

Monthly Report on the Electricity System

January 2026



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1 Energy Balance Sheets

In January 2026, electricity demand came to 28,041 GWh, an increase over both the same month of the previous year (+4.1%) and January 2024 (+5.0%). There was also a drop in foreign exchange (-33.2%) compared to the same month of 2025.

This was achieved with one less working day (20 vs 21), and with an average monthly temperature approximately 1.7°C lower than January 2025. . When adjusted for calendar and temperature effects, the figure for electricity demand brings the variation to +2.8%.

The trend for January 2026 (compared to January 2025) showed an increase (+3.8%) with raw data.



2 Electricity System

In January 2026, 57.0% of electricity demand was met via non-renewable energy sources, 31.7% via renewable energy sources, and the remainder via foreign exchange. In January 2026, production from Renewable Energy Sources increased (+2.0%) compared to the same month of the previous year.

In January 2026, the operating capacity of renewables increased by 474 MW. This value is 213 MW lower (-31.0%) compared to the same month of the previous year.

In January 2026, photovoltaic operating capacity increased by 333 MW. The increase during the same month of 2025 was 419 MW, therefore resulting in a negative difference of -86 MW (-20.6%).

In January 2026, wind operating capacity increased by 139 MW. During the same month of 2025, the increase was 2 MW; therefore, this figure has been exceeded by 137 MW.



3 Electricity Market

The January 2026 total for withdrawal programmes on the DAM was approximately €3.4 Bn (+24% compared to the previous month and -3% compared to January 2025).

In January 2026, the spread between bid-up and bid-down prices on the DSM was €98/MWh, (-4 % compared to the previous month and -14% compared to January 2025). Total volumes increased compared to the previous month (+8%).

The spread between bid-up and bid-down prices on the BM was €141/MWh, (+12% compared to the previous month and -21% compared to January 2025).

Total volumes increased compared to the previous month (+17%).



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Monthly summary and economic note

In January, electricity demand came to 28,041 GWh, an increase over both the same month of the previous year (+4.1%) and over December 2023 (+5.0%). There was also a drop in foreign exchange (-33.2%) compared to the same month of 2025.

Demand breakdown – coverage by sources

[GWh]	Jan 2026	Jan 2025	% 26/25	Jan-Jan 26	Jan-Jan 25	% 26/25
Renewable Hydro	2,503	2,885	-13.2%	2,503	2,885	-13.2%
Pumping Production ⁽²⁾	128	86	48.8%	128	86	48.8%
Thermal	17,237	14,777	16.6%	17,237	14,777	16.6%
of which Biomass	1,164	1,250	-6.9%	1,164	1,250	-6.9%
of which Hard Coal	145	250	-42.2%	145	250	-42.2%
Geothermal	445	455	-2.2%	445	455	-2.2%
Wind	2,999	2,580	16.2%	2,999	2,580	16.2%
Photovoltaic	1,762	1,529	15.2%	1,762	1,529	15.2%
Stand alone energy storage	185	39	374.4%	185	39	374.4%
Net Total Production	25,259	22,351	13.0%	25,259	22,351	13.0%
Stand alone energy storage absorption	213	43	395.3%	213	43	395.3%
Pumping	183	123	48.8%	183	123	48.8%
Net Total Production for Consumption	24,863	22,185	12.1%	24,863	22,185	12.1%
of which RES ⁽³⁾	8,873	8,699	2.0%	8,873	8,699	2.0%
of which not RES	15,990	13,486	18.6%	15,990	13,486	18.6%
Import	3,775	5,141	-26.6%	3,775	5,141	-26.6%
Export	597	383	55.9%	597	383	55.9%
Net Foreign Exchange	3,178	4,758	-33.2%	3,178	4,758	-33.2%
Electricity demand ⁽¹⁾	28,041	26,943	4.1%	28,041	26,943	4.1%

In January 2026, photovoltaic production (+15.2%), thermoelectric production (+16.6%) and wind production (+16.2%) were up, while hydroelectric production was down (-13.2%) compared to the same month of the previous year.

In 2026, there has been no change to the increase in exports (+55.9%) compared to 2025. The trend in total net production for consumption in November was up (+12.1%) compared to the same month in 2025.

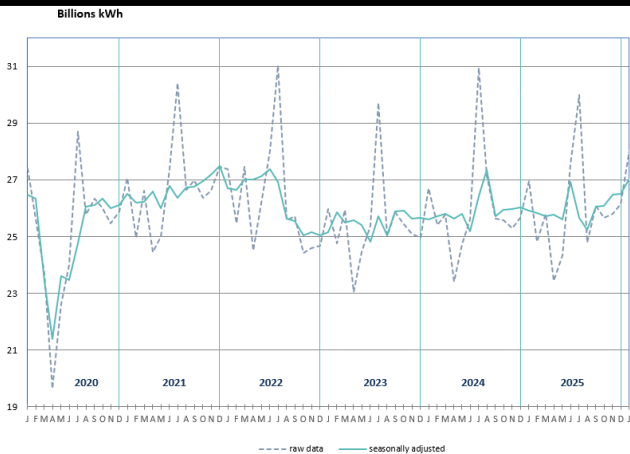
- (1) Electricity demand = Total net production for consumption + Foreign exchange, where Total net production for consumption = Total net production - energy for pumping
(2) Production rate by pumping, calculated with the theoretical average yield from absorption
(3) RES Production = Renewable Hydroelectric + Biomass + Geothermal + Wind + Photovoltaic

Source: Terna

This was achieved with one less working day (20 vs 21), and with an average monthly temperature approximately 1.7°C lower than January 2025. When adjusted for calendar and temperature effects, the figure for electricity demand brings the variation to +2.8%.

The short-term data, adjusted for calendar and temperature effects, resulted in a change of +2.1% for January 2026.

Demand – seasonality adjusted



When adjusted for seasonal, temperature and calendar effects, there is a change of +2.1% compared to the previous month

Source: Terna

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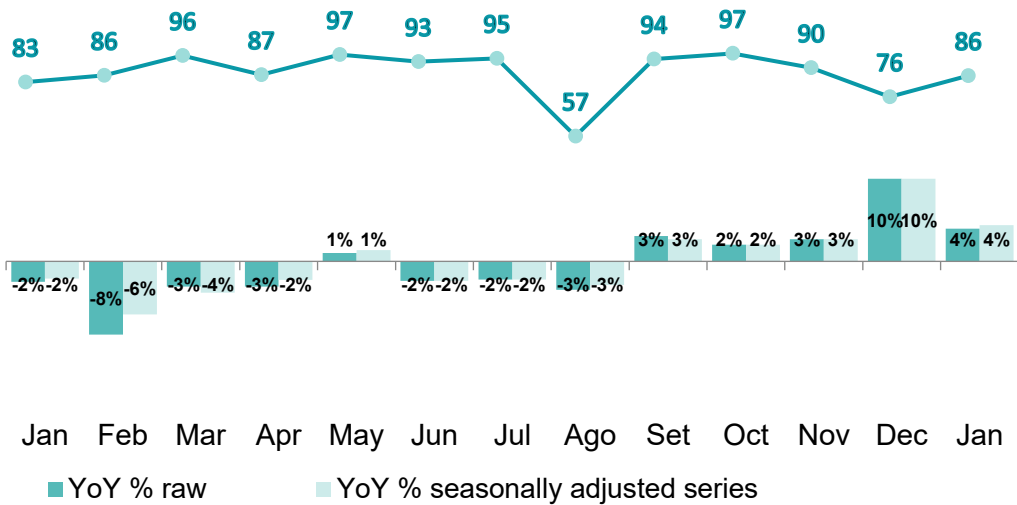
Energy Balance Sheets

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IMCEI

The variation for January 2026 (compared to January 2025) was positive (+3.8%) based on the raw data; using the data adjusted for calendar effects, the change comes to +4.2%.

IMCEI short-term analysis (2015 base = 100)

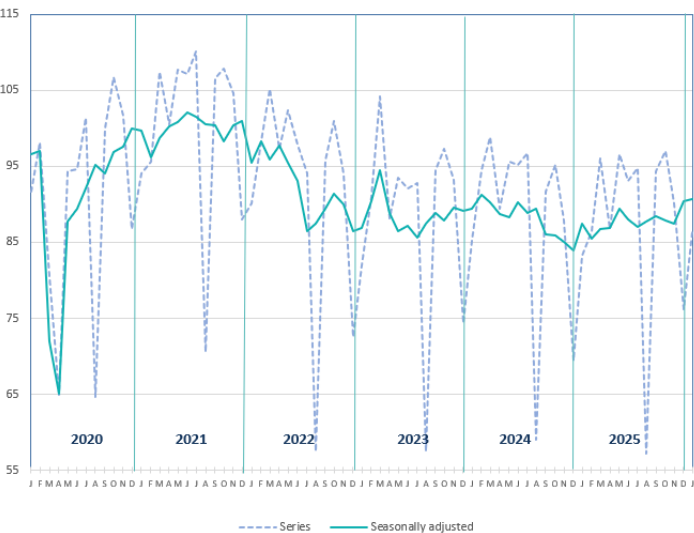


In January, the variation in Italy's monthly electricity consumption index was positive compared to January 2025

Source: Terna

The short-term data, adjusted for seasonal and calendar effects, showed a stable figure for January compared to December (+0.3%).

Monthly Industrial Electrical Consumption Index - IMCEI (2015 base = 100)



When adjusted for seasonal and calendar effects, the January monthly figure remained stable compared to the previous month (+0.3%)

Source: Terna

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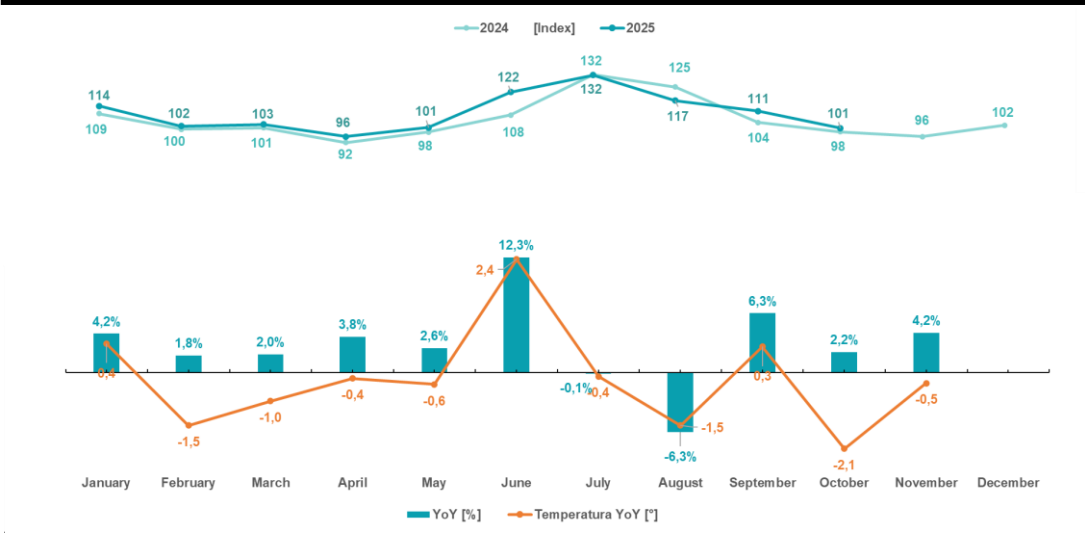
Energy Balance Sheets

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IMSER

The annual trend for November 2025 (compared to November 2024) increased by +4.2% with raw data. During the period January-November 2025, electricity consumption in the services sector increased overall by +2.8% compared to the same period of 2024. The average temperature for the month of November 2025 was 0.5°C lower than in November 2024.

Monthly Service Sector Consumption Index (basis 2021 = 100)

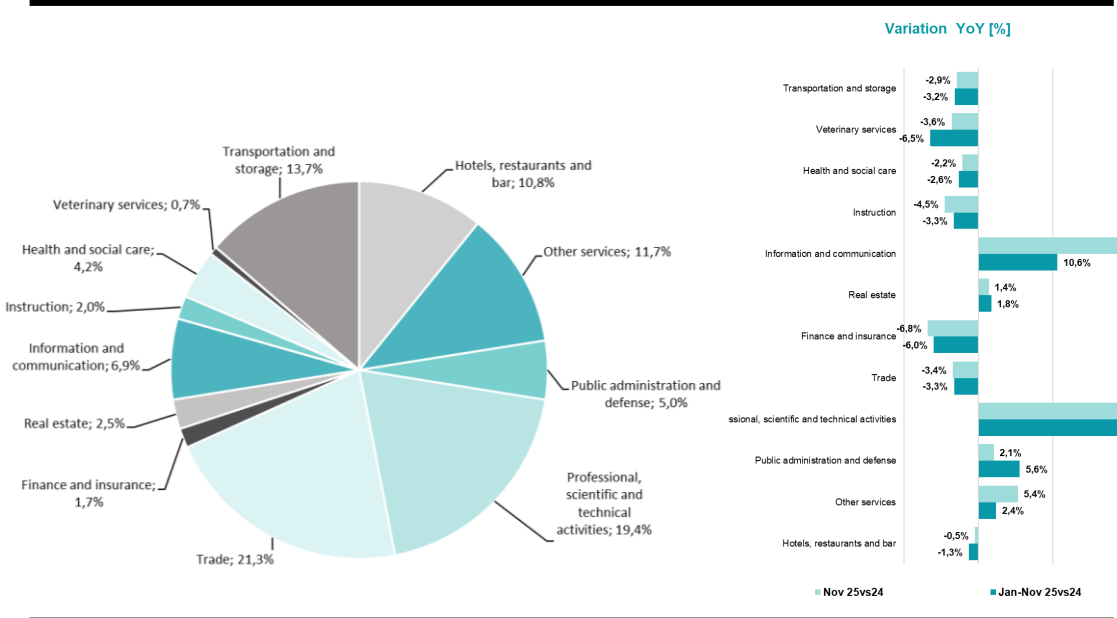


In November, the change in the monthly service sector electricity consumption index increased by +4.2% compared to November 2024

Source: Terna elaboration of data based on a sample of distributors

Specifically, all categories decreased in November 2025 compared to November 2024, aside from Professional, Scientific and Technical Activities; Information and Communication; Other Services; Public Administration and Defence; and Real Estate. During the first eleven months of the year 2025, all categories decreased compared to the same period of 2024, aside from Professional, Scientific and Technical Activities; Information and Communication; Other Services; Public Administration and Defence; and Real Estate.

IMSER sector analysis (basis 2021 = 100) - YOY change



The cumulative figure for January-November 2025 was up (+2.8%) compared to the same period in 2024.

