



2025 National Report of the Regulator for Energy and Water Services to the European Commission on the Electricity and Natural Gas sectors in Malta

Fulfilling the provisions of Article 59.1(i) of Directive 2019/944 and Article 41.1(e) of Directive 73/2009.

31 JULY 2025

1-	FOREWORD.....	3
2 -	MAIN DEVELOPMENTS IN THE GAS AND ELECTRICITY MARKETS	4
2.1	Evaluation of the market development and regulation	4
2.2	Report on the implementation of the Clean Energy Package	6
3	- THE ELECTRICITY MARKET	8
3.1	Network regulation and technical functioning	8
3.1(a)	Unbundling	8
3.1(b)	Network extensions and optimisation	9
3.1(c)	Network tariffs	10
3.1(d)	Security and reliability regulation	11
3.1 (e)	Monitoring balance of supply and demand	15
3.1(f)	Cross-border issues	20
3.1(g)	Implementation of Network Codes and guidelines	21
3.2	Competition and market functioning	24
3.2.1	Wholesale markets	24
3.2.2	Retail market	28
4 -	THE GAS MARKET	39
4.1	Network Regulation.....	39
4.1.1	Network and LNG tariffs for connection and access	39
4.1.2	Balancing	39
4.1.3	Cross-border issues	40
4.1.4	Implementation of Network Codes and guidelines	40
4.2	Competition and market functioning	40
4.2.1	Wholesale market	40
4.2.2	Retail Market	41
4.2.3	Consumer protection and dispute settlement	41
4.3 -	Security of Supply.....	41
4.3.1	Monitoring balance of supply and demand	42
4.3.2	Measures to cover peak demand or shortfalls of suppliers	43

1- FOREWORD

This report was prepared by the Regulator for Energy and Water Services (REWS) pursuant to the annual reporting obligations under Article 59.1(e) of the Directive (EU) 2019/944 of the 5th of June 2019 on common rules for the Internal Market for Electricity (Directive (EU) 2019/944) and Article 41.1(e) of the Directive 2009/73/EC of the 13th of July 2009 concerning common rules for the Internal Market in Natural Gas (Directive 2009/73/EC). The report, as far as applicable, follows the reporting structure recommended by the Council of European Energy Regulators (CEER) published on the 2nd of March 2020.

The report describes the recent developments in the electricity and natural gas market, energy infrastructure, security of supply, relevant legislation as well as tasks carried out by the Regulator with respect to renewable energy and consumer protection.

The analysis and statistical data presented in this report relate essentially to the year 2024.

2 - MAIN DEVELOPMENTS IN THE GAS AND ELECTRICITY MARKETS

This section provides a summary of the key developments in the electricity and gas sectors in Malta during the year 2024.

2.1 Evaluation of the market development and regulation

- **Development of electricity demand level and sources of generation**

In 2024, the amount of electricity fed into the Maltese distribution network increased by 5.41% compared to 2023, reaching a total of 2,991.31 GWh¹.

By the end of 2024, Malta's installed renewable energy capacity reached 255.14 MW, representing an 4.6% increase over the previous year. The estimated electricity generation from renewable sources in 2024 was 335.74 GWh², 5.4% higher than in 2023.

During 2024 a new 60 MW diesel power plant operated by UNEC ltd. was commissioned to help support Malta's electricity supply during peak demand or system issues. The plant was set up through a public tender by Enemalta plc and it is planned to be decommissioned once the second Malta-Italy electricity link will be in place.

In 2024, the structure of Malta's electricity supply mix showed a shift compared to the previous year in the relative contributions of domestic generation and imported electricity³. Natural gas power plants in Malta continued to provide the majority of electricity, accounting for 60.00% of the total supply. The part of the supply sources from the interconnector, that in 2023 was 22.85%, increased to 32.44%. The share of electricity produced locally from diesel generators remained marginal at 0.26%, as this fuel is mainly used for security of supply issues.

The carbon emission factor for electricity supplied to end users in 2024 was calculated at 389 grams of CO₂ per kilowatt-hour, marking a 1.8% decreased compared to the previous year.

¹ The figure does not include electricity generated mainly from renewable energy sources and consumed on site by producers but includes units exported to Italy. This Figure is provisional.

² This figure is estimated and provisional.

³ Figures related to the 2024 fuel mix are provisional.

- **Peak demand**

In 2024, peak electricity demand on the Maltese distribution network reached 593.2MW, that is a level comparable with the peak registered in 2022 (581.3MW) but 10.6% less of the record peak registered in 2023 (663.3 MW). The 2024 peak occurred on the 19th of July at 16:00. It is estimated that photovoltaic (PV) systems contributed 19.00% of the total demand at that time. Other sources used were natural gas plants (54.4%) and imports (26.6%). The distribution system operator was able to meet the peak demand without activating any backup diesel power plants.

- **Continuity of supply**

As detailed in section 3.1(d), the System Average Interruption Duration Index (SAIDI) decreased by 48.9%, and the Customer Average Interruption Duration Index (CAIDI) dropped by 53.9%, indicating shorter average outage durations. However, the System Average Interruption Frequency Index (SAIFI) increased by 10.1%, reflecting a higher number of interruptions per customer.

When considering only unplanned interruptions, all three indicators showed a decrease (57.0% for SAIDI, 56.5% for CAIDI and 2.2% for SAIFI) suggesting that the increase in SAIFI is to be attributed to planned outages required for network upgrades and maintenance works carried out by the distribution system operator.

- **Cross-border projects**

The REWS continues to monitor the regulatory aspects of the cross-border projects that involve Malta, such as the Melita TransGas Pipeline (MTGP) and the second Malta-Italy electricity link.

Following the upgrade of the MTGP to hydrogen-ready status and its inclusion in the 2023 PCI list, the project was resubmitted in December 2024 as a PCI candidate for the new 2025 list. This resubmission was made under the exemption provided by Article 24 of the TEN-E Regulation (EU) No 2022/869.

The second Malta–Italy cable link project advanced to the implementation phase, with all major Engineering, Procurement, and Construction (EPC) and design works underway. Both Maltese and Italian permits were obtained, and the project was awarded approximately €165 million in EU funding under the ERDF Programme. This project is considered of strategic national importance.

2.2 Report on the implementation of the Clean Energy Package⁴

The EU Clean Energy Package is the European energy legislative framework developed to facilitate the transition away from fossil fuels towards cleaner forms of energy and to deliver towards the EU's commitments under the Paris Agreement on the reduction of greenhouse gas emissions. The package includes eight legislative instruments covering among other the electricity market and consumers, Energy Efficiency, Energy Performance in Buildings, Renewable energy and biofuel sustainability, risk preparedness in the electricity sector as well as governance of the Energy Union.

The Clean Energy package is composed primarily of the following elements:

- a) **Energy efficiency first:** a revamped directive on energy efficiency setting a new, higher target for reduction in energy use by 2030 of 32.5%, and a new Energy performance of buildings directive maximises the energy saving potential of smarter and greener buildings.
- b) **More renewables:** an ambitious new target of at least 32% share of renewable energy by 2030 has been fixed, with specific provisions to foster public and private investment, in order for the EU to maintain its global leadership on renewables.
- c) **A better governance of the Energy Union:** Under the Regulation (EU) 2018/1999 on the governance of the energy union and climate change, each Member State had to prepare a National Energy and Climate Plan (NECP) covering 2021-2030 setting out how to achieve its energy union targets, and in particular the 2030 targets on energy efficiency and renewable energy. The draft NECPs were analysed by the EU Commission who published country-specific recommendations in June 2019. Member states had to submit their final NECPs, considering the recommendations of the EU Commission, by 31st of December 2019. A progress report on the NECP must be submitted to the Commission every two years. An updated version of the NECP was published in 2024.
- d) **More rights for consumers:** the new rules make it easier for individuals to produce, self-consume, store or sell the energy they produce, and strengthen consumer rights with more transparency on bills, and greater choice flexibility.
- e) **A smarter and more efficient electricity market:** the new laws will increase security of supply by facilitating the integration of renewables into the grid and management of risks, and by improving cross-border cooperation.

Directive (EU) 2019/944 on common rules for the internal market for electricity has been transposed into national law through the Electricity Regulations (S.L.545.34) which replaced the Electricity Market Regulations (S.L.545.13) in 2021.

⁴ Article 59.1(u) Directive: Roles and responsibilities of market participants pursuant to Regulation (EU) 2019/943.

The Electricity Regulations (S.L.545.34) reflect the derogations granted to Malta under the Directive (EU) 2019/944. In particular, Article 66(3) of this Directive, provides that the following Articles shall not apply to Malta:

- Article 6 on Third-party access,
- Article 35 on Unbundling of Distribution System Operators, and
- Article 43 on Unbundling of Transmission System Operators.

Moreover, Article 66(5) of the Directive (EU) 2019/944 specifies that Article 4 (Free Choice of Supplier) is not applicable to Malta. This derogation is time-limited until 5 July 2027, however, may be extended by a maximum period of eight years by a decision of the EU Commission pursuant to paragraph 1 of Article 66.

During the year 2024, Legal Notice 282 of 2024 replaced the Electricity Supply Regulations (S.L.545.01). The Electricity Connection and Supply Regulations (ECSR) S.L.545.41 concern the connection of customers to the electricity distribution grid up to the electricity service meter to consume electricity and/or feed electricity in the grid covering among other the applicable connection charges, metering, billing and electricity tariffs. The new regulations update the terms and conditions for the provision of electricity services to meet today's customers electricity demand requirements and also cater for the changing role of consumers who now also feed the grid. The new regulations also clarify among others the type of services offered by the distribution system operator (DSO - Enemalta plc) and the procedure to request such services. They also provide for a consistent methodology for the financing and sharing of costs for connection services and compensation to the developer where a substation room must be provided to Enemalta. The scenarios where the electrical installations may be extended outside the boundary of the metered premises have been clarified in the new regulations. The connection fees and charges are being organised for ease of reference with some charges being updated to reflect current costs. The Regulator contributed to the drafting of these regulations and was involved in the public and stakeholder consultation and evaluation of the consultation responses.

3 - THE ELECTRICITY MARKET

3.1 Network regulation and technical functioning

3.1(a) Unbundling⁵

Unbundling is the separation of the electricity supply and generation activities from the operation of distribution and/or transmission networks. Directive (EU) 2019/944 retains the same unbundling principles of Directive 2009/72 EC with respect to transmission system operators (TSOs). Unbundling of TSOs, in general, may take the form of any of the following basic models: Ownership Unbundling, Independent System Operator and Independent Transmission Operator.

Article 35 of Directive (EU) 2019/944 requires that *“where the distribution system operator is part of a vertically integrated undertaking, it shall be independent at least in terms of its legal form, organisation and decision making from other activities not relating to distribution”*. However, in terms of Article 66 of Directive (EU) 2019/944, Article 43 (Unbundling of transmission systems and transmission system operators) and Article 35 (Unbundling of distribution system operators) of this directive do not apply to Malta.

In Malta, there are no TSOs since there are no electricity transmission systems.

The electricity distribution system covering the whole country remains under the responsibility of one Distribution System Operator (DSO), which forms part of a vertically integrated company, Enemalta plc. This company is also licensed to generate and supply electricity to final customers.

Under the Electricity Regulations (S.L. 545.34) electricity undertakings are required to keep within their internal accounting, separate accounts for each of their generation, distribution and supply activities as if these activities were being carried out separately in view to avoid discrimination, cross-subsidization and distortion of competition. In addition, the auditing of the published company accounts of such electricity undertakings must verify compliance with the requirement to avoid cross-subsidisation and non-discrimination.

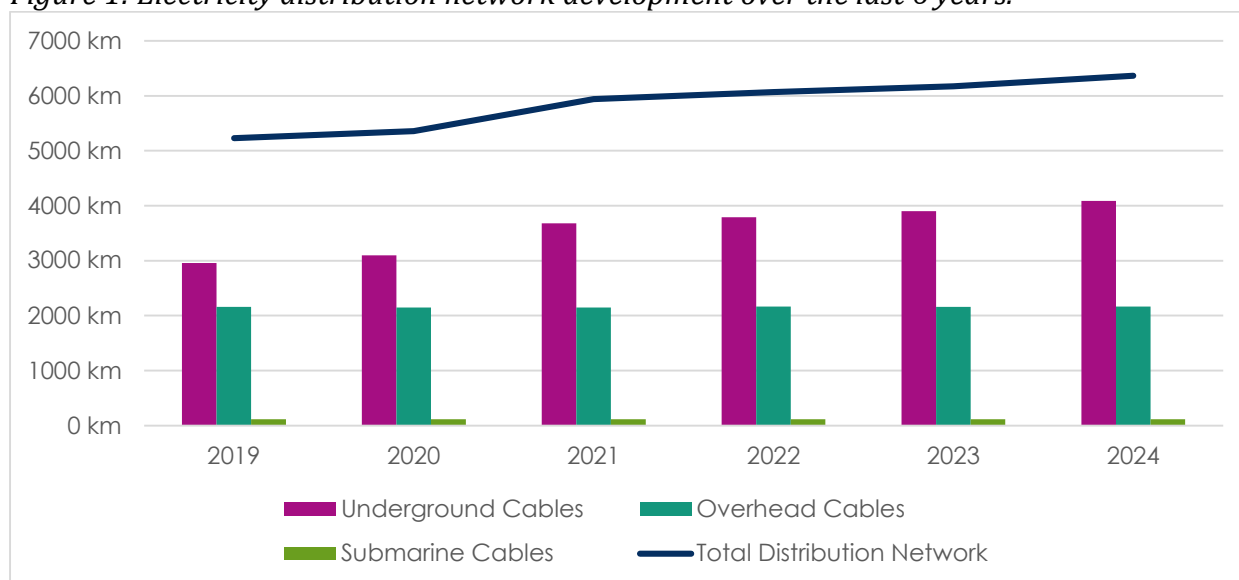
Enemalta plc is the only undertaking licensed to carry out all the three activities of generation, distribution, and supply together. The licence conditions issued to Enemalta plc require the submission of licence monitoring reports which include the submission by Enemalta plc of separate profit and loss accounts and balance sheets for each of the three activities.

