

The Troubled Grand Bahama Power Company

Dear Editor,

The troubled Grand Bahama Power company (formerly The Freeport Power Company) is a creature of Hubert Ingraham's making.

Under the provisions of the Hawksbill Creek Agreement, the Grand Bahama Port Authority Limited is bound exclusively with the fiduciary responsibility for providing an adequate supply of electricity (among other essential services) to its many licensees. This responsibility is, as I said, theirs exclusively and they cannot legally (under the provisions of the agreement) pass this obligation off on to any other entity except of course an agreement be arrived at where the three significant parties named in the said Hawksbill Creek Agreement - i.e. The Government, The Grand Bahama Port Authority and eighty percent of its Licensees - concur with them in doing so.

The Grand Bahama Power company has been having its woes in trying to keep Port Authority licensees adequately supplied with electricity, ever since Hubert Ingraham, in his capacity as prime minister of the country, allowed the Grand Bahama Port Authority Limited to opt out of its fiduciary responsibility. He, by and of himself, without the required concurrence of two-thirds or eighty per cent of the Port's licensees, sanctioned the Port's request for permission to dispose of its majority shareholdings in the Grand Bahama Power company to a Florida based power generating entity (they have since sold to yet another entity). Sadly, power outages seem to have taken on a new meaning on Grand Bahama since that illegal happening. I say illegal because Ingraham had no such legal authority under the said Hawksbill Creek Agreement, in the absence of a tripartite agreement to the effect, to let the Port Authority off the hook.

It should be understood that when this landmark agreement was signed in 1955, the Grand Bahama Port Authority Limited signed on to accept, for 99 years, the role of financing and carrying out the functions of a quasi-government entity, as a part of the bargain. For obligating themselves to this major undertaking, the Bahamian people agreed to forego, for them and their licensees, the collection of customs duties; real property and all other taxes ordinarily imposed on the rest of the country. We (the Bahamian people) agreed for them to issue all business licenses (for which they would collect and are collecting fees), to all and sundry, and to the retaining of all fees collected within the port area for the various services they were obligated to provide. In addition, they were to provide, install and maintain the necessary infrastructure that would facilitate the high efficiency of a functioning city. These things they committed to do notwithstanding the level of profitability, or the lack thereof, which would be derived from the fees they would impose over time.

Ingraham, in his predictable dictatorial fashion, ignored strong written objections from the Freeport Licensee Association to the sale, at the time, and arbitrarily took the decision to approve the Port Authority's request to sell their assets in the power company and thus allowed them to opt out of their fiduciary responsibility to us, 5000 or more, licensed businesspersons. From there on our (licensees) goose was cooked; they both (Ingraham and the Florida buyers) promised us everything in an effort to ease the tension; a more efficient supply of electricity; more favourable electricity rates they said (notwithstanding the rates were already the cheapest in the region) and more efficient power generating equipment, among a bunch of other good things, but what have we gotten? Quite the opposite; a pig in the bag, if you will.

Recently we have been having an inordinate series of power outages that have angered the Grand Bahama community to no end. Television sets and other small household appliances were said to have been damaged and, coupled with the tough times being experienced by all of us in this virtually economically dead city, people are as angry as hell and understandably so. This anger spilled over, a few weeks ago, in the form of very angry demonstrations/town meetings which were called for and held, under the auspices of Troy Garvey's 'Operation Justice' network. All in an effort to determine the reason(s) for these, seemingly, unending series of daily power cut problems. In addition, demonstrators were demanding reimbursement for their damaged goods. They were seen carrying their damaged appliances, purportedly

destroyed by the series of sudden intermittent power outages over time.

