

Opinion of the Transport Regulation Authority to the Ministry of Infrastructure and Transport, pursuant to Article 43 of Decree-Law No. 201 of 6 December 2011, concerning the update of the Economic and Financial Plan in relation to the Concession Agreement between the Ministry of Infrastructure and Transport and Autovia Padana S.p.A.

At its meeting of 9 October 2025, the Transport Regulation Authority (hereinafter “Authority” or “ART”)

whereas:

- by Decision No. 70/2016 of 23 June 2016, the Authority approved the regulatory measure concerning the definition of the optimal management areas for toll motorway sections, as set out in Annex 1 to the same Decision;
- on 31 May 2017 the Ministry of Infrastructure and Transport (hereinafter “MIT”) and the Società di Progetto Autovia Padana S.p.A. (hereinafter “AP”) entered into a Concession Agreement (hereinafter “the Agreement”). The Agreement, approved by Interministerial Decree No. 453 of 5 October 2017 and registered with the Court of Auditors on 22 December 2017, entered into force on 1 March 2018, following the payment of the takeover value to the outgoing concessionaire. This Agreement covers the management of the A21 Piacenza–Cremona–Brescia motorway section as well as the implementation and management of new investments outlined in the annexes to the Agreement;
- by Decision No. 28/2023 of 24 February 2023, the Authority, upon completion of the procedure initiated by Decision No. 216/2022, approved the toll charging system relating to the Concession Agreement, as set out in Annex A to the aforementioned decision concluding the procedure (hereinafter “ART Toll Charging System”);
- by Decision No. 139/2023 of 14 September 2023, the Authority approved the rate of return on invested capital to be applied in the context of procedures for the update or revision of existing motorway concessions to be carried out during the period of validity of that Decision;
- by Decision No. 15/2024 of 8 February 2024, the Authority issued the operational guidelines set out in Annex A to that Decision, concerning the application of the principles and criteria governing the economic regulation of motorway concessions approved pursuant to Article 37(2)(g) of Decree-Law No. 201 of 6 December 2011;
- by note of 12 February 2024 (ART ref. no. 16633/2024), the MIT informed the concessionaries of the requirement to comply with the operational guidelines issued by the Authority under the aforementioned Decision No. 15/2024;
- by notes of 1 August 2025 (ART ref. nos. 66549/2025 and 66648/2025), the Directorate-General for Motorways and the Supervision of Motorway Concession Contracts of the MIT transmitted to the Authority, for the purpose of obtaining its opinion pursuant to Article 43 of Decree-Law No. 201/2011, the documentation provided by AP, concerning the draft Addendum to the Concession Agreement. The Addendum includes both the proposed update of the Economic and Financial Plan (hereinafter “EFP”) for the period 2024–2043 and the corresponding Regulatory Financial Plan

(hereinafter “RFP”) for the regulatory period 2024–2028, together with the related technical annexes, in accordance with the provisions of the ART Toll Charging System;

- by note of 13 August 2025 (ART ref. no. 68948/2025), the offices of the Authority drew the granting authority’s attention to a number of issues identified during the review phase, and, in this regard, requested further clarifications and additional documentation concerning, *inter alia*: (i) the rate of return on invested capital; (ii) the net invested capital; and (iii) the notional items under the previous framework;
- by note of 10 September 2025 (ART ref. no. 74240/2025), the MIT transmitted the revised EFP/RFP, incorporating some of the observations made by the offices of the Authority in the aforementioned note of 13 August 2025, and requested the issuance of an opinion pursuant to Article 43(1) of Decree-Law No. 201/2011;

having considered the documentation submitted by the granting authority, hereby sets out the following considerations pursuant to art. 43(1) of Decree-Law No. 201/2011.

I. Preliminary considerations

The motorway network operated by Società di Progetto Autovia Padana S.p.A., as defined in the Concession Agreement, comprises the sections listed in Table 1 below.

Table 1 — Motorway sections operated by AP under concession, as defined in the Concession Agreement

Name		Motorway system	Status	Toll km
A21	Piacenza - Cremona – Brescia motorway link	Closed	In operation	86
A21	Ospitaletto Montichiari link	Semi-closed*	In operation	19.5
Total				105.6

*As from 2026.

The total length of the motorway sections operated by AP falls below the minimum threshold of 180 km established in point 2 of the regulatory measure approved by the aforementioned Decision No. 70/2016 concerning optimal management areas – a threshold below which significant cost inefficiencies are observed, increasing sharply as the network length decreases.

The expiry date of the concession is set at 28 February 2043, in accordance with the provisions of Article 4.1 of the Concession Agreement.¹

Accordingly, the EFP covers a time horizon of approximately 19 years (from 1 January 2024 to 28 February 2043) and, subject to the differences in application highlighted below, provides for:

- charge adjustments over the period 2024–2043, following the trend shown in Table 2.

