



### CHAPTER lxiii.

An Act to make further provision with respect to the supply of electricity in London and for other purposes. A.D. 1925  
—  
[31st July 1925.]

**W**HEREAS by the Electricity (Supply) Act 1919 (in this Act called "the Act of 1919") Electricity Commissioners (in this Act called "the Commissioners") were established and by the said Act and the Electricity (Supply) Act 1922 (in this Act called "the Act of 1922") the Commissioners were empowered to determine electricity districts and to formulate schemes for effecting the improvement of the existing organisation for the supply of electricity in any such district and the formation where necessary of a joint electricity authority or other body for the district :

And whereas the Act of 1919 further provides that the Commissioners may make orders giving effect to such schemes and provides for the confirmation of such orders by the Minister of Transport and that such orders so confirmed when approved by a resolution of each House of Parliament shall have effect as if enacted in the said Act :

And whereas shortly after the passing of the Act of 1919 the London Electricity Joint Committee (1920) Limited (hereinafter called "the Company") were incorporated under the Companies Acts 1908 to 1917 with the object (amongst others) of formulating schemes for the improvement of the organisation for the supply of electricity within the area of the counties of London and

A.D. 1925. Middlesex and neighbouring counties and districts or any or all of them and promoting Bills in Parliament for dealing with or improving such organisation :

And whereas the Brompton and Kensington Electricity Supply Company Limited the Charing Cross Electricity Supply Company Limited (formerly known as the Charing Cross West End and City Electricity Supply Company Limited) the Chelsea Electricity Supply Company Limited the London Electric Supply Corporation Limited the Metropolitan Electric Supply Company Limited the Kensington and Knightsbridge Electric Lighting Company Limited the Notting Hill Electric Lighting Company Limited the Saint James' and Pall Mall Electric Light Company Limited and the Westminster Electric Supply Corporation Limited all of which companies supply electricity under statutory powers in areas in the administrative county of London (hereinafter called "the county") and the Central Electric Supply Company Limited which generates electricity under statutory powers and supplies the same to certain of the said companies are constituent members of the Company :

And whereas the Commissioners in the months of June and July one thousand nine hundred and twenty-one held an inquiry with reference to the supply of a district provisionally determined by them under the Act of 1919 which comprised the city of London and the counties of London and Middlesex and portions of neighbouring counties and in the month of February one thousand nine hundred and twenty-three published a scheme under the said Act constituting the district so provisionally determined as aforesaid but with certain modifications a separate electricity district for the purposes of the said Acts and for effecting an improvement of the existing organisation for the supply of electricity in and providing for the establishment of a joint electricity authority for the district so constituted as aforesaid and in this Act referred to as "the district" :

And whereas the authorised undertakers for the supply of electricity in the various areas of supply in the county are sixteen metropolitan borough councils and thirteen companies :

And whereas the London County Council (hereinafter referred to as "the Council") have under the London

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Electric Supply Act 1908 and the London Electric Supply Act 1910 a right (subject to the rights of purchase hereinafter mentioned) which first arises in the year one thousand nine hundred and thirty-one and recurs in every subsequent tenth year to purchase on the terms set forth in the said Act of 1908 the undertakings or parts of the undertakings in London of the London Electric Supply Companies being the companies named in the First Schedule to the said Act of 1908 and the schedule to the said Act of 1910 but the Council may not purchase the undertaking or any part of the undertaking of any of the said companies unless they shall at the same time purchase all the undertakings or parts of undertakings which they are so empowered to purchase and may not purchase a certain part of the undertaking of the Metropolitan Electric Supply Company Limited :

And whereas the Commissioners are empowered by the Act of 1919 by any order constituting a joint electricity authority to transfer to such authority any right to purchase the whole or any part of any undertaking of authorised distributors which is vested in the local authority for any area comprised in the district of such joint electricity authority on providing for adequate representation of the local authority on the joint electricity authority and the Commissioners are by the Act of 1922 empowered to suspend by any such order any such powers of purchase or any such powers of purchase of the joint electricity authority with the consent of the authority in whom such powers are vested :

And whereas the lord mayor aldermen and commonalty of the city of London have a right which expires in the year one thousand nine hundred and twenty-seven to purchase the city undertaking of the said Charing Cross Electricity Supply Company Limited and the council of the metropolitan borough of Lambeth have a right exerciseable until the year one thousand nine hundred and twenty-eight to re-purchase the undertaking of the South London Electric Supply Corporation Limited authorised by the Lambeth Electric Lighting Order 1892 and the council of the metropolitan borough of Camberwell have a right which expires in the year one thousand nine hundred and twenty-seven to purchase the undertaking of the County of London Electric Supply Company Limited authorised by the Camberwell Electric

A.D. 1925. Lighting Order 1896 but the said scheme transfers to the joint electricity authority and makes exerciseable by the said authority in lieu of by the said bodies the said powers of purchase and re-purchase and provides in certain events and under certain conditions for the suspension of the exercise thereof for a period of forty years from the thirty-first day of December one thousand nine hundred and thirty-one :

And whereas the Council lodged objections to the said scheme and the Company also lodged objections thereto and objected (inter alia) to the establishment of a joint electricity authority in the manner proposed by the said scheme :

And whereas the Council desire that a joint electricity authority should be established and have by resolution indicated the terms and conditions on which they are prepared to consent to the suspension of the powers of purchase so vested in them as aforesaid by the said London Electric Supply Act 1908 and the London Electric Supply Act 1910 or either of them and the said terms and conditions include the establishment of a joint electricity authority for the county and adjacent areas the regulation of companies' dividends by the prices charged for electricity and the transfer to such joint electricity authority of the said powers of purchase of the Council and the modification of the provisions which now apply to the purchase of the said undertakings or parts of undertakings of the companies named in the First Schedule to this Act which are subject to the said powers of purchase :

And whereas it is expedient that provision should be made to carry into effect such terms and conditions so far as they affect the companies named in the First Schedule to this Act :

And whereas an agreement dated the twenty-seventh day of May one thousand nine hundred and twenty-four has been entered into between the Council and the Company and such agreement with certain modifications therein agreed between the parties thereto is set out in the Third Schedule to this Act and it is expedient that the said agreement as so modified should be confirmed and made binding as in this Act mentioned :

And whereas with a view to unification of control of generation and the improvement of the generation and

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supply of electricity within the county or certain parts thereof and areas adjacent thereto the companies named in the agreements set out in the Second Schedule to this Act who are constituent members of the Company have thereby agreed to lease or hand over generating stations and works and main transmission lines to the Company and it is expedient that such agreements should be confirmed and made binding on the parties to such agreements respectively :

And whereas it is provided by Orders relating to the companies named in the First Schedule to this Act and confirmed by Parliament that such companies shall not purchase or acquire the undertaking of or associate themselves with any other company or person supplying electrical energy unless authorised by Parliament so to do :

And whereas the said provisions were modified by the said Act of 1908 as thereby provided and it is expedient that the said provisions should be further modified as provided by this Act :

And whereas it is expedient that such further provisions should be made as are in this Act set forth :

And whereas the objects aforesaid cannot be attained without the authority of Parliament :

May it therefore please Your Majesty that it may be enacted and be it enacted by the King's most Excellent Majesty by and with the advice and consent of the Lords Spiritual and Temporal and Commons in this present Parliament assembled and by the authority of the same as follows :—

1. This Act may be cited as the London Electricity (No. 2) Act 1925. Short title.

2. In this Act the several words terms and expressions to which by the principal Acts or any Act wholly or partially incorporated herewith meanings are assigned shall have the same respective meanings unless varied by this Act or unless there is something in the subject or context repugnant to such construction And— Interpretation.

“The Company” means the London Electricity Joint Committee (1920) Limited;

“The Commissioners” means the Electricity Commissioners established under the Electricity (Supply) Act 1919;

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“The county” means the administrative county of London as existing at the passing of this Act;

“The scheme” means any scheme or order made by the Commissioners under the Electricity (Supply) Act 1919 determining any district which includes the areas of supply within the county of the companies named in the First Schedule to this Act;

“The joint electricity authority” means any joint electricity authority the establishment whereof is provided for by the scheme;

“The district” means the district determined by the scheme;

“The Council” means the London County Council;

“The London companies” means the companies named in the First Schedule to this Act;

“The principal Acts” means the Electricity (Supply) Acts 1882 to 1922 and the schedule to the Electric Lighting (Clauses) Act 1899.

Application  
of Acts.

**3.**—(1) This Act shall be deemed a special Act within the meaning of the Electricity (Supply) Acts 1882 to 1922 and the Electric Lighting (Clauses) Act 1899 and the said Acts shall subject to the provisions of this Act apply to the Company as if the Company as the case may require were undertakers or authorised undertakers within the meaning of those Acts and as if the area of supply of the Company was so much of the county as comprises the areas of supply within the county of the London companies and for the purposes of those Acts the Company shall be deemed a power company for such area of supply and the Company may subject to the provisions of this Act generate and supply electricity accordingly Provided always that sections 2 and 3 of the Electric Lighting Act 1888 and save as hereinafter provided the London Electric Supply Act 1908 shall not apply to the Company or their undertaking.

(2) The Company shall not under the powers of this Act break up any street outside the county.