Source: Terna elaboration of data based on a sample of distributors

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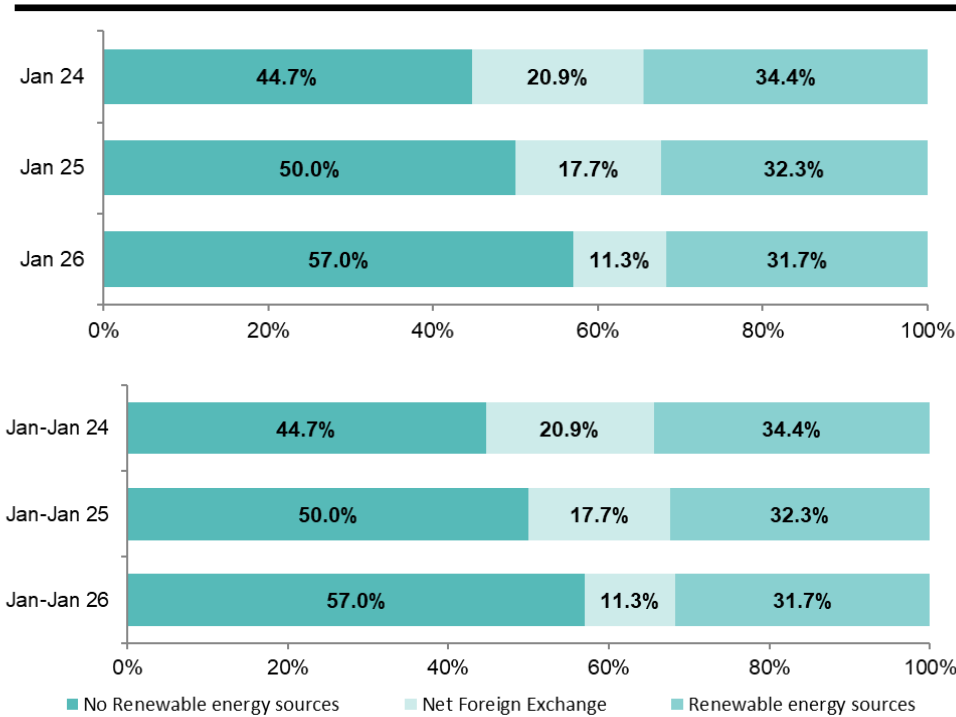
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Energy Demand Mix

In January 2026, 57.0% of electricity demand was met via non-renewable energy sources, 31.7% via renewable energy sources, and the remainder via foreign exchange.

Demand breakdown – coverage by sources

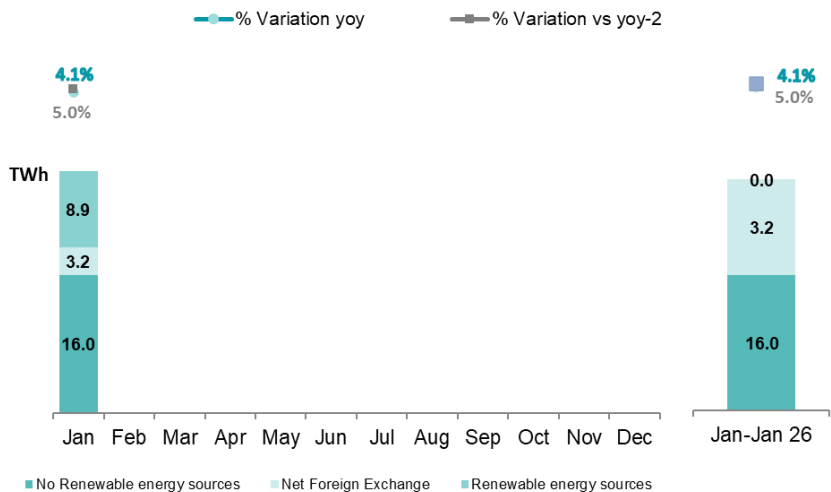


Coverage of demand from renewable sources comes to 31.7 %, down from the same month of the previous year

In 2026 coverage of demand from non-renewables increased from 50.0% in 2025 to 57.0% in 2026

Source: Terna

2025 trend in demand breakdown and difference from 2024 and 2023



In 2026, electricity demand on the grid has been higher than during the same period of 2024 (+4.1%), and up compared to the cumulative figure for 2024 (+5.0%). In January 2026, energy production from renewable sources totalled 8.9 TWh, up compared to January 2025 (+2.0%)

Source: Terna

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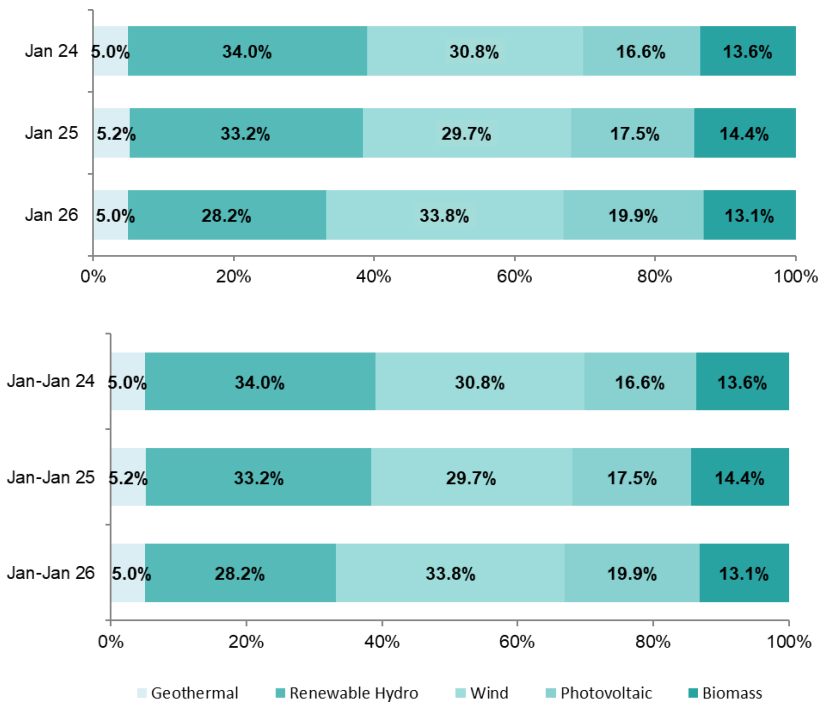
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Details of Renewable Energy Sources

In January 2026, production from Renewable Energy Sources increased (+2.0%) compared to the same month of the previous year. Specifically, there was an increase in wind production (+16.2%), and in production from photovoltaic sources (+15.2%), with a decrease in renewable hydroelectric production (-13.2%).

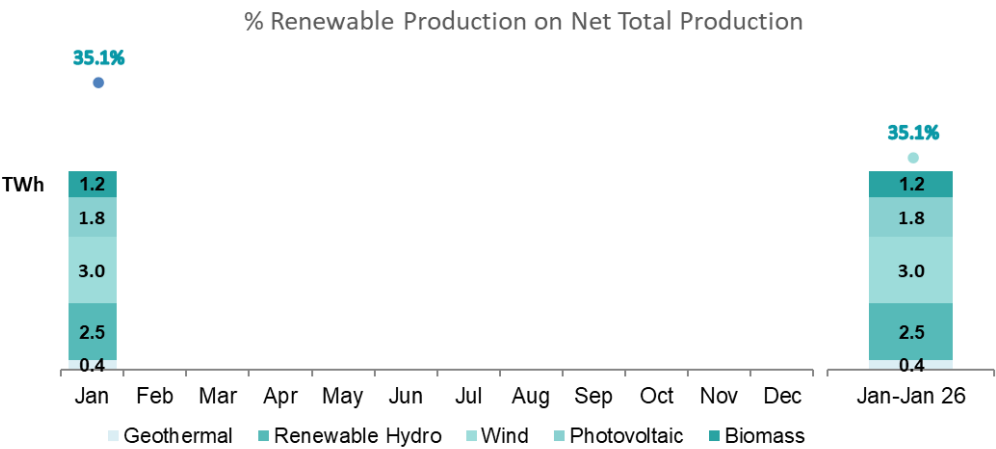
RES Production - Breakdown



In January 2026, the main contributors to production from renewable energy sources were wind production (33.8%) and renewable hydroelectric production (28.2%).

Source: Terna

2026 trend in net production from RES and difference from 2025



In January 2026, production from RES represented 35.1% of total net national production, a decrease compared to the same month in 2025 (38.9%).

Source: Terna

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Historical Energy Balance Sheets

In January 2026, total net production allocated for consumption (24,863 GWh) met 88.7% of national electricity demand (28,041 GWh).

2025 Historical Monthly Energy Balance Sheet

2026	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
[GWh]													
Renewable Hydro	2,503												2,503
Pumping Production ⁽¹⁾	128												128
Thermal	17,237												17,237
of which Biomass	1,164												1,164
of which Hard Coal	145												145
Geothermal	445												445
Wind	2,999												2,999
Photovoltaic	1,762												1,762
Stand alone energy storage	185												185
Net Total Production	25,259												25,259
Stand alone energy storage absorption	213												213
Pumping	183												183
Net Total Production for Consumption	24,863												24,863
of which RES ⁽²⁾	8,873												8,873
of which not RES	15,990												15,990
Import	3,775												3,775
Export	597												597
Net Foreign Exchange	3,178												3,178
Electricity demand ⁽³⁾	28,041												28,041

In 2026, net total production increased (+13.0%) compared to the same period in 2025.

Source: Terna

The developments in the monthly balance sheet for 2025 are provided below.

2025 Historical Monthly Energy Balance Sheet

2025	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
[GWh]													
Renewable Hydro	2,885	2,488	2,883	3,736	5,313	5,019	4,219	3,630	3,783	2,761	2,576	2,073	41,365
umping Production ⁽²⁾	86	81	176	213	239	130	133	159	106	117	99	88	1,626
Thermal	14,777	14,644	13,016	9,684	8,514	11,015	13,387	10,975	12,673	12,975	14,775	16,686	153,121
of which Biomass	1,250	1,285	1,374	1,324	1,354	1,308	1,293	1,241	1,223	1,295	1,355	1,397	15,699
of which Hard Coal	250	270	259	238	238	238	209	232	212	246	354	229	2,975
Geothermal	455	406	448	440	451	424	440	445	427	440	436	448	5,260
Wind	2,580	1,276	2,242	1,949	1,874	1,227	1,838	1,503	1,254	2,341	1,804	1,472	21,360
Photovoltaic	1,529	2,067	3,419	4,349	5,039	5,659	5,565	5,109	4,181	3,321	2,283	1,773	44,294
Stand alone energy storage	39	51	89	106	113	102	116	121	177	202	171	172	1,459
Net Total Production	22,351	21,023	22,273	20,477	21,543	23,576	25,698	21,942	22,601	22,157	22,144	22,711	268,496
Stand alone energy storage absorption	43	58	102	119	127	117	132	142	199	230	194	195	1,658
Pumping	123	115	252	304	341	186	190	227	151	167	142	125	2,323
Net Total Production for Consumption	22,185	20,850	21,919	20,054	21,075	23,273	25,376	21,573	22,251	21,760	21,808	22,391	264,515
of which RES ⁽²⁾	8,699	7,522	10,366	11,798	14,031	13,637	13,355	11,928	10,868	10,158	8,454	7,163	127,978
of which not RES	13,486	13,318	11,553	8,256	7,044	9,636	12,021	9,645	11,383	11,602	13,354	15,229	136,526
Import	5,141	4,424	4,264	3,813	3,773	4,708	5,098	3,556	4,114	4,297	4,372	4,238	51,798
Export	383	364	383	424	512	439	493	346	293	386	392	494	4,909
Net Foreign Exchange	4,758	4,060	3,881	3,389	3,261	4,269	4,605	3,210	3,821	3,911	3,980	3,744	46,889
lectricity demand ⁽³⁾	26,943	24,830	25,800	23,443	24,336	27,542	29,981	24,783	26,072	25,671	25,788	26,135	311,324

In 2025, the month with the highest demand for electricity was July, with 29,981 GWh

Source: Terna

(1) Electricity Demand = Net Total Production for Consumption + Foreign Balance
(2) Pumping production is calculated assuming theoretical efficiency during the pumping phase
(3) RES Production = Renewable Hydro + Biomass + Geothermal + Wind + Photovoltaic

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In January 2026, there was an increase in demand in the Northern zone (TO, MI, VE), in the Centre (RM, FI), in the Southern zone (NA) and on the Islands (PA-CA) compared to the same period of the previous year.

Demand by Operational Area

[GWh]	Turin	Milan	Venice	Florence	Rome	Naples	Palermo	Cagliari
January 2026	2,949	6,741	3,749	4,277	3,939	3,986	1,671	729
January 2025	2,856	5,885	4,138	4,130	3,725	3,890	1,601	718
% January 26/25	3.3%	14.5%	-9.4%	3.6%	5.7%	2.5%	4.4%	1.5%
Cumulated 2026	2,949	6,741	3,749	4,277	3,939	3,986	1,671	729
Cumulated 2025	2,856	5,885	4,138	4,130	3,725	3,890	1,601	718
% Cumulated 26/25	3.3%	14.5%	-9.4%	3.6%	5.7%	2.5%	4.4%	1.5%

In 2026, the Y-o-Y percentage change in demand is +4.3% in the North, +2.5% in the South, +3.5% on the Islands and +4.6% in the Centre.

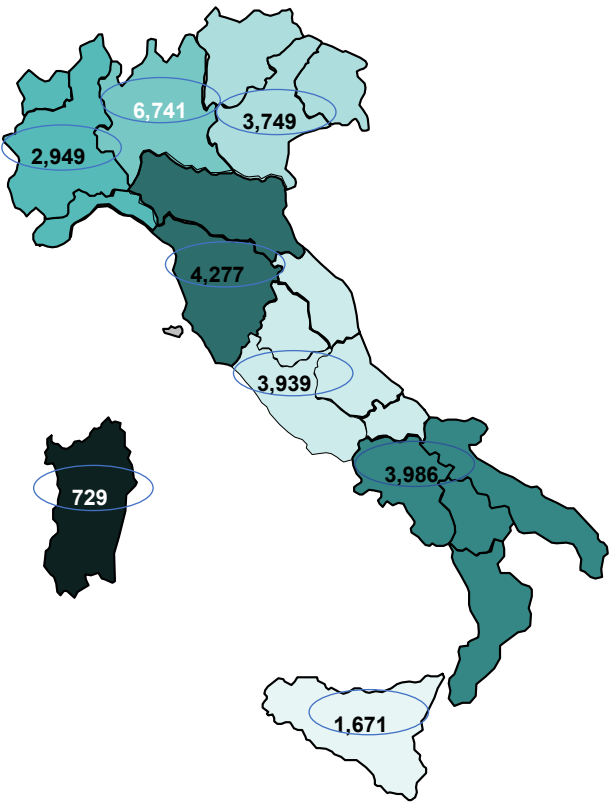
Source: Terna

Demand by Operational Area – Map Chart

[GWh]
[GWh]

The regions are combined in clusters on the basis of production and consumption:

- TURIN: Piedmont - Liguria - Valle d'Aosta
- MILAN: Lombardy (*)
- VENICE: Friuli Venezia Giulia - Veneto - Trentino Alto Adige
- FLORENCE: Emilia Romagna (*) - Tuscany
- ROME: Lazio - Umbria - Abruzzo - Molise - Marche
- NAPLES: Campania - Apulia - Basilicata - Calabria
- PALERMO: Sicily
- CAGLIARI: Sardinia



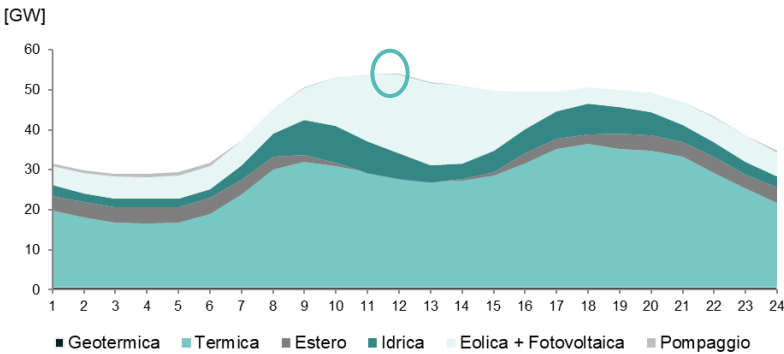
Source: Terna

(*) In these two regions, the geographical borders do not correspond to the electrical borders. Lombardy includes production plants that are part of the geographical administrative territory of Emilia-Romagna.

