

EAST AFR. PROT.  
No. 2932 <sup>04</sup>/<sub>08</sub>

C.O.  
2932  
27 JAN 08

r. 9  
No. 561.

(Subject.)

1907  
28<sup>th</sup> Decr

Electric Lighting of Nairobi Streets & Official Houses

at previous Paper.

Transmits copy Petition of Nairobi Electric Power and Lighting Co Ltd to U.S of S. suggesting £3000 inserted in Estimates for purpose was deleted for financial reasons. If suggestion approved cost must be met from accumulated balances.

(Minutes)

Mr. Read

No details are given of the proposal to light the streets with electricity which from a fiscal as a proposal which is more desirous of support from (local) public funds than the scheme for lighting the official houses. In fact, if the Nairobi Town Council can vote way to pay for the current it is desirous of having electric light in the streets which I think is desirable for the

Copy to be made on 11 March  
Copy left to go on 25 April 1907

12085



is hardly of sufficient importance  
to make it worth while to  
carry the vote against the  
unofficial members.

614

Wt. Jan. 30

I saw a representative of the Co. today  
he urged that in the interests of  
the Institute itself, they should  
ought to count the Co. in its  
present critical position by all  
legitimate means.

If we <sup>decide to</sup> grant the Co. request, the  
exact terms to be required

would of course be for some present  
negotiation - in considering them

the attached paper, which I  
obtained from the B. & T., may be

use. On the question of  
principle, however, I am in favour

of meeting the Co. if means can  
be found to provide the fund  
required without undue

I have used  
the names of  
of those  
who are  
not

difficultly. - Probably we can make  
some reduction when we get the  
estimate on expenditure on works  
for official purposes.

You take an interest in the cost

of

6.2

Mr. Churchill

This takes too long to explain on paper.  
The Coy. has made a splendid effort. Brass,  
Carpenters, wires - all are ready. But  
they need support in these early days.  
I shall do by giving them support  
and let it be its own terms for between  
years. The sum involved is small.  
The advantages of electric light indisputable.

The Governor & Treasurer proposed  
the expenditure to the Leg. Council.  
The unofficial members & themselves  
partially opposed the electric light  
but agreed the same amount proposed  
to be built by the private for themselves.  
There was a long & ill-tempered  
debate after which the official  
members threw out the proposal  
of their own Treasurer in the  
Budget submitted by their own  
Governor. Their own is scarce  
what was intended.

6.2

If reductions can be effected sufficient  
 to enable the Electric Light to be installed,  
 well & good - and I do not pretend to  
 dream that houses are really necessary -  
 But I must add that I consider the  
 proper housing of the apparatus a very  
 important matter - and I am under the  
 impression that there is a good deal to  
 be done in that respect.

£ 13.2.

To be paid by Estimates Committee

1841 15.2

Mr Read

This has been circulated to the Committee

1840 19.2

Mr Read

The Committee has not dealt with this at their meeting  
 to day, & I presume it <sup>should</sup> ~~will~~ come to deal with  
 departmentally

1840 21.2

It is a pity that the Committee did not  
 search this. If the alterations in the Estimates  
 were approved suggested by the Committee  
 we appeared the £5000 can be inserted  
 as a saving still shown  
 the total of the Estimates as framed by the

Council.

The sum of £2000 shd therefore  
be inserted provisionally  
as we might sh. Dept. whether  
they consider the rates proposed  
reasonable.

W. 22/2

W. Antislavery.

So proposed?

H. J. R. 24/2

W. 26/2

W. 27/2

W. 27/2

£ 27

*H. G. ...*

*H. G. ...*

Governor's Office,

Nairobi,

December 28th 1907.

EAST AFRICA PROTECTORATE.

No. 561

(Incl. E)

2932  
REC<sup>d</sup>  
REC 27 JAN 08

My Lord,

I have the honour to submit a copy of a petition from the Nairobi Electric Power and Lighting Company Limited to the Right Honourable Winston Churchill and of the correspondence which subsequently took place between that Company and the Treasurer.

Petition  
Treasurer  
No. 16/128

2. A sum of £5,000 had been inserted in the Estimates to meet the cost of installing electric lighting in the streets of Nairobi and in houses occupied by the principal officials, the proposal being that the officials in whose houses light should be so installed should pay for the lighting, and a certain rent on the instalment.