¹ Article 4.1 of the Concession Agreement stipulates: “The duration of the concession is set at 25 (twenty-five) years, commencing from the effective date of this Agreement.”.

Table 2 — Projection of annual charge adjustments from 2024 to 2043

Year	2024	2025	2026-2043
Average annual charge adjustment (%)	2.30%	0 %	3.69%
Average unit charge	0.0765	0.0763	0.0803 – 0.1502

The table shows that the average charge increases from an initial unit value of EUR 0.0765 per vehicle-kilometre in 2024 to a final value of EUR 0.1502 per vehicle-kilometre in 2043, corresponding to an average annual increase of of +3.59% (CAGR) over the concession period²;

- a volume of toll-paying traffic increasing from approximately 1.013 million total vehicle-kilometres in 2024 to about 1.422 million total vehicle-kilometres in 2042³, representing a total variation of 40.38% over the 2024–2042 period⁴. This trend is influenced by the planned introduction, from January 2026, of toll collection on the Ospitaletto–Montichiari motorway link using a Multi-Lane Free Flow system;
- an investment plan for the period from 1 January 2024 to 28 February 2043, amounting to a total of EUR 199.94 million;
- net invested capital, as at 31 December 2023, amounting to approximately EUR 511.81 million, broken down as shown in the following table:

Table 3 — Breakdown of net invested capital as at 31 December 2023 (in million euro)

Breakdown of net invested capital as at 31 December 2023		Value (million euro)
1	Tangible fixed assets – reversible assets	464.77
2	Accumulated depreciation	-77.07
3	Approved public contributions	-1.50
4	Difference between accounting NIC and regulatory NIC	39.54
5	Credit from notional items	86.07
Total		511.81

² The average annual increase was calculated over the period 2024–2042, excluding the final year of operation, which covers only two months of 2043.

³ The analysis of traffic volume variations excludes 2043, as the remaining duration of the concession in that year is less than six months.

⁴ Accordingly, the compound annual growth rate (CAGR) for the period 2024–2042 is +1.83% per year.

II. Preliminary assessments of the economic equilibrium of the concession and the sustainability of tolls charged to users

Without prejudice to the determinations of the granting authority concerning the verification, during the concession period, of the economic and financial equilibrium — which underpins an appropriate allocation of risks — as well as the assessment of the sustainability of tolls charged to users, in accordance with the principles underlying the toll charging system established by the Authority, the technical and economic analysis of the most recently submitted documentation indicates the following:

- the first regulatory period covered by this opinion includes the years 2024–2028 and is based on data derived from the base year 2022 and the bridge year 2023; the Economic and Financial Plan extends over the period 2024–2043;
- starting in 2026, with the opening of the Ospitaletto–Montichiari link, traffic volumes on the section are expected to increase by 150.5 million toll-paying vehicle-kilometres per year, representing an overall rise of about 14.5% in the total traffic of the concession⁵;
- the simulation carried out by the concessionaire, based on a geometric progression scenario with declining charge adjustments over the period 2026–2043 — namely 7%, 6%, 5%, 4%, 3%, and 2.06% up to the expiry of the concession — results in an average annual charge adjustment of 3.13%, which is lower than the outcome obtained under a linearised charge increase of 3.69%⁶;
- a takeover value at the expiry of the concession of approximately EUR 240 million, corresponding to 1.6 times the EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization), against a concession fee not eligible for tariff purposes amounting to EUR 41 million, and a compensation value of EUR 260 million, fully paid at the time of takeover to the outgoing concessionaire;
- the investment plan for the period from 1 January 2024 to 28 February 2043 provides for a total expenditure of approximately EUR 200 million, consisting of (i) EUR 116 million for new works and (ii) EUR 84 million relating to past investments;
- the productivity indicator determined under the ART toll charging system amounts to 3.23%, corresponding to an annual productivity gain of 0.66%;
- an annual amount of EUR 0.25 million has been included among the concession-related charges provided in the RFP, to strengthen the monitoring and oversight activities of the granting authority over the period 2025-2043;
- the economic effects arising from the COVID-19 pandemic for the years 2020, 2021, and 2022, amounting to a total of EUR 16.51 million, have been included among the concession-related charges provided for in the RFP;
- the inflation rate applied is: (i) 5.60% in 2023; (ii) 2.30% for the period 2024-2028; and (iii) 1.80% until the expiry of the concession⁷;

⁵ Traffic volumes on the Ospitaletto–Montichiari link are projected to increase throughout the concession period, reaching 248 million vehicle-kilometres in 2043.

⁶ Cf. the note dated 10 September 2025 (ART ref. no. 74240/2025), annex “Reply to requests for clarification”, where, under point 3, the concessionaire states: “the cumulative toll increase would amount to approximately 30%, about 8% higher than under the linearised increase scenario. Such an increase is considered excessive in light of the granting authority’s intention to mitigate the impact of motorway tolls on household budgets.”

