

(English version)

**Question for written answer E-001449/24
to the Commission**

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(29 July 2024)

Subject: Barriers to aggregator access to the electricity market in Italy

Directive (EU) 2019/944 ⁽¹⁾ stipulates that ‘Member States shall allow final customers, including those offering demand response through aggregation, to participate alongside producers in a non-discriminatory manner in all electricity markets.’ It also requires them to ‘ensure that transmission system operators and distribution system operators, when procuring ancillary services’, treat such aggregators ‘in a non-discriminatory manner alongside producers on the basis of their technical capabilities.’

In Italy the directive was transposed by way of Legislative Decree No 210 of 8 November 2021 ⁽²⁾.

However, the 2023 ACER report on barriers to demand response ⁽³⁾ notes that the Italian legislative and regulatory framework only allows residential consumers to access the dispatching services market via pilot projects. Furthermore, electricity operators have reported that the scope of the UVAM (virtually-aggregated mixed units) pilot project has been reduced ⁽⁴⁾.

In view of the above, can the Commission answer the following questions:

1. Does it consider that Italy has properly implemented Article 17 of Directive (EU) 2019/944, given the limited access aggregators have to the dispatching market and the limited possibilities for consumers to conclude aggregation contracts?
2. What steps will it take to ensure that Italian citizens can participate in flexibility mechanisms through aggregation contracts?

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**Answer given by Ms Simson on behalf of the European Commission
(25 September 2024)**

The Commission is in the process of checking the transposition of the Directive 2019/944 ⁽¹⁾ in all Member States and does not comment on ongoing transposition checks or potential infringement procedures.

The transposition of the provisions on demand response have been discussed with the members of the Cross Border Committee ⁽²⁾ on several occasions.

Member States were tasked to answer a questionnaire, which investigates the national transposition and implementation of the provisions as well as the challenges faced. Subsequently, meetings with Member States have been conducted to clarify the provided answers, including with Italy.

Please take note of the ongoing public consultation on the draft network code on demand response ⁽³⁾ that is conducted by ACER (European Union Agency for the Cooperation of Energy Regulators).

These Union wide framework shall further clarify rules, responsibilities and procedures for all market participants including aggregators.

Regulation (EU) 2024/1747 ⁽⁴⁾ amending Regulation (EU) 2019/943 ⁽⁵⁾ has introduced changes that aim at facilitating the participation of non-fossil flexibility and hence aggregation of distributed resources by means of indicative national objectives and potential support schemes.

¹ Article 17 — ‘Demand response through aggregation’ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019L0944>

² Article 12 — ‘Aggregation contracts and demand response by means of aggregation’: <https://www.normattiva.it/uri-res/N2Ls?urn:nir:stato:decreto.legislativo:2021-11-08;210>

³ Source: https://www.acer.europa.eu/sites/default/files/documents/Publications/ACER_MMR_2023_Barriers_to_demand_response.pdf

⁴ The European association that represents the demand response industry (smartEn) reports that, in 2023, Terna awarded just 24 MW in flexibility compared to 269 MW in 2022. Source: smartEn, 2023 Market Monitor for Demand Side Flexibility, available online at: https://smarten.eu/wp-content/uploads/2024/03/Flex-Market-Monitor-2024_v05_DIGITAL-2.pdf

⁽¹⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019L0944>

⁽²⁾ This group is to provide a platform for exchanges between Member States, national regulators, ACER, ENTSO-E and the Commission on electricity policy having regard to Directive (EU) 2019/944 Article 68, Regulation (EU) 2019/943 Article 67 and Regulation (EU) 182/2011 in particular Article 9(1). It assists the Commission in relation to the implementation of existing Union legislation, programmes and policies as well as the preparation of delegated acts.

⁽³⁾ <https://www.acer.europa.eu/documents/public-consultations/pc2024e07-public-consultation-draft-network-code-demand-response>

⁽⁴⁾ <https://eur-lex.europa.eu/eli/reg/2024/1747/oj>

⁽⁵⁾ <https://eur-lex.europa.eu/eli/reg/2019/943/oj>

The relevant authorities shall periodically assess the need for flexibility at national level in the electricity system based on a common European methodology that is subject to public consultation and approval by ACER. Member States may apply non-fossil flexibility support schemes to reach the defined national indicative objectives.
