



GOVERNMENT
OF MALTA



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Malta-Sicily 2nd Cable Interconnector

Monitoring Committee Meeting

24th May 2024



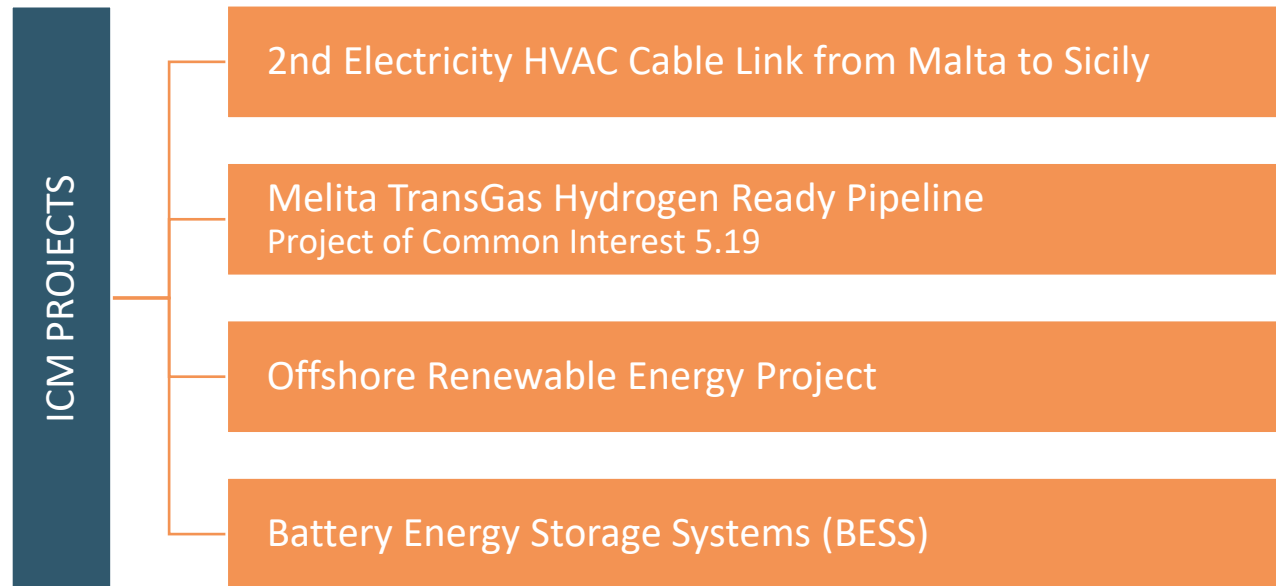
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INTERCONNECT
MALTA

ABOUT INTERCONNECT MALTA LTD (ICM)

- ICM is a 100% government owned company that falls under the responsibility of the Ministry for the Environment, Energy and Regeneration of the Grand Harbour (MEER).
- The company was originally established as Melita TransGas Co Ltd in 2018 and changed its name to Interconnect Malta Ltd in 2021.
- ICM has been entrusted by the Ministry (MEER) to develop and implement the Second Cable Interconnector Project. The ownership of the Project will be retained by the GoM.

ABOUT INTERCONNECT MALTA LTD (ICM)



SECOND ELECTRICITY HVAC CABLE LINK (IC2)

The project consists of a **new electrical cable interconnection** through a submarine cable between **Malta (Maghtab) and Sicily (Ragusa)**

- It shall be laid in parallel but at a safe distance to the **existing HVAC cable link** which was commissioned in **2015**.
- This cable is planned to come into operation in **2026**.

MAIN TECHNICAL PARAMETERS

TYPE	APPROX. ROUTE LENGTH	CAPACITY	NOMINAL VOLTAGE
50 Hz – HVAC cable	122 km	225 MW	220 kV

PROJECT BENEFITS (1)

- To provide an increased buffering capacity of 200MW to cater for RES intermittency thus enabling RES growth whilst maintaining a stable and balanced grid. The Maltese Government is focusing on the development of its offshore (floating) renewable potential. The IC2 project will facilitate the integration of such innovative offshore floating full-scale RES Project into the Maltese electricity grid.
- To double the electricity interconnectivity from 200MW to 400MW with the European electricity network for meeting the forecasted increase in the island's electricity demand including the electrification of the transport sector.
- To ensure security of supply by diversifying energy sources and cater for contingency/emergency situations such as damage to the existing cable link or interruption of the LNG supply or unscheduled faults in domestic power generation plants.
- To contribute to Malta's future strategy in reaching its 2030 climate and energy targets, and in the longer term, the 2050 decarbonisation objectives.
- To achieve better optimisation of local power generation.
- To compliment the planned utility-scale battery storage systems that will be implemented under the same specific objective RSO2.3 of this Project.

