



2026 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 2026

1- FOREWORD.....	4
2 - MAIN DEVELOPMENTS IN THE GAS AND ELECTRICITY MARKETS	5
2.1 Evaluation of the market development and regulation	5
2.2 Report on the implementation of EU Energy Market Legislation	8
2.2(a) The Clean Energy Package	8
2.2(b) Fit for 55 Package	9
2.2(c) REPowerEU Plan.....	10
2.2(d) Electricity Market Design Reform.....	10
2.2(e) National Transposed Electricity Framework.....	11
3 - THE ELECTRICITY MARKET	13
3.1 Network regulation and technical functioning	13
3.1(a) Unbundling.....	13
3.1(b) Network extensions and optimisation	14
3.1(c) Network tariffs.....	16
3.1(d) Security and reliability regulation.....	17
3.1 (e) Monitoring balance of supply and demand	21
3.1(f) Cross-border issues	26
3.1(g) Implementation of Network Codes and guidelines	27
3.2 Competition and market functioning	31
3.2.1 Wholesale markets.....	31
3.2.2 Retail market	35
3.2.2(a) Monitoring the level of transparency, including compliance with transparency obligations, and the level and effectiveness of the market opening and competition	36
3.2.2(b) Consumer protection and dispute settlement.....	40
4 - THE GAS MARKET	47
4.1 Network Regulation.....	47
4.1.1 Network and LNG tariffs for connection and access	47
4.1.2 Balancing	47

4.1.3 Cross-border issues.....	48
4.1.4 Implementation of Network Codes and guidelines.....	48
4.2 Competition and market functioning	48
4.2.1 Wholesale market	48
4.2.1(a) Monitoring the level of prices, the level of transparency, the level and effectiveness of market opening and competition.....	48
4.2.2 Retail Market.....	49
4.2.2(a) Monitoring the level of prices, the level of transparency, the level and effectiveness of market opening and competition.....	49
4.2.3 Consumer protection and dispute settlement.....	49
4.3 – Security of Supply.....	49
4.3.1 Monitoring balance of supply and demand.....	50
4.3.2 Measures to cover peak demand or shortfalls of suppliers.....	51

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 and 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 specifically to the year 2025.

2 - MAIN DEVELOPMENTS IN THE GAS AND ELECTRICITY MARKETS

This section provides a summary of the key developments in the electricity and natural gas sectors in Malta during the year 2025.

2.1 Evaluation of the market development and regulation

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

Electricity sent out to the Maltese grid increased by approximately 3.1% in 2025, from 2,991.31 GWh to 3,082.69 GWh¹.

Domestic fossil-fuel generation remained the principal source of electricity supply. However, its relative contribution declined, with natural gas accounting for 58.33% of the fuel mix, compared with 60.00% in 2024. Conversely, the contribution of electricity imported through the Malta–Italy cable link increased from 32.44% to 33.45%. Electricity generated from petroleum products remained marginal, at 0.48%, reflecting the use of diesel generation primarily for backup and security-of-supply purposes.

Renewable electricity generation was estimated at 363.75 GWh² in 2025, representing an increase of 8.0% compared with the previous year and therefore growing faster than electricity sent out to the public grid. An estimated 124.70 GWh, equivalent to 34.3% of total renewable generation, was consumed directly on site.

The carbon emission factor for electricity supplied to end consumers decreased by 4.2% in 2025, reaching 364 grams of CO₂ per kilowatt-hour.

- **Peak demand and generation adequacy**

The annual peak system demand increased by 7.4%, from 593.2 MW in 2024 to 636.6 MW in 2025.

The peak occurred on 25 July 2025 at 17:00 and was met through a combination of local fossil-fuel generation, which supplied 52.8% of demand, imports through the Malta–Italy interconnection, which supplied 32.7%, and solar photovoltaic generation, which was estimated to contribute 14.6%. No DSO-owned backup generation plants were required to meet the annual peak.

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

² This figure is provisional.

- **Network development, losses and continuity of supply**

The electricity distribution network continued to expand and modernise during 2025. It increased by 1.6% to 6,470.04 km. Underground cables increased by 3.5%, while the length of overhead lines declined by 1.8%.

Total electricity losses in the Maltese distribution grid decreased from 7.70% in 2024 to 5.84% in 2025. Technical losses remained broadly stable at 4.29%, while non-technical losses declined from 3.42% to 1.55%.

Continuity of supply also improved substantially. The System Average Interruption Duration Index (SAIDI) decreased by 44.2%, from 187.62 to 104.62 minutes per customer, while the System Average Interruption Frequency Index (SAIFI) decreased from 3.50 to 1.61 interruptions per customer. The combined SAIDI and SAIFI results represented the best performance recorded during the ten-year period analysed.

However, the average duration of individual interruptions increased. The overall Customer Average Interruption Duration Index (CAIDI) rose from 0.89 hours in 2024 to 1.08 hours in 2025. This indicates that, although customers experienced considerably fewer interruptions and fewer total minutes without supply, the interruptions that did occur lasted longer on average.

- **Energy storage, flexibility and strategic infrastructure**

The deployment of small-scale battery storage accelerated considerably during 2025. Installed household battery capacity reached approximately 31.6 MWh by the end of 2025, nearly doubling the capacity recorded at the end of 2024. This development reflects the increasing use of storage to support the self-consumption of electricity generated by household photovoltaic installations.

Progress was also registered on the two planned utility-scale battery energy storage projects at Delimara and Marsa. The procurement process attracted sixteen offers, while the related State aid procedure was concluded during 2025.

The second Malta–Italy electricity cable link moved from the procurement and design stages into physical implementation during 2025. Manufacturing of the submarine cable progressed, works continued along the onshore route in Sicily and commenced in Malta, and the design of major network components was completed.

During 2025, planning also began for a third Malta–Italy electricity interconnection, envisaged as a 200 MW bidirectional HVDC link. Its inclusion in the TYNDP 2026 marked an initial step towards addressing projected electricity demand growth beyond 2030, further strengthening security of supply and enabling the integration of future offshore renewable generation.

The floating offshore wind procurement process also progressed, with three submissions received during the pre-qualification stage in July 2025. The associated offshore grid connection system was included in the TYNDP 2026, enabling its consideration in the future Project of Common Interest selection process.

- **Market and regulatory developments**

Although the fundamental structure of the Maltese electricity market remained unchanged during 2025, the regulatory framework continued to evolve in response to developments at both national and EU level. Amendments adopted during the year implemented key elements of the Electricity Market Design Reform introduced by Directive (EU) 2024/1711.

Further progress was made in electricity-sector digitalisation through the preparation of Malta's national mapping for access to metering and consumption data, the continued rollout of remotely accessible smart meters and the deployment of second-generation smart meters. Implementation of the EU Network Code on Cybersecurity Regulation (EU) 2024/1366 also progressed, including preparatory work on the identification of relevant entities.

- **Gas market and security of supply**

Natural gas delivered for electricity generation decreased by 3.0% in 2025, to approximately 593,450 m³ of LNG. No major gas-security event was reported. Two precautionary storm-mooring procedures were undertaken in response to adverse weather forecasts, but neither event affected electricity supply to customers.

The Melita TransGas Pipeline retained its status as a Project of Common Interest in the 2025 PCI list following its redesign as a hydrogen-ready pipeline. Its future development remains dependent on the emergence of sufficient renewable-gas and green-hydrogen supply sources and the development of the associated market and infrastructure.

2.2 Report on the implementation of EU Energy Market Legislation

2.2(a) The Clean Energy Package³

The EU Clean Energy Package is the European Union's legislative framework developed to facilitate the transition away from fossil fuels towards clean energy and achieving the EU's commitments under the Paris Agreement on the reduction of greenhouse gas emissions. The Package includes eight legislative instruments covering the electricity market design, consumer rights, energy efficiency, energy performance of 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:

- i. **Energy efficiency first:** a revised Energy Efficiency Directive⁴ (the “EED”) setting a new, higher target for reduction in energy use by 2030 of 32.5%, complemented by the revised Energy Performance of Buildings Directive⁵ to improve energy efficiency of buildings.
- ii. **Increased renewable energy:** the Renewable Energy Directive⁶ sets a binding target of at least a 32% share of renewable energy by 2030, supported by measures to encourage public and private investment.
- iii. **Governance of the Energy Union:** Regulation (EU) 2018/1999⁷ requires Member States to prepare a National Energy and Climate Plan (NECP) outlining measures to achieve the EU's 2030 energy and climate targets. Final NECPs were submitted by 31st of December 2019 following EU Commission recommendations, with progress reports required every two years thereafter. An updated version of the NECP was published in 2024.

³ Article 59.1(u) Directive: Roles and responsibilities of market participants pursuant to Regulation (EU) 2019/943.

⁴ Directive (EU) 2023/1791 of the European Parliament and of the Council of 13 September 2023 on energy efficiency and amending Regulation (EU) 2023/955 (recast)

⁵ Directive (EU) 2024/1275 of the European Parliament and of the Council of 24 April 2024 on the energy performance of buildings (recast)

⁶ Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (recast)

⁷ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council

- iv. **Enhanced consumer rights:** the package strengthens consumer participation by enabling consumers to generate, self-consume, store and sell electricity, while improving transparency, flexibility and consumer choice.
- v. **A smarter and more integrated electricity market:** the revised electricity market framework enhances security of supply, facilitates the integration of renewable energy sources, strengthens risk preparedness, and promotes cross-border cooperation.

2.2(b) Fit for 55 Package

The Package is a set of legislative proposals adopted between 2021 and 2024 to implement the European Climate Law and deliver the EU's legally binding objective of reducing net greenhouse gas emissions by at least 55% by 2030, compared with 1990 levels, while supporting the achievement of climate neutrality by 2050.