⁵ Article 59.1(j) Directive 2019/944: Cross-subsidization.

3.1(b) Network extensions and optimisation⁶

The electricity distribution system consists of a network of 6,366.57km (+3.1% over 2023) and is composed of 4,086.73km of underground cables (+4.8% over 2023), 2,166.65 km of overhead cables (+0.2% over 2023) and 113.2km of submarine cables. The voltage levels of the distribution system are 220kV, 132kV, 33kV, 11kV and 400/230V. The low voltage network at 400/230V is mostly overhead whereas the network at higher voltages is mostly underground.

Figure 1: Electricity distribution network development over the last 6 years.



The Maltese electricity system has been synchronised with the Italian electricity grid since April 2015 through the 200MW HVAC 220kV electricity link. This interconnection is operated by Enemalta plc in coordination with the Italian transmission system operator, Terna S.p.A. Under this arrangement, the Maltese electricity system is being treated as a virtual consumption and production point connected to the Italian transmission grid.

As of the 1st of July 2024, following an agreement between Terna S.p.A. and Enemalta plc, the *Regolamento di Esercizio* was updated and the Net Transfer Capacity (NTC) of the interconnection between Malta and Italy has been set at 225 MW year-round, provided that the cable's hot spot temperature remains below 90°C.

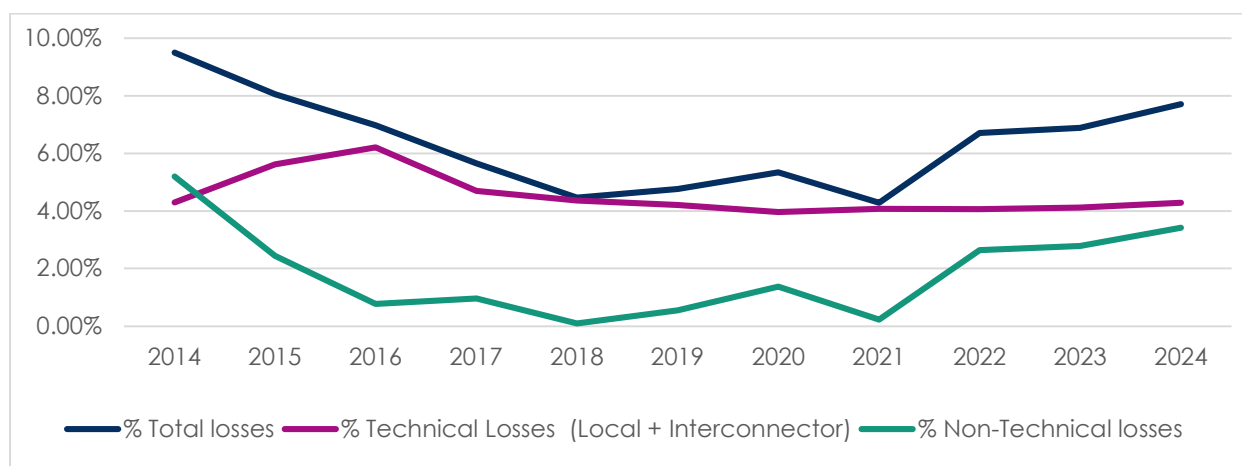
The Regulator determines on a yearly basis the power losses of the Maltese electricity network, basing on figures provided by the distribution system operator Enemalta plc. The methodology adopted determines the total volume of losses as a difference between the units injected into the grid by all sources (power stations, renewable energy generators, prosumers and interconnector) and the units withdrawn from the distribution system over the year. Since 2021, the determination of the electricity injected and withdrawn by consumers is based on an extensive use of smart meters data.

⁶ Article 59.1(k) and Article 59.1(l) Directive 2019/944: Investment plans and Smart grid development.

Following the indication of CEER⁷, power losses are categorised according to their cause in technical and non-technical losses. Technical losses occur as a direct result of the laws of physics while non-technical losses refer to unaccounted electricity that can have heterogeneous causes (theft, tampering, metering or administrative errors, etc.). The REWS determines the technical losses using the methodology provided by Enemalta in its Technical Losses Study 2017 and using fiscal meter readings at Ragusa and Magtab terminal stations to obtain the interconnector losses, both for the import and export mode. The non-technical losses are estimated as the difference between the total losses and the technical losses.

In 2024, the total losses in the Maltese distribution network amounted to 7.70%⁸ of the total energy injected, of which 4.28% were attributed to technical losses and 3.42% to non-technical losses. In Figure 2 is reported the power losses over the past 10 years.

Figure 2: Trend of power losses in the Distribution Network between 2014 and 2024⁹.



3.1(c) Network tariffs¹⁰

Under the Electricity Regulations (S.L.545.34) the REWS has the duty to fix or approve in accordance with transparent criteria, transmission or distribution tariffs or their methodologies, or both. The Regulator is also responsible for fixing or approving sufficiently in advance of their entry into force at least the national methodologies used to calculate or establish the terms and conditions for connection and access to national networks. These

⁷ 3rd CEER Report on Power Losses, 11th February 2025, page 12. <https://www.ceer.eu/publication/3rd-ceer-report-on-power-losses/>

⁸ 2024 power losses figures are provisional.

⁹ The 2023 total and non-technical losses figures (6.89% and 2.78%) were updated from those published in the 2024 edition of the report (6.34% and 2.23%) following a revision that took place in October 2024.

¹⁰ Article 59.1(o) Directive 2019/944: Evolution of network tariffs and levies.

tariffs or methodologies shall allow the necessary investments in the networks to be carried out in a manner to ensure the viability of the networks. If necessary, the Regulator may require the distribution system operator to modify the terms and conditions, including tariffs or methodologies referred to in this regulation, to ensure that they are proportionate and applied in a non-discriminatory manner.

The Maltese distribution system is not open to Third-party access, as Malta has been granted a derogation from Article 6 of Directive (EU) 2019/944 pursuant to Article 66 of the said Directive.

The charges for connecting to the network and/or methodologies for the determination of such charges are established by the Electricity Connection and Supply Regulations (S.L.545.41). These provisions apply for all users wishing to connect to the network.

With the Deliberation ARERA 576/2021/R/EEL11 concerning charges applicable to certain interconnections with foreign states, the Italian Regulator ARERA determined that, as from 2023, a transmission fee (€/MWh) applies to cover transport costs and dispatching fees on electricity withdrawn from the Italian system to Malta over the Malta-Italy electricity link. The afore-mentioned transmission fee applies until an Inter-TSO-Compensation mechanism is implemented in terms of Regulation (EU) 838/2010. ARERA's Deliberation also determined that no dispatching services fee (uplift fee) should apply since Malta does not depend on the electrical connection with Italy to cover its load.

For the year 2024, the abovementioned transmission fee applied determined by ARERA to the electricity imported through the Italy-Malta electricity link was 7.9 €/MWh

3.1(d) Security and reliability regulation¹²

According to the Electricity Regulations (S.L. 545.34), "security" means both security of supply and provision of electricity, and technical safety.

Enemalta plc is required by the REWS, as part of the licence obligations, to prepare security and planning standards defining quality of supply objectives, together with minimum security objectives to be met.

Enemalta plc is also required to provide to the REWS information related to the quality of service. This information includes the System Average Interruption Duration Index (SAIDI). This parameter is determined using the data for the duration of supply interruptions (planned and unplanned) occurring at 11kV level or higher voltages and dividing this by the

¹¹ Deliberazione 14 dicembre 2021, 576/2021/R/EEL, Definizione della regolazione delle partite economiche relative all'energia elettrica destinata agli stati interclusi nel territorio italiano e per i quali non e' attuato il controllo degli scambi programmati.

¹² Article 59.1(m) Directive 2019/944: Network security and reliability issues; Article 59.10 Directive 2019/944: Congestion Management.

number of customers served in the year of reference. Therefore, the SAIDI is an indication of the average minutes lost per customer per annum.

Table 1 shows the estimates provided by Enemalta plc for the SAIDI for the years 2018 to 2024 due to planned and unplanned interruptions at 11kV or higher voltages. As may be seen from *Table 1*, the average minutes lost per customer per annum for 2024 decreased compared with the previous year of around 48.9%. During the year 2023 the abnormal increase in faults in the medium voltage distribution network was attributed to the effects of a heat wave that occurred between July and August.

Table 1: SAIDI (Average minutes lost per custom per year) between 2018 and 2024.

Year	2018	2019	2020	2021	2022	2023	2024
Planned interruptions	44.06	44.71	32.38	32.49	42.83	47.28	50.31
Unplanned interruptions	69.32	457.2	96.24	89.58	112.98	319.61	137.31
Overall interruptions	113.38	501.91	128.62	122.07	155.80	366.88	187.62

Source: Enemalta plc.

Enemalta plc submits to the REWS information related to number of interruptions, average duration of an interruption and supply restoration time. In 2024, the average duration of a planned interruption (CAIDI, Customer Average Interruption Duration Index) was 1.02hours while the average duration of an unplanned interruption was 0.85hours (that is 51 minutes). Values for the CAIDI for the past 7 years are reported in *Table 2*. Based also on the information provided by Enemalta plc, in 2024 80.74% of customers affected by an unplanned interruption had their supply restored within 1 hour, while 94.07% of customers affected by an unplanned interruption had their supply restored within 3 hours.

Table 2: CAIDI (Customer Average Interruption Duration Index) between 2018 and 2024.

Year	2018	2019	2020	2021	2022	2023	2024
Planned interruptions	1.36	1.27	1.16	1.19	1.62	1.79	1.02
Unplanned interruptions	0.62	1.69	0.66	0.94	1.36	1.95	0.85
Overall interruptions	0.78	1.64	0.74	0.99	1.42	1.93	0.89

Source: Enemalta plc.

Enemalta plc is also bound to report the System Average Interruption Frequency Index (SAIFI); this is defined as the total number of interruptions divided by the number of customers served. The average number of planned and unplanned interruptions per customer is shown in *Table 3*.

Table 3: SAIFI (Average number of interruptions per customer) between 2018 and 2024.

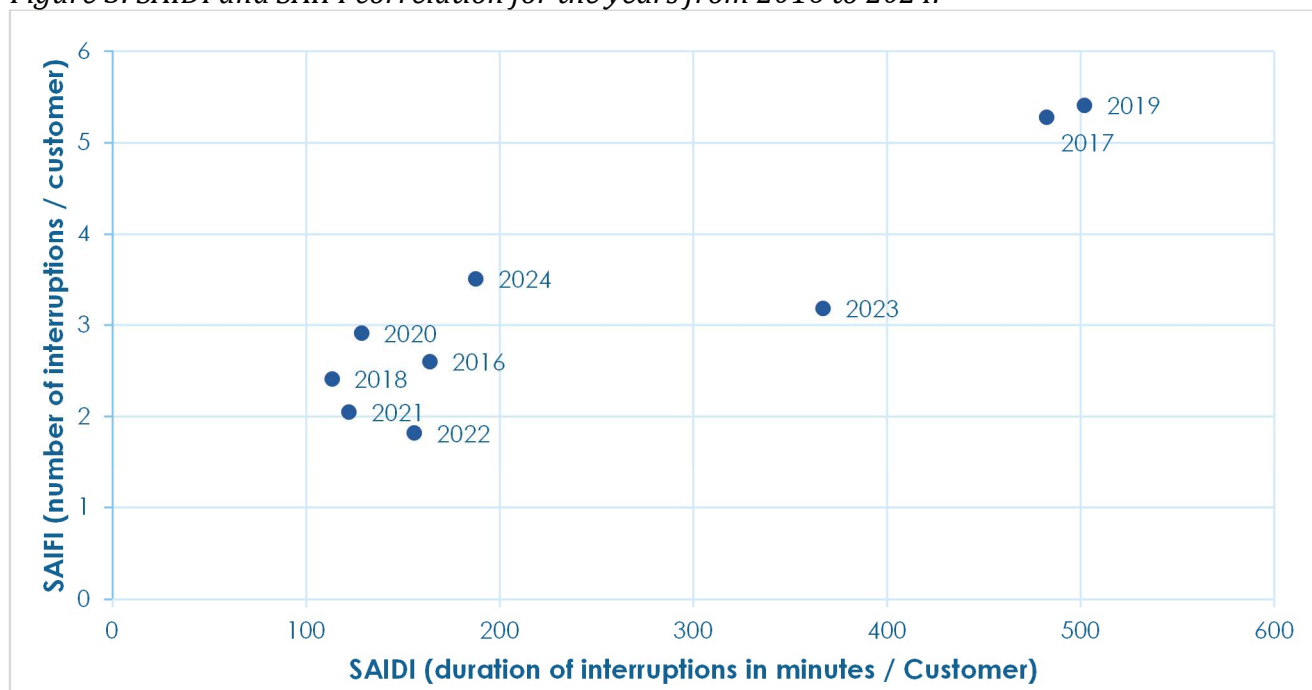
Year	2018	2019	2020	2021	2022	2023	2024
Planned interruptions	0.54	0.59	0.47	0.46	0.44	0.44	0.82
Unplanned interruptions	1.87	4.55	2.44	1.59	1.38	2.74	2.68
Overall interruptions	2.41	5.14	2.91	2.05	1.82	3.18	3.50

Source: Enemalta plc.

