

Italian Assocarboni calls for 30% coal in energy mix

Italian coal association Assocarboni has called on the government to change its energy strategy, which is under consultation, in order to boost the share of coal in the country's energy mix to 30%, a senior source at Assocarboni said Tuesday.

"Italy should increase the current coal consumption for power generation from 12% to 30% in order to cut electricity bills by 10-15% and boost the country's international competitiveness," said Assocarboni President Andrea Clavarino.

Clavarino's comments follow the publication of Italy's new 2012-2020 energy strategy, worth some Eur180 billion (\$233 billion), which the government has put out for public consultation until the end of November.

Speaking at the industry ministry late Monday, Clavarino pointed out that the strategy lacked any reference to the role of coal in the country's energy mix.

According to the energy plan, coal would maintain a share in the electricity generation mix of about 12% through 2020, roughly the same level it has today.

"Coal has been literally left out from the new energy plan," Clavarino said.

At the same time, he said that because the country's energy mix is mainly based on "costly energy sources," namely gas and renewable sources — with the latter costing some Eur9 billion per year — Italian power bills are more than 30% higher than the European average.

The energy plan also gives gas and renewable sources a major role through 2020.

One of the key objectives of the plan is to reduce gas prices and align power prices with those of other European countries by boosting electricity and gas infrastructures.

However, Clavarino was skeptical as to whether a south European

gas hub in Italy would contribute to cut gas and power prices.

“Our gas prices are determined by oligopolies, especially Russia and Algeria from where Italy imports around 80% of its gas resources,” he said.

“As far as I know no gas infrastructure, such as the north Adriatic LNG offshore terminal near Rovigo for instance, has ever helped to reduce gas costs in Italy,” Clavarino said.

Assocarboni suggested an energy mix for Italy in line with the European average, based on 25-30% of gas and 30-35% of coal.

Clavarino also said Italy should exploit more coal-fired power plants, which have an efficiency of 39% against a European average of 35%, with efficiency peaks of 46% in the case of the Torrevaldaliga and Vado Ligure power plants.

In addition, he said that projects such as the oil-to-coal conversion of a 1,900 MW power plant in Porto Tolle, which would be equipped with carbon capture and storage technology, would play a key role in boosting the use of coal and the security of the country's power supply. — *Daniela Coiro*