

## Brief History of LUCELEC

The St. Lucia Electricity Services Limited (LUCELEC) was established under the commercial code in 1964. LUCELEC was granted an exclusive license by Ordinance No. 27 of 1964, later replaced by the Electricity Supply Act No. 10 of 1994.

At its inception, LUCELEC was owned by three entities: the Government of Saint Lucia with 18.7% of the shares, Castries City Council with 28.2% of the shares, and the Commonwealth Development Corporation (CDC) with 53.1% of the shares. In 1994 LUCELEC went public. The current makeup of shareholders include: EMERA (St. Lucia) Limited (20%), First Citizens Bank Ltd. (20%), National Insurance Corporation (20%), Castries Constituencies Council (15.50%), Government of Saint Lucia (10.05%), and individual shareholders (14.45%). LUCELEC's shares are traded on the Eastern Caribbean Securities Exchange.

Over its history, LUCELEC has developed a reputation in the OECS and the wider Caribbean as an extremely well-run, world-class utility. In Saint Lucia, LUCELEC is without a doubt regarded as a best practice (model) company with a strong emphasis on customer service, innovation, employee development and social and economic development.

### Beginnings

The formation of the company in 1964 saw the creation of a unified and centrally managed source of power from the dozens of disparate and small facilities scattered around the island. This allowed for the expansion of facilities island-wide, as well as the opportunity to rationalize operating costs.

### Exploding Demand

The 1970s saw the company facing an explosion in the demand for power as hotel development and banana production transformed the economy. Average demand grew by almost 30%, a doubling of capacity every three years, putting huge strains on manpower and equipment resources. Two new power stations were commissioned and the basic, and still existing, 11kV sub-transmission system was erected.

### Home-grown Talent

By the early 1980s it was evident that the company was entering a new milieu and there was a need for better trained persons to cope with an increasingly technological environment. The company initiated a highly successful craft apprenticeship programme and began the recruitment of graduate staff for all senior positions. By the end of the 1980s the company was virtually self sufficient in all but the most specialised needs.

### New Generation

In 1990, a new generating and transmission system was commissioned which redefined the standards the company had previously applied to all its operations. Cul de Sac power station inaugurated an era of highly

professional and efficient operations leading to the development of new standards through the company. A 66 kV transmission system was introduced allowing the more efficient flow of power around the island.

## **Solar Energy**

In 2018, LUCELEC opened its 3MW solar farm in La Tourney, Vieux-Fort. The solar farm builds on the work LUCELEC has been doing with grid-tied roof top solar PV systems since 2009. It meets about 5% of St. Lucia's electricity demand and reduces the volume of fuel purchased by LUCELEC by about 300 thousand gallons per year. LUCELEC uses approximately 20 million gallons of fuel per year. Its nearly 15 thousand panels generates approximately 7 million kWhs (or units) of electricity per year. Construction of the solar farm began in November 2017 and it began feeding the grid in April 2018 when the entire 3 megawatts came online.

## **Private to Public**

LUCELEC went public in 1994. Profitability and shareholder value became new words in the vocabulary of operations. The new motto was excellence and profitability in operations.

## **Customer, Customer, Customer**

By the late 1990s, driven by the demands of customer service, the business had changed again. The main focus was no longer just to produce a reliable and efficient supply, but to service customers in a cost-effective manner. The company also began to look externally to assure its future. The worldwide trend to deregulation and the possibility of distributed production created new challenges for the power industry.

The company initiated studies to determine the most appropriate way to address these new challenges.

## **Tomorrow**

The future presents great challenges and opportunities for LUCELEC. The worldwide trend to deregulation, new approaches to business, and technological change is impacting all.

## **Liberalisation**

With the trend to new regulatory models and liberalisation, the dedicated electricity generator and supplier may become something of an anachronism. More and more the business is seen as an opportunity for entrepreneurs to challenge the established way of doing things. The driving element in all of this is who can provide the service better and cheaper. The customer will make the ultimate choice.

## **New Approaches to Business**

Increasingly, power providers are moving out of their traditional home grounds to create new business opportunities that will increase the revenue base and create added value for shareholders. The fact that power companies worldwide already have access to millions of homes has not been lost on managers in the industry. Services to customers will be a keenly contested area, be it for power or communications in a world where information and access will be critical.

## **Technological Change**

Technological advance is also creating change. The imminent impact of fuel cells will create a completely non-polluting, environment-friendly, and compact source of power that could threaten the very survival of traditional

power companies. The opportunity to go to the nearest supermarket and buy a power source is an appealing and entirely possible alternative in the not too distant future. There is also the challenge of power generation from micro-turbines supplied from a gas source, allowing a distributed resource without the need for huge central generating stations and costly transmission facilities.

The inexorable rise in the price of fuel, driven by reducing resources of oil and increasingly stringent environmental regulations, will also drive the development of alternatives such as wind and solar power.

LUCELEC exists to deliver a reliable, safe, cost-efficient power supply service to our customers. In all of this uncertainty, we will continue to plan and manage well, to respond to all challenges, and to consistently deliver on our customer service promises.

## Our History

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**Union Power Station was a key component of LUCELEC's early generation infrastructure powering much of the north of the island**

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**New Engine for the Old Union Power Station about to be transported from the docks**

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**LUCELEC's vehicles have come a long way since this bucket equipped land rover was in its hey day**

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**Construction of the new power plant at Cul de Sac**

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## **Cul De Sac Power Plant today**

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## **State of the Art Control Desk at Cul De Sac Power Plant**

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