For the year 2024, the number of planned interruptions per customer due to interruptions affecting the 11kV level was on average 0.82 and the number of unplanned interruptions per customer was on average 2.68.

As shown in Figure 3, the continuity of electricity supply indicators for 2024 improved if compared with those of the previous year.

Figure 3: SAIDI and SAIFI correlation for the years from 2016 to 2024.



In terms of the [National Risk Preparedness Plan 2022 – Electricity Sector](#), the REWS is responsible for the collection of information related to electricity security of supply developments and report them to the Energy Crisis Coordinator (the Permanent Secretary of the Ministry responsible for Energy) and the National Designated Competent Authority (NDCA)[the Ministry responsible for Energy].

This security of supply report is prepared in collaboration with the distribution system operator, Enemalta plc. In addition, on a monthly basis, Enemalta plc submits to the REWS

information related to local generation capacity availability, faults on the generation side, peak demand and amounts of electricity locally generated and imported. The REWS also assists the Energy Crisis Coordinator and NDCA in taking the necessary informed decisions in case of electricity crisis.

During the year 2024, Enemalta reported 17 major incidents affected the continuity of supply. An event is considered to be a major incident if it affects adversely or could potentially affect adversely the security and quality of supply including unavailability of a circuit, transformer, or switchgear at 33kV level or higher voltages.

The Regulator monitors the time taken by the distribution system operator to provide new electricity service connections and the time taken to connect RES generators to the distribution system.

There is no definition established by law for the ‘time to connect’ customers and producers to the network. However, in general, in case of non-complex services, the time to connect customers and producers is taken to be the time that elapses between the submission of an application to the distribution system operator for connecting to the network and the date of the provision of the service connection and electricity meter. Normally, the activation of the service occurs on the same day on which the electricity meter is installed. Activation of the service is understood to be the possibility to either import and/or export through the metering equipment provided by the distribution system operator.

During the year 2024, based on the information provided by the distribution system operator, the average time for the provision of a new non-complex service connection, not requiring any type of extension of the network or new substation, was of 12.9 days. *Table 4* shows the developments in the average time taken by the distribution system operator to provide a new service between the year 2018 and 2024.

Table 4: Average time for the provision of a new service connection (2018-2024).

Year	2018	2019	2020	2021	2022	2023	2024
Number of days	9.6	9.2	11.9	13.6	13.7	12.1	12.9

Source: Enemalta plc.

Based on data provided by the distribution system operator, the average time taken for connecting RES generators (average for capacities less than 41kWp) to the distribution system, which includes the provision of the necessary metering equipment, was 22.23 days for the year 2024 as shown in *Table 5*. RES generators with a capacity of less than 41kWp are normally connected to existing services or involve a non-complex new service. As a norm, the metering configuration used for RES generators includes a generation meter and an import/export meter. To note that more than 98.95% of the PV systems newly connected to the distribution system during the year 2024 have a capacity of less than 41kWp.

Table 5: Average time for the connection of RES generators less than 41kWp (2018-2024).

Year	2018	2019	2020	2021	2022	2023	2024
Number of days	8.7	10.9	20.0	16.5	18.6	17.6	22.23

Source: Enemalta plc and REWS.

In general, the re-activation of supply by the distribution system operator after disconnection due to non-payment of electricity bills takes place within 24 hours of the settlement of debts.

3.1 (e) Monitoring balance of supply and demand¹³

According to Article 59(v) of Directive (EU) 2019/944, the REWS is responsible for monitoring investment in generation and storage capacities in relation to Security of Supply (SoS).

As shown in *Table 6*, the total local fossil fuel available generation capacity as at the end of 2024 was 603MW¹⁴. All the fossil fuel generation capacity is located at the Delimara Power Station site except for a 35MW open cycle gas turbine, denominated as GT9, located in the Marsa Power Station.

Table 6: Local fossil fuel generating plants figures for the year 2024.

Generating plant name	Technology	Fuel	Licensee	Installed Available Capacity (MW)
MPS-GT9	Open Cycle Gas Turbine	Gas Oil	Enemalta plc	35
DPS-2A	Open Cycle Gas Turbine	Gas Oil	Enemalta plc	70
DPS-2B	Combined Cycle Gas Turbine	Gas Oil	Enemalta plc	70
DPS-3	Combined cycle diesel engines	Natural Gas / Gas Oil	D3 Power Generation Ltd	153
DPS-4	Combined Cycle Gas Turbine	Natural Gas	ElectroGas Malta Ltd	215
UNEC	Reciprocating Diesel Engines	Gas Oil	United Equipment Company Ltd	60
Total				603

Source: Enemalta plc and other sources.

¹³ Article 59.1(v) Directive 2019/944: Investment in generation and storage capacities in relation to security of supply.

¹⁴ The nominal generation capacity is 643 MW, since includes the 40 MW steam turbine of the DPS-2B unit that is currently not operational.

Since 2017, DPS-2A Open Cycle Gas Turbine, MPS-GT9 Open Cycle Gas Turbine and DPS-2B Combined Cycle Gas Turbine, all owned by Enemalta plc, have been mainly used as backup reserve capacity.

In 2024, a new temporary 60 MW diesel power plant was commissioned at the Delimara site, following a public tender issued by Enemalta. The plant is intended to be dispatched as a backup in the event of a shortfall in meeting electricity demand.

To note that around half of the combined cycle diesel engines capacity (DPS-3) is dual-fuel (natural gas/gas oil) while the other half runs on natural gas only.

The total electricity generation capacity from renewable energy sources installed by the end of 2024 is 255.138MW. As may be deduced from the breakdown in *Table 7*, the renewable energy generation capacity installed consists mainly of solar photovoltaic installations.

Table 7: Installed capacity renewable energy as the end of the year 2024.

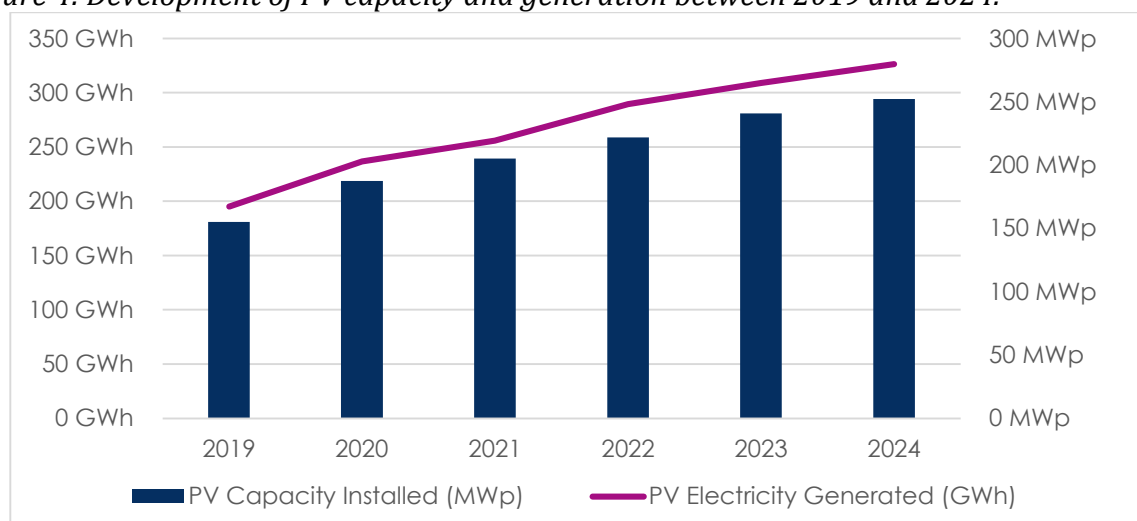
Renewable energy technology	Capacity installed (MW)
Solar photovoltaic systems	252.255MWp
Micro wind	0.0598MW
Biogas CHP plants	2.823MWe
Total capacity installed	255.138MW

Source: REWS and Enemalta plc.

In 2024, 11.792MWp of new solar photovoltaic capacity was connected to the public grid while 0.262MW was decommissioned (this means a net increase of 4.8% in the total solar photovoltaic capacity connected to the grid over the previous year, taking into account decommissioned capacity). The 252.255MWp DC (direct current, as produced by the solar panels) capacity corresponds to 238.423MW AC (alternating current, as generated by the inverter) nominal capacity. *Figure 4* shows the development in the uptake of PV capacity and electricity generation since 2019.

The largest solar photovoltaic installation is 5.4MWp while 94.96% of the PV installations connected to the grid by the end of 2024 have a capacity of 11kWp or lower.

Figure 4: Development of PV capacity and generation between 2019 and 2024.



Source: REWS, Enemalta plc and NSO¹⁵.

Enemalta plc is the sole licensed supplier of electricity to final customers in Malta and also serves as the distribution system operator. As such, it is responsible for ensuring the system's long-term capacity to meet all reasonable electricity demand, including during peak periods.

The units sent out to the grid in 2024 (these units include losses in the grid and exports to Italy and exclude self-consumption on site by producers) was 2,991.31 GWh¹⁶, of which 1,802.60 GWh (60.26% of the total) was supplied from local fossil generation plants. The fuel mix contribution of petroleum products from local generation for the year 2024 was 0.26% while the share of natural gas was 60.00%. The contribution to the demand of imports from the electricity link with Italy (Sicily) during 2024 attested to 32.44%. The electricity sent out to the grid from local renewable energy sources is estimated at 218.29GWh¹⁷.

It is estimated that in 2024 the total electricity generated from renewable energy sources was 335.74 GWh¹⁸ (with an increase of 5.4% over the previous year). A significant share of renewable energy producers¹⁹ consumed part of the electricity they generated directly on-site, without exporting it to the public grid. The estimated volume of self-consumed renewable electricity was 117.50 GWh²⁰, representing 35.0% of the total renewable electricity produced.

¹⁵ <https://nso.gov.mt/energy/renewable-energy-from-photovoltaic-panels-pvs-2024/>

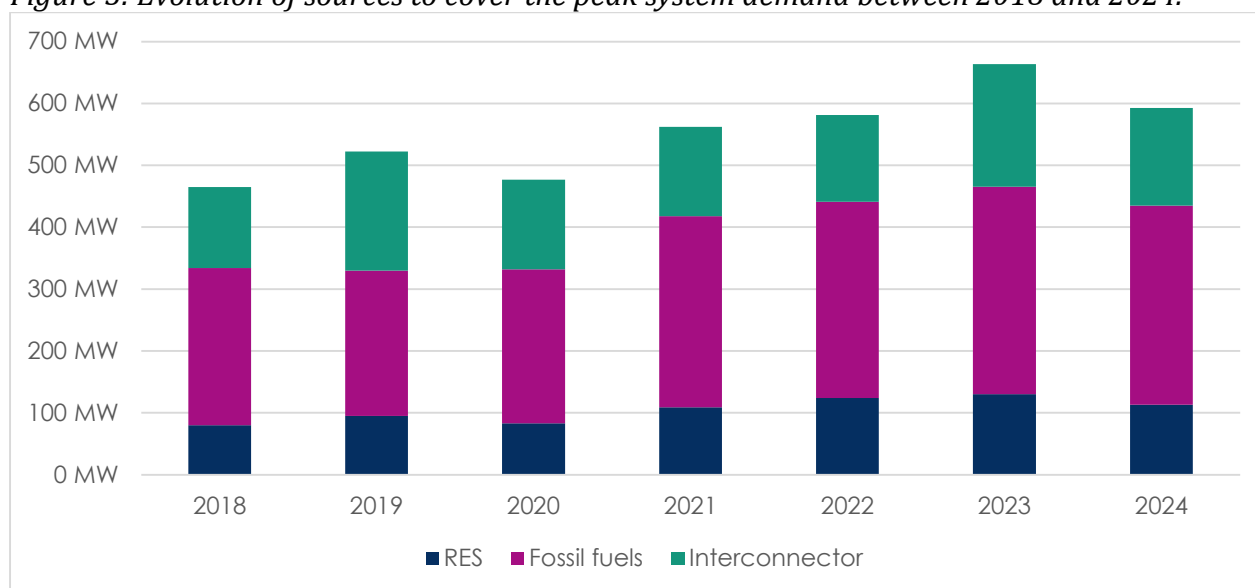
¹⁶ This figure refers to the units sent out to the grid from all sources and does not include exports to Italy and self-consumption on site by producers. This figure and those related to the 2024 fuel mix are provisional.

