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FCO  
23 JUN 19

London EW

B.E.A. Electric Power Order 1918

1919  
28 June

Next previous Paper.  
37042

Requests interview To discuss.

See a 37042

My notes.

30.6.19

Mr. White

we had a long talk with Mr. Casson  
yesterday.  
In the case of the Social companies. Two  
companies are in negotiations & supply to others  
on a profit making basis. He has claimed  
that the companies will be closely associated  
with the Government & would run operations  
but it was clear that in general it was not  
They wish to extend their supply to other  
countries, and the B.P.A. has wanted them  
that in that case they will - under the  
new Bill - have become distributors & will  
have to be held to meet demands for  
supply from other persons. Reading the  
terms of the B.P.A. letter (which is being sent to

Next subsequent Paper.

38753



in 37042) it seemed to us a friendly  
warning, but Mr Cowan's view was it a  
design to force the Companies to abandon  
their fall & take on liability from someone  
else

3 Mr Cowan is also interested in schemes  
for the installation of small water power  
plant of about 4 H.P. in other parts of  
the Protectorate

the two classes tended to become mixed up,  
but it was clear ultimately that Mr Cowan  
did not object to the provisions as to phase 2  
and A though he did as regards B

You took him in detail through sections 3 & 4  
of the Ord<sup>n</sup> and I think he was really  
convinced then that the interpretation must  
be that

(a) Power licenses, in the existing laws  
were not affected by the Ord<sup>n</sup> as  
they were not by the provisions as  
to power licenses ( § 3 (6) ), though  
new works, but come under the Ord<sup>n</sup> ( § 3 (2) )

(b) Only if the Power licensee had occasion  
to apply for a distribution license under the  
Ord<sup>n</sup> but would be come under the  
provisions of § 3 (9), such that the  
concern under the Ord<sup>n</sup>

(c) § 4 does not apply the Ord<sup>n</sup> to  
power plants for their own  
purposes.

the new class B are untouched,  
while class A are only affected to the extent  
that they instead of working in co-operation  
with existing farms will for profit and  
to extend their business. If so, it

all that  
is in

I think A & B  
the class A are  
not, but  
only regard on  
to of that the  
think it is  
the same  
the same

in 37042) it seemed to me a friendly  
"opening" but the Commission in its  
"final" report (the Commission to abandon  
then fall & take on quality from someone  
else

B for Compu is also interested in schemes  
for the installation of small water power  
plant of about 4-12 in other parts of  
the West

Two classes tended to become mixed up,  
but it was clear ultimately that the Commission  
did not object to the provisions as to phrase  
in mind A though he did as regard B

You took him in detail through sections 3 & 4  
of the Ord<sup>ce</sup> and I think we ultimately  
concluded that the interpretation must  
be that

(a) Power licenses, in their existing scope  
were not affected by the Ord<sup>ce</sup> as  
state but only by the provisions as to  
power requirements (§ 3(6-7)), though  
new works, but come under the Ord<sup>ce</sup> (§ 3(8))

(b) Only if the Power licensee has occasion  
to apply for a distributive license under the  
Ord<sup>ce</sup> does he come under the  
provisions of § 3(7), which puts the  
licensee under the Ord<sup>ce</sup>

(c) § 4 does not apply the Ord<sup>ce</sup> to  
persons having a plant for their own  
purposes.

As regards class B we understood  
that class A are only affected to the extent  
that they instead of working in co-operation  
for generating power will for profit and  
go on to extend their business. If so, it

and address  
11/20/21

I think A is  
the class as  
drafted but  
only regard  
to-official  
think it  
exception  
and

is not unreasonable that they should  
come under the general provisions  
applying to sellers for profit. 387

The Coman maintained that these  
general provisions were likely to  
hinder the development of the Protectorate,  
and suggested that they should be  
limited to installations of more than  
500 H.P. This was the most definite  
proposal he made and I promised that  
it should be noted but I pointed out  
that

(a) The Bill had been before the  
public for two years but that  
although the growth of electric  
supply had evoked great interest  
he only got three objections when  
the measure had been read in the  
House & was awaiting the Governor's  
assent.