The Fit for 55 Package builds upon the Clean Energy Package. It updates and strengthens several of its legislative acts, introducing more ambitious targets and strengthening existing measures.

Key changes include:

- i. **Higher renewable energy ambition:** The revised Renewable Energy Directive (RED III) increased the EU's binding renewable energy target for 2030 from 32% to at least 42.5%, with an additional indicative objective to reach 45%.
- ii. **Higher energy efficiency ambition:** The revised EED replaced the previous framework and introduced a significantly higher EU energy efficiency target together with stronger obligations for Member States.
- iii. **Updated Energy Performance of Buildings rules:** The Energy Performance of Buildings Directive was further revised to accelerate building renovations and support the decarbonisation of the building sector.
- iv. **Strengthened governance:** Member States were required to update their National Energy and Climate Plans (NECPs) to reflect the increased climate and energy ambitions.

2.2(c) REPowerEU Plan

The REPowerEU Plan, presented by the European Commission in 2022 in response to the energy crisis following Russia's invasion of Ukraine, aims to reduce the European Union's dependence on Russian fossil fuels, strengthen energy security and accelerate the clean energy transition.

REPowerEU is primarily a policy and investment initiative. It is implemented through amendments to existing legislation mainly through the RED III and the EED; as well as new targeted measures to accelerate implementation of the Clean Energy Package's objectives in response to the energy security crisis.

Its principal objectives are:

- i. accelerating the deployment of renewable energy;
- ii. improving energy efficiency and reducing energy demand;
- iii. diversifying energy supplies;
- iv. strengthening electricity networks and energy infrastructure;
- v. promoting electrification, renewable hydrogen and other low-carbon technologies;
- vi. accelerating permitting procedures for renewable energy projects; and
- vii. inclusion of dedicated REPowerEU chapters within Recovery and Resilience Plans as per amending Regulation (EU) 2023/435⁸.

2.2(d) Electricity Market Design Reform

The Electricity Market Design Reform, adopted in 2024 through Regulation (EU) 2024/1747⁹ and Directive (EU) 2024/1711¹⁰, updates and expands the framework established by the Clean Energy Package to improve the resilience, stability and consumer focus of the EU electricity market following the energy price crisis of 2021–2023, while supporting the transition to a secure, decarbonised and consumer-centred electricity system.

⁸ Regulation (EU) 2023/435 of the European Parliament and of the Council of 27 February 2023 amending Regulation (EU) 2021/241 as regards REPowerEU chapters in recovery and resilience plans and amending Regulations (EU) No 1303/2013, (EU) 2021/1060 and (EU) 2021/1755, and Directive 2003/87/EC

⁹ Regulation (EU) 2024/1747 of the European Parliament and of the Council of 13 June 2024 amending Regulations (EU) 2019/942 and (EU) 2019/943 as regards improving the Union's electricity market design

¹⁰ Directive (EU) 2024/1711 of the European Parliament and of the Council of 13 June 2024 amending Directives (EU) 2018/2001 and (EU) 2019/944 as regards improving the Union's electricity market design

The Reform amends Regulation (EU) 2019/94¹¹ and Directive (EU) 2019/944¹² (the “EMD”), preserving the principles of competitive wholesale markets while strengthening consumer protection and promoting investment in clean energy.

The principal changes include:

- i. enhanced consumer protection through wider access to fixed-price and dynamic-price contracts, improved supplier switching arrangements and stronger safeguards against disconnections;
- ii. strengthened consumer empowerment, including improved rights for active customers and energy sharing arrangements;
- iii. measures to facilitate long-term investment through greater use of Power Purchase Agreements (PPAs) and two-way Contracts for Difference (CfDs);
- iv. improved market resilience through enhanced risk management and hedging opportunities;
- v. greater support for flexibility resources, including demand response, energy storage and non-fossil flexibility; and
- vi. strengthened monitoring and regulatory responsibilities for national regulatory authorities.

2.2(e) National Transposed Electricity Framework

Directive (EU) 2019/944 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.

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 EMD 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

¹¹ Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast)

¹² Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU (recast)

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 2025, Legal Notice 235 of 2025 transposed the provisions of the EMD as amended by Directive (EU) 2024/1711, by virtue of S.L. 545.34 which set out the obligations regarding frameworks to allow flexible connection agreements, supplier risk management, supplier of last resort, protection against disconnection for vulnerable and energy poor customers, free choice of supplier, entitlement to a fixed-term and fixed-price electricity supply contract, duty of distribution system operators to publish information on network capacity, and duty of regulatory authorities to monitor the removal of unjustified obstacles and restrictions.

S.L. 545.34 was further amended by L.N. 236 of 2025 which amended regulation 54A of the Regulations, in particular so that the obligation on the distribution system operator to offer to purchase the electricity from approved renewable energy generator or generator from high efficiency co-generation plants ceases once any organised market place becomes accessible.

3 - THE ELECTRICITY MARKET

3.1 Network regulation and technical functioning

3.1(a) Unbundling¹³

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-subsidisation 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.

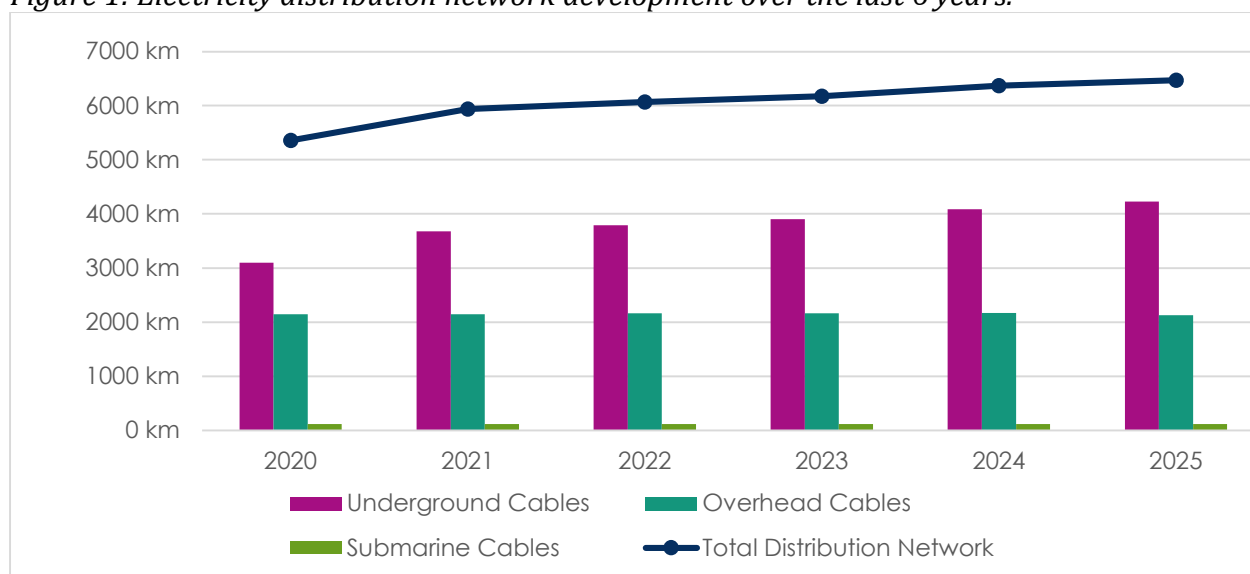
Enemalta plc is the only undertaking licensed to carry out all the three activities of generation, distribution, and supply together. The licence conditions issued to Enemalta plc require the submission of licence monitoring reports which include the submission by Enemalta plc of separate profit and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

¹³ Article 59.1(j) Directive 2019/944: Cross-subsidisation.

3.1(b) Network extensions and optimisation¹⁴

The electricity distribution system at the end of 2025 consisted of a network of 6,470.04km (+1.6% over 2024) and is composed of 4229.78km of underground cables (+3.5% over 2024), 2127.06km of overhead cables (-1.8% over 2024) 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 runs mostly overhead whereas the network at higher voltages lies 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.

On an annual basis, the Regulator determines 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 interconnection) and the units withdrawn from the distribution system over

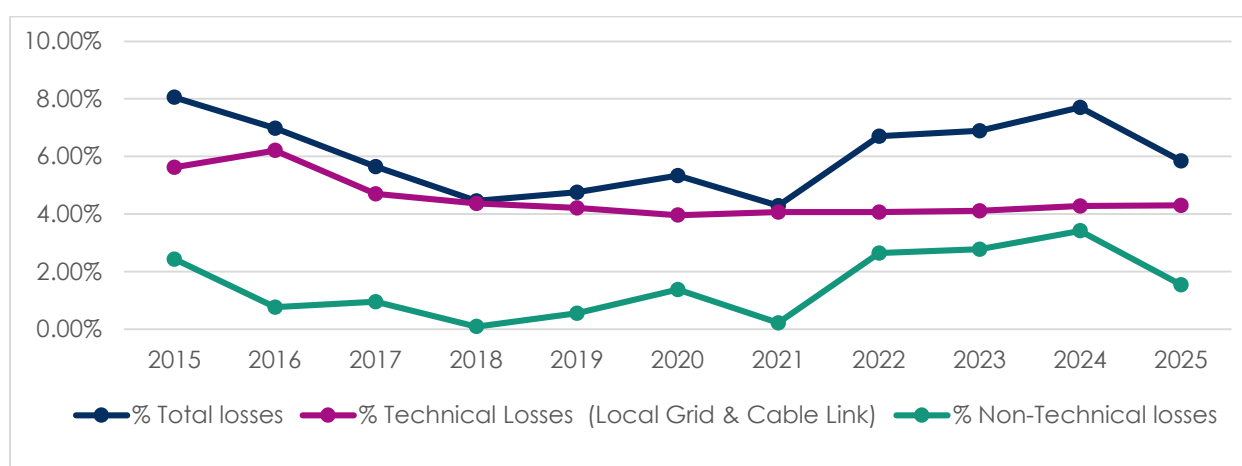
¹⁴ Article 59.1(k) and Article 59.1(l) Directive 2019/944: Investment plans and Smart grid development.

the year. Since 2021, the determination of the electricity injected and withdrawn by consumers is based on an extensive use of smart meters data.

