the largest markets in the country. Their annual production value alone, net of taxes, is over 30 billion euros for electricity and 15 billion euros for gas. After the complete liberalization

for gas customers at the start of 2003, on 1 July another seven million electricity customers joined the 150,000 who were already free to choose their own supplier. This is a major step toward total demand-side deregulation, to be completed no later than mid-2007.

Unfortunately, the liberalization process, whose legal framework is mostly set, is not yet paralleled by real competition in either the electricity or the gas market. In each of the two sectors, there is still a dominant utility, although the details differ according to the specific structure of the market. The incumbent gas utility is more omnipresent, as it controls large parts of the production and distribution chain, including the crucial import system. The influence of the electricity incumbent is more limited to specific times and areas, but the incumbent is still in a position to affect market conditions on its own.

When it comes to these issues, and to efforts to ensure competition and completely open markets, the collaboration we are developing with the antitrust authorities is taking on special significance. One such effort is the "Fact-finding investigation on the state of liberalization in the electricity and natural gas sectors", of which the natural gas section has been completed and published and the electricity investigation is still in course.

The gas sector

According to the investigation, the gas market has powerful structural rigidities in the upstream segment, and competition is still seriously limited by the procurement system. This is hindering the liberalization process by preventing the entry of new, independent utilities with adequate power to compete. The attempt to comply with antitrust ceilings through the mechanism of "innovative sales" did not eliminate these market barriers, and in fact made them more complex and elaborate than ever. What's more, national output is controlled more than 90 percent by the incumbent.

To develop a stable competitive context in which much lower prices can emerge, Italy needs to improve the supply structure and make the procurement system more flexible. In that regard, the occasionally expressed fear of a gas glut that would hinder compliance with international supply contracts and lead to the abandonment of import pipeline projects could be interpreted as a way to discourage competitors from entering the market. As a matter of fact, there is excellent reason to believe that if investments are ignored, scrapped or delayed over the next few years, import capacities will be so limited that they will seriously affect the market, its prices, and the very security of the country's gas system. Moreover, in terms of absolutely crucial aspects like safety and an adequate supply, we have already seen in the electricity sector how unwarranted were the fears of a power glut expressed less than three short years ago.

Therefore, on this front and as far as regulation is concerned, we feel it our duty to guarantee conditions amenable to investment, infrastructure development and new competition. Last year in the gas market, for example, the Authority implemented rules encouraging investment in new plant through the protection of priority access to these infrastructures, and continued to take

action envisaged in Legislative Decree 164 of 2000 by adding new elements in favour of flexible trading and the development of the virtual trading point (a basis for the future natural gas exchange). We are also working toward the gradual standardization of contracts; a balancing system that reflects the market's fundamentals; the creation of a totally independent grid operator; and a gas supply large enough to allow a truly competitive market. For these efforts to become reality, the country needs legislative intervention, with which we promise our full cooperation.

The electricity sector

A key factor in the development of the electricity market is the “power exchange”, now being set up in two phases. The transitional phase is currently underway, and the definitive phase, when demand can also be expressed directly, will begin by the end of this year. The exchange, like those in other countries, is an essential tool for promoting transparent competition among operators and for giving the market clear price signals, which are also useful for encouraging investment and improving the capacity and efficiency of our production system.

Although the exchange (run by the Gestore del Mercato Elettrico, or Market Operator) has enjoyed a smooth start-up, it is going through inevitable growing pains, as witnessed by the price trend during this first transitional phase. These are issues requiring constant supervision and the cures and legislative interventions found to be necessary as time goes by.

We have embarked promptly on a fact-finding investigation to verify whether the price increases that took place on certain days, in some areas and at certain times of day were caused by contingencies or by the wielding of market power by players who dominate the business.

We have also put two measures up for consultation. The first concerns an adjustment to the means of calculating the outlay for energy trading, to prevent the distortion associated with the available choices for allocating energy traded under bilateral agreements to the exchange. The second—also designed to keep market power in check, prevent undue effects on power exchange prices and foster competition—would remove temporary obstacles to the spread of market rule and reduce any situations of dominance over geographical areas or timebands.

With everyone's participation, we need to move toward fair competition by which the market itself will allow a decline in prices and tariffs. We need to get the power exchange broken in, expand the supply-side competitive base, and prepare for the direct participation of demand.

Naturally, we will not pause in our commitment to supervising the evolving market; to embracing any further need to fine-tune control mechanisms; to collaborating with others in order to optimize market functioning; and to encouraging prompt completion and fully transparent information.