Peak Demand

In January 2026, peak demand was recorded on **Thursday 08 January between 11:00 and 12:00** at 53,912 MW (+3.6% Y-o-Y). The hourly demand diagram of the peak day is presented below.

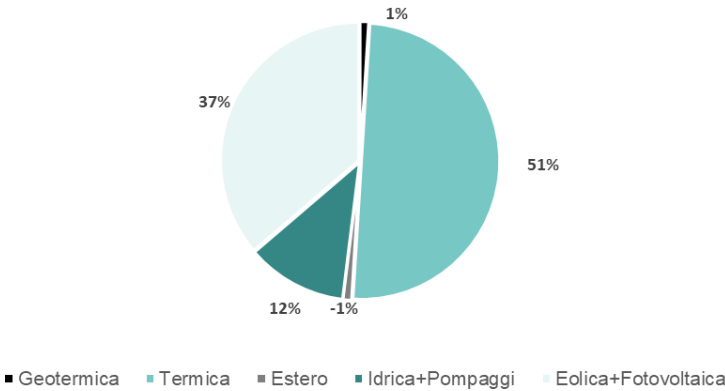
Peak Demand



Source: Terna

At peak, the contribution from thermal production was 27,454 MW, up (-18.1%) compared to the contribution from thermal production at the January 2025 peak (23,240 MW).

Coverage of demand - 08 JANUARY 2026, 11:00 - 12:00



Source: Terna

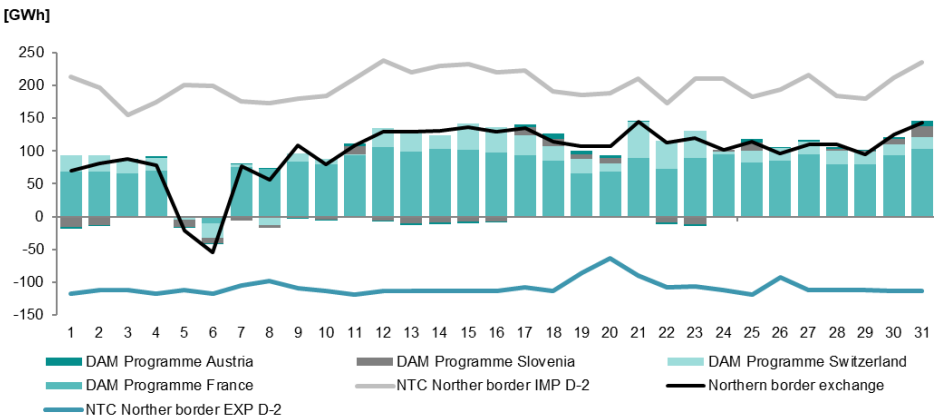
At its peak, production from wind and photovoltaic sources contributed to covering 37% of demand, with thermal production covering 51% and foreign exchange covering -1%.

(1) Electricity Demand = Net Total Production for Consumption + Foreign Balance
(2) Pumping production is calculated assuming theoretical efficiency during the pumping phase
(3) RES Production = Renewable Hydro + Biomass + Geothermal + Wind + Photovoltaic

Net Foreign Exchange – December 2025

In January, there was good saturation of the planned figure for imported NTC compared to the exchange programmes on the Northern border.

Net Foreign Exchange on the Northern border



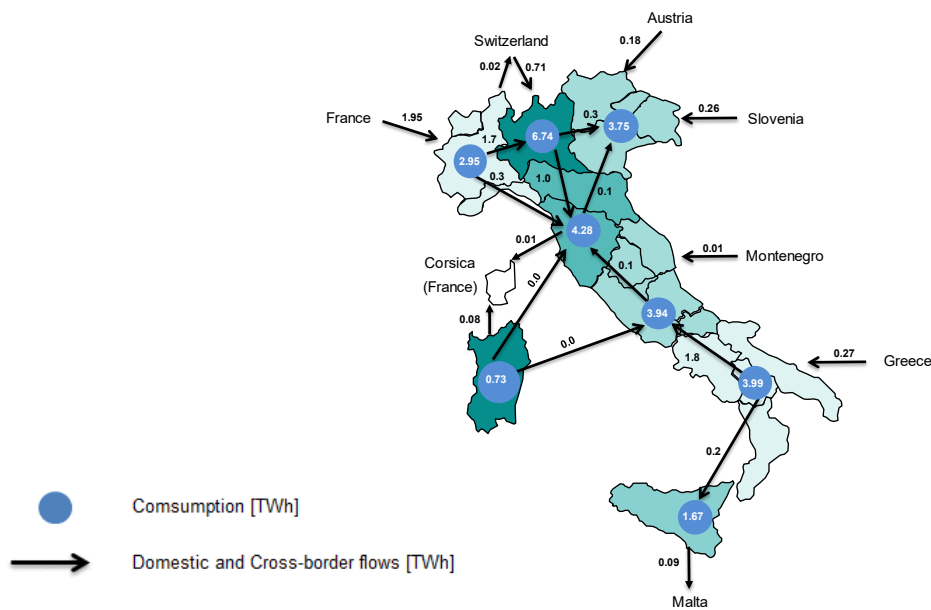
In January 2026, imports decreased Y-o-Y (-26.6%), amounting to 3,775 GWh, while exports increased Y-o-Y (+55.9%), amounting to 597 GWh.

Source: Terna

Balance of Physical Exchanges – Annual Cumulative Figure

The balance of physical electricity exchanges mainly shows the energy flows among the various areas identified in the Italian electricity system.

Balance of physical electricity exchanges: map



In the month of January 2026, a net exchange of 1.17 TWh was recorded from the Northern zone to Emilia Romagna and Tuscany. The mainland recorded an exchange towards Sicily of 0.21 TWh.

Source: Terna

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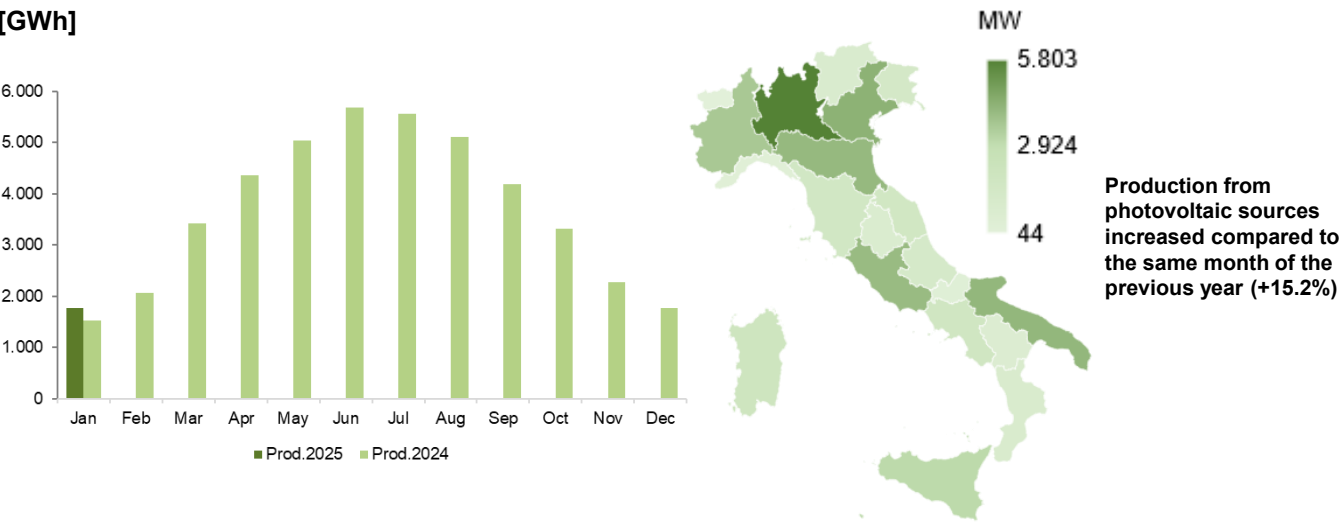
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Production and Installed Capacity

Energy produced from photovoltaic sources in January 2026 reached 1,762 GWh, an increase compared to the same month of the previous year (+233 GWh).

Photovoltaic production (left) and distribution of operating capacity¹ (right)

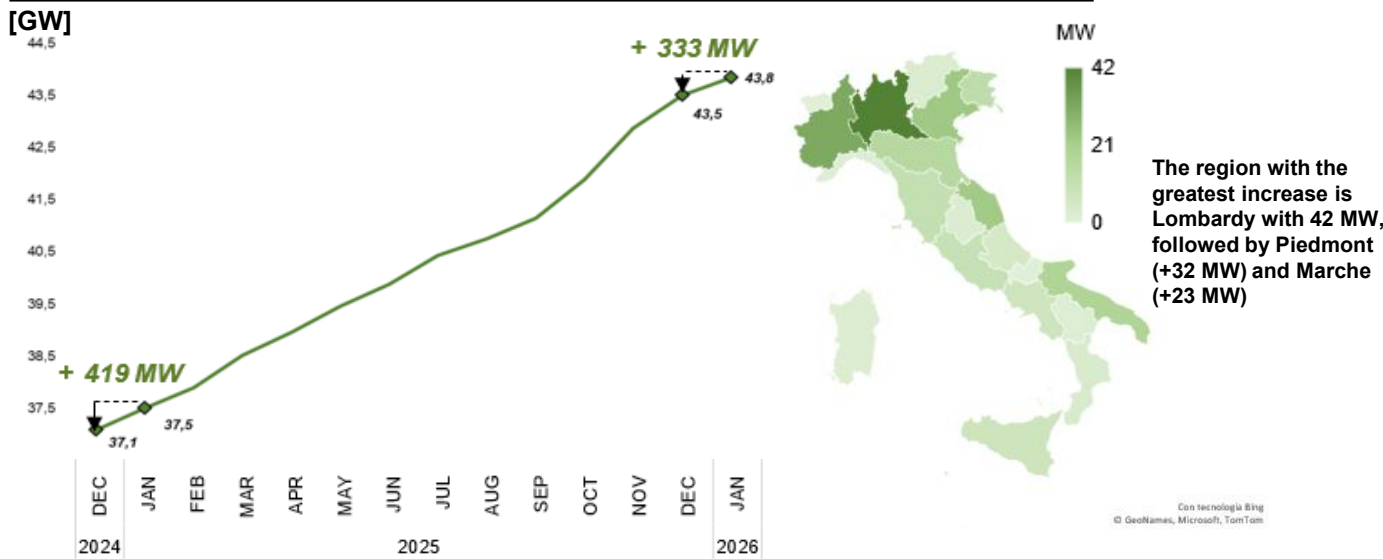


1. The operating capacity takes into account new activations, upgrades and decommissioning of plants

Source: Terna

In January 2026, the operating capacity increased by 333 MW. The increase during the same month of 2025 was 419 MW, therefore resulting in a negative difference of -86 MW (-20.6%).

Cumulative operating capacity (left) and distribution of new activations 2025 (right)



Source: Terna

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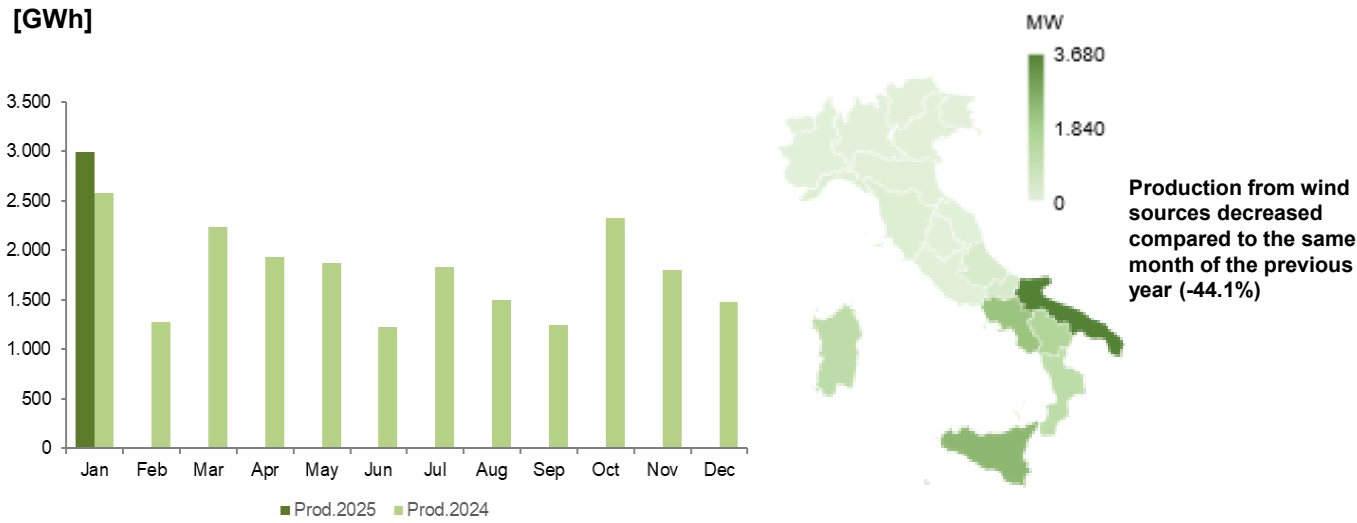
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Energy produced from wind production sources in January 2026 reached 1,726 GWh, an increase compared to the same month of the previous year (+419 GWh).

