



Italy: the world's largest residential pellet user

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organiza

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colaboran



Conferencia internacional
Mercado del Pellet doméstico



EUROPEAN PELLETCOUNCIL
A NETWORK OF
BIOMASS ENERGY EUROPE

○ Summary

- AIEL short presentation
- Air quality: main policy driver
- Market characteristics



THE ASSOCIATION OF BIOMASS VALUE CHAIN «FROM THE FOREST TO THE CHIMNEY»

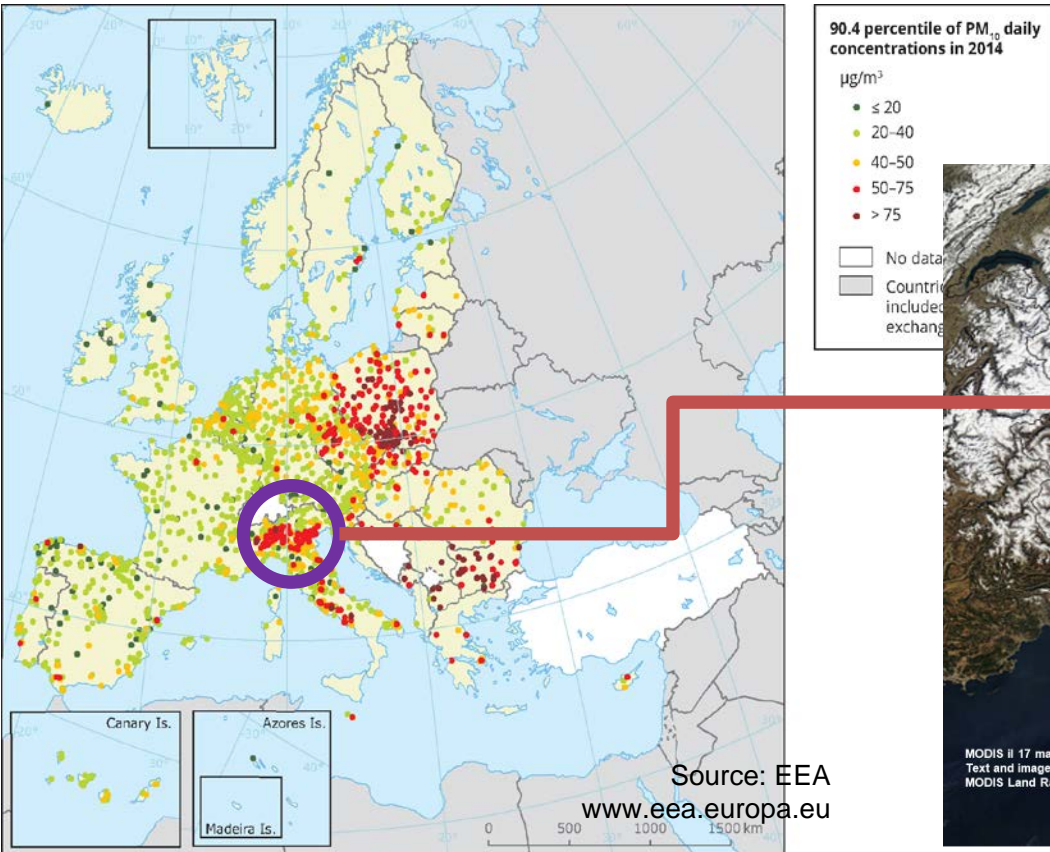




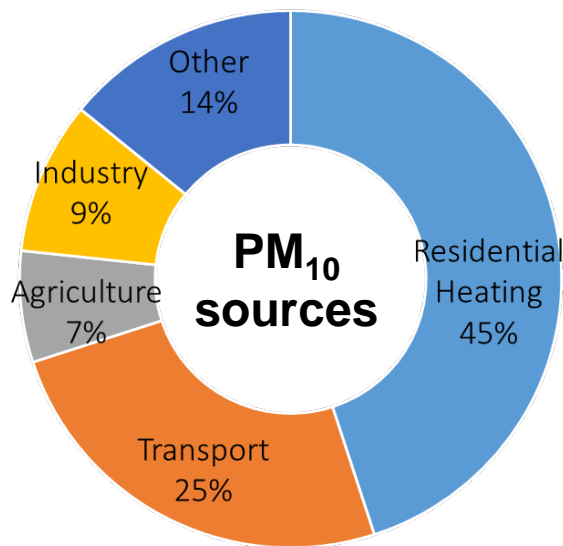
Air quality issue

Main policy driver surrounding the biomass heating sector

Air pollution: an Italian Issue