The important role of the transmission grid is also deserving of recognition. It is developed by means of projects and investments that receive our support—or rather the support of everyone who shoulders the sector's tariffs—as formalized in the new pricing system for 2004-2007. The new system, with the usual view toward limiting tariffs, includes a reimbursement incentive for new investments geared toward development and assures all justified forms of coverage of the sizable financial commitments required of the transmission system operator.

Service quality and reliability

When it comes to the capacity, security and thus reliability of our electrical system, we can and must learn a lesson from the serious and very different problems that occurred last June and September.

In June, the problem was the system's capacity; this concerns the efficiency and "up time" of the existing power stations and the need to improve the way and the extent to which they cover our power requirement. It is a structural, strategic issue, to which Italy's president referred when he spoke of "frail national production and excessive dependence on imports". The Parliament and the Cabinet have already defined some measures and are working on still more.

For our part, various efforts have included the fact-finding and formal investigations into the June power outages; an opinion submitted to the Ministry of Productive Activities for the next decree on the efficient use of the country's generation facilities; new rules on plant availability during peak demand periods; comments and collaboration on the new emergency plan; the promotion of multi-hourly tariffs and the reporting of findings concerning the rational use of energy.

As for the September blackout, which had more serious consequences, the Authority has already published the outcome of its technical fact-finding investigation into how and why the problem arose. We found many parallels with episodes that took place in other industrialized countries. Part I of our investigation concerned the chain of events in Switzerland, which caused the outage of the electrical system in Italy and other European countries. What we found was that the operator of the Swiss electrical grid was remiss, having failed to take sufficient preventive measures and to respect some important provisions of international law. Thus, one of the conclusions reached together

with our colleagues at the French Authority is that Switzerland must absolutely adopt binding legislation consistent with the European Union's.

Part II of our investigation concerned the reasons why the blackout spread to every part of the country except Sardinia, and the measures taken to restore power. We found many indications of the substandard management,

coordination and functioning of Italy's plants. Therefore, in keeping with procedure, we will now determine whether any operators in our electrical system are liable, by conducting formal investigations designed to obtain all necessary information from such parties and hear their version of events.

While we look into the question of legal liability, we can and must appeal to the common sense of responsibility of each of us involved in the sector, and our duty to focus promptly on problems and their solutions. Some conclusions of the fact-finding mission, like those of the government investigation, have already been addressed in legal and other initiatives to improve the system's security.

Moving on to the quality of customer service, new regulations have been adopted that address the reduction of blackouts on the local networks and commercial relations between consumers and utilities. Good results have been achieved in recent years, with the average minutes of service interruption per client falling by 43 percent with respect to 1999, but continuity of service is still inadequate, especially in the South. We have thus fine-tuned our previous strategy, in the hopes of seeing an across-the-board improvement throughout Italy, but we will start by accelerating change in areas where service is the worst and by harmonizing quality targets in the different parts of the country. By 2007, the minutes of service interruption per customer should fall by a further 27 percent.

To foster better commercial relations in the distribution, measurement and sale of electric power, the Authority has confirmed and simplified the standards it set in 2000, and new standards as to the maximum time allowed to repair malfunctioning meters will be introduced in a matter of days. Also within the next few days, service quality will start to be monitored along with the length of time spent on hold when contacting telephone call centres.

Concerning quality in the gas sector, the Authority has issued new procedures and other regulations for testing the safety of residential systems that receive gas over the networks. Thus, the proper installation and functioning of household gas systems will be checked through the analysis of documents and in some cases through on-site inspections, carried out by the municipality.

Service costs

Energy prices in Italy are among the highest on average in Europe. Not all types of customer, however, suffer that fact to the same extent: in many cases, penalties or benefits accumulate to certain parties without sufficient justification.

This situation, which applies equally to the natural gas and electricity markets, is certainly explained in part by inadequate competition. But it has also come about because of laws and structural conditions specific to our country, which have stratified with time and which are difficult to change with any speed.

For natural gas, prices in Italy are penalized by heavy taxes, which account for no less than 46 percent of the gas bill sent to each family. Even net of taxes, however, prices are higher than the European average and differ widely depending on consumption, not always in a way that reflects the costs.

While small residential installations benefit from some of the least expensive gas in Europe, already the expense of heating an individual home or apartment building is about 20 percent higher than the European average and 6 to 12 percent higher than in France or Germany, whose procurement systems are similar to our own.

