

MEMORANDUM FOR THE CABINET
BY THE HON. MINISTER OF AGRICULTURE,
POWER AND COMMUNICATIONS

Bailey Power Supply

When part of H.M. Dockyard was transferred to Messrs. Bailey (Malta) Limited in March, 1959, the arrangements were, as regards supply of electricity, that initially Messrs. Bailey would obtain their electricity supplies from the Admiralty Generating Station. This period, as far as it could be ascertained, was to be for five years from 31st March, 1959. After that date the outgoing Administration had agreed in principle that the supply to Messrs. Bailey would be taken on on the Government system. This was in fact one of the reasons which prompted at that time a review of the generating capacity of the Civil Government Station. The supply of this substantial block of load, coupled with the rapid expansion of the system, necessitated a careful examination of the then generating capacity of the Civil Government System and the Consultants, after careful investigation, recommended that an additional power station should be erected to meet this future growth of load. At the same time funds were provided in the current five year plan for the laying of two land feeders to supply Bailey (Dockyard) and to link up at the same time with the Admiralty Generating Station. This latter arrangement was resorted to to enable an interchange of power between the Civil Government Generating Station and the Naval Generating Station up to a capacity exceeding 3 M.W. and also because the existing submarine cable linking the two stations was unreliable.

2. Work on the laying of the feeder cables to the Bailey Dockyard and the interconnector cables to link up with the Naval Generating Station is nearing completion and it is expected that by early November of this year these cables will be ready to go into service to take over the Bailey supply on the Government system should Government approve of this arrangement. When completed the interconnector cables will have a maximum power handling capacity of 10,000 K.W. and will replace the existing submarine interconnector which, as already stated has proved to be unreliable. It may be stated that apart from the fact that Bailey's load would tend to improve the system load factor and thus reduce the cost per unit, a standing arrangement exists between Government and the Admiralty whereby the latter has promised to supplement our station supply by 4 M.W. in cases of plant outage or capacity limitations after the Bailey load had been connected to the Civil Government system. The Admiralty Authorities gave also the Water and Electricity Department to understand that it may be possible for them to extend their help up to 6 M.W. after 1963. It is known that the Admiralty Authorities are carrying out certain modifications in their Station in order to be able to give us this extra

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help. It is anticipated that with 6 M.W. from the Naval Station and provided that there will be no plant outage on our side, the Water and Electricity Department may stand a chance of meeting the peak load expected in 1964 or if we shall have to shed load it will not be considerable. It is also pointed out that unless Government decides in favour of taking over Bailey's load, the terms of the agreement mentioned above may be prejudiced. The Admiralty may not provide the extra help on which the Department is placing its hopes to meet the increasing load demand during the next two years, with the result that the Department will have to shed the loads as follows:-

1 M.W. during the peak season, i.e. November to January 1963/64 and anything in excess of 25 M.W. after July 1964. Conditions would become extremely worse if there will be any plant outage on the Civil Government side. This will undoubtedly have disastrous effect of imposing serious limitations to industrial expansion, apart from forcing the Department into the awkward position of having to withhold the provision of all new services after July 1964.

3. At an informal meeting which was held on the 26th September, 1962, with the Naval representatives, the Manager, Water & Electricity Department was asked to give the date when it was expected to transfer Bailey to the Civil Government System. The Manager replied that this matter was under Government consideration to which the Admiralty officials replied that in such circumstances they intended to request officially definite information from the Civil Government on this point. During the discussions the Admiralty representatives again confirmed more or less what has already been stated above, namely that a supplementary supply up to 4 M.W. would be afforded to the Civil Government Station by the Spring of 1963, should this be needed by the Department, and that such supplementary supply would continue to be given up to 1965/66. The Naval representatives also confirmed that they would help, when they could, by affording a supply up to 6 M.W. up to the year 1964.

4. As it is unlikely that the new station will be ready for commissioning before December 1964 for reasons beyond the Department's control, it is the Department's view, apart from the reasons given above, that the Bailey supply should be taken on, on the Government system, as soon as the feeders are ready and at the same time negotiations should be opened officially with the Flag Officer Malta with a view that the Admiralty supply of 4 M.W. be possibly increased to 6 M.W. and the period of such supply be extended up to the end of 1966 when it is hoped the new station will be ready for operation. From discussions held with the Naval Authorities it transpired that the present Bailey day load amounted to 3.5 M.W. which can be comfortably met by the existing Civil Government Station and that the evening load amount to 1 M.W. which may increase up to 2 M.W. when the new Docks are brought into service. This would in effect mean that if the Bailey load is

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taken over and agreement reached for a supplementary supply from H.M. Dockyard as stated above the Department would obtain a net gain in generating capacity of not less than 2 M.W. which would indeed be a welcome relief until the new station is commissioned.

5. Hon. Ministers are asked whether they agree that the Bailey load should be transferred to the Civil Government System as soon as the two feeders are ready for operation.