3. In the discussion, however, which took place on the Estimates in the Legislative Council, this sum of £5,000 was deleted on the grounds that the present financial position of the Protectorate did not justify the expense.

4. The petition with regard to the lighting is well summed up in the Treasurer's letter which accompanies this despatch, that whereas there are many works

H.M. PRINCIPAL SECRETARY OF STATE

FOR THE COLONIES,

DOWNING STREET,

LONDON, S.W.





Recd  
18th 27 JAN 08

Petition by the Nairobi Electric Power and Light Coy. Ltd. To have electric Light installed in Government Official residences, Military Lines and Jail and to have electric power used so far as possible in Railway and other Government workshops.

618

XXXXXXXXXXXXXXXXXXXX

To The Right Hon. Winston Churchill, P.C., M.P.

Sir,

In bringing this petition to you for consideration we are aware that in so doing we are encroaching on the somewhat limited time which you have at your disposal for considering the many engrossing problems which this country affords, but we are confident that you will appreciate the justness of our claims and pardon the liberty which we have taken in thus approaching you.

Briefly our petition is:

As a Pioneer Company in a new country, who have incurred a very large capital expenditure on a project which must from its very nature, be beneficial to Nairobi and district, we consider that the Government should assist us in every way they can. We appreciate with thanks the assistance given to us, as far as it is possible for such to be given, by officers of the Administration over detail matters, and recognising that while it may be possible for the Government to afford us direct assistance, yet by becoming consumers of electrical energy, on purely business terms, it is in their power to materially help the Company to obtain some return for the capital which they have expended. This assistance would be particularly felt during the first few years of the Company's existence. At the same time we feel sure that

the

the Government would receive full value for any money which they may expend in installing electric light in Government buildings or electric power in Government Workshops.

We have approached the Administration on this matter but are informed that H.E. Governor has no funds at his disposal, to pay for the cost of such installations.

There are at present roughly 40 Official private residences, and on basis of each requiring an average of 12 light the cost of installing Electric Light in each, would be approximately £15 or a total cost, in round figures of about £640, for the whole of the present Official residences. This estimate does not include the Government house, for which we already have the order.

With regard to the Jail and Military Lines, we feel confident that the many advantages of Electric Lighting in such places will speak for themselves.

With regard to the use of electrical energy in the Uganda Railway and P.W.D. Workshops we fully recognise that, in the case of the first mentioned, it is impossible to immediately alter or dispose of the existing plant, but taking into consideration the rapidly extending trend of modern engineering practice, to replace steam driven machinery in workshops by electrically driven machinery, we would request that wherever possible all future extensions of plant or replacements of existing machinery should be driven by electrical energy.

In conclusion we would respectfully draw your attention to the fact, that in India it has been recognised that in certain places, where the number of private consumers does not really warrant the large outlay necessary to instal an electrical generating plant, that the advantages of having such an installation in the place

warrant

warrant the Government guaranteeing to the firm who is willing to set up machinery, that they will use the current produced, in the Government Railway workshops for lighting the streets, Government Buildings etc.

And we would respectfully request that you would favourably consider our petition and would suggest to the Home Government the advisability of the Treasury allowing a grant to enable the above suggested installations to be carried out and so to encourage enterprise and its introduction of capital, to be expended by private firms in this country, which will materially assist in its development.

We have the honour to be,  
&c., &c., &c.,

p.p. Edw. V. C. C. Baylton,  
Managing Director.

30/10/1907.

The Treasury,

621

Mombasa. 16th December 1907.

Govr. No. 17/123

C. O.  
2932  
RECEIVED 27 JAN 08

Sir,

In connection with the deletion from the draft estimates of the provision inserted therein for electric light and power installation at Nairobi, I have the honour to enclose a copy of a petition addressed by the Nairobi Electric Power and Lighting Company to the Under Secretary of State on the occasion of his recent visit to East Africa and copies of two letters addressed to me by the Company dated the 8th and 22nd of November respectively.

I have the honour to suggest that the whole correspondence be forwarded to the Colonial Office for consideration.