¹⁷ The figure is provisional and estimated from Enemalta smart meter readings data for 2024.

¹⁸ The figure is provisional.

¹⁹ The provisional figure is 42.7%.

²⁰ The figure is provisional.

Figure 5: Evolution of sources to cover the peak system demand between 2018 and 2024.

Source: Enemalta plc.

Figure 5 shows the evolution of the system peak demand that normally occur in the morning or early afternoon in summer. The peak system demand, as reported by the distribution system operator for 2024, occurred on the 19th of July at 16:00. The system demand at that time reached the level of 593.2MW which represents a decrease of 10.6% over the previous year. The peak demand was covered by 54.4% of local fossil fuel generation, 26.6% by the Italy-Malta electricity link and the contribution from solar photovoltaic installations estimated at 19.0%. No DSO owned backup power plants were used to cover the afternoon peak demand in 2024.

During the year under review, the REWS licensed a new diesel-powered electricity generation plant with a nominal capacity of 60 MW, operated by United Equipment Company (UNEC) Ltd. The facility consists of 48 containerised units, each containing a diesel reciprocating engine, supporting auxiliary systems, and an electrical generator.

This power plant was commissioned following a public tender issued by Enemalta for the lease and operation of a 60 MW power plant. It is intended to operate for a limited number of hours per year, primarily as a backup to support the security of electricity supply during peak demand or system constraints.

The plant is licensed until July 2027, and it is expected to be decommissioned once the second electricity cable link with Italy becomes operational.

In September 2024, Enemalta plc issued an open tender call for the provision of flexibility services through utility-scale battery storage. This tender call closed on the 31st of October 2024 and, following the evaluation, it transpired that the financial offers were higher than the willingness-to-pay stated in the tender, thereby demonstrating market failure.

Following this result, in November 2024, Interconnect Malta Ltd issued an open tender call for awarding an Engineering, Procurement, and Construction (EPC) contract for the procurement and installation of two utility scale BESS facilities, one in Delimara Power

Station and another at the 'A' Station in Marsa. The permitting procedures for both projects were finalised and both permits were issued by the end of summer 2024. An ERDF application for funding of the Delimara BESS Project was submitted in November 2024 and an ERDF eligible grant (capped at €35,000,000) was approved in February 2025. The second Project located within the 'A' Station in Marsa will be funded under the Recovery & Resilience Fund. The state aid process was completed in March 2025, whereby the Commission's views the project as presented falls under the SGEI principle and the proposed measure appears to fall within the exemption from notification established in the SGEI decision and meet the conditions set therein. Therefore, the Government of Malta will be the owner of the two BESS facilities with Interconnect Malta entrusted to operate the facilities under a public service obligation.

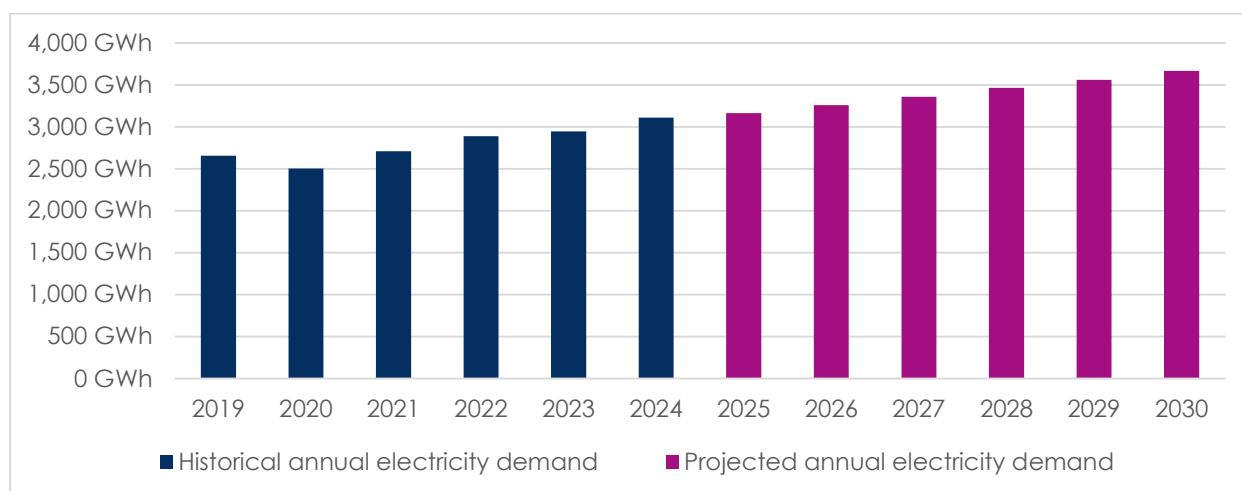
On 6th December 2024, Interconnect Malta officially launched a Preliminary Qualification Questionnaire (PQQ) as part of the first stage of a procurement process for awarding a concession contract for the supply of renewable energy through the design, build, maintenance, operation and decommissioning of an offshore Floating Wind farm. The proposed wind farm, to be located beyond 12 nautical miles in Malta's potential Exclusive Economic Zone (EEZ), aims to generate circa 300MW of renewable energy. The PQQ shall evaluate the technical and financial capabilities of the interested candidates. The closing date for submissions to the PQQ was the 21st of July 2025. The shortlisted candidates will proceed to further stages, eventually leading to the selection of a developer who will construct, operate, and manage the wind farm under a 35-year concession agreement, and a 25-year Contract for Difference (CfD). The Project will substantially increase the indigenous RES production, strengthen the island's energy resilience, reduce reliance on non-renewable sources, and enhance sustainability and marks a significant milestone in Malta's journey towards carbon neutrality by 2050.

The DSO projections for the annual electricity demand from 2025 until 2030, as provided to the Regulator, are shown in *Table 8*, and a comparison of the forecasted demand with past demand is shown in *Figure 6*.

Table 8: Demand of electricity forecast 2025-2030.

Year	Estimated Annual Electricity Demand (MWh)
2025	3,162,920
2026	3,257,808
2027	3,355,542
2028	3,465,556
2029	3,559,894
2030	3,666,691

Source: Enemalta plc.

Figure 6: Historical and projected annual electricity demand.²¹

Source: Enemalta plc. and REWS.

The storage capacity installed in Malta consists mainly of small battery storages installed by households through investment grant schemes. According to the data in the possession of the Regulator, the total capacity of the battery installed at the end of 2024 is 15,088.512 kWh, with an increase of 125.6% of the previous year. These battery systems are distributed across 1636 installations. In addition, a battery storage installation of 1 MW (2MWh) is installed in the Xewkija Distribution Centre for the purpose of research and development.

3.1(f) Cross-border issues²²

There are no TSOs in Malta. The development of the distribution network and interconnections with other countries is currently under the responsibility of the distribution system operator.

The Regulator was not involved in specific cooperation activities with other regulatory authorities in relation to capacity allocation and congestion management.

In 2021, the Government of Malta announced the decision to construct a second electricity cable link between Malta and Italy. This new 118km long 225MW 220kV HVAC electricity link, consisting mainly of sub-sea cable between Malta (Magħtab) and Sicily (Ragusa), will be laid in parallel but at a safe distance to the existing HVAC cable link which was commissioned in 2015. The implementation of this project has been entrusted to the public owned company Interconnect Malta Ltd (<https://icm.mt/>).

In January 2024, the Planning Authority issued the Maltese development permit covering the works required to lay and protect the land and subsea cable link in Maltese territory. With reference to the Italian permitting procedure, the formal statutory authorization

²¹ Figures for electricity past demand include electricity produced by small producers and consumed on site.

²² Article 59.1(w) Directive 2019/944: Technical cooperation between Union and third-country transmission system operators.

process, the Single Authorization Decree, was awarded in December 2024 following a number of public and stakeholder consultations, and endorsement by the Sicily Region obtained November 2024.

In June 2024, the project was successfully approved for funding under the 2021-2027 ERDF Program, specifically under Priority 2 ‘Promoting clean and fair energy transition, sustainable wastewater management, and green investment’, Specific Objective 2.3 ‘Developing smart energy systems, grids, and storage outside the TEN-E network’. This project has been designated as an ‘Operation of Strategic Importance’ due to its significant contribution to the achievement of national priorities for the 2021-2027 Program. The ERDF funding allocated to this project amounts to ca. €165 million.

By June 2025, Interconnect Malta had issued and awarded a number of Engineering, Procurement and Commissioning (EPC) tender calls for the implementation of the project namely (i) for the manufacture and installation of the onshore 245kV and 145kV Cables, (ii) for the supply and installation of 245kV 250MVA Auto-Transformer, 120MVAR and 240MVAR Variable Shunt Reactors, (iii) for the supply and installation of the 220kV Switchgear, Fire Suppression System, and the Upgrade Of Control System and (iv) for the 245kV subsea cable manufacturing, laying and protection. All four EPC contracts have been signed, and design works have started on all contracts. An Owner’s Engineer has also been contracted through a tender call, whereas a 132kV shunt reactor to be installed in Maghtab is in evaluation stage. The design of the subsea cable has been completed and the manufacturing of the fibre-optic cable as part of the sub-sea cable has commenced. Works on the onshore route (i.e. trenching & cable laying) in Ragusa (Sicily) is progressing well and the new culvert at the Maghtab terminal station (Malta) was completed.

There are no Projects of Common Interest (PCIs) related to electricity infrastructure involving Malta.

3.1(g) Implementation of Network Codes and guidelines²³

- *Commission Regulation (EU) 2015/1222 establishing a guideline on Capacity Allocation and Congestion Management (CACM GL).*

This Regulation is not applicable to Malta since there are no cross-border interconnectors subject to capacity allocation and congestion management.

- *Commission Regulation (EU) 2016/1719 establishing a guideline on Forward Capacity Allocation guideline (FCA GL).*

This Regulation is not applicable to Malta since there are no cross-border interconnectors subject to capacity allocation and congestion management.

²³ Article 59.7 Directive 2019/944: Network Codes (Demand Connection Code, Requirements for Generators, High Voltage Direct Current Connections, Operations, Emergency and Restoration, Forward Capacity Allocation, Capacity Allocation & Congestion Management, Electricity Balancing).

- *Commission (Regulation (EU) 2017/2195) establishing a Network Code on Electricity Balancing (BAL NC).*

This Regulation lays down guidelines on electricity balancing, including the establishment of common principles for the procurement and the settlement of frequency containment reserves, frequency restoration reserves and replacement reserves and a common methodology for the activation of frequency restoration reserves and replacement reserves.

In the absence of a liquid wholesale market, only the DSO bears balancing responsibility in Malta, as established by the Electricity Regulations (S.L. 545.34). Independent power producers and active customers connected to the distribution system do not have responsibilities in this aspect. The DSO is therefore responsible to balance the Maltese distribution system in coordination with the Italian transmission system operator, Terna S.p.A. Any imbalances that occur on the Malta-Italy electricity link are settled in accordance with AEEGSI (Decision 549/2015/R/EEL)²⁴ issued on the 20th of November 2015 and amended by ARERA Decision 576/2021/R/EEL issued on the 14th of December 2021.

- *Commission Regulation (EU) 2016/631 establishing a Network Code on Requirements for Generators (RfG NC)*

This network code establishes requirements for grid connected power-generating facilities, namely synchronous power-generating modules, power park modules and offshore power park modules, connected to the interconnected system. The network code aims to set out harmonised rules for grid connection for power-generating modules to ensure a clear legal framework for grid connections, facilitate Union-wide trade in electricity, ensure system security, facilitate the integration of renewable electricity sources, increase competition, and allow more efficient use of the network and resources, for the benefit of consumers.

The Electrical Installations Regulations (S.L.545.24) require that the interface protection system of generators connected at low voltage level should comply with MSA EN 50549-1 or an equivalent standard. As noted earlier on in this report, the new generators that are being connected to the grid are inverter-based generators (solar photovoltaic installations) mainly rated 11kWp or less.

- *Commission Regulation (EU) 2016/1388 establishing a Network Code on Demand Connection (DCC NC)*

The Network Code on Demand Connection sets harmonised requirements for the connection to the transmission grid of new demand facilities, distribution facilities, distribution systems and demand units that provide demand response services to relevant system operators and relevant TSOs. In Malta, there are no transmission systems and no new distribution systems.

²⁴ Deliberazione 20 Novembre 2015 549/2015/R/EEL-Disciplina degli sbilanciamenti effettivi applicabile all'interconnessione Italia-Malta.

- *Commission Regulation (EU) 2016/1447 Establishing a Network Code on Requirements for grid connection of High Voltage Direct Current systems and direct current-connected power park modules (HVDC NC)*

There are no high voltage direct current networks or direct current-connected power park modules in Malta.

- *Commission Regulation (EU) 2017/2196 of 24 November 2017 establishing a Network Code on electricity Emergency and Restoration (NC ER).*

The aim of this regulation is the safeguarding of operational security, prevention propagation or deterioration of an incident to avoid a widespread disturbance and the blackout state and facilitating efficient and rapid restoration of the electricity system after an emergency or blackout incident.

