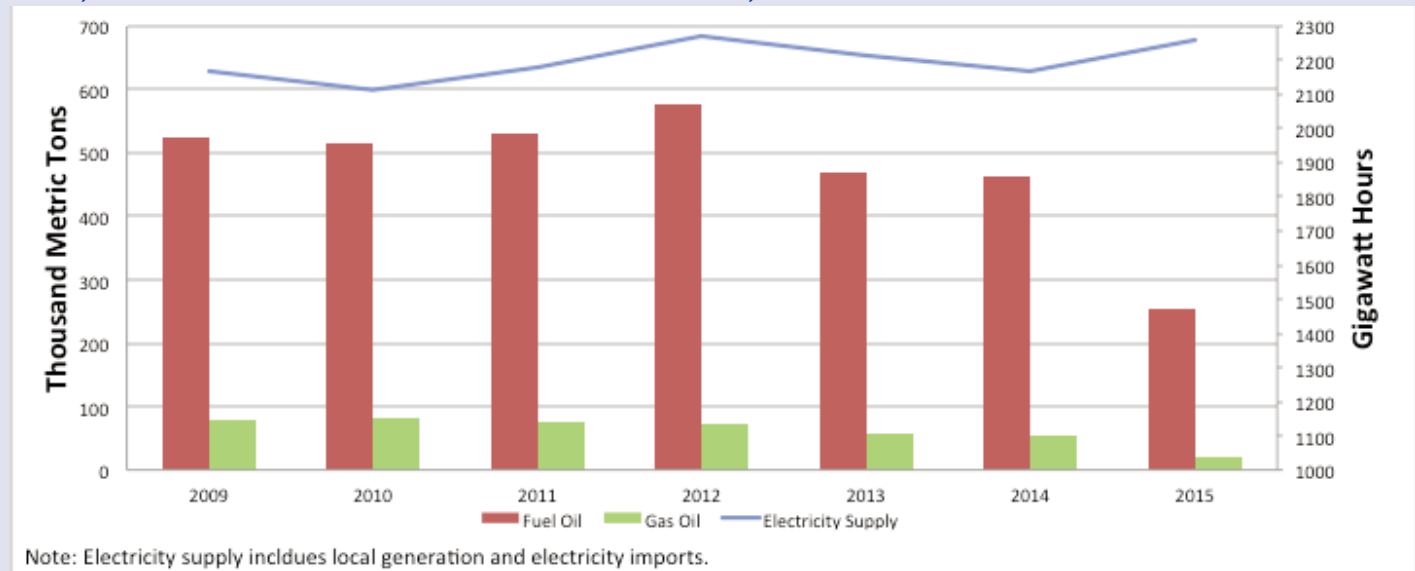


Malta Power Generation to be Based on LNG and Imported Electricity

Fuel oil will disappear as a boiler fuel in Malta by the end of 2017. At that time, all of Malta's electricity will come from LNG and the interconnector to Sicily. A 200 MW LNG project, based on Siemens equipment, at the Delimara power station is close to completion and expected to be operational by the end of this year. The plant consists of a new Siemens combined cycle gas turbine

fired boilers are being decommissioned). For now, the Delimara diesel engines continue to burn 0.7% fuel oil. Delimara's existing CCGT and open cycle gas turbine (OCGT) will burn 0.1% gas oil on a stand-by basis, according to presentation by Pippo Pandolfino of Valletta Bunkers Limited at the World Fuel Oil Summit in Athens on May 20, 2016. The summit was hosted by