PROJECT BENEFITS (2) – CBA RESULTS

- As per the Project's CBA, the project will result in increased economic activity, enhanced energy security, as well as an enabler for RES growth and integration.
- In the absence of a second cable interconnector, the emissions from the gas-fired power generating plants will grow as plant utilisation increases to meet the increasing demand. However, as highlighted in the LCDS, a second interconnector would enable the generation of electricity to be switched away from the gas-fired power generating plants and lead to a significant reduction of territorial emissions associated with the generation of electricity.



PROJECT BENEFITS (3) - CBA RESULTS

- Based on the Project's economic life of 25 years, the projected **total aggregated CO2 savings** attributed to IC2 is **13.5 million tonnes of CO2**.
- The Project is expected to **generate incremental net economic benefits** of **€712 million** to the Maltese economy over a 25-year operational period.



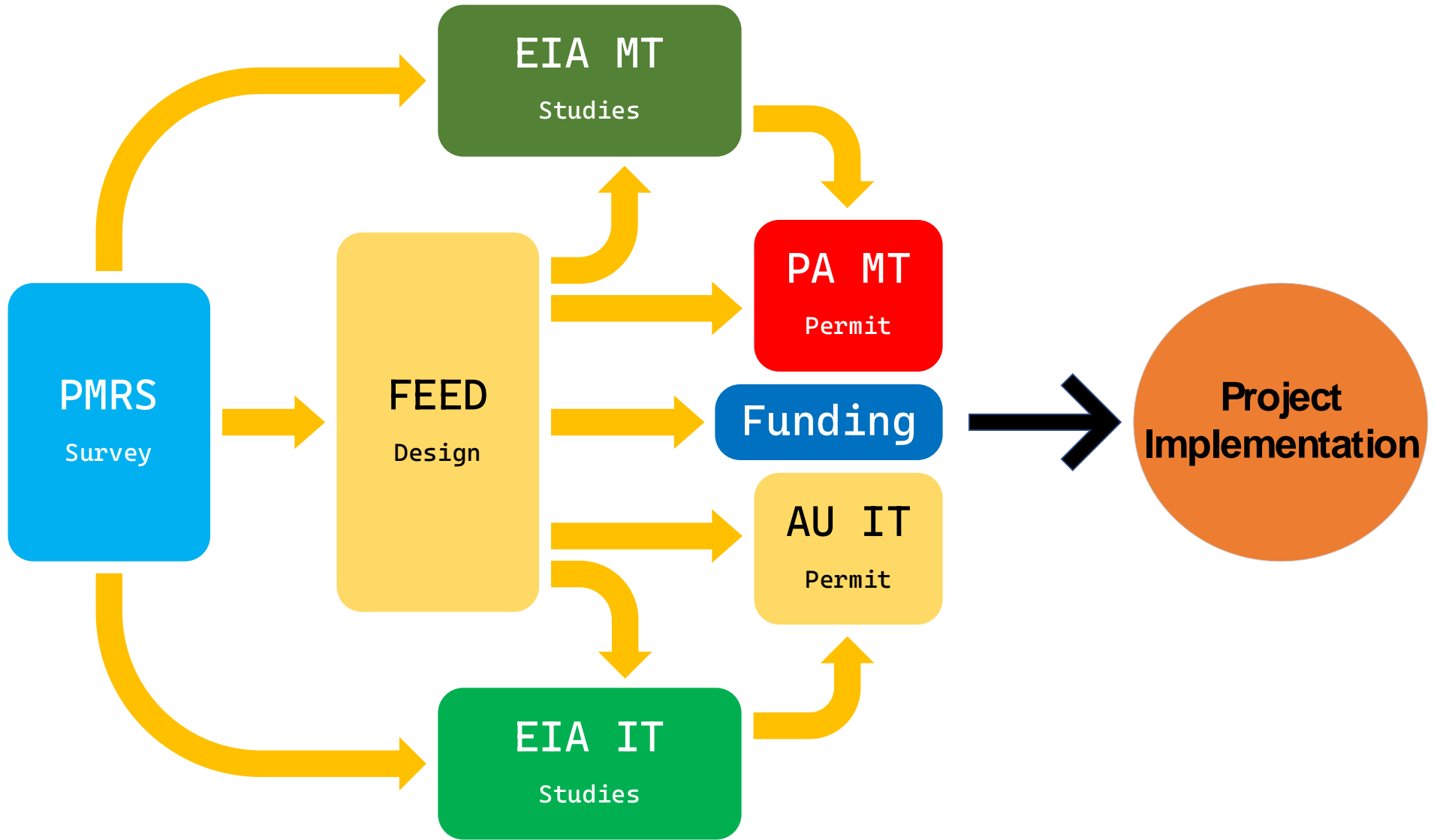
FUNDING & CLIMATE PROOFING

- This project has been designated as an **'Operation of Strategic Importance'** due to its significant contribution to the achievement of national priorities for the 2021-2027 Programme.
- Following the **ERDF application and Project CBA prepared and submitted by ICM** , the Project was positively assessed by the **Project Selection Committee** and approved for funding under the 2021-2027 ERDF Programme, specifically under **Priority 2 'Promoting clean and fair energy transition, sustainable wastewater management, and green investment'** => **Specific Objective 2.3 'Developing smart energy systems, grids, and storage outside the TEN-E network'**.