There are no transmission systems in Malta and hence no need for a designation of a transmission system operator. The electricity link Italy-Malta, an HVAC 220kV 200MW cable, is treated as part of the distribution system in Malta and is not open to third party access. The DSO/supplier is the sole user of the electricity link Italy-Malta and mainly to purchase electricity from the Italian market and supply final customers in Malta. On the local generation side, there are three main fossil fuel generators and over 35,000 independent renewable energy producers.

The Maltese electricity system is not a transit system but a small peripheral system which qualifies as a “small interconnected system” under Directive (EU) 2019/944, since the demand in 1996 was less than 3,000GWh. Electrically, Malta is treated as a load connected to the Italian system.

Therefore, the Maltese system does not have the coordination complexities of large systems with one or multiple TSOs that manage large interconnected systems with a large number of generators and various DSOs connected to them, which may present coordination challenges in particular during an emergency. The role of the DSO is to implement the requirements determined by the TSO. It is in view of this, that certain concepts in the Commission Regulation (EU) 2017/2196 are not deemed to apply to the Maltese system.

The contractual agreement with Terna S.p.A requires only that the DSO implements low-frequency demand disconnection settings that are consistent with the corresponding settings for the Italian grid.

Nevertheless, in view of the objectives of Regulation (EU) 2017/2196, the REWS is working to ensure that the existing defence and restoration procedures implemented at the DSO level are fully documented and aligned as far as applicable with the requirements of the Regulation.

3.2 Competition and market functioning

3.2.1 Wholesale markets

There is no liquid electricity wholesale market in Malta. The electricity generation sector was liberalised in 2005, however significant Independent Power Producers (IPPs) entered the sector in 2017. Other independent power production are small producers generating electricity from renewable sources. The fossil fuel IPPs, namely D3 Power Generation Ltd and ElectroGas Malta Ltd, accounted for 60.27% of the electricity sent out to the grid from all sources during the year 2024. The involvement of Enemalta plc in the electricity generation sector is mainly limited to the provision of backup generation service. This is evident from the fact that while Enemalta plc controls, either directly or through a lease agreement, 24.5% of the production capacity, only 0.14% of the electricity sent out to the grid during 2024 was produced by these plants.

Enemalta plc remains the sole supplier of electricity to final customers. The demand for electricity is met from the IPPs generating mainly from natural gas, RES generators (mainly solar photovoltaic systems) and from imports through the Italy-Malta electricity link. Enemalta plc is obliged to dispatch the available sources on economic merit order basis with electricity from renewable energy benefitting from priority of dispatch.

Since the retail market is not open to competition, all independent power producers may either consume on site the electricity generation and/or sell to Enemalta plc. The trading arrangement between Enemalta plc and the fossil fuel independent power producers for the supply of electricity is based on long term bilateral contracts. In terms of regulation 54A of the Electricity Regulations(S.L.545.34), until such time that there is no liquid wholesale electricity market established in Malta, the distribution system operator is required to offer to purchase all the electricity generated and exported to the grid from approved renewable energy generation installations and high efficiency co-generation plants, at the proxy for the market price which is established by the Fourth Schedule to the same regulations. Where the electricity from renewable energy benefits from support, the distribution system operator is refunded the difference between the proxy of the market price and the support element from national budget. Consumers producing electricity may choose to sell all electricity produced or self-consume and export the surplus only.

The Feed-in Tariffs Scheme (Electricity Generated from Solar Photovoltaic Installations) Regulations (S.L. 545.27) provide the terms and conditions for the award and payment of feed-in tariffs for PVs. During the year 2024, the Feed-in Tariffs Scheme Regulations (S.L. 545.27) provided for the allocation of feed-in tariffs to new solar photovoltaic installations rated at least 1kWp but less than 40kW. A total capacity of 8MWp was made available for the allocation of a feed-in tariff under this scheme, of which 3.94MWp were subscribed. The feed-in tariff allocation process is administered by the REWS.

Support in the form of a premium for RES generators with a capacity of 40kW or more is allocated through a competitive bidding process. The premium is calculated as the difference

between the awarded bid price and the proxy of the market price. Since 2023, the competitive bidding process has been regulated by the Competitive Bidding Rules for Installations Producing Electricity from Renewable Energy Sources Regulations (S.L. 545.39) and the contracts concluded pursuant to this process are two-way contracts for difference.

During the year under review, the Regulator administered a new scheme consisting of four calls for the award of financial aid for electricity produced from new installations producing electricity from renewable energy sources with an electricity generation capacity ranging from 40kW up to less than 200kW and from 200kW up to less than 1000kW. Each of these calls consists of two separate Invitations to Bid (ITB), one ITB for each capacity category running concurrently. The bidding sessions were held between the 26th of April 2024 and the 11th of November 2024. A total capacity of 9.437MW was made available for the allocation of support. In addition, one ITB bidding session for the award of support to renewable energy generators with a capacity of 1MW or more was also held, a total capacity of 38MW was made available for this size RES generators.

The Sale of Electricity generated from Cogeneration Units Regulations regulate the sale of electricity from co-generation plants irrespective of primary energy source. The electricity exported to the grid from approved cogeneration plants is paid by Enemalta plc at the proxy of the market price.

Electricity imported through the electricity link is mainly traded in the Italian day-ahead market.

Table 9: Electricity Sent Out to the Maltese grid by contributors (GWh) between 2019 and 2024.

[GWh]	2019	2020	2021	2022	2023	2024 ²⁵
Backup Plants (Enemalta and UNEC)	16.62	47.34	9.26	15.35	9.09	4.33
Local Fossil fuel IPPs	1782.57	1790.83	1887.96	1929.96	1968.23	1798.27
RES²⁶	131.00	133.41	180.37	200.78	212.25	218.29 ²⁷
Electricity Link (imports)	656.76	419.81	547.25	646.14	648.35	970.42
Total Electricity Sent Out	2586.94	2391.38	2624.84	2791.62	2837.91	2,991.31

Source: Enemalta plc, NSO and REWS.

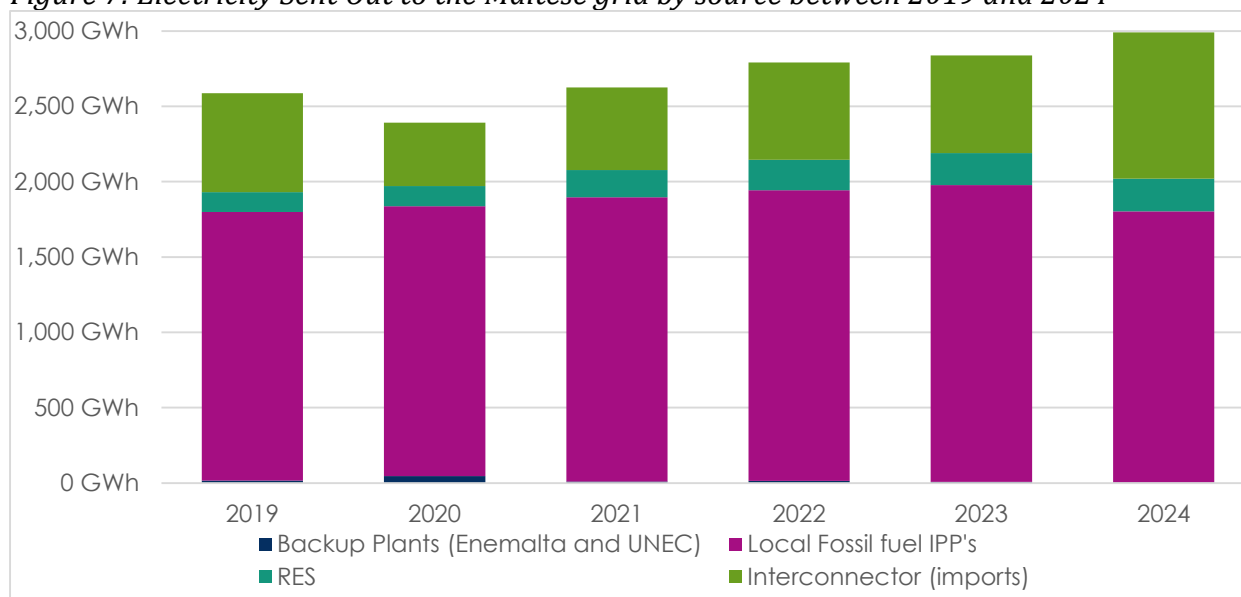
²⁵ 2024 figures are provisional.

²⁶ The units sent out from RES do not include the electricity generated and consumed on-site (self-generated units) by producers. The total electricity generated by RES, as published by NSO in its [Electricity Supply 2023 News Release](#), is estimated as 201.85GWh in 2019, 242.81 GWh in 2020, 263.04 GWh in 2021, 296.84 GWh in 2022, 318.61 GWh in 2023. The provisional figure estimated for 2024 is 335.74 GWh.

²⁷ The figure is estimated and provisional.

Table 9 and Figure 7 shows the development in the contribution of local generation sources and imports to electricity sent to the Maltese grid.

Figure 7: Electricity Sent Out to the Maltese grid by source between 2019 and 2024



Source: Enemalta plc, NSO and REWS.

During the year under review, 2.925GWh were exported from Malta to the Italian grid.

The Fuel Mix indicates the share of the different primary energy sources used to produce the electricity available for consumers from the public grid. Under the Electricity Regulations (S.L. 545.34) suppliers of electricity are required provide final customers with information concerning the Fuel Mix and environmental impact of the electricity supplied by them. Given that there is only one electricity supplier in Malta, the Fuel Mix and environmental impact in term of CO₂ direct emission factor are the same for all customers in Malta. Fuel Mix data is updated on an annual basis and is also published on the website of Enemalta plc, at their following link:

<https://www.enemalta.com.mt/environment/fuel-mix-for-energy-distribution/>.

The Regulator monitors the process of determination and disclosure of the Fuel Mix and of the CO₂ emission factor in accordance with regulation 5 of the First Schedule of the Electricity Regulations (S.L.545.34).

Figures 8 and 9 shows the Fuel Mix for the years 2023 and 2024. To note that electricity self-generated by producers (most of them having a photovoltaic installation) has not been included given that this electricity is not injected into the distribution network.

Figure 8: Fuel Mix Composition for the year 2024.

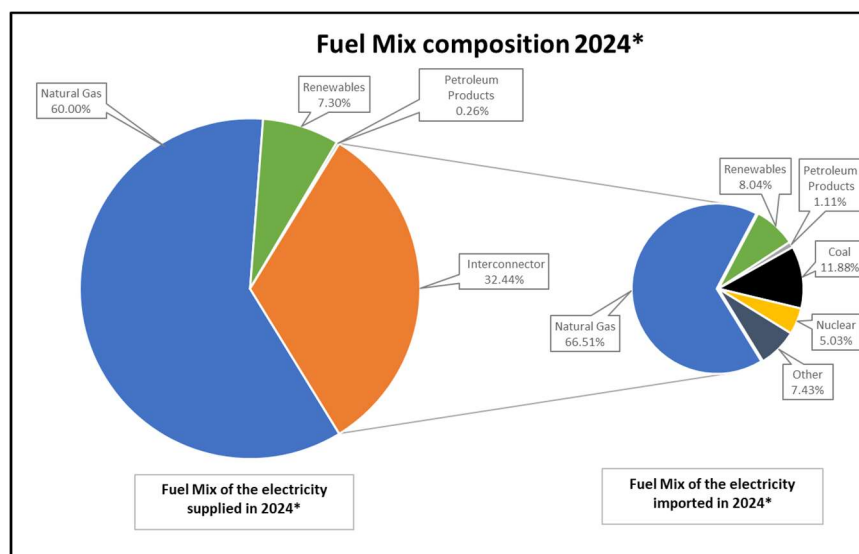


Figure 9: Fuel Mix Disclosure Table for the years 2023 and 2024.

