

30 OTHER CURRENT LIABILITIES

	31 December 17	31 December 16 adjusted	Change
Payables for advances to the fund for energy and environmental services:	221.5	146.6	74.9
plant investment grants	174.5	140.9	33.6
Security deposits from clients	103.5	100.2	3.3
Fund for components and equalization of the Electricity and Gas Sectors	74.0	51.2	22.8
Personnel	47.2	40.0	7.2
Payables to social security institutions	45.6	41.9	3.7
Environmental damage	19.2	22.0	(2.8)
Employee withholding	16.4	15.5	0.9
VAT, excise and additional taxes	13.7	10.6	3.1
Payables for damage in customs	12.8	11.2	1.6
Anticipated revenues and other accrued expenses	9.2	11.5	(2.3)
Other payables	31.8	41.4	(9.6)
Total	769.4	633.0	136.4

"Liabilities for advances to the Fund for energy and environmental services" comprises non-interest-bearing advances granted by the electricity sector Equalization Fund, as follows:

- 210.4 million euro of payables for advances in compliance with the integration mechanism set forth in Authority resolution 370 of 20 September 2012 and 519 of 6 December 2012, for overdue and

unpaid receivables due from customers managed as protected customers up to 31 December 2015;

- 9.2 million euro of payables for advances, in compliance with the integration mechanism set forth in Law 239 of 23 August 2004, of the charges for delinquency of services of last resort in the natural gas sector until 30 September 2016.
- 1.8 million euro of payables for advances in compliance with the recognition mechanism established by Authority resolution 627 of 17 December 2015 for overdue charges related to the supply of electricity, gas and integrated water service to the populations affected by the 20 May 2012 earthquakes in the Emilia-Romagna region.

The change of 74.9 euro as compared to 31 December 2016 is mainly due to the collection of advances relating to the reporting of overdue and unpaid receivables due from customers managed as protected customers for 2015 and for adjustments relating to previous periods.

"Plant investment grants" refers mainly to investments made in the water and environment sector; this item decreases in proportion to the amount of depreciation calculated on the fixed assets in question and increases as a result of new investments subject to grants. The increase in this item relates in particular to 40.9 million euro in contributions related to the new Servola purification plant, built in the Municipality of Trieste, and 35 million euro in contributions related to the FoNI fund (new water system investment fund). The significant increase in the year is mainly attributable to the Servola treatment plant, with a contribution of 30.3 million euro.

"Security deposits" reflect the amount paid by customers for gas, water and electricity provision contracts.

"Fund for components and equalisation of the energy and environmental services", reflects the liabilities for the Fund for energy and environmental services mainly due to the equalization on the gas distribution/measurement, of some system components of the gas and electricity service for the protected market categories and equalization of the electricity service. The decrease as compared to 31 December 2016 is mainly due to a higher credit for certain components of gas and electricity distribution and sales amounting to 16.9 million euro.

"Personnel" includes the vacation time accrued and not used, as well as the productivity bonuses accounted for by department, as of 31 December 2017.

"Payables to social security institutions" and "employee withholdings" relate to contributions and withholdings owed to social security institutions and the inland revenue for the month of December.

"Environmental damage" represents the payments to be made to municipalities, on the basis of specific agreements, as compensation for environmental damage for waste delivered to plants in their territory. The amount of these contributions is related to the amount of waste disposed of annually.

"VAT, excise and additional taxes" includes payables for VAT in the amount of 0.5 million euro (3.6 million euros at 31 December 2016), and excise and additional taxes in the amount of 13.2 million euro (7 million euro at 31 December 2016). As illustrated in note 23, "Other current assets", this increase must be understood taking into account the factors that regulate financial relations with the Inland Revenue Office, which can generate credit/debit positions with differences that can be significant even between one financial period and another.

"Payables for damage in customs", amounting to 12.8 million euros, includes the value of insurance deductibles that the Group must repay directly to damaged third parties or insurance companies.

The item "Other payables" mainly reflects the following components:

- payables to users for advances and specific tariff concessions amounting to 4.3 million euro (5 million euro at December 31, 2016);
- payable for tax consolidation in relation to the Estenergy Spa joint venture valued with the equity method, in the amount of 1.7 million euro (3.6 million euro at December 31, 2016);
- Other tax payables in the amount of 2.5 million euro (3.6 million euros as at 31 December 2016);
- payables related to the authority's requirement that energy efficiency certificates be given back, in the amount of 2.1 million euro, almost entirely referring to grey certificates (1.5 million euro at 31 December 2016);
- liabilities owed to minority shareholders amounting to 1 million euros (1.5 million euros as at 31 December 2016);