On the one hand there are at present doubtless many works of a more urgent nature than lighting Nairobi, which should have a prior claim on any available capital at the disposal of the Government.

On the

HIS EXCELLENCY THE GOVERNOR,

N A I R O B I .

On the other hand, by assisting the Company in the earlier days of its existence, the Government would undoubtedly be able to obtain more favourable terms than if any such arrangement as that proposed were postponed till a later date.

I understand that Mr. Churchill was very favourably impressed with what he saw of the enterprise of the Company.

I have the honour to be,  
Sir,  
Your most obedient Servant.

*J. B. B. B.*  
Treasurer.

The Nairobi Electric Power & Lighting Co. Ltd.

Nairobi, B. E. A.,

3/11/1907.

The Hon. C. C. Bowring.

Treasurer L.A.P.

Sir,

We beg to enclose a list of the 40 Official residences, for the installation of electric light, in which an approximate estimate was given, in our Petition of 30/10/07, to the Light & Heat Commission P.C., N.P.

Railway Hill. (Lower Road)

No.	Owner	Class	Present Occupier.
1.	P.M.D.	Wood & Iron.	Mr. Watts.
2.	Railway.	Stone	" Eastwood.
3.	do	W & I.	Mr. Milne.
4.	do	Stone	Mr. Cruickshank.
5.	do	W & I.	" O'Leary.
6.	do	Stone.	" Sandford.
7.	do	do	" Sturch.
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8.	do	W & I.	(higher road) Dr. Johnson.
9.	do	do	Mr. Pennington.
10.	do	do	" Currie.
11.	do	do	" ?
12.	do.	do	Van de Velde.
13.	do	do	" Caine.
14.	do	do	" Cooper.
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The Hill.

15.	?	Stone	Present Government House.
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No.	Owner	Class	Present Occupier.
16.	P.W.I.	W & I.	Town Magistrate.
17.	do	do	Nurses.
18.	Railway.	W & I.	Mr. Greiss.
19.	P.W.D.	W & I.	Present European Hospital.
20.	do	do	Land Officer.
21.	do	do	I. E. Police.
22.	do	do	Hon the Commissioner for Lands
23.	do	do	Chief Vety Officer.
24.	do	Stone.	Dr. Ingr P.M.D.

-----  
Protectorate Hill.

25.	do	W & I.	The Lieut Governor.
26.	do	do	Hon - Hollis.
27.	do.	do	Col the Hon J. Will P.M.O.
28.	do	do	Mr. Monson.
29.	do	do	" Bell & Slaney.

30.	do	do	Capt. Neave.
31.	do	do	?
32.	do	do	Mr. Isaac.
33.	do	do	?

34.	do	do	Police Officers.
35.	do	do	do
36.	do	Stone.	In course of erection.
37.	do	do	do near Hospital for Resi- dent M.O.

-----  
The Hill. below "Bishops Bourne"

38.	do	do	In course of completion.
39.	do	do	do

-----  
In Town.

40.	do	W & I.	Dr. Ross.
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The numbers against each house are merely our own numbers for reference.

The actual ownership of these houses we may, of course, be wrong in, as we have no information as to the actual terms under which they are held.

There are other W & I houses in town near Dr. Ross' but we not included those occupied by subordinate Officials, in this list.

We have not included the New Govt House for which we already have the order.

The installation which we propose, will give a sufficient number of lights in each room of each residence, with plain fittings, ready to switch on, to give a good and efficient light to the house.

But the house would be wired, also, in such a manner that the wire to each one light fitting will be capable of carrying sufficient current to allow of a three-light fitting being placed on it. In this means, any resident who liked to provide his own fancy fittings (chandeliers etc) could without damaging the Government installation, use the same. (As for instance an occupier entertaining largely might like to put a three light fitting over his dining room table) Such fittings would be his own "tenant's fixtures" as is customary at home, and if he left he would remove them, replacing the Government plain fitting.

This would in no way damage the same and is no trouble to do. We could guarantee the installations being of such a nature as to pass the Fire Insurance Rules of the "Fire Insurance Association of the Transvaal", a very stiff code of rules.

In estimating for 12 lights in each house we do not mean that each house will necessarily require 12 lights, some may want none and some less, it is merely an average

figure



figure which we have arrived at.