Asked in parliament, by members from the opposition PLP, as to what his government was doing about the problems Grand Bahamians were suffering with electricity supply, Hubert Ingraham declared that he knew nothing about the reported electricity troubles we were having here. This was a shocker, to say the least; because it sent an unequivocal message that this FNM government really doesn't give a damn about us in Grand Bahama and is seriously out of touch with what is happening in our communities. How could he not know when, in fact, he has a contingent of eight (8) parliamentarians, including Senators, living in Freeport; three of them cabinet ministers, no less, and the deputy speaker of the house? My mother, who is 85 years old and living in Long Island could tell me, blow for blow, what happens in Freeport by watching the local news, so how in the hell the CEO of the country doesn't know? Has he forgotten that it was this island, and these constituencies, that gave his FNM party control of the country's governance in his three election victories to date? The audacity of him to stand in the parliament and declare that he knew nothing of our electrical woes is simply too much. I don't believe him, of course; I believe that he was deliberately lying, for reasons known only to him. You shouldn't be surprised then, Hubert Ingraham, when in the next general elections Grand Bahama reciprocates in kind and ignores the names of all FNM candidates appearing on the ballot sheets, which, by the way, I predict will happen.

Under legislation empowering the Public Utilities Commission (PUC), Ingraham's government saw to it that this consumer protection agency would have no jurisdiction or oversight over the Grand Bahama Power Company. We were told so, emphatically in writing, when several years ago we wrote requesting the intervention of that agency to investigate, what we concluded at the time were, exorbitant surcharges being levied by this Power generating monopoly on its consumers. The Chairman of the PUC made it abundantly clear to us that Ingraham's FNM government had instructed them very specifically, not to interfere into the affairs of any utility entity located in Freeport area and that Freeport was off limits to them. At the time we were very astonished to learn about this restriction as we were under the distinct impression that any piece of consumer protection agency legislation would have the legal mandate and authority to provide oversight, for which it was brought into being in the first place, over any entity anywhere within Bahamian territory and that no area would fall outside those perimeters, but we were mistaken. We didn't think that any concessionary agreement consummated with the government would automatically exempt any private entity from observing all the rules and regulations provided for under all consumer protection agency legislation currently in force. But Ingraham has his ways of doing things; he fixed it so that the Port Authority would not be hassled (as I imagined he would have put it) by these agencies.

It should be remembered that back then, this Prime Minister was a good friend of the Grand Bahama Port Authority and for him; the Port Authority couldn't do any wrong. So good a friend was he that he told the chamber of commerce, in a speech he delivered at one of their installation banquets just after taking office for the first time in 1992, that he was prepared to allow the Port Authority free reign to do as they wished; that the Port was too big for the Bahamian government to control and that he was prepared to let them operate without any interference from his FNM-controlled, Central Government.

The Freeport power company (now the Grand Bahama Power Co) has been taking advantage of this "central government-approved exclusion" for years and we, the consumers on this Island, have been suffering as a result. Every time we complain about the high fuel surcharge, monthly additions to our bills, they retaliate by reminding us that electricity rates in Freeport are still the lowest in the region. That might be so (and we have no way of really knowing that) but who the hell cares about the region? Unlike BEC and all the others in the region, the Grand Bahama Power company is unique in that its operations enjoy all the Customs duty free concessions provided for licensees under the Hawksbill Creek Agreement. This means that they pay customs duties - which average 45% on most landed values - on absolutely nothing. Their generators are duty free; their cables are duty free; the fuel and lube oils they consume are duty free; their vehicles are duty free; the parts and tires for those vehicles are duty free; their buildings are duty free; all their office/ stationery supplies are duty free and the repairs and maintenance to the equipment, buildings and supplies are all done duty free. No other, like entity in the region, including

BEC, enjoys such a wide range of customs duty exemptions yet we are billed exorbitant fees.

We should not forget that Ingraham allowed them all these exemptions, as well, on the equipment, supplies and fuels used in the servicing of customers outside the Freeport area namely; from Freeport to West End and from Freeport to Sweetings Cay. This was clearly an abuse of the terms and conditions of the Hawksbill Creek Agreement, but we tolerated this breach with the promise of greatly reduced electrical bills. We received no such preferred power rates.

But I ask now why are we still being charged a fuel surcharge when in fact the fuel, which was purchased at \$140.00 per barrel several months ago and which they said was the reason for the additional surcharges being added to our bills, has now gone down to \$70.00 per barrel with no reduction in or elimination of the fuel surcharge?

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