



Editorial

Duke's Mollejon hydroelectric dam in the Mountain Pine Ridge is an enterprise with a single client - Belize Electricity Limited.

B.E.L. had pledged to buy all of the electrical energy the dam can produce - *take or pay* - but has since found that Mollejon cannot generate what it said it would.

Four years ago BEL made a deal with Mexican producers to buy their electric energy at rates much cheaper than Mollejon can offer. Since then BEL has been buying selectively from Mollejon, opting for trans-border power when demand (and the price) is low, and switching to Mollejon power when peak demand makes Mexican power expensive.

Since the B.E.L. majority shares were acquired by Fortis earlier this year, Duke's Mollejon plant has been further marginalized. BEL has refused to honour its take-or-pay clause of the contract, and has discontinued its monthly payments while it continues to draw selectively from Mollejon's production.

BEL, under Fortis' tutelage, is playing hardball. It will continue to draw power without paying until it cancels off the so-called excess of payments under *take-or-pay*. This amounts to several million dollars.

Duke meanwhile is expected to take its dispute with BEL to court. But it may be several months before this matter is heard, and it may be several months until BEL resumes its payments on its own terms, that is to say, paying only for whatever Mollejon produces.

What makes the situation unfair is that BEL has forced Mollejon to go without income for a period of several months - and has done so in an arbitrary manner. The pressure appears to be designed to accomplish one of two things:

1. induce Duke, the Mollejon parent company, to agree to a change in its *take-or-pay* contract; or

2. frustrate Duke into selling off its Mollejon operation to Fortis at a discount price.

Fortis, it seems, has already made up its mind to link Mollejon with the proposed new Chalillo dam. This is a reasonable conclusion to draw from the company's apparent willingness to part with the services of Mr. Ambrose Tillet Jr., one of the brightest and most perceptive of BEL's corps of engineers. He was an outspoken critic of Chalillo, pointing out that there were cheaper alternatives.

With the voice of conscience now gone, BEL and Fortis are set to ensnare Belize in another decade or two of high priced electricity, with the tacit consent and active connivance of the government of Belize.

It is a power-move without precedent, and without conscience! For there is no way that the proposed new dam at Chalillo will help to bring down the cost of electricity for Belizean consumers. The move is a naked grab for territory, to shore up BEL's assets.

Belize shed its colonial tail in 1981. But today, nineteen years later we have grown another. This one is called multinational.

It will take a much more determined effort to shake this one off.