Although, naturally, we could not, without authority, inspect each house in detail, we think that the approximate figure given, is a nearly correct one.

Of the houses of this year's programme, except the four we mention as being in course of construction, we have no information as to what is projected, but seeing that they will apparently vary considerably in size, we think that the standard of 12 lights at Rs.20/- per light can safely be quoted as an approximate estimate, for the purposes of calculation.

From information we have been given, as to the consumption of oil etc, in the hotels and private houses here, we have no doubt that the amount which have to be paid for current by the occupier, will show a saving or at any rate will not exceed his present oil and breakage bill. To say nothing of the complete immunity from the risks of fire through carelessness of boys etc, which will be afforded by a properly installed system of electric light.

It has been suggested that electric light may not be safe in wood and iron houses, but we think that the cases of S. Africa, America and the thousands of ships at sea are sufficient refutation of this.

We have publicly stated that we are prepared to give a three years guarantee from date of our being ready to supply current in Nairobi, not to raise our prices for current. (Schedule enclosed) With regard to the Military Lines and Jail, we shall be glad if required, to go into details, but the estimate of Rs.20/- per light will probably be about what it will come to.

Should, as we hope, our Petition be favourably considered, we will, of course furnish the usual detail estimates for each house, placing the proposed positions of the lights on the plans for approval.

We have, &c., &c.,  
Sd/ R. C. Baydon.  
Managing Director.

## The Nairobi Electric Power &amp; Lighting Co. Ltd.,

Schedule of Prices for Current. Voltage 200.  
Lighting.

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Per month per lamp.

3 Candle power	Rs.1/-
16 do	Rs.1/25 <sup>0</sup> cts. (= 31 per annum).
32 do	Rs.2/-
50 do	Rs.3/-
2 1/2 ampere arc lamp	Rs.5/-
5 do	Rs.10/-

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By meter.

6 annas per Board of Trade Unit.,

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Current for Power purposes.

By meter only.

2 annas per Board of Trade unit.

N.B. All heating apparatus taken as current for power purposes and at the lower rate.

Our prices per meter are the same as those charged by the majority of supply companies in London.

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The Nairobi Electric Power & Lighting Co. Ltd.,

Nairobi, 22nd November, 1907.

Sir,

In reply to your enquiry, as to what terms my Company are prepared to offer to the Government, for the supply of electrical energy for power and lighting purposes, may I first briefly explain our position, in the matter of prices.

Clause 20 of our Contract lays down: "Provided that if the Commissioner shall consider that the maximum prices chargeable for electricity supplied under this Contract ought to be altered and reduced, he may, by giving notice in writing to the Contractor at least 12 months before the expiration of the said term of 10 years require such maximum prices to be altered and reduced in such manner and to such an extent as may be agreed upon between the Commissioner and the Contractor and in default may be fixed by arbitration under the provisions hereinafter contained and during the said extended term of 15 years the prices so altered and reduced shall be substituted for the maximum prices which may be charged for electricity supplied hereunder."

As the contract dates from 27th July 1906, and as the present maximum prices we are allowed to charge under it, are:—3 annas per B.O.T. unit for current for Power purposes, and, 3 annas per B.O.T. unit for current for lighting purposes (vide clause 11), and that we have already stated that our present charges:—

2 annas per E.O.T. unit for current for Power purposes.  
 6 annas per ditto. ditto Lighting ditto.

or

or

Rs.1/-	per month per	8 cp lamp.
Rs.1/25	ditto	16 ditto.
Rs.2/-	ditto	32 ditto.
Rs.3/-	ditto	48 ditto.
Rs.5/-	ditto	24 ampere arc lamp.
Rs.10/-	ditto	5 ditto.

will not be increased for three years, from date (about Jan 1st 1903) when current will first be supplied to consumers, this leaves only about 5 1/2 years, in which, if we desired to do so, we could raise our charges to the very moderate maximum laid down, and agreed on, between the Crown Agents for the Colonies and ourselves, as being fair charges.

And that as after this period there can be, at the discretion of the Governor a compulsory reduction of the same, there is no ground for an assumption that we shall, when the town extends, be in the possession of a powerful monopoly, which could be used to the detriment of unfair treatment of the public.

