

Residential Prosumers in the European Energy Union

EAHC/2013/CP/04

Mapping the legal and regulatory framework in the 28 Member States, Iceland and Norway

Malta



This study is part of the mapping of the legal and regulatory framework for residential prosumers in the 28 Member States, Iceland and Norway, within the project on Residential Prosumers in the European Energy Union EAH/2013/CP/04, and carried out by Milieu Ltd (Belgium), Chaussée de Charleroi, 112, B-1060 Brussels, tel: +32 (0)2 506 1000; web address: www.milieu.be

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Disclaimer: The information and views set out in this study are those of the authors and do not necessarily represent the official views of the Commission.

Template for the national report on the regulatory framework Malta

General Description of the national legal and regulatory framework

General

The Maltese energy sector is driven by imported conventional fossil fuels (including that used for electricity generation), some renewable energy sources (RES) and electricity imported through the interconnector from the European grid¹.

Local RES production is conditioned by specific geographic, environmental and spatial planning constraints. Malta's land area is very limited, its population density is high and its natural environment is rich but fragile. On the other hand, RES are typically land-intensive².

Various laws dealing with energy generation, storage and efficiency are relevant in the context of this study. It is noted that these laws do not expressly define or mention residential prosumers as such but some of their requirements would apply to them as described in the following parts of this report.

The relevant national legal framework consists of primary legislation and secondary/subsidiary legislation, mainly:

Primary legislation:

- Regulator for Energy and Water Services Act³
- Building Regulation Act⁴

Subsidiary legislation:

- Electricity Supply Regulations⁵
- Promotion of Energy from Renewable Sources Regulations⁶
- Electricity Market Regulations⁷
- Energy Efficiency and Cogeneration Regulations⁸
- Guarantees of Origin of Electricity from High Efficiency Cogeneration and Electricity, Heating and, or Cooling from Renewable Energy Sources Regulations⁹

¹ National Renewable Energy Action Plan 2015 – 2020 (NREAP), Consultative Document, p.20, available at: <https://energywateragency.gov.mt/en/Documents/Consultative%20Document.pdf>

² NREAP, p. 21.

³ Chapter 545 of the Laws of Malta, Act XXV of 2015, available at:

<http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12346&l=1>. This Act repealed the Malta Resources Authority Act.

⁴ Chapter 513 of the Laws of Malta, Building Regulation Act, Act XII of 2011, available at:

<http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=11700&l=1>

⁵ Subsidiary Legislation 545.01, Electricity Supply Regulations, available at:

<http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12349&l=1>

⁶ Subsidiary Legislation 545.11, Promotion of Energy from Renewable Sources Regulations, Legal Notice 538 of 2010, as last amended by Act XXV of 2015, available at:

<http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12359&l=1>. These Regulations transpose Directive 2009/28/EC into Maltese law.

⁷ Subsidiary Legislation 545.13, Electricity Market Regulations, Legal Notice 166 of 2011 as last amended by Legal Notices 29 and 428 of 2016, available at:

<http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12361&l=1>. These Regulations transpose Directive 2009/72/EC, Directive 2005/89/EC and Article 16 of Directive 2009/28/EC into Maltese law.

⁸ Subsidiary Legislation 545.16, Energy Efficiency and Cogeneration Regulations, Legal Notice 196 of 2014 as amended by Act XXV of 2015 and Legal Notice 236 of 2016, available at:

<http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12364&l=1>. These Regulations transpose Directive 2012/27/EU into Maltese law.

⁹ Subsidiary Legislation 545.23, Guarantees of Origin of Electricity from High Efficiency Cogeneration and Electricity, Heating and, or Cooling from Renewable Energy Sources Regulations, Legal Notice 92 of 2010, available at:

- Feed-In Tariffs Scheme (Electricity Generated from Solar Photovoltaic Installations) Regulations¹⁰
- Sale of Electricity Generated from Cogeneration Units Regulations¹¹

In addition to these legal instruments reference is also made to the National Renewable Energy Action Plan 2015 – 2020 (NREAP) that is an update of the 2011 NREAP. It presents a revised NREAP for Malta, incorporating new priorities, projects and initiatives put forward for the energy sector. The NREAP was launched for public consultation in November 2016. The public consultation phase is now closed¹².

1. What types of residential prosumers are there in your country on the basis of type of RES used and size of the installation?

Answer:

The main source of energy for residential prosumers in Malta are small scale solar photovoltaic (PV) systems that convert sunlight into electricity that can be used to complement or substitute the electricity provided by the national distributor and are generally installed on rooftops¹³.

2. What is the institutional framework & division of competences regarding residential prosumers in your country?

Answer:

There are no bodies that have specific or exclusive competence in relation to residential prosumers in Malta. Reference must therefore be made to the institutional framework relevant in the context of energy generation and energy efficiency generally.

Article 3 of the Regulator for Energy and Water Services Act establishes the **Regulator for Energy and Water Services**. The Regulator is responsible for the regulation of energy and water services and resources to ensure:

- (a) greater focus on and increased consumer protection; and
- (b) the independence of the Regulator as required by various EU Directives including Directive 2009/72/EC concerning common rules for the internal market in electricity and Directive 2009/73/EC concerning common rules for the internal market in natural gas and the Energy Charter Treaty¹⁴.

The functions of the Regulator include regulating, monitoring and keeping under review all practices, operations and activities relating to energy and water services and resources. The Regulator is also responsible for granting any licence, permit or other authorisation for carrying out any operation or activity relating to energy and water services and resources¹⁵. Of particular relevance in the context of this study is Article 5(2)(a) stating that in relation to energy, the Regulator will independently and impartially:

<http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12371&l=1>. These Regulations transpose Article 15 of Directive 2009/28/EC into Maltese law.

¹⁰ Subsidiary Legislation 545.27, Feed-In Tariffs Scheme (Electricity Generated from Solar Photovoltaic Installations) Regulations, Legal Notice 253 of 2013, available at:

¹¹ Subsidiary Legislation 545.29, Sale of Electricity Generated from Cogeneration Units Regulations, Legal Notice 170 of 2105 as amended by Act XXV of 2015 and Legal Notice 370 of 2016, available at:

<http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12377&l=1>

¹² Malta's Renewable Energy Action Plan: <https://energywateragency.gov.mt/en/Pages/Malta's-Renewable-Energy-Action-Plan-.aspx>

¹³ NREAP.

¹⁴ Article 4 of the Regulator for Energy and Water Services Act.

¹⁵ Article 5 of the Regulator for Energy and Water Services Act.

- (i) regulate the harnessing, generation, distribution, transmission, supply and use of all forms of energy; and
- (ii) impose levies on energy produced by non-renewable sources and grant subsidies in connection with the production of energy from renewable sources and energy efficiency.