Prices for consumption of around a million cubic metres per year are in line with the European average, but the gap starts to widen again for higher volumes. For example, an industry that consumes 10 million cubic metres per year pays 11 percent more for gas than its average competitor in Europe. In many cases, the lack of real competition has effectively enabled utilities not to pass on to their customers the significant savings they have enjoyed because of the regulation of infrastructural services over the past few years.

For electricity, too, prices in Italy are higher than the European average.

In this case, however, the gap stems mainly from the characteristics of power production. In Italy in 2003, more than 70 percent of the output derived from hydrocarbons (natural gas and fuel oil), while in Europe as a whole nearly 60 percent of electricity comes from nuclear energy and coal. The obvious difference in the mix of fuels employed, a structural factor on which regulation has very little impact, can be offset only in part by efficiency gains in all other phases of the production and delivery cycle.

If we break down the Italian electricity tariff into its various components, we see, as mentioned earlier, that regulated costs—transmission and distribution—have been decreasing sharply for years and have now come into line with the European average. Conversely, production costs are linked essentially to the price of fuel, which despite fairly even management have stayed much higher than in Europe as a whole.

A few figures make the situation clear: the average national tariff for the captive market is currently 10.18 eurocents per kWh, net of taxes. Most of that—67 percent—consists of the production cost, while just 22 percent consists of the cost of transmission and distribution. The remaining 11 percent is made up of general system expenses and commercialization costs.

In the electricity sector, too, there are sharp disparities among the various categories of user. Residential customers are still subject to an indiscriminately progressive pricing structure, which is aggravated by taxation. Italians who consume the least (600 to 1,200 kWh per year) pay prices as low as half those prevailing in the rest of Europe. But households with higher consumption (3,500 to 7,500 kWh per year) pay about 50 percent more than the European average.

This kind of pricing has a paradoxical effect when it comes to conservation. Those who consume relatively little electricity because they spend a lot of time away from home find no incentive to save energy in such a system, while those who consume more, because their families are larger, will hardly be able to cut down enough to make a real difference in their bill.

This is why tariffs need to be revised according to a logic that will protect those who really need support while encouraging all consumers to be virtuous in their use of energy. In this sense, we are waiting for the governmental go-ahead to start setting up a true social tariff within the framework of a new pricing structure.

On the same front, the offer of half-hourly residential rates by certain distributors is welcome news, but still of relative value. We have asked that such tariffs be more widespread, more flexible and more economical not only for high-volume consumption but also for medium and small quantities.

For industrial users, prices are above the European average whether taxes are included or not. For medium-volume industries (those consuming 2 to 20 million kWh per year), prices net of taxes are as much as 40 percent higher than the European average. Again net of taxes, in 2003 the cost of electricity for industrial use rose nearly three percentage points more than it did on average in the rest of Europe, widening the price gap further.

Given these circumstances, and above all to counter the contingent and structural causes of these discrepancies in costs and consumer prices, the Authority is working harder than ever to keep tariffs as low as possible. Our efforts have led to ongoing reductions in the cost of regulated services, as mentioned earlier, and have also focused on the overall tariff for households.

The latest trend in residential tariffs can be summarized by comparing the figures recently set for July-September 2004 with the same quarter in 2003. After adjusting for inflation, and leaving taxes in, the basic gas tariff has fallen by 3.9 percent and electricity by 2.6 percent. These reductions are even more marked if we consider the trend in inflation.

It is worth recalling here that the Authority bases its quarterly electricity tariff adjustments on the prices paid by the Single Buyer on behalf of captive-market customers and on its own expenditure forecasts for the subsequent months. The Single Buyer, in addition to its reserved quantity of imported electricity and "CIP6" subsidized power, can procure electricity from any other mix of sources it sees fit. Specifically, it can buy on the power exchange or enter into bilateral contracts, including those under which power is purchased at pre-established prices depending on market trends, with production costs taken into account as usual. Again, this latter kind of contract—especially in Italy—is influenced by the price of oil and of fuels used to run the thermoelectric plants, which are also reflected on the exchange.

Energy and sustainable development

A real way to strike a healthy balance between energy and the environment is to ensure the increasingly rational use of energy and to modernize the country's production facilities with the use of cleaner, more efficient technologies.

What's more, technological decisions have to be assessed in terms of their impact both economic and environmental.

On that note, it is important that the principles of the Kyoto accord be considered as a whole, through flexible, virtuous mechanisms; in other words, we need global solutions to global problems, not systems that merely allocate allowable emissions, which are more likely to generate financial transactions than true environmental protection, and which will therefore distort the process of integration of the energy markets.

