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EIB

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An agreement was signed today between Terna and the European Investment Bank (EIB) for a EUR 130 million loan in support of investments for the public component of the “Piedmont-Savoy” project, the new 320 kV direct current electricity interconnector that will link Italy and France. The loan has a term of 22 years and a fixed interest rate of 1.64%.

“We are very proud of the contribution that the European Investment Bank has chosen to provide to this strategically important project, which will make Europe’s entire power grid more efficient and safer and help to implement the single electricity market”, remarked Luigi Ferraris, Terna’s CEO. “The interconnector with France is an innovative project that is unique globally thanks to the engineering solutions adopted, combining sustainability and development, as provided for in Terna’s investment plan for the country.”

“This operation confirms the EU bank’s engagement in the vital sector of energy networks and further consolidates its fruitful partnership with Terna: in recent years we supported with EUR 1 billion financings in total the Italian network operator’s key investment plans to upgrade and develop the electricity transmission network”, said EIB Vice-President Dario Scannapieco.

The high-voltage power interconnector between Piossasco (Italy) and Grande-Île (France) known as “Piedmont-Savoy” provides for an overall cross-border exchange capacity (combining public and private components) of 1 200 MW. The project will use technological solutions that are unprecedented globally and has been identified by the European Commission as a project of common interest (PCI) at Community level. With a length of 190 km, equally distributed between Italy and France, this will be the world’s longest direct current cable power line, fully integrated within the transmission infrastructure system and therefore ‘invisible’.

The project confirms Terna’s culture in terms of sustainability and respect for the land and is consistent with the strategy of growth designed to combine investment with the objectives of greater safety, minimal environmental impact and lower grid costs. The operation also comes under the EIB’s financing priorities in the fields of energy and environment.

When the work has been completed – the power line is expected to be operational by the end of 2019 – “Piedmont-Savoy” will be the fourth interconnector between Italy and France, serving to increase the exchange capacity between the two countries by some 40% and bolstering the integration and competitiveness of the electricity market, in line with EU strategy.