The Regulator conducts its affairs through Directorates, Units, Divisions and Sections vested with specific responsibilities¹⁶.

The **Minister responsible for energy and water services** may, in relation to matters that appear to affect the public interest, communicate to the Regulator directions in writing of a general character, not related to the regulatory powers of the Regulator and not inconsistent with the provisions of the Regulator for Energy and Water Services Act¹⁷.

The **Regulator** has enforcement powers, including the power to enter any premises to make inspections, tests, measurements, to ascertain that nothing contrary to the provisions of the Regulator for Energy and Water Services Act, regulations made thereunder or to any term or condition attached to any licence, permit or authorisation is being carried out. The Regulator can impose an administrative penalty on any person who infringes any provision of the Act or any other law the Regulator is entitled to enforce¹⁸.

The **Energy and Water Agency** is tasked with formulating and implementing Government's national policies in the energy and water sectors, aimed at ensuring security, sustainability and affordability of energy and water supply in Malta¹⁹.

The **Building Regulation Board** and **Building Regulation Office**²⁰ are competent in relation to the administration of building regulations and building control regulations under the Building Regulation Act including matters related to the energy performance of buildings.

The Regulator, the Building Regulation Office and the Building Regulation Board also have certain information obligations. For example, under Regulation 18(1) of the Promotion of Energy from Renewable Sources Regulations, they are required to make available information on support measures to all relevant actors such as consumers, builders and suppliers of systems compatible with the use of energy from renewable sources. Under Regulation 18(6), the Regulator is also required to develop suitable information, awareness-raising, guidance or training programmes to inform citizens of the benefits and practicalities of developing and using energy from renewable sources.

Enemalta plc²¹ is the designated distribution system operator (DSO) in Malta. It is responsible for ensuring the long-term ability of the system to meet reasonable demands for the distribution of electricity, for operating, maintaining and developing under economic conditions a secure, reliable and efficient electricity distribution system to ensure continuity of electricity supplies in Malta with due regard for the environment and energy efficiency²².

¹⁶ Article 6 of the Regulator for Energy and Water Services Act.

¹⁷ Article 7(1) of the Regulator for Energy and Water Services Act.

¹⁸ Articles 11 and 12 of the Regulator for Energy and Water Services Act.

¹⁹ The Energy and Water Agency: <https://energywateragency.gov.mt/en/Pages/About-Us.aspx>

²⁰ Building Regulation Office: <http://www.bro.gov.mt/en/home>

²¹ Enemalta plc: <http://www.enemalta.com.mt/index.aspx?cat=1>

²² Regulation 13 of the Electricity Market Regulations.

Specific Questions on the regulatory framework for residential prosumers**3. What is the regulatory framework for residential prosumers in your country?****General**

The national laws dealing with energy generation, storage and efficiency are relevant to residential prosumers in Malta. However, most of them have been adopted to transpose EU Directives which do not regulate prosumers in an explicit way. As mentioned in the general introduction above, the most relevant ones are the Regulator for Energy and Water Services Act²³, the Electricity Supply Regulations²⁴, Promotion of Energy from Renewable Sources Regulations²⁵, Electricity Market Regulations²⁶ Energy Efficiency and Cogeneration Regulations²⁷, Guarantees of Origin of Electricity from High Efficiency Cogeneration and Electricity, Heating and, or Cooling from Renewable Energy Sources Regulations²⁸ and Feed-In Tariffs Scheme (Electricity Generated from Solar Photovoltaic Installations) Regulations²⁹. In addition, the National Renewable Energy Action Plan 2015 – 2020 (NREAP) presents the priorities and initiatives for the energy sector³⁰.

These laws do not expressly define or mention residential prosumers as such but they contain requirements of relevance to them as described below.

The installation of solar photovoltaic (PV) panels on rooftops is the typical means through which consumers generate their own electricity. However, ‘solar rights’ (compensation for energy generated through solar PV) are not protected by legislation in Malta. Reports by the Building Regulation Office have identified the lack of protection of solar rights and the traditional land ownership rights and parcelling as unfavourable to PV installations on domestic roofs³¹.

Regulation 14 of the Energy Efficiency and Cogeneration Regulations requires the Minister responsible for the Regulator for Energy and Water Services to take appropriate measures to promote and facilitate an efficient use of energy by small energy customers, including domestic customers. These measures may be part of a national strategy and will include: (a) a range of instruments and policies to promote behavioural change such as fiscal incentives, access to subsidies; (b) ways and means to engage consumers and consumer organisations through communication of cost-effective and easy-to-achieve changes in energy use and information on energy efficiency measures.

²³ Chapter 545 of the Laws of Malta, Act XXV of 2015, it repeals the Malta Resources Authority Act., available at: <http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12346&l=1>.

²⁴ Subsidiary Legislation 545.01, Electricity Supply Regulations, available at: <http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12349&l=1>

²⁵ Subsidiary Legislation 545.11, Promotion of Energy from Renewable Sources Regulations, Legal Notice 538 of 2010, as last amended by Act XXV of 2015, transposes Directive 2009/28/EC into Maltese law, available at: <http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12359&l=1>.

²⁶ Subsidiary Legislation 545.13, Electricity Market Regulations, Legal Notice 166 of 2011 as last amended by Legal Notices 29 and 428 of 2016, transpose Directive 2009/72/EC, Directive 2005/89/EC and Article 16 of Directive 2009/28/EC into Maltese law available at: <http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12361&l=1>.

²⁷ Subsidiary Legislation 545.16, Energy Efficiency and Cogeneration Regulations, Legal Notice 196 of 2014 as amended by Act XXV of 2015 and Legal Notice 236 of 2016, transpose Directive 2012/27/EU into Maltese law, available at: <http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12364&l=1>.

²⁸ Subsidiary Legislation 545.23, Guarantees of Origin of Electricity from High Efficiency Cogeneration and Electricity, Heating and, or Cooling from Renewable Energy Sources Regulations, Legal Notice 92 of 2010, available at: <http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=12371&l=1>. These Regulations transpose Article 15 of Directive 2009/28/EC into Maltese law.

²⁹ Subsidiary Legislation 545.27, Feed-In Tariffs Scheme (Electricity Generated from Solar Photovoltaic Installations) Regulations, Legal Notice 253 of 2013, available at:

³⁰ Malta's Renewable Energy Action Plan: <https://energywateragency.gov.mt/en/Pages/Malta's-Renewable-Energy-Action-Plan-.aspx>

³¹ NREAP, p.38/9.