According to the 3rd CEER Report¹⁵, 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 Regulator determines the technical losses using the methodology provided by Enemalta plc in its Technical Losses Study 2017. Fiscal meter readings at Ragusa and Magħtab terminal stations are evaluated to obtain the interconnection 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 2025, the total losses in the Maltese distribution network amounted to 5.84%¹⁶ of the total energy injected, of which 4.29% were attributed to technical losses and 1.55% to non-technical losses. Figure 2 shows the power losses over the past 10 years.

Figure 2: Trend of power losses in the Distribution Network between 2015 and 2025.



In line with Regulation 28(3)(a) of S.L. 545.34 and Article 57(3) of Regulation (EU) 2019/943, the Regulator has overseen the publication by Enemalta plc of an online mapping tool providing indicative information on available capacity in the low-voltage distribution network. The tool shows, at substation level, the spare transformer capacity and the indicative additional capacity available for renewable energy installations. The information is updated quarterly and is available at: <https://enemalta.com.mt/available-capacity/>.

¹⁵ 3rd CEER Report on Power Losses, 11th February 2025, page 12. <https://www.ceer.eu/publication/3rd-ceer-report-on-power-losses/>

¹⁶ 2025 power losses figures are provisional.

The figures are indicative only and do not constitute a binding commitment, as each connection request remains subject to individual assessment and, where necessary, grid studies or network reinforcement in accordance with the Electricity Connection and Supply Regulations (S.L. 545.41).

3.1(c) Network tariffs¹⁷

According to the Electricity Regulations (S.L.545.34) the Regulator 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 amending, updating 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 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/EEL18 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 2025, the above-mentioned transmission fee applied determined by ARERA to the electricity imported through the Italy-Malta electricity link was 0.9 €/MWh.

¹⁷ Article 59.1(o) Directive 2019/944: Evolution of network tariffs and levies.

¹⁸ 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.

3.1(d) Security and reliability regulation¹⁹

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

As part of the licence obligations, Enemalta plc is required by the Regulator 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 Regulator 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 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 2019 to 2025 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 2025 decreased compared with the previous year of around 44.2%, primarily due to a reduction in unplanned outages (-53.9%).

Table 1: SAIDI (Average minutes lost per customer per year) between 2019 and 2025.

Year	2019	2020	2021	2022	2023	2024	2025
Planned interruptions	44.71	32.38	32.49	42.83	47.28	50.31	41.36
Unplanned interruptions	457.2	96.24	89.58	112.98	319.61	137.31	63.26
Overall interruptions	501.91	128.62	122.07	155.80	366.88	187.62	104.62

Source: Enemalta plc.

Enemalta plc submits to the Regulator information related to number of interruptions, average duration of an interruption and supply restoration time. In 2025, the average duration of a planned interruption (CAIDI, Customer Average Interruption Duration Index) was 1.44hours while the average duration of an unplanned interruption was 0.93hours (that is 56 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 2025 67.49% of customers affected by an unplanned interruption had their supply restored within 1 hour, while 95.79% of customers affected by an unplanned interruption had their supply restored within 3 hours.

¹⁹ Article 59.1(m) Directive 2019/944: Network security and reliability issues; Article 59.10 Directive 2019/944: Congestion Management.

Table 2: CAIDI (Customer Average Interruption Duration Index) between 2019 and 2025.

Year	2019	2020	2021	2022	2023	2024	2025
Planned interruptions	1.27	1.16	1.19	1.62	1.79	1.02	1.44
Unplanned interruptions	1.69	0.66	0.94	1.36	1.95	0.85	0.93
Overall interruptions	1.64	0.74	0.99	1.42	1.93	0.89	1.08

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 2019 and 2025.

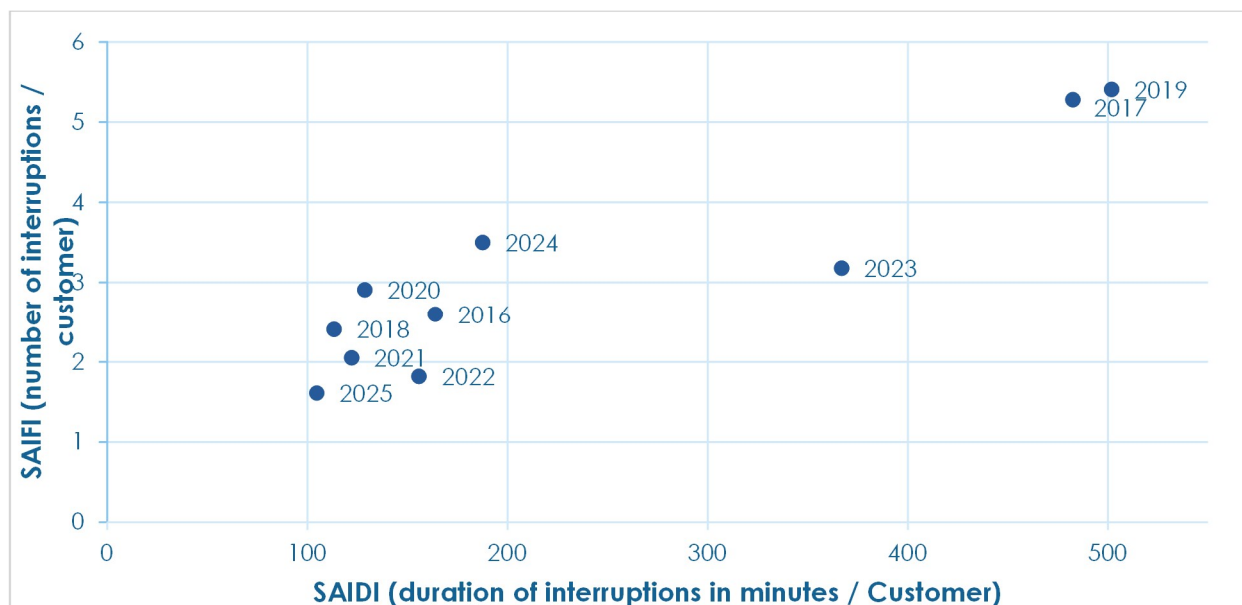
Year	2019	2020	2021	2022	2023	2024	2025
Planned interruptions	0.59	0.47	0.46	0.44	0.44	0.82	0.48
Unplanned interruptions	4.55	2.44	1.59	1.38	2.74	2.68	1.13
Overall interruptions	5.14	2.91	2.05	1.82	3.18	3.50	1.61

Source: Enemalta plc.

For the year 2025, the number of planned interruptions per customer due to interruptions affecting the 11kV level was on average 0.48 and the number of unplanned interruptions per customer was on average 1.13, with reductions of 41.5% and 57.8%, respectively, compared with the preceding year.

As shown in *Figure 3*, the continuity of electricity supply indicators for 2025 recorded the best performance in the 10-year historical series analysed.

Figure 3: SAIDI and SAIFI correlation for the years from 2016 to 2025.



In terms of the [National Risk Preparedness Plan 2022 – Electricity Sector](#), the Regulator is responsible for the collection of information related to electricity security of supply developments and to 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, Enemalta plc submits monthly information to the Regulator related to local generation capacity availability, faults on the generation side, peak demand and amounts of electricity locally generated and imported.

The Regulator also assists the Energy Crisis Coordinator and NDCA²⁰ in taking the necessary informed decisions in case of electricity crisis.

During the year 2025, Enemalta reported 15 major incidents affected the continuity of supply. These incidents impacted a total of 715 substations and resulted in a cumulative interruption duration of 11 hours and 27 minutes over the year. An incident 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.

²⁰ NDCA - National Designated Competent Authority

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 2025, based on the information provided by the distribution system operator, the average time for the provision of a new non-complex single-phase service connection, not requiring any type of extension of the network or new substation, was of 11.6 days. *Table 4* shows the developments in the average time taken by the distribution system operator to provide a new service between the year 2019 and 2025.

Table 4: Average time for the provision of a new non-complex single-phase service connection (2019-2025).

Year	2019	2020	2021	2022	2023	2024	2025
Number of days	9.2	11.9	13.6	13.7	12.1	12.9	10.7

Source: Enemalta plc.

Based on data provided by the distribution system operator, the average time taken to connect RES generators with capacities of less than 41kWp to the distribution system was 24.87 days in 2025, as shown in *Table 5*. This average represents the overall time required to complete the connection process and includes the time associated with the provision of the necessary metering equipment, the scheduling and arrangement of an appointment for the connection works, as well as any time required for the customer to complete the necessary arrangements or preparations on their side.

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 98.68% of the PV systems newly connected to the distribution system during the year 2025 have a capacity of less than 41kWp.

Table 5: Average time for the connection of RES generators less than 41kWp (2019-2025).

Year	2019	2020	2021	2022	2023	2024	2025
Number of days	10.9	20.0	16.5	18.6	17.6	22.23	24.87

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 demand²¹

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

Table 6: Local fossil fuel generating plants figures for the year 2025.

