

Electricity: Standard offer +18.2% in Q1 2025 for vulnerable customers

*The increase due to the dynamics of gas prices on the wholesale market:
geopolitical instability and winter temperatures weigh heavily.*

Expenditure in the rolling year will be € 523 (-2.1%)

Milan, 27 December 2024 - **In the first quarter of 2025, the electricity bill for the vulnerable 'average customer'¹ served under the Standard Offer service will increase by 18.2%.** Since last 1 July, in fact, the service has been available only to vulnerable customers, i.e. those who are meet at least one of the following conditions: aged over 75 years old, social bonus recipient, disabled person (art. 3, L. 104/92), resident in an emergency housing module or non-interconnected minor island, user of life-saving equipment. **Approximately 3.4 million customers are currently served under the Standard Offer service.** All vulnerable customers, even those currently in the free market, naturally have the right to switch to the Standard Offer service.

The increase for the coming quarter can be attributed to several factors: the continuing geopolitical tensions in some strategic areas and the seasonal rise in wholesale electricity prices, related to natural gas prices in the run-up to the winter season. An analysis of the individual components shows that the increase in expenditure is mainly due to electricity purchase costs and related equalisation (+16% overall) and dispatching costs (+2.4%). The changes in the other items substantially offset each other: general system charges recorded a decrease of 2.7%, while transmission and meter charges increased by 2.5%.

In spite of the increases, the annual expenditure for the vulnerable typical user under the 'Standard Offer' service will stand at € 523 in the period between 1 April 2024 and 31 March 2025². This value remains 2.1% lower than the € 534 recorded in the previous period (1 April 2023 - 31 March 2024).

From 1 January 2025, the reference price of electricity for the average customer will be **31.28 euro cents per kilowatt hour, including tax**, as follows:

Expenditure on energy:

- 16.64 euro cents (53.2% of the total bill) for energy procurement costs, up 36.2% compared to Q4 2024;
- 2.07 euro cents (6.6% of the total bill) for retail marketing, unchanged from Q4 2024.

Expenses for transport and meter management:

- 6.28 euro cents (20.1% of the total bill) for distribution, metering, transport, equalisation of transmission and distribution and quality services; up 10.6% compared with Q4 2024.

Expenditure on system charges:

- 3.22 euro cents (10.3% of the total bill) for system charges, down 16.7% from Q4 2024.

¹ These are vulnerable customers with a consumption of 2,000 kWh/year and a committed power of 3kW. The calculation for the vulnerable 'average customer', with consumption of 2,700 kWh/year and power of 3kW, is available on ARERA's website at: https://www.arera.it/dati-e-statistiche/dettaglio/aggiornamenti-delle-condizioni-di-tutela-elettricit?ADMCMD_prev=LIVE

² A rolling year is defined as the year consisting of the quarter being updated and the three preceding quarters, including considering the consumption associated with each quarter.

Taxes:

- 3.07 euro cents (9.8% of the total bill) for taxes including VAT and excise duties.

General system charges in Q1 2025

The A_{SOS} tariff component covering the general charges related to the support of renewable energies accounts for 92.20% of the general charges, breaking down as follows:

- 68.68% for renewable energy resource incentives (formerly A3 renewable part)
- 23.52% for benefits to energy-intensive companies (formerly Ae)

The A_{RIM} component, covering the remaining general charges, accounts for a total of 7.80% of the general charges and is broken down as follows:

- 0.62% for the promotion of energy efficiency (in connection with technological and industrial development measures - former share of UC7, now in the A_{SVRIM} element)
- 4.49% for special tariff schemes for universal and freight rail services (formerly A4)
- 2.69% for the electricity bonus (formerly the A_S component)

For Q1 2025, the elements A_{5RIM} , A_{uc4RIM} and A_{uc7RIM} were cancelled.

In relation to the A_{RIM} tariff component, it is recalled that the 2023 Budget Law provided for the transfer to general taxation of what are termed 'nuclear charges' (charges for the decommissioning of nuclear power plants and facilities and territorial compensation for local authorities hosting such plants and the national repository).

All updated electricity and gas bill figures are available at www.arera.it