Of most relevance are the **Feed-In Tariffs Scheme** (Electricity Generated from Solar Photovoltaic Installations) **Regulations**. These Regulations establish a feed-in tariff for electricity generated from solar PV installations and fed into the grid thus promoting and supporting the generation of electricity from RES. The Regulations apply to solar PV installations with a capacity of less than 1000 kWp, insofar as such solar PV installation is installed either in a residential or domestic premises or non-residential or institutional household and which is to be connected to the distribution system either directly or indirectly with the appropriate protection and metering equipment. For the purposes of determining the total installed solar PV capacity, installations within the same premises code are considered to be installations with a common connection point to the electricity grid and the kWp capacities of such installations are considered cumulatively³².

3.1. What is the existing legislative framework regulating Renewable Energy Projects in your country?

Answer:

A number of laws are relevant to renewable energy projects in Malta insofar as they seek to promote the use of RES.

The Promotion of Energy from Renewable Sources Regulations transpose Directive 2009/28/EC on the promotion of the use of energy from renewable sources into Maltese law. Regulation 2(1) defines 'energy from renewable sources' as 'energy from renewable non-fossil sources, namely wind, solar, aerothermal, geothermal, hydrothermal and ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas and biogases'.

The Guarantees of Origin of Electricity from High Efficiency Cogeneration and Electricity, Heating and, or Cooling from Renewable Energy Sources Regulations establish a regulatory framework for the issuing of guarantee of origin certificates³³ for electricity produced from high efficiency cogeneration and/or from RES and, for the purposes of providing consumers the share or quantity of energy from renewable sources in an energy supplier's mix to ensure that the origin of electricity produced from RES can be guaranteed. The Regulations also transpose Article 15 of Directive 2009/28/EC³⁴ regarding the guarantee of origin of electricity from RES.

The Feed-In Tariffs Scheme (Electricity Generated from Solar Photovoltaic Installations) Regulations establish a feed-in tariff for electricity generated from solar PV installations. However, the feed-in tariff scheme for solar PV installations greater than 1 kWp and less than 40 kWp has been oversubscribed and is no longer open for applications³⁵.

The Sale of Electricity Generated from Cogeneration Units Regulations apply to electricity fed into the distribution system from any cogeneration unit equipped for the recuperation and utilisation of the thermal energy produced and producing electricity from fossil fuel or renewable energy, installed either in a residential or domestic premises or non-residential or institutional household and connected to the distribution system either directly or indirectly with the appropriate protection and metering equipment provided by the DSO (Regulation 3).

³² Regulation 3(1) of the Feed-In Tariffs Scheme (Electricity Generated from Solar Photovoltaic Installations) Regulations.

³³ Regulation 2(2) of the Guarantees of Origin of Electricity from High Efficiency Cogeneration and Electricity, Heating and, or Cooling from Renewable Energy Sources Regulations defines the guarantee of origin certificate as an electronic document issued by the Regulator which has the sole function of providing proof to a consumer that a given share or quantity of electricity was produced from high efficiency cogeneration or from RES.

³⁴ Regulation 1(2) of the Guarantees of Origin of Electricity from High Efficiency Cogeneration and Electricity, Heating and, or Cooling from Renewable Energy Sources Regulations.

³⁵ <http://www.res-legal.eu/search-by-country/malta/single/s/res-e/t/promotion/aid/feed-in-tariff-4/lastp/167/>

3.2. Does the Renewables National Action Plan include any objectives for residential prosumers (if so, please specify)

Answer:

The objectives of Malta's National Renewable Energy Action Plan (NREAP) include the definition of a roadmap specifying how Malta intends to meet its RES obligations by 2020.

The NREAP supports the integration of PV systems on residential premises with other sources of electricity as part of its prioritisation of the energy sector including through continued fiscal incentives on the purchase of PV panels. It states that a major part of the uptake of the PVs on residential premises took place from 2009 onwards mainly as a direct result of EU-funded grant schemes enabling households to benefit from up to 50% of the initial capital investment, capped at EUR 3,000. A similar scheme, but capped at EUR 2,500, was launched in 2013 and had 8,443 applications resulting in a total PV capacity of 23.4MWp. On 19 June 2015, a new scheme was launched, capped at 50% of eligible costs up to a maximum of EUR 2,300 per system and EUR 757 per kWp. The scheme was fully subscribed and subsequently closed on 1 September 2015. An identical scheme was launched again in 2016³⁶.

The domestic rooftop sector reached 34MWp of installed capacity by the end of 2014. In June 2015, the government announced its intention to propose additional incentives to help families install RES in houses. These tap EU funds available under PA4 (2014-2020 Operational Programme) and should exploit the remaining potential estimated at around 20MWp³⁷.

According to the NREAP, installations of PV systems are expected to contribute 4.7% out of the 10% national RES target by 2020³⁸.

In addition to the NREAP, reference may be made to Malta's Strategic Plan for Environment and Development (July 2015)³⁹. Thematic Objective 9 of this Plan is to control greenhouse gas emissions and enhance Malta's capacity to adapt to climate change. Amongst the measures for doing this, the Plan lists '[r]equiring the integration of small scale renewable energy infrastructure into design of buildings' (9.3).

3.3. Is there a definition (legal or regulatory) of residential prosumers (or self-consumption) in your country? If so, state it and describe the elements of this definition?

Answer:

There is no definition of residential prosumers or self-consumption in Malta.

4. What are the permitting requirements for each type of residential prosumer?

General

As a general rule, activities relating to energy and water services and resources require a **licence, permit or other authorisation** of the Regulator and carrying out any such activity without a licence or in breach of any licence condition, is an offence punishable with a fine not exceeding EUR 115,000 or imprisonment up to two years, or to both such fine and imprisonment⁴⁰.

³⁶ NREAP, p. 46.

³⁷ NREAP, p. 49.

³⁸ NREAP, p. 38.

³⁹ Available at: http://www.mepa.org.mt/Documents/sped_final_july22.pdf.

⁴⁰ Article 10 of the Regulator for Energy and Water Services Act.

Regulation 4 of the Electricity Market Regulations dealing with licensing lists the generation of electricity and the supply of electricity among the operations requiring a licence issued by the Regulator. However, Regulation 4(2) clarifies that a licence is not required in those cases specified in the First Schedule to the Regulations. The list of exemptions in point 1 of the First Schedule includes producers who:

- produce electricity solely for their own use;
- are not connected in parallel to the distribution system; and
- have installed a total peak generation capacity of less than 1500 kVA.

According to point 2, producers with a total peak generation capacity rated up to and including 16 Amps per phase, single-phase or multi-phase, 230/400V AC produced solely from renewable sources of energy or cogeneration plant, are **exempt from the requirement of an authorisation to construct the generation station and from the requirement to hold a licence but are still required to notify** the Regulator prior to the construction of such generation plant, and submit to the Regulator any information it may request.

