

Our Ref: MRA/108/09

Ing. Alex Tranter
Chairman
Enemalta Corporation
Church Wharf
Marsa MRS 1000

7th December 2009

Dear Alex ,

I refer to your letter dated 6th November 2009 regarding the request for a revision of the present electricity tariffs.

The Malta Resources Authority has performed an extensive exercise to review the information provided. This exercise has shown that your proposal does not follow the principles and mechanism, which were agreed and approved in May 2009.

The main points of divergence in the proposal are the calculation of the ROCE which does not conform with the May 2009 Report and the specific costs/variances which should have been absorbed by the Corporation. These points are increasing the tariffs by €7.29 million, which increase the Authority considers unjustifiable.

Prior to proceeding with its formal decision on the tariffs the Authority would like to give you an opportunity to make the necessary changes in your proposal to address the above mentioned issues. The Authority requires the amended proposal by not later than close of business 10th December 2009. The senior management of the Authority will be available to discuss any queries and/or clarifications which you might require.

The Authority notes with satisfaction the prompt response and cooperation shown by your staff during this review exercise.

Yours truly



Reuben Balzan
Chairman