Incor-  
poration of  
Electric

**4.** The provisions of the schedule to the Electric Lighting (Clauses) Act 1899 so far as the same are applicable for the purposes of and are not inconsistent with

or varied by the provisions of this Act are incorporated with and form part of this Act except the following provisions of that schedule (that is to say):—

Sections 3 to 5 7 9 21 to 36 41 49 to 59 63 to 68  
 78 81 83 and 84 :

Provided always that nothing in this section shall be deemed to make the provisions of the said section 81 inapplicable to any generating station for the time being owned or leased by the Company and to which the said provisions or provisions corresponding thereto already apply.

5. The Company shall not supply electricity except—
- (a) to the London companies;
  - (b) to the joint electricity authority;
  - (c) to any company body or person owning or working an undertaking being a railway light railway tramway waterworks port dock canal or navigation within or partly within the area of supply of the Company;
  - (d) with the approval of the Commissioners after giving the joint electricity authority an opportunity of being heard to any other authorised undertakers whose areas of supply are within or adjoining the area of supply of the Company; and
  - (e) for charging or re-charging electrical vehicles not running on rails :

Provided that an agreement for any supplies given by the Company under (b) shall be subject to the approval of the Commissioners.

6. The provisions of section 13 of the Electric Lighting Act 1882 and of section 12 of the schedule to the Electric Lighting (Clauses) Act 1899 shall apply to tramways and railways within the county as if the Company were specially authorised to break up or interfere with the same by special powers inserted in this Act.

7. The Company shall not declare any dividend or make any distribution of profits to any member of or shareholder in the Company but nothing in this section shall be deemed to prohibit the payment by the Company

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 Lighting  
 (Clauses)  
 Act 1899.

Limiting  
 powers of  
 supply.

As to  
 crossing  
 tramways  
 and  
 railways.

Company  
 not to  
 work for  
 profit.

A.D. 1925. — of dividends at a fixed rate or of interest on any debentures debenture stock or other securities issued or given by them.

As to  
amalgama-  
tion of  
under-  
takings.

8. Nothing contained in any Act or Order relating to the companies named in the First Schedule to this Act or any of them shall be deemed to prevent the amalgamation of any two or more of the undertakings of any of the said companies or parts of such undertakings and any two or more of the said companies may as and when they may think fit so to do amalgamate any undertakings or parts of such undertakings belonging to such companies respectively :

Provided that any agreement or arrangement for any such amalgamation shall be subject to the approval of the Commissioners and that the amalgamated undertaking or undertakings shall be subject in all respects to the terms of the agreement set out in the Third Schedule to this Act so far as applicable as if such undertaking or undertakings were an undertaking therein referred to.

Confirma-  
tion of  
agreements  
between  
Company  
and certain  
companies.

9.—(1) The agreements set out in the Second Schedule hereto are hereby confirmed and are respectively made binding on the companies who are parties to such agreements respectively and shall subject to the provisions of this Act be carried into effect accordingly.

(2) Within six months after the grant of any conveyance or lease granted pursuant to any such agreement as is mentioned in this section or under any other powers of this Act the Company shall produce such conveyance or lease to the Commissioners of Inland Revenue duly stamped with the stamp duty to which the same may be liable and in default of such production the amount of the said duty with interest thereon at five per centum per annum from the termination of such six months to the date of payment shall at such termination as aforesaid be a debt from the Company to His Majesty.

(3) The Company shall not enter into possession of any of the premises the subject of any such agreement until a conveyance or lease of such premises has been granted to them pursuant to such agreement or under other powers of this Act and if the Company enter into possession before the granting of any such conveyance or lease as the case may be the amount of the stamp duty to which a conveyance or lease as the case may be of such



premises if granted on the date of such entry into possession as aforesaid pursuant to any such agreement as is mentioned in this section or under other powers of this Act with interest thereon at five per centum per annum from such date shall at such date be a debt from the Company to His Majesty.

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10. The agreement set out in the Third Schedule hereto is hereby confirmed and made binding on the parties thereto and on the London companies and on the joint electricity authority and the several provisions thereof shall have effect as if the same had been enacted in this Act.

Confirma-  
tion of  
agreement  
between  
Company  
and Council.

11. The London companies shall deliver annually to the Commissioners particulars of the revenue derived from the supplies to the following classes of consumers :—

Particulars  
of supplies.

- (a) Railway and traction supplies;
- (b) Bulk supplies;
- (c) Street lighting supplied after deducting expenditure specially relating thereto;
- (d) Supplies to private consumers;

and the total number of units supplied to each such class.

12.—(1) The Company may at any time with the approval of the Commissioners by agreement acquire or take on lease any generating station or main transmission line or exercise any powers or rights in relation to the generation or supply of electricity of any of the London companies and any of the London companies may sell or lease any such generating station or main transmission line or hand over the exercise of any such rights or powers to the Company.

Agree-  
ments with  
London  
companies.

(2) The Central Electric Supply Company Limited may with such approval as aforesaid sell or lease to the Company and the Company may acquire or take on lease from the said Central Electric Supply Company Limited the whole of their undertaking.

(3) Nothing contained in any Act or Order relating to any of the London companies shall prevent any such agreement as is mentioned in this section being entered into.

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(4) Any such agreement as is provided for by this section may include arrangements as to the provision by any one of the parties thereto of capital required for carrying any of the purposes thereof into effect the appropriation and division of receipts arising thereunder and other matters and things incidental to or connected with any of the purposes thereof.

Compensa-  
tion for  
deprivation  
of employ-  
ment.

**13.** The provisions of section 16 of the Electricity (Supply) Act 1919 as amended by section 21 of the Electricity (Supply) Act 1922 shall extend to any amalgamation under this Act and to the agreements set out in the Second Schedule hereto and to any agreement or arrangement which may be entered into under the provisions of this Act for the acquisition sale leasing use management or maintenance by the Company of any undertaking or part thereof or for the exercise by the Company of powers and rights in relation to the generation and supply of electricity or for the purchase or supply of electricity in bulk as if the said amalgamation or such agreement or arrangement were a transfer referred to in the said section 16 and apply as if the date of the passing of this Act had been referred to in the said section 16 in lieu of the eighth day of May one thousand nine hundred and nineteen and as if the five years therein mentioned dated as the case may be from the date of any such amalgamation or from the date on which any such agreement or arrangement has been entered into under this Act.

Manage-  
ment of  
generating  
stations  
by former  
owner.

**14.** Where any generating station or main transmission line has been leased to or acquired by the Company the Company may with the approval of the Commissioners agree with the owner or former owner thereof that such owner shall manage and maintain such station or any part thereof or any such line for such period and on such terms as may be agreed upon between them.

Use of  
main trans-  
mission  
lines.

**15.** The Company may by agreement with any authorised undertakers company body or person to whom the Company are by this Act authorised to give a supply of electricity use subject in the case of authorised undertakers to the Acts and Orders relating to their undertaking any main transmission line of such undertakers company body or person :

Provided that any such agreement with any such authorised undertakers company body or person (other than the London companies) shall be subject to the approval of the Commissioners after giving the joint electricity authority an opportunity of being heard.

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**16.** In any case in which any undertaking generating station main transmission lines or other works (in this section called "property") are leased to or acquired by the Company by or under the powers of this Act by or from any company body or person who has issued and has outstanding debentures or debenture stock the rights powers and claims of the holders of such debentures or debenture stock or of any trustee for such holders in relation to such property shall in the case of a sale cease and determine and in the case of a lease cease and determine so far as may be necessary to enable effect to be given to such lease but such holders and trustees shall in each such case have the same rights powers and claims so far as applicable in relation to any moneys or other consideration payable to or receivable by such company body or person for such sale or in relation to any rent or other moneys receivable by such company body or person under the lease as such holders or trustees would but for this enactment have had against the property.

Substituted rights of debenture or debenture stock-holders in certain cases.

**17.** The provisions of sections 3 17 18 19 20 21 and 22 of the London Electric Supply Act 1908 shall extend and apply to the Company as if the expressions "authorised undertaker" and "authorised undertakers" in those sections included the Company :

Application of sections of Act of 1908.

Provided that in the application of the said section 3 to the Company the joint electricity authority shall be deemed to be substituted for the Council.

**18.—(1)** The Company and any local authority company body or person authorised to supply electricity in any area of supply in or adjoining the area of supply of the Company may with the approval of the Commissioners enter into and carry into effect agreements or arrangements with regard to all or any of the following purposes (that is to say) :—

Agreements for supply.

(a) The supply by the Company to any such local authority company body or person of electricity ;

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(b) The prices to be charged for and the terms and conditions of such supply;

(c) The provision of capital required for carrying any such agreement or arrangement into effect and the appropriation and division of receipts arising under any such agreement or arrangement;

(d) Any matters or things incidental to or connected with any of the purposes aforesaid.

(2) The provisions of subsection (3) of section 19 of the Electricity (Supply) Act 1919 shall extend and apply to any agreement or arrangement made under this section.

Purchase of electricity in bulk.

**19.** The Company and any local authority company body or person authorised to supply electricity in any area of supply in or adjoining the county may with the approval of the Commissioners enter into and carry into effect contracts and arrangements for the supply of electricity in bulk to the Company by such local authority company body or person.

As to use of electricity supplied to certain bodies.

**20.—(1)** Any electricity supplied by the Company at any point within the area of supply of the Company to any company body or person owning or working an undertaking being a railway light railway tramway canal or navigation within or partly within the area of supply of the Company may be used for the purposes of haulage or traction on and for the purposes of lighting vehicles or vessels drawn or propelled by such haulage or traction on any part of any such railway light railway tramway canal or navigation but nothing in this subsection shall authorise electricity to be used for haulage or traction on any railway unless the company body or person owning or working such railway is authorised by Act of Parliament or by an Order confirmed by or having the effect of an Act of Parliament to use electricity for those purposes.