We must also point out, that not in charging the maximum rates which we are allowed to and that by guaranteeing to the public that we will not raise our present prices for at least three years we have put our prices to a purely nett cash basis, and have endeavoured to avoid a system of high prices, long credit and big rebates to certain consumers, which though perhaps looking more advantageous to some, on paper, must necessarily entail extra labour and expense, which must, in the end, be borne by the consumers themselves.

At the same time we realise, that should the Govt. decide to give us a large order now, in the present state of affairs here, the same would materially help us at a very critical period in the development of our Concession.

You

You will, also, I am sure, recognise the difficulty of arriving at a standard of rebate, at such a period as this. The town is so young and its development has up to the present been so rapid and at the same time so erratic, that it is impossible to arrive at any statistics, which could give a safe guide as to what it will do in the future.

The only way, which we can offer to a large consumer like the Government, a rebate or concession is, (1) by guarantee as to not raising prices to them, and (2) by giving a rebate in proportion to the prosperity of the Company, which must necessarily depend on the prosperity of the town in the future.

It may be argued that a rebate in proportion to the prosperity of the Company (i.e. by the dividend declared on its ordinary shares) is open to evasion by unfair distribution of the Company's income before the dividend is declared, but in this you are ~~is~~ safeguarded by clause 19 of the Contract, by which it is possible to leave it such an unfair distribution has occurred and if it has, the unfair evasion of the Agreement, would I think be easily remediable in law.

We would therefore beg to offer you the following terms, if it is decided to install electric light into the Government's bungalows, and into the streets of the town:

1. For 3 years from date of our supplying to our first consumer in town, the prices for current to be as follows:-

For Power purposes 2 annas per B.O.T. unit.

" Lighting do 6 do

or Current for lighting at:-

Rs.1/- per 3cp lamp per month.

Rs.1/25 " 16 . ditto.

Rs.2/- " 32 . ditto.

Rs.3/ " 50 . ditto.

Rs.5/- per 2½ ampere arc lamp.

Rs.10/4 " 5 ditto.

2. After the end of the above Three years, so long as the Company is paying a dividend of not less than 5 per cent on its ordinary shares, these prices will not be raised.
3. That until the Company pays a dividend of 6 per cent on its ordinary shares, no rebate will be given.
4. That on a dividend being declared, on the ordinary shares of 6% and not exceeding 12%, the following rebate will be given:-
  - 2% on the annual value (for that year) of order, plus
  - 1% on same for each 1% that the dividend declared exceeds 6%.
5. That on a dividend being declared on the ordinary shares of over 12% the following rebate will be given.
  - 4% on the annual value (for that year) of order, plus
  - 1% on same, for every 1% that the dividend declared exceeds 12%.
6. At the expiration of the 10 year period (clause 20) should H.E. the Governor NOT exercise his right of ordering a revision of prices, this arrangement to hold good for the further period of 15 years. If he does exercise the right referred to, naturally fresh arrangements must be made.

I have, &c., &c.,

Ed/ K. C. Bayldon.

Managing Director.

The Nairobi Electric Power &  
Lighting Co. Ltd.

on C. C. Bowring,  
Treasurer E.A.P.

Ack'd with thanks (112) 631A  
1/12



30<sup>th</sup> January 1908

Dear Sir,

In reply to your note of today  
I enclose you a copy of a  
Confirmation Act of last season  
containing various orders. The  
orders relating to Castle-bord and  
Liveness are probably samples of  
what you want.

The Order itself contains

very

every key provision most of the  
provisions applicable to the

understanding being embodied in the

Electric Lighting (Amendment) Act 1882

I send you a copy of that

Act together with copies of the Electric

Lighting Act 1882 and 1888, both of  
which also apply

Yours faithfully,

Hamilton

H. B. A. C. 24





That H.L. may be favored  
with the opinion of the  
Board as to whether  
the terms of notes pro-  
posed by the B. are  
reasonable, & with any  
alterations which  
they may here to  
make on the scheme

3 I am to enclose  
a copy of the Conception  
which has been granted  
to the B.

L  
Ara

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(Specimen 26202  
Specimen 26202)