- The **ERDF funding** allocated to this project amounts to **€165,347,846.70**.
- Estimated Capex: **circa. €300 million***
- Following a thorough assessment by Jaspers the Project has been declared **climate-proofed**.
- The **State Aid Notification Process** was formally launched with DG COMP.
- The Project is included in the ENTSOe TYNDP 2024 , NECP update and LCDS.

**This is dependent on various factors such as permitting and contracting procedures as well as availability of laying vessels and supply chain.*

PROJECT STATUS

- **Preliminary Marine Route survey** completed.
- **Front-end engineering design (FEED) completed:**
 - The land cable route and installation design has been finalised.
 - The land and offshore cable specifications have been determined.
- **Maltese Permitting:** EIA for Malta was approved in August 2023. Consultations completed. **Development permit was issued in January 2023.**
- Issued EPC Tenders for **Works for Land Cable in MT & IT** & Supply and Installation of **Shunt Reactors for MT & IT and Auto Transformer.**
- **Italian Permitting:** The **application for the Italian permit** was submitted in **August 2023** and the **Single Authorisation Decree** process was officially launched by the Italian Ministry (MASE) in **January 2024**. In **April 2024**, the process of **30 days public consultation** started in Italy with notices published on electronic sites and Italian newspapers. ICM is currently receiving and replying to the various queries by different Italian / Sicilian stakeholders.