⁷ The inflation data refer to the Economic and Financial Document (EFD) of September 2023. Cf. Table II.3 of the update to the Economic and Financial Document (NADEF), September 2023. The rates applied correspond to the latest data available at the time this periodic review was initiated.

- the rate of return for works completed or under construction as of the date of entry into force of the ART toll charging system (1 January 2024⁸), corresponding to the internal rate of return of motorway activities resulting from the application of the previous toll charging system (hereinafter the “previous IRR”), is 9.38%;
- the rate of return for works to be constructed, or otherwise initiated after the entry into force of the ART toll charging system (1 January 2024) and still under construction, corresponding to the weighted average cost of capital (hereinafter “WACC”), is 7.69% (nominal pre-tax rate), pursuant to Decision No. 139/2023;
- with regard to the summary financial information on the project’s sustainability, over the period 2024–2043, a minimum Loan Life Coverage Ratio (LLCR) of 2.1 and a minimum Debt Service Coverage Ratio (DSCR) of 0.8 (in 2025) are recorded, the latter falling below the threshold values commonly applied in motorway concession agreements (>1.20). However, it should be noted that substantial cash reserves are maintained throughout the entire financing period;
- the profitability indicator, represented by the project internal rate of return (pre-tax project IRR), is 9.64% and is calculated over the period from 1 January 2024 to 28 February 2043;
- the internal rate of return for shareholders (hereinafter “shareholders’ IRR”) is 10.40%, based on a projected dividend distribution over the period 2024–2043 totalling EUR 624.85 million, and on the reimbursement of equity at the expiry of the concession, amounting to EUR 297.04 million.

II. Considerations and requirements of the Authority

1. Determination of the costs allowed for the Base Year 2022 and the Bridge Year 2023

To enable *ex-post* verification of the proper implementation of the requirements set out by the Authority in this opinion, the identification of the costs allowed for the Base Year and the Bridge Year in the EFP and RFP - which shall be revised accordingly – must be carried out in full compliance with the toll charging system established by Decision No. 28/2023. In particular, the values of the relevant economic items shall not result from a mere mechanical carry-over of figures from previous years, but shall instead be determined in accordance with the procedures and criteria laid down in the applicable Regulatory Model, including the specific rules governing the definition of the regulatory perimeter and asset valuation (for instance, in relation to the NIC: reversible assets, public contributions, depreciation, notional items, etc.). The reconstruction of the economic and financial items shall also be verifiable and reconcilable with the corresponding financial statements and regulatory accounts, so as to ensure the accuracy and reliability of the regulatory calculation base.

Accordingly, to ensure compliance with the ART toll charging system, the concessionaire shall provide an appropriate reconstruction of the costs allowed for the Base Year and the Bridge Year, ensuring that they are fully verifiable and reconcilable with the 2022 and 2023 financial statements and the corresponding regulatory accounts.

⁸ As provided for in Measure 32 of the ART toll charging system set out in Annex A to Decision No. 28/2023.

2. Methodology for calculating the previous IRR referred to in point 17 of the ART toll charging system

With reference to the calculation of the internal rate of return under the previous toll charging system, as referred to in point 17 of the ART toll charging system, and in light of the analysis of the documentation attached to the aforementioned notes (ART ref. nos. 66549/2025 and 74240/2025), it should be noted that the rate of return was determined on the basis of an EFP that is not comparable with the one used as the basis for defining the RFP, which was prepared in accordance with the provisions of the ART toll charging system and as requested by the Authority's offices in note no. 68948/2025 of 13 August 2025.

In particular, it is necessary to ensure that the traffic forecasts used for calculating the IRR are consistent with the volumes projected in the RFP, and that the value of the notional items, as recalculated following the Authority's observations, is duly taken into account in determining the NIC.

Accordingly, in order to ensure compliance with the provisions of the ART toll charging system, the concessionaire shall recalculate the previous IRR.

3. Average Unit Charge

With regard to the trend of the average unit charge, Decision No. 15/2024 indicated the application of the principles and criteria of economic regulation, including the adoption of a charging structure with geometric increases, to be preferred over linearised charge increases, in order to uphold the principle of cost containment for users throughout the entire concession period.

In light of the comparison between the two calculation methodologies, the use of geometric progression results in a greater benefit for users, in terms of:

- a lower average annual charge adjustment of 3.13% (CAGR), compared with 3.69% under the linearised increase scenario;
- a lower takeover value at the expiry of the concession, amounting to EUR 206 million, compared with EUR 240 million under the linearised charge increase scenario.

Accordingly, in order to ensure compliance with the ART toll charging system and in line with Decision No. 15/2024, the concessionaire shall adopt a geometric progression for charge increases, rather than linearisation, and shall carry out the corresponding recalculation of the takeover value.