Regulation 11 of the Electricity Market Regulations deals with the procedure for authorisation of new generation capacity that usually requires an **authorisation from the Regulator**. Producers listed in the First Schedule are exempt from this requirement.

Larger PV systems (greater than 16 Amps per phase) require **authorisation by the Regulator prior to construction** and, once commissioned, a ‘**licence to operate**’ is required before connection to the grid. These systems may also require a **grid connection** study to be carried out by Enemalta to make sure they integrate seamlessly with the network⁴¹.

- 4.1. Does your country recognize certain forms of self-consumption and subject prosumers to certain
- requirements,
 - application fees and
 - one-off costs
- in order to give them a permit or licence to generate energy?

Answer:

The relevant laws and policies in the Maltese energy sector recognise certain forms of self-consumption and contain provisions relevant to the generation of energy by prosumers as described in this report. As explained above, the licensing system in Malta facilitates self-consumption by providing for licence exemptions for small-scale RES generation. Residential prosumers can benefit from the exemptions.

No application fees or one-off costs were identified for residential prosumers, other than the costs that prosumers participating in the net-metering system incur for connection to the grid.

Electricity producers generating electricity from RES that needs to be connected to the grid must act in conformity with Enemalta’s Network Code⁴².

⁴¹ NREAP, p.47.

⁴² Enemalta Network Code, available at: <http://www.enemalta.com.mt/index.aspx?cat=2&art=71>.

- 4.2. Does the national legal/regulatory framework determine the contractual conditions under which prosumers are allowed to feed or sell their surplus back into the grid or to other consumers?

Answer:

Regulation 4 of the **Feed-In Tariffs Scheme (Electricity Generated from Solar Photovoltaic Installations) Regulations** deals with the sale of electricity generated from solar PV installations. In the case of solar PV installations connected to the distribution system prior to the entry into force of the Regulations, the installation operator⁴³ is paid the spill-off tariff for any electricity generated for the solar PV installation and fed in to the distribution system. For solar PV installations connected after the entry into force of the Regulations, the installation operator may:

- (a) Sell all electricity generated by the solar PV installation to the DSO, or
- (b) Generate electricity primarily for own consumption in the premises where the installation is located and be paid the feed-in tariff for any excess electricity generated and exported to the distribution system.

In order to be eligible for the feed-in tariff the solar PV installation must comply with the eligibility criteria in the First Schedule to the Regulations and the operator must have the necessary authorisations, licences or permits. The eligibility criteria set out in the First Schedule include:

- The requirement for the electricity to be generated exclusively using solar radiation from solar PV installations approved by the Regulator;
- The electricity exported to the distribution system falls within the thresholds set out by the Regulations and may be accommodated within the total maximum of electricity generated by solar PV installations eligible to benefit from the feed-in tariff scheme in the applicable year;
- The installation operator complies at all times with the Regulations, Enemalta's Network Code and all other applicable legislation.

Regulation 4A deals specifically with electricity generated exclusively by solar PV installations constructed mainly for own consumption. In these cases, the installation operator does not benefit from a feed-in tariff under the Regulations but from the general payment for any surplus electricity generated but not consumed and supplied to the DSO at the rate representing the marginal cost of electricity under the Fourth Schedule, that is, EUR 0.08,9 per kWh for the year 2016.

The feed-in tariff is due from the time when the solar PV installation is first connected to the distribution system and produced electricity solely from the solar PV installation. The feed-in tariff applies up to the extent of and for the total amount of electricity exported to the distribution system by the solar PV installation as approved by the Regulator and measured by the DSO's metering equipment⁴⁴.

Regulation 6 sets out the feed-in tariff to be paid by referring to the thresholds in the Second and Fourth Schedules. It also specifies that where the installation operator benefits from a grant of more than 50% of the initial capital investment with regard to the solar PV installation, the feed-in tariff paid by the DSO will decrease by EUR 0.002 per kWh for every 1% exceeding the aforementioned 50% of the initial capital investment received as part of the grant. The feed-in tariff must not be less than the marginal cost per unit incurred by the DSO as established in the Fourth Schedule - EUR 0.08,9 per kWh for the year 2016. The Second Schedule sets out the caps and feed-in tariffs applicable to solar PV installations approved under the feed-in tariff scheme as a price per kWh.

⁴³ Regulation 2 of the Feed-In Tariffs Scheme (Electricity Generated from Solar Photovoltaic Installations) Regulations defines 'installation operator' as the owner of the solar photovoltaic installation.

⁴⁴ Regulation 5 of the Feed-In Tariffs Scheme (Electricity Generated from Solar Photovoltaic Installations) Regulations. For further information on the feed-in tariff see <http://www.res-legal.eu/search-by-country/malta/single/s-res-e/t/promotion/aid/feed-in-tariff-4/lastp/167/>.

Regulation 7 deals with the maximum electricity exported in the feed-in tariff scheme. The total maximum electricity exported to the DSO that is eligible for a feed-in tariff for each annual scheme is established in the Third Schedule at 212,000,000 kWh for the years 2010 to 2017.

According to Regulation 8, the DSO can set off amounts due by the installation operator for the supply of electricity against amounts due to the installation operator for exporting electricity to the system.

Regulation 9 provides for the sale of electricity after the expiry of the period of guaranteed payment of the feed-in tariff. The installation operator can request the DSO to effect the necessary modification to the solar PV installation connection to the distribution system to enable the installation operator to use the electricity generated from the solar PV installation for his own use within his premises and to be compensated for any exported electricity at the applicable rate at the time and as provided in the Fourth Schedule. Installation operators opting for such arrangement must bear the costs of any necessary modifications including those related to the metering and connection required by the DSO. Where the installation operator does not use this option, the DSO will continue to purchase all the electricity generated by the solar PV installation and exported to the distribution system and will reimburse the installation operator for such electricity at the rate established in the Fourth Schedule (EUR 0.08,9 per kWh for the year 2016).

The obligations of installation operators are set out in Regulation 10. Installation operators must: (a) submit such information as the Regulator may reasonably require; (b) request the prior approval of the Regulator and of the DSO, if the solar PV installation is to be disconnected or transferred, sold or modified in such a way as to degrade its performance during the period of guaranteed payment of the feed-in tariff; (c) comply with the provisions of the applicable legislation, notification, authorisation, licence conditions and Network Code as approved by the Regulator; (d) make available to the DSO and to the Regulator data required to be recorded for the purposes of the Regulations.

It is noted that on 11 May 2016, the Regulator for Energy and Water Services announced that the feed-in tariff scheme for solar PV installations greater than 1 kWp and less than 40 kWp has been oversubscribed and is no longer open for applications⁴⁵.