Fuel mix composition of the electricity supplied by Enemalta in accordance with regulation 5(a) of the First Schedule of the Electricity Regulations (S.L.545.34)		
Primary sources:	2023	2024*
▪ Natural Gas	69.09%	60.00%
▪ Renewables	7.48%	7.30%
▪ Petroleum Products	0.58%	0.26%
▪ Interconnector**	22.85%	32.44%
**Interconnector sources:		
▪ Natural Gas	58.22%	66.51%
▪ Renewables	7.28%	8.04%
▪ Coal	22.77%	11.88%
▪ Petroleum Products	3.76%	1.11%
▪ Nuclear	4.40%	5.03%
▪ Other	3.57%	7.43%
Environmental impact of the electricity supplied by Enemalta in accordance with regulation 5(b) of the First Schedule of the Electricity Regulations (S.L.545.34)		
	2023	2024*
▪ CO ₂ emissions	396 g/kWh	389 g/kWh

*Data for 2024 are provisional and may be subject to revision

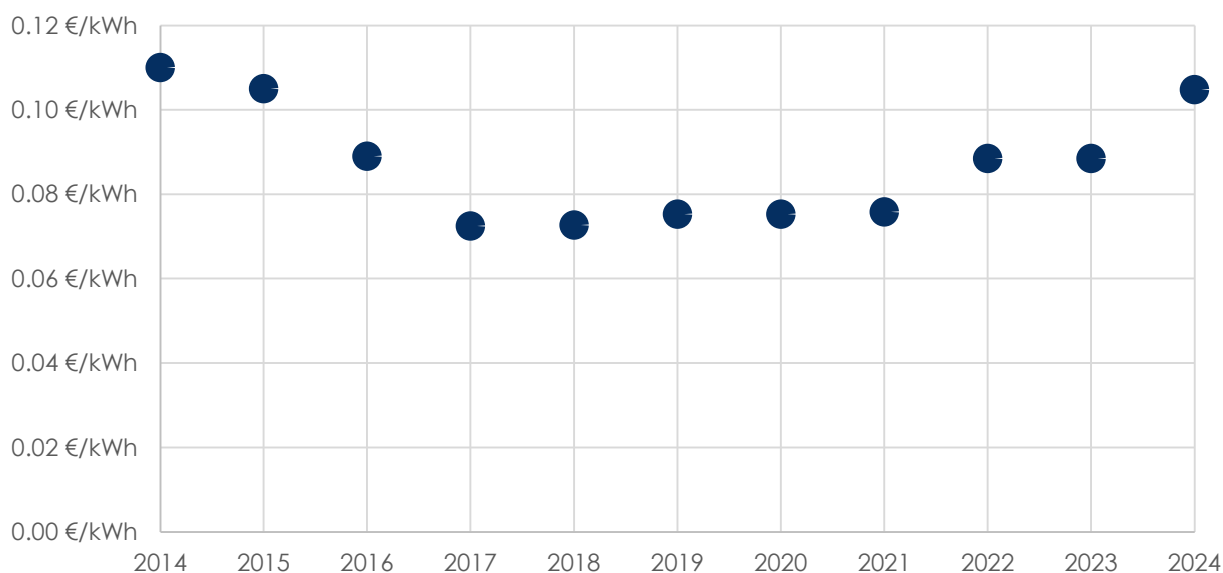
3.2.1(a) Monitoring the level of prices, the level of transparency, the level and effectiveness of market opening and competition²⁸

In terms of regulation 54A of the Electricity Regulations (S.L.545.34), in the absence of a liquid wholesale market, the distribution system operator is required to offer to purchase all the electricity generated and exported to the grid from approved renewable energy

²⁸ Article 59.1(n) and 59.1(o) Directive 2019/944: Transparency Obligations and Market opening and competition.

generation installations and high efficiency co-generation plants and retribute it at the proxy for the market price. The proxy of the market price is therefore the reference used to determine the amount of operational aid paid to renewable energy installations benefitting from operational support. The REWS determines the proxy of the market price as the average of the estimated variable cost per kWh incurred by the distribution system operator to meet the demand forecast for a given year from locally generated conventional and imported electricity, with the demand assumption excluding that portion of the forecast demand which is not expected to be met by conventional and imported electricity. The methodology is set by the Electricity Regulations (S.L.545.34). In 2024 a rate for the proxy of the market price was published through Legal Notice 193 of 2024 amending the Electricity Regulations (S.L.545.34). *Figure 10* shows the developments in the proxy of the wholesale market price between 2014 and 2024.

Figure 10: Developments in the proxy of the market price for 2014-2024.



3.2.2 Retail market

The situation in the electricity retail market remains unchanged. The activity of supply of electricity must be performed under a licence issued by the REWS in terms of the Electricity Regulations (S.L. 545.34). In view of the derogation from Article 4 (Free choice of supplier) of Directive (EU) 2019/944 granted to Malta pursuant to Article 66(5) of the said Directive, the licence to supply electricity may only be issued to the distribution system operator designated under the aforementioned regulations.

Therefore, Enemalta plc remains the only undertaking in Malta holding a licence to supply electricity to final customers and given this market set-up customer switching cannot be implemented in Malta.

All the customers pay regulated retail tariffs. Retail tariffs featuring also an off-peak tariff component are available specifically for electric vehicle (EV) charging. Operators of publicly accessible EV charging points may add a premium for the charging service on top of the regulated electricity tariff.

In 2023, through Decision 9, the Regulator established the tariff methodology for the supply of shore-side electricity to ships berthed in maritime ports. The methodology concerns the determination of a flat rate kWh applicable for electricity supplied to sea vessels berthed in the Maltese harbours. Enemalta must publish the applicable tariff at least three months in advance of the three-month period to which it refers²⁹.

Further details on electricity tariffs applicable in Malta may be found on the Regulator’s website:

<https://www.rews.org.mt/#/en/a/13-regulated-electricity-tariffs> .

The retail tariff paid by consumers for electricity covers the costs and revenues pertaining to the operation of the distribution network. In addition to this, the paid tariff also covers costs and revenues relating to the imported electricity, generation, and supply activities. There are no separate tariffs for the use of the network.

3.2.2(a) Monitoring the level of transparency, including compliance with transparency obligations, and the level and effectiveness of the market opening and competition³⁰

3.2.2(a)i Market opening and competition

The electricity retail market is not open to competition. The procedure for the approval of the electricity retail prices is established by Regulation 24 of the Electricity Connection and Supply Regulations (S.L.545.41).

The principles underlying the determination and approval of the retail tariffs are published on the Regulator’s website³¹. In the event of a review of the electricity retails tariffs, the REWS publishes the documents related to the review process.

Electricity tariffs are established through legislation which is published in the Government Gazette (the official Government publication for the promulgation of laws), the REWS’s website and the websites of Enemalta plc and of Automated Revenue Management Services Ltd (ARMS Ltd) respectively.

3.2.2(a)ii Prices for household customers

The regulated electricity retail tariffs are composed of a fixed annual service charge and a kWh consumption tariff structure. For non-residential consumers a maximum demand charge also applies. No tariffs specifically for the use of the network are applied.

²⁹ <https://www.enemalta.com.mt/shore-to-ship/>

³⁰ Articles 59.1(o), 59.1(s) and 5.1 of Directive 2019/944.

³¹ REWS website: www.rews.org.mt

The fixed annual service charge differentiates between a single-phase service and a three-phase service, and between residential/domestic premises and non-residential premises. In addition, all consumers with a service connection capacity rating exceeding 60Amps/phase are required to pay a maximum demand tariff.

The kWh consumption tariff structure consists of tiers of consumption with the corresponding kWh tariff. The tariffs are based on a cumulative consumption per annum and are applied *pro rata* based on the number of days covered by the bill. The kWh tariff structure applicable for the consumption of electricity differentiates between registered primary residence premises, domestic premises, and non-residential premises.

Household consumers may benefit from a percentage reduction of electricity rates, referred to as an ‘eco reduction’ on their electricity consumption bill on one registered primary residence as follows:

- households composed of two or more persons may benefit from a two tier eco reduction mechanism provided that the consumption per person does not exceed 1750kWh per annum. A reduction of 25% in the consumption bill is possible if the consumption does not exceed 1000kWh per person for the first tier. The second tier consists of a reduction of 15% in the bill on the next 750kWh per person/household,
- single person households enjoy a reduction of 25% in their consumption bill if their annual electricity consumption does not exceed the 2000kWh/annum.

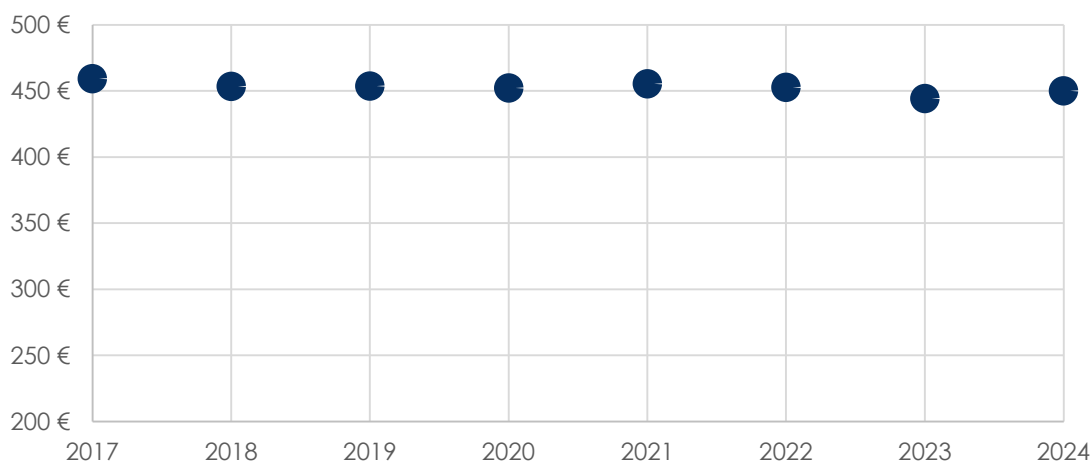
The domestic premises tariffs are applicable for electricity consumed in premises intended for domestic use and which are not registered as a primary residence.

The non-residential premises tariffs are applicable for electricity consumed in all the other premises which are not registered either as a primary residence or as domestic premises.

Non-residential consumers with a service rating above 100A/phase may choose to be billed on a kVAh tariff. A night and day tariff is available for non-residential consumers with annual consumption exceeding of 5GWh (5.5GVAh).

During the year under review there were no changes in the retail tariffs for household and non-household customers.

Figure 11: Average end-user price of households consuming in the band 2500 - 4999 kWh (based on a consumption of 3500kWh per year, including taxes and levies).



Source: REWS elaboration based on EUROSTAT data.

Figure 11 shows the developments in the average household bill between 2017 and 2024 based on a consumption of 3500kWh and the national average end-user electricity price per kWh for the reference band of consumption DC (2500kWh<consumption<4999kWh) as reported by the Maltese National Statistics Office to Eurostat. It should be noted that tariffs and tariff bands are applied pro rata according to the days covered by the bill and therefore a change in the billing period may affect the average price per kWh.

The household tariffs are inclusive of 5% Value Added Tax and 0.0015€/kWh excise duty.

Presently there are no plans for the phasing out of regulated prices.

3.2.2(a)iii Prepayment systems

Prepayment contracts are not available to customers in Malta.

3.2.2(a)iv Dynamic price contracts

In Malta dynamic price contracts are not available. All customers, both household and commercial, are on regulated tariffs and the energy component does not vary with wholesale prices. To note that in Malta there are no liquid wholesale markets.

3.2.2(a)v Smart meter use

Smart meters rolled out by the Maltese DSO, Enemalta plc., have the following functionalities:

- Remote spot readings for import and export registers, maximum demand, load profiles;
- Time-of-use consumption reading;
- Remote activation and deactivation;
- Remote power limit curtailment;
- Voltage variations data collection;
- Remote meter diagnostics (to detect if meter is healthy or faulty).

Data related to the rollout of Smart Meters in Malta are reported in section 3.2.2(b)vi (Customer consumption data provision).

3.2.2(a)vi Switching rate

Enemalta plc. Is the only undertaking in Malta holding a licence to supply electricity to final customers and therefore, customer switching cannot be implemented in Malta.

3.2.2(a)vii Charges for maintenance services

The regulated electricity retail tariffs in Malta are composed of a fixed annual service charge and a kWh consumption tariff structure. For non-residential consumers a maximum demand charge also applies. No specific charges for maintenance services are applied.

3.2.2(a)viii Relationship between household and wholesale prices

Not applicable since there is no liquid wholesale market in Malta.

3.2.2(a)ix Distortion or restriction of competition

The electricity retail market is not open to competition.

3.2.2(a)x Competitive prices

Not applicable since the electricity market in Malta is not open to competition and all consumers are on regulated tariffs.

3.2.2(b) Consumer protection and dispute settlement³²

The Electricity Regulations (S.L.545.34) transpose the measures related to customer protection provided in Annex I of Directive (EU) 2019/944 and establish the obligation to provide universal service to all household customers by the distribution system operator. The Electricity Regulations require also that electricity suppliers provide customers with the bills and promotional materials, information related to the energy sources mix and environmental impact of the electricity supplied.

In addition, customers are to be provided with:

- information concerning their rights regarding the means of dispute settlement available to them in the event of a dispute; and
- contact information of consumers' organisations, energy agencies or similar bodies, including website addresses from which information may be obtained on available energy efficiency improvement measures, comparative end user profiles and, or objective technical specifications for energy-using equipment.

The requirements emanating from the Electricity Regulations related to customer protection and provision of information are included in the licence conditions of Enemalta plc as supplier of electricity.

In general, the terms and conditions for the electricity supply service are currently implemented through legislative instruments, mainly, the Electricity Connection and Supply Regulations (S.L.545.41) which specify *inter alia* the services and maintenance provided, applicable tariffs, and conditions for termination and renewal. The rights and obligations of customers are detailed in the Customer Charter published by Enemalta plc which constitute

³² Articles 59.1(o), 59.1(p), 59.1(s), 59.1(t), 59.1(y), 59.1(z), 5.2, 5.3, and 5.4 Directive 2019/944: Complaints by household customers, Disconnection rates, Restrictive contractual practices, Protection of energy poor and vulnerable household customers, Intervention in price setting for vulnerable household customers, Customer consumption data provision, Availability of comparison tools, Obstacles to and restrictions of consumption of self-generated electricity and citizen energy communities.

the basis of the deemed contract of customers with Enemalta plc. The Enemalta Customer Charter is available at the following link:

<https://www.enemalta.com.mt/wp-content/uploads/2018/03/Enemalta-plc-Customer-Charter-EN.pdf>

Since there is only one supplier, the contract for the supply of electricity is automatically of an indefinite nature. In the absence of an open electricity supply market, customer switching is not possible to implement. The Electricity Regulations (S.L.545.34) provides that complaints against the distribution system operator may be referred to the Regulator for Energy and Water Services. The REWS is obliged to issue a decision within four months from the date that a complaint is lodged. The timeframe for the issue of the decision may be extended by a further two months with the agreement of the complainant. Before a decision is issued, the REWS discusses the complaint with the parties involved who may make any submissions that they deem necessary.

