

# Families could pay €23m more in utilities

Kurt Sansone

Families could pay an additional €23 million over their present bills when the new water and electricity tariffs are introduced in January, a far cry from the €4 million quoted by the Finance Minister.

An exercise undertaken by The Times shows that, in all probability, Tonio Fenech was comparing the January rates, which have yet to be announced, with the all-time high October 2008 tariffs rather than with what consumers are paying now.

Despite speaking about the new tariffs on Sunday and quantifying their impact, Mr Fenech was reluctant to elaborate on his statement even though he was provided with this newspaper's workings.

"The Malta Resources Authority is evaluating the requests that have been presented to it, so there is nothing to add at the moment," he said when asked whether he was comparing the 2010 tariffs with the present tariffs or the October 2008 ones.

When speaking at the Nationalist Party general council meeting, Mr Fenech said the higher tariffs in January would mean an additional expense of €14 million for families, which would be brought down to €4 million with the one-off compensation of €10 million announced by the government in the Budget speech.

However, analysing Enemalta's costs made public by the Infrastructure Ministry on November 6, residential consumers could be expected to collectively fork out an additional expense of €33.4 million over their present bills. If the one-off energy compensation is taken into account, families would have to foot a bill of €23.4 million in 2010.

Nowhere does it result that families would be paying an additional €4 million unless the figures are compared with the October 2008 tariffs.

In fact, the difference between the burden families will shoulder come January and what they had to carry in October 2008 works out at about €13.5 million. Deducting €10 million would see

households shouldering an additional €3.5 million over the October tariffs.

The new tariff structure was introduced in October last year and caused an uproar. On April 1, in line with falling oil prices, tariffs were cut by 22 per cent for households and by up to 26 per cent for commercial and industrial consumers.

Meanwhile, on Monday, the recently-set up trade union confederation, *Ghaqda Unions Malta*, asked the energy regulator for a meeting to clarify a number of issues linked to the tariffs.

Confederation chairman John Bencini said unions wanted to know whether the government had consulted with the resources authority before announcing the energy compensation in the Budget.

It also wanted to clarify whether the tariffs would be introduced for a whole year and whether the regulator would be looking into Enemalta's inefficiencies.

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## Ronan Keating in Malta in April

Irish superstar Ronan Keating will be performing at the MFCC in Ta' Qali on April 3, next year in a live concert organised by NnG Promotions.

Ronan Keating kicked off his career with pop band Boyzone and then went on to release a steady stream of solo successes. In Malta, he is expected to perform a selection of his recent hits.

"With his music that offers a mix of pop and rock, Ronan Keating is one of the most followed artists of our time. He has been the recipient of a number of Smash Hit and MTV Awards and, since his first solo When You Say Nothing At All, his career has gone from strength to strength," NnG representative Nigel Camilleri said.

Since that first single topped all charts in the summer of 1999 and sold in excess of half a million copies, the singer has gone on to record a number of love anthems including *Life Is A Rollercoaster*, *Once Upon A Lifetime*, *If Tomorrow Never Comes* and others. His Malta concert is an extension of his *Songs For My Mother* tour, which will see him performing in a number of European countries.

The concert follows a jam-packed season by NnG including three concerts by four international singers: Joseph Calleja, Michael Bolton, Laura Pausini and Tom Jones.

NnG Promotions said discounted tickets would be available on sale between today and Sunday.

### Compared to what?

| Tariffs              | October 2008         | April 2009 | January 2010 |
|----------------------|----------------------|------------|--------------|
| Target revenue       | €305.2m              | €254.2m    | €339.8m      |
| Family revenue       | €119m                | €99.1m     | €132.5m      |
| Difference with 2010 | €13.5m               | €33.4m     | -            |
| Energy allowance     | Subtract €10 million |            | -            |
| Additional expense   | €3.5m                | €23.4m     | -            |

### Sources

Target revenue: Infrastructure Ministry.

Family revenue: the Deloitte Report commissioned by the Resources Authority earlier this year worked out that about 39 per cent of Enemalta's revenue came from households.

Additional expense: this is what households will be expected to pay more in January compared to the October tariffs and the current rates introduced in April.

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