Regulation 4 of the **Sale of Electricity Generated from Cogeneration Units Regulations** deals with the rate to be paid for electricity sold to the DSO in the case of cogeneration units commissioned and connected to the distribution system. The installation operator may:

- (a) Sell all the electricity generated to the DSO and be paid by the DSO the marginal cost per kWh under the Second Schedule; or
- (b) Generate electricity primarily for own consumption and be paid by the DSO the marginal cost per kWh under the Second Schedule (for 2016: EUR 0.08,9 per kWh) for any excess electricity generated and exported to the distribution system.

The electricity generation from cogeneration units separately installed and from solar PV installations or other RES connected with the same premises code as the cogeneration units must be separately metered⁴⁶.

An installation operator who generates electricity from a cogeneration unit connected with the same premises code as solar PV installations installed primarily for own consumption and exporting any excess electricity to the distribution system and, or other installations generating electricity from renewable energy other than solar PV installations, being all installed with the option to generate primarily for own consumption, must be paid by the DSO for any excess

⁴⁵ <http://www.res-legal.eu/search-by-country/malta/single/s/res-e/t/promotion/aid/feed-in-tariff-4/lastp/167/>

⁴⁶ Regulation 4(2) of the Sale of Electricity Generated from Cogeneration Units Regulations.

electricity generated and exported to the distribution system at the marginal cost per kWh⁴⁷.

The DSO may set off amounts due by an installation operator for the supply of electricity against amounts due to the installation operator for the exporting of electricity under the Regulations⁴⁸.

5. What are the rules applicable to the access to the grid?

General

According to Regulation 25(1)(b) of the Electricity Market Regulations, on the basis of transparent, non-discriminatory criteria defined by the Regulator, the DSO must provide for priority access to the distribution system of electricity produced from RES. The DSO must provide any new producer of energy generating electricity from RES which needs to be connected to the system, with comprehensive and necessary information, including: (a) a comprehensive and detailed estimate of the costs associated with the connection; (b) a reasonable and precise timetable for receiving and processing the request for grid connection; (c) a reasonable indicative timetable for any proposed grid connection⁴⁹.

The NREAP states that the national electricity grid covers virtually the whole of Malta and that given their stability, PV systems can be easily integrated with other sources of electricity. At the present penetration rate, grid connection problems and operational costs are minimal⁵⁰.

Before connecting an RES, such as PV panels, to the national electricity grid, written approval from the Regulator must be obtained. Once the Regulator approves an application, it will provide Enemalta (the DSO) with the details of the application and Enemalta will then provide necessary feedback and/or the No Objection document within the timeframes specified in Enemalta's 'Process Flow for the processing of applications for grid connections of distributed renewable energy sources'⁵¹. The process takes a minimum of 16 working days and a maximum of 36 working days. For any RES greater than 16 Amps per phase, a No Objection document from Enemalta is always necessary. To provide this document, Enemalta will conduct a grid connection study⁵².

5.1. What is the inter-connection configuration used for each type of residential prosumer?

Answer:

The national electricity grid covers the whole of Malta and PV systems can be easily integrated with other sources of electricity⁵³. Electricity generated by residential prosumers from RES can be fed into the system as installations are connected to the national electricity grid.

5.2. Does the competence to determine the inter-connection configuration lie at State level or at a regional/lander level?

The competence to determine the inter-connection configurations lies at State level.

⁴⁷ Regulation 4(4) of the Sale of Electricity Generated from Cogeneration Units Regulations.

⁴⁸ Regulation 8 of the Sale of Electricity Generated from Cogeneration Units Regulations.

⁴⁹ Regulation 25(3) of the Electricity Market Regulations.

⁵⁰ NREAP, p. 39.

⁵¹ <http://www.enemalta.com.mt/enemaltastorage/images/files/miscellaneous/process%20flow%20for%20grid%20connection%20evaluations%20v2.1.pdf>. The relevant application forms are available here: <https://www.rews.org.mt/#/en/a/67-electricity-generation-from-renewable-energy-sources-combined-heat-and-power>.

⁵² New renewable energy sources: <https://www.enemalta.com.mt/index.aspx?cat=2&art=279>.

⁵³ NREAP, p.39.

5.3. Are there any rules to ensure that prosumers are inter-connected to the distribution network/the grid?

Answer:

As stated above, the Electricity Market Regulations require the DSO to connect prosumers to the distribution network. Electricity produced from RES must be given priority access⁵⁴ as required by the RES Directive.

5.4. What are the grid access and grid use principles and rules for the energy generated by each type of residential prosumer?

Answer:

The relevant grid access and grid use principles are described above.

5.5. What are the network costs and charges for each type of residential prosumer?

Answer:

The costs arising from the connection of an installation to the grid are borne by the installation operator⁵⁵.

After expiry of the period of guaranteed payment of the feed-in tariff, the installation operator can request the DSO to make modifications to the solar PV installation connection to the distribution system in order to use the electricity generated for his own use within his premises and to be compensated for any surplus generated and exported to the system. When this option is exercised, the installation operator must bear the costs of the modifications including those related to the metering and connection required by the DSO⁵⁶.

6. What are the incentives (e.g through taxes or tariffs) for each type of residential prosumers?

General

One of the general objectives of the Regulator is to facilitate access to the network for new generation capacity, in particular removing barriers that could prevent access for new market entrants and of electricity from RES⁵⁷.

In addition, Government sponsored assistance schemes and measures are key to incentivising households to invest in RES technologies. These schemes also aim to increase public awareness about renewable energy technology and thereby expand the market. Results are monitored and lessons learnt will contribute to improving future initiatives⁵⁸.

The Government considers the energy sector as one of its main priorities and its strategy includes a number of measures, such as:

- Continued fiscal incentives on the purchase of PV panels;

⁵⁴ For further information on grid issues in Malta see: <http://www.res-legal.eu/search-by-country/malta/tools-list/c/malta/s/res-e/t/gridaccess/sum/168/lpid/167/>

⁵⁵ Connection to the grid: <http://www.res-legal.eu/search-by-country/malta/single/s/res-e/t/gridaccess/aid/connection-to-the-grid-29/lastp/167/>

⁵⁶ Regulation 9 of the Feed-In Tariffs Scheme (Electricity Generated from Solar Photovoltaic Installations) Regulations.

⁵⁷ Regulation 20(e) of the Electricity Market Regulations.

⁵⁸ NREAP, p.23.

- Affording each family access to solar energy from PV panels independently of whether they have adequate space to accommodate them;
- Schemes whereby space on residential or industrial rooftops is offered to Government and/or the private sector for the installation of solar panels, with the benefits being shared between the parties⁵⁹.