(2) In any case where electricity supplied by the Company to any company body or person owning or working a railway is used for the purposes of haulage or traction on any part of such railway electricity supplied by the Company to such company body or person may also be used for signalling and working

any appliances at passenger stations on the railway but except as aforesaid and except so far as may be now or hereafter authorised by Parliament or by special order under subsection (2) of section 5 of the Electric Lighting Act 1909 electricity so supplied shall not be used in any area of supply of any authorised undertakers without the consent in writing of such authorised undertakers for any purposes of the railway undertaking. A.D. 1925.

(3) Any electricity supplied by the Company at any point within the area of supply of the Company to any company body or person owning or working an undertaking being a port dock or waterworks may be used for all or any purposes of such undertaking or any part thereof.

(4) Any electricity supplied by the Company to any company body or person owning or working any such undertaking as is mentioned in this section may be used in any place which is not within the area of supply of any authorised undertakers for all or any purposes of such undertaking or any part thereof.

(5) Any electricity supplied by the Company at any point within the area of supply of the Company to any company body or person authorised to supply electricity in such area of supply or in any area of supply adjacent thereto may be used for the purposes of any electricity undertaking of such company body or person within the district.

(6) Any electricity supplied by the Company at any point within the area of supply of the Company for the purpose of charging or re-charging vehicles not running on rails may be used on such vehicles whether within or without the said area of supply.

(7) Nothing in this section shall be deemed to prevent any undertakers authorised to supply electricity and to whom electricity is supplied by the Company supplying the same for use for any purpose for which such undertakers may be now or hereafter authorised to supply electricity.

(8) Electricity supplied under this section shall not be used by the company body or person receiving such supply in such manner as to cause or be likely to cause any interference (whether by induction or otherwise) with any telegraphic line (as defined by the Telegraph

A.D. 1925. Act 1878) belonging to or used by the Postmaster-General or with telegraphic communication by means of any such line But this provision shall not apply to any company body or person authorised to use electricity by Act of Parliament or by an Order confirmed by or having the effect of an Act of Parliament containing provisions for the protection of the telegraphic lines of the Postmaster-General in respect of the use of electricity.

Agreements  
with  
Govern-  
ment  
departments  
and others.

**21.** The Company and any Government department or the proprietors of any river stream canal or navigation within or partly within the county or any of them may enter into and carry into effect agreements and arrangements for and with respect to the execution maintenance or repair of works which the Company may be empowered to carry out on the bed banks and foreshore of any such river stream canal or navigation and for the abstraction by the Company of water from any such river stream canal or navigation and the execution of any works which may be necessary for that purpose but nothing in this section shall prejudice any rights of the Company under section 15 of the Electricity (Supply) Act 1919 :

Provided that section 14 of the schedule to the Electric Lighting (Clauses) Act 1899 (so far as it relates to the Postmaster-General) shall extend and apply to the execution of any works on the bed banks and foreshore of any river stream canal or navigation.

Power to  
break up  
streets.

**22.—(1)** For the purpose of affording supplies of electricity to any local authority company body or person to whom the Company are authorised by this Act to afford such supplies and of exercising any powers or rights transferred to or vested in the Company under or by virtue of and for any other purposes of this Act the Company may exercise with respect to streets in any part of the county the powers of and shall be subject to the provisions of the Electricity (Supply) Acts 1882 to 1922 and this Act with respect to the breaking up of streets and placing and maintaining electric lines and works therein by undertakers and of sections 10 to 20 60 to 62 69 to 73 76 77 and 79 80 and 82 of the schedule to the Electric Lighting (Clauses) Act 1899 and such provisions so far as applicable but subject to the provisions of this section shall have effect as

if the Company were the undertakers and the county were the area of supply of the Company : A.D. 1925.

Provided always that where the local authority or the Council object to any electric line proposed to be laid down by the Company under the powers of this section in any street on the ground that it would traverse a principal thoroughfare or busy street or is otherwise inconvenient and indicates an alternative route which the Company are willing to adopt or which in the opinion of the Minister of Transport is reasonably practicable and does not involve undue increase of expenditure such alternative route shall be adopted :

Provided also that the reasonable and proper costs charges and expenses incurred by any local authority or by the Council in relation to any reference to the said Minister under this section shall in any case in which the said Minister shall certify that the action of the local authority or the Council in the matter has not been unreasonable be paid by the Company :

Provided further that nothing in this section contained shall take away or prejudicially affect the rights of the Postmaster-General under section 14 of the schedule to the Electric Lighting (Clauses) Act 1899 and the provisions of that section shall apply in respect of such alternative route as aforesaid.

(2) Nothing in this section shall prejudice any rights or powers of the Company with respect to wayleaves under section 22 of the Electricity (Supply) Act 1919 or section 11 of the Electricity (Supply) Act 1922 or any other provisions relating thereto.

**23.**—(1) The Council or in default of the Council the Commissioners on the application of any company body or person supplied with electricity by the Company under the powers of this Act may appoint and keep appointed one or more competent and impartial person or persons to be electric inspectors within the county under this Act and the Council or the Commissioners may prescribe the fees to be taken by any such inspector and the mode of application thereof. Inspectors.

(2) The Company shall whenever reasonably required by any such company body or person through whose district any main transmission line of the Company

A.D. 1925. is laid test and furnish a record of the testing of such main transmission line or if necessary that portion of the main transmission line which is within their district and in case the Company fail to comply with the provisions of this subsection any such company body or person may apply to the Council or in default of the Council to the Commissioners to appoint an inspector for the purpose of testing such main transmission line so far as within the county and the foregoing provisions of this section shall apply to the appointment of such inspector and the Company shall pay the cost of such testing.

(3) The provisions of section 37 of the schedule to the Electric Lighting (Clauses) Act 1899 shall for the purposes of this Act extend and apply as if the Council were the local authority.

Limitation  
of interest  
payable  
by and  
guarantees  
for  
Company.

**24.** The Company shall not without the consent of the Commissioners (which consent the Commissioners are hereby authorised to give) attach to any debentures or debenture stock or other securities issued for the purposes of this Act any rate of interest exceeding six pounds per centum per annum.

Any such debentures or debenture stock so issued by the Company shall be a charge on the undertaking and on the revenues of the Company and shall rank *pari passu* as regards principal and interest.

Any of the London companies may guarantee any obligations of or securities issued by the Company and any interest secured thereby.

Interest on  
borrowed  
money out  
of capital.

**25.** The Company may charge to capital account the interest accruing on all moneys raised by them by the issue of debentures or debenture stock or otherwise for the purpose of providing funds for any purposes of this Act to which capital is properly applicable during the period for which the expenditure remains unremunerative but in no case for a period of more than five years from the commencement of the financial year of the Company next after that in which such expenditure is incurred.

Reserve  
fund.

**26.** The Company may in each or any year if they think fit set aside such part of their revenue not exceeding one per centum on the capital for the time



being expended on their undertaking as the directors of the Company think reasonable and carry the same to a fund to be called and in this section called "the reserve fund" and shall invest all moneys so set aside and the resulting income thereof in Government securities or in any other securities in which trustees are by law for the time being authorised to invest and may accumulate the moneys so invested at compound interest until the reserve fund amounts to one-tenth of the aggregate capital expenditure for the time being of the Company on the undertaking authorised by this Act.

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The reserve fund shall be applicable to answer any deficiency at any time happening in the income of the Company from the said undertaking or to meet any extraordinary claim or demand in respect of the said undertaking and so that if the reserve fund is at any time reduced it may thereafter be restored to the prescribed limit and as often as the reduction happens.

Any balance in the reserve fund at the thirty-first day of December one thousand nine hundred and seventy-one after making provision to meet any reasonable expenses of and incidental to the transfer of the undertaking of the Company provided for by this Act and winding up the affairs of the Company and any obligations of the Company (including the return of paid-up capital in the Company) which cannot be met by moneys received from the joint electricity authority on such transfer shall be handed over to the joint electricity authority.

**27.** The revenue of the Company for any year after paying or providing for their expenses of working maintenance and management and any other payments on revenue account (including interest on all moneys borrowed or raised by the Company by the issue of debentures or debenture stock or otherwise for the purposes of this Act and from time to time outstanding and any payments to be made as provided by this Act to any sinking fund to be formed by the Company as provided for under the agreement set out in the Third Schedule to this Act) shall be applicable and may be applied as follows—

Application  
of revenue.

First In repaying to any of the companies named in the First Schedule to this Act who shall have

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guaranteed any debentures debenture stock or other securities of the Company or any interest thereon or any other obligation deficit or liability of the Company any moneys paid by them in fulfilment of any such guarantee and any interest due thereon; and

Second In the formation of or in making payments to any reserve fund formed under the powers of this Act;

and any balance of such revenue after making payments for the purposes aforesaid shall be applied in making such a rateable reduction in the charges made by the Company for the supply of electricity to any companies bodies or persons from whom a generating station or stations or main transmission lines shall have been acquired or leased by the Company or any of whose powers or rights in relation to the generation or supply of electricity shall for the time being be exerciseable by the Company as will in the judgment of the Company secure that the receipts of the Company shall be as near as may be of such an amount as will meet the expenditure of the Company on revenue account with such margin as the Commissioners may allow.

