

Government Receives Buy-Out Notification from GRENLEC Owners



ST. GEORGE'S, GRENADA, Friday, September 20, 2013 - GIS: The seven month old Keith Mitchell administration has been offered an opportunity to buy back majority shareholding in the country's lone power company, GRENLEC.

The Government says it has just received notification from GRENLEC's majority shareholders WRB through its locally registered company, Grenada Private Power Limited, confirming its intention to divest.

Under Grenadian law, the majority shareholders must give government first bid to reclaim control of the company.

Government has thirty days to respond.

If the government decides not to make a Purchase offer for WRB's GRENLEC shares within the 30 day period, then the Florida based company will be notified.

WRB can then proceed to seek another buyer.

Prime Minister Mitchell was in a jubilant mood on receiving the letter, seeing this as a major "coup" of this administration.

The Prime Minister, however, was quick to clarify that government's aim is not to own or manage GRENLEC.

Dr. Mitchell said, his administration's role is to facilitate the process in which the company can be managed by a buyer who understands the needs of the population, and which can ensure that electricity is offered at the most affordable costs to the people of our nation.

"The company's decision to sell GRENLEC shares is probably the best news so far of this Government. The electricity company was the birthright of our nation, and as Prime Minister, I believe the previous administration had given away our birthright for almost nothing," Dr. Mitchell said after receiving the news earlier Friday.

"I am less concerned with who owns GRENLEC. My major concern is to ensure that whatever third party buyer the government attracts understands the needs of the nation, and ensures that electricity is at a cost that everyone can afford."

The news follows a second request to Government in recent months for GRENLEC to raise electricity rates.

However, the government has repeatedly indicated that it is not willing to entertain the request for a hike in electricity rates.

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