Wind production (left) and distribution of operating capacity¹ (right)

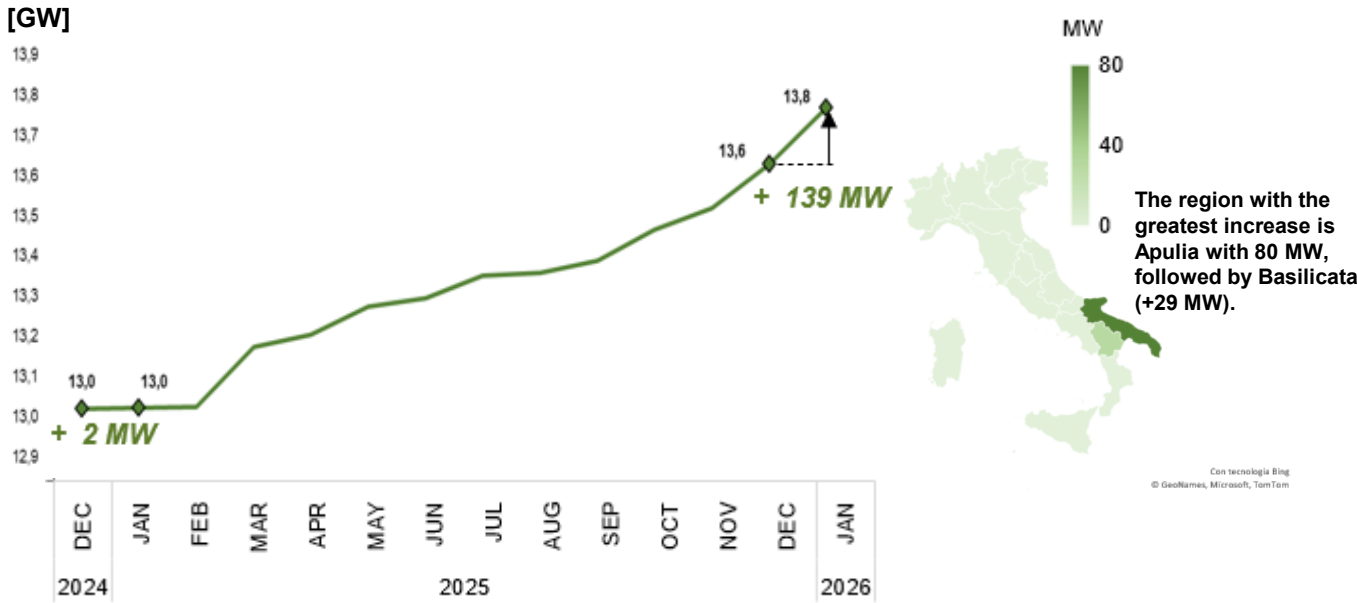


1. The operating capacity takes into account new activations, upgrades and decommissioning of plants

Source: Terna

During the month of January 2026, operating capacity increased by 139 MW. During the same period of 2025, the increase was 2 MW, which is an increase of 137 MW (+8,842%).

Cumulative operating capacity (left) and distribution of new activations 2025 (right)



Source: Terna

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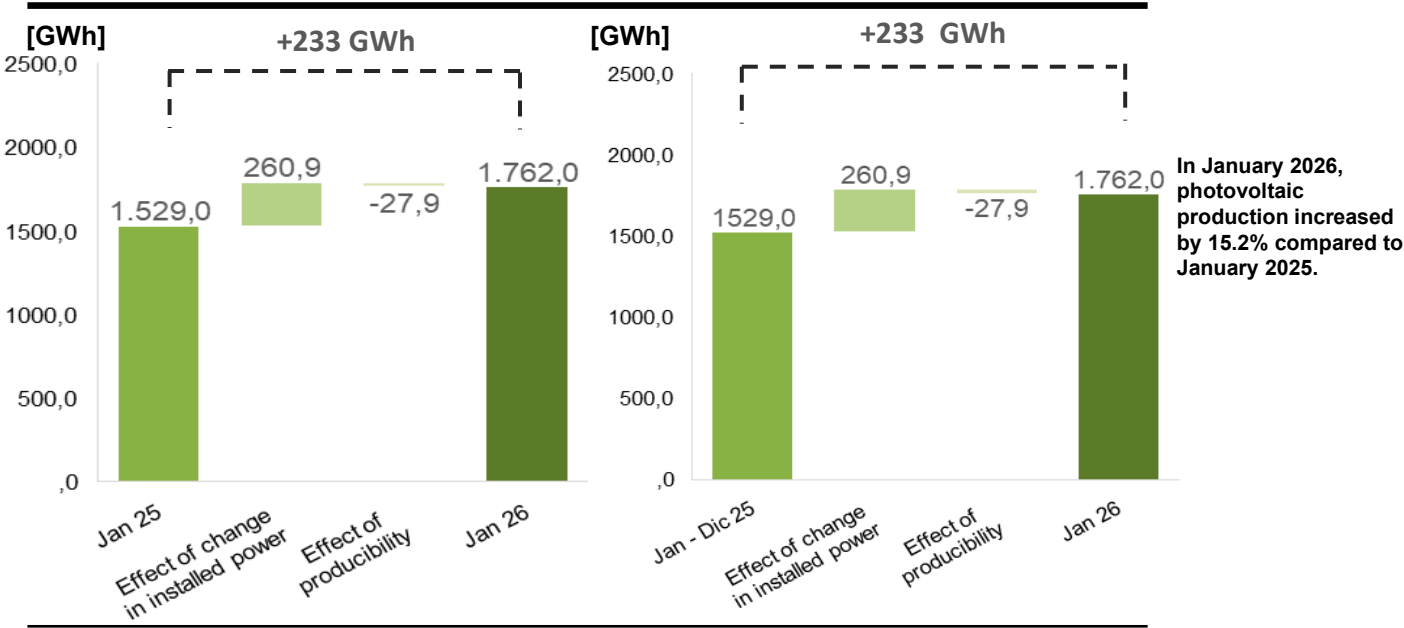
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In the month of January, the increase in photovoltaic production (+233 GWh) was due to the positive outcome of increased operating capacity (+261 GWh), making up for lower producibility (-28 GWh).

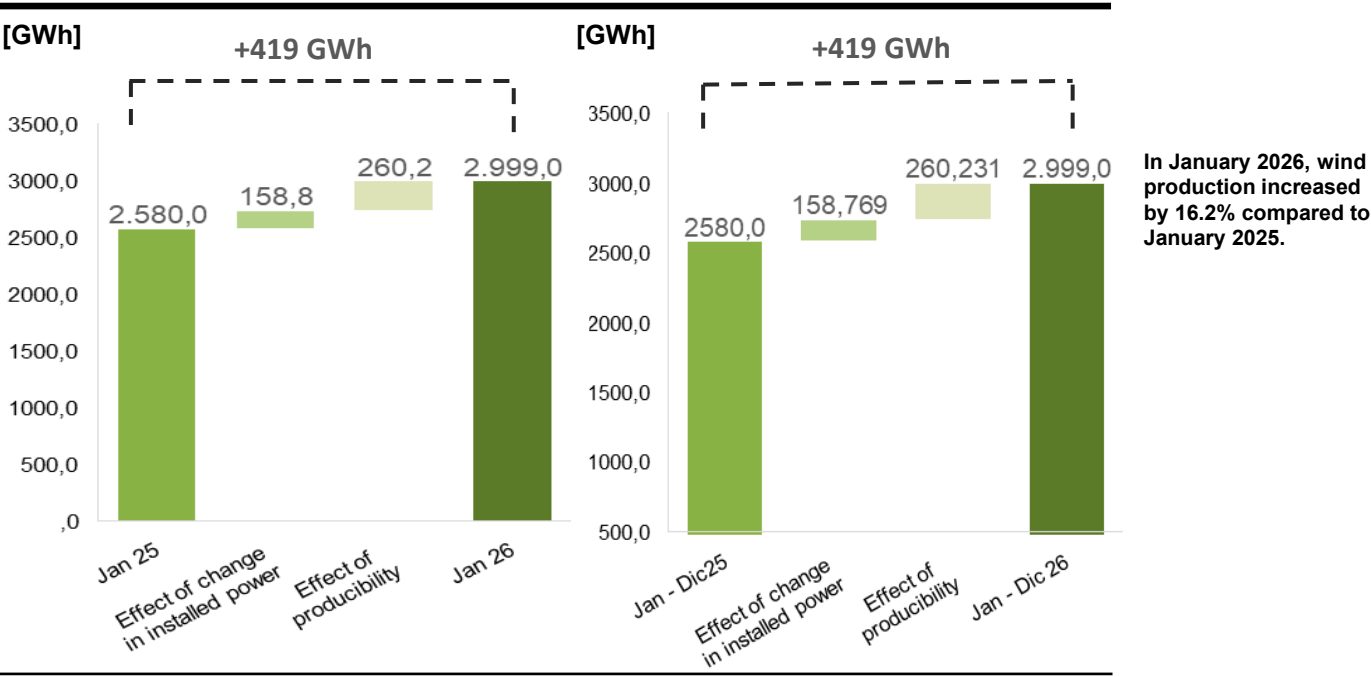
Breakdown of effects of photovoltaic production - monthly (left) and annual cumulative (right)



Source: Terna calculation

There was an increase in wind production (+419 GWh) in January 2026, caused by both more wind (+260 GWh) and by the increase in operating capacity (+159 GWh).

Breakdown of effects of wind production - monthly (left) and annual cumulative (right)



Source: Terna calculation

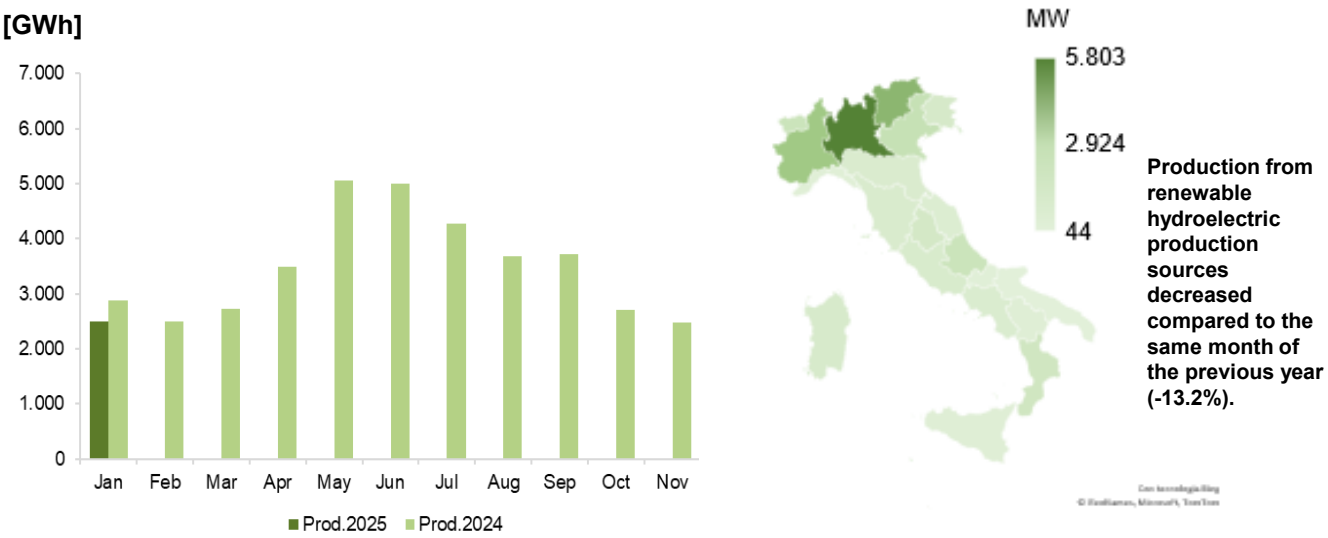
Note: for calculation of breakdown of the effect of power and producibility see legend

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Energy produced from renewable hydroelectric sources in January 2026 reached 2,503 GWh, a decrease compared to the same month of the previous year (-382 GWh).

Renewable hydroelectric production (left) and distribution of operating capacity¹ (right)

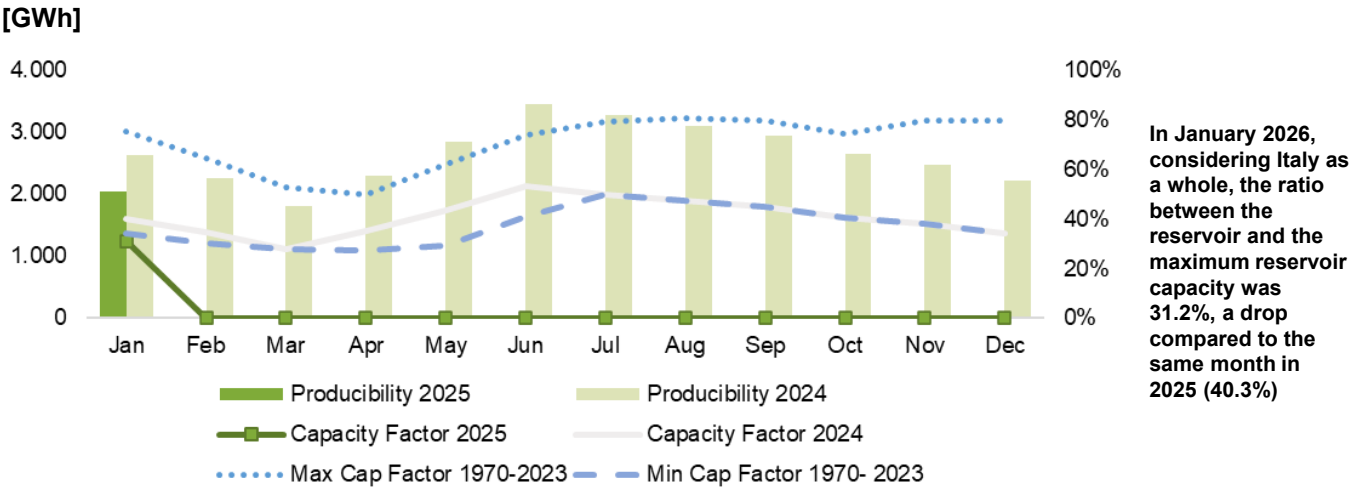


1. The operating capacity takes into account new activations, upgrades and decommissioning of plants.

Source: Terna

In January, hydroelectric producibility dropped (-22.6%) compared to the same month of the previous year.