Transfer of  
Companies'  
under-  
takings to  
joint  
authority.

**28.**—(1) The undertaking of or any part of any undertaking of any of the London companies which is purchasable by the Council shall not be purchased by the Council or by the joint electricity authority (except by agreement) before the thirty-first day of December one thousand nine hundred and seventy-one but shall on the said thirty-first day of December one thousand nine hundred and seventy-one be transferred to the joint electricity authority on the terms provided for in the agreement set out in the Third Schedule to this Act.

(2) The undertaking of the Company authorised by this Act shall be transferred to the joint electricity authority on the thirty-first day of December one thousand nine hundred and seventy-one upon the terms provided for by the said agreement.

Repeal of  
purchase  
provisions

**29.**—(1) All provisions of the Electric Lighting Act 1888 the London Electric Supply Act 1908 and the London Electric Supply Act 1910 or any of them

or of any other Act or of any Order relating to the purchase of any undertaking or any part of any undertaking of any of the London companies which is purchasable by the Council by virtue of the said Acts of 1908 and 1910 or either of them (including so much of section 28 of the said Act of 1908 as relates to the city undertaking of the Charing Cross Electricity Supply Company Limited) are hereby repealed so far as such provisions are inconsistent with any provisions of this Act relating to the transfer of any such undertaking or part of an undertaking to the joint electricity authority and the said provisions of this Act shall be deemed to be substituted for such first-mentioned provisions so far as such first-mentioned provisions relate to any such undertaking or part of an undertaking. Provided always that until the thirty-first day of December one thousand nine hundred and seventy-one in the application of the London Electric Supply Act 1908 and the London Electric Supply Act 1910 to the undertakings of the London electric supply companies therein mentioned other than the London companies as defined by this Act the provisions of the said Acts shall and that notwithstanding anything contained in this Act be read and construed as if no undertaking or part of an undertaking of any of the London companies were included among the undertakings or the parts of the undertakings of companies to which the provisions of sections 23 to 27 inclusive of the said Act of 1908 as applied or extended by the said Act of 1910 are applicable.

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—  
incon-  
sistent with  
purchase  
by joint  
authority.

(2) Subsections (3) and (5) of section 23 of the London Electric Supply Act 1908 shall be read and have effect as if the thirty-first day of December had been referred to therein instead of the twenty-sixth day of August.

**30.** Seven days before entering upon breaking up or otherwise interfering with any street or road within the metropolitan police district the Company shall except in case of emergency or in the laying replacing or repairing of consumers' service pipes give notice in writing to the commissioner of police of the metropolis and make such arrangements with the said commissioner of police as may be reasonably necessary so as to cause as little interference with the traffic in such street or

For pro-  
tection of  
commis-  
sioner of  
police of  
metropolis.

A.D. 1925. road during the construction of such works as may be reasonably practicable.

Notice to  
com-  
missioner  
of city  
police.

**31.** Seven days before entering upon breaking up or otherwise interfering with any street or road within the city of London the Company shall except in case of emergency or in the laying replacing or repairing of consumers' service pipes give notice in writing to the commissioner of police of the city of London and make such arrangements with the said commissioner as may be reasonably necessary so as to cause as little interference with the traffic in such street or road during the construction of such works as may be reasonably practicable.

For pro-  
tection of  
Council.

**32.** In the exercise by the Company of any of the powers of this Act the following provisions for the protection of the Council shall unless otherwise agreed between the Council and the Company apply and have effect (that is to say) :—

- (1) Nothing in this Act shall authorise the Company to break up or otherwise interfere with any park open space or embankment vested in the Council except so far as any part of such park open space or embankment forms part of a street or (save so far as is permitted by the principal Acts) to break up alter the position of interfere with or make use of any tramway tunnel subway or sewer so vested except with the consent in writing of the Council and subject to such terms and conditions as they may impose :
- (2) For the purpose of section 13 of the schedule to the Electric Lighting (Clauses) Act 1899 the Council shall be substituted for the local authority in regard to prescribing the hours at which the Company may have access to boxes provided under this Act in any street repairable by the Council :
- (3) The Council in respect of any tramway sewer drain watercourse defence or other work under their control or jurisdiction shall be entitled to the same protection and have the same rights powers and privileges as a local authority under section 18 of the schedule to the Electric

Lighting (Clauses) Act 1899 Provided that the Council shall be entitled to fourteen days' notice instead of three days' notice as in that section provided :

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(4) So far as concerns the electric mains provided by the Company under this Act in the county the Council shall have the same rights powers and privileges as the Postmaster-General under section 60 of the schedule to the Electric Lighting (Clauses) Act 1899 :

(5) The Council shall for the purpose of section 14 of the schedule to the Electric Lighting (Clauses) Act 1899 have in addition to any powers rights and privileges possessed by them under the said section the same rights powers and privileges as if they were the local authority for the county :

(6) Where the Company desire to lay or may be required to lay any electric line in or under the carriageway or footway of any street in which there is a subway vested in the Council :—

(a) The Company may lay such electric line in such subway subject to the consent of the Council ;

(b) If the Council serve a notice upon the Company requiring them to lay such electric line in such subway then notwithstanding anything in this Act or the principal Acts contained the powers conferred thereby with respect to the breaking up of and interference with such street shall not be exercised by the Company in that portion of the street under which the subway extends in any part of the width of such street ;

(c) Subject to the provisions of this section any electric line to be laid in such subway shall be laid in such manner as the Council shall direct or approve and the Company shall have access to such subway at all reasonable times and subject to such conditions as the Council may determine and the Company shall pay to the Council such reasonable rent in respect of the use of any

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such subway as may be settled by agreement or in case of difference by arbitration;

(d) If any question arises as to whether the Company can be required to place their electric lines in any such subway such question failing agreement shall be determined by the Commissioners who shall take into account all the circumstances of the case:

- (7) The provisions of sections 21 and 22 of the London County Council (Subways) Act 1893 shall apply in relation to any electric line laid in a subway under the provisions of this section as if such electric line were required to be placed in a subway and as if the Company were "the Company" under and within the meaning of the said Act.

For protection of Port of London Authority.

**33.**—(1) Nothing in this Act shall (i) authorise the Company to execute any works on over or under or to interfere in any manner with the bed soil shores and banks of the River Thames or to interfere in any manner with the navigation of that river or any property of the Port of London Authority (hereinafter called "the authority") or to execute any works on over or under any lands or premises of the authority except with the consent or licence in writing of the authority and subject to such terms and conditions as the authority may impose or (ii) prejudice derogate from or affect in any manner any rights powers or privileges now vested in or exerciseable by the authority.

(2) The provisions of the section of this Act of which the marginal note is "As to crossing tramways and railways" shall not apply to any tramways or railways situate on any lands of the authority or on any roads repairable by the authority within the authority's estate.

For protection of Honourable Societies of Inner and Middle Temples.

**34.** Nothing in this Act shall authorise the Company to exercise within the parishes or places known as the Inner Temple and the Middle Temple respectively any of the powers conferred upon the Company in relation to the execution of works under the provisions of this Act without the previous consent in writing of the treasurer for the time being of the Honourable Society of the Inner Temple or Middle Temple as the case may

be and any such consent may be granted upon and subject to such terms and conditions as the treasurer and the Masters of the Bench of such society shall think proper.

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**35.** For the protection of the Metropolitan Water Board (in this section referred to as "the board") the following provisions shall unless otherwise agreed between the Company and the board have effect (that is to say):—

For pro-  
tection of  
Metro-  
politan  
Water  
Board.

(1) Where the Company require to dig or sink any trench for laying down or constructing any main pipe tube cable work or apparatus under the powers of this Act within six feet of any main pipe work or apparatus (in this section referred to as "apparatus") of the board they shall except in case of emergency twenty-eight days before commencing such works deliver to the board plans thereof and if it shall appear to the board that such works will interfere with or endanger or prevent proper access to such apparatus or impede the supply of water by means thereof the board may within twenty-eight days after the receipt of such plans give notice to the Company to lower or otherwise alter the position of or to support or lay or place cement concrete under such apparatus or surround such main pipe tube cable work or apparatus of the Company with efficient insulating material (in this section referred to as "protective works") in such manner as may be necessary for protecting such apparatus from injury and any difference as to the necessity for the protective works shall be settled by arbitration:

(2) If the Company shall not dispute such necessity or if the arbitrator determine that the protective works are necessary the same shall subject as herein provided be executed in accordance with the reasonable requirements of the board or the decision of the arbitrator as the case may be:

(3) If the board at the time of giving such notice as aforesaid to the Company express their desire themselves to execute any protective works which may be agreed or decided to be necessary as the case may be they may by their

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own engineer and workmen execute the same and in that event shall do so with all reasonable dispatch and the Company shall on the completion thereof pay to the board the reasonable expenses incurred by them in such execution Provided that if the board fail to execute such protective works with all reasonable dispatch after request in writing from the Company so to do the same may notwithstanding such notice be executed by the Company :

- (4) If any interruption in the supply of water by the board shall without their written authority be in any way occasioned by the Company or by the act or acts of any of their contractors agents workmen or servants or any person in the employ of them or any or either of them the Company shall forfeit and pay to the board for the use and benefit of the board a sum not exceeding twenty pounds for every day during which such interruption shall continue :
- (5) The expenses of all repairs or renewals of any apparatus of the board or of any works in connection therewith which may be rendered necessary by reason of any subsidence resulting from the works of the Company whether during the construction of the works or within twelve months from the completion thereof shall be borne and paid by the Company :
- (6) If any difference shall arise in respect of any matter under this section (other than a difference as to the construction or meaning of the said section) between the Company on the one hand and the board on the other hand or between their respective engineers or concerning any plans to be delivered to the board under the foregoing provisions of this section the matter in difference shall be referred to and settled by an arbitrator to be agreed upon or failing agreement to be appointed on the application of either party by the Board of Trade and subject as aforesaid the provisions of the Arbitration Act 1889 shall apply.

