ANNEX I (unofficial translation)

LAW no. 481 of NOVEMBER 14 1995 NORMS GOVERNING COMPETITION AND THE REGULATION OF PUBLIC UTILITY SERVICES. THE INSTITUTION OF REGULATORY AUTHORITIES FOR PUBLIC UUTILITY SERVICES

Article 1

Purpose

- 1. The purpose of the present law is to ensure that competition and efficiency shall be promoted in the sphere of public utility services, hereinafter referred to as "services", in addition to adequate levels of quality in the aforesaid services, under economically viable and profitable conditions, by guaranteeing their uniform availability and distribution throughout the country, by establishing an unequivocal system of tariffs based on set criteria, and by promoting the interests of users and consumers, in the light of EU regulations on the matter and general policies laid down by the Government. The system of tariffs shall likewise reconcile the economic and financial objectives of the parties providing the service with general objectives of a social nature, including environment protection and the efficient use of resources.
- 2. For the privatisation of public utilities, including banking for the sole purposes of the present paragraph, the Government shall define the criteria for the privatisation of each enterprise and the relative procedures for its transfer and submit these to Parliament for scrutiny by the competent Parliamentary commissions.

Article 2

Constituting Regulatory Authorities for Public Utilities

- Regulatory authorities for the public utilities, responsible respectively for electricity and gas and for telecommunications, are hereby constituted. In view of the overall structure of the communications system, the telecommunications Authority may be assigned responsibility for other aspects of said system.
- 2. The provisions of the present article constitute general guiding principles for the norms governing the Authorities.
- 3. To permit a balanced distribution, throughout the country, of public bodies, which perform functions on a national scale, more than one regulatory authority for public services may not have its head office located in the same city.
- 4. The regulation and composition of each Authority are laid down by special laws, which take into account the specific nature of each sector in the light of the general principles contained in the present article. Article 3 of the present law governs the electricity and gas sectors. The other sectors will be dealt with in specific legislation.
- 5. The Authorities shall function in full autonomy and make independent decisions and assessments: their primary function is to regulate and control the sector for which each is responsible.
- 6. Each Authority, as the national body responsible for regulation and supervision, shall act as Government consultant and "watchdog" on the matters for which it is responsible, even for the purposes of defining, enacting and implementing EU laws.
- 7. Each Authority consists of a three-member board comprising a chairman and two others appointed by decree of the President of the Republic, after approval by the Council of Ministers of a proposal from the Minister responsible. Government nominations shall first be submitted to the competent parliamentary commission for scrutiny. Under no circumstances may appointments be made in the absence of a favourable majority of two-thirds of the members of the aforesaid commissions. Said commissions may proceed to interview the persons nominated. At the moment of first implementing the present law the parliamentary commissions shall reach a decision within thirty

days of being requested to do so. Upon expiry of this period, approval shall be expressed by an absolute majority.

- 8. The board members of each Authority shall be chosen from among highly qualified, acknowledged professionals who are experts in the sector. They shall remain in office for seven years and may not be reappointed. Upon pain of forfeiture of office, they may not carry out, either directly or indirectly, any professional or consultant activity, be administrators or employees of public or private bodies, nor hold other public office of any kind whatsoever, including being elected or representing political parties, nor retain interests, either direct or indirect in enterprises operating in the sector for which the Authority itself is responsible. Civil Service employees are suspended from their positions for their entire term of office.
- 9. For at least four years after holding office, Board members of the Authorities may not maintain, either directly or indirectly, relationships of collaboration, consultancy or employment with firms operating in their specific sector. Violation of this regulation shall be punished, unless the deed constitutes a criminal offence, by a fine ranging from a minimum of Lit.50 million, or the amount of money received, whichever be the greater, to a maximum of Lit.500 million or the amount of money received, whichever be the greater. The entrepreneur who violates said ban shall pay a fine amounting to 0.5% of the turnover and, in any case, no less than Lit.300 million and no more than Lit.200 billion, and in more serious cases, or when the unlawful behaviour is repeated, the entrepreneur's concession or authorisation shall be revoked. The amount of these fines shall be reassessed according to the annual variation in the price of consumer goods for the families of white and blue-collar workers as surveyed by ISTAT¹.
- 10. The board members and functionaries of the Authorities, when performing their duties, are public officials and as such, bound by the laws of professional secrecy. Without prejudice to the prerogative of the board to decide on the matters referred to in paragraph 12, in order to ensure independent and responsible preliminary procedures, the principles to be applied are those

