



Substantial growth expected

Photovoltaic plant with 1 MW in Puglia, southern Italy, which was just installed by Isofotón.

Photo: Isofotón

At this point in time photovoltaic solar power is still only a small factor in the overall energy production in Italy. This situation is going to change, however.

The theoretical potential for electricity coming from PV in Italy is about 45 % of the total energy production", says Gianni Chiannetta, the President of Assosolare, the Italian association of solar companies. Italy has in fact one of the best renewable energy incentives within Europe and especially for PV is a leading country with regard to the feed-in tariffs.

According to Giuliano Martinelli of Università degli Studi di Ferrara, € 10 billion could be saved in Italy by 2020, if 12 % of the electricity came from PV

Installed PV capacity

Region	Capacity [MW]	Number of installations
Lombardia	21.49	2,643
Puglia	19.30	1,204
Emilia Romagna	17.91	1,785
Trentino A.A.	16.80	886
Toscana	12.07	1,153
Piemonte	11.37	1,178

Comparing the leading regions of Italy (data as of July 2008) the highest capacity, 21.5 MW, was installed in the northern region of Lombardia.

Source: Assosolare

instead of oil. The total solar power business for 2008 was close to € 800 million as reported by Assosolare. The total capacity of 200 MW was achieved at the end of July 2008 and earlier than expected. Interestingly enough the majority of the installations in 2008 have been constructed in the northern regions in terms of overall power rating, which was 21.5 MW in Lombardia. Also the highest number of installations in relation to inhabitants is 17.8 kW per capita in Alto Adige and 2.36 kW per capita in Lombardia.

In 2009 the PV power plants, which have been subject to a more difficult permit procedure, will finally go online. According to the Kyoto Club (Italian organization engaged in reaching the targets set by the Kyoto Protocol), "Italy has the potential to become the largest PV power producer in the world in the upcoming years." In the current year a total PV power capacity of 250 MW is expected to go online which is equivalent to a capital investment of € 1,200 million. Until now the majority of the plants have been below 1 MW and less than 20 % have been larger. In 2010 the capacity range for newly installed PV could be between 350 and 500 MW.

There is quite a worry in the renewable energy community and namely at the Kyoto Club, that there is too much pressure from investors and businesses to install large PV systems. A tremendous amount of permit applications has been presented to Trasmissione Eletticità Rete Nazionale S.p.A (Terna), the Italian grid operator, to build large scale PV plants in Puglia (a region where the approval process has been simplified)

10 years Solarexpo

The next upcoming event on the topic of renewables in Italy will be Solarexpo International Exhibition & Conference on Renewable Energy & Distributed Generation taking place in Verona from **May 7 to 9, 2009**. During the 10th edition of Solarexpo market participants, representatives of associations and experts will exchange their views on photovoltaics, solar thermal, cogeneration, biomass, hydropower, windpower and geothermal energy.

With the included conference "Italian PV Summit" (on May 6 and 7) special emphasis is put on the prospects of the Italian PV market which will be outlined by international experts.

Outlook for 2010

PV by sectors for 2010	%
Fully-integrated PV	28
Partially-integrated	53
Non-integrated PV	19

EuPD Research expects 99 MW newly installed for 2010. About one third will be fully-integrated PV.

Source: EuPD Research

and 12,000 MW have been requested by developers, but only a portion of that will ever be permitted. Only 10 % of these plants would however be eligible for realization based on the decree from February 2007.

In Sicily even larger plants of 100 MW have been proposed. International companies are reacting to the new trend and are opening offices in Italy or transferring their headquarters to Italy from other European countries, since a reduction of incentives is expected in other countries such as Spain. This could also lead to an oversupply of PV panels for the Italian market. Italian regulators are trying not to repeat certain mistakes as not to give too much support to large PV plants, which would in turn increase the electricity bills for consumers.

