



Rome, May 22nd, 2006

Prot. n. 003/2006

Re: Public Consultation on guidelines on Inter TSO Compensation

Dear Sir,

Our Association, which was established in 2003 by ENEL SPA, together with Assoelettrica and Federutility, believes that the following comments to the guidelines on Inter TSO Compensation are necessary.

As a principle, when a compulsory instead of a voluntary (as it is currently the case) system is adopted, the following points should be taken into account.

- No significant changes should be introduced if compared to the present system which, though it can be improved, has responded (as shown by the different voluntary adoptions) to the expectations of the operators both for the total amount of compensation and for the share of charges and benefits;
- new methods must not impose more charges than those which one country could bear by adopting a pancake tariff system, that the methods themselves tend to avoid in principle;
- new methods must be adopted in a very transparent way and its results should be checkeable in advance by the operators;



- reference to the current and incremental costs of the networks must be anticipated by a regulatory framework to make the criteria homogeneous; now, the existing differences between the criteria adopted are too remarkable as far as the extension of the networks and the RAB are concerned;
- with respect to the allocation of compensations, the different statements and approximations introduced in the model suggested, however, make it essential to introduce a testing period lasting one year before a decision is taken on how the method should be applied in a compulsory way.

Yours faithfully,


Giuseppe Carta
(President of UNEI)