¹ Central Institute of Statistics

concerning the identification and functions of the person in charge of the proceedings, and the distinction between the policy and control functions attributed to the board and those related to the management functions attributed to the executives pursuant to law n. 241 of August 7th 1990 and subsequent amendments and law decree n. 29 of February 3rd 1993 and subsequent amendments,.

- 11. The recompense due to the board members of the Authorities shall be determined by decree of the Prime Minister upon recommendation from the Treasury Minister.
- 12. To achieve the purposes set out in Article 1, each Authority shall perform the following functions:
 - a) formulate comments and proposals to submit to Government and Parliament on the services which shall be subject to licensing permits or authorisation, and on the relative forms of market, in conformity with the existing laws, by proposing to the Government amendments to the norms and regulations rendered necessary by technological development, market conditions and the evolution of EU laws;
 - b) make proposals for the renewal and possible amendment of individual licensing or authorisation deeds, contracts and public policy implementation agreements², to the Ministers responsible;
 - c) verify that the conditions and mode of access for the parties operating the services, howsoever agreed, are established in compliance with the principles of free competition and transparency, even with regard to individual cost items, and also to fulfil the obligation to provide the service under equal conditions, so as to satisfy all reasonable needs of the users, including the elderly and disabled, and likewise guarantee respect for the environment, the safety of the equipment and the health of those employed in the services;
 - d) propose amending the terms of licences and contracts, including those covering exclusive rights, authorisations, existing public policy implementation agreements and the conditions under which the services

² "Contratti di programma" in Italian.

are provided, where this is required by market developments or the reasonable needs of the users, likewise defining the technical and economic conditions of access and connection to the networks, where established by the laws in force;

- e) establish and update, in relation to market developments, the basic tariff, the parameters and other terms of reference for deciding the tariffs covered by paragraphs 17, 18 and 19, and the method for recouping any possible costs borne in the general interest, so as to guarantee the quality and efficiency of the service, its adequate distribution nation-wide and achieve the general objectives of a social nature, environmental protection and the efficient use of resources mentioned in paragraph 1 of Article 1, keeping separate any undue taxes or charges from the tariff; verify that the annual proposals for revising the tariffs conform to the criteria mentioned in the present paragraph, if need be, hearing those operating the service, and issue a statement within ninety days of receiving the proposal. Should the aforesaid statement not be made within this term, the tariffs shall be considered approved;
- f) issue directives for the separation of accounts and administration and check the costs of the individual services to ensure, among other things, their correct disaggregation and classification according to the function performed, the geographical area and category of user, listing separately the costs arising from supplying the universal service defined by the contract, rendering possible the comparison between these costs and similar ones in other countries, guaranteeing publication of the data;
- g) monitor the operation of the services, with powers of inspection, access, acquisition of documentation and relevant information, likewise determining cases of automatic compensation by the party operating the service to the user where the aforesaid party does not respect the terms of the contract or provides services of lower standards than those established by the service regulations referred to in paragraph 37, in the public policy implementation agreement, or according to the spirit of h) below;
- h) issue directives concerning the production and delivery of the services by the parties operating the said services, in particular establish the overall

standards for the entire complex of services, and the specific standards guaranteed to the consumer, having heard the parties supplying the service and the representatives of users and consumers, if necessary classifying them according to sector and type of service; such directives produce the effects mentioned in paragraph 37;