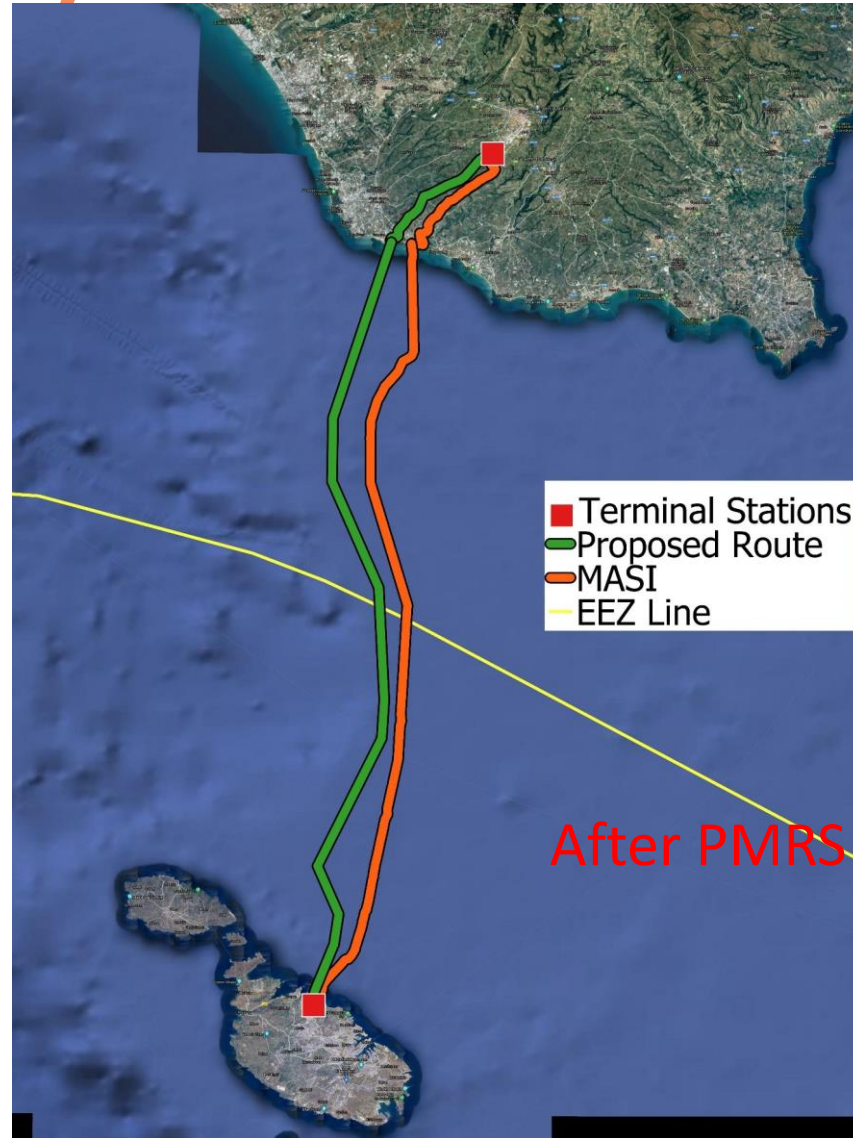
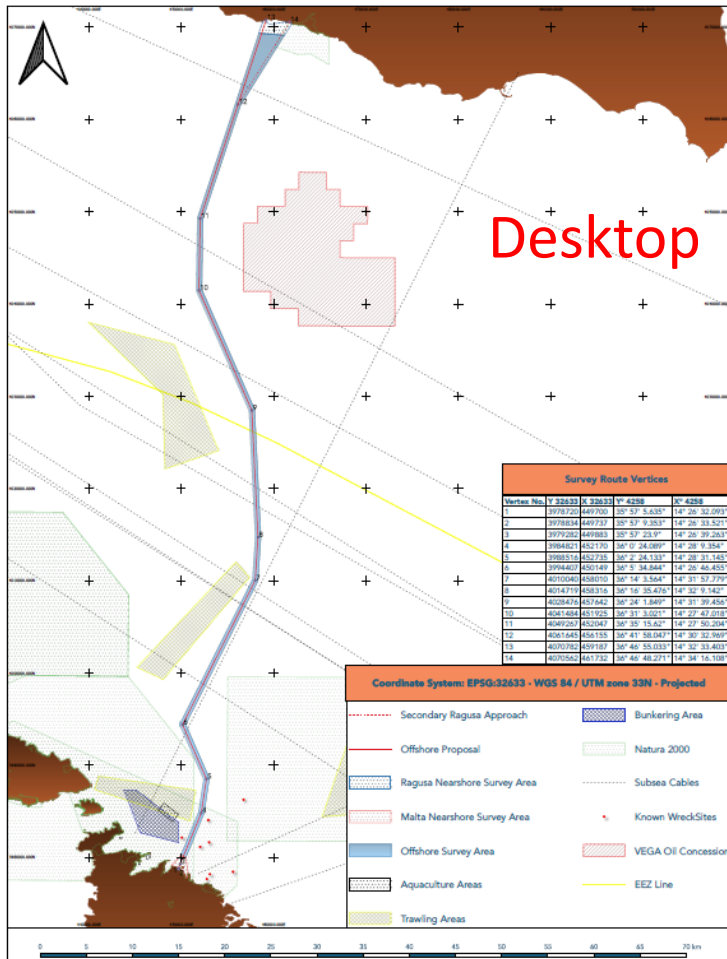