Hydroelectric Producibility and Reservoir Percentage



Reservoir Capacity		NORTH	CENTRE SOUTH	ISLANDS	TOTAL
Jan 26 Jan 25	[GWh]	1.088	677	271	2.036
	% (Invaso/Invaso Massimo)	25,1%	37,3%	71,2%	31,2%
	[GWh]	1.710	727	194	2.631
	% (Invaso/Invaso Massimo)	39,5%	40,1%	51,0%	40,3%

Source: Terna

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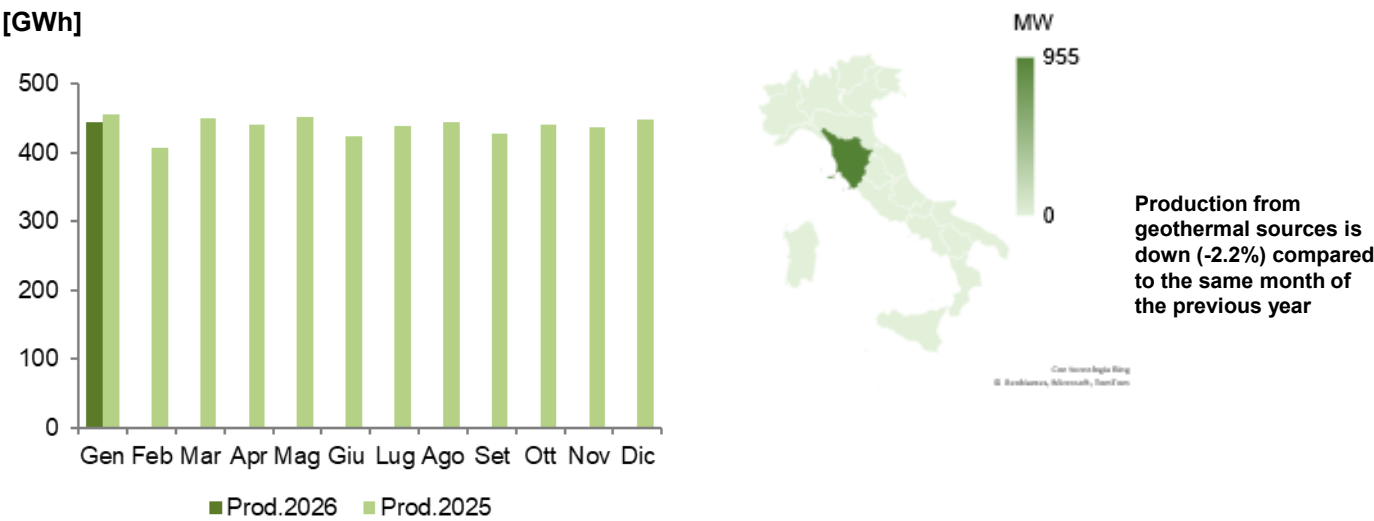
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Energy produced from geothermal production sources in January 2026 reached 445 GWh, a decrease compared to the same month of the previous year (-10 GWh).

Geothermal production (left) and distribution of operating capacity¹ (right)

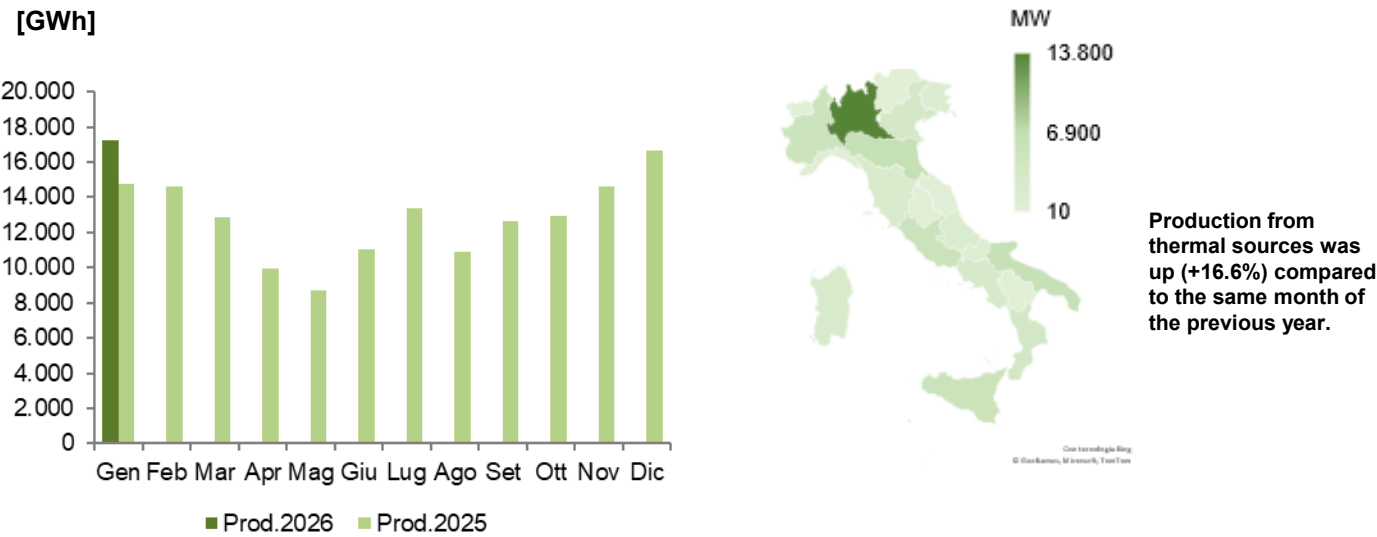


1. The operating capacity takes into account new activations, upgrades and decommissioning of plants

Source: Terna

Energy produced from thermal sources in January 2026 reached 17,237 GWh, up compared to the same month of the previous year (+2,460 GWh).

Thermal production (left) and distribution of operating capacity¹ (right)



1. The operating capacity takes into account new activations, upgrades and decommissioning of plants

Source: Terna

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System

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In January 2026, the operating capacity of renewables increased by 474 MW. This value is 213 MW lower (-31.0%) compared to the same month of the previous year.

Variation in monthly operating capacity and number of plants per Source in Italy 2026¹

[MW]	jan	feb	mar	apr	may	jun	jul	aug	sep	oct	nov	dec	Total
Photovoltaic	333	0	0	0	0	0	0	0	0	0	0	0	333
Wind	139	0	0	0	0	0	0	0	0	0	0	0	139
Hydroelectric	1	0	0	0	0	0	0	0	0	0	0	0	1
Geothermal & Biomass	1	0	0	0	0	0	0	0	0	0	0	0	1
Total	474	0	0	0	0	0	0	0	0	0	0	0	474

Plants number	jan	feb	mar	apr	may	jun	jul	aug	sep	oct	nov	dec	Total
Photovoltaic	11.617	0	0	0	0	0	0	0	0	0	0	0	11.617
Wind	4	0	0	0	0	0	0	0	0	0	0	0	4
Hydroelectric	0	0	0	0	0	0	0	0	0	0	0	0	0
Geothermal & Biomass	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	11.621	0	0	0	0	0	0	0	0	0	0	0	11.621

Source: Terna

The evolution of operational capacity by source in 2025 is shown below.

Variation in monthly operating capacity and number of plants per Source in Italy 2025¹

Plants number	jan	feb	mar	apr	may	jun	jul	aug	sep	oct	nov	dec	Total
Photovoltaic	11.617	0	0	0	0	0	0	0	0	0	0	0	11.617
Wind	4	0	0	0	0	0	0	0	0	0	0	0	4
Hydroelectric	0	0	0	0	0	0	0	0	0	0	0	0	0
Geothermal & Biomass	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	11.621	0	0	0	0	0	0	0	0	0	0	0	11.621

[MW]	jan	feb	mar	apr	may	jun	jul	aug	sep	oct	nov	dec	Total
Photovoltaic	656	564	501	446	601	573	512	497	512	619	626	686	6.795
Wind	32	85	25	67	53	101	80	41	2	68	45	85	685
Hydroelectric	-1	-1	3	1	3	3	2	1	-2	11	4	3	27
Geothermal & Biomass	0	-3	-17	-1	0	0	-2	3	2	3	-3	-8	-27
Total	687	643	514	513	658	676	591	543	515	702	672	766	7.480

Source: Terna

1. The operating capacity takes into account new activations, upgrades and decommissioning of plants.

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RES capacity targets for 2026

The following table shows the net change in installed capacity¹ between January 2021 and January 2026, broken down by region and the related progressive target in December 2026. This target is determined by referring to the regional distribution envisaged by the Eligible Areas Ministerial Decree, re-allocating monthly the additional power envisaged for the current year.

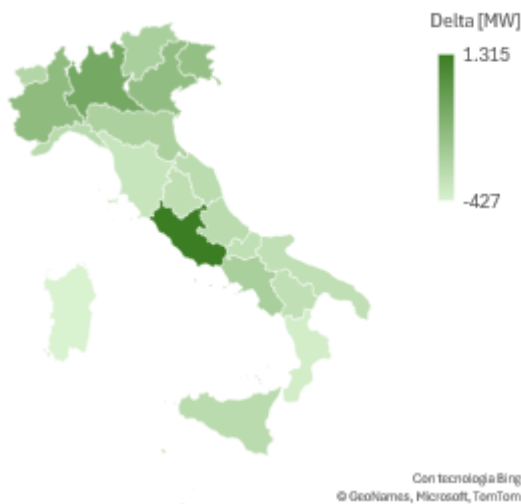
Change in installed capacity Jan 2021 – Jan 26 and deviation from the regional target

Region	Installed variation Jan 21–Jan26 [M W]	Eligible Areas Target Jan 21–Jan26 [M W]	Variation [M W]	Installed Variation vs Target [M W]
ABRUZZO	578	658	-80	850
BASILICATA	616	767	-151	973
CALABRIA	529	886	-358	1.206
CAMPANIA	1.432	1.333	99	1.728
EMILIA ROMAGNA	1.970	1.905	65	2.504
FRIULI VENEZIA GIULIA	913	590	324	772
LAZIO	2.701	1.386	1315	1.829
LIGURIA	225	289	-65	382
LOMBARDIA	3.458	2.787	671	3.592
MARCHE	603	700	-97	930
MOLISE	142	282	-140	383
PIEMONTE	1.972	1.584	388	2.053
PUGLIA	2.322	2.472	-150	3.213
SARDEGNA	1.180	1.608	-427	2.207
SICILIA	2.772	2.854	-83	3.847
TOSCANA	828	1.054	-226	1.444
TRENTINO ALTO ADIGE	488	391	97	497
UMBRIA	307	444	-137	609
VALLE D'AOSTA	35	49	-15	75
VENETO	2.296	1.939	357	2.483
Totale Italia	25.366	23.978	1.388	31.577

Source: Terna

See below for the geographic representation of regional deviations from the December 2026 target.

Regional change from targets at 31 January 2026 in installed RES capacity



In December 2025, Lazio was the region with the greatest net change in power compared to the additional MW target for November 2025.

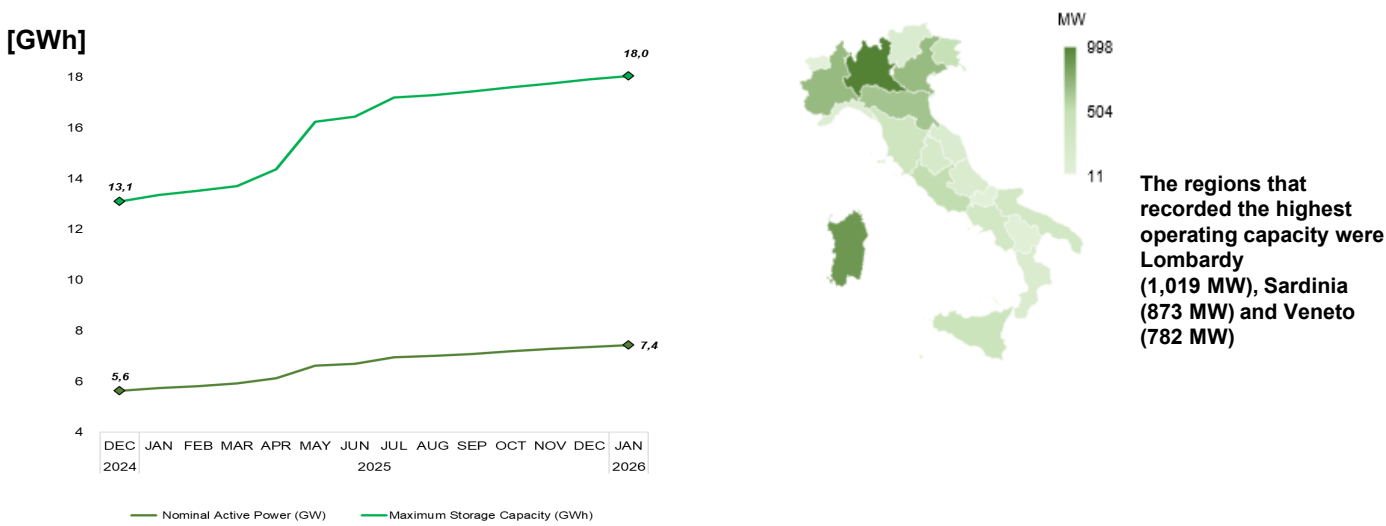
Source: Terna

1. The net change in power is calculated as follows: new installations + upgrades - decommissioning - downgrades
2. The 2025 target represents the objective value expressed as additional power in MW for each region between 31/12/2020 and 31/12/2025 as indicated in "Table A – Regional distribution of minimum power per year expressed in MW", annexed to the Eligible Areas Ministerial Decree of 21 June 2024.

Storage Systems¹ - Installed Capacity

In January 2026, the nominal power² of storage in operation increased by 61 MW, against an increase of 117 MW during the same month of 2025, resulting therefore in a decrease of 56 MW (-47.8%). The maximum usable capacity³ of storage in operation increased by 117 MWh, against an increase of 256 MWh during the same month of 2025, resulting therefore in a decrease of 138 MWh (-54.1%). Approximately 893,092 storage systems are in operation.

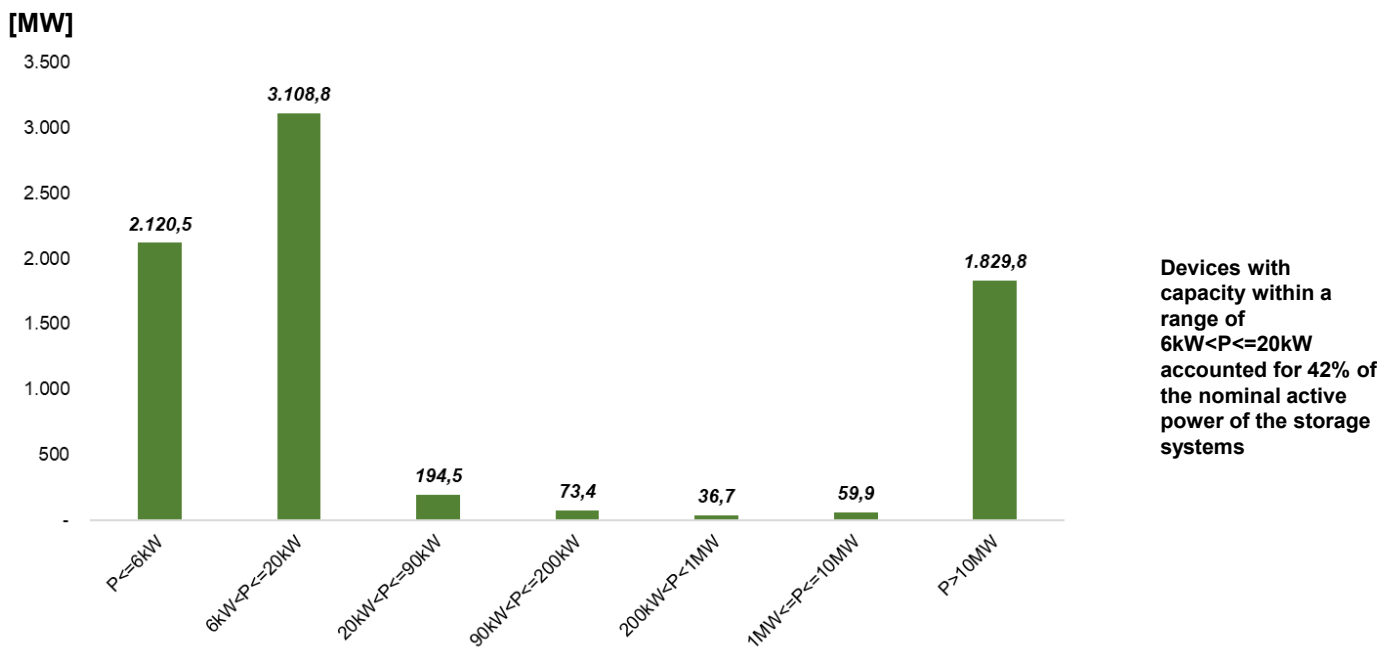
Cumulative operating capacity (left) and distribution (right)



Source: Terna

The power class with the highest nominal active power was the one between 6kW<P<=20kW, which saw 3,108.8 MW installed.