- ensure the widest possible publication of the conditions governing the services; study the development of the sector and of the individual services, possibly in order to modify the technical, juridical and economic conditions for the operation or delivery of the same; promote initiatives directed at improving the delivery of the services; submit an annual report to Parliament and to the Prime Minister on the state of the services and the activity carried out;
- publicise and make known the conditions under which the services are provided in order to ensure maximum transparency, the competitiveness of the supply and the opportunity for the intermediate or end-users to make better choices;
- m) assess complaints, appeals and reports from users or consumers, individually or as a body, as to respect for standards of quality and tariffs by the service operators, with whom it shall intervene and where necessary, oblige them to change their mode of operation, or revise the service regulations according to paragraph 37;
- n) verify that the measures adopted by the parties operating the service are adequate to ensure equality of treatment for the users, guarantee an uninterrupted supply, periodically check the quality and the efficiency of the services, to this end surveying the opinions of the users, guarantee all information as to how the services are supplied and the relative quality levels, allow the users and consumers the easiest access to the offices open to the public, reduce the number of conditions required of the user by simplifying the procedures for delivery of the service and ensure a prompt response to complaints, claims and reports concerning the quality and tariff standards;
- o) propose to the Minister responsible the suspension or revocation of concessions in cases where such measures are permitted by law;

- p) verify that each party operating the service, pursuant to the Prime Minister's directive of January 27th 1994 published in Official Gazette n.43 on February 22nd 1994 on the principles of providing public services, adopts a public service charter indicating the standards of the separate services and verify that the aforesaid charter is respected;
- 13. Should the Minister responsible reject the proposals mentioned under b), d) and o) of paragraph 12, he shall request a new proposal from the Authority and indicate explicitly the principles and criteria of the present law, which must be respected. Should the Minister responsible not accept the second proposal made by the Authority, he shall refer the decision to the Prime Minister who shall rule on it after consultation with the Council of Ministers, and shall depart from the earlier decision exclusively for weighty and significant motives of general interest;
- 14. To each Authority are transferred all the administrative functions exercised by government and other public bodies and administrations, even autonomous organisations, which are relevant to the performance of its duties. However, until such date as the regulations contained in paragraph 28 come into force, the Minister responsible shall continue to carry out the functions previously assigned to him by the laws in force. The aforesaid is without prejudice to the Government prerogative of policy-making in the sector and the powers reserved for autonomous local authorities.
- 15. Articles 12 and 13 of the consolidated text approved by Presidential decree n.670 on August 31st 1972 and the relative regulations for implementation contained in Presidential decree n.381 of March 22nd 1974 and Presidential decree n. 235 of March 26th 1977 apply to the autonomous provinces of Trento and Bolzano.
- 16. The regulations contained in articles 7, 8, 9 and 10 of the special charter approved by constitutional law n. 4 on February 26th 1948 apply to the Vale d'Aosta region.
- 17. For the purposes of the present law, tariffs mean the maximum unit prices of the services net of taxes.
- 18. Without prejudice to the terms of article 3 and in conjunction with other analysis and assessment criteria, the parameters which the Authority shall set

pursuant to article 12e), to determine the tariff using the price-cap method, defined as the maximum limit of price variation tied to a period of several years, are as follows:

- a) the average annual variation, over the previous twelve months, in the prices of consumer goods for the families of white and blue-collar workers according to ISTAT (Central Institute of Statistics).
- b) the targeted variation in the annual productivity rate, set for a minimum period of three years.
- 19. To achieve the purposes of paragraph 18 reference will also be made to the following elements:
 - a) improving the quality of the services in relation to set standards for a minimum three-year period;
 - b) costs arising from unforeseeable and exceptional events, from changes in the law, or from variations in obligations incurred in providing the universal service;
 - c) costs arising from measures directed at controlling and managing demand through the efficient use of resources.
- 20. For the purposes of carrying out its functions each Authority:
 - a) shall request information and documents concerning their activities from the parties operating the services.
 - b) shall carry out inspections to ensure compliance with the documents referred to in paragraphs 36 and 37;
 - c) shall levy fines, unless the deed is a criminal offence, ranging from a minimum of Lit. 50 million to a maximum of Lit. 300 billion, on the service operator for infringing the rules laid down by the Authority or refusing to provide information or permit inspections when requested to do so, or in cases where the information or documentation received is false; in cases of repeated violation the Authority has the power to suspend the activity of the enterprise for up to 6 months where this does not jeopardise the user's enjoyment of the service, or to propose the suspension or invalidation of the concession to the Minister responsible;