For pro-  
tection of

**36.** For the protection of the Lee Conservancy Board (in this section called "the board") the following



provisions shall apply and have effect unless otherwise agreed between the Company and the board (that is to say) :—

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—  
Lee Con-  
servancy  
Board.

(1) In constructing under the powers of this Act any works in over under or across or in any way affecting the Lee Navigation or the beds banks foreshores or towpaths thereof the same shall be done under the superintendence and to the reasonable satisfaction of the engineer of the board and only according to plans and sections to be submitted to and in such manner as shall previously be reasonably required by him in writing and in all things by and at the expense of the Company and the Company shall also restore and make good to the reasonable satisfaction of the engineer of the board the property of the board which may be disturbed or interfered with by or owing to the operations of the Company Provided always that if the engineer of the board shall for a period of thirty days fail to signify his disapproval of the said plans and sections he shall be deemed to have approved thereof and if within the said period he shall disapprove the same and the engineer of the board and the engineer of the Company fail to agree or in the event of any difference arising between the board and the Company then the said works shall be constructed only according to plans and sections and on such terms and conditions as shall be determined by arbitration in manner hereinafter provided :

(2) All such works shall be constructed so as not to cause any injury to the navigation or property of the board or interruption to the passage or conduct of the traffic on the Lee Navigation and if any such injury or interruption shall arise from or be in any way owing to any acts or operations of the Company or of any person employed by them the Company shall make compensation in respect thereof to the board and the amount of such compensation unless agreed upon shall be determined by arbitration in manner hereinafter provided :

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(3) Any dispute or difference which may arise between the board and the Company with reference to the provisions of this section or in any way arising thereout or as to any works to be carried out in pursuance thereof shall be settled by arbitration by an engineer or other fit person to be appointed failing agreement by the President of the Institution of Civil Engineers on the application of the board and the Company or either of them and subject as aforesaid the provisions of the Arbitration Act 1889 shall apply to any such arbitration.

For protection of borough councils of Fulham Hampstead and Saint Marylebone.

**37.**—(1) Nothing in the Metropolitan Electric Supply Company (Various Powers) Act 1905 or in the Electricity (Supply) Acts 1919 and 1922 shall be deemed to prevent the joint electricity authority supplying electricity in bulk to the councils of the metropolitan boroughs of Fulham Hampstead and Saint Marylebone or any of them or shall render the consent of the Metropolitan Electric Supply Company Limited necessary to such supply being furnished.

(2) Notwithstanding anything contained in this Act the Company shall not be deemed to be a power company so far as relates to any part of the said metropolitan boroughs and no part of those boroughs shall be within the area of supply of the Company except for the purposes of the Company affording such supplies as are mentioned in paragraphs (c) and (e) of the section of this Act whereof the marginal note is "Limiting powers of supply" subject as regards such supplies to the provisions of the section of this Act whereof the marginal note is "As to use of electricity supplied to certain bodies."

(3) Nothing in the heads of agreement dated the eighth day of May one thousand nine hundred and one and made between Ernest Debenham and Walter Leaf on behalf of the borough council of Saint Marylebone and William Harrison Cripps and Frederick Leverton Harris M.P. on behalf of the Metropolitan Electric Supply Company Limited as embodied in and confirmed by an agreement dated the fifth day of July one thousand nine hundred and four and made between the mayor aldermen and councillors of the metropolitan borough of

Saint Marylebone of the one part and the Metropolitan Electric Supply Company Limited of the other part shall prevent the said mayor aldermen and councillors from obtaining a supply of electricity in bulk from any authority company body or person.

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**38.** Notwithstanding anything contained in this Act the joint electricity authority may supply electricity in bulk to the council of any metropolitan borough being authorised undertakers.

Saving for certain metropolitan borough councils.

**39.**—(1) Nothing in the section of this Act of which the marginal note is “As to use of electricity supplied to certain bodies” shall be deemed to allow electricity supplied by the Company to the Port of London Authority to be used (save so far as may be hereafter authorised by Parliament or other competent authority) within any dock or part of a dock within the metropolitan borough of Poplar without the consent of the mayor aldermen and councillors of the said metropolitan borough under their common seal except for the purposes of haulage or traction on or lighting vehicles drawn or propelled by such haulage or traction on a railway owned or worked by the Port of London Authority and for the purposes of signalling and working any appliances at passenger stations on any such railway on which electricity so supplied is used for haulage or traction.

For protection of metropolitan borough of Poplar.

(2) Nothing in this section shall affect the giving of supplies to vehicles not running on rails or any use of any supply given to them.

(3) For the purpose of section 6 of the Electric Lighting Act 1909 nothing in this section shall be construed as a specific prohibition within the meaning of subsection (4) of the said section 6 against the supply by the Company of electricity within the said metropolitan borough or any part thereof.

**40.**—(1) Nothing in the section of this Act of which the marginal note is “As to use of electricity supplied to certain bodies” shall be deemed to allow electricity supplied by the Company to the Port of London Authority to be used (save so far as may be hereafter authorised by Parliament or other competent authority) within any dock or part of a dock within the metro-

For protection of metropolitan borough of Stepney.

A.D. 1925.

politan borough of Stepney without the consent of the mayor aldermen and councillors of the said metropolitan borough under their common seal except for the purposes of haulage or traction on or lighting vehicles drawn or propelled by such haulage or traction on a railway owned or worked by the Port of London Authority and for the purposes of signalling and working any appliances at passenger stations on any such railway on which electricity so supplied is used for haulage or traction.

(2) Nothing in this section shall affect the giving of supplies to vehicles not running on rails or any use of any supply given to them.

(3) For the purpose of section 6 of the Electric Lighting Act 1909 nothing in this section shall be construed as a specific prohibition within the meaning of subsection (4) of the said section 6 against the supply by the Company of electricity within the said metropolitan borough or part thereof.

For pro-  
tection of  
Croydon  
Corporation.

41. Notwithstanding anything contained in this Act the following provisions for the protection and benefit of the mayor aldermen and burgesses of the borough of Croydon (in this section referred to as "the corporation" and "the borough" respectively) shall apply and have effect save so far as may otherwise be agreed in writing between the Company and the corporation (that is to say):—

The Company shall not supply electrical energy for use on—

- (a) the tramways authorised by the Croydon and District Electric Tramways Act 1902 which are in that Act referred to as "the Croydon tramways";
- (b) the tramways authorised by the said Act of 1902 within the several urban districts formerly forming part of the rural district of Croydon;
- (c) Tramways Nos. 1 2 and 3 authorised by the Croydon and District Electric Tramways (Extensions) Act 1903; and
- (d) the light railways authorised by the Mitcham Light Railway Order 1901 or any of those tramways or light railways.

**42.** Notwithstanding anything in this Act or in any Act or Order relating to any of the London companies neither the Company nor any of the London companies save so far as they may be hereafter authorised so to do by Parliament or other competent authority shall without the consent of the mayor aldermen and burgesses of the county borough of East Ham under their corporate seal supply electricity within or for use within the said county borough of East Ham except to a railway company for the purposes of haulage or traction on or lighting vehicles drawn or propelled by such haulage or traction on a railway owned or worked by such railway company and for the purposes of working or lighting any signalling apparatus owned or worked by such railway company or passenger or luggage hoists lifts escalators or similar appliances for conveying passengers or their luggage from one portion of any passenger station on any such railway to any other portion of such station but nothing in this section shall affect the giving of supplies to vehicles not running on rails or any use of any supply given to them.

A.D. 1925.

For protection of  
East Ham  
Corporation.

**43.**—(1) Notwithstanding anything in this Act or in any Act or Order relating to any of the London companies neither the Company nor any of the London companies save so far as they may be hereafter authorised so to do by Parliament or other competent authority shall without the consent of the mayor aldermen and burgesses of the county borough of West Ham under their corporate seal supply electricity within or for use within the said county borough of West Ham or within or for use within any property of the Port of London Authority which is situate within the said county borough of West Ham or the county borough of East Ham or the part of the metropolitan borough of Woolwich which lies to the north of the River Thames except to a railway company for the purposes of haulage or traction on or lighting vehicles drawn or propelled by such haulage or traction on a railway owned or worked by such railway company and for the purposes of working or lighting any signalling apparatus owned or worked by such railway company or passenger or luggage hoists lifts escalators or similar appliances for conveying passengers or their luggage from one portion of any passenger station on any such railway to any other portion of such station but nothing in this section shall affect the giving of supplies

For protection of  
West Ham  
Corporation.

A.D. 1925. to vehicles not running on rails or any use of any supply given to them.

(2) Nothing contained in section 18 of the Charing Cross and Strand Electricity Supply Corporation Limited (Further Powers) Act 1900 shall be construed as preventing the said mayor aldermen and burgesses from taking a supply of electricity from the joint electricity authority.