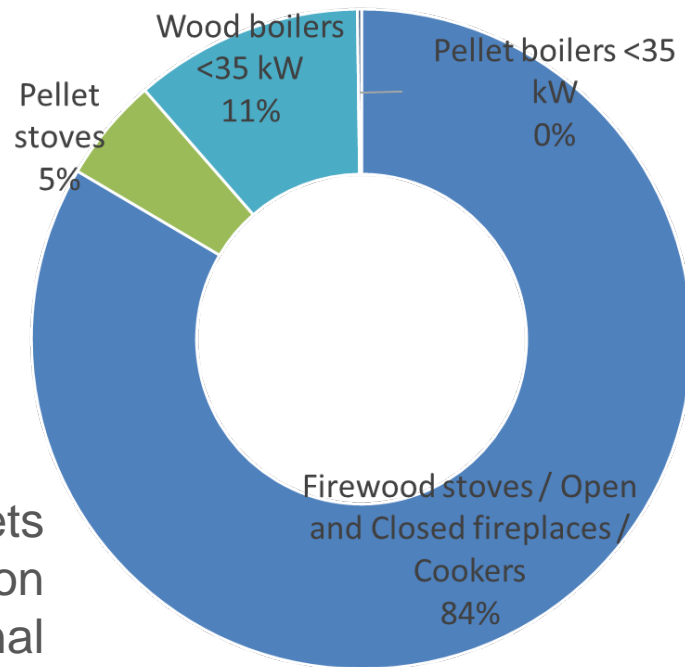
PM₁₀ sources in Italy



Source: ARPA Lombardia

97% from wood combustion

Pellets contribution is marginal



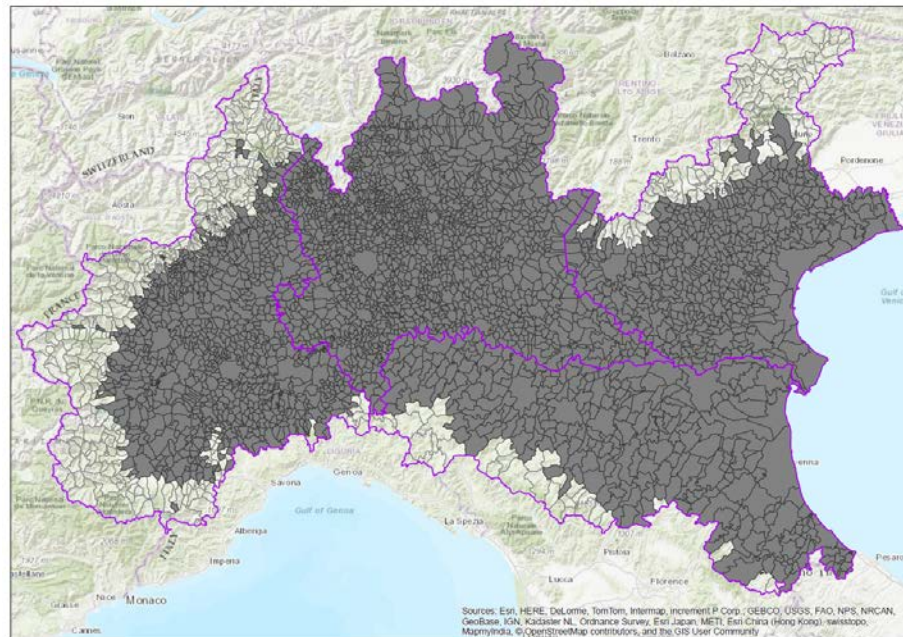
AIEL, 2016



Quality classification for biomass systems

- D.M. no. 186/2017: national law for the quality classification of biomass heating systems (residential wood and pellet stoves, fireplaces, cookers, biomass boilers)
- 5 parameters (PP, OGC, NO_x, CO, η) to define performances
- From ★★ to ★★★★★
- Quality class appointed by a Notified Body (Environmental Certificate)
- Basis for all national policies for biomass premium market: national incentives, regional air quality plans, local measures...