The Government recently launched subsidy schemes. Consumers who invest in PV panels will be refunded 50 % of the costs (up to a maximum of EUR 2,300). Successful applicants could also benefit from a special feed-in tariff⁶⁰. However, as stated above, the **feed-in tariff scheme for solar PV installations greater than 1 kWp and less than 40 kWp has been oversubscribed and is no longer open for applications**⁶¹.

The Strategic Plan for Environment and Development encourages RES use in buildings (Policy Thematic Objective 9.13). In November 2015, a new set of guidelines was issued - one of its objectives was to further support the uptake of solar technologies within the curtilage of buildings. The guidelines encourage the introduction of PV at ground level within backyards, within the building fabric, in surface car parks and other open spaces particularly those within non-residential developments. The requirement to set back PV units from the front and back edge of rooftops so as they are not visible has been removed to enable more houses to have PV units.

Subject to compliance with the guidelines, no specific planning permits are required. PV installations that fall outside the scope of the guidelines require a planning permit⁶². The Regulator also adopted a fast track permitting system for PVs not larger than 16 Amps per phase to facilitate the installation of these systems and their connection to the grid⁶³.

Finally, there has been a significant reduction in the price of PV panels over the years, driven by greater demand and mass production. This downward price trend has established PVs as a credible source of renewable energy and has resulted in an increase in the number of applicants benefitting from Government support schemes⁶⁴.

6.1. Does your country apply specific tariffs to prosumers

- to charge them for the electricity they draw from the grid for consumption?
- or to compensate them for the electricity they feed back into the grid?

Answer:

Malta does not apply specific tariffs to prosumers drawing electricity from the grid. Residential prosumers pay the normal prices for consumption of electricity from the grid.

Electricity generated by solar PV installations is however supported through a **feed-in tariff** and an **investment grant scheme** whereby investments in domestic plants generating electricity from solar energy are eligible for grants⁶⁵ as described above.

In addition, according to Regulation 8 of the Feed-In Tariffs Scheme (Electricity Generated from Solar Photovoltaic Installations) Regulations, the DSO can set off amounts due by the installation operator for the supply of electricity against amounts due to the installation operator for exporting

⁵⁹ NREAP, p.26/7.

⁶⁰ Times of Malta, 'Three new solar panel schemes announced', 11 May 2016, available at: <http://www.timesofmalta.com/articles/view/20160511/local/three-new-solar-panel-schemes-announced.611733>.

⁶¹ <http://www.res-legal.eu/search-by-country/malta/single/s/res-e/t/promotion/aid/feed-in-tariff-4/lastp/167/>

⁶² NREAP, p. 47

⁶³ NREAP, p. 47.

⁶⁴ NREAP, p.42.

⁶⁵ Malta: Overall summary, <http://www.res-legal.eu/search-by-country/malta/>

electricity to the system. Therefore, the **compensation** that prosumers have for the electricity fed into the grid is that the surplus generated is deducted from their electricity bill, which means that they might pay less compared to conventional consumers.

In addition, Regulation 9 provides for the sale of electricity after the expiry of the period of guaranteed payment of the feed-in tariff. The installation operator can request the DSO to effect the necessary modifications to the solar PV installation connection to the distribution system to enable the installation operator to use the electricity generated from the solar PV installation for his own use and to be compensated for any exported electricity at the applicable rate at the time and as provided in the Fourth Schedule (EUR 0.08,9 per kWh for the year 2016). Where the installation operator does not use this option, the DSO will continue to purchase all the electricity generated by the solar PV installation and exported to the distribution system and will reimburse the installation operator for such electricity at the rate established in the Fourth Schedule.

6.2. Does your country

- tax prosumers in a specific way?
- allocate to them a certain part of the cost to upgrade the grid to accommodate the extra generation they feed into the grid?

Answer:

Malta does not seem to tax prosumers in a specific way.

As described above, the installation operator must bear the costs of modifications to the solar PV installation connection to the distribution system to accommodate extra generation, including those related to the metering and connection required by the DSO⁶⁶.

7. A. What are the conditions that may encourage the take up of residential prosumers (to entry into activity or during functioning)?

General

The main barrier to PV technology is land-use issues in light of Malta's size and high population density. It is therefore Government policy to incentivise investment on roofs⁶⁷.

Support in terms of EU/national capital grant incentives and feed-in tariff schemes, as well as the reduction in cost of module production, have resulted in roof-mounted PV systems becoming more attractive and affordable, and hence larger and more numerous. This proliferation of systems is generating increasing concern on their visual impact affecting the urban landscape and skyline in village cores. PV systems on rooftops are often highly visible from street level and adjoining streets⁶⁸. In addition, the cost of electricity from PV is still high relative to that of conventional fossil-fuel-generated electricity⁶⁹.

B. What are the conditions that may act as barriers for residential prosumers (to entry into activity or during functioning)?

General

The main barrier to PV technology is land-use issues in light of Malta's size and high population

⁶⁶ Regulation 9 of the Feed-In Tariffs Scheme (Electricity Generated from Solar Photovoltaic Installations) Regulations.

⁶⁷ NREAP, p. 40.

⁶⁸ NREAP, p.41.

⁶⁹ NREAP, p. 42.

density. The Regulator has a responsibility at law to remove barriers that could prevent access for new market entrants and of electricity from RES⁷⁰.

The absence of regulation protecting solar rights is considered as a barrier to residential prosumers by the NREAP. While single-family dwellings such as terraced houses, detached houses and semi-detached houses should in theory encounter fewer issues from the perspective of available roof area when installing PV panels, the lack of protected solar rights (or regulated compensation) represents a problem as it is becoming more common for owners of houses to encounter problems with their PV installation, due to the over-shading of adjacent buildings. Such problems, arising in the course of the system lifetime, may be so acute as to downgrade the performance of already installed RES systems appreciably⁷¹.

7.1. What are the metering systems for each type of residential prosumer? Do these systems provide adequate conditions for prosumers integration in the market?

Answer:

The use of smart meters would seem to provide an adequate system for the integration of prosumers on the market. One of the general objectives of the Regulator is to facilitate access to the network for new generation capacity, in particular removing barriers that could prevent access for new market entrants and of electricity from RES⁷².

The DSO must ensure the implementation of an intelligent metering system to assist the active participation of consumers in the electricity supply market⁷³.

In accordance with Regulation 11 of the Energy Efficiency and Cogeneration Regulations electricity consumers must be provided with individual meters that reflect their actual energy consumption and that provide information on actual time of use. This requirement only applies in so far as it is technically possible, financially reasonable and proportionate in relation to the potential energy savings. When an existing meter is replaced, smart meters must always be provided, unless it is technically impossible or not cost-effective in relation to the estimated potential savings in the long term. The objectives of energy efficiency and benefits to consumers must be fully taken into account when establishing the minimum functionalities of the meters.

