

Italy's power system vulnerable to gas supply cuts

London, 7 April (Argus) — Italy's dependence on imported gas and gas-fired power plants makes it vulnerable in the event of disruptions in supply from Russia, Italian coal association Assocarboni said.

Imported gas from Russia and Algeria make up around half of Italian gas supply, but sourcing from only two countries leaves Italy at risk, Assocarboni chairman Andrea Clavarino said.

Russian exports account for around 40pc of Italian gas supply, most of which passes through Ukraine. "Should the supplies from Russia be blocked, Italy would not be able to prevent its electricity system from going haywire," Clavarino said. "That is why we have urged Matteo Renzi's administration to put it at the top of the Government agenda and intervene promptly in favour of a more balanced electricity mix."

Italian utilities like Enel should burn more coal, he said. "Italy needs to produce more electricity from coal to meet the country's energy demand, while significantly reducing its dependence on natural gas, which is expensive and entails serious risks in terms of security of supply," Clavarino said.

Italian coal burn is far below the European average, despite the majority of the country's coal-fired plants having undergone large investments and achieved the European environmental certification (EMAS), Assocarboni said.

A number of coal-fired projects, such as Enel's proposed 1,980MW Porto Tolle project and the yet-unbuilt 1,320MW Saline Joniche joint-venture, could promote coal in the power mix, but the plans have been stalled in the authorisation process in recent years.

Italian coal-fired plants ranking fourth in the country's mix last year with around 14.5pc of total generation, trailing gas-fired plants (38pc), hydro (19pc) and renewables (15pc), data from European grid operators network Entsoe show.

Italy has 10.6GW of installed coal-fired capacity, but the actual operating capacity within this figure fell by 660MW last month, because of a court-ordered seizure of Italian utility Tirreno Power's Vado Ligure plant.