EPC & WORKS PROCUREMENT

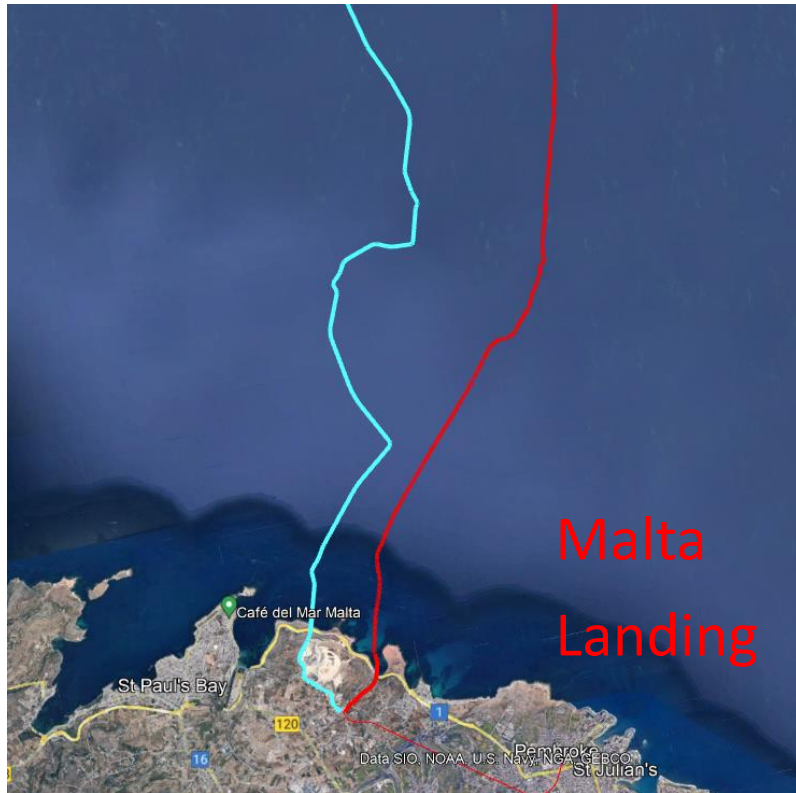
Description	Publishing Date
EPC contract for the onshore works in Maghtab and Ragusa including the procurement and laying of land cable and HV terminations in Maghtab and Ragusa	February 2024
EPC contract for the design, supply and installation of a 254kV Transformer and Shunt Reactors at Maghtab and Ragusa Terminal Stations	March 2024
Excavation And Construction of a Walkthrough Culvert within the Maghtab Terminal Station using Environmentally Friendly Products And Materials	Awarded (April 2024)
EPC contract for the procurement, manufacturing, transport, laying, protection and commissioning of the sub-sea cable and landfall connections in Sicily and Malta	June 2024
Services Of Project Supervisor During Design Stage and Construction Stage and Related Health & Safety Services for ICM Projects located In Malta	June 2024
EPC contract for the procurement and installation of HV switchgear and instrument transformers, control & protection panel and other equipment at the Ragusa Terminal Station	July 2024
Tender for the services of an Owner's Engineer to oversee the offshore works	October 2024

CABLE ROUTE (1)

- 2km onshore in Malta
- 99km subsea
- 21km onshore in Ragusa

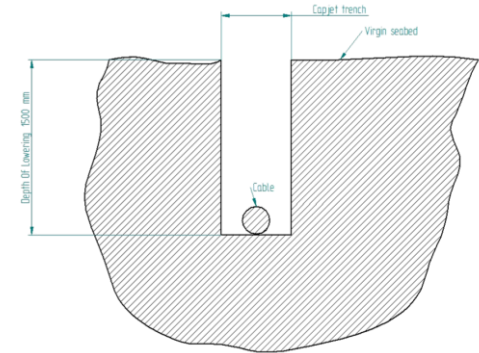


CABLE ROUTE (2)