Nominal active power operating divided by plant size



Source: Terna

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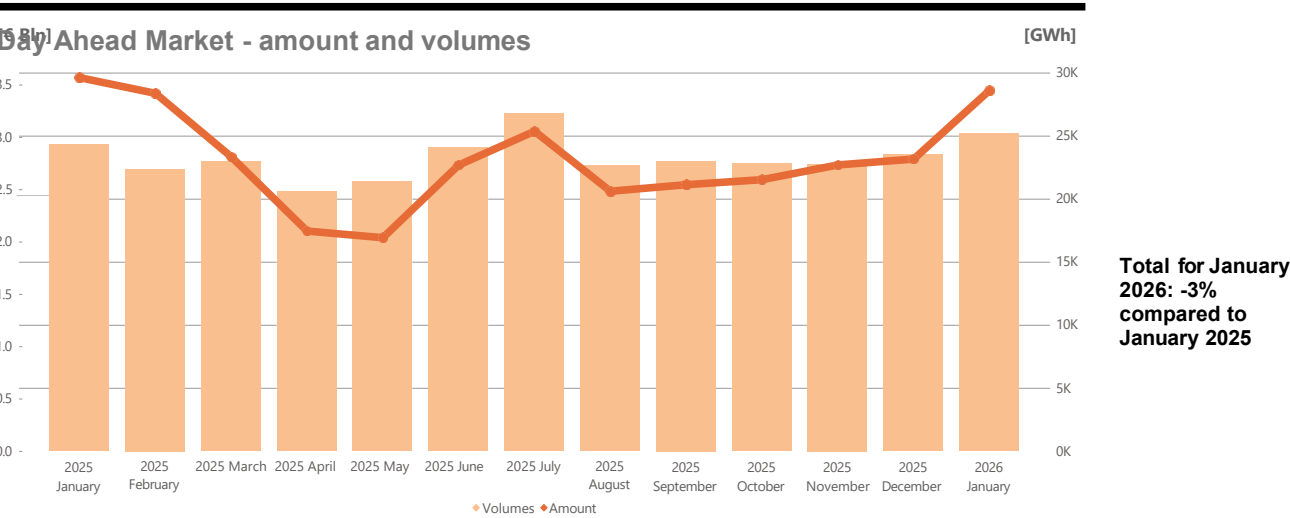
Electricity
Market

3

Day-Ahead Market

The January 2026 total for withdrawal programmes on the DAM was approximately €3.4 Bn (+24% compared to the previous month and -3% compared to January 2025).

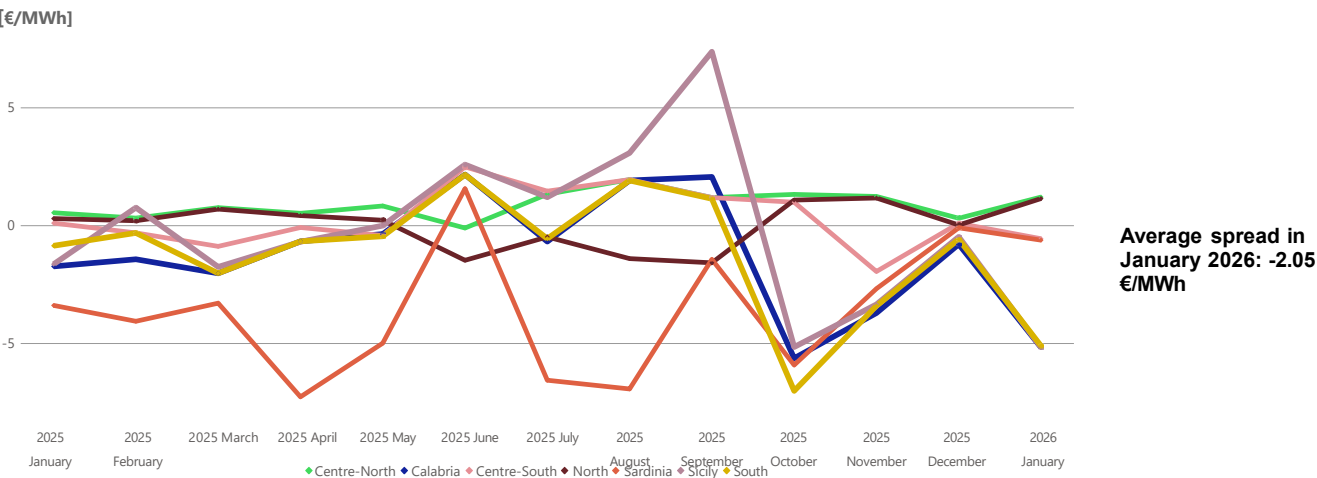
The average PUN in January 2026 was approximately €132.7/MWh (+15% compared to the previous month and -7% compared to January 2025). There was also a change of +7% in demand compared to the previous month and of +4% compared to January 2025.



Source: Terna calculation on GME data

In January 2026, the zonal prices were not in line with the PUN. Specifically, the spreads showing the greatest differences are those for the zones of the South (-€5.1/MWh), Sicily (-€5.2/MWh) and Calabria (-€5.2/MWh).

Spread compared to the PUN



Source: Terna calculation on GME data

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In January 2026, the spread between the peak and off-peak prices came to €17.4/MWh on average. The highest spread was recorded in the Centre-North, where it came to €19.6/MWh.

Day Ahead Market – PUN and zonal prices [€/MWh]

	PUN	Calabria	Centre-North	CSouth	North	Sardinia	Sicily	South
Average	132.7	127.5	133.9	132.1	133.8	132.0	127.5	127.6
Average Month Y-1	143.0	141.3	143.6	143.1	143.3	139.6	141.4	142.2
Δ vs PUN	-	-5.2	1.2	-0.6	1.1	-0.6	-5.2	-5.1
Δ vs PUN Y-1	-	-1.7	0.5	0.1	0.3	-3.4	-1.6	-0.9
Maximum	215.0	215.0	220.0	220.0	220.0	220.0	215.0	215.0
Minimum	75.3	10.0	85.3	59.6	85.3	59.6	10.0	10.0
Peak	141.4	131.5	143.7	140.2	143.6	140.1	131.5	131.6
Off Peak	124.0	123.5	124.1	124.0	124.1	124.0	123.5	123.5
Δ Peak vs Off Peak	17.4	8.0	19.6	16.3	19.5	16.2	8.0	8.2

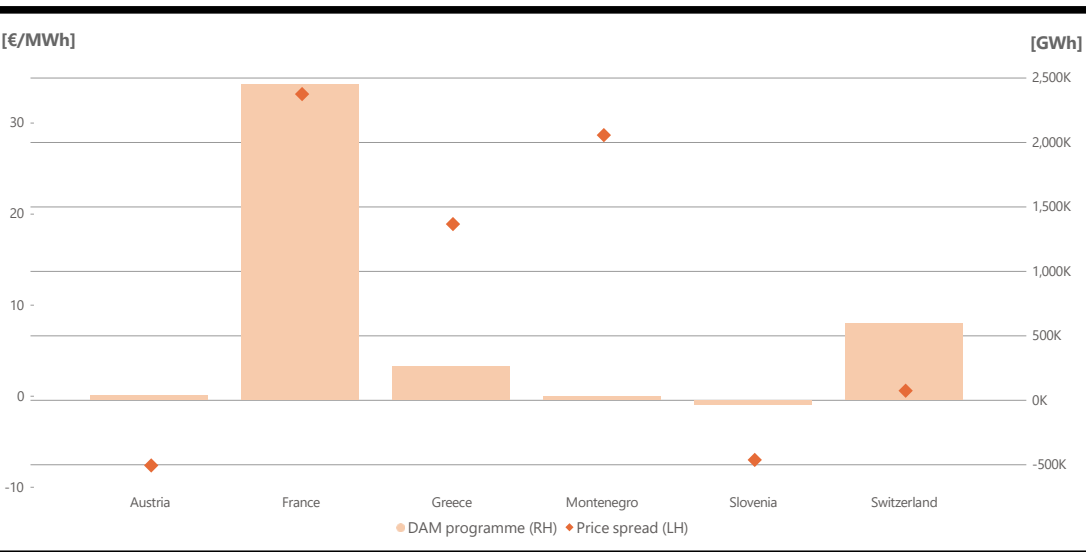
Peak - off-peak
spread down
compared to the
previous month

Source: Terna calculation on GME data

The price spreads with France and Switzerland were €33.2/MWh and €0.6/MWh, respectively (a change of -16.7% and -73.8% compared to the previous month).

Imports totalled 4.1 TWh, a decrease of 11.4% compared to the previous month, with Switzerland and France accounting for 23% and 60% of the total, respectively. Total exports were 0.8 TWh, with Slovenia accounting for 26% and Greece 4%.

Price spread with foreign exchanges and day ahead programmes



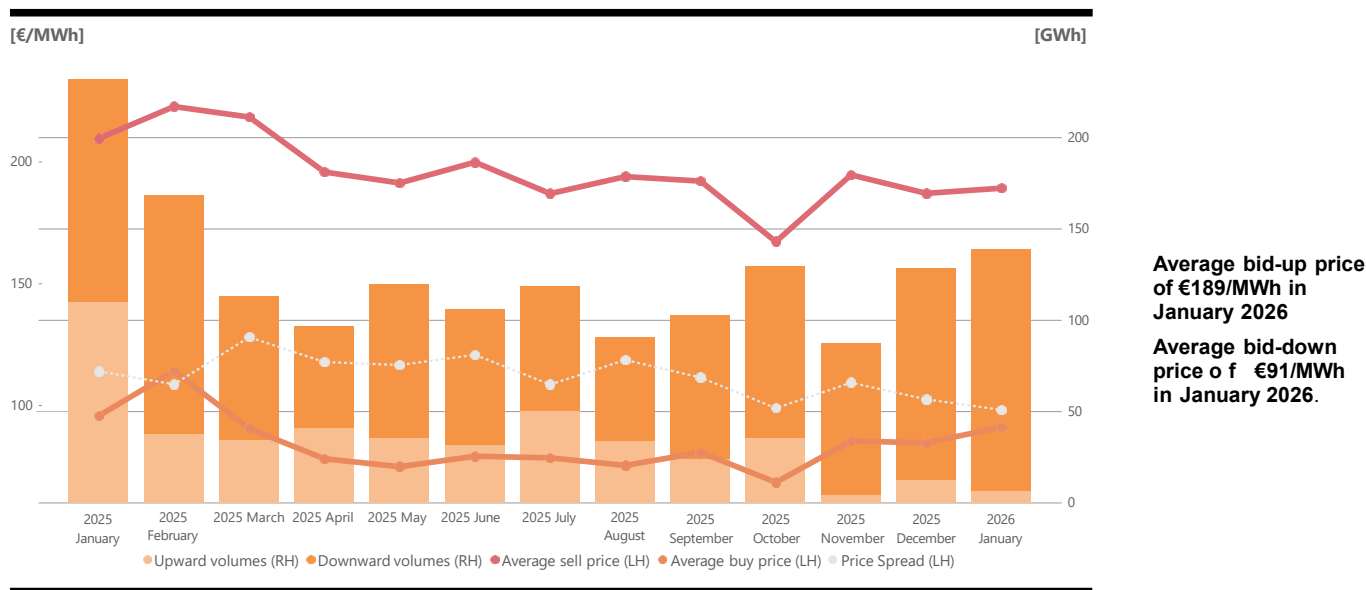
Net imports of
3.0 TWh on the
northern border

Source: Terna calculation on GME data

Ancillary Services Market

In January 2026, the spread between bid-up and bid-down prices was €98/MWh, (-4% compared to the previous month and -14% compared to January 2025). Total volumes increased compared to the previous month (+8%). Specifically, upward volumes decreased by 51% while downward volumes increased by 14%. Upward movements fell by 94% compared to the same month of the previous year, while downward movements increased by 9%.

Ancillary Services - prices and volumes



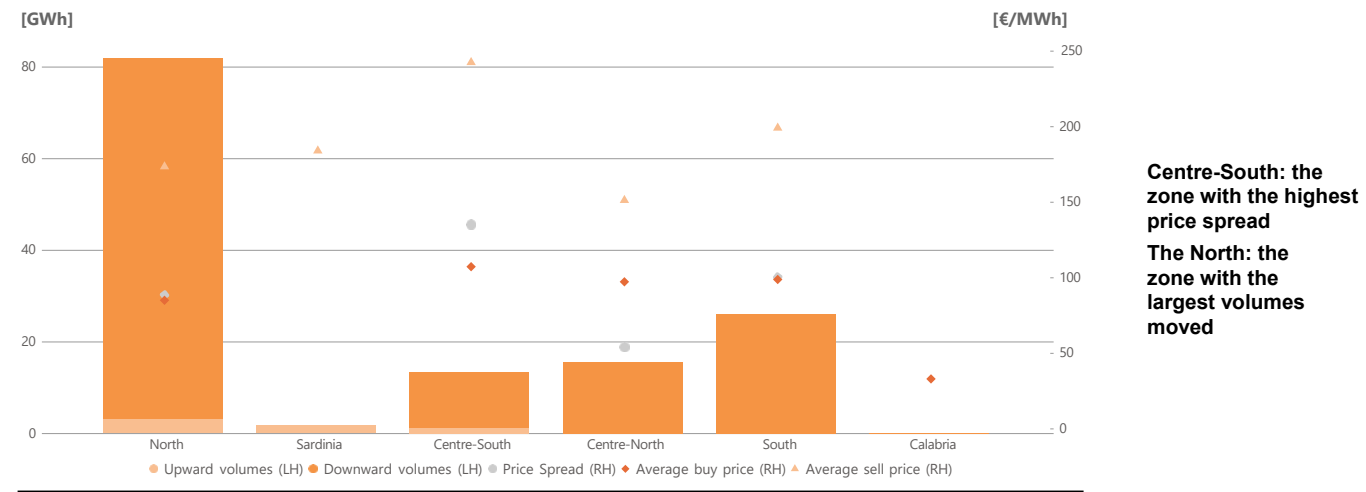
Source: Terna

The market zone characterised by the highest spread (€135/MWh) is the Centre-South.