- d) shall order the party operating the service to cease behaviour which is detrimental to the rights of users and oblige the party to pay compensation in compliance with paragraph 12 g);
- e) during arbitration or conciliation proceedings, may adopt temporary measures to ensure the constant supply of the service or to eliminate abuses or improper functioning by the party operating the service.
- 21. In its Economic and Financial Planning Document, the Government shall outline to the Authorities the development policy in the public utilities which best suits the national interest.
- 22. Public bodies and enterprises, besides providing additional information and data, are obliged to co-operate with the Authorities to enable them to fulfil their functions.
- 23. In compliance with Chapter III of law n.241 (6) of August 7th 1990, the Authorities, in their own regulations, which must be approved within ninety days of their appointment, shall set out rules for periodic hearings of the various associations into which consumers and users become organised. The same regulations shall also govern periodic hearings of associations for environment protection, trade unions, business associations and surveys on user satisfaction and the efficiency of the services.
- 24. Within sixty days of the present law coming into force, one or more sets of regulations drawn up in compliance with article 17, paragraph 1 of law n. 400 of August 23rd 1988 shall define:
 - a) appropriate procedures for guaranteeing to the interested parties a complete knowledge of the inquiry documents, exchanges of statements, both written and oral and the records dealing with the activities undertaken by the Authorities
 - b) the criteria, the conditions, the terms and the procedure to be followed in conciliation or arbitration disputes between users and the parties operating the service to be heard by the Authorities, likewise establishing the cases in which such conciliation or arbitration proceedings may be submitted in the first instance to arbitration or conciliation commissions set up at the chambers of commerce, industry, craft and agriculture according to article 2, paragraph 4 a) of law n. 580 of December 29th 1993. Until expiry of the

term set for making application for conciliation or referral to arbitration, the term for judicial appeals is suspended and if proposed may not be proceeded with. The statement of conciliation or the arbitration decision is immediately enforceable.

- 25. Appeals against the deeds and measures of the Authorities fall within the exclusive jurisdiction of the administrative judge and shall be brought before the administrative tribunal of the region where the Authority has its registered office.
- 26. Publication of the records and procedures of the Authorities is also ensured by a special bulletin published by the Prime Minister's Office.
- 27. Each Authority has organisational, accounting and administrative autonomy. Its budget and statement of accounts, which are subject to control by the State Audit Court, shall be published in the Italian Official Gazette.
- 28. Within thirty days of being set up, each Authority shall draw up its own regulations which shall state the rules governing its internal organisation and functioning, the structure of its permanent staff which may not exceed eighty in number, the regulations governing the promotion system, in addition to the legal and financial status of the personnel in the light of its specific functional and organisational needs and according to the criteria set by the current collective labour contract for the Authority for Fair Trading. The Authorities shall not be subject to the provisions of Law Decree n. 29 of February 3rd 1993 and subsequent amendments, except insofar as laid down in paragraph 10 of the present article.
- 29. The engagement of permanent personnel for the posts in each Authority's staffing plan shall be through public competition with the exception of the categories where appointments are to be made according to article 16 of law n. 56 of 28th February 1987 and subsequent amendments. During the initial implementation period of the present law, each Authority shall make a special personnel selection, even from the Civil Service, of candidates who possess the ability and the required professional qualifications and experience to carry out the individual functions, said selection to be made in such a way as to ensure maximum neutrality and impartiality and to amount to no more than 50 percent of the posts available in the staffing plan.