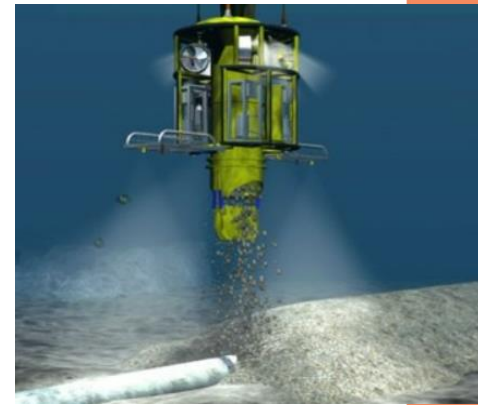
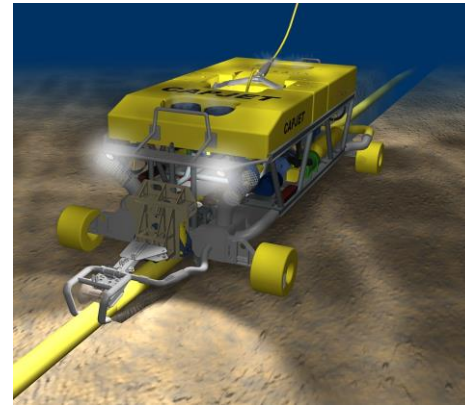
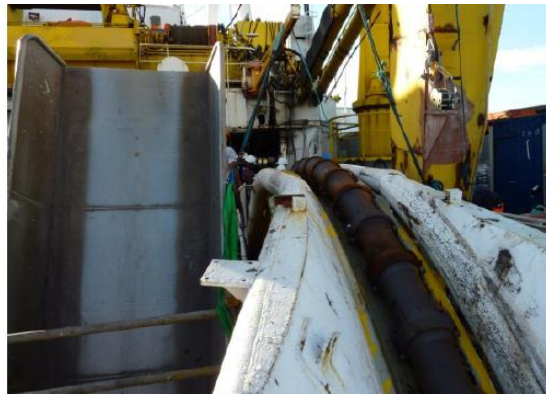
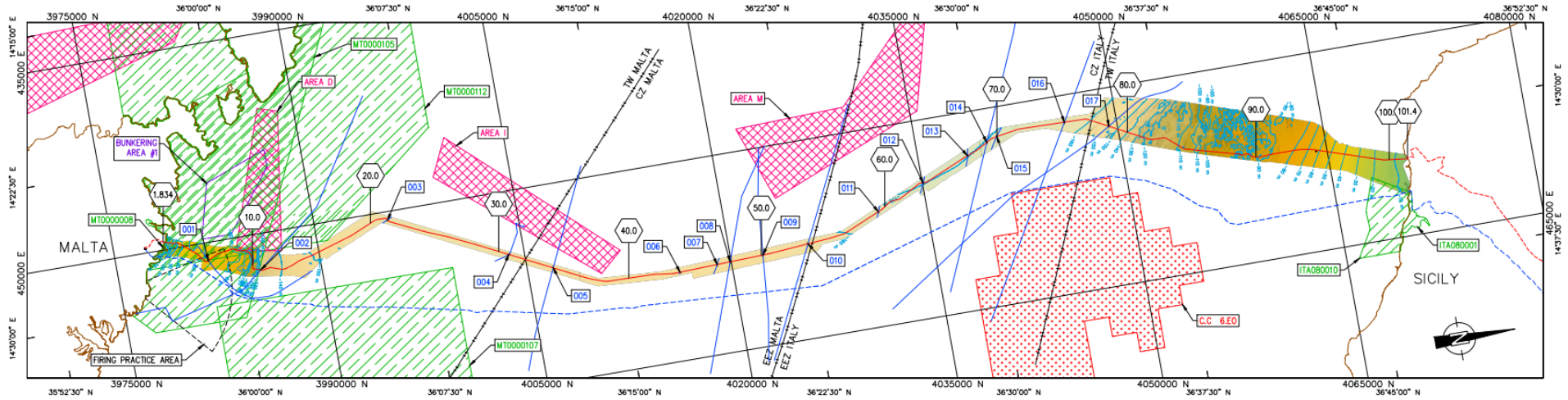


