

# THE ITALIAN NET METERING SCHEME SCAMBIO SUL POSTO

**Presented by: Riccardo Toxiri** 

#### **IRENA**

Self-consumption of renewables
The Role of Storage in Revolutionizing the Grid Infrastructure
7 November 2014 - Tokyo

### SCAMBIO SUL POSTO: A VIRTUAL ENERGY STORAGE MECHANISM



UNTIL 2008 → Italian net metering scheme based on physical compensation



FROM 2009 → SCAMBIO SUL POSTO





### FROM PHYSICAL TO ECONOMIC COMPENSATION

THE **ELECTRIC SYSTEM** OPERATES AS **VIRTUAL ENERGY STORAGE**FOR ELECTRICITY PRODUCED BUT NOT CONSUMED IN THE SAME PERIOD

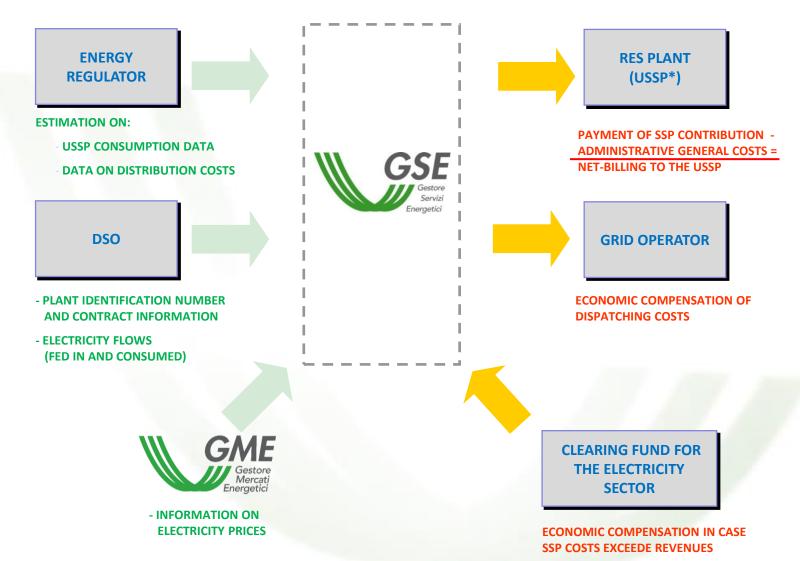


The SSP scheme seeks to ensure:

- ✓ Transparency due to the fact that the electricity balances in the power grids can take into account the electricity fed in and withdrawn
- ✓ Correct economic value of the electricity fed in and withdrawn with Scambio sul Posto
- ✓ Increase of self consumption

### SCAMBIO SUL POSTO: ACTORS INVOLVED IN THE SCHEME







#### SCAMBIO SUL POSTO: THE ROLE OF GSE







- obtain information by distributors and grid operator on energy fed in and withdrawn in terms of kWh
- calculate the cost of electricity (COE) paid to the distributor minus costs related to grid services
- calculate the value of electricity fed in (VOE) with hourly zonal prices mechanism
- 1) GRANTS OPERATOR WITH THE LESSER VALUE BETWEEN THE COE AND VOE (EXCHANGED ELECTRICITY)
- 2) REIMBURSES COSTS RELATED TO THE USE OF THE NETWORK WITH REGARD TO THE ELECTRICITY FED IN

IF VOE > COE





- 3) RECOGNIZES AN ECONOMIC CREDIT THAT CAN BE:
  - ✓ USED TO BUY ELECTRICITY IN AN UNLIMITED PERIOD OF TIME

OR

✓ PAID YEARLY TO THE USER OF SSP



# THE SSP IS NOT AN INCENTIVE BUT A SERVICE FOR VIRTUAL ENERGY STORAGE

Regardless the technology used, are **eligible** for the SSP all RES-E plant with:

- installed capacity of up to 20 kW (when commissioned before 31 Dec. 2007)
- installed capacity of up to 200 kW (when commissioned after 31 Dec. 2007)
- Installed capacity of up to **500 kW** (when entered into force from 1st of January 2015)

### Are eligible also:

- high-efficiency CHP plants with an installed capacity of up to 200 kW
- hybrid plants in case their non-renewable generation is below 5%

Year	Plants	Installed capacity  GW
2011	224.376	1,9
2012	373.470	3,5
2013	389.320	3,7

### Compared to 2011:

- √ +74% of SSP agreements
- √ +95% of installed capacity



**SSP USERS** 

**GOVERNMENTS** 

**ELECTRICITY COMPENSATION** 



FOSTER
DISTRIBUTED ENERGY

NETWORK COMPENSATION



REPLACE INCENTIVE SCHEME

ECONOMIC CREDIT



**CLEAR VIEW OF ENERGY PRICES** 



ADMINISTRATIVE BURDEN





# Thank you for your attention!

Should you have any enquires, please do not hesitate contacting us:

Riccardo Toxiri riccardo.toxiri@gse.it

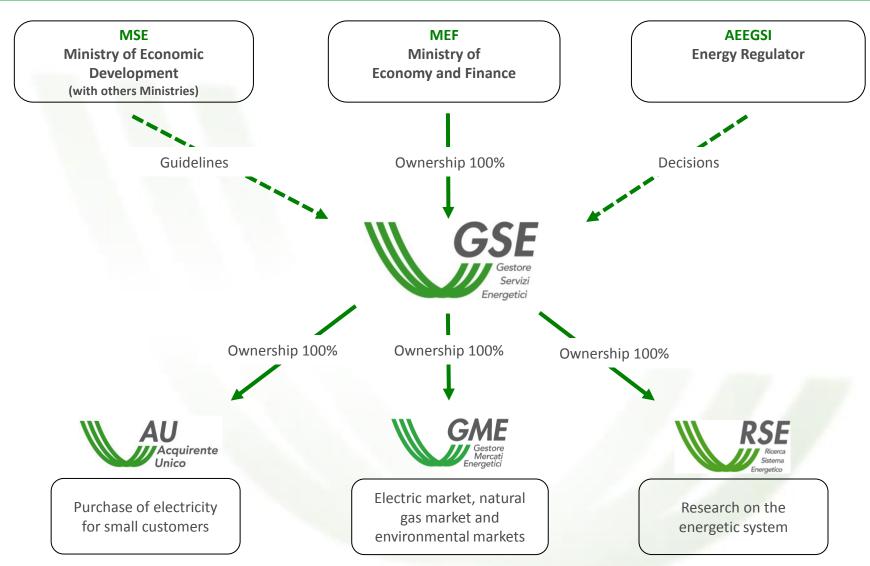
International projects and collaborations internazionale@gse.it



# **Background information on GSE**

# **GSE**: Italian Energy Services Operator





**MISSION:** GSE promotes the development of <u>renewable energy</u> sources and <u>energy efficiency</u> in Italy, granting <u>economic incentives</u>, managing <u>energetic services</u> and supporting the <u>policy makers</u>

### **GSE's activities: RES and EE Support Mechanisms**



In Italy are in place different systems to promote RES, CHP and Energy Efficiency, managed by GSE

### Support schemes for RES electricity

- CIP 6/92 \* (a kind of feed-in tariff)
- Green Certificates for plants that began operating until 2012 (and an additional transition period); in 2016, for plants that have had access to, the GC will be replaced by sliding feed premium
- Feed-in Tariff \* for small plants (up to 1 MW);
- Fixed Feed-in-premium for PV (finished) and thermodynamic solar plants;
- Sliding Feed-in premium for PV (finished) and all RES plants.

#### Energy Services for <u>RES</u> and <u>CHP electricity</u>

- Net-metering \* system for electricity generated by RES (and even by CHP plants up to 500 kW);
- Dedicated Electricity Intake \*: purchase at average market price of electricity from RES and other plants (producers opting for electricity sale through GSE).

### Support schemes for <u>thermal RES</u> and <u>Energy Efficiency</u>

- Renewable Heat Incentive
- White Certificates

### Biofuels support schemes (based on a blending obligation)

Biofuels Certificates, blending obligation system (biofuels compliant with sustainability criteria)

# GSE's activities: activities beyond the economic support



- Support to institutional policy makers
- **Studies** on energy topics (costs and incentives at international level, supply chains and jobs creation, environmental impacts, forecasts and predictions, certification schemes for biofuels, etc.)
- Statistical monitoring of RES in the electric, thermal and transport fields, at national and regional level, to follow the approach to the Italian national and regional energy targets
- Support to the Public Administration: we assist institutions in implementing their energy policies, by providing studies, data and consulting services, as well the Public Administration, by supplying specialist services in the energy sector
- International activities: international relations; participation in the energy projects funded by EU (Concerted Action on RED, PV Parity, Intelligent Energy Europe) as well as in the main international associations of the sector (IEA, IRENA, RES4MED, OME, etc.)
- Information and training: promotion of RES and EE (workshops, reports and guides, training, dedicated web-page on incentives, authorization procedures and best practices, etc.)

### **GSE's activities: monitoring tasks**



The Italian legislation includes a number of **monitoring and studies tasks** assigned to GSE, both at national and international level

- **RES** <u>STATISTICAL</u> **MONITORING** to verify compliance with national and regional RES targets
- Reports on **RES <u>SUPPORT</u> RESULTS** in Italy (GC, FIT, FIP)
- Report on ECONOMIC AND EMPLOYMENT IMPACTS of RES and EE
- Assessment of the <u>ENVIRONMENTAL</u> <u>EFFECTS</u> of RES and EE development
- ☐ Report on the <u>AUTHORIZATION</u> PROCEDURES of RES plants in Italian Regions
- Biannual RES PROGRESS REPORT FOR THE EUROPEAN COMMISSION
- Report on **GENERATION COSTS** in Italy and at international level
- Reports and papers on **ANALYSIS AND COMPARISON OF INTERNATIONAL RES POLCIES**