



29<sup>th</sup> October 2014

Mr Ronald Mizzi  
Permanent Secretary  
Ministry for Energy and Health (Energy)

Dear Mr Mizzi

**RE: Role of the Department of Contracts in the award of Contract CT 2180/2011 to Alberta Photovoltaic Consortium**

I reply to your request to clarify the role of the Department of Contracts in the award of Contract CT 2180/2011 to Alberta Photovoltaic Consortium, in the context of the administrative shortcomings identified by the Internal Audit and Investigations Department in the process leading to the award of the contract.

I went through the relevant files kept at the Department in conjunction with the tender in process and it transpires that MRRA had classified the Contract as a Public Service Concession (hence outside the Public Contracts Regulations). Hence the involvement of the Department of Contracts in the process leading to the award of this tender was extremely limited.

The Department of Contracts was not involved in the issuing, evaluation, adjudication, clarifications and short listing of the bidders in the Expression of Interest process. The Department of Contracts was only referred to in the issuing of the Tender Document (by invitation to the three shortlisted bidders), approval of the evaluation committee members upon recommendation by MRRA, and the approval of the evaluation report submitted by the Evaluation Committee. The Evaluation report dated 25<sup>th</sup> June 2012 was discussed by the General Contracts Committee and approved the recommendation of the Evaluation Committee to award the tender to Alberta Photovoltaic Consortium, who was the only bidder.

Allow me to also point out that the Permanent Secretary of the MRRA Dr Chris Ciantar, had requested DG (Contracts) to delegate him for the signing of the Letter of Intent. Subsequently, on 5th September 2012, Dr Ciantar issued the Letter of Intent to Alberta Photovoltaic Consortium on behalf of MRRA.

Following that, on 7th December 2012, the Concession Agreement was signed between MRRA and Alberta Photovoltaic Consortium, together with the Lease Agreements for the Premises of the Water Service Corporation, and that for Public Properties signed between MRRA, the Commissioner of Land and Alberta Photovoltaic Consortium.

The copies of the above mentioned agreements were only received at the Department of Contracts on the 27th February 2013, which is more than 2 months after the signing.

In view of this I can safely conclude that the Department of Contracts had absolutely no involvement in the Expression of Interest process, and only had a very limited role in the Tender process. The management of the whole process was entirely within MRRA.

Regards

A handwritten signature in dark ink, appearing to read 'A Cachia', with a long horizontal stroke extending to the right.

Anthony Cachia  
Director General (Contracts)

WE spoke...The FIT was established in the tender process ie the bidder set the FIT

Anthony

1) The extract (attached) of the Board minutes regarding the FIT.

The minutes clearly indicate that the MRRA was the Ministry responsible for the tender so much so that when presented to MRA the Permanent Secretary MRRA and two consultants Ing Antoine Riolo and Ing Vince Magri were in attendance. Presentation clearly states that presentation was o.bo the MRRA.

The Board approved the tariff based on the fact that 1) There was a tender process 2) The explanation and justification provided by MRRA.

A copy of the presentation is attached

A copy of the letter sent to PS MRRA is attached

It is important to note that MRA was not involved in the issuing of the tender and or the adjudication process.

If you require further information please let me know. However it is very clear that I did not approve the tariffs and that I did not present the case to the Board. The case was made by MRRA and their consultants.

Thank you

Anthony

(Communication received from Mr Anthony Rizzo – CEO of the Malta Resources Authority)