For protection of railway companies.

44. For the protection of the London Midland and Scottish Railway Company the London and North Eastern Railway Company the Metropolitan District Railway Company and the Metropolitan Railway Company (each of whom are in this section called "the railway company") the following provision shall unless otherwise agreed between the Company and the railway company apply and have effect (that is to say):—

Section 20 of the schedule to the Electric Lighting (Clauses) Act 1899 shall in its application to the Company be read and construed as if electric signalling apparatus referred to in that section included any electrical apparatus or works used for traction or other purposes of the railway company.

For protection of cable subway of Metropolitan District and London Electric Railway Companies.

45. For the protection of the Metropolitan District Railway Company and the London Electric Railway Company (in this section called "the two companies") the following provisions shall unless otherwise agreed apply:—

The Company shall not under the powers of this Act without the consent in writing of the two companies first obtained in any manner interfere with the cable subway constructed under the powers of the Metropolitan District Railway Acts 1900 1902 and 1903 or the cables and appliances in such cable subway and situate in the metropolitan boroughs of Chelsea and Kensington and leading from the Earls Court station on the Metropolitan District Railway to the Lots Road generating station at Lots Road Chelsea Provided that such consent shall not be unreasonably withheld and that if any question arises whether the consent is unreasonably withheld such question shall be referred to and decided by arbitration by an engineer or other

fit person to be appointed by the Minister of Transport on the application of the two companies and the Company or either of them after notice to the other or others of the intention to make such application.

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**46.** For the protection of the North Metropolitan Electric Power Supply Company (hereinafter referred to as "the North Metropolitan Company") the following provisions shall have effect (that is to say):—

For protection of North Metropolitan Electric Power Supply Company.

- (1) Nothing in this Act shall authorise the Company to supply electricity except with the consent in writing of the North Metropolitan Company within or for use within the North Metropolitan limits (hereinafter defined) otherwise than (i) to any company body or person owning or working an undertaking being a railway light railway tramway port dock canal or navigation for the purposes of haulage or traction or for lighting vehicles or boats used on such undertaking or (ii) for the purpose of charging or re-charging electric vehicles not running on rails:
- (2) Save as aforesaid nothing in this Act shall authorise the Company to exercise any powers of this Act within or in relation to any undertaking or any part of any undertaking within the North Metropolitan limits except with such consent as aforesaid:
- (3) In this section the expression "the North Metropolitan limits" means the limits defined as "the Company's limits" in section 5 of the North Metropolitan Electric Power Supply Act 1907 and any extension of those limits authorised by any Act of the present session of Parliament.

**47.** The memorandum and articles of association of the Company and of each of the London companies shall be and are hereby amended to conform with the provisions of this Act.

Amending memorandum and articles of association.

**48.** Save as is by this Act expressly provided nothing in this Act shall—

Saving for Company in certain matters.

- (1) Derogate from or abridge any powers of the Company or of any of the London companies under the Companies Acts 1908 to 1917 or any Act amending the same; nor

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(2) Prevent the Company or any of the London companies from modifying or altering their memorandum or articles of association as varied by this Act in accordance with or making any compromise or arrangement under the provisions of the Companies Acts 1908 to 1917 or any Act amending the same.

Saving memorandum and articles of association.

49. Save as is in this Act expressly provided nothing in this Act shall prejudice alter or affect the memorandum or articles of association of the Company or of any of the London Companies nor be deemed to invalidate any act done or proceedings pending by or against the Company or of any of the London companies before or at the passing of this Act.

Copy of Act to be annexed to copies of memorandum and articles of association.

50. To every copy of the memorandum and articles of association of the Company and of each of the London companies supplied after the passing of this Act to any member under the provisions of section 18 of the Companies (Consolidation) Act 1908 there shall be annexed a copy of this Act which for the purposes of that section shall be treated as part of the memorandum and articles of association of each such company.

Copies of Act to be registered.

51. The Company and each of the companies named in the First Schedule to this Act shall deliver to the Registrar of Joint Stock Companies a printed copy of this Act and he shall retain and register the same and any of the said companies which fails to deliver such copy within three months from the passing of this Act shall incur a penalty not exceeding two pounds for every day after the expiration of those three months during which the default continues and any director or manager of any such company who knowingly and wilfully authorises such default shall incur a like penalty.

There shall be paid to the registrar by each such company on the copy delivered by them being registered the like fee as is for the time being payable under the Companies (Consolidation) Act 1908 on registration of any document other than a memorandum of association or the abstract required to be filed with the registrar by a receiver or manager or the statement required to be sent to the registrar by the liquidator in a winding up in England.



**52.** This Act shall come into operation on the day on which any order or scheme of the Commissioners providing for the establishment of a joint electricity authority for the district is approved by Parliament and if such order or scheme is approved by resolutions of each House of Parliament passed on different dates then this Act shall come into operation on the date on which the later of such resolutions is passed :

A.D. 1925.  
—  
Commence-  
ment of Act.

Provided that if any such order or scheme shall have been approved by a resolution of each House of Parliament before the passing of this Act this Act shall come into operation on the day of the passing thereof.

**53.** All costs charges and expenses of and incident to the preparing for obtaining and passing of this Act or otherwise in relation thereto shall be paid by the Company.

Costs of  
Act.

A.D. 1925. The SCHEDULES referred to in the foregoing  
Act.

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THE FIRST SCHEDULE.

The Brompton and Kensington Electricity Supply Company Limited.

The Charing Cross Electricity Supply Company Limited.

The Chelsea Electricity Supply Company Limited.

The London Electric Supply Corporation Limited.

The Metropolitan Electric Supply Company Limited.

The Kensington and Knightsbridge Electric Lighting Company Limited.

The Notting Hill Electric Lighting Company Limited.

The Saint James' and Pall Mall Electric Light Company Limited.

The Westminster Electric Supply Corporation Limited and  
The Central Electric Supply Company Limited.

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THE SECOND SCHEDULE.

Stamp.



THIS AGREEMENT made the fourteenth day of December one thousand nine hundred and twenty-three between the BROMPTON AND KENSINGTON ELECTRICITY SUPPLY COMPANY LIMITED (hereinafter called "the Lessors") of the one part and the LONDON ELECTRICITY JOINT COMMITTEE (1920) LIMITED (hereinafter called "the Lessees") of the other part.

WHEREAS the London County Council have under the London Electric Supply Act 1908 and the London Electric Supply Act 1910 a right to purchase as in the said Acts mentioned undertakings or parts of undertakings in London of the fourteen companies named in the First Schedule to the said Act of 1908 and the schedule to the said Act of 1910 which said right first arises in the year one thousand nine hundred and thirty-one and the Lessors are one of the said companies :

And whereas the London County Council have by resolutions passed on the thirty-first day of July one thousand nine hundred and twenty-three indicated that they are willing to consent to

the suspension of their said right of purchase for a period of forty years subject to certain terms therein mentioned which comprise (inter alia) the establishment under the Electricity (Supply) Act 1919 by the Electricity Commissioners thereby constituted of a Joint Electricity Authority for a district comprising (inter alia) the county of London and the transfer to the Joint Electricity Authority of the said right of purchase subject to the suspension thereof as aforesaid :

A.D. 1925.

And whereas the Electricity Commissioners in the month of February one thousand nine hundred and twenty-three published a scheme formulated by them under the said Act of 1919 providing for the establishment of such a Joint Electricity Authority :

And whereas the said terms further require the improvement of generation of electricity for supply in the areas of supply of the said companies or some of them :

And whereas the Lessees who are a body constituted by ten of the said companies have resolved to promote a Bill in Parliament in the session 1924 to make provision for improving the generation of electricity as aforesaid and for other purposes :

Now therefore the Lessors and Lessees agree as follows that is to say :—

1. The Lessors agree to lease to the Lessees the premises more particularly described in the First Schedule hereto with the benefit of any rights but subject to any obligations or liabilities of the Lessors under the documents specified in the Second Schedule hereto for a term of forty-seven years from the twenty-fifth day of August one thousand nine hundred and twenty-four at a yearly rent which shall be a sum equivalent to six per centum per annum on the capital sum as appearing at the date of the lease from the accounts of the Lessors (as certified as correct by their auditors) to have been the aggregate cost of the said premises so leased less such depreciation on the same as has been from time to time allowed thereon by the Board of Inland Revenue in arriving at the taxable profits of the Lessors for income tax purposes.

2. There shall be excepted from the demise any part of the said premises described in the said First Schedule hereto which is or are used as or form part of an office or a transformer station of the Lessors and all cables or other works leading therefrom and required by the Lessors for their distribution business and reserving to the Lessors all necessary rights for the use by the Lessors of such office transformer station and cables and other works for any purpose of their said distribution business.

3. The said lease shall contain the usual provisions requiring the Lessees (1) to observe the covenants in the head lease (if

[Ch. lxiii.] *London Electricity* [15 & 16 GEO. 5.]  
(No. 2) Act, 1925.