Supporting the processes of liberalization and competition-boosting in a sufficiently regulated market also requires the proper arbitration of economic and environmental interests. The Authority is active here as well; one example is the institutional collaboration for the development of market mechanisms that will encourage conservation (i.e. "white certificates") and the use of renewable energy ("green certificates"), and thus go beyond the current "CIP6" system. For CIP6 the Authority has launched an inspections programme using the Cassa conguaglio per il settore elettrico ("equalization fund").

Also in support of renewable energy, the Authority is setting up rules for plant connection and for the extension of the spot exchange system for units with power levels below 20 kW; soon it will start debating a remuneration system for plants of less than 10 MW and for all non-programmable plants.

Disputes, controls and inspections

The Authority does not limit itself to issuing regulations for the energy sector. It also defends them when disputed and makes sure they are observed.

The number of disputes and appealed decisions has gone down with respect to recent years, and since the Authority was founded a total of 140 measures have been contested. Of those, nine were completely overturned and seven were partially overturned, which demonstrates the stability of our regulatory efforts. In this context, I would like to thank the Avvocatura dello Stato, our Solicitor General's office, for its valuable support.

As for checks, controls and inspections, the Authority has started to intensify these activities, thanks in part to the closer partnership it has developed with the special divisions of the Guardia di Finanza, to whom we are also grateful.

Directions for the future

A few short months ago, when we were called to serve the Authority, this board was assigned a set of public-service regulations for the electricity and gas industries that we are to complete and refine in order to provide a dynamic response to the needs of consumers, utilities and the country. In seeing to these growing, complex tasks, we are assisted—and held to high standard—by our inheritance.

The Authority has produced valuable results: the credit goes to good laws and to our predecessors, Professors Ranci, Ammassari and Garriba and their staff who, during the first seven-year term, created, guided and nurtured the institution with great skill, transparency and independence. That legacy, the continuity of action and the right to work "in full autonomy and with independent judgement", will remain the cornerstone of our future efforts.

The independence, continuity and consistency of regulatory and control activities are also valuable for the development of the energy sector, which needs strong, ongoing support for the process of liberalization as well as rules and administrative standpoints that are reliable, stable and clear.

The Authority's current stage of development will also help solidify its nature as an independent body separate from all other "players" in the sector, and enhance its collaborative work with institutions while respecting each party's sphere of action. The strengthening of institutional collaboration and of the quality of dialogue with all stakeholders will also make administrative activities run more smoothly, from two points of view: the efficiency of decision-making and the timeliness of measures, which are designed to achieve results not only for the short term but for the medium- and long-range future.

Our goals mirror the basic need to protect all kinds of consumer, in part by taking determined action to boost competition beyond its current unsatisfactory state. In this regard, the market and competition are indispensable tools, including in view of making Italian businesses in this sector more competitive. Given the rapidity and complexity that distinguish the evolution of the energy sector, we will place an ever sharper focus on evaluating the impact of actions beforehand; simplifying and maintaining the regulatory framework; and communicating effectively and efficiently.

In that last regard, early this year—in concert with the National Council of Consumers and Users—we began to devise a project that will facilitate the prompt publicizing of all of our regulatory output and decisions. This also confirms our interest in the consumer and business associations, in their participation in the consultation process, and on the promotion of conferences and information programmes.

In an industry with an ever richer number and variety of businesses (producers, networks, distributors, vendors, traders, post-meter service companies, etc.), it is also a good idea to extend our inspection and prevention activities wherever they may apply. This has a dual benefit: to minimize the levying of fines and increase competition, among existing players or new entrants, with a view to ever higher levels of efficiency and excellence.

In addition, the continuity of our actions and the implementation of the intervention and development strategies thus devised require good organizational skills and the efficient management of resources, first and foremost our staff. We have already embarked on a plan to improve our staffing in both quantitative and qualitative terms, in parallel with an organizational development project, in the form of investments supporting our human resources--whom we thank profusely for their unfailing dedication and expertise.

We are also grateful to the board of auditors, to the experts we have consulted, and to the Equalization Fund (Cassa Conguaglio) for the electricity sector.

And please allow a warm note of thanks from Ing. Fanelli and my staff to Professor Pistella, the new chairman of the National Research Council. Fabio, we wish you the very best.

Finally, let us reflect on the challenge I mentioned at the start of this report: that all stakeholders in the energy sector work for the speedy, continuous improvement of the efficiency and reliability of the country's energy system, following a path of sustainable growth. This is a challenge whose size, breadth and horizon require not only a commitment by each single institution, but a "high-voltage" community effort, in which we will be eager participants.