This spread represented a difference of 93% compared to the previous month.

The average bid-up price went from €187/MWh in December to €189/MWh in January; the average bid-down price went from €85/MWh in December to €91/MWh in January.

Ancillary Services - prices and volumes by market zone



Source: Terna

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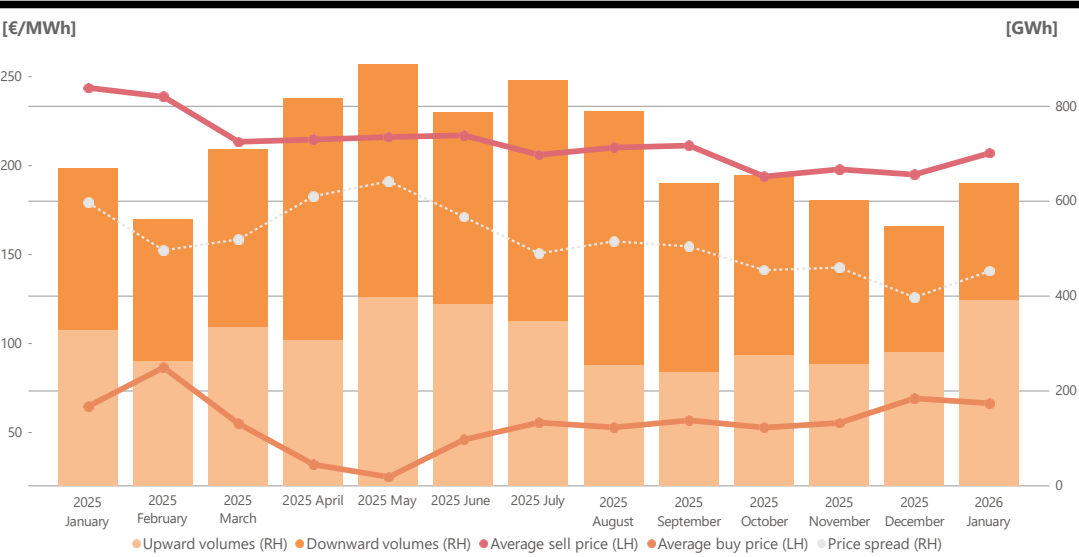
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Balancing Market

In January 2026, the spread between bid-up and bid-down prices was €141/MWh (+12% compared to the previous month and -21% compared to January 2025). Total volumes increased compared to the previous month (+17%). Specifically, upward volumes increased by 39% while downward volumes fell by 7%. Upward movements rose by 19% compared to the same month of the previous year, while downward movements fell by 28%.

Balancing market – prices and volumes

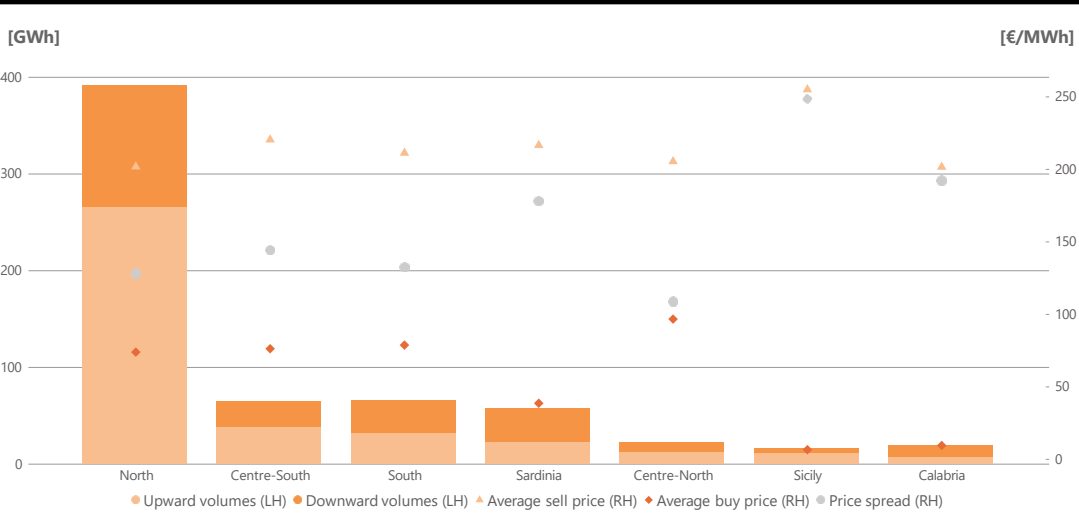


Average bid-up price of €207/MWh in January 2026
Average bid-down price of €66/MWh in January 2026.

Source: Terna

The market zone with the highest spread (€248/MWh) is Sicily. This is a 7% difference in the spread compared to the previous month. The average bid-up price went from €195/MWh in December to €207/MWh in January. The average bid-down price went from €69/MWh in December to €66/MWh in January.

Balancing market – prices and volumes by market zone



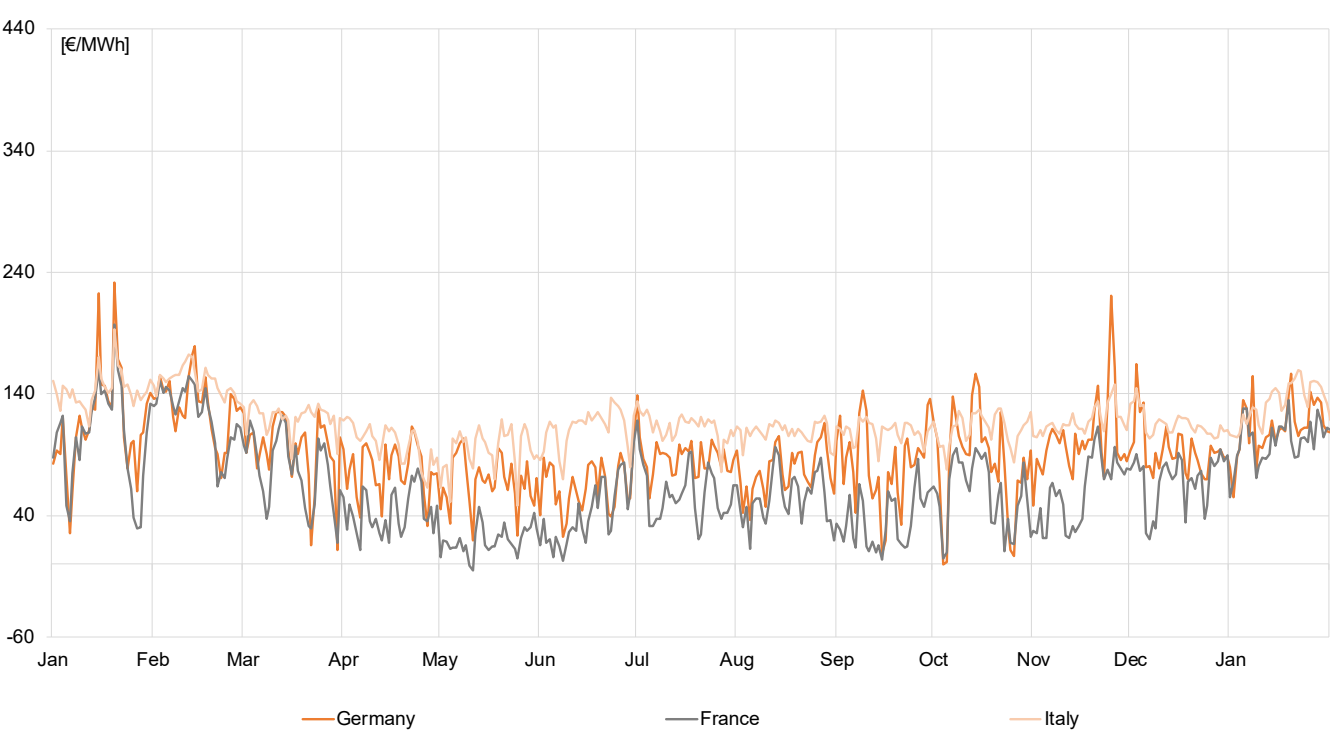
Sicily: the zone with the highest price spread
The North: the zone with the largest volumes moved

Source: Terna

Commodities – Spot Market

In December, Brent prices recorded an average value of \$62.9/bbl, down compared to November (-1.3%). Coal prices (API2) were up compared to November, settling at around \$96.7/t (+4.6%). European gas prices (TTF) in December decreased compared to November, with a monthly average of €27.7/MWh (-9.8% compared to the previous month). The PSV also recorded a decrease, settling at €31.2/MWh (-5.2%). Electricity prices in Italy fell in December compared to the previous month, with a monthly average of €115.5/MWh (-1.4%). There was an increase in the French power exchange, with the price of electricity at €68.7/MWh (+16.2%). The German exchange has fallen, with a value of €93.5/MWh (-8.3%).

Spot electricity prices



Source: Terna calculation on GME and EPEX data

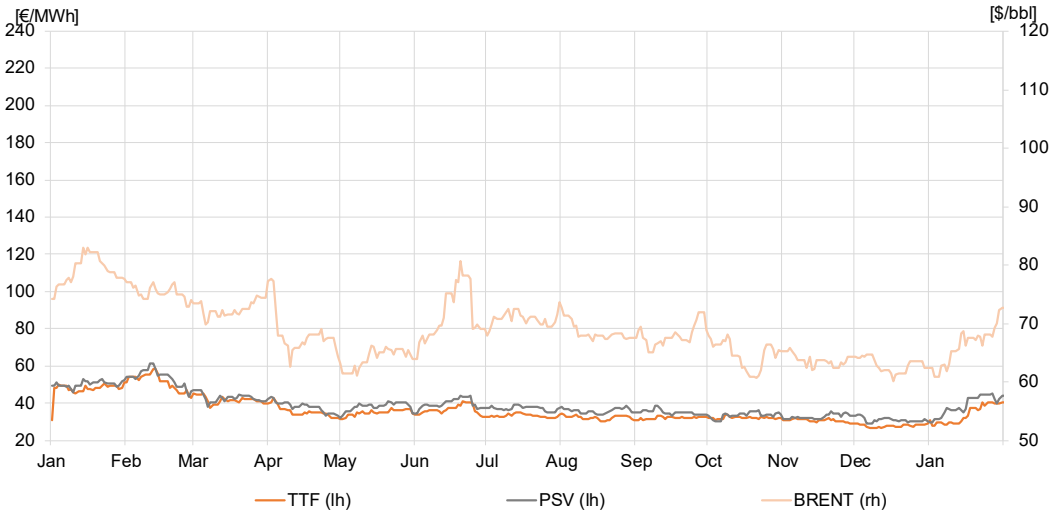
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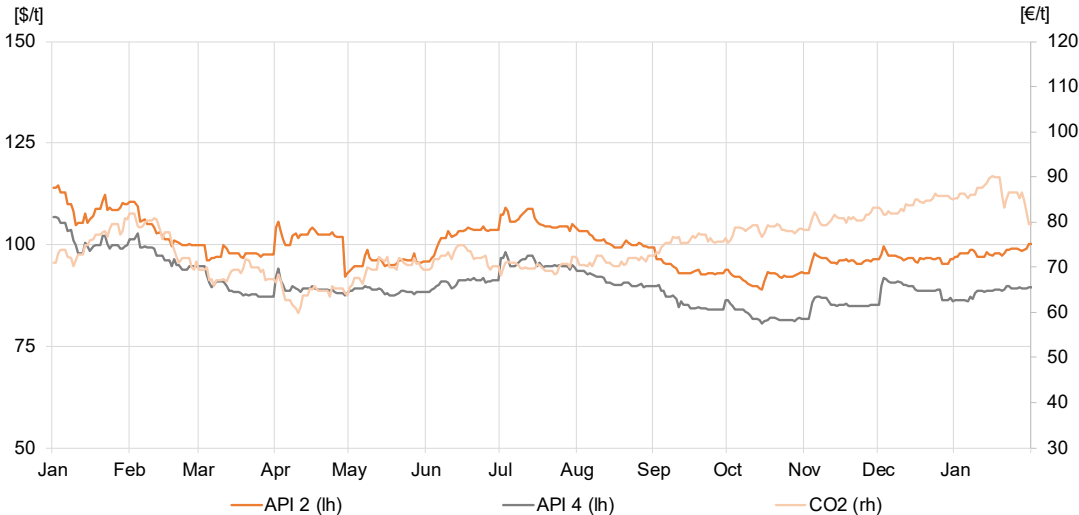
3

Gas & Oil spot prices



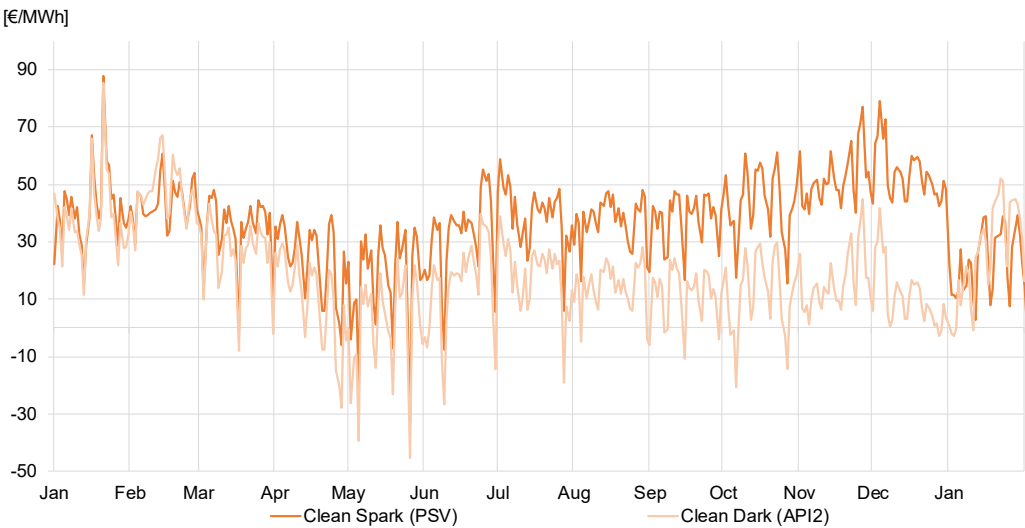
Source: Terna calculation on GME and EPEX data