Regional Policies



No. of Municipalities	3,165
No. of Inhabitants	23,100,000
Surface (km ²)	125,518

○ Binding measures for biomass heating

- **Since October 1st 2018 onwards**
- Switch on only ★★
- New installations ★★★
- Using only A1 certified pellets in all heating systems ≤ 35 kW

- **Since January 1st 2020 onwards**
- Switch on only ★★★
- New installations ★★★★★





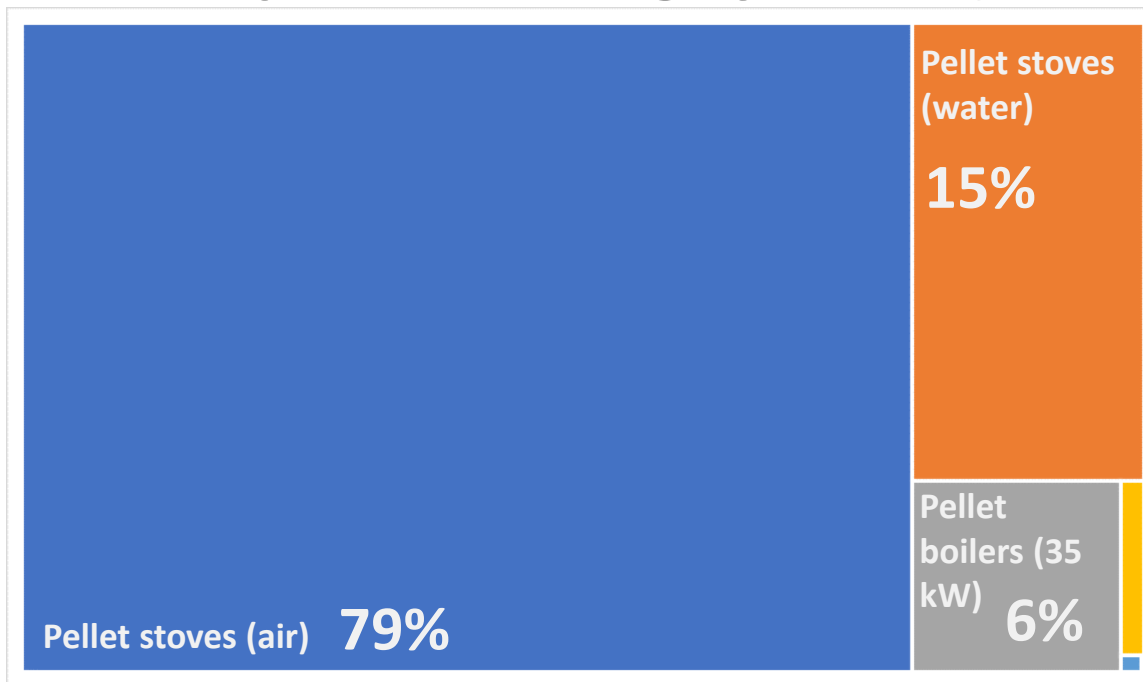
Market characteristics

What we know

○ Installed pellet systems

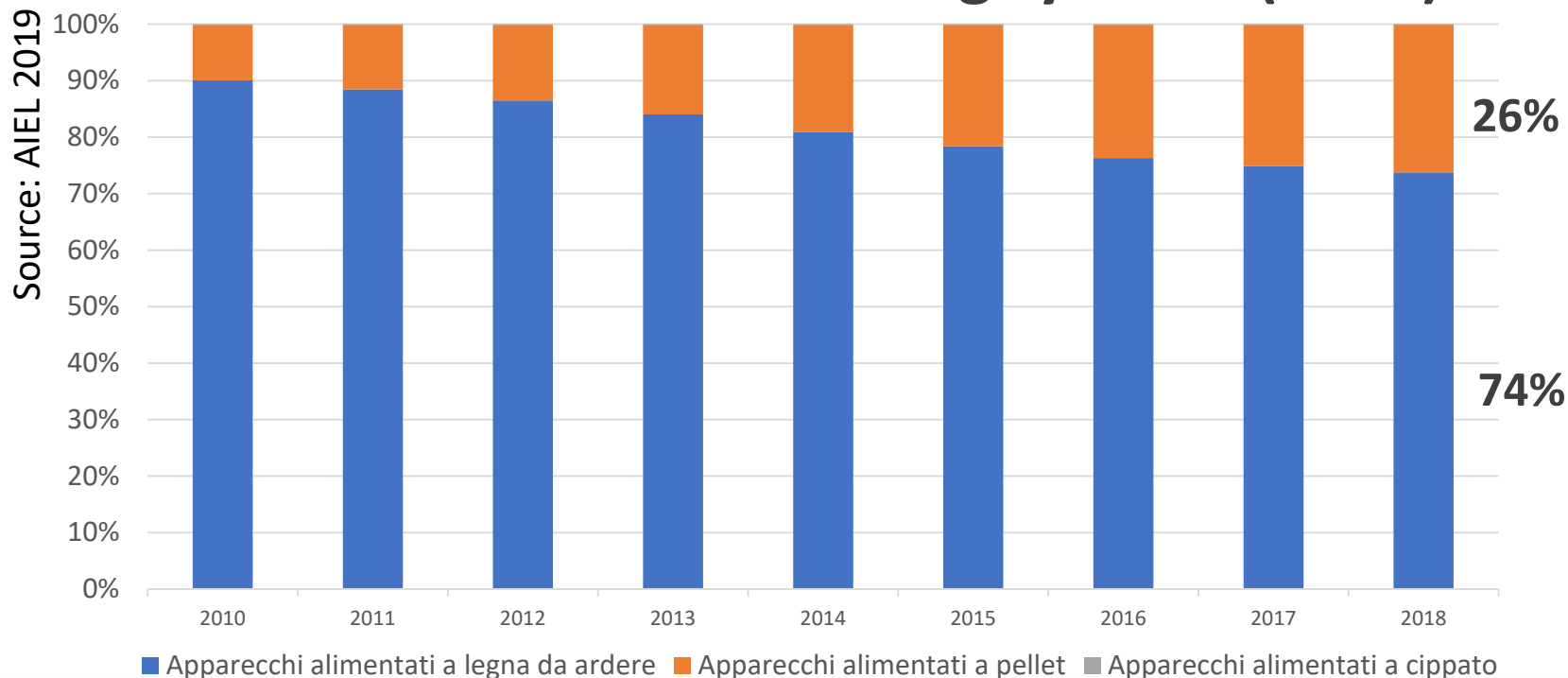
~ 2,5 M pellet heating systems (2018)