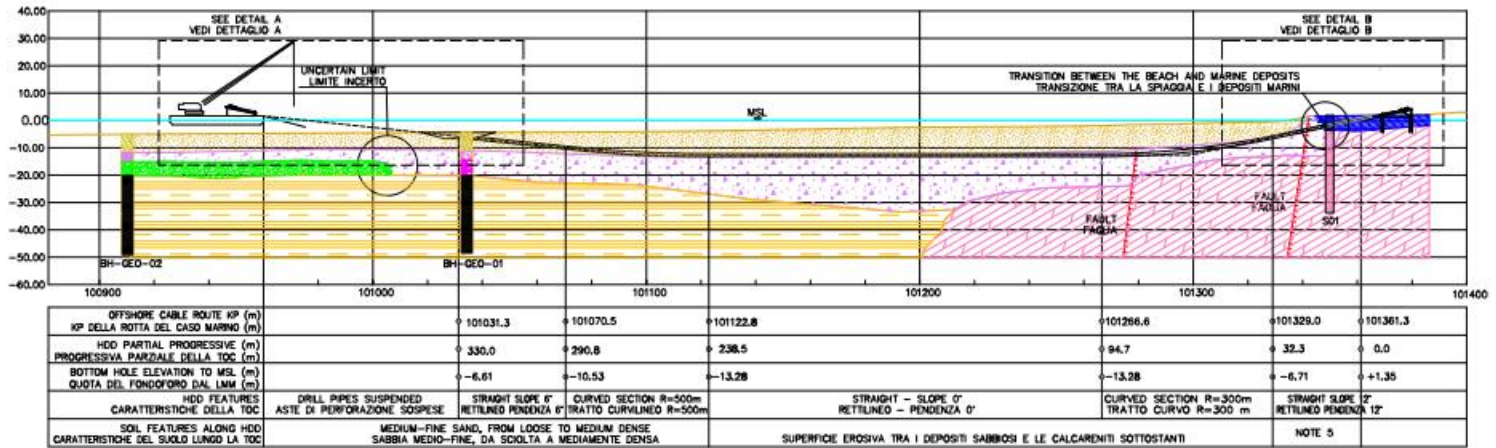
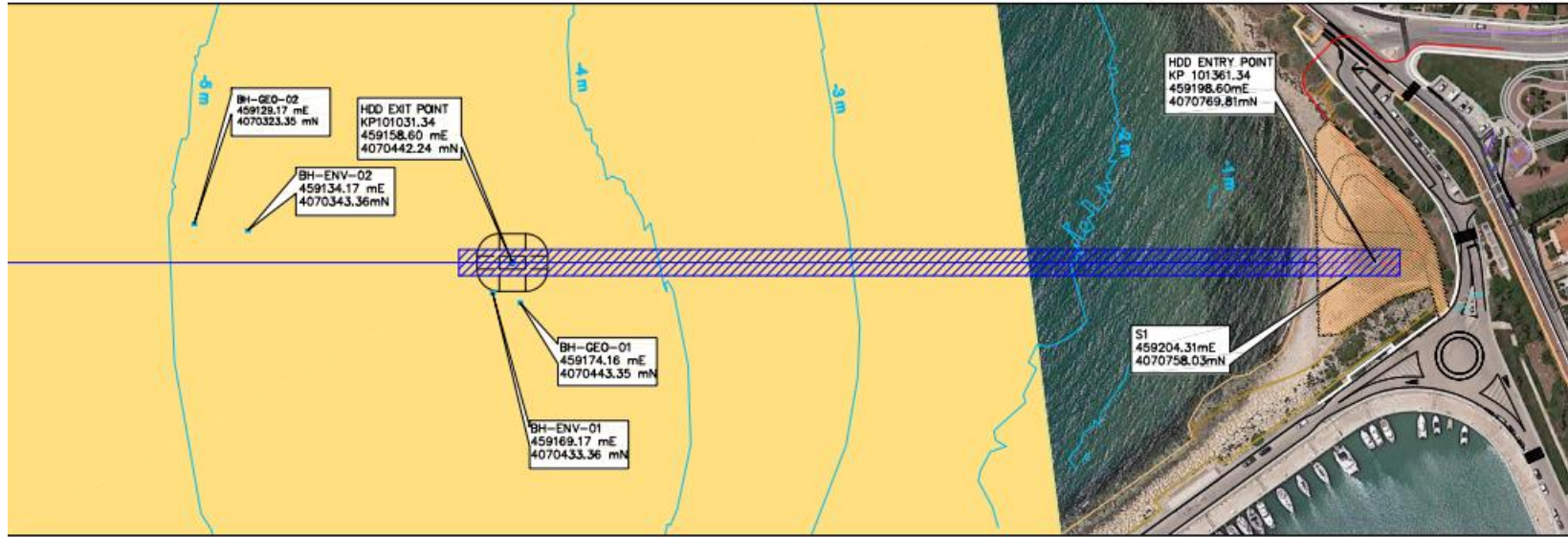
SUBSEA CABLE (1)

- 245kV, three-core, XLPE, 800mm² Cu, lead-sheathed, wire armoured submarine cable c.95kg/m, 23cm diameter, with FO
- Specialised cable-laying vessel
- Trenched for most of the route
- Protected by cast iron shells and/or rock placement where trenching is not possible
- Jointing may be required in middle of route