(b) Provisions as to Electric Power in  
this country are chaotic & could not  
be coordinated, & in fact when  
in S.A.P. we had the opportunity of  
co-ordinating before the vested  
interests became an insuperable  
obstacle, & in the interests of the  
future importance of water power in  
a country which had no coal or oil  
it was essential that we should  
do so. He agreed in principle but  
said that our provisions were  
unnecessarily rigorous.

On other points he said that the provisions  
as to (1) standardization - § 50(1) - were  
unworkable & would have to be dropped  
& (2) accounts, etc., § 41 et seq were much  
too elaborate in a country which depended  
on Indian clerks. He also said that  
the method of charging for current  
was wrong (see para. 5 of the letter  
to the Governor in 33/92) - & that there  
ought to be latitude as between charging

3368-72

- (1) according to cost of production & (2)  
(2) ————— and price  
by value of service. He spoke much  
of the two schools of thought on the  
subject. We did not discuss, but  
I think that in the interests of  
consumers who would otherwise be  
held to ransom there is much to be said  
for (a).

At the end of the discussion I said  
that if it was possible that we should  
have an opportunity of discussion  
with the Electrical Engineers before  
the Bill came into effect, when  
we could put the Council's points to  
them, but I pointed out again  
that it was very late in the day to  
take the Bill to pieces, and that  
to do so would undoubtedly be

in 30. (38)

On other points he said that the provisions  
as to (1) standardization - § 58(1) - were  
unworkable & would have to be dropped  
& (2) accounts, re, § 41 et seq were much  
too elaborate in a country which depended  
on Indian clerks. He also said that  
the method of charging for current  
was wrong (see para. 5 of the letter  
to Mr. Guinness in 33/92) - & that there  
ought to be latitude as between charging

3368-72

(1) according to cost of production & (2)

(2) ~~\_\_\_\_\_~~ and fixed  
by value of service. He spoke much  
of the time & trouble of thought on this  
subject. We did not discuss, but  
I think that in the interests of  
consumers who would otherwise be  
held to ransom there is much to be said  
for (2).

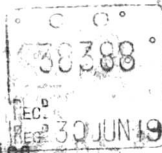
At the end of the discussion I said  
that if it was possible that we should  
have an opportunity of discussion  
with the Electrical Engineer before  
the measure came into effect, when  
we could put Mr. Carson's points to  
him, that I pointed out upon  
that it was very late in the day to  
take the Bill to pieces, and that  
to do so would undoubtedly be

in Gov. (33)

3698 Victoria.

XXXXXXXXXX  
TEL. NO. 3142 (GENERAL) LONDON.  
TELEGRAMS: "VICTORIA" LONDON.  
XXXXXXXXXX

EDW W COWAN,  
S. J. G. E.  
MINISTER  
OF RES.



121,  
VICTORIA STREET,  
LONDON, E.C. S.W.1.

28th June 1919.

Secretary of State for the Colonies,  
Downing Street, Westminster.

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Sir,

B.E.A. Electric Power Ordinance 1918.

With reference to the Memorandum and covering letter dated June 22nd sent to you by me on behalf of the British East African Sisal Producers London Committee, I have since received a letter from Col. Gilmour, D.S.O. M.P. in which he enclosed a letter he had received from Col. J.S. Amery upon the subject of the above Bill.

In this letter Col. Amery writes as follows:-

"If Mr. Cowan will send in a memorandum of the points which he wishes to raise on this Ordinance, an interview will then be arranged at an early date for him with the Legal Assistant and the Head of the East African Department of the Colonial Office. "

I am not sending in an additional memorandum as the memorandum of the B.E.A.S.P.L.C. embodies my views so far as it goes in regard to the inapplicability of this Ordinance to the conditions now obtaining in British East Africa.

I shall be very glad indeed to have an opportunity of discussing this measure with your Legal Assistant and the Head of the East African Department of the Colonial Office when it will be convenient to you to make the appointment.