- 30. Each Authority may appoint no more than forty employees under a fixed term contract for a maximum of two years, in addition to external experts and consultants, to number no more than ten, for specific purposes and to provide professional expertise, with fixed term contracts of a maximum of two years which may be renewed no more than twice.
- 31.Employees in service with the Authorities, even under a fixed-term contract, may not be employed or hold office elsewhere, nor carry out any other professional activity, even on an occasional basis. Moreover, they may not, either directly or indirectly, retain interests in enterprises in the sector. Violation of these bans causes forfeiture of the post held and should the deed not constitute an offence, shall be punished by a fine ranging from a minimum of Lit.5 million to a maximum of Lit.50 million or the amount of money gained, whichever be the greater.
- 32. Pursuant to article 17, paragraph 2 of law n. 400 of August 23rd 1988, within ninety days of the present law coming into force, one or more sets of regulations shall be issued with the purpose of transferring the remaining responsibilities related to those assigned by the present law to the Authorities, in addition to reorganising or closing offices and reviewing the staff structure of the public administrations affected by the application of the present law, and the jurisdiction enjoyed by the Interdepartmental Committee for Economic Planning shall cease. From the date that the regulations referred to under the present paragraph come into force, all the legal and regulatory provisions, which govern the reorganised or closed offices, shall be repealed. The regulations shall specify the provisions repealed in accordance with the previous sentence.
- 33. The Authorities shall inform the Authority for Fair Trading, of the existence of possible violations of the terms of law n. 287 of 10th October 1990, in the documents and behaviour of the enterprises operating in the sectors under their control.
- 34. On matters related to the protection of competition, the Authority for Fair Trading is bound, within 30 days, to express its opinion as to the terms of concessions, service agreements and other instruments for regulating the operation of the nation-wide services, to the competent public authorities.

- 35. The concessions granted in the sectors covered by paragraph 1, the duration of which may not exceed forty years, may be in return for payment, with the exceptions established by the laws in force.
- 36. The operation of the concessionaire service shall be governed by contracts and if need be, by public policy implementation agreements drawn up between the conceding administration and the party operating the service, and which shall specify: the general objectives, the specific purposes and the mutual obligations to be fulfilled in the performance of the service, the verification procedures, the penalties for non-fulfilment, the terms and conditions for automatic indemnity procedures, in addition to the methods for updating, reviewing and renewing the public policy implementation agreement or the contract.
- 37. The party operating the service shall draw up service regulations in conformity with the principles of the present law and the documents mentioned in paragraph 36. The decisions of the Authorities covered by paragraph 12 h) shall constitute amendments or addenda to the service regulations.
- 38. To cover the costs arising from setting up and operating the Authorities, set at Lit.3 billion for 1995 and Lit. 20 billion for each Authority as from 1996 the provisions are as follows:
 - a) for 1995, an equal reduction will be made in the allocation registered under item 6856 in the Treasury Ministry budget statement for the year 1995, for the three-year 1995-1997 balance sheet, using part of the funds set aside for the Ministry of Industry, Commerce and Crafts;
 - b) as from 1996, a contribution not in excess of one thousandth (0,1%) of the income of the preceding financial year, will be payable by the parties operating the service itself. Said contribution is payable by July 31st of each year to the extent and according to the terms and conditions established by a decree to be issued by the Minister of Finance in concert with the Treasury Minister within thirty days of the present law coming into force.

- 39. The Minister of Finance is authorised to adjust the amount payable by the parties operating the service in proportion to the costs so as to cover the effective running costs of each Authority.
- 40. The sums referred to in paragraph 38 b) shall be credited to the State income to be reallocated to a single item in the Prime Ministerial budget.
- 41. The Treasury Minister has authority to make the necessary budget variations in his decrees.