According to Regulation 11(4)(c), to the extent that intelligent metering systems are implemented and smart meters are used, in the case of electricity and on request of the final customer, meter operators must ensure that the meter/s can account for electricity put into the grid from the final customer's premises.

If final customers request it, **metering data on their electricity input and off-take will be made available to them** in an easily understandable format that they can use to compare deals (Regulation 11(4)(d)). Appropriate advice and information must be given to customers at the time of installation of smart meters, notably about their full potential with regard to meter reading management and monitoring of energy consumption (Regulation 11(4)(e)).

Meter readings are used for billing purposes.

As stated above, according to Regulation 8 of the Feed-In Tariffs Scheme (Electricity Generated from Solar Photovoltaic Installations) Regulations, **the DSO can set off amounts due by the installation operator for the supply of electricity against amounts due to the installation**

⁷⁰ Regulation 20(e) of the Electricity Market Regulations.

⁷¹ NREAP, p.66.

⁷² Regulation 20(e) of the Electricity Market Regulations.

⁷³ Point 2 of the Second Schedule to the Electricity Market Regulations.

operator for feeding electricity in to the system. This setting off is only permissible where the claims are undisputed or are certain, liquidated and due.

In the case of solar PV installations with an installed capacity of more than 100kWp, this set off only applies by agreement of both the DSO and the installation operator. Where there is a set off agreement, if the amounts due to the installation operator for electricity fed in to the system are in excess of the amounts due by the installation operator for the supply of electricity by the DSO, the DSO must credit the installation operator the balance due by means of a credit note. The DSO will pay the installation operator the balance due when two consecutive scheduled bills based on actual meter readings are shown to be in credit and payment must take place within 60 days of the date of the second scheduled bill.

Where the installation capacity is larger than 100kWp and no set off agreement exists between the installation operator and the DSO and the amounts due to the installation operator for electricity fed into the system exceed the amounts due for the supply of electricity by the DSO, the DSO must credit the installation operator the balance due within 60 days from the scheduled reading of the metering equipment. The DSO must carry out the meter reading within intervals of at least two months from the date of the first reading of the metering equipment.

In addition, as described above, Regulation 9 provides for the sale of electricity after the expiry of the period of guaranteed payment of the feed-in tariff. The installation operator can request the DSO to modify the solar PV installation connection to the distribution system to enable the installation operator to use the electricity generated for his own use and to be compensated for any electricity fed in to the system at the applicable rate as provided in the Fourth Schedule (EUR 0.08,9 per kWh for the year 2016). Where the installation operator does not use this option, the DSO will continue to purchase all the electricity generated by the solar PV installation and fed in to the system and will reimburse the installation operator for such electricity at the rate established in the Fourth Schedule.

7.2. What are the billing conditions for each type of residential prosumer?

Answer:

Maltese law does not separately deal with billing conditions for residential prosumers. The general rules apply, whereby actual consumption based on meter readings is the basis for billing information. Electricity consumption is measured in kWh; one kWh is represented as one unit in electricity bills. As stated above, in the case of residential prosumers, the DSO can set off amounts due to the installation operator for the electricity generated, not consumed and fed into the system. In some cases, prosumers might still consume electricity from the grid while feeding electricity generated to the grid. Therefore, both the surplus and the electricity generated and not consumed is deducted from the prosumer's electricity bill.

Applicable tariffs for electricity services are regulated through the Electricity Supply Regulations and authorised by the Regulator for Energy and Water Services. Electricity tariffs include an annual service fee, a consumption charge per unit of electricity consumed and other applicable fees. Tariffs vary depending on the type of service (residential, domestic or non-residential) as well as the amount of electricity consumed. The applicable tariffs are available on Enemalta's website. Any changes to these tariffs are publicly announced in advance⁷⁴.

⁷⁴ <http://www.enemalta.com.mt/index.aspx?cat=2&art=261>

- 7.3. Are there measures to encourage the creation of energy communities at municipal level, or other schemes to encourage inclusive development of the market?

No measures to encourage the creation of energy communities at municipal level were identified.

- 7.4. Are there rules facilitating the creation of energy cooperatives to provide a legal entity to energy communities? Are there measures facilitating other type of schemes and if so which ones?

No such rules or measures were identified.

- 7.5. What are the procedures/provisions for establishing cooperatives for prosumers? Are they more simple/less costly than those for other schemes?

No procedures/provisions for establishing cooperatives for prosumers were identified.

8. Other questions on the regulatory framework

- 8.1. What are the provisions for establishing the complaint procedure? What are the complaint handling procedures for each type of residential prosumer?

No specific provisions establishing the complaint handling procedures for residential prosumers were identified. The general procedures available to consumers would therefore apply.

- 8.2. Are there any specific redress procedures available only to residential prosumers?

No specific redress procedures available only to residential prosumers were identified. The general redress procedures available to consumers would therefore apply including the possibility to appeal from decisions of the Regulator before the Administrative Review Tribunal.

The Administrative Review Tribunal as set up by Article 5 of the Administrative Justice Act⁷⁵ is competent to hear and determine appeals from any decision of the Regulator made under the Regulator for Energy and Water Services Act and any regulations issued thereunder⁷⁶. This includes e.g. where the Regulator refuses to authorise new electricity generating capacity⁷⁷. Any person aggrieved by a decision of the Regulator can file an appeal.

An appeal to the Administrative Review Tribunal may be filed on any of these grounds⁷⁸:

- (a) that a material error as to the facts has been made;
- (b) that there was a material procedural error;
- (c) that an error of law has been made;
- (d) that there was some material illegality, including unreasonableness or lack of proportionality.

Appeals from decisions of the Regulator must be made by application and filed with the secretary

⁷⁵ Chapter 490 of the Laws of Malta, Administrative Justice Act, Act V of 2007, available at: <http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=8956&l=1>

⁷⁶ Article 32 of the Regulator for Energy and Water Services Act; e.g. Regulation 30 of the Electricity Market Regulations.

⁷⁷ Regulation 11(5) of the Electricity Market Regulations.

⁷⁸ Article 32(1) of the Regulator for Energy and Water Services Act.

of the Administrative Review Tribunal within 20 days from the date on which the decision was notified in writing to the party or published in the Government Gazette, whichever is the earlier. The application of appeal is then served on the Regulator that must file its reply with the secretary of the Tribunal within 20 days from such service⁷⁹.

