Malta

Obligation on Enemalta corporation

Responsible authority: Ministry for Energy and Water Management
Managing authority: Energy and Water Agency

History, current targets and results

Malta is characterized by a small size of the energy market. This is fully recognized under article 7(1)(b) of the revised Energy Efficiency Directive, whereby Malta will be required to achieve new savings each year from 1 January 2021 to 31 December 2030 equivalent to 0.24% of annual final energy consumption averaged over the most recent three-year period prior to 1 January 2019.

For the period 2014-2020, the total Art.7 target of Malta is specified in NEEAP 2017: cumulative end use energy savings of 774 GWh over 2014-2020.

Enemalta started rolling out smart meters as from 2009. Enemalta was required to implement complementary measures for raising households' awareness about their electricity consumption and savings potentials as well as include a tariff structure which promotes efficiency. In view that the resulting behavioural changes as a result of the smart meter and related awareness proved to be difficult to assess, the obligation was re-dimensioned and only the progressiveness of the residential electricity tariff system and the incentive towards energy efficiency in the tariff structure (eco-reduction) are being accounted for in the period 2014 -2020.

Key actors, roles and options

The Energy and Water Agency is tasked with formulating and implementing the Maltese Government's national policies in the energy and water sectors.

The Regulator for Energy and Water Services issues authorizations to operate in the energy market and has the legal power to enforce regulations and impose fines and take legal action as necessary.

Enemalta Corporation is the only distribution system operator and the only licensed electricity supply company in Malta. Malta opted to achieve the targets by establishing an obligation scheme on Enemalta for certain measures that have a bearing on its commercial interests and that are more appropriately carried out by it through its own infrastructure.

Scope and focus

Malta's energy market exhibits specific characteristics such as the existence of a single electricity distributor, the absence of natural gas or district heating and cooling networks as well as the small size of petroleum distribution companies which substantially limit the range of measures available to meet the energy savings obligations.

The scheme is focused on the residential sector.

Savings resulting from measures are considered eligible in view that they incentivize and result in direct reduction of electricity consumption.

Monitoring, Reporting and Verification

Derived from an economic study by external consultants, the Progressiveness of the Residential Household tariff System (including the effect of the eco-reduction) is based on consumption patterns in the domestic sector and applicable elasticity of demand. The consumption patterns are obtained from metered supplies and from 'number of persons in household', while elasticities are validated by figures in the literature.

The Regulator for Energy and Water Services will verify the savings resulting from the EEOS.

This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement N° 840034.

The Energy Efficiency Obligation (EEO) has been re-dimensioned.

Malta was one of the first Member States in the EU to proceed with the implementation of smart meter installation, even before the Energy Efficiency Directive was drafted. However, determining the resulting behavioural changes is proving to be rather difficult. Efforts are being made by the obligated party, through its billing partner ARMS Ltd, to provide information to the customer via a web interface. The portal shall be known as "My Consumption". For the revised target, no savings are being attributed to this measure until a more robust assessment is carried out. Instead, the impact of the progressive electricity tariff is evaluated by taking into account the elasticity between electricity demand and prices.

Overview of the policy mix (Alternative Measures) reported by Malta for article 7

In addition to the EEOS, Malta is using the following alternative measures to meet its Article 7 target.

Financing schemes and fiscal incentives

Financing schemes and fiscal incentive have resulted in a total cumulative end-use savings (from 2014 to 2018) of 28.1ktoe. These include savings stemming from projects carried out in order to improve energy efficiency in Government-owned industry, savings as a result of incentives schemes for double glazing, roof insulation and solar water heaters, energy efficiency measures in low-income households, savings as a result of grant schemes to improve vehicle fleet efficiency and energy which is generated by PV installations and consumed on site.

Regulation and voluntary agreements

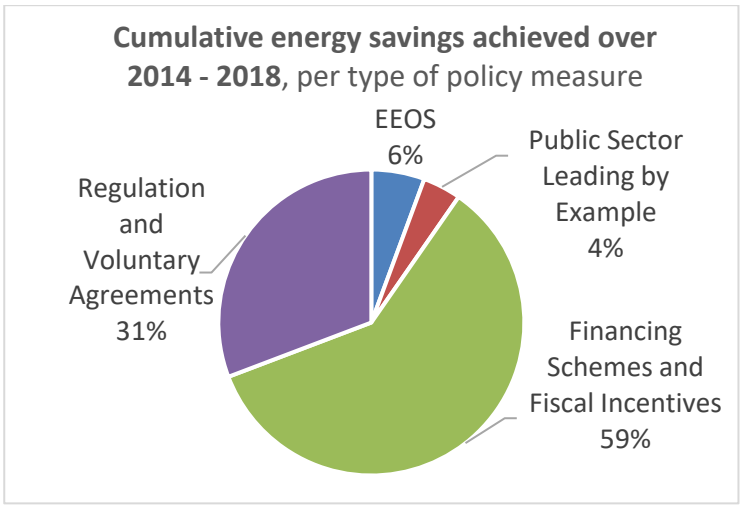
Regulation and voluntary agreements have resulted in a total cumulative end-use savings (from 2014 to 2018) of 14.5ktoe.

This category includes energy efficiency measures undertaken by non-SMEs under voluntary agreements as well as energy savings resulting from excise duties on motor fuels exceeding EU's minimum levels.

Public sector leading by example

Measures falling under the category 'Public sector leading by example' have resulted in a total cumulative end-use savings of 1.9ktoe.

These included savings stemming from various retrofitting projects (public schools, St Vincent de Paule – Rehabilitation Centre and Old Peoples' Home, Malta Police Force Buildings, MFSA offices, tal-Qroqq National Pool), street lighting retrofitting in Gozo and Malta, energy efficient lighting at University and Junior College, energy savings as a result of teleworking by government employees and savings as a result of the provision of free school transport.



The cumulative energy savings achieved over 2014 – 2018 amount to 47.3ktoe i.e. 71% of the total required savings to meet the article 7 target

Source: 2020 annual report

Interview with Full Name

Position

Name of organisation

1) What have been the main changes and lessons learnt since 2017?

[if the EEOS has started in 2017 or later, then replace the question with: ***What would be the first lessons learnt from starting an EEOS?***]

Answer...

2) And more specifically about monitoring, verification and controls?

Answer…

3) What are the main interactions with other policies?

Answer…

4) Are there challenges or changes foreseen for the coming years? (especially after 2020)

Answer...

5) If you could go back in time, what would you do differently?

Answer...

"Off-the-records" questions

(questions that will be used only for the purpose of the preparation of the further ENSMOV activities; they will not be included in the fact-sheet)

Further questions on MRV:

How did you decide on the data that is needed for and on the overall parameter for monitoring and verification of the energy savings?

Did you modify the approach over the past years due to the experience with it?

Which kind of tools (e.g. web applications) does the responsible authority use to gather and process the data relevant for Article 7 EED?

Last open question:

More generally about your experience with policy implementation and MRV, would you like to highlight practical example(s) from your experience?

[***note for the interviewer****: in case of positive answer to the last question or if you identify in the answers a source of example particularly interesting for experience sharing, then please ask at the end if the interviewee would be willing to make a presentation about it in further ENSMOV activities, or to be contacted later on for a specific interview about this (or these) example(s), or could put us in contact with another colleague who would be willing to do so.*]