There is in fact quite some similarity between the markets in Spain and in Italy: incentives are even better in Italy and the maximum size of large free PV plants is not limited. Moreover, the local additional incentives given by cities and some regional amendments by the parliament have been supported by the PV lobby. There is however still a hurdle to the actual installation of the plants, which are the bureaucratic issues in order to get a project approved. Certain regions (e. g. Puglia) have therefore initiated a deregulation to streamline the process for plants up to 1 MW.

Developers are purchasing the contracts in order to sell the projects to the highest bidders, where commissions of € 300,000 per MW have been re-

quested, but there are not too many developers, who are that desperate to actually pay these horrendous amounts to self proclaimed claim jumpers. On the other hand, the legislators have been encouraged to better the support for building integrated installations and for smaller plants, which are also more in line with the idea of distributed power generation.

"In Italy the growth is expected to be more substantial and longer lasting than in other key markets such as Germany and Spain", says Sarah Endres, Research Manager and Head of Product Management of EuPD Research, based upon the existing incentives.

The annual growth is expected to be 119 % whereas the overall European market is growing by 26 %. By 2010 Italy will catch up with Spain, which is close to 400 MW for newly installed PV per year. Fully-integrated PV could be close to 28 % of the total new PV capacity by 2010 and partially-integrated could reach 53 %, whereas non-integrated PV is close to 19 %. Italy could in fact be one of the largest markets for building-integrated PV with 28 % compared with France (25 %), Spain (only 10 %) and Germany (almost 39 %).

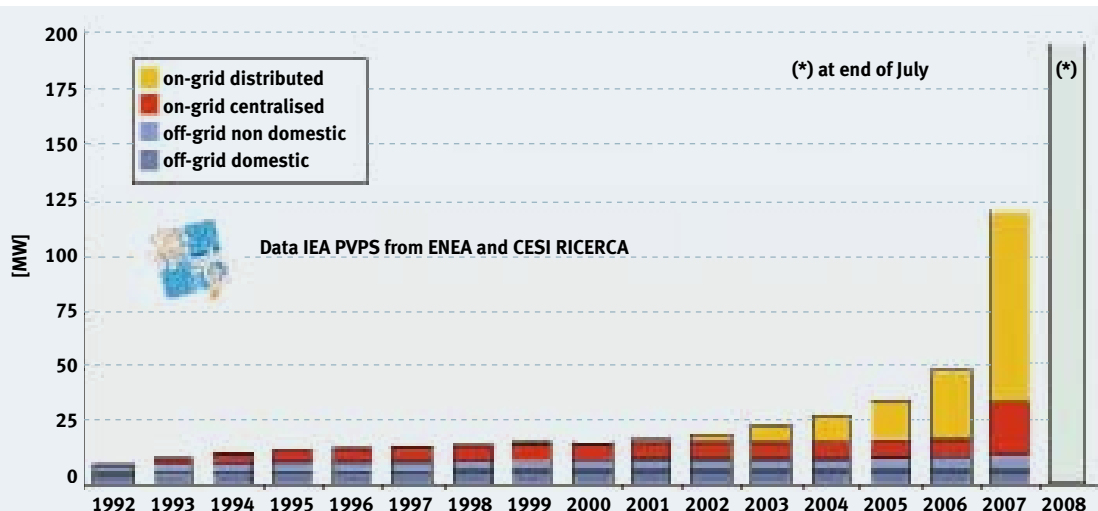
It is clear that private clients are interested in smaller plants and building-integrated plants, whereas commercial clients are looking to install more middle-sized plants. Investors, however, intend to build non-integrated larger plants, i. e. projects which are easier to find and better manageable. In Italy the public clients are looking for smaller to medium-sized plants in connection with public buildings.

The overall goal of the legislation Conto Energia is to achieve 3,000 MW of installed PV power by the end of the year 2016. The goal is attainable considering that, given the economic crisis in Italy, there is one more reason for companies to look at an additional source of income: solar power on their rooftops, on the buildings' façade and in other available areas.

Christian Tasser

Further information:
www.assosolare.org
www.solarexpo.com
www.italianpvsummit.com

PV growth in Italy



At the end of July 2008, earlier than expected, the total installed capacity was 200 MW.

Source: IEA, ENEA and CESI ricerca