A.D. 1925. — any) of the Lessors and (2) to pay the rent reserved by the lease and all rates taxes and outgoings which may during the term thereof become due and payable in respect of the demised premises and (3) at the end of the term unless the premises shall have been transferred to the Lessees under the option hereinafter contained to yield the same up and (4) not to assign or underlet without the consent of the Lessors and (if required) of their superior Lessors (if any) such consent in the case of the Lessors not to be unreasonably withheld and (5) to keep the demised premises insured against fire and to rebuild the same if they shall be destroyed or damaged by fire and (6) to undertake the performance of and indemnify the Lessors against any obligations or liabilities of the Lessors under any of the documents specified in the Second Schedule hereto and shall also contain covenants by the Lessors (1) for quiet enjoyment of the demised premises and (2) to repay to the Lessees such proportion of any rates taxes and outgoings paid by the Lessees as shall be reasonably attributable to or payable in respect of any office transformer station or cables or works leading therefrom which are excepted from the premises demised such proportion in default of agreement between the Lessors and the Lessees to be determined by arbitration as is hereinafter provided.

The Lessees shall not be required to enter into any covenant to repair the demised premises or to deliver the same up in any specified state of repair save so far as any such covenant may be necessary by reason of the existence of any similar covenant in any such head lease as aforesaid.

3A. On the grant of the said lease the Lessees shall if required by the Lessors enter into an obligation that the Lessees shall if so required by the Lessors by not less than six calendar months' previous notice in writing pay to the Lessors the amount of any loans which shall have been raised by the Lessors and for the repayment whereof the Lessors shall be liable at the date of such grant. Provided always that no such obligation as is mentioned in this clause shall require the Lessees to pay to the Lessors any amount or amounts exceeding in the aggregate the capital sum mentioned in clause 1 of this agreement less such depreciation as is mentioned in that clause and less the aggregate of any sums which shall have been paid to the Lessors by the Lessees under such obligation or under any such arrangement as is mentioned in clause 4 of this agreement.

4. The Lessees shall on the grant of the said lease if required by the Lessors enter into arrangements with the Lessors to secure the payment by the Lessees to the Lessors in each year during the term of the lease of a sum equal to the amount which if annually paid into a sinking fund during the term of the lease will be sufficient with accumulations at a net rate not exceeding three pounds per centum per annum to provide at the expiration

of the term of the lease the capital sum less depreciation referred to in clause 1 hereof. A.D. 1925.

Any sum or sums to be annually paid to the Lessors under such arrangements as are mentioned in this clause are in this agreement referred to as "sinking fund payments."

The Lessees undertake that they will prior to the granting of the said lease procure such guarantee or guarantees as the Lessors may have regard to all the circumstances of the case reasonably require to be given to the Lessors for the due payment of the rent and sinking fund payments.

5. The lease shall further provide that if at any time during the continuance thereof the Lessees shall (in addition to paying to the Lessors the rent provided for by clause 1 hereof) have paid to the Lessors by sinking fund payments and by payments made to the Lessors under clause 3A of this agreement or in either of those ways an amount equal to the capital sum referred to in the said clause 1 less (a) such depreciation as is in that clause mentioned and (b) the sum of one thousand pounds or any sum being less than one thousand pounds the Lessors will on the request of the Lessees convey transfer or assign to the Lessees all their estate and interest in the demised premises in consideration of the payment of the sum of one thousand pounds or any such sum as aforesaid being less than one thousand pounds.

For the purposes of this clause sinking fund payments includes accumulations thereon at the rate mentioned in clause 4 hereof.

6. The Lessors and the Lessees hereby agree that on the grant to the Lessees by the Lessors of the said lease the Lessees will enter into an agreement (hereinafter called "the supply agreement") with the Lessors whereby subject always to the obligations (if any) of the Lessors under any agreement existing at the date of the lease for the taking by the Lessors of a bulk supply the Lessees will come under obligation to supply to the Lessors and the Lessors will come under obligation to take from the Lessees until the twenty-fifth day of August one thousand nine hundred and seventy-one all such electricity as may be required to meet all statutory or contractual obligations of the Lessors as existing from time to time.

The supply agreement shall also provide that the Lessors shall give to the Lessees reasonable notice if they require from the Lessees supplies which are in excess of the supplies being afforded by the Lessors at the date of the lease and that if any question arises as to whether any such notice is reasonable or as to any point at which electricity is to be so supplied by the Lessees to the Lessors such question failing agreement between

A.D. 1925. the Lessors and the Lessees shall be referred to and determined by arbitration as hereinafter provided.

The prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall in no case be greater than the cost (including allowance for depreciation at the rate of two per centum per annum on the capital cost of the premises described in the First Schedule hereto interest on such capital cost and other capital charges at the rate of six per centum per annum cost of fuel and labour and other costs of generation and transformation (if any)) at which the Lessors would if such lease had not been granted have been able to generate and send out such electricity by means of plant in use in the generating station demised by the lease or on order therefor at the date of the lease nor greater than the price which would have been payable by the Lessors for such electricity under any contract in force at the date of such lease Subject to this provision the prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall be such prices as shall be agreed between the parties or failing agreement determined by arbitration as hereinafter provided.

The supply agreement shall further provide that on any reference to arbitration of any question of any prices to be paid to the Lessees by the Lessors for electricity supplied thereunder the arbitrator shall fix such prices so far as the same relate to any supplies of electricity which may be required by the Lessors for fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease at such figures as will in his opinion secure that the Lessors shall not be prejudiced in the fulfilment of such contract by reason of their having leased the premises mentioned in the First Schedule hereto to the Lessees but that subject as aforesaid the arbitrator shall fix any such prices so that the total receipts of the Lessees will in his opinion enable the Lessees to meet their generating costs rents interest or dividends on moneys borrowed or raised sinking fund payments depreciation and other payments on revenue account with a reasonable margin for contingencies but nothing for profits.

The supply agreement shall also provide that either the Lessors or the Lessees may require that any prices for the time being payable for any such supplies of electricity shall be submitted to revision by arbitration as hereinafter provided at the expiration of each period of five years calculated from the date on which the term of the lease commences and that the prices as so revised from time to time shall be binding on the Lessors and Lessees save so far as they may otherwise agree but that any prices fixed on any such revision shall be prices at which the Lessees can give the supplies to which such revision relates to the Lessors without incurring a loss in giving such supplies and

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subject thereto shall be such prices as will not prevent the Lessors earning a reasonable return on their capital. Provided always that no such provision as to revision shall allow of any revision of price so far as the same relates to any quantity of electricity which may be required by the Lessors for the purpose of fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease except that in any case where the price or prices payable at the date of the lease under any such contract shall have been revised under provisions in that behalf contained in such contract or otherwise the price or prices for supplies required by the Lessors from the Lessees for the purpose of fulfilling such contract may be revised by way of increase or decrease by the amount by which the price or prices payable under such contract as aforesaid has been so revised.

The Lessors hereby agree with the Lessees that if the receipts of the Lessees on revenue account in any year are insufficient to meet the charges payable by the Lessees out of revenue for that year the Lessors will if so required by the Lessees pay to the Lessees any sum not exceeding such proportion of the deficiency as the amount paid for electricity supplied by the Lessees to the Lessors in that year bears to the total amount paid for electricity supplied by the Lessees in that year. And the Lessees hereby agree with the Lessors that if and so often as any sums shall be paid by the Lessors to the Lessees under the provisions of this clause the Lessees will until the whole of the sums so paid have been repaid with interest thereon at the rate of five pounds per centum per annum apply any balance of their revenue which remains in any year after meeting their expenses of the working maintenance and management of their undertaking and any other payments on revenue account (including sinking fund payments) in repaying to the Lessors with interest as aforesaid the sum or sums so paid by the Lessors to the Lessees in the proportion which such sum or sums bear to the total of all sums paid by the Lessors and by any other body or bodies to the Lessees in respect of any such deficiency as is mentioned in this clause.

7. The said lease shall contain such other terms and conditions as either party hereto shall think necessary and shall be agreed to by the other of them and if either party shall require any term or condition to which the other shall not agree the question in difference shall be referred to a barrister-at-law agreed upon between the parties or failing such agreement to a barrister-at-law nominated by the President of the Law Society on the application of either party and the decision of such barrister-at-law on the matter in difference shall be accepted by the parties hereto and the lease unless the parties hereto otherwise agree shall be framed accordingly.

A.D. 1925.

8. The lease shall contain a provision that if any question shall arise with reference to anything contained therein the decision whereof is not thereby otherwise provided for such question shall be referred to and determined by a single arbitrator to be agreed upon between the Lessors and the Lessees or in default of such agreement to be appointed on the request of either the Lessors or the Lessees by the President of the Institution of Civil Engineers or in the case of an arbitration under the provisions of clause 3 hereof by the President of the Surveyors' Institution and any such reference shall be deemed a reference to arbitration within the meaning of the Arbitration Act 1889 or any statutory modification thereof.

9. Any sum including costs which may become payable by the Lessors under section 16 of the Electricity (Supply) Act 1919 as amended by the Electricity (Supply) Act 1922 as the result of the closing down by the Lessors of any plant affected by this agreement shall be repaid to them by the Lessees who hereby undertake to indemnify the Lessors in respect of the same.

10. This agreement is subject to its being confirmed by Parliament during the sessions 1924 or 1925 with such alterations as Parliament may think fit to make therein and subject to provision being made in either of the said sessions by Act or by a scheme or order approved by Parliament under the Electricity (Supply) Acts 1882 to 1922 whereby any powers of purchase relating to the electricity undertaking of the Lessors shall be suspended until the year 1971 but if Parliament shall make any material alteration therein to which either the Lessors or the Lessees shall not agree or if no such provision as to powers of purchase relating to the said undertaking of the Lessors shall be made as aforesaid the Lessors or the Lessees may by notice to the other of them withdraw from the agreement and thereupon the same shall be void and of no effect. The grant of the said lease is subject to the obtaining by the Lessors of all necessary licences from their Lessors (if any) to grant the same.