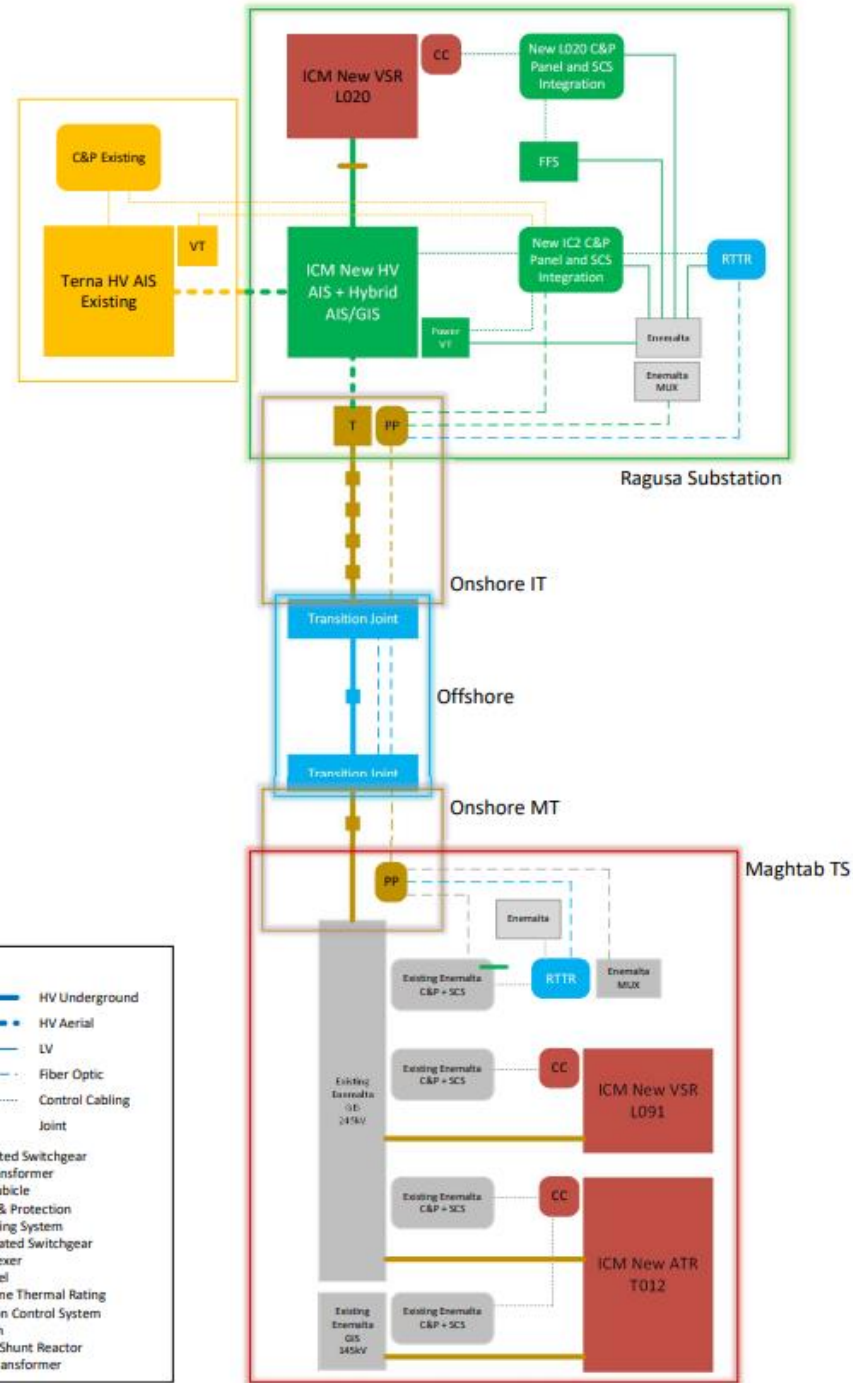


SUBSEA CABLE (2)





BATTERY LIMITS



TERMINAL STATIONS



Works needed in the terminal stations in Maghtab and Ragusa:

- Maghtab: New Culvert, New 250MVA, 220/132kV transformer and new 120MVAR, 220kV shunt reactor + HV cables, modifications and control systems.
- Ragusa: New HV switchgear (Air and Gas Insulated) and Protection & Control equipment including modifications to control system, new Shunt Reactor, new Fire Fighting System, Fire Walls and civil works.

NEXT PROJECT MILESTONES

- ✓ Issuance of Italian Single Authorisation Permit Q3 2024
- ✓ Publication of EPC Tenders Q4 '23 – Q3 '24
- Award of EPC tenders Q2 – Q4 '24
- Start of Detailed Design & Procurement by EPC Contractors Q2 2024
- Start of Construction works Q4 2024
- Commissioning & Start of Operations 2026



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PROJECT WEBSITE: [HTTPS://ICM.MT/PROJECTS/](https://icm.mt/projects/)

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