Any decision issued by the Regulator for Energy and Water Services under the Act is binding unless overruled on appeal.

An appeal on a decision issued by the Regulator for Energy and Water Services may be lodged to the Administrative Review Tribunal.

During the year 2024, the Regulator did not issue any decisions related to the electricity or natural gas sectors.

3.2.2(b)i Complaints by household customers

In terms of the Electricity Regulations (S.L.545.34) the Regulator provides an out-of-court mechanism for the settlement of disputes between customers and electricity undertakings. Customer complaints must be addressed at the first instance by Enemalta plc or by its contractor ARMS Ltd.

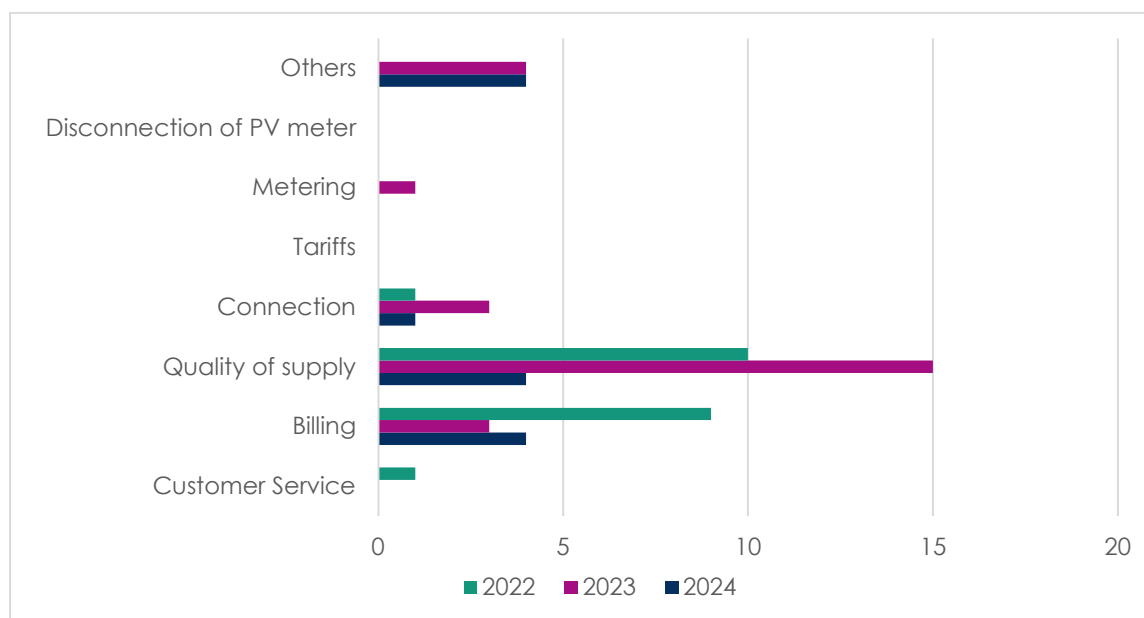
ARMS Ltd deals with issues related to billing or meter reading, while Enemalta plc deals directly with issues related to connection to the grid and voltage quality. Enemalta plc is required to retain and update a register of all complaints related to the electricity service and to submit information on an annual basis related to the complaints received and time to respond to such complaints as part of the licence monitoring reports. Currently the complaints register held by Enemalta plc does not distinguish between households and non-household customers.

Customers that cannot resolve their complaint with Enemalta plc., following the completion of their complaints handling process, may refer their complaint to the REWS for consideration.

The dispute resolution procedures to be followed by the Regulator are established by the (S.L.545.30) Dispute Resolution (Procedures) Regulations published in 2016. Generally, the Regulations require that the REWS is to issue a determination to resolve the dispute within four months from the date on which the dispute is notified to it by a party to the dispute.

During 2024, the Regulator received 13 complaints related to electricity, all of the complaints were submitted through a formal dispute resolution online form. *Figure 12* shows how the complaints were categorised.

Figure 12: Customer complaints in the electricity sector between 2022 and 2024.



Source: REWS.

At the end of 2024, 10 complaints were resolved through mediation with the distribution system operator/supplier without the need for a formal dispute resolution decision, none of the dispute resolutions request led to the issue of a formal decision by the Board of the Regulator and 3 disputes were still open.

The Office of the Ombudsman informed the Regulator that it had received 30 complaints related to the electricity and water sectors during 2024.

3.2.2(b)ii Disconnection rates

As part of the conditions of its licence, Enemalta plc is required to report to the REWS data related to disconnections of customers for non-payment. The total number of disconnections for non-payment of electricity consumption that was reported to the Regulator for 2024 was 479 of which 375 were household customers and 104 non-household customers. To note that during the year under review 553 customers were reconnected after the disconnection for non-payment. *Table 10* shows the number of disconnections for non-payment between the years 2019 and 2024.

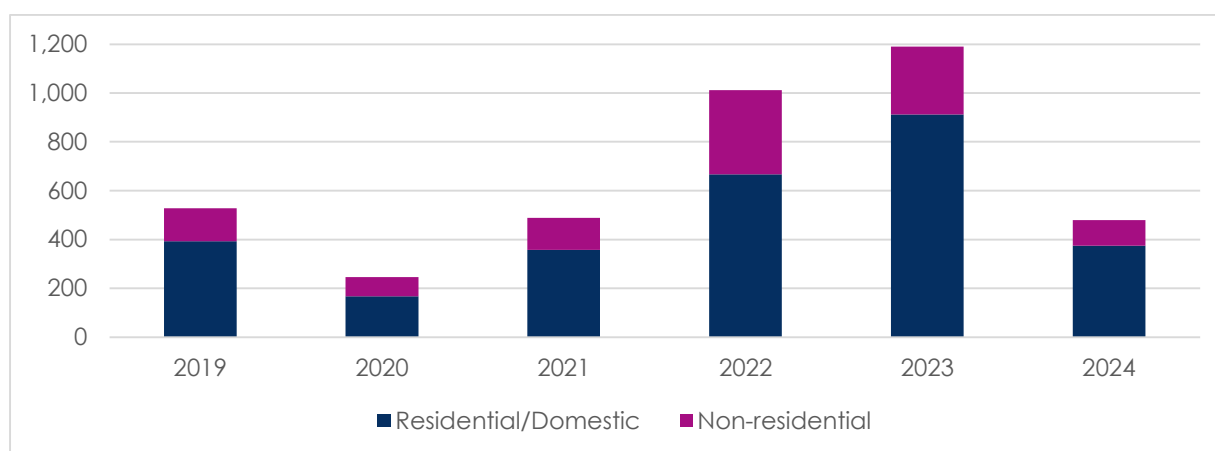
Table 10: Number of disconnections for non-payment (2019-2024).

Year	2019	2020	2021	2022	2023	2024
Residential/Domestic	393	167	357	667	912	375
Non-residential	135	79	132	345	278	104
Total	528	246	489	1012	1190	479

Source: Enemalta plc.

In general, a customer failing to pay a bill within 45 days recognised from the date of issue of the bill, receives a reminder requesting the settlement of the outstanding amounts within 10 days. In the event of non-payment, the customer receives a final notice to settle amounts due within 7 days; otherwise, the supply could be suspended. The actual suspension of supply depends on the amount due, the length of time for which the debt has been due while considering established thresholds.

In addition, customers who are unable to pay their bills are afforded the facility to enter into an agreement with Enemalta plc to pay their bill by instalments, to avoid disconnection.

Figure 13: Number of disconnections for non-payment that occurred between 2019 and 2024.

Source: Enemalta plc.

3.2.2(b)iii Restrictive contractual practices

According to regulation 47(1)(p) of the S.L. 545.34, the Regulator has the duty to monitor the occurrence of restrictive contractual practices, including exclusivity clauses which may prevent large non-household customers from contracting simultaneously with more than one supplier or restrict their choice to do so. Furthermore, the Regulator has the authority to inform the national competition authorities of such practices. The exercise of the duties emanating from the regulations must be seen in the context of a market with one supplier of electricity.

3.2.2(b)iv Protection of energy poor and vulnerable household customers

Vulnerable electricity customers are catered for within the social policy framework. The Department of Social Policy has established the criteria whereby certain categories of energy consumers may be eligible to receive energy benefits. The energy benefit amounts are deducted directly from the electricity bills.

Consumers that may benefit from energy benefits include families with low incomes, households having a family member with a disability, families on social assistance or special unemployment benefit, and persons on a pension or a carer's pension.

In 2024, a total of 22,985 consumers were registered as vulnerable customers, of whom 12,383 received energy benefits.

Table 11: Vulnerable customers and their share over household customers (2019-2024).

Year	2019	2020	2021	2022	2023	2024
Number of vulnerable customers	23,560	23,666	23,657	23,790	26,574	22,985
Share of vulnerable customers	8.55%	9.35%	7.78%	7.59%	10.37%	6.93%

Source: Enemalta plc.

3.2.2(b)v Intervention in price setting for vulnerable household customers

Eligible household customers, as determined by the ministry responsible for social welfare on the basis of a number of published criteria, are assisted in the paying their bills through energy benefits. Otherwise, there are no specific tariffs for these customers.

3.2.2(b)vi Customer consumption data provision

Electricity bills issued to customers include contact details of ARMS Ltd which is responsible for meter reading, billing, debt collections, and the provision of customer relations services on behalf of Enemalta plc, the electricity supply licence holder.

In the year 2024, 358,002 electricity meters supplying households and non-households were smart meters with Automatic Metering Management (AMM) function capability, this is an increase of 5.4% in the number of meters with AMM over the past year.

Table 12 and Figure 14 report the data relating the smart meters roll out over the past years. It is possible to highlight that at the end of 2024 this technology represents 93.10% of household meters active in Malta.

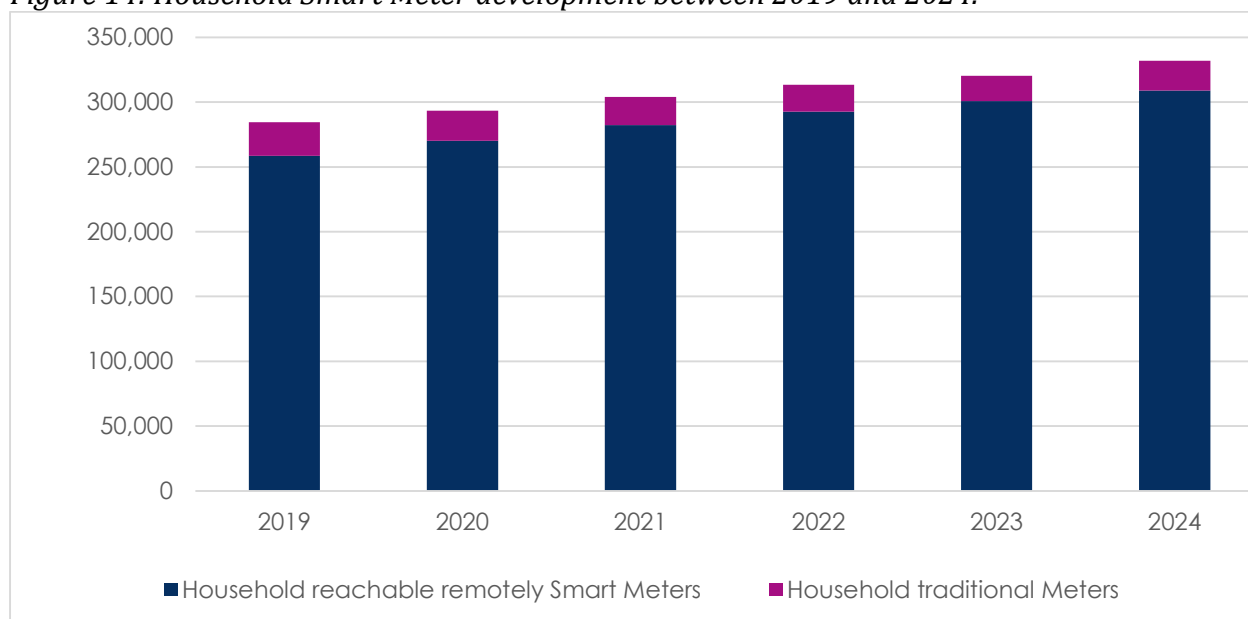
In general, households not yet provided with a smart meter, receive bills calculated on actual consumption at least every six months, while households provided with a smart meter connected to the Automatic Metering Management (AMM) receive bills based on actual readings on a bimonthly basis. The frequency of actual bills for non-household consumers varies from one month to six months.