Article 3

Provisions governing the Regulatory Authority for Electricity and Gas and other provisions concerning the electricity sector

- 1. Pursuant to article 2, paragraph 14 of the present law, to the Authority for electricity and gas are hereby transferred the functions related to electricity and gas, which were assigned by article 5, paragraph 2 b) of Presidential decree n. 373 of April 20th 1994, to the Minister of Industry, Trade and Crafts, to perform them according to the aforesaid article 5 until the regulations stipulating the structure and operation of the Authority have been issued in accordance with article 2, paragraph 28 of the present law.
- 2. With regard to the tariffs for the supply of electricity, the unit prices to be charged per user category shall be uniform throughout the country. Said tariffs shall include cost items related to the employment of fossil fuels, to the acquisition of energy from domestic producers, the acquisition of imported energy in addition to cost items related to encouraging new forms of electricity production from renewable and similar sources. The Authority shall also ascertain that the basis exists for items related to refunding the cost of decommissioning nuclear power stations and suspending or stopping their construction, and compensation for loss of income due to taxation laws introduced to implement the national energy plan, in conformity with article 33 of law n. 9 of January 9th 1991. Said items shall be specified in the tariff. The Authority shall verify the appropriateness of the criteria adopted for determining the reimbursement of costs related to shutting down nuclear power stations and suspending or stopping their construction, and suspending or stopping their construction, and for exercising the powers mentioned in paragraph 7 of the present article.

- 3. The Authority, in exercising its functions and powers according to article 2, paragraphs 12 e), 20 and 22 respectively, shall issue directives to ensure specification of the various items comprising the tariffs, taxes and other charges.
- 4. In order to update that part of the tariffs net of the cost items referred to in paragraph 2, by September 30th of each year, the parties operating the service shall prepare tariff review proposals based on variations in the parameters covered by article 2 paragraph 18, established by the Authority pursuant to article 2, paragraph 12 e) in addition to any elements mentioned in article 2, paragraph 19, for submission to scrutiny by the Authority, in the exercise of those functions covered by article 2, paragraph 12. When forty-five days have elapsed from notice of the proposal to update without the Authority having pronounced on the proposal, it shall be understood to have been approved. In cases where the Authority requires greater detail or further investigation, the aforesaid term may be extended by 15 days. Tariffs for the supply of electricity, which are updated by December 31st of each year, shall come into force on January 1st of the following year. Contemporaneously the Authority shall decide on any reviews of the equalising factors.
- 5. Updating tariffs in relation to costs deriving from fossil fuels, from purchasing domestically produced or imported electricity, shall be done using an automatic calculation mechanism based on criteria previously established by the Authority and linked to market developments. Updating the tariffs shall be done by the parties operating the services and is subject to subsequent scrutiny by the Authority.
- 6. The equalisation systems among the various parties providing the service shall be regulated according to general provisions on the matter issued by the Minister responsible, or by the Authority after the regulations referred to in article 2, paragraph 28 come into force.
- 7. The provisions already adopted by the Interdepartmental Committee on Prices and by the Ministry of Industry, Trade and Crafts with regard to electricity and gas retain their full validity and efficacy, unless amended or repealed by the Minister, even in the deed of concession, or by the competent Authority. The

CIP³ provision n.6 of April 29th 1992, published in Official Gazette n.109 on May 12th 1992, as supplemented and amended by decree of the Minister of Industry Commerce and Crafts on August 4th 1994, published in the Official Gazette n. 186 on August 10th 1994, applies, for the entire duration of the contract, to the chosen undertakings, on the date the present law comes into force, for the purposes of signing contracts, even preliminary, covered by the decree of the Minister of Industry, Commerce and Crafts dated September 25th 1992 and published in Official Gazette n. 235 on October 6th 1992, in addition to proposals made by December 31st 1994 to ENEL SpA to transfer electricity produced from renewable sources, strictly speaking, and to proposals to transfer electricity from blast furnaces or coke plants presented by the same date, on condition that in the latter cases the necessary primary activity of the enterprise remains. Likewise the provisions of Presidential Decree of January 28th 1994, published in Official Gazette n. 56 on March 9th 1994 remain valid. The other undertakings remain subject to the laws in force, including the aforesaid CIP provision n. 6 of 1992 and the relative updating covered by article 22, paragraph 5 of law n. 9 of January 9th 1991, which shall take into account the principles mentioned in article 1 of the present law.