Coal & Carbon spot prices



Source: Terna calculation on GME and EPEX data

Clean Dark & Spark spreads Italy



Source: Terna calculation on GME and EPEX data

Commodities – Forward Market

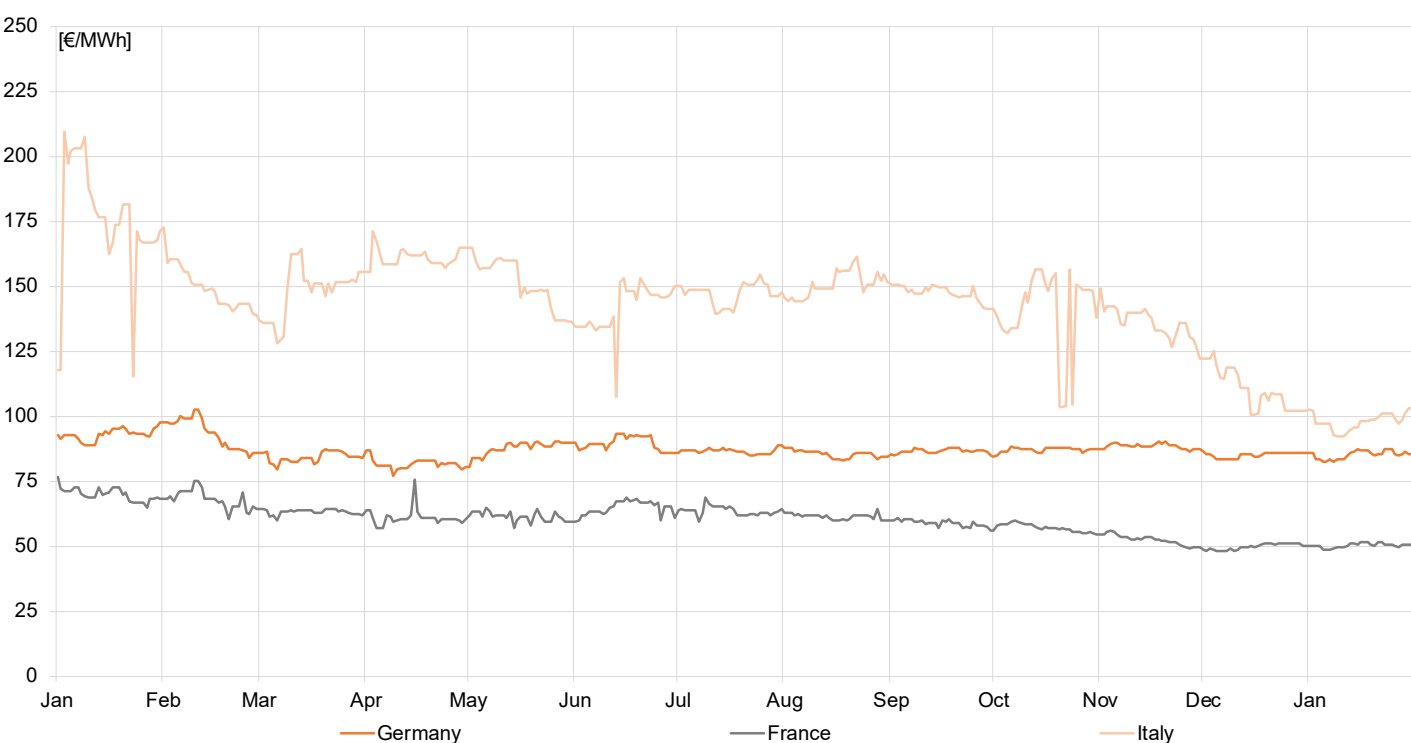
In December, Brent forward prices recorded an average value of \$61.0/bbl, up compared to the previous month.

Coal forward prices (API2) were down compared to November, settling at around \$99.6/t (-4.8%).

The average forward prices of gas in Europe (TTF) were down compared to the previous month (-10.4%), settling at around €26.9/MWh. Forward prices in Italy (PSV) were also down, which showed an average figure of €28.6/MWh (-9.6%).

The forward prices of electricity in Italy stood at around €101.2/MWh, down compared to the previous month (-2.9%). The French power exchange also fell, with the price standing at around €49.7/MWh (-5.2%), as did the German power exchange, at €85.1/MWh (-4.1%).

Forward Electricity Prices – Year+1



Source: Terna calculation on GME and EPEX data

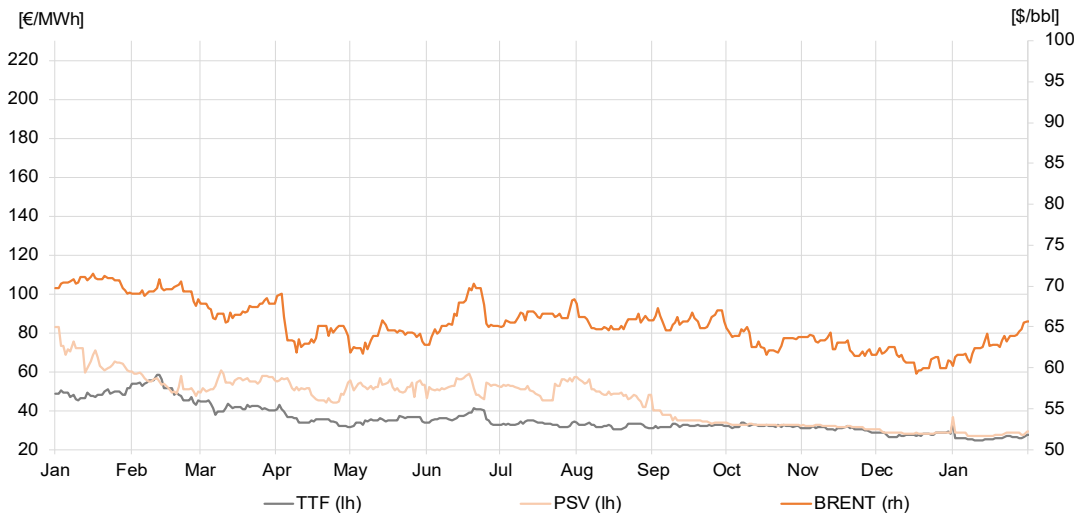
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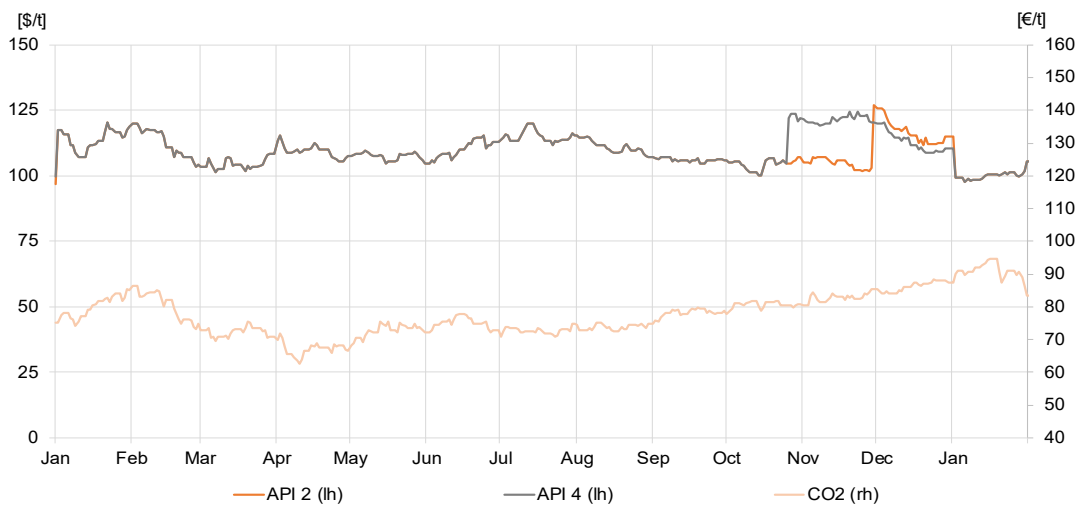
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Year+1 Forward Gas & Oil Prices



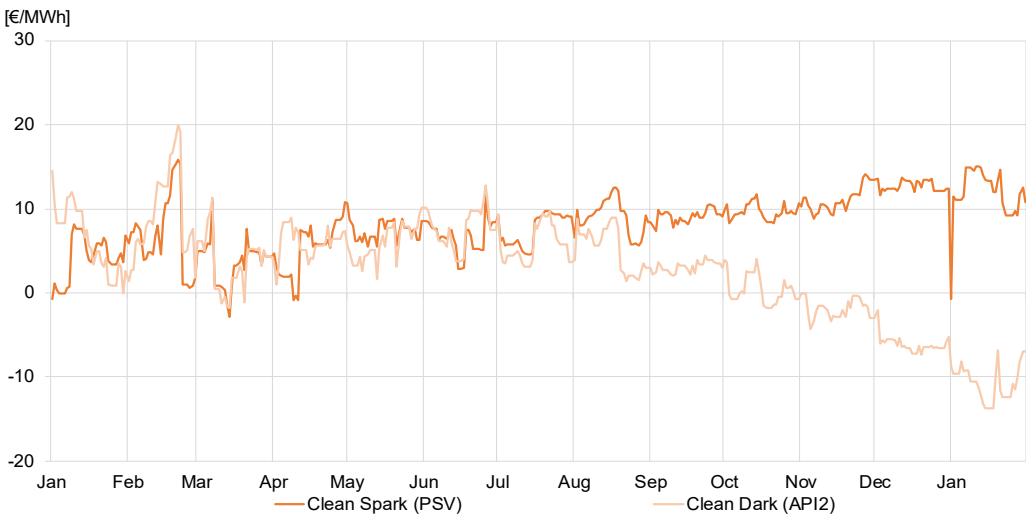
Source: Terna calculation on GME and EPEX data

Year+1 Forward Coal & Carbon Prices



Source: Terna calculation on GME and EPEX data

Clean Year+1 Forward Dark & Spark spreads Italy



Source: Terna calculation on GME and EPEX data

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Key

API2 – CIF ARA: the reference index for the coal price (with PCI of 6, 000 kcal/kg) imported from north-west Europe. It is determined on the basis of an assessment on the CIF (Cost, Insurance and Freight) prices of coal contracts, with delivery to the ports Amsterdam – Rotterdam - Antwerp (ARA).

API4 – FOB Richards Bay: the reference index for the price of coal (with PCI of 6,000 kcal/kg) exported from Richards Bay in South Africa. It is calculated on the basis of an assessment of the FOB (Free On Board) prices of contracts (excluding transport) setting out from the port of Richards Bay.

Territorial Areas: these consist of one or more adjacent regions and are aggregated as indicated:

TURIN: Piedmont - Liguria - Valle d'Aosta

MILAN: Lombardy ()*

VENICE: Friuli Venezia Giulia - Veneto - Trentino Alto Adige

FLORENCE: Emilia Romagna () - Tuscany*

ROME: Lazio - Umbria - Abruzzo - Molise - Marche

NAPLES: Campania - Apulia - Basilicata - Calabria

PALERMO: Sicily

CAGLIARI: Sardinia

(*) In these two regions, the geographical borders do not correspond to the electrical borders. Lombardy includes production plants that are part of the geographical-administrative territory of Emilia Romagna.

The data related to the reservoirs table of tanks are **aggregated by ZONE** as indicated:

NORTH - includes the Territorial Areas TURIN, MILAN and VENICE;

CENTRE and SOUTH – includes the Territorial Areas FLORENCE, ROME and NAPLES;

ISLANDS - includes the Territorial Areas PALERMO and CAGLIARI;

Brent: the oil price as global reference for the crude oil market. Brent Crude is the result of a mixture deriving from the union of different types of oil extracted from the North Sea.

Clean Dark Spread: the difference between the price of electricity and the cost of the fuel of a coal power station and the cost of the CO2 emission quotas.

Clean Spark Spread: the difference between the price of electricity and the cost of the fuel of a gas power station and the cost of the CO2 emission quotas.

Dirty Dark Spread: the difference between the price of electricity and the cost of the fuel of a coal power station.

Dirty Spark Spread: the difference between the price of electricity and the cost of the fuel of a gas power station.

Day-Ahead Market (DAM): the trading venue of offers to buy and sell electricity for each relevant period of the day after that of trading.

Balancing Market (MB): the set of activities performed by the Operator for selecting the offers presented on the Dispatching Services Market to resolve the congestions and establish secondary and tertiary reserve power margins, carried out on the same day as that to which the offers refer.

Dispatching Services Market (DSM): the trading venue of the resources for the dispatching service.

Dispatching Services Market - planning stage (Ex-ante DSM): the set of activities performed by the Operator for the selection of the offers presented on the Dispatching Services Market to resolve congestions and establish secondary and tertiary reserve power margins, carried out in advance with respect to real time.

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M-o-M - Month on Month: percentage change of the difference between the reference month and the previous month

NET TRANSFER CAPACITY - NTC: the maximum transfer capacity of the grid for interconnection with other countries. NTC D-2 indicates the same capacity defined in day D-2.

Peak hours: these, according to the agreement with the electricity market operator (Gestore del Mercato Elettrico - GME), are the hours between 8:00 and 20:00 of working days only. **Off-peak hours** are all hours that are not in the peak.

CO₂ Price: determined by the European Union Emissions Trading Scheme (EU ETS), a system for the trading of greenhouse gas emission quotas in Europe aimed at reducing emissions.

Single National Price - PUN: the Single National Price calculated as a result of the Day-Ahead Market (DAM).

DAM Zonal Price: the balanced price of each zone calculated as a result of the Day-Ahead Market (DAM).

PSV - Punto Scambio Virtuale: the price at the virtual exchange point for the buying and selling of natural gas in Italy.

TTF - Title Transfer Facility: the price at the virtual exchange point for the buying and selling of natural gas in the Netherlands.

Y-o-Y – Year on Year: percentage change of the difference between the period of the current year and the same period of the previous year

IMCEI - Monthly Industrial Electrical Consumption Index: the monthly IMCEI index was constructed based on the size of the monthly withdrawals of the approximately 1,000 customers directly connected to the high voltage grid and for which Terna is responsible. These customers have been reclassified pursuant to the Ateco2007 Codes and aggregated by electrically relevant product class. The adimensional index has been created taking 2015 as a basis 100.

IMSER - Monthly index of electricity consumption for the services sector. The IMSER index (Monthly Services Index) is produced according to the supply of electricity consumption in the Services sector for five Distributors - E-Distribuzione, UNARETI, A-Reti, Edyna and Deval. These consumption data are given according to the Ateco2007 codes and are aggregated by commodity class. The index has a fixed basis (2019=100) and represents around 80% of the electricity consumption in the Services sector with a time lag of two months.

Effect of change in installed power and effect of producibility on solar and wind production: The change in photovoltaic or wind production in a given period can be attributed to two factors: a change in capacity ("Effect of change in installed power) and a change in producibility hours ("Effect of producibility) linked to solar irradiation or amount of wind. To determine these two components of production in a given period of the year Y compared to the same period of the year Y-1, equivalent hours of use are considered (HU). The HU figure is calculated as the ratio between energy produced and installed capacity operational as resulting in the period Y-1. To calculate the effect of the change in installed power (in energy) the HU figure for the period Y-1 is multiplied by the change in capacity between the same periods of year Y and year Y-1. The producibility effect is calculated as the difference between the change in total energy and the effect of the change in installed power.

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Disclaimer

1. The data on electricity reports and monthly capacities for 2024 and 2025 are provisional.
2. In particular, the monthly data for the year 2025 — prepared at the end of each month — are subject to further in-depth verification or recalculation in the following months on the basis of additional information. This operation to refine the monthly figures results in a higher degree of accuracy compared to the sum of the data presented in the individual Monthly Reports published on the website www.terna.it.