Table 12: Smart Meter (SM) installation development between 2019 and 2024.

Year	2019	2020	2021	2022	2023	2024
Total SM reachable remotely	297,626	310,128	324,095	337,922	339,600	358,002
Total Active meters	336,254	344,232	356,646	367,195	377,311	388,161
Share of SM reachable remotely	88.51%	90.09%	90.87%	92.03%	90.01%	92.23%
Household SM reachable remotely	258,536	270,032	282,344	292,614	300,750	308,985
Household Active Meters	284,572	293,257	303,892	313,386	320,295	331,876
Share of Household SM reachable remotely	90.85%	92.08%	92.91%	93.37%	93.39%	93.10%

Source: Enemalta plc.

Figure 14: Household Smart Meter development between 2019 and 2024.



Source: Enemalta plc.

The bill includes a breakdown of the bill calculations, total electricity consumption for the period covered by the bill, the average consumption per day, applicable tariffs, and CO₂ emissions. The bill also includes the consumption related to the previous year and projections for electricity annual consumption.

Where the customer is also a producer of renewable electricity, the bill includes the number of units generated and exported to the grid together with a breakdown of the calculation of the revenue due from the sale of the electricity to Enemalta plc. Most of the electricity generated from renewable energy and exported to the grid is produced by solar photovoltaic installations. In general, the metering set-up used in the case of customers who are also producers consists of a generator meter and import-export meter, thus, customers who self-consume the electricity produced can keep track of their consumption.

Customers have the option to register on the ARMS Ltd portal to access the detailed breakdown of unpaid bills and history of previous bills and payments.

3.2.2(b)vii Availability of comparison tools

There is no scope for comparison tools since electricity tariffs in Malta are regulated and there is only one electricity supplier.

3.2.2(b)viii Obstacles to and restrictions of consumption of self-generated electricity and citizen energy communities

The consumption of self-generated electricity has always been an option available to owners of generators. The specific provisions of the Directive (EU) 2019/944 related to self-generated electricity and citizen energy communities have been transposed to national legislation in the Electricity Regulations (S.L.545.34), taking into consideration the derogations under Article 66 of Directive (EU) 2019/944.

4 - THE GAS MARKET

Since the year 2017, LNG (Liquified Natural Gas) is imported through an LNG facility consisting of an LNG Floating Storage Unit (FSU) and an onshore Regasification Unit (RU) on the Delimara site. The FSU has an LNG storage capacity of 125,000 m³ and the regasification plant with a maximum natural gas output rate of 89,000 Nm³/hr of natural gas.

The capacity of the LNG terminal is fully contracted to supply natural gas to two electricity generation plants, DPS-3 (owned by D3 Power Generation Ltd) and DPS-4 (owned by ElectroGas Malta Ltd). The regasification plant is designed to meet simultaneously the full natural gas load required by DPS-3 and DPS-4.

ElectroGas Malta Ltd has a licence to carry out the functions of an LNG system operator and an authorisation to import LNG and to supply natural gas to the two electricity generation plants, issued under the Natural Gas Market Regulations (S.L. 545.12).

At present in Malta there is no transmission or distribution of natural gas, and therefore no TSO or DSO is operating in the gas sector.

During 2024, the REWS continued to monitor the regulatory aspects related to the proposed Melita TransGas Pipeline (MTGP) - Project of Common Interest (PCI) 15.1 that is planned to connect Malta to the European gas transmission network in Gela (Italy).

4.1 Network Regulation

4.1.1 Network and LNG tariffs for connection and access³³

The capacity of the LNG terminal is fully contracted to supply natural gas to the power plants DPS-3 and DPS-4; and LNG terminal tariffs form part of the fees payable by Enemalta plc to ElectroGas Malta Ltd in terms of the gas and electricity supply agreements concluded pursuant to a tendering procedure.

4.1.2 Balancing³⁴

Not applicable since there is no gas transmission system established in Malta.

³³ Articles 41.(1)(a), 41.6(a), 41.1(s), 41.1(n) Directive 2009/73: Tariff regulation methodology, Connection and Access to national network access tariffs methodology, Access to storage facilities, linepack and other ancillary services.

³⁴ Articles 41.(6)(b) Directive 2009/73.

4.1.3 Cross-border issues³⁵

During 2024, the Regulator continued to monitor the work on the planned connection of Malta to the European gas network – pipeline interconnection with Italy at Gela.

The Melita TransGas Pipeline (MTGP) was identified as a Project of Common Interest (PCI 15.1) in the 6th PCI list, as one of projects that maintained their status of project of common interest due to the derogation granted under Article 24 of the updated TEN-E Regulation (Regulation (EU) 2022/869)³⁶.

The Project was resubmitted as a PCI candidate in December 2024 for inclusion in the PCI list of 2025 pursuant to the derogation provided by in Article 24 of the TEN-E Regulation, whereby the Project Promoter submitted the necessary documentation. The Project has been positively assessed by the CION and has been included in the draft PCI list of 2025.

The pipeline provides the possibility to import renewable gases, including green hydrogen, once the market develops. The Project Promoter is continuously assessing how the hydrogen market is developing, particularly the availability of green hydrogen from Italy and potential supply from North Africa.

4.1.4 Implementation of Network Codes and guidelines³⁷

No updates or developments to report.

4.2 Competition and market functioning

4.2.1 Wholesale market

At present there is no wholesale gas market in Malta and no transmission or distribution gas system is present. The only gas infrastructure available is an LNG terminal that was developed by ElectroGas Malta Ltd as part of a gas and power supply contract, with its full capacity dedicated to supply natural gas for electricity generation to two power plants (one owned by ElectroGas Malta Ltd, the other owned by D3 Power Generation Ltd) located adjacent to the terminal, within the Delimara Power Station site.

³⁵ Articles 41.6(c), 41.9, 41.10, 41.11, 41.1(c), 41.1(g) Directive 2009/73: Access to cross-border infrastructure including allocation and congestion management, Cooperation agreements/activities between NRAs regarding cross-border issue, Monitoring Community-wide network development plans, PCIs and national development plans.

³⁶ https://ec.europa.eu/commission/presscorner/detail/en/IP_23_6047

³⁷ Capacity Allocation Mechanisms (CAM NC, Regulation (EU) 2017/459), Balancing (BAL NC, Regulation (EU) 312/2014), Interoperability and Data Exchange (INT NC, Regulation (EU) 2015/703), Tariff (TAR NC, Regulation (EU) 2017/460).

4.2.1(a) Monitoring the level of prices, the level of transparency, the level and effectiveness of market opening and competition³⁸

ElectroGas Ltd reports Urgent Market Messages on the GME portal. This information is accessible at the following electronic address: <https://pip.ipex.it>. This disclosure of inside information is done in accordance with Article 4(a) REMIT Regulation and with ACER Guidance on the REMIT application and covers the unavailability of electricity and gas facilities (namely the Re-gasification Plant and D4 Power Station) that are likely to significantly affect wholesale energy prices and other relevant market information.

4.2.2 Retail Market

4.2.2(a) Monitoring the level of prices, the level of transparency, the level and effectiveness of market opening and competition³⁹

Not applicable since there is no retail market for natural gas.

4.2.3 Consumer protection and dispute settlement⁴⁰

Not applicable since there is no retail market for natural gas.

4.3 – Security of Supply⁴¹

Under the Natural Gas Market Regulations, the REWS has the responsibility to monitor the balance between supply and demand of natural gas, the level of expected future demand and available supplies, envisaged additional capacity being planned or under construction, quality and level of maintenance of the networks, as well as measures to cover peak demand and to deal with shortfalls of one or more suppliers.

Data for LNG imports and consumption of natural gas is collected from ElectroGas Malta Ltd. During the year 2024, no major incident affecting the Gas Security of Supply were reported. The only unplanned event affecting the gas supply was the Storm Mooring procedure conducted from the 9th to 11th of March as a preventive measure to protect the FSU, triggered

³⁸ Articles 41.1(i), 41.1(j), 41.1(k), 41.1(l), 41.1(u) Directive 2009/73: Monitoring transparency, market opening and competition, Restrictive contractual practices, Contractual freedom of supply contracts, Data exchange processes.

³⁹ Articles 41.1(i), 41.1(j), 41.1(k), 41.1(l), 41.1(u) Directive 2009/73: Monitoring transparency, market opening and competition, Restrictive contractual practices, Contractual freedom of supply contracts, Data exchange processes.

⁴⁰ Annex 1, Articles 41.1(o), 41.1(q), 41.11, 41.4(e) Directive 2009/73: Measures on Consumers protection, Ensuring access to consumption data, dispute settlement and rights of investigation.

⁴¹ Articles 41.1(t) and 41.1(h) Directive 2009/73: Safeguard measures and Security and reliability standards.

by forecasted strong winds exceeding allowable criteria. This event had no impact on the electricity supply to customers.

REWS is not the competent authority for security of natural gas supply within the meaning of Regulation (EU) 2017/1938 concerning measures to safeguard the security of gas supply. However, as prescribed by the Preventive Action Plan and by the Emergency Plan submitted to the EU Commission in January 2020 and updated in 2022, the Regulator provides to the Crisis Manager (the Permanent Secretary of the Ministry for the Environment, Energy and Regeneration of the grand harbour) a monthly report addressing gas supply/ demand/stock levels and forecast use, collecting information provided by gas facility operators and the electricity system operator.

4.3.1 Monitoring balance of supply and demand

LNG import in Malta started in 2017. The total amount of LNG imported to Malta during 2024 was 4,130.8GWh (HHV). The total amount of natural gas delivered to the electricity generation plants during 2024 was 4,047.5GWh (HHV), corresponding to 614,341m³ of LNG, with a decrease of 7.7% over 2023.

During 2024, all the importation of LNG was from non-EU Member States (Trinidad and Tobago and the U.S.A.).

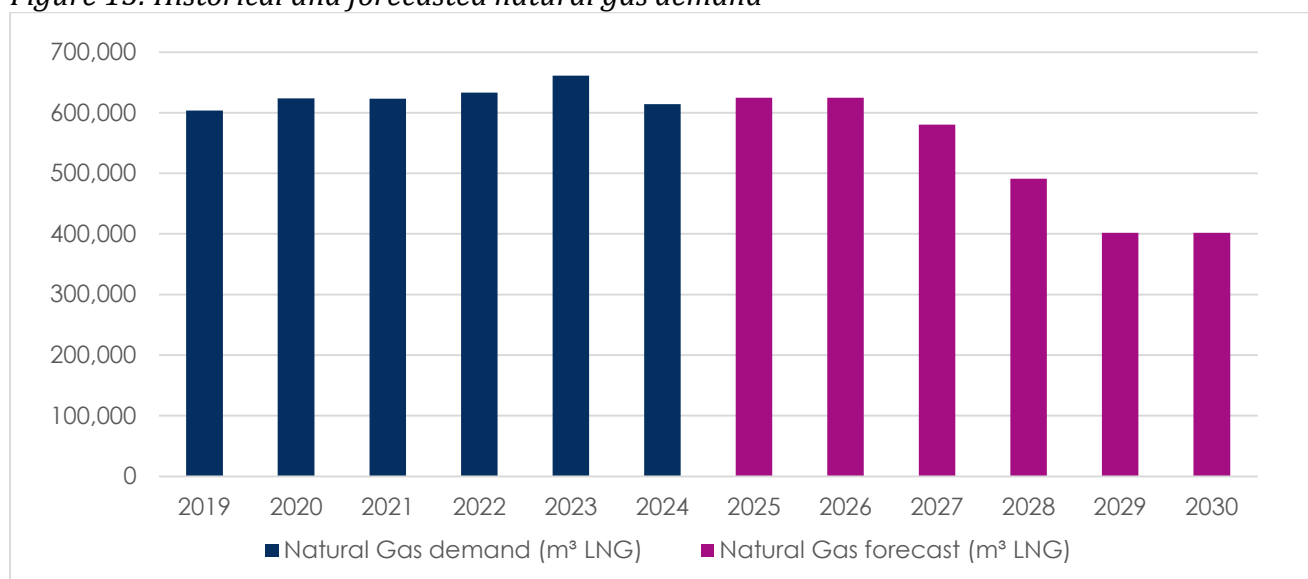
The demand of natural gas for electricity generation till 2030 is reported in *Table 13* and it is compared with historical demand in *Figure 15*.

Table 13: Projected LNG consumption 2025-2030.

Year	Projected Annual Consumption (m ³ of LNG)
2025	625,000
2026	625,000
2027	580,360
2028	491,070
2029	401,790
2030	401,790

Source: Enemalta plc.

Figure 15: Historical and forecasted natural gas demand



Source: ElectroGas Ltd and Enemalta plc.

4.3.2 Measures to cover peak demand or shortfalls of suppliers

The average daily consumption of LNG during the year 2024 was 11.06 GWh, while the peak daily consumption occurred on the 11th of August and reached a value of 17.1 GWh.

Presently, in the event of a shortage of natural gas, the oil-based generation plants owned by Enemalta plc, the UNEC power plant, the dual-fuel part of DPS-3 and the electricity cable link to Italy are expected to act as a backup reserve capacity to meet the electricity demand.