



EAST AFR. PROT
65 13/14

65
REC'D / JAN 14

Herbert Placette
Bureau of Highway C. H. H.

Concession

1913

31 Dec.

Sends memo of meeting at Co. 3 Dec. & asks for confirmation.

Last previous Paper.

Gov
4687/13

Mrs. Thompson
Mr. Read

It was not proposed that we should put the proposed terms to the Company before referring them to the Governor for final discussion with Mr. Baylson.

Except in one respect this price may I think be accepted. The exception is as to ~~the~~ the land, if any, which may be leased by the Govt. in connexion with the installation of the "Vika" falls. The Govt. in 4687 asked that this should be excluded from the "prescribed price" payable on acquisition & this is what we put to Mr. Baylson & he agreed to. Now however the Company ~~that~~ they land should only be excluded

Mr. Baylson
Copy sent for Govt. 9 Jan 14

Subsequent Paper.

Gov 1181
NR

from the enhanced value arrangement,
by which 25% is to be added to the value
of the concern for compulsory purchase
& food etc. (§ 22 of original concession).

When the land is leased ^{by the Govt} for the
particular purpose of the concession the
Co. have no rights in it after the
concession expires. In the original case
(see Cl. 9. (1) & (2)).

all the land was so leased & therefore
in reference to land obtained in § 23
at that time the Co. will in all probability
hold all their land from private owners
with
they have rights over the land which
must be reconquered & for this reason

it was agreed to insert "land" in the section,
but if they find they have to lease any
land from the Govt. the original provision
revises in respect of such land & they
will have no right to ^{highest} compensation
for it either at cost (which means that
would mean) or at an enhanced value

? Ach: not, say that the Govt.
accepts their ~~the~~ means. Generally as
representative [accurately] the results of the
decision [the proposals which have
been communicated to the Govt. for his
consideration] with the exception of the parcel
of land leased by the Govt., assuming
that in this matter the case is an
identical with those of the original
concession in which the land was
not included in the enhanced value

Cl. 22. is
the relevant
Clause. It
affects the
same as the
through law
is maintained
Cl. 2

omit further
translates
H. J. R.
The

at all. City of Cambridge & Gov. & Act
esp. dated on Cl. 21
4/6/87 2/1/14 332

I agree, subject to
marginal note
Cl. 21/14

H. J. R.
at once
H. J. R.
2/1/14

5 THE NAIROBI ELECTRIC POWER & LIGHTING COMPANY, LTD.

TELEGRAPHIC ADDRESSES
NAIROBI, KEN. LONDON.
ELECTRIC, NAIROBI.
PHONE No.
4022 AVENUE.
S.A.S. CODE - 5000. EASTERN.



50, MARK LANE.



LONDON, 31st December 1913. 14

335

Sir,

Our Managing Director, Mr. R. C. Baydon, left for Nairobi on the 7th instant, and was due to arrive there a few days ago. He left on the file here a memorandum of the meeting at the Colonial Office of the 3rd December, and informed me that I should receive in due course an official confirmation of the meeting. Just to put the matter in order, and as no letter has reached me from you, I think it advisable to send you a copy of his notes.

I am, *etc*

Sir,
Yours faithfully,

For and on behalf of

THE NAIROBI ELECTRIC POWER & LIGHTING CO. LTD.

Secretary.

H. J. Read Esq.
East Africa Department
Colonial Office
S. W.

-19454-20

Encl. in No

85
JAN 14

MEMO. of MEETING at the Colonial Office
on Wednesday, 3rd December 1913, at 3.30 p.m.

Present

- Mr. Read Head of the East Africa Department.
- Mr. Bottomley Second of the East Africa Department.
- Mr. Thompson (Solicitor-?)
- Mr. R. C. Baydon on behalf of The Nairobi Electric Power & Lighting Co. Ltd.

The question of use of Ruera Fall No. 2. after the Company leaves it was discussed, and it was agreed that Government should be free to use the Fall, or to allow others to do so, and to have the free use of any works the Company leave on the site, provided that no electric energy generated by use of this Fall should be transmitted a greater distance than one mile from the Fall.

In regard to any land now granted by Government to the Company for the purpose of using the Thika Falls, it was agreed that such should be taken back at cost, and not at an enhanced value, if Government or Municipality took over from the Company in 1956 or after.

H. E. the Governor having cabled the Colonial Office that he was agreeable to the terms set out in the letter from the Colonial Office to the Company of the 5th November, but that he considered that the period of the move to the Thika (Clause 4) should be five years and not ten years as offered by the Secretary of State, Mr. Read wished to know if the Company would accept a compromise of say seven years.