Article 15 of the Administrative Justice Act deals with the procedure before the Administrative Review Tribunal:

- Proceedings before the Tribunal start with the filing of an application in the Registry, containing: a clear and correct statement of the subject-matter and the cause of the claim; the claim or claims; a clear and detailed statement of the facts of the case; the names of witness to be produced; the remedy being requested.
- The application is served on the public administration within 5 working days from its filing and the public administration must file the reply within 20 days from the date of service of the application, unless it intends to admit the claim.
- When the public administration intends to admit the claim, wholly and unconditionally, it must file a note to that effect. Once the applicant declares, by means of a note filed within 20 days from service of the public administration's admission of claim, that he is satisfied with the remedy granted by the public administration, the Tribunal will abstain from taking further cognizance of the case.
- If the applicant is not satisfied with the remedy, whether in full or in part, or if the public administration intends to contest the claim wholly and unconditionally, the public administration must file a reply containing: pleas that would otherwise be considered as waived if not raised before the contestation of the suit; a clear and correct statement of the pleas on the merits of the claim/s and referring to the provisions of the law in terms of which the decision was taken; a clear and detailed statement of facts of the case of which the public administration is aware, denying, admitting or explaining the circumstances of fact set out in the applicant's application; the name of the witnesses to be produced; a request that the public administration be non-suited with costs against the applicant.
- Where the claim is contested, the Tribunal will appoint the case for hearing.

Parties to proceedings before the Tribunal can file an appeal from the Tribunal's decision to the Court of Appeal following the procedures set out in Part IV of the Administrative Justice Act.

⁷⁹ Article 32(7) of the Regulator for Energy and Water Services Act.

Country fiche (Summary and ranking)

The **country fiche** summarises the information from the report and ranks the **level of favourable impact** of each type of measures in relation to its favourable impact to the take up of residential prosumers.

Country fiche	Ranking Low/Medium/High
General Description of the national regulatory framework - Types of residential prosumers - Institutional framework - Applicable legislation, plans and objectives - Definition of residential prosumers There is no definition of residential prosumers in the legislation. Legal instruments dealing with energy generation and efficiency generally contain relevant requirements. The institutional framework is clear and not complex and includes the general bodies competent in the field of energy. There is a single distribution system operator (DSO).	Medium
Specific Questions on the regulatory framework for residential prosumers	
Permitting requirements for each type of residential prosumer There is very little administrative burden for small-scale RES producers. Producers who produce electricity solely for their own use; are not connected in parallel to the distribution system; and have installed a total peak generation capacity of less than 1500 kVA are exempted from the requirement to obtain a licence.	High
Rules applicable to the access to the grid RES electricity producers enjoy priority access to the grid. The DSO must provide any new producer of energy generating electricity from RES that needs to be connected to the system, with comprehensive and necessary information. The access rules are not complicated. Before connecting an RES, such as PV panels, to the national electricity grid, written approval from the Regulator must be obtained. Once the Regulator approves an application, it will provide the DSO with the details of the application and the DSO will then provide necessary feedback and/or the No Objection document within specified timeframes.	High
Incentives (e.g taxes and tariffs) for each type of residential prosumers The following measures are considered to act as incentives for residential prosumers: - Subsidy schemes - Capital investment grants - Feed-in tariff scheme (note that the feed-in tariff scheme for solar PV installations greater than 1 kWp and less than 40 kWp has been oversubscribed and is no longer open for applications);	High

- Continued fiscal incentives on the purchase of PV panels; - Schemes whereby space on residential or industrial rooftops is offered to Government and/or the private sector for the installation of solar panels, with the benefits being shared between the parties; - Fast track permitting system for PVs not larger than 16 Amps per phase; - Removal of permit requirement for certain PV installations; - Significant reduction in the price of PV panels over the years, driven by greater demand and mass production.	
Conditions encouraging or acting as barriers for residential prosumers • What are the metering systems for each type of residential prosumer? • What are the billing conditions for each type of residential prosumer? • What are the measures to encourage the creation of energy communities at municipal level? • What are the rules facilitating the creation of energy cooperatives? Are they more simple/less costly than those for other schemes? Are cooperatives the most common legal status for energy communities? The conditions encouraging residential prosumers include the support provided in terms of EU/national capital grant incentives and feed-in tariff schemes, as well as the reduction in cost of PV panels. The use of smart meters and the possibility to set-off amounts due to the DSO against surplus generated and fed into the system are also conditions that should facilitate self-consumption. The main barrier to PV technology is land-use issues in light of Malta's size and high population density. The Regulator has a responsibility at law to remove barriers that could prevent access for new market entrants and of electricity from RES. The absence of regulation protecting solar rights is also considered as a barrier to residential prosumers. There are no rules encouraging the development of energy communities or cooperatives.	Medium
Other questions on the regulatory framework • Complaint handling procedures for residential prosumer • Redress procedures available only to residential prosumers There are no specific complaint handling and redress procedures for residential prosumers. The general procedures and avenues to seek redress are nevertheless available.	Medium

Executive Summary

Although they do **not expressly define or mention residential prosumers**, various laws dealing with energy generation, storage and efficiency are relevant to residential prosumers in Malta. These laws recognise certain forms of self-consumption and contain provisions relevant to the generation of energy by prosumers.

The main source of energy for residential prosumers in Malta are small scale solar photovoltaic (PV) systems that convert sunlight into electricity that can be used to complement or substitute the electricity provided by the national distributor and are generally installed on rooftops. The Feed-In Tariffs Scheme Regulations establish a **feed-in tariff for electricity generated from solar PV installations**. However, the feed-in tariff scheme for solar PV installations greater than 1 kWp and less than 40 kWp has been oversubscribed and is no longer open for applications.

Malta's National Renewable Energy Action Plan supports the integration of PV systems on residential premises with other sources of electricity including through fiscal incentives. In addition, the **licensing system in Malta facilitates self-consumption** by providing for licence exemptions for small-scale RES generation. Residential prosumers can benefit from the exemptions. In addition, one of the general objectives of the Regulator is to **facilitate access to the network** for new generation capacity, in particular removing barriers that could prevent access for new market entrants and of electricity from RES. RES electricity producers enjoy priority access to the grid.

The **support provided** in terms of grant incentives and feed-in tariff schemes, as well as the reduction in cost of PV panels, the use of smart meters and the possibility to set-off amounts due to the distribution system operator against surplus generated and fed into the system facilitate self-consumption. On the other hand, the **main barrier** to PV technology is land-use issues in light of Malta's size and high population density. The absence of regulation protecting solar rights is also considered as a barrier to residential prosumers.

There are no rules encouraging the development of energy communities or cooperatives. Similarly, no specific redress procedures available only to residential prosumers were identified. The general redress procedures available to consumers would therefore apply including the possibility to appeal from decisions of the Regulator before the Administrative Review Tribunal.