4. Depreciation criteria for reversible assets

It is noted that the methodology used by the concessionaire to calculate the annual depreciation charges for reversible assets, to be applied in determining the construction component of the charge, does not appropriately take into account the principle of the residual useful life of such assets, as established by Article 2426 of the Italian Civil Code, nor the provisions set out in Measure 15.2(a)(ii), which specify that the annual regulatory depreciation charges shall be calculated "*on the total investment realised*" up to that point.

Accordingly, in order to ensure compliance with the ART toll charging system, the concessionaire shall recalculate the depreciation of reversible assets in accordance with the aforementioned legislative and regulatory provisions.

5. Residual value at the expiry of the concession

It is noted that, pursuant to point 12.2 of the ART toll charging system, concerning the rules on the eligibility of the NIC, this item — for the purpose of calculating capital costs, including its remuneration — **must be determined “net of any residual value at the end of the concession or of the useful life.”**

Accordingly, in order to ensure compliance with the ART toll charging system, the concessionaire shall recalculate the NIC “net of any residual value at the expiry of the concession or of the useful life”.

6. Economic effects arising from the COVID-19 pandemic

With regard to the recovery of the economic effects arising from the COVID-19 pandemic, it should be emphasised that — without prejudice to the respective areas of competence — the inclusion in the charge of any compensations relating to the economic effects directly attributable to the aforementioned health emergency, without any additional remuneration and taking into account the affordability of the resulting charges for users, should in any case derive from specific legislative provisions and remains the exclusive responsibility of the granting authority as regards: (i) eligibility; (ii) quantification; and (iii) methods of recovery through the charge.

The Transport Regulation Authority, as part of a consultative and cooperative process, sets out in this opinion certain clarifications regarding the correct implementation of its methodological guidance within the relevant EFP/RFP.

- the charge adjustment aimed at excluding the remuneration of equity capital shall apply the parameters set out in Annex A to ART Decision No. 158/2020 for the equity component (weighted rate of 4.18%);
- this adjustment shall be applied to the total NIC considered in the RFP for the reference years, and the resulting amount shall be weighted according to the share of notional items used in the same RFP (i.e. by measuring the impact of the notional component on capital costs);
- for reasons of gradual implementation and sustainability, recovery may occur over one or more regulatory periods through the dedicated component for supplementary charges;
- with reference to the specific case, the traffic volumes to be used shall be based on the average actual volumes recorded over the five-year period 2015–2019 for the sections covered by the concession. In the event of a change of concessionaire, the historical volumes for those sections shall be drawn from official sources (e.g. SIVCA - Information System for the Supervision of Motorway Concessions/regulatory accounts).

In light of the above, it remains within the remit of the granting authority to assess the tariff recovery of the economic effects arising from the COVID-19 pandemic, on the basis of any *ad hoc* legislation that may extend compensation measures to the motorway sector, or, where the specific conditions are met, by applying Article 192 of the Public Procurement Code.

Therefore, the granting of compensation for the economic effects arising from the pandemic requires a prior assessment by the granting authority as to whether the pandemic has caused a significant disruption to the economic and financial equilibrium of the concession. In the absence of such disruption, the concessionaire shall be instructed to temporarily exclude tariff recovery of the economic effects linked to

the COVID-19 pandemic, pending any determinations supported by primary legislation that may definitively confirm the relevant conditions. It is understood that, upon the occurrence of such an event, the aforementioned recovery may take effect from the first applicable year, subject to notification to the Authority, in accordance with the criteria for determining the effects related to the COVID-19 health emergency as identified by ART.

To address the above-mentioned issues, which are expected to affect the charging levels applicable to users, and to ensure compliance with the ART toll charging system, it is necessary to amend the draft supplementary agreement, the Economic and Financial Plan, and the Regulatory Financial Plan in accordance with the requirements set out above, taking into account the binding nature of the opinion issued by the Authority pursuant to Article 43 of Legislative Decree No. 201 of 6 December 2011, as amended by Article 16 of Law No. 193 of 16 December 2024.

As previously noted, Decision No. 75/2025 of 15 May 2025 initiated the procedure for revising and updating the toll charging systems for existing motorway concessions, including the concession granted to AP.

In this regard, it is understood that the Economic and Financial Plan and the Regulatory Financial Plan outlined in this opinion may be further supplemented or updated in accordance with the procedures and timelines to be defined by the Authority in the regulatory acts adopted as part of the aforementioned procedure.

In light of the above considerations, this opinion is issued pursuant to article 43 of Decree-Law No. 201 of 6 December 2011.

This opinion shall be transmitted to the Ministry of Infrastructure and Transport and published on the Authority's official website.

Turin, 9 October 2025

The President
Nicola Zaccheo
(digitally signed document
pursuant to lgs.d. 82/2005)