

EAST AFR. PROT

C.O.
23186

23186

10 MAY 20

McGREGOR ROSS W.

1920

7th MAY

Last previous Paper.

2024

MOMBASA ELECTRIC LIGHT AND POWER COY.

Suggests terms of reply to Coy on subject of
 Agreement, charges, license, and Power station

1920

to be done

Please see 16/5/20 for the
 letter from Msa. Coy which we
 desire to answer.

- (1) Can you say when the
amending Ord. will be ready?
- (2) Have you any objection to
 Mr Ross' proposed reply to
 Msa Coy's letter.

See general note for
 reply should, I think, be
 as in minute on 16/5/20.

A.C.P.

12.5.20

P.T.D.

Last Paper

G.S.9.

Sir R. G.

Mr. Bush is away in Germany
and as far as I do not think he is
presently concerned at this stage.

I agree with Mr. Aggrey Ross that
we can't have any co-operation &
concession letters, or names given, and
I see no great objection to bringing
before us the fact that we have
written to him to take up electric supply
when we have a Island and we have written
to him that we will not come under the
order if they start to do so, they will
have a right before negotiations are
started to end another clause.

W.C.B. 13.5.20.

At your
convenience

at once!

H. J. R.

14/5/20

(This is a
copy of a
letter sent
to you
earlier
but was
not received
until today)

C O
23186

42 BENGEO STREET,
Hertford, Herts

May 7, 1920. 437

RE
Ref. to May 20

THE MOMBASA ELECTRIC LIGHT AND POWER CO. LTD.

Ref. CO No 20024/1920
of April 27, 1920.

O 20024

Sir,

In reply to your above letter I have
the honour to submit the following observations:

1. The Company in their letter B.M. 29
of April 29th approach the subject from an
altogether different stand point to the one which
it is incumbent on Government to adopt. Their
primary considerations are the interests of their
members and the limitation of their losses.
In this connection it has been computed with spirit and
courage that the cost of the task would be less by three
times. It is an indication of ineptitude that
they can never comment

what the normal load in the locality is likely to be
and what the local Government has to say as to
a suitable and large power station.

On the side of the best interests and the
prospective early load they want a more definite
new stand or exclusive incorporation. It is one
of our citizens' tenet concerning that they have made
no promise and sustained the cost to extend their
existing concern over a larger power load.

2. No further notice need be taken of the
letter before comments on the standardization of
method and processes of supply advanced on their
second page. To one does not fail to see the
desire to stick strictly to one method as marked
advantages, but equally it is seen to say that
for a mixed service with a growing one, length
which may reach large dimensions, the standard
standard to go by is one which will fit in with the trans-
verse 30 km. of coastline of our island which has
been created in the last 10 years. It is a
well understood fact that they wish to cover up
the whole coast and as such as standard which
is selected on the basis of a position in the
political industry and other weight (if it were possible)
is converted into standardised with a future
economy and incalculable public advantage.

In paragraph 7 of C.O. N° 14514, 1922 of Annex 25, the Company were asked to decide one of the alternatives they would adopt. In replying they suggest applying for a little of both, and they raise three new topics of both indefinite and undefinable effect namely:

the continuance of the Company's present supply colony as it is economical for it to do so ... in the due course of ordinary business;

provision by Government to meet the pressing need for the overhaul of its plant coupled with an altogether backless suggestion that Government action has deprived it of opportunity to do this hitherto,

and dependence upon an extensive town-planning scheme for the Island of Mombasa which is understood to be under consideration.

To deal only with the last, it is the case that satisfactory town planning in Mombasa Island will involve a great cost and a long time of time and it is out of the question to expect negotiations on this score to begin to have action in this year.

I request that the movements of Colonization and Commerce in my territories may be continued, because the resources are too meagre and incapable to satisfy the greatest degree of demand in dealing with the institution of a cheap and reliable power supply. I am well aware from past experience, that negotiations with this company under its present Directorate, unless Government makes up their minds for them are likely to prove interminable, and I propose some such reply as the following:-

"I am directed to acknowledge in due course the intention of Government that the companies operating in the supply & storage areas in the East African Protectorate shall be delimited under the regulations imposed by the Electrical Ordinance 1920, or on the other hand retained beyond the boundaries comprised in it, on such terms and conditions at the time at which the contract is entered into by your Company upon the precise and definite terms of the original agreement, and a

~~the~~ variation or extension of powers would in the case of your Company, as in that of others, involve the cancellation of all special powers and agreements arrived at, alteration in object conformity w^t the requirements of the Native Law. I am enc^yg to you

(3) Government is unable to hold out any hope of the mill remaining to charge up to the standard & maintaining a unit, for a period of the next 4 months.

(4) It is not fit in my judgment that any consideration leading to varied machinery in time to 1st Aug. and 28 of the following October.

(5) The statement made in my letter of the 21st June you were that the Company desired upon the issue of their delegation rights in the form of a license under the new ordinance, that it should appear for continued operation, that unless the terms of its original Agreement or other contingency Government would retain the right to take such actions as the requirement of administration and commerce in the interest of the public might seem to call for. The Government would be unwilling to accept the compromise advanced in your third hand, application had even though they had given a public advertisement or otherwise, that no likelihood existed of the early inauguration of an ample and reliable supply by the licensee under the old steel tower Ordinance n^o 20. Government will therefore now consider itself justified in instituting proceedings as to witnesses on the part of the parties to applying for such a license.

(6) I trust that I must assure you that it is considered to be necessary for the public & Government to have upon the most efficient site for a central power station so near the expected rate of scale - up to a power plant in the same future.

I have the honor to be Sir,
Your most obedient servant
S. L. Meekings. D.L.C.
Deputy Commissioner
for the Colonies

19

Downing Street,

20 May, 1920.

DRAFT.

Ansd
29/5/20

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19
P.D.M.

Sir,

With further reference to your letter of the 20th of April regarding the Mombasa Electric Light and Power Company Limited, I am directed by Viscount Milner to inform you that it is intended that companies operating in the supply of electrical energy in the East Africa Protectorate shall be definitely under the obligations imposed by the Electric Power Ordinance 1920, or, on the other hand, definitely outside the privileges conferred by it. There is no intention that any amending Ordinance should modify sections 50, 108, 137 and 138 of the principal Ordinance; but the proposed amending Ordinance would at the most provide for continued operation by the Mombasa Electric Light and Power Company, limited, upon the precise terms of the original Agreement. It is possible, however, that the Ordinance will provide that, if occasion arose to vary or extend the powers provided for under that Agreement, the whole of the operations of the Company must thereafter

bearly 17th May.

Parkinson. }
Sottomay. } 18-6-20

Finniss.

Lambert.

H. Read.

Piddon.

mary.

Miller.

consideration.

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J.W. H.

thereafter be conducted in accordance with
the Principal Ordinance, all special powers and
agreements being cancelled.

2. I am to point out that the alternatives
advanced in the letter from this Department of
the 25th of March were that the Company should
apply for fresh operation - rights in the form of
a License under the new Ordinance or that it should
apply for continued operation - rights under the terms
of its original Agreement. Lord Milner is unable to
consider the suggestions contained in your letter,
and he desires it to be made clear that no hope
can be held out that powers will be granted to
charge up to the equivalent of 1/- a unit for the
period of the extension.

3. I am to express regret that your enquiries
as to the most suitable site for a central power
station and as to the expected rate of development
of a power load in the early future are not matters
upon which Lord Milner is prepared to advise.

4. I am to request that the Company will now
indicate which of the two courses proposed in the
letter from this Department of the 25th of March
they desire to accept.

I am, etc.

(Signed) H. S. READ