

Introduction

On 8 April 2026, the Italian Parliament converted into law (the Law) the Law Decree of 20 February 2026, No. 21 (the Decree), concerning “urgent measures to reduce electricity and gas costs, enhance industrial competitiveness, support decarbonisation, address virtual congestion in the national electricity grid and integrate data centres into the electricity system”.

The Law introduced several amendments and additions to the original text of the Decree, as previously analysed [here](#). The Law has already entered into force upon publication in the Official Gazette.

This client alert provides a high-level overview of the most relevant changes arising from the parliamentary conversion process.

Electricity and Gas Costs

Extraordinary Support for Household Electricity Costs

Against the background described in the previous alert, additional safeguards were introduced in relation to the voluntary support mechanism. In particular, the Law clarifies that the granting of any supplementary contribution by electricity suppliers may not be made conditional upon the purchase of additional services or products, nor may it entail any adverse changes to the contractual terms.

In addition, Parliament introduced the new Article 1, Paragraph 8-*bis*¹, establishing a prohibition on unsolicited sales calls and text messages aimed at offering or concluding electricity and gas supply contracts. Any contracts entered through such unlawful practices are deemed null and void. End users may report infringements to the Italian Communications Regulatory Authority (AGCOM).

The prohibition will become effective 60 days after the entry into force of the Law.

Discounted Rates for District Heating Supply

The Law introduces further provisions aimed at extending existing support mechanisms and strengthening consumer protection. In particular, the new Article 1-*bis* introduces compensation measures for district heating (*teleriscaldamento*) costs.

The provision extends to district heating at the discounted rate regulated by Law Decree No. 185/2008, as subsequently converted into law with amendments, which previously applied only for energy and gas supplies.

Fairness, Transparency and Adequacy

New Articles 1-*ter*, 1-*quater*, 1-*quinquies* and 1-*sexies* introduce overarching principles of fairness, transparency and adequacy applicable to operators in the energy, natural gas and telecommunications sectors.

Furthermore, these provisions are complemented by specific rules aimed at enhancing consumer protection, and ensure transparency in supplier switching process.

Alternative Sources Support (ASOS) Reduction and Nondomestic Support Measures

The Law introduces targeted amendments to Article 2 of the Decree, specifically with respect to the early exit regime.

In particular, the threshold for qualifying as “integral refurbishment” has been lowered. Pursuant to the Law, the comprehensive refurbishment of the photovoltaic (PV) plants must ensure a minimum increase in production of 30% (as opposed to the previous threshold of 40% set out in the Decree), applicable to both ground-mounted and non-ground-mounted modules.

Renewable Energy

The Law introduces further clarifications and amendments to the guarantee mechanism, promoting long-term renewable electricity contracts, as set out in Article 4 of the Decree:

- SACE S.p.A. may issue guarantees in favour of GSE S.p.A. at market conditions, with a maximum coverage of 70% of the underlying exposure. Of the guaranteed amount, 20% is borne directly by SACE S.p.A., while the remaining 80% is covered by the Italian state.
- The maximum overall commitment remains capped at €250 million, financed through the fund established under Law Decree No. 23/2020.
- The operational procedures for the issuance of guarantees and insurance coverage are to be defined by specific agreement between GSE S.p.A. and SACE S.p.A.

Grid Connections

Also, Article 7 of the Decree is significantly amended and expanded in the course of the parliamentary conversion process. In particular:

- The Italian Parliament amended the definition of “intervention” (*intervento*), excluding from the scope of Legislative Decree No. 190/2024 certain activities related to the development and expansion of the national transmission network, as well as independently operated distribution networks.

¹ These measures amend the current Article 51 of the Italian Consumer Code.

- The Law now directly sets forth specific procedural rules applicable to the simplified authorisation procedure (PAS)². This includes (i) a mandatory 90-day deadline from receipt of the appropriate assessment (*valutazione di incidenza*), or building permit for submission of the PAS application, (ii) a mandatory 90-day deadline from the granting of the public concession (if any) for submitting the appropriate assessment application or obtaining the building permit, (iii) automatic expiry of the public concession (if any) in the event of failure to submit the required appropriate assessment or building permit within the relevant deadlines and (iv) extension of the prohibition on undertaking works incompatible with the project covered by the PAS, until the PAS or the single authorisation (AU) becomes effective.
- Furthermore, the simplified procedure is confirmed to also apply to the implementation of the intervention under Article 11-*quarter* of Legislative Decree No. 190/2024, regardless of the location of the works. For the purpose of calculating the time limits, reference is made to the later of (i) the date of acceptance of the connection solution, and (ii) the date of issuance of the relevant concession.

Data Centres

New Article 8, Paragraph 1-*bis* provides that, for the purpose of the single authorisation procedure for the construction, expansion and grid connection of data centres, it is sufficient for the project documentation to include a temporary medium-voltage grid connection solution.

This is without prejudice to the obligation to subsequently implement the final solution in accordance with the procedure established by the competent authority.

Tax

New Article 3-*bis* extends to 31 December 2026 (previously 31 December 2025), the deadline for cooperatives located in the provinces of Trento and Bolzano to qualify as historic concessionary cooperatives, as provided under Article 1, Paragraph 258, of Law No. 213 of 30 December 2023.

Biogas, Biomass and CCUS

Article 11 of the Decree is amended to introduce new Paragraph 1-*bis*, providing procedural simplifications for complex projects, with a view to ensuring an appropriate balance between environmental impacts and socio-economic benefits³. In particular:

- For complex projects implemented in sequential phases, where the Environmental Impact Assessment (EIA) application expressly covers the entire project lifecycle, the competent authority may issue a single environmental compatibility assessment (*giudizio di compatibilità ambientale*) covering all phases.

- The environmental impact assessment may be drafted based on estimates or models where final data are only available at the end of the research phase
- A favourable environmental compatibility decision must be subject to verification of such estimates and models, with the competent authority empowered to require any corrective measure

These provisions also apply to pending EIA procedures which, as of the date of entry into force of the Decree, have not yet resulted in a final environmental compatibility decision, provided that the project applicant submits updated documentation within 60 days from the entry into force of the Law of the Decree.

The Law further extends the deadline for the implementation of smart charging functionalities for private standard charging points from 30 June 2026 to 1 January 2027⁴.

Carbon Phase-Out

The Law introduces a new Article 5-*bis*, providing that all coal-fired power plants must cease operations by 31 December 2038.

The phase-out of coal-fired power plants is addressed in the national integrated interim report on energy and climate⁵.

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² Applicable in the cases set out by Article 4, Paragraph 12 and 12-bis of the Legislative Decree No. 190/2024, which govern the assessment procedure for projects subject to prior screening of appropriate assessment (*valutazione di incidenza*) under Article 5 of Presidential Decree No. 357 of 1997.

³ These measures are introduced through the amendment of Article 25 of Legislative Decree No. 152 of 3 April 2006.

⁴ The original deadline was established by Legislative Decree No. 199/2021 on the promotion of the use of energy from renewable sources.

⁵ Article 17 of EU Regulation No. 2018/1999.