MALTA, OIL CONSUMED FOR POWER GENERATION & ELECTRICITY SUPPLY, 2009-2015

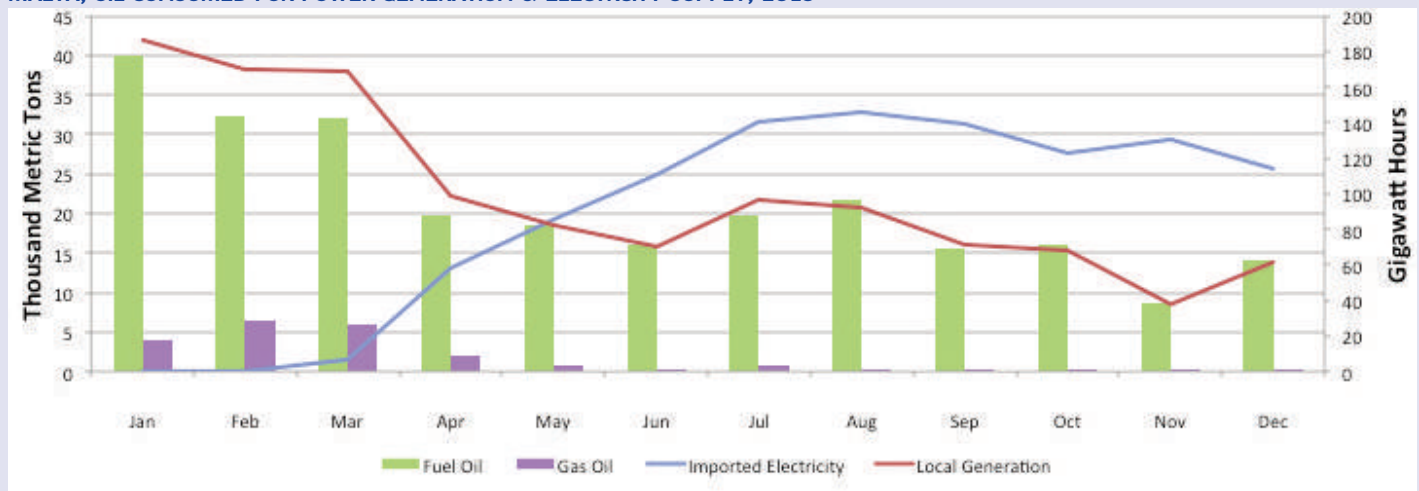


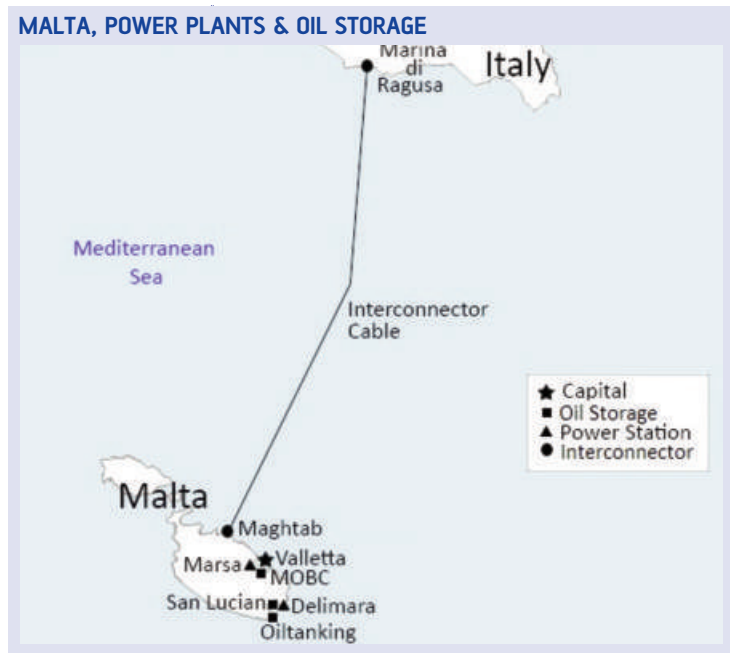
(CCGT) and a receiving floating storage unit. The existing 149 MW Delimara plant, which is based on Wärtsilä medium speed diesel engines (with emissions abatement technology), is being converted from fuel oil to LNG (while Delimara's existing resid-

the Public Power Corporation of Greece and organized by Axelrod Energy Projects.

The Malta-Sicily interconnector became operational in April 2015. The interconnector is a 95-kilometres three-single-core sub-sea cable between Magtab, Malta, and

MALTA, OIL CONSUMED FOR POWER GENERATION & ELECTRICITY SUPPLY, 2015





Marina di Ragusa in Sicily, Italy, with 200 MW capacity for high voltage of 220 KV. Of the 95 kilometres of cable, 69 kilometres are under water, one kilometre is on land in

Malta, and 25 kilometres are on land in Sicily. The maximum sea depth of the cable is 160 meters. The cable allows Malta to import/export electricity to/from Europe.

Indeed, from May-December 2015 imported electricity via the interconnector accounted for more of Malta's electricity supply than local generation. By fourth quarter 2015, imported electricity accounted for 69 percent of Malta's total electricity supply. As a result of the interconnector, Malta's fuel oil consumption dropped 45 percent from 462 kt in 2014 to 254 kt in 2015, while gasoil dropped 62 percent from 54 kt in 2014 to 20 kt in 2015 (see the accompanying charts).

The 149 MW Delimara plant based on diesel engines is wholly owned by Shanghai Electric. Shanghai Electric also owns one third of Enemalta, which owns and operates the Malta power grid. The remaining 75 percent of Enemalta is owned by the Malta government. The Delimara LNG project (Siemens LNG plant and floating storage unit) is privately owned. ■