Source: AIEL 2019

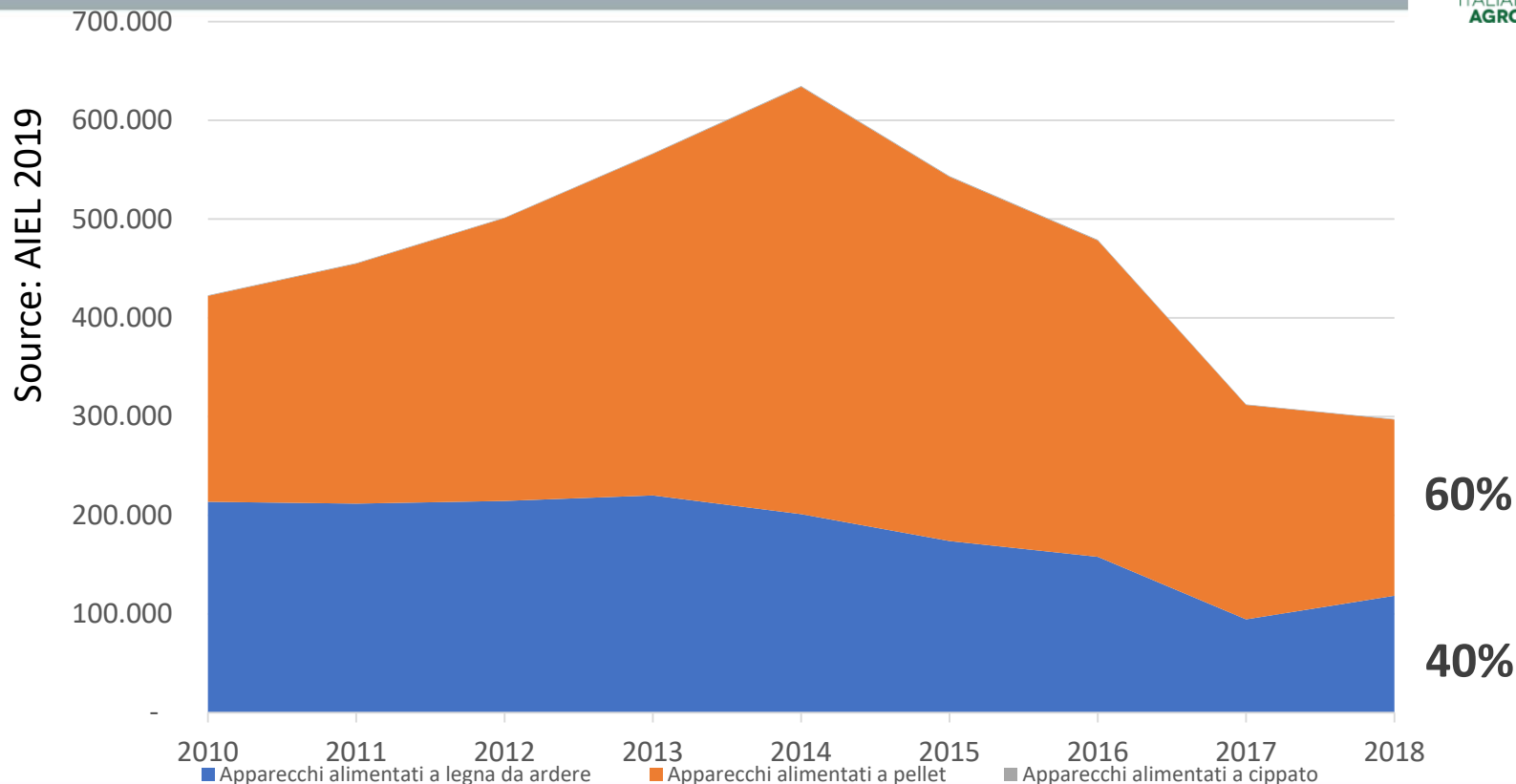


Pellet vs Wood Installations

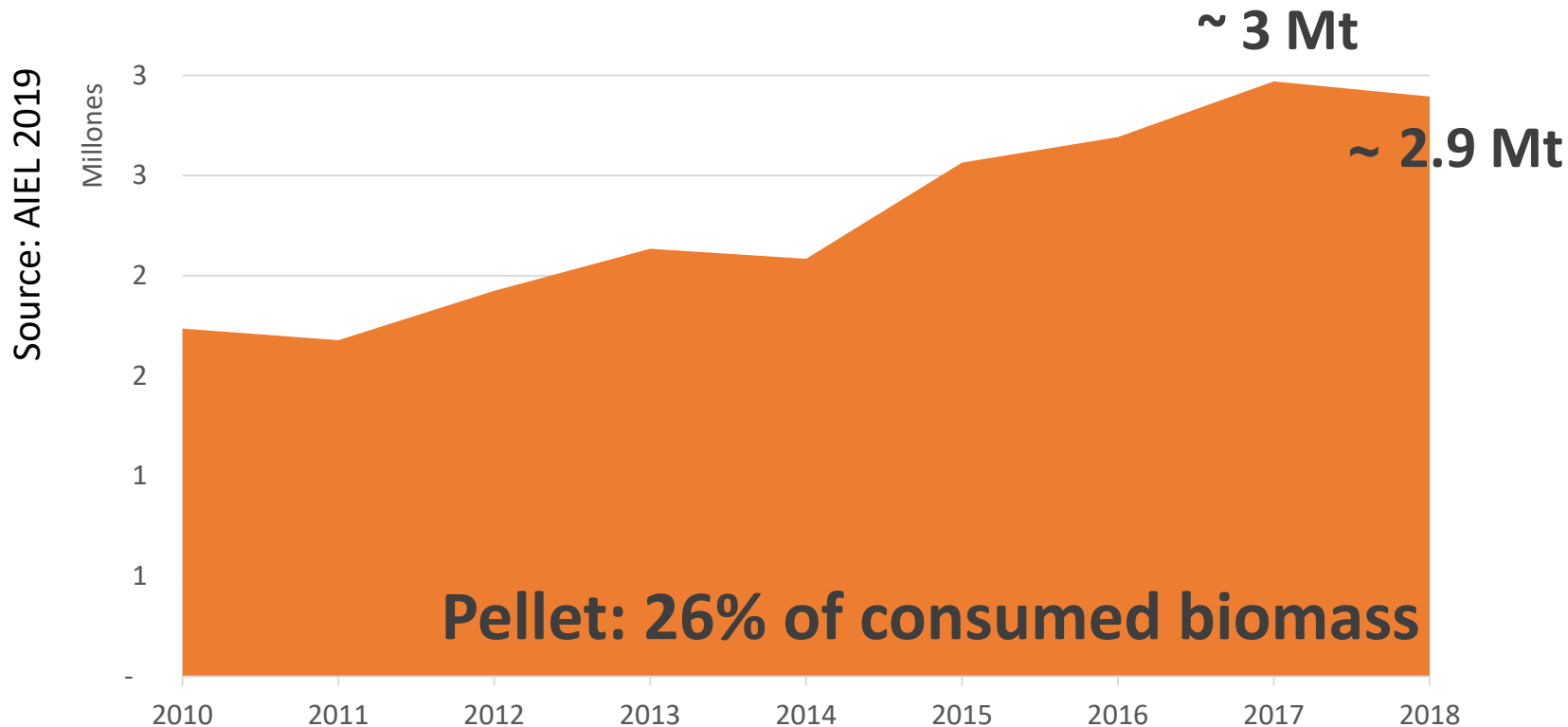
~ 10 M biomass heating systems (2018)



Pellet vs Wood sales



Pellet Consumption



○ A mystery tale

Let's assume that

Import + Domestic production = Consumption

2017

- **Import: 1.8 Mt**
(Source: UNcomtrade)
- **Production: 0.4 Mt**
(Source: FAOSTAT)
- **Consumption: 3 Mt**
(Source: ISTAT 2013 + AIEL)



Where did 0.8 Mt go?!