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.

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.

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 as at the end of 2025 is 271.48MW. As may be deduced from the breakdown in *Table 7*, the renewable energy generation capacity installed consists mainly of solar photovoltaic installations.

²¹ Article 59.1(v) Directive 2019/944: Investment in generation and storage capacities in relation to security of supply.

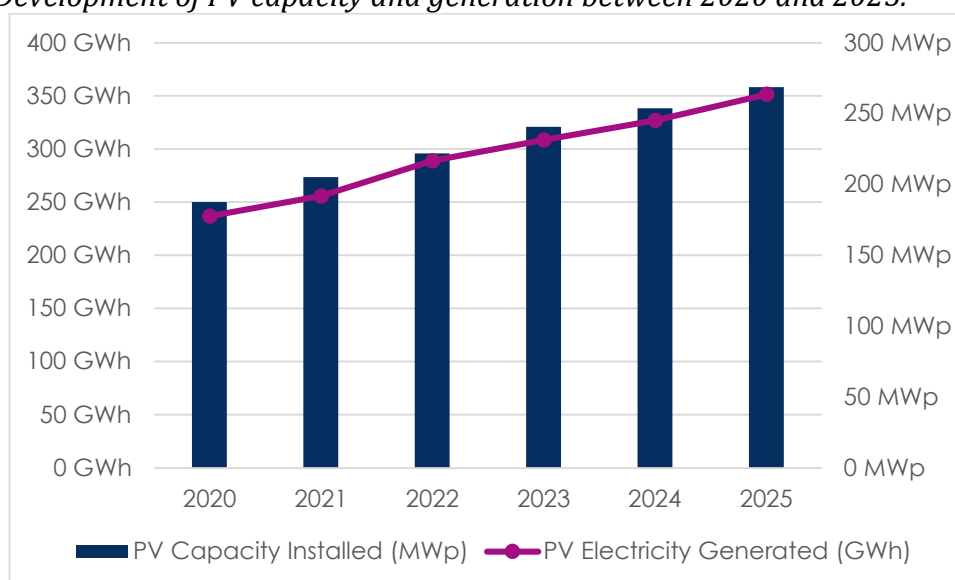
Table 7: Renewable Energy Installations by Technology as the end of the year 2025.

Renewable energy technology	Capacity installed (MW)
Solar photovoltaic systems	268.6MWp
Micro wind	0.057MW
Biogas CHP plants	2.823MWe
Total	271.48 MW

Source: REWS and Enemalta plc.

In 2025, 14.1MWp of new solar photovoltaic capacity was connected to the public grid while 0.345MWp was decommissioned (this means a net increase of 5.4% in the total solar photovoltaic capacity connected to the grid over the previous year, taking into account decommissioned capacity). The 268.6MWp DC (direct current, as produced by the solar panels) capacity corresponds to 250.4MW 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 2020.

The largest solar photovoltaic installation is 5.4MWp while 97.5% of the PV installations connected to the grid as at the end of 2025 have a capacity of 11kWp or lower.

Figure 4: Development of PV capacity and generation between 2020 and 2025.

Source: REWS, Enemalta plc and NSO²².

Enemalta plc is the sole licensed supplier of electricity to final customers in Malta and Gozo and also serves as the distribution system operator. As such, it is responsible for ensuring

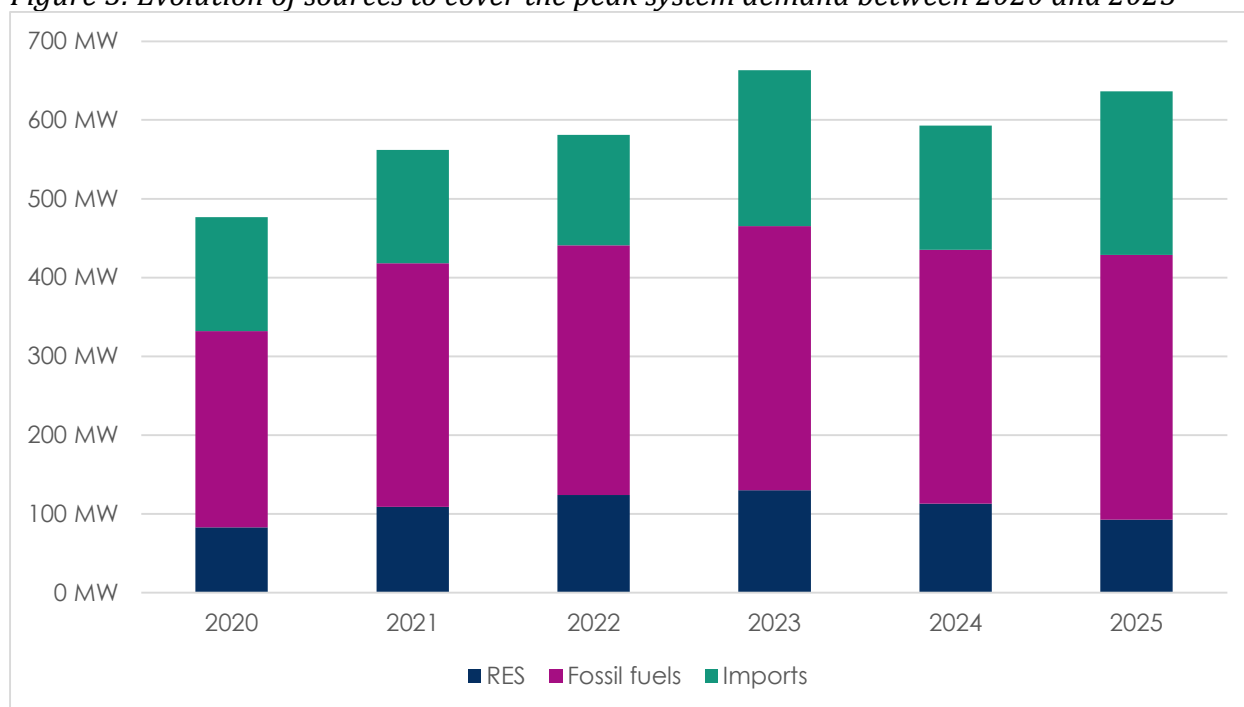
²² <https://nso.gov.mt/energy/renewable-energy-from-photovoltaic-panels-pvs-2024/>

the system's long-term capacity to meet all reasonable electricity demand, including during peak periods.

The units sent out to the grid in 2025 (these units include losses in the grid and exports to Italy but exclude self-consumption on site by producers) was 3,082.69 GWh²³, of which 1,813,05 GWh (58.8% of the total) was supplied from local fossil generation plants. The fuel mix contribution of petroleum products from local generation for the year 2025 was 0.48% while the share of natural gas was 58.33%. The contribution to the demand of imports from the electricity link with Italy (Sicily) during 2025 attested to 33.45%. The electricity sent out to the grid from local renewable energy sources is estimated at 232.61GWh²⁴.

It is estimated that in 2025 the total electricity generated from renewable energy sources was 363.75 GWh²⁵ (with an increase of 8.0% over the previous year). A significant share of renewable energy producers²⁶ opted to prioritise self-consumption, choosing to export only surplus electricity that was not consumed on site (partial export). The estimated volume of self-consumed (behind-the-meter) renewable electricity was 124.70 GWh²⁷, representing 34.3% of the total renewable electricity produced.

Figure 5: Evolution of sources to cover the peak system demand between 2020 and 2025



Source: Enemalta plc.

²³ 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 2025 fuel mix are provisional.

²⁴ The figure is provisional and estimated from Enemalta smart meter readings data for 2025.

²⁵ The figure is provisional.

²⁶ The provisional figure is 48.3%.

²⁷ The figure is provisional.

The annual peak system demand for 2025, as reported by the distribution system operator, occurred on the 25th of July at 17:00. The system demand at that time reached the level of 636.6MW which represents an increase of 7.4% over the previous year. This value remains below the historical maximum recorded in 2023, as illustrated in Figure 5, which shows the evolution of the annual system peak demand. The peak demand was covered by 52.8% of local fossil fuel generation, 32.7% by the Italy-Malta electricity link and the contribution from solar photovoltaic installations estimated at 14.6%. No DSO owned backup power plants were used to cover the afternoon peak demand in 2025.

Looking ahead, the development of a floating offshore wind project is progressing, with the aim of substantially increasing Malta's indigenous renewable electricity generation. InterConnect Malta Ltd (ICM) published the Pre-Qualification Questionnaire in December 2024, and three submissions were received in July 2025. The evaluation process subsequently commenced and is expected to continue during 2026, including the financial and technical due diligence of the applicants.

Shortlisted candidates will proceed to the subsequent stages of the procurement process, which are expected to lead to the selection of a developer responsible for the construction, operation and management of the offshore wind farm under a 35-year concession agreement and a 25-year Contract for Difference to support the long-term generation of renewable electricity.

In addition to developing and operating the floating offshore wind farm, the selected developer will also be responsible for the construction, operation and maintenance of the associated offshore grid connection system. This infrastructure, which will remain under Government ownership, will include an offshore substation and the related export cable system.

