

CORRIERE DELLA SERA

The plan for Edison. Growth in the sector gas is priority.

Interview to Bruno Lescoeur, Edison's CEO

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Bruno Lescoeur, soon 58 years old, has been Edison's CEO since May. Engineer graduated at the Ecole Polytechnique, he's Edf's gas man, the person who negotiated with Gazprom the entering of the French company in South Stream pipeline, whose members are also Eni and Wintershall. He's trying to learn Italian and reads newspapers on a daily basis. Obviously, he's reluctant to talk about discussions among Edison shareholders. But he doesn't accept to be considered a kind of lieutenant of Louis XII, the French king who conquered Milan in 1500. «It is not a matter of conquering a country -he says- or a matter of transferring activities from a country to another one. Energy business goes differently: our business is rooted in the territory, but it is international and globalized at the same time. You have continuously to check what happens on the markets and in the world. And it is what we're doing»

In less than a month, when the agreement among shareholder will be reached, will Edison be different?

«I don't think that the company will change much. Edison has already strong competencies and an international reputation. For sure it will have the stable and long term support that it needs for the characteristics of its business. Energy market is experiencing a difficult period. There is an overcapacity in electricity and gas market, but in periods like this a company gets ready for its future. We're in the right position to take advantage of opportunities abroad in gas market, in hydrocarbons production and in new supply routes»

In the meantime you presented an offer for Azerbaijani gas, which is crucial for you as the building of ITGI through Turkey and Greece depends on Shah Deniz II.

«It's an important but not crucial offer, which we have presented with Greek company Depa and also counting on the support of Edf. Now we are waiting to be allowed to do a step forward and we are confident we'll do it in a short term. I've underpinned the matter also with European energy Commissioner Gunther Oettinger»

Your ally Gazprom doesn't like this kind of diversification: will you be a competitor of the Russian company?

«The dimension of a project like ITGI, which can import 8-10 bn cubic meters per year, is not a concern for the Russians. Gazprom can understand that Europe needs some diversification of gas supply and can't rely only on Russian gas»

Will the entrance of Edf in South Stream have an impact on Edison?

«The two projects are complementary and no dream is prohibited»

After the nuclear energy was abandoned in Italy could you re-launch an alliance with Enel, eventually starting from Azerbaijani gas?

«It would in theory make a sense because we have same problems and same needs. If Azerbaijani developments will be positive, then we could think about new partners»

Like Enel?

«Big companies are sometime partners sometime competitors. Enel and Edf have equal interests in gas supply towards Europe, but on the other side they can be competitors in the retail market in Italy. In these days Edison is proposing its new commercial offer for the Italian families».

Is it true that Edison was the only company to succeed in negotiating the long term contracts with Gazprom? What's the status with Qatar and Algeria?

«It's true, Russians understood that for them could have been interesting to make a concession in order to have good relations with Edison. With Qatar and Algeria the arbitration is still ongoing but we keep negotiating».

Do you have also significant ambitions in E&P?

«We will never be as large as Total or Eni but we want to increase our E&P activities as operators. Edison holds abroad 21 licenses for exploration and production, of which 10 as operator. In this sector we employ 1300 specialists and have an equity gas production of around 50,000 boe (barrel of oil equivalent) per day. In Egypt, for example, we invested a lot and keep going on. After 2 years we see first results: Abu Qir production has doubled and in these days we've completed the fourth well of the new platform P-II. We're active in Italy, Norway, Ivory Coast and we also keep an eye on Iraq. But I like Egypt for a specific reason».

Which one?

«Because we kept working in Egypt even during the rebellion; there were difficult times during which we showed that Edison is able to grow and to produce development. Even when all seemed to worry only about our shareholding structure and reorganization».

What about renewables? There were some talks over an Italian pole of renewables which should include also your assets...

«I don't want to talk specifically on this matter. For a power company renewables are a relatively new sector which has to be evaluated. Edison produces 17.5% of its energy from renewables sources. On this side we don't have pre-defined positions or points of view. We could buy activities, or develop them. Or develop to sell them later. We're flexible. If someone is interested in this we can discuss about it».

Could an Italian partner help Edison?

«The most important thing is not to weaken Edison, which is the second largest energy operator in Italy and has an history that starts in 1884. Edf has always cared about local context and well knows that having an Italian partner would be an advantage. Edison is not a passive asset, it is an asset itself. An asset which has to be preserved».