Quality of Consumed Pellet

Source: AIEL 2019

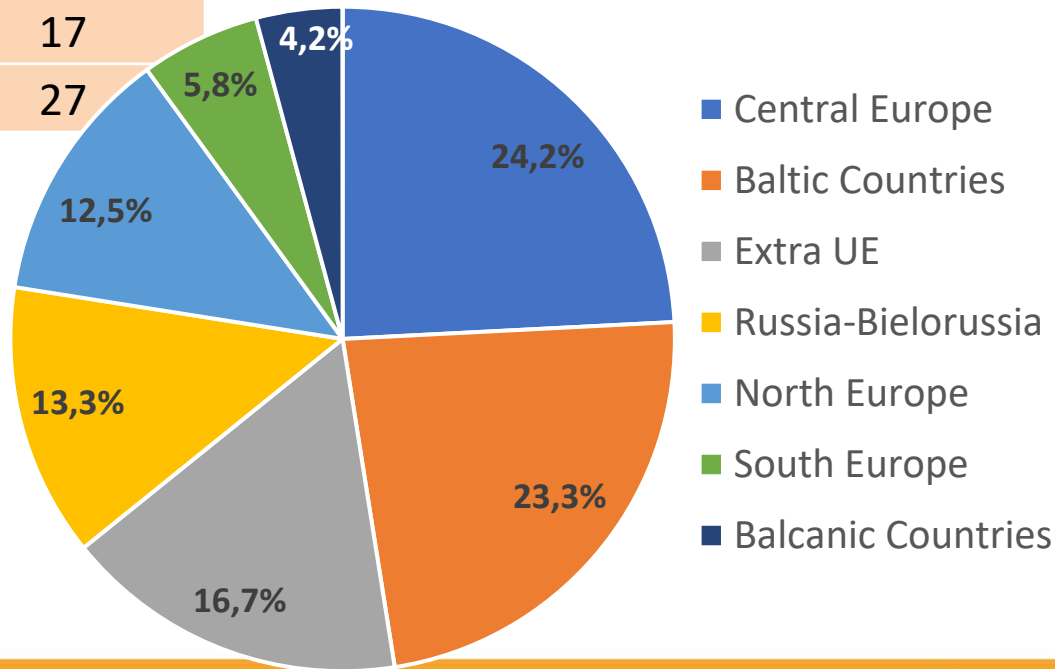
	Bagged pellets	Bulk, big bags*	Silo trucks	TOTAL
ENplus® A1	76,42%	1,84%	7,32%	85,58%
ENplus® A2	8,97%	0,03%	0,36%	9,36%
Not cert.	3,95%	1,11%	0,01%	5,07%
TOTAL	89,33%	2,97%	7,69%	100,00%



