

**Environmental woes**

With environmental concerns over the Chalillo proposals still boiling, another environmental row has surfaced over a proposal to build a causeway across the Placencia lagoon.

Page 3

**Hotellers concerned**

Members of the Belize Hotel Association last week expressed concern over Grupo Taca's recent decision to suspend its Miami-Belize-Miami route.

Page 10

**Toledo takes spotlight**

The people of Toledo will no longer be the forgotten people of Belize and the Toledo district will no longer be "a neglected paradise."

Page 14

**Semipro queries sorted out**

After uncertainties about who was to coach the national basketball team in Cuba, and about where finances were to come from, the BNBA announced that they have the answers.

Page 11

# REPORTER

Independently Serving Belize since 1967

Volume 32, No. 18

Sunday, May 2, 1999

Price: \$500

## Highway to Guatemala is way to go, Musa says

Page 4

Sunday, May 2, 1999

### Engineer bashes Chalillo

(Continued from page 1)  
Ignacio," Jolly said.

Mr. Norris Hall, spokesman for the Chalillo Project, was present for the Jolly presentation to Audubon. He said by way of rebuttal that Jolly was using information out of their scientific context.

Hall said: "Our preliminary findings show that if the dam is constructed, its entire cost, including power-lines will be US \$24 million. The annual amortization on such a loan will be 12 percent for 10 years, however, it is for 40 years.

"This would have to be paid by BEL as the actual cost of energy because the Chalillo project will increase production from 69 to 162 gigawatts per year.

"The unit cost of electricity to the utility company will be less

than US \$7.5 cents per unit kilowatt, compared to the present 9.5 cents we are paying. This is a 28 percent reduction in cost, and it is most likely to be private investment. The country has no outstanding debt on Mollejon. Dominion Energy, a US company, owns 95 percent of it while five percent is owned by the Belize Social Security Board.

"I have spoken to a number of people, including two engineers, who have said that Mr. Jolly has taken what they said out of context."

The Belize Audubon Society has released a statement saying it wants to keep the debate going. It proposes to invite officials of Belize Electricity Limited, the Macal River Chalillo Project office and members of the Environmental Impact Assessment team to present

their views and findings.

Audubon has reiterated its position that the Government of Belize must formulate a long-term energy policy for Belize which will aim to reduce its dependence on imported fossil fuels and energy. This policy must take into account the proper and responsible use of the natural resources of Belize and weigh all the options available for generating power.

"The Government of Belize should conduct a vigorous and comprehensive review of all the options for generating energy from renewable sources," Audubon insists.

"A complete Environmental Impact Assessment in accordance with the Environmental Protection Act of 1992 must be conducted for whichever option is deemed viable before the option is undertaken," Audubon says.



*e Southern High-  
opportunities.*

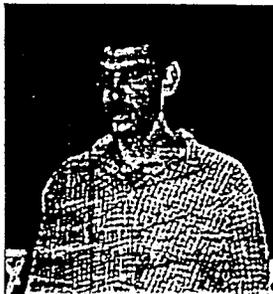
### Engineer bashes Chalillo

Kimo Jolly, an industrial and systems engineer hired by the Macal River Valley Initiative to analyze and interpret existing studies on the proposed Chalillo Dam has presented the first negative reports to emerge from a scientific study.

His conclusion: The additional water storage at Chalillo will make the Mollejon plant more productive, but only during off-peak hours.

"For the four-hour peak period the provision of additional storage at Chalillo only marginally increases the peak capacity and energy, but it would considerably increase in off-peak period in capacity and energy.

"But in the off-peak period electricity is rotten cheap, and it



*Engineer Kimo Jolly*

would be a lot cheaper for us to buy it then. If the dam could make this impact during the peak period it would probably make a difference," Jolly said.

Jolly, who lives in Belize and

obtained his bachelor's degree in industrial and systems engineering, released his findings Wednesday night at a Belize Audubon Society lecture.

Jolly not only questions the potential of Mollejon to increase its capacity with increased water flow, he also questions the flow charts which Belize Electricity Limited has depended on for its calculations.

"I must question the amount of water these tributary rivers actually contribute to the Macal's flow, and what percent of the Macal's flow at Cayo is, or might be, periodically cut off by the dams. I believe the dams will have potential to cut off as much as 71 percent of the Macal's flow to San

(Turn to page 4)

### Festival brightens mortgage market brightens Belize housing scene

A new initiative by Government is attracting hard currency to Belize's economy through private investments.

In a multimillion dollar deal signed earlier this month between the Development Finance Corporation (DFC), the Belize Investment Management Company (BIMCO) and the Trinidad-based Royal Merchant Bank, Royal Merchant has agreed to buy more than \$46 million worth of Belize mortgages.

BIMCO, which is an arm of Social Security in Belize, has received some \$46 million in return, \$19 million of which has gone back to the purse of Social Security.

(Turn to page 4)