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REPORT TO THE CABINET OF ANTIGUA AND BARBUDA IN RESPECT OF THE PUBLIC UTILITY AUTHORITY

EXECUTIVE SUMMARY

This is a summary of the recommendations contained in the full report of the same date.

1. The regulation by the Authority of its own proceedings as allowed by the provisions of the First Schedule to the Public Utilities Authority Act, Cap 359:
 - A. I would recommend that on the appointment of any future Commissioners, they be instructed that they are to ensure that the general manager is co-opted to and is present at all meetings except those that directly affect his conduct or that he should otherwise for some special reason be excluded from.
 - B. My recommendation is that any future Commissioners should be obliged to go through a formal learning process of the proper behaviour and the rules of corporate governance at the commencement of their term. They should reinforce the process by holding periodic workshops and seminars on best business and management practices to ensure they maintain the highest standards. There is no reason why this learning process should be limited to APUA.

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2. The manner of the Public Utility Authority's exercise of its functions (whether in respect of the General Manager, or other Managers and other employees) in respect of the due and efficient administration, management, and performance of the authority:
 - A. My recommendation is that Cabinet should discuss with Mr Symister his relocating to some other public service position where his talents can be put to good use. The next set of Commissioners should be encouraged to ensure that the person they employ to be the next GM should be generally recognised for his professionalism and past experience in the top management of a local or regional public utility company and his complete lack of any strong party political alignment.

3. The methodologies effected to enter into various contracts and/or Memoranda of Understanding between the Authority and other commercial entities in respect of any of the public utility services, whether in respect of the sale, purchase, use, or provision of services and infrastructural facilities:
 - A. My recommendation is that the Vortek contract or any other contract to purchase generators be prepared by senior counsel retained by the APUA in Canada or the country of sourcing to protect APUA's interests and vetted by senior counsel either locally or in the region well experienced in public utility generator contracts before Cabinet considers the question of guaranteeing any resulting loan. This principle applies to any other government contract involving any major capital equipment purchase.
 - B. My recommendation is that one of the first duties of the new Commissioners must be to ensure that the investigation of APUA Funding continues and that all necessary legal and financial advice is retained to ensure the success of that effort.

- C. My recommendation is that Cabinet instruct APUA to secure any necessary professional assistance from within and without Antigua and Barbuda and to prepare and present without unnecessary delay to Cabinet for approval and public discussion a draft plan for the future of electricity generation.
 - D. My recommendation is that APUA be directed by Cabinet to secure professional assistance in the development of draft plans for its future direction. These plans are for the widest public discussion and eventual approval by Cabinet and parliament. They should involve, among other things, a study of the advantages and disadvantages of separating the different divisions into separate corporations; the steps that need to be taken to bring all of the divisions into a profitable and efficient state; and the advantages and disadvantages of involving the public of Antigua and Barbuda in a partial or total privatization offer for one or all of them.
4. Whether any conflict of interest has arisen in respect of any of the Commissioners and the Authority's dealings with any third party entity, in particular Kelcom/Karibe Cable, and Digicel:
- A. My recommendation is that APUA should be instructed to retain senior counsel locally or in the region with experience in the area of public utility contracts and seek opinion on the existing Karib Cable contracts. Based on the advice received such remedial action as is recommended should be taken by APUA.
 - B. My recommendation is that the Digicel contract as negotiated be rejected by Cabinet unless Cabinet is otherwise advised that it is in the best interests of the country. APUA should be instructed to retain senior counsel locally or in the region with experience in telecommunications contracts to advise on the terms and content of the proposed contract with Digicel. If the Digicel contract is not concluded, the same recommendation

would apply to future negotiations with any potential partner concerning PCS.

5. Such other conduct of or exercise of authority by the Commissioners as in the opinion of the Investigator may have compromised the integrity of the Authority, and accordingly may necessitate adverse comment:
 - A. My recommendation is that one of the future tasks of APUA must be to act urgently to make recommendations to Cabinet to rationalize the use of free utilities in Antigua and Barbuda.
 - B. My recommendation is that the new Commissioners be instructed as previously indicated in the proper functioning of a board of directors and conduct themselves appropriately. They should not be spending extended periods of time at the offices of APUA outside that required purely for holding their board meetings. They should ensure that there is adequate staff to take over the purely administrative functions that they previously performed.
 - C. My recommendation would be that if the dismissed Commissioners can be persuaded to take back up their appointments the Governor-General might be invited to do so. For reasons given, this should not include the Chairman. If he is still willing to serve in public office after the pressure he has been under in this matter, his undoubted talents could be more transparently used on a board with which he has no conflict of interest.