* Bulk, big bags: possible double counting

Supply Channels

Suppliers	120
- Producers	103
- Traders	17
Countries	27

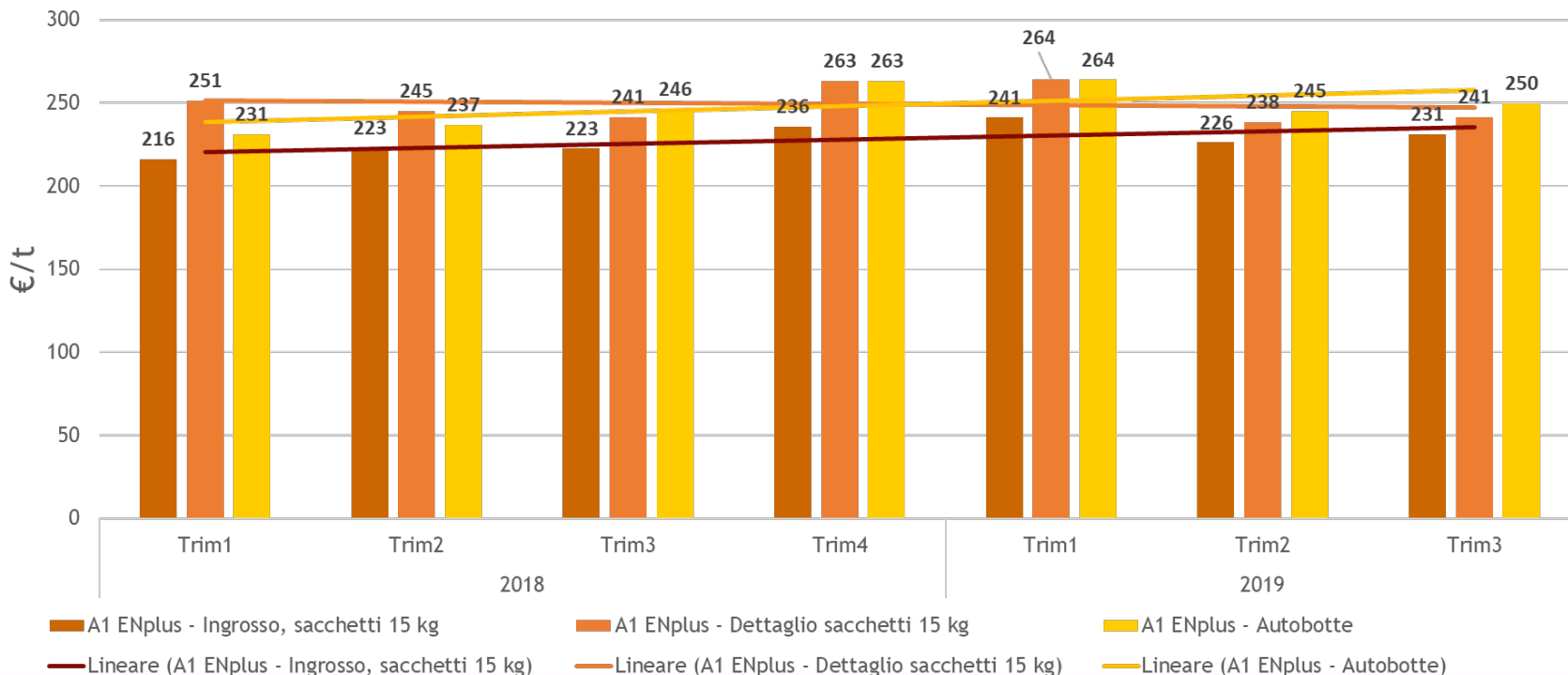


Source: AIEL 2019

○ Pellet price

ANDAMENTO DEI PREZZI DEL PELLETT ENplus® A1 (2018-2019)

Prezzo franco partenza, IVA esclusa



Market trends

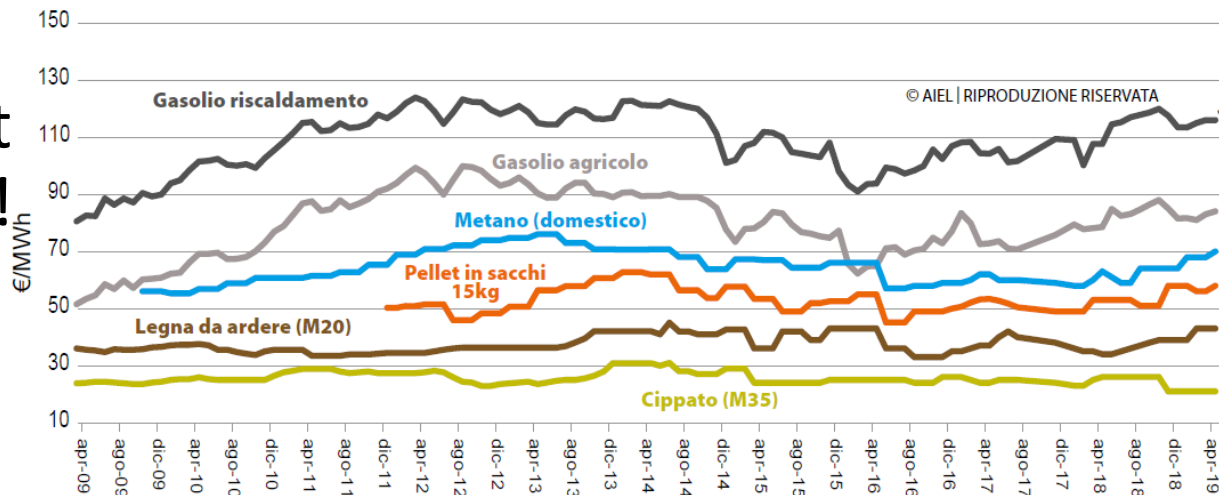
2017/2018 cold (!), 2018/2019 warm (!)

Shortage: solved.

Prices & Companies: stable (selling) VS. decreasing (buy)

Eyes on 2019-2020 winter!!

Natural gas vs. pellet
Same price patterns!



Source: AIEL 2019



Gracias por su atencion

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