As witness our hands the day and year first above written.

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The FIRST SCHEDULE.

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The generating station of the Lessors now in the occupation of the Lessors situate at Richmond Road Earls Court in the county of London on a site comprising .5808 acre or thereabouts together with all engines plant and machinery therein.

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The SECOND SCHEDULE.

A.D. 1925.

1. Indenture of lease between the Metropolitan District Railway Company and the House to House Electric Light Supply Company Limited dated the twenty-third day of May one thousand eight hundred and eighty-nine.

2. Tenancy agreement between the Metropolitan District Railway Company and the House to House Electric Light Supply Company Limited dated the eleventh day of May one thousand eight hundred and ninety-nine.

3. Agreement and acknowledgment between the Lessors and the Commissioners of His Majesty's Works and Public Buildings dated the fourteenth day of August one thousand nine hundred and two.

Signed on behalf of the Brompton and  
Kensington Electricity Supply Com- } THOS. J. OWENS.  
pany Limited in the presence of

RONALD GEORGE ROWE  
100 Dover House Rd. Putney  
Clerk.

Signed on behalf of the London  
Electricity Joint Committee (1920) }  
Limited

W. F. FLADGATE  
Chairman.

THIS AGREEMENT made the fourteenth day of December one thousand nine hundred and twenty-three between the CENTRAL ELECTRIC SUPPLY COMPANY LIMITED (hereinafter called "the Lessors") of the one part and the LONDON ELECTRICITY JOINT COMMITTEE (1920) LIMITED (hereinafter called "the Lessees") of the other part.

WHEREAS the London County Council have under the London Electric Supply Act 1908 and the London Electric Supply Act 1910 a right to purchase as in the said Acts mentioned undertakings or parts of undertakings in London of the fourteen companies named in the First Schedule to the said Act of 1908 and the schedule to the said Act of 1910 which said right first arises in the year one thousand nine hundred and thirty-one and the Lessors are one of the said companies :

And whereas the London County Council have by resolutions passed on the thirty-first day of July one thousand nine hundred

A.D. 1925. — and twenty-three indicated that they are willing to consent to the suspension of their said right of purchase for a period of forty years subject to certain terms therein mentioned which comprise (inter alia) the establishment under the Electricity (Supply) Act 1919 by the Electricity Commissioners thereby constituted of a Joint Electricity Authority for a district comprising (inter alia) the county of London and the transfer to the Joint Electricity Authority of the said right of purchase subject to the suspension thereof as aforesaid :

And whereas the Electricity Commissioners in the month of February one thousand nine hundred and twenty-three published a scheme formulated by them under the said Act of 1919 providing for the establishment of such a Joint Electricity Authority :

And whereas the said terms further require the improvement of generation of electricity for supply in the areas of supply of the said companies or some of them :

And whereas the Lessees who are a body constituted by ten of the said companies have resolved to promote a Bill in Parliament in the session 1924 to make provision for improving the generation of electricity as aforesaid and for other purposes :

Now therefore the Lessors and Lessees agree as follows that is to say :—

1. The Lessors agree to lease to the Lessees the premises more particularly described in the schedule hereto with the benefit of any rights but subject to any obligations or liabilities of the Lessors relating to the occupation or use of the said premises for a term of forty-seven years from the twenty-fifth day of August one thousand nine hundred and twenty-four at a yearly rent which shall be a sum equivalent to six per centum per annum on the capital sum as appearing at the date of the lease from the accounts of the Lessors (as certified as correct by their auditors) to have been the aggregate cost of the said premises so leased less such depreciation on the same as has been from time to time allowed thereon by the Board of Inland Revenue in arriving at the taxable profits of the Lessors for income tax purposes.

2. There shall be excepted from the demise any part of the said premises described in the said schedule hereto which is or are used as or form part of an office or a transformer station of the Lessors and all cables or other works leading therefrom and required by the Lessors for their distribution business and reserving to the Lessors all necessary rights for the use by the Lessors of such office transformer station and cables and other works for any purpose of their said distribution business.

3. The said lease shall contain the usual provisions requiring the Lessees (1) to observe the covenants in the head lease (if any)

of the Lessors and (2) to pay the rent reserved by the lease and all rates taxes and outgoings which may during the term thereof become due and payable in respect of the demised premises and (3) at the end of the term unless the premises shall have been transferred to the Lessees under the option hereinafter contained to yield the same up and (4) not to assign or underlet without the consent of the Lessors and (if required) of their superior Lessors (if any) such consent in the case of the Lessors not to be unreasonably withheld and (5) to keep the demised premises insured against fire and to rebuild the same if they shall be destroyed or damaged by fire and (6) to undertake the performance of and indemnify the Lessors against any such obligations or liabilities of the Lessors relating to the occupation or use of the demised premises as are referred to in clause 1 of this agreement and shall also contain covenants by the Lessors (1) for quiet enjoyment of the demised premises and (2) to repay to the Lessees such proportion of any rates taxes and outgoings paid by the Lessees as shall be reasonably attributable to or payable in respect of any office transformer station or cables or works leading therefrom which are excepted from the premises demised such proportion in default of agreement between the Lessors and the Lessees to be determined by arbitration as is hereinafter provided.

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The Lessees shall not be required to enter into any covenant to repair the demised premises or to deliver the same up in any specified state of repair save so far as any such covenant may be necessary by reason of the existence of any similar covenant in any such head lease as aforesaid.

The said lease shall contain a provision that if and so often as any sum referred to in clause 4 of this agreement shall be paid by the Lessees to the Lessors the annual rent reserved by the said lease (or as the case may be such rent as so reduced by reason of any previous payment by the Lessees to the Lessors under any such obligation as is referred to in the said clause 4) shall be reduced by an amount equal to six per centum upon the sum so paid.

4. On the grant of the said lease the Lessees shall if required by the Lessors enter into an obligation that the Lessees shall on or before the first day of April one thousand nine hundred and twenty-six if so required by the Lessors by not less than twelve calendar months' previous notice in writing pay to the Lessors an amount not exceeding eight hundred thousand pounds and shall pay to the Lessors on or before the thirty-first day of December one thousand nine hundred and thirty-one if so required by the Lessors by not less than twelve calendar months' notice in writing an amount not exceeding five hundred thousand pounds and if so required by the Lessors by not less than twelve calendar months' notice before the date on which the same

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— becomes due or such other notice as may be agreed between the Lessors and the Lessees an amount of one hundred and sixteen thousand six hundred and fifteen pounds the said two first-mentioned amounts being in each case moneys due in respect of debenture debt or loans repayable by the Lessors on the said first day of April one thousand nine hundred and twenty-six and the said thirty-first day of December one thousand nine hundred and thirty-one the said last-mentioned amount being moneys payable by the Lessors to the Saint James's and Pall Mall Electric Light Company Limited and the Westminster Electric Supply Corporation Limited and on such grant the Lessees shall also if required by the Lessors enter into an obligation that the Lessees shall if so required by the Lessors by not less than six calendar months' previous notice in writing pay to the Lessors in addition to the amounts before mentioned in this clause the amount of any loans other than as aforesaid which shall have been raised by the Lessors and for the repayment whereof the Lessors shall be liable at the date of such grant and the Lessees if so required by reasonable notice in writing from the Lessors will indemnify the Lessors against the payment of any moneys which the Lessors may at such date be liable to pay in respect of any additions to or improvements of the demised premises :

Provided always that no such obligation shall require the Lessees to pay to the Lessors any amount or amounts exceeding in the aggregate the capital sum mentioned in clause 1 of this agreement less such depreciation as is mentioned in that clause and less the aggregate of any sums which shall have been paid to the Lessors by the Lessees under such obligation or under any such arrangement as is mentioned in clause 5.

5. The Lessees shall on the grant of the said lease if required by the Lessors enter into arrangements with the Lessors to secure the payment by the Lessees to the Lessors in each year during the term of the lease of a sum equal to the amount which if annually paid into a sinking fund during the term of the lease will be sufficient with accumulations at a net rate not exceeding three pounds per centum per annum to provide at the expiration of the term of the lease the capital sum less depreciation referred to in clause 1 hereof and less any sum or sums which may during the term of the lease be paid by the Lessees to the Lessors under any such obligations as are referred to in clause 4 of this agreement.

Any sum or sums to be annually paid to the Lessors under such arrangements as are mentioned in this clause are in this agreement referred to as "sinking fund payments."

The Lessees undertake that they will prior to the granting of the said lease procure such guarantee or guarantees as the Lessors may having regard to all the circumstances of the case

reasonably require to be given to the Lessors for the due payment of the rent and sinking fund payments.

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6. The lease shall further provide that if at any time during the continuance thereof the Lessees shall (in addition to paying to the Lessors the rent provided for by clause 1 hereof) have paid to the Lessors by sinking fund payments and by payments made to the Lessors under clause 4 of this agreement or in either of those ways an amount equal to the capital sum referred to in the said clause 1 less (a) such depreciation as is in that clause mentioned and (b) the sum of one thousand pounds or any sum being less than one thousand pounds the Lessors will on the request of the Lessees convey transfer or assign to the Lessees all their estate and interest in the demised premises in consideration of the payment of the sum of one thousand pounds or any such sum as