

## Reference Text provided to the Montserrat Reporter

### Montserrat takes big step towards merging its utility companies

The idea of merging Montserrat's publicly-owned electricity and water companies has been around for several years -Exco made the decision to merge Monlec and MWA as long ago as 1998. But with the arrival of Thomas Yeung as the new head of Montserrat Utilities Ltd (MUL) earlier this month, it seems that things will start moving much quicker now.

Despite the fact that Mr Yeung's salary is paid by the British Government, he explained that he reports to Mr Jim Taylor, Permanent Secretary of Communication and Works, not DFID. He will be on island for two years, and the three main parts to his job are

- 1) to build an efficient, sustainable, electricity and water company for the benefit of the whole island,
- 2) to ensure that all major investment decisions (such as new generation plant for Monlec, new water projects for MWA) are considered in the context of an integrated utility, and
- 3) to identify and train a local successor to take charge of the new integrated utility when he leaves.

Since arriving on the island on 1<sup>st</sup> June, Mr Yeung has held open meetings for staff from both organizations, outlining his initial thoughts, and answering the questions they asked. When asked about redundancies, he said "cutting costs by firing staff is NOT what the merger is about. I haven't completed my analysis yet, but at this point, I don't think we need to lay off ANY staff. And if we ever did, I can guarantee that they would be treated properly and fairly, taking into account the needs of the individual, the consumer, and the taxpayer."

"Merging the two companies is not going to be easy or immediate – much work has already been done before I arrived, but there is still more to do, and I'll need the support of project teams across the company in order to find the best solutions – solutions that meet the specific situation of MUL and Montserrat as a whole" he said.

Mr. Yeung would like to reduce Montserrat's dependence upon imported diesel for electricity generation - "We are terribly exposed to fluctuating world oil prices. If some or all of our electricity came from local renewable sources, say, wind, or geothermal, then every unit produced locally is money saved and kept in Montserrat. There are international groups out there that want to invest in eco-friendly technologies, and with Montserrat moving towards eco-tourism these projects can only help improve Montserrat's reputation".

Mr. Yeung has deep utility experience. He has managed major projects in the UK, Europe, Australia, Singapore, and the US, and worked for both private and government-owned organizations. "But even after only a week here, I can see that Montserrat is special – I look forward with great enthusiasm to working the everyone in both Monlec and MWA to meet the unique challenges here. It should be great fun!"