The suggestion that the period should be seven years, with a proviso of extension to ten years under certain circumstances, was very favourably considered by both parties, but eventually abandoned owing to the practical difficulty of expressing in words the real intention. Mr. Bayldon felt unable, without further consideration, to accept a bare period of seven years, as there appeared to be no immediate solution of the difficulty, and it was decided that this point should be again referred to H. E. the Governor, as Mr. Bayldon was sailing for British East Africa the next week, and that H. E. and Mr. Bayldon should discuss and try to settle the point between them.

It was arranged that the agreement embodying the points as already agreed and this point re period when agreed in British East Africa between H. E. and Mr. Bayldon, should be drafted by the Crown lawyers in British East Africa, and approved by the Company's lawyers there, and then sent to England for ratification by the Colonial Office and the Company's Board of Directors in London.

Mr. Bayldon then left the meeting.

After further consideration of point 2 (re seven years or ten years period), Mr. Bayldon returned to the Colonial Office, and again saw Mr. Read and Mr. Bottomley, and made the following suggestion to remove the difficulty, that as the difficulty as explained to him was that H. E. did not wish to be tied to reserve the Thika Falls for the Company for such a long period as ten years, if the Company were not going to use them (on the supposition that in the event of a serious set-back in British East Africa the demand might not warrant their

immediate development), the Company would agree to inform the Governor in seven and a half years (i.e. splitting the difference between H. E.'s five years and the Secretary of State's ten years) if they wish the use of the Falls, and that they would then complete the installation within the ten years.

Mr. Read informed Mr. Bayden that this suggestion, and the point already agreed on re restrictive use of Ruera Fall No. 2., would be submitted by him for approval by the Secretary of State in the usual channels, and then sent out to ^{the} Governor.

NOTE. Presumably the Company will be officially notified in the same way as previously as to the Secretary of State's approval or otherwise of the above points, as now agreeable to the officials of the East Africa Department and the Company, within a few days.

65

P.S. & Exps 333
65 1/2
1145



6th January 1914

DRAFT.

The Secretary
Kenya Electric
Power & Lighting Co. Ltd.

MINUTE.

- Mr. Bodony 2/1/14
- Mr. Ferguson 3/1/14
- Mr. Row 3
- Sir G. Fiddes.
- Sir H. Just.
- Sir J. Anderson 3/1/14
- Lord Emmott.
- Mr. Harcourt.

For comm

No 65 in African
No 4188.

revisions
Copy of 65 1/2, incl., &
the dt. Gov. Cont. W. & B
sch on 1687.

Copy for Capt & Genl. H. 27

Sir,

I am directed by Mr. Secy. Harcourt to ask the rest of your letter of the 31st of Dec^r on the subject of the proposed modification of the concession held by the Kenya Electric Power and Lighting Company in the East Africa Protectorate.

2. I am to inform you that Mr. Harcourt accepts generally the views expressed in your letter as representing the result of the discussion with Mr. Bayloun at this Office on the 3rd of December, with the exception

exception of the second
paragraph, referring
land leased to the
Company by the
Govt. for working the
Thikka fall

3. Or, this ^(As we understand this) point,

Bayldon agreed that
in the event of the
indenture being

taken over the value of
the such ~~land~~ ^{land} should not

be taken into account

in arriving at the
presented price to be
paid. It is to point

out that, if it is
found necessary

for the (2) to obtain

land from the Govt., the
provision with regard to
~~that~~ ^{such} land will be

the same as in the
case of the present

Concession, a clause
22 of which reads

included from the 338A
description of the property,
on the value of which
the presented price is
to be based.

§ 9 am, etc

(Signed) H. J. READ,
for the United States of States

THE NAIROBI ELECTRIC POWER & LIGHTING COMPANY, LTD.

GRAPHIC ADDRESSES:
"PO. FEN. LONDON."
"NIC. NAIROBI."

50, MARK LANE.

No. 4853 AVENUE.

LONDON, E.C.

8th January 1914. 191

RECEIVED
9 JAN 1914
COL. OFFICE

Sir,

Your Reference 65/13-14.

I beg to acknowledge receipt of your letter of the 6th instant, for which I thank you.

As Mr. Bayldon is now at Nairobi, I am sending a copy of your letter on to him there.

I am,

Sir,

Your obedient servant,

For and on behalf of

THE NAIROBI ELECTRIC POWER & LIGHTING CO., LTD.

[Signature]
Secretary.

The Under Secretary of State
Colonial Office
S. W.

JR
Mr. Bockmeyer
attach
21/1