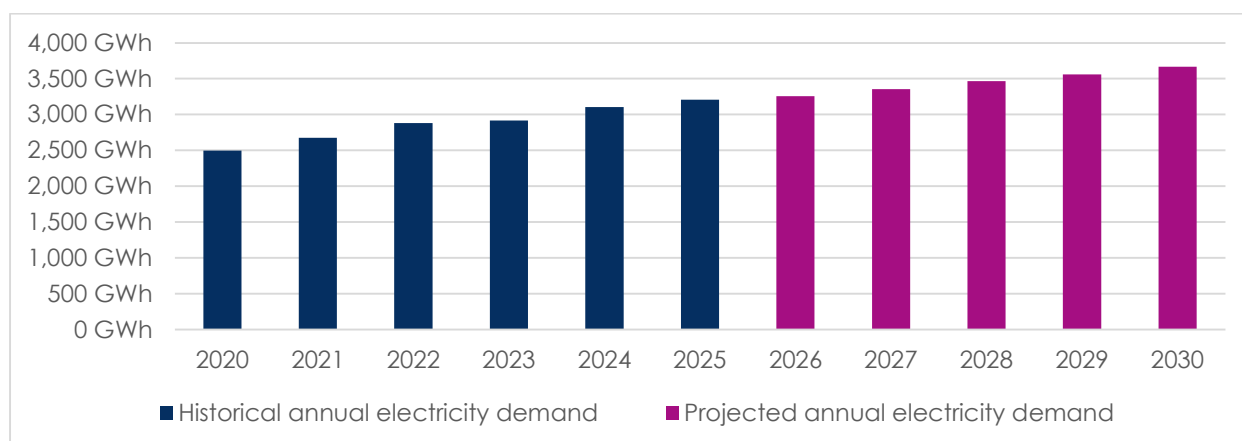
The offshore grid connection system was included in the European Ten-Year Network Development Plan (TYNDP) 2026 in November 2025, making it eligible for consideration as a candidate Project of Common Interest in the 2027 selection process. The project is expected to strengthen Malta's energy resilience, reduce dependence on non-renewable energy sources and support the country's transition towards carbon neutrality by 2050.

The DSO projections for the annual electricity demand from 2026 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: Electricity Demand Forecast 2026-2030.

Year	Estimated Annual Electricity Demand (MWh)
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.²⁸

Source: Enemalta plc. and REWS.

Battery storage capacity installed in Malta consists mainly of small-scale battery systems installed by households, typically supported through investment grant schemes and deployed in conjunction with renewable energy generation facilities, primarily photovoltaic systems. These systems are mainly intended to increase self-consumption of locally generated renewable electricity. As shown in Table 9, the total capacity of the battery installed at the end of 2025 is 31.645 kWh, with an increase of 109.72% of the previous year. These battery systems are distributed across 3150 installations.

Table 9: Battery storage installations

	2023	2024	2025
Installed Energy Capacity (MWh)	6.687	15.089	31.645
Number of installations	848	1636	3150

In addition, a 1 MW / 2 MWh battery energy storage system was installed at the Xewkija Distribution Centre in 2021. The facility is not owned or operated by the DSO and is deployed for research and development purposes. Its objective is to assess the operational behaviour, grid interaction and technical effectiveness of battery energy storage when connected to the national electricity system, including its potential role in supporting network management, system flexibility and the integration of variable renewable energy sources.

ICM is progressing with the development of two utility-scale Battery Energy Storage System (BESS) projects at Delimara and Marsa. The projects are intended to complement the second electricity interconnection, reinforce the electricity distribution network, enhance grid resilience, alleviate network bottlenecks and increase the system's flexibility and capacity to accommodate additional renewable energy generation.

²⁸ Figures for electricity past demand include electricity produced by small producers and consumed on site.

Both projects will be co-financed by the European Union. The public call for the award of an engineering, procurement and construction (EPC) contract for the supply and installation of the two BESS facilities closed in 2025, attracting sixteen offers. The related State aid procedure was successfully concluded in 2025.

3.1(f) Cross-border issues²⁹

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.

During 2025, the Regulator continued to monitor the progress of Malta's cross-border electricity infrastructure projects, in particular the second Malta–Italy electricity interconnection (IC2).

Following the award of the main Engineering, Procurement and Construction (EPC) contracts for IC2, works commenced during 2025 and will continue throughout 2026. The contracts cover the manufacture and installation of the onshore 245 kV and 145 kV cables, the supply and installation of the 245 kV 250 MVA autotransformer, the 120 MVar and 240 MVar variable shunt reactors, the 132 kV shunt reactor, the 220 kV switchgear, the fire suppression system, the upgrade of the control system, and the manufacture, laying and protection of the 245 kV submarine cable.

During 2025, at the Nexans manufacturing facility in the United States, the copper stranding of the complete cable lengths was finalised and the lay-up process to combine the three cores into a single 99 km submarine cable commenced. Onshore works also progressed, with approximately 6 km of the 21 km cable route completed in Sicily and trenching works initiated along the 2 km route in Malta. In addition, the design of the 220/132 kV transformer and the 220 kV variable shunt reactors was completed, with delivery to Malta and Ragusa planned for 2026, while the foundations for the new reactor at the Ragusa terminal station were completed. The project was once again included in the European Ten-Year Network Development Plan (TYNDP) 2026.

Looking beyond IC2, the Government of Malta announced the plan to develop of a third Malta–Italy electricity interconnection (IC3). The project is intended to accommodate the projected increase in electricity demand beyond 2030, strengthen security of supply, support the planned deployment of offshore renewable energy generation and contribute to Malta's long-term decarbonisation objectives. IC3 consists of a new 200 MW bidirectional high-voltage direct current (HVDC) interconnection operating at 320 kV between Malta and Sicily through an onshore and submarine cable system. Subject to permitting and

²⁹ Article 59.1(w) Directive 2019/944: Technical cooperation between Union and third-country transmission system operators.

procurement procedures, preliminary commissioning is currently envisaged for 2033. Following an application submitted by InterConnect Malta Ltd, as project promoter, in May 2025, IC3 was included in the European Ten-Year Network Development Plan (TYNDP) 2026, making the project eligible for consideration as a candidate Project of Common Interest (PCI) during the 2027 PCI selection process.

3.1(g) Implementation of Network Codes and guidelines³⁰

- *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.

- *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 an organised electricity 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)³¹ 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)*

³⁰ 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).

³¹ Deliberazione 20 Novembre 2015 549/2015/R/EEL-Disciplina degli sbilanciamenti effettivi applicabile all'interconnessione Italia-Malta.

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.

- *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 225MW 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 is mainly used 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 Regulator 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.

- *Commission Implementing Regulation (EU) 2023/1162 of 6 June 2023 on interoperability requirements and non-discriminatory and transparent procedures for access to metering and consumption data*

Implementing Regulation (EU) 2023/1162 establishes common European interoperability requirements and transparent, non-discriminatory procedures for access to electricity metering and consumption data. The Regulation aims to ensure that access to such data is secure, simple and standardised, enabling customers to participate more actively in the electricity market and supporting the development of data-driven smart energy services across the EU.

To support harmonised implementation, the Regulation introduces a common reference model covering the relevant roles, information exchanges and processes. It also requires Member States to prepare and keep updated a national mapping report, setting out how these roles and processes are implemented in practice within their respective electricity systems.

In Malta, Regulation 20 of S.L. 545.34 assigns to the Regulator the responsibility of ensuring the efficient and secure management, access and exchange of electricity data. In line with this responsibility, the Regulator coordinated the preparation and submission of Malta’s national mapping using the template provided by the European Commission. This exercise was carried out in close cooperation with Enemalta plc, which manages the centralised national metering and data system, and with ARMS Ltd, which is responsible for customer billing and for providing customers with access to hourly and monthly electricity consumption data through a dedicated platform.

The Repository of National Practices of EU Member States, including Malta, is publicly available at the following link: <https://www.tsodsoplatform.eu/electricity-data-interopability>.

- *Commission Delegated Regulation (EU) 2024/1366 establishing a network code on sector-specific rules for cybersecurity aspects of cross-border electricity flows*

Commission Delegated Regulation (EU) 2024/1366 established the Network Code on Cybersecurity for cross-border electricity flows (NCCS), setting out harmonised requirements aimed at strengthening the cyber resilience of the European electricity system. The Regulation introduces common rules on cybersecurity risk assessment, preparedness, incident reporting and information sharing among entities involved in cross-border electricity flows.

In accordance with Article 4 of the NCCS, the Regulator acted as the temporary competent authority until the Critical Infrastructure Protection Directorate (CIPD) was formally designated at the end of 2025 as Malta's national competent authority. Following this designation, the Regulator continued to support the competent authority by providing its technical and regulatory expertise in relation to the Maltese electricity sector.

During 2025, in its capacity as temporary competent authority, the Regulator identified candidate entities for classification as high-impact and critical-impact entities and carried out preparatory work for the benchmarking of current cybersecurity investments.

To support the harmonised and effective implementation of the NCCS, REWS also actively participated in EU-level working groups established by ACER and the European Commission. Through this involvement, the Regulator contributed to the exchange of best practices and to the development of consistent implementation approaches across Member States.

3.2 Competition and market functioning

3.2.1 Wholesale markets

There are no organised electricity markets 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 58.5% of the electricity sent out to the grid from all sources during the year 2025. 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, 26.9% of the production capacity, only 0.27% of the electricity sent out to the grid during 2025 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 the basis of economic merit 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.

The sale of electricity from PV installations connected to the grid is governed mainly by Feed-in Tariffs Scheme (Electricity Generated from Solar Photovoltaic Installations) Regulations (S.L. 545.27) or contracts for operating aid concluded pursuant to a competitive bidding process. As from 2023, the competitive bidding process is 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 2025, 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 3.135MWp were applied for. The feed-in tariff allocation process is administered by the Regulator.

Support for RES generators with a capacity of 40kW or more is allocated through a competitive bidding process. During the year under review, the Regulator administered a new scheme consisting of two 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 27th of June 2025 and the 17th of October 2025. A total capacity of 3.926MW 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 10: Electricity Sent Out to the Maltese grid by contributors (GWh) between 2020 and 2025.