8. The parties operating the electricity service must implement the accounting separation referred to in article 2, paragraph 12 f) within two years of the entry into force of the present law and which concerns in particular the different stages of generation, transport and distribution as if they were managed by different enterprises. The aforesaid parties shall publish a balance sheet and profit and loss account for each separate stage in their annual report. Without prejudice to the provisions of article 20, paragraph 1 of law n. 308 (14) of May 29th 1982, those electrical activities formerly carried out by the local electricity boards shall remain entrusted as concessions from the Minister of Industry, Commerce and Craft. Relations between the local electricity boards and ENEL SpA shall remain regulated by contracts drawn up pursuant to article 21 of law n.9 of January 9th 1991.

³ Interdepartmental Commission on Prices

9. The present law shall come into force on the day following its publication in the Official Gazette.

RELATED LEGISLATION

Law n. 577 of November 14th 1996 converting Law Decree n. 473 of September 13th 1996, gives the Authorities power to merge all surcharges into the electricity tariff, except those which are destined to become state income, in keeping with normal conditions of market and competition, by June 30th 1997 (enacted by resolution n.70 on June 26th 1997) and to gradually simplify the electricity tariffs referred to in article 20, paragraph 4 of law n. 9 of January 9th 1991 in order to progressively eliminate factors which distort competition and to guarantee transparency and the rights of the users.

Article 5 of **law n. 122** converting law decree n. 50 of March 11th 1997 gives the Authority the power to recalculate the tariff amendments approved by the Interdepartmental Committee on Prices in decisions n.15 of December 14th 1993 and n.17 of December 29th 1993, establishing the relative procedures (enacted by resolution n. 28 of March 25th 1998).

Law n. 249 of July 31st 1997 (hereinafter: law n. 249/97) entitled "Institution of the Authority for Guarantees in Communications and Regulations Governing Telecommunications and Radio and Television Systems" published in ordinary supplement n. 154/L to the Official Gazette – general series – n. 177 of July 31st 1997, has laid down some rules which also apply to the other Authorities set up under law n. 481 of November 14th 1995, among which is the Authority for Electricity and Gas. Said rules are contained in paragraphs 9, limited to departures from the rules on general State accounting, in addition to paragraphs 16 and 19 in article 1 of law 249/97.

They are given below:

Paragraph 9. The Authority, within ninety days of first taking office shall approve a set of regulations governing the organisation and operation, balance sheets, statements of accounts and management of expenditure, even departing from the rules governing general State accounting....

Paragraph 16. The Authority shall also co-operate, by exchanging information with the Authorities and the responsible bodies of foreign countries in order to facilitate their respective functions.

Paragraph 19. The Authority may, for justified motives, make use of employees in the Civil Service or in other public administrations, as temporary staff in conformity with the respective regulations, i.e. temporarily discharged from duty according to article 13 of Presidential Decree n. 382 of July 11th 1990 and subsequent amendments; said temporary staff shall not exceed a total of thirty and form no more than 20 per cent of the management level, leaving vacant a corresponding number of permanent staff positions. The personnel covered by the present paragraph shall be paid an allowance according to article 41 of presidential decree n. 231 of July 10th 1991.

Paragraph 21. The Authority is subject to the provisions of article 2 of law n. 481 of November 14th 1995, which are not modified by the present law. The provisions of paragraph 9, restricted to departures from the regulations governing general State accounting, in addition to paragraphs 16 and 19 of the present article are applicable also to the other Authorities instituted by law n. 481, of November 14th 1995, without the State being liable for any charges.