[GWh]	2020	2021	2022	2023	2024	2025 ³²
Backup Plants (Enemalta and Local Fossil fuel IPPs)	47.34	9.26	15.35	9.09	4.33	8.37
RES³³	1790.82	1888.00	1929.37	1968.23	1798.27	1804.68
Electricity Link (imports)	133.41	180.37	200.78	212.23	218.29	238.61 ³⁴
Total Electricity Sent Out	419.81	547.25	646.14	648.35	970.42	1031.03
	2,391.37	2,624.88	2,791.63	2,837.90	2,991.31	3,082.69

Source: Enemalta plc, NSO and REWS.

Table 10 and Figure 7 show the development in the contribution of local generation sources and imports to electricity sent to the Maltese grid.

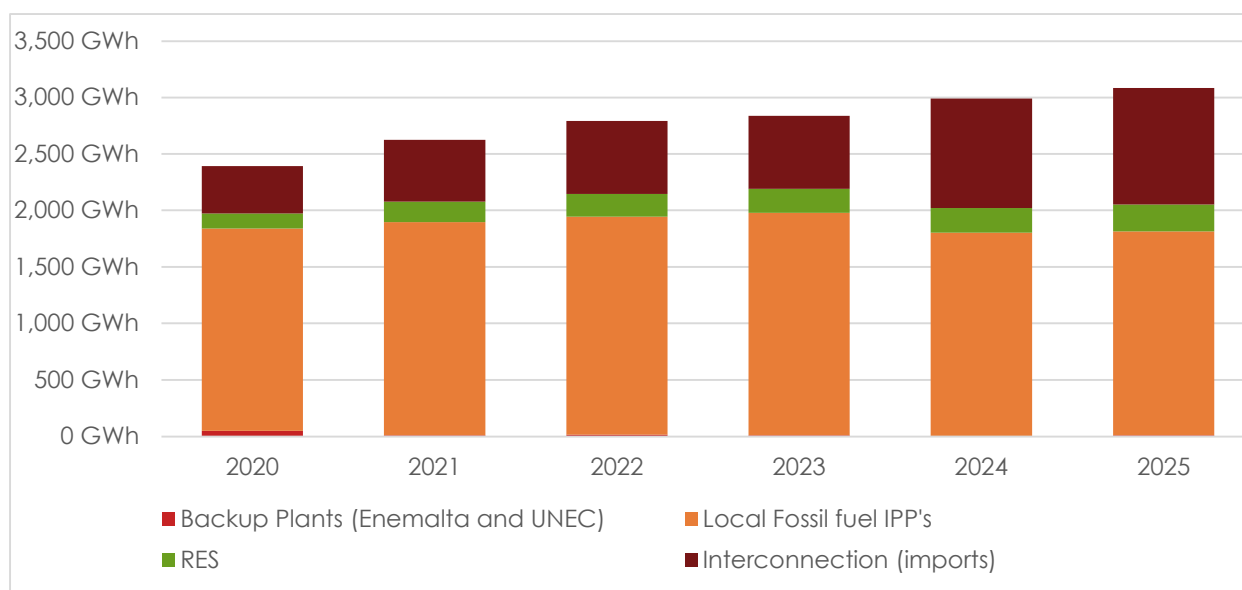
During the year under review 0. 429 GWh were exported from Malta to the Italian grid.

³² 2025 figures are provisional.

³³ The units sent out from RES do not include the electricity generated and consumed on-site (self-consumed units) by producers.

The total electricity generated by RES, as published by NSO in its [Electricity Supply 2024 News Release](#), is estimated as 242.81 GWh in 2020, 263.04 GWh in 2021, 296.42 GWh in 2022, 318.61 GWh in 2023 and 336.23 in 2025. The provisional figure estimated for 2025 is 363.28GWh.

³⁴ The figure is estimated and provisional.

Figure 7: Electricity Sent Out to the Maltese grid by source between 2020 and 2025

Source: Enemalta plc, NSO and REWS.

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 the 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 2024 and 2025. 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 2025.

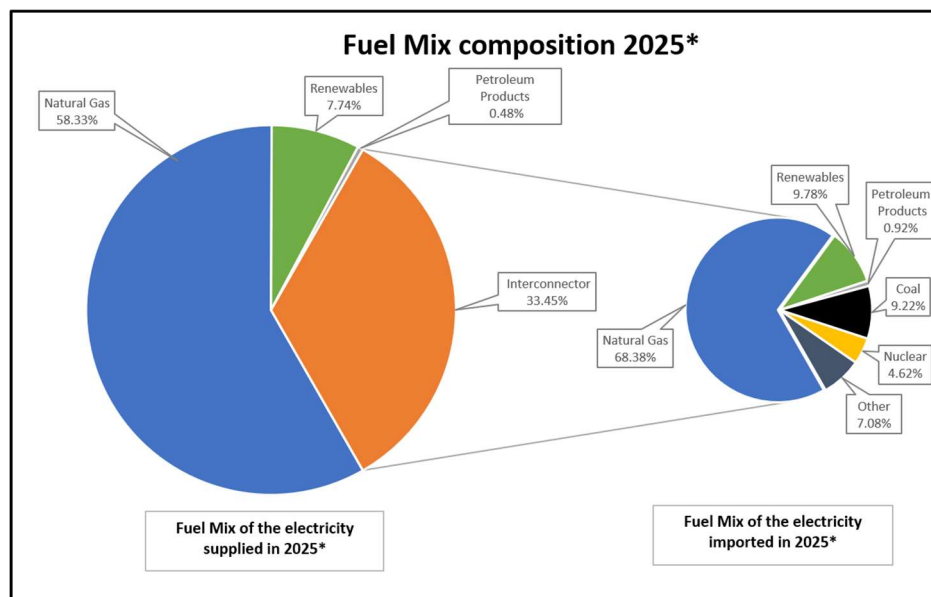


Figure 9: Fuel Mix Disclosure Table for the years 2024 and 2025.

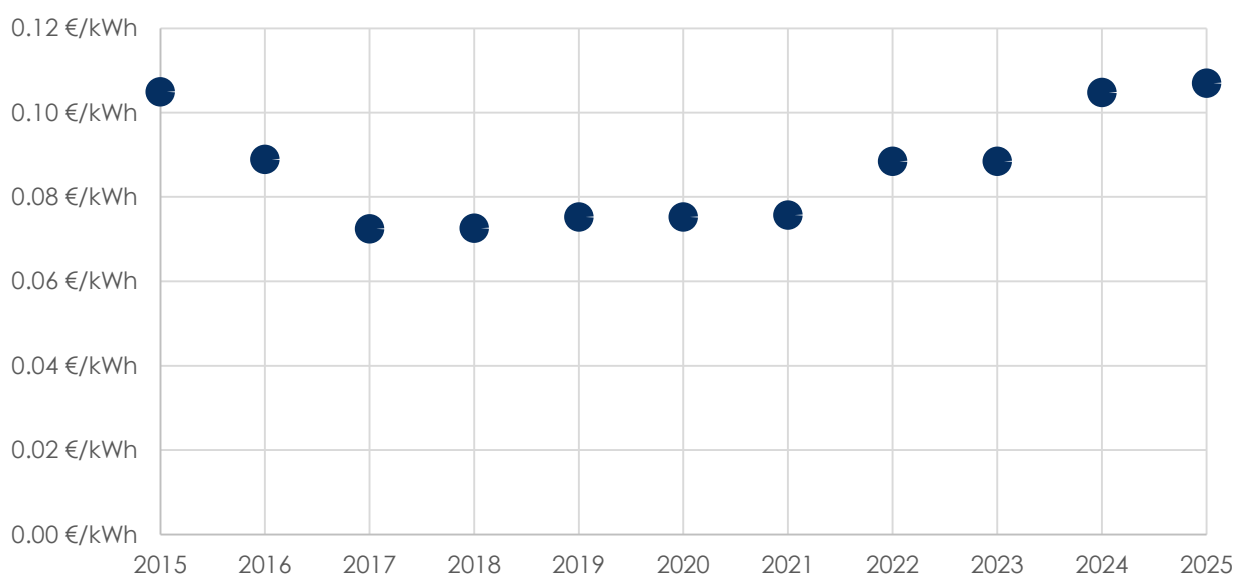
Fuel mix composition of the electricity supplied by Enemalta in accordance with regulation 5(a) of the First Schedule of the Electricity Regulations (S.L.545.34)		
Primary sources:	2024	2025*
▪ Natural Gas	60.00%	58.33%
▪ Renewables	7.30%	7.74%
▪ Petroleum Products	0.26%	0.48%
▪ Interconnector**	32.44%	33.45%
**Interconnector sources:	2024	2025*
▪ Natural Gas	66.51%	68.38%
▪ Renewables	8.04%	9.78%
▪ Coal	11.88%	9.22%
▪ Petroleum Products	1.11%	0.92%
▪ Nuclear	5.03%	4.62%
▪ Other	7.43%	7.08%
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)		
	2024	2025*
▪ CO ₂ emissions	380 gCO ₂ /kWh	364 gCO ₂ /kWh

*Data for 2025 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 competition³⁵

In terms of regulation 54A of the Electricity Regulations (S.L.545.34), in the absence of an organised 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 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 Regulator 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 2025 a rate for the proxy of the market price was published through Legal Notice 132 of 2025 amending the Electricity Regulations (S.L.545.34). *Figure 10* shows the developments in the proxy of the wholesale market price between 2015 and 2025.

Figure 10: Developments in the proxy of the market price for 2015-2025.



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 Regulator 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

³⁵ Article 59.1(n) and 59.1(o) Directive 2019/944: Transparency Obligations and Market opening and competition.

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, that are established under Subsidiary Legislation 545.41. The applicable tariff structure is predominantly based on cumulative consumption bands. Time-of-use tariffs are available on an optional basis to large industrial customers (with annual consumption exceeding 5 GWh or 5.5 GVAh) and are mandatory for electric-vehicle charging supplied through a dedicated meter.

Operators of publicly accessible EV charging points may add a premium for the charging service on top of the regulated electricity tariff.

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.

Further details on electricity tariffs applicable in Malta may be found on the Regulator's website: <https://www.rews.org.mt/consumer-information/electricity/>

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 refers³⁶.

3.2.2(a) Monitoring the level of transparency, including compliance with transparency obligations, and the level and effectiveness of the market opening and competition³⁷

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).

³⁶ <https://www.enemalta.com.mt/shore-to-ship/>

³⁷ Articles 59.1(o), 59.1(s) and 5.1 of Directive 2019/944.

The principles underlying the determination and approval of the retail tariffs are published on the Regulator's website³⁸. In the event of a review of the electricity retail tariffs, the Regulator 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 Regulator'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. A maximum demand charge also applies for non-residential consumers. The specific use of the network does not carry any tariffs.

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.

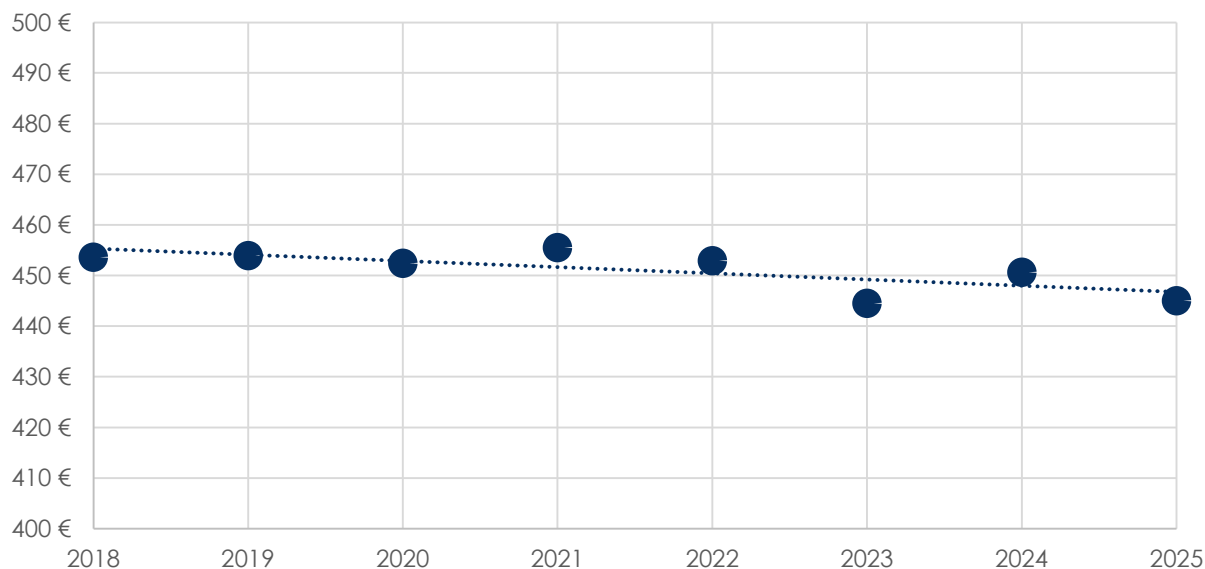
The non-residential premises tariffs are applicable for electricity consumed in all the other premises which are not registered either as a primary residence or as domestic premises.

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).

³⁸ REWS website: www.rews.org.mt

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, including trendline (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 2018 and 2025 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 billed according to regulated tariffs and the energy component does not vary with wholesale prices. To note that in Malta there are no organised electricity 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

This is not applicable since there are no organised electricity markets 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

This is not applicable since the electricity market in Malta is not open to competition and all consumers are billed according to regulated tariffs.

3.2.2(b) Consumer protection and dispute settlement³⁹

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 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 Regulator 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. The Regulator discusses the complaint with the parties involved; the latter may make any submissions that they deem necessary before a decision is issued.

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

³⁹ 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.

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 2025, 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.

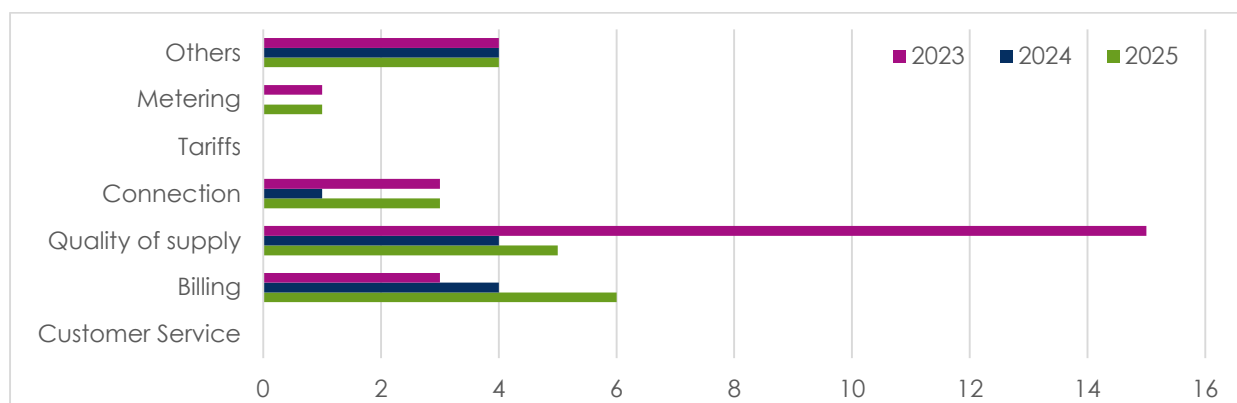
ARMS Ltd deals with issues related to billing or meter reading, while Enemalta plc deals directly with issues related to connection to the grid and voltage quality. Enemalta plc is required to retain and update a register of all complaints related to the electricity service and to submit information 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.

Following the completion of the complaints handling process, customers that cannot resolve their complaint with Enemalta plc. may refer their complaint to the Regulator 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 Regulator 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 2025, the Regulator received 19 complaints related to electricity from customers that were not satisfied with the solution provided by the supplier. Most of the complaints were related to billing issues. *Figure 12* shows how the complaints were categorised

Figure 12: Customer complaints in the electricity sector between 2023 and 2025.



Source: REWS.

At the end of 2025, 14 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. Four complaints and one dispute were still open. The Office of the Ombudsman informed the Regulator that it had received 13 complaints related to the electricity and water sectors during 2025.

3.2.2(b)ii Disconnection rates

As part of the conditions of its licence, Enemalta plc is required to report to the Regulator 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 2025 was 1074 of which 410 were household customers and 664 non-household customers. To note that during the year under review 936 customers were reconnected after the disconnection for non-payment. *Table 11* shows the number of disconnections for non-payment between the years 2020 and 2025.

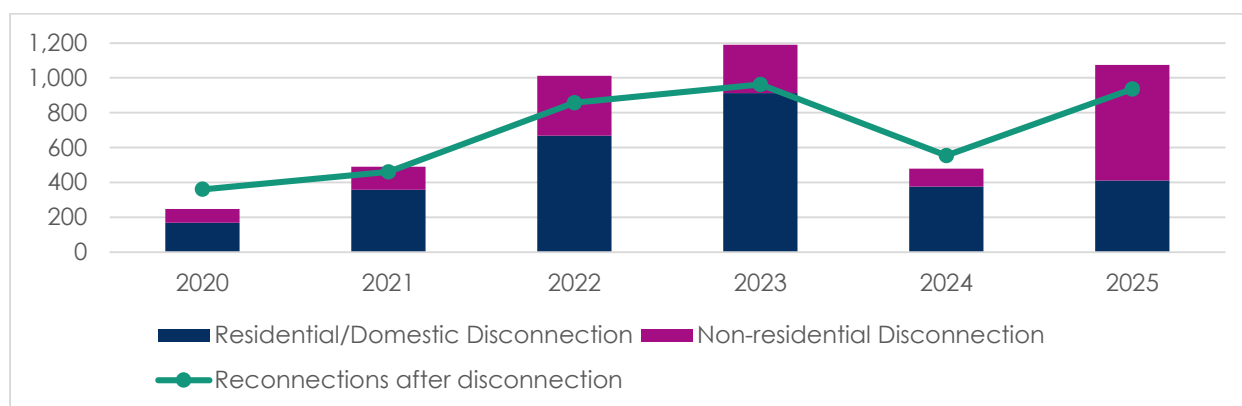
In general, a customer failing to pay a bill within 45 days recognised from the date of issue of the bill, receives a reminder requesting the settlement of the outstanding amounts within 10 days. In the event of non-payment, the customer receives a final notice to settle amounts due within 7 days; otherwise, 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.

Table 11: Disconnections and reconnections due to non-payment (2020-2025).

Year	2020	2021	2022	2023	2024	2025
Residential/Domestic disconnections	167	357	667	912	375	410
Non-residential disconnections	79	132	345	278	104	664
Total number of disconnections	246	489	1012	1190	479	1,074
Total number of reconnections after disconnection	360	460	857	962	553	936

Source: Enemalta plc.

In addition, customers experiencing difficulty in settling their electricity bills may enter into payment settlement agreements with Enemalta plc, allowing outstanding amounts to be paid by instalments and thereby helping to avoid disconnection. During the year under review, 70 disconnections were avoided through such payment settlement agreements or other intervention measures.

Figure 13: Number of disconnections for non-payment that occurred between 2020 and 2025.

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 2025, a total of 23,868 consumers were registered as vulnerable customers.

Table 12: Vulnerable customers and their share over household customers (2020-2025).

Year	2020	2021	2022	2023	2024	5
Number of vulnerable customers	23,666	23,657	23,790	26,574	23,759	23,868
Share of vulnerable customers	9.35%	7.78%	7.59%	10.37%	7.93%	7.76%

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.

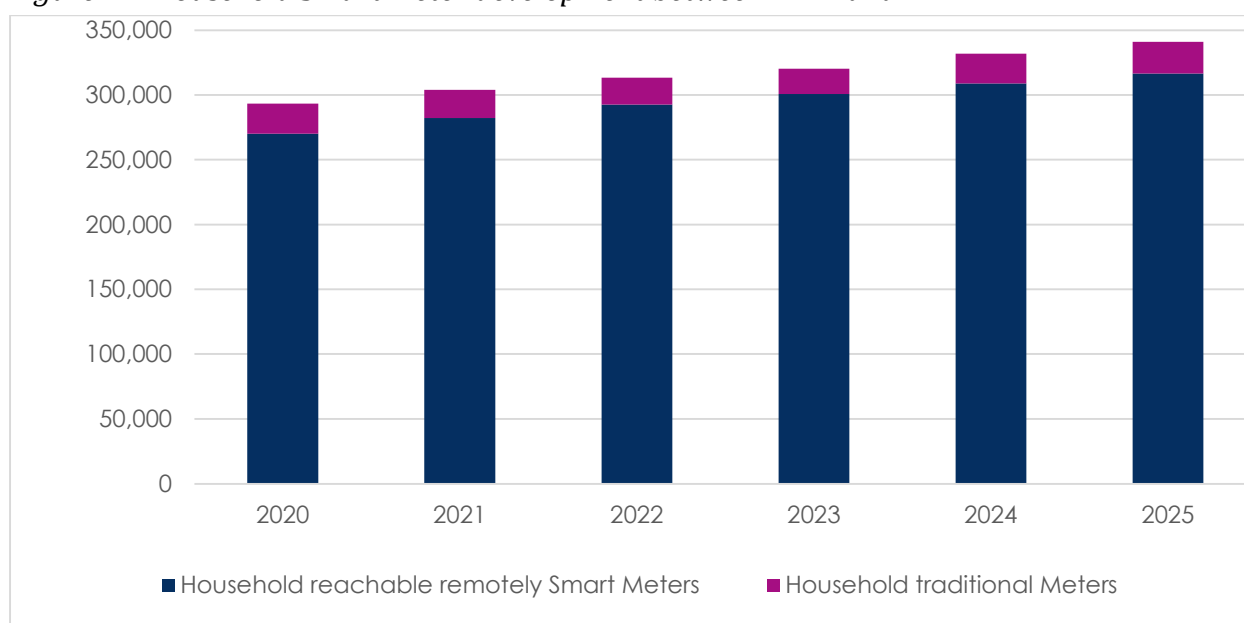
In the year 2025, 358,002 electricity meters supplying households and non-households were smart meters with Automatic Metering Management (AMM) function capability. This constitutes an increase of 5.4% in the number of meters with AMM over the previous year. Hence, this technology represents 92.89% of household meters active in Malta as at the end of 2025.

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 13: Smart Meter (SM) installation development between 2020 and 2025.

Year	2020	2021	2022	2023	2024	2025
Total SM reachable remotely	310,128	324,095	337,922	339,600	358,002	367,426
Total Active meters	344,232	356,646	367,195	377,311	388,161	398,154
Share of SM reachable remotely	90.09%	90.87%	92.03%	90.01%	92.23%	92.28%
Household SM reachable remotely	270,032	282,344	292,614	300,750	308,985	316,689
Household Active Meters	293,257	303,892	313,386	320,295	331,876	340,940
Share of Household SM reachable remotely	92.08%	92.91%	93.37%	93.39%	93.10%	92.89%

Source: Enemalta plc.

Figure 14: Household Smart Meter development between 2020 and 2025.

Source: Enemalta plc.

Second-generation smart meters incorporate dual communication technology, allowing automatic switching from Power Line Communication (PLC) to radio-frequency (RF) communication when required, thereby improving the reliability of meter data transmission. By the end of 2025, these meters represented 29.20% of all installed electricity meters.

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) at 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 2025, the Regulator 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 access⁴⁰

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 Balancing⁴¹

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

⁴⁰ 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.

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

4.1.3 Cross-border issues⁴²

During 2025, the Regulator continued to monitor the work on the planned connection of Malta to the European gas network – pipeline interconnection with Italy at Gela. Following its redesign as a hydrogen-ready pipeline in 2023, the project retained its status as a Project of Common Interest (PCI) in the 2025 PCI list, pursuant to the derogation provided under Article 24 of Regulation (EU) 2022/869. The pipeline would enable the future import of renewable gases, including green hydrogen, once the relevant market and supply infrastructure are sufficiently developed. The project promoter continues to assess market developments, particularly the potential availability of green hydrogen from Italy, and possible supply sources in North Africa.

4.1.4 Implementation of Network Codes and guidelines⁴³

No updates or developments to report.

4.2 Competition and market functioning

4.2.1 Wholesale market

At present there is no organised 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.

4.2.1(a) Monitoring the level of prices, the level of transparency, the level and effectiveness of market opening and competition⁴⁴

ElectroGas Malta 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

⁴² 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.

⁴³ 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).

⁴⁴ 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.

information is carried out 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 competition⁴⁵

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

4.2.3 Consumer protection and dispute settlement⁴⁶

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

4.3 Security of Supply⁴⁷

Under the Natural Gas Market Regulations, the Regulator 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 2025, no major incident affecting the Gas Security of Supply were reported. The only reported events were two separate Storm Mooring procedures, conducted from the 16th to the 19th of January and from the 22nd to the 25th of March, as a preventive measure to protect the FSU following forecasts of strong winds exceeding allowable criteria. These events had no impact on the electricity supply to customers.

The Regulator 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

⁴⁵ 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.

⁴⁶ 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.

⁴⁷ Articles 41.1(t) and 41.1(h) Directive 2009/73: Safeguard measures and Security and reliability standards.

provides to the Crisis Manager (the Permanent Secretary of the Ministry responsible for Energy) 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 started in Malta in 2017. The total amount of LNG imported to Malta during 2025 was 4,174.8GWh (HHV). The total amount of natural gas delivered to the electricity generation plants during 2025 was 3,926.3GWh (HHV), corresponding to 593,450m³ of LNG, with a decrease of 3.0% over 2024.

During 2025, all LNG imports originated from non-EU Member States (Trinidad and Tobago and the United States).

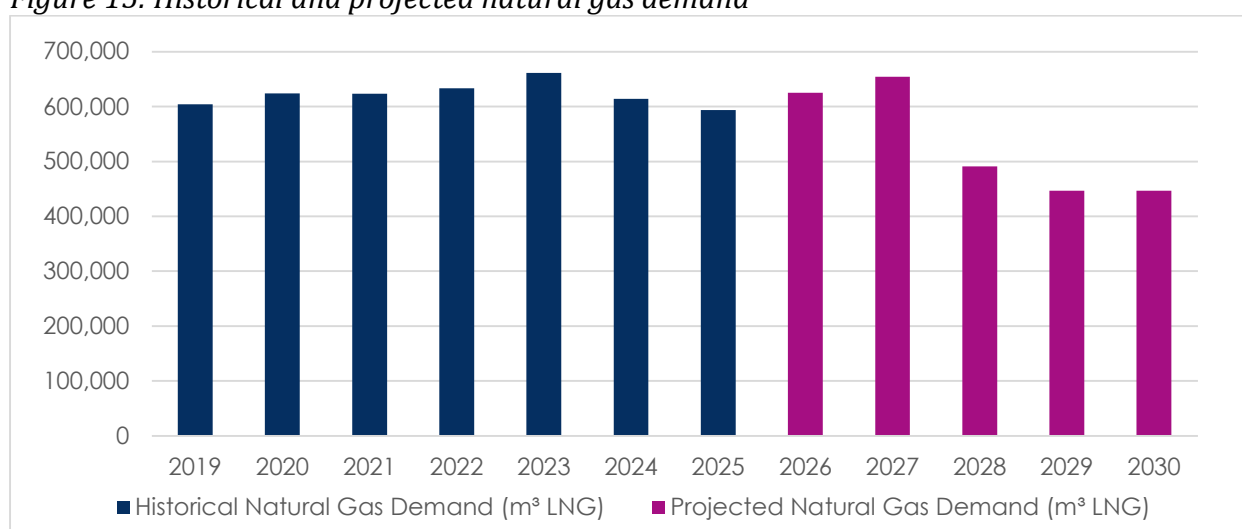
The demand of natural gas for electricity generation till 2030 is reported in *Table 14* and it is compared with historical demand in *Figure 15*.

Table 14: Projected LNG Consumption 2026-2030.

Year	Projected Annual Consumption (m ³ of LNG)
2026	625,000
2027	654,321
2028	491,071
2029	446,429
2030	446,429

Source: Enemalta plc.

Figure 15: Historical and projected 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 2025 was 10.76 GWh. The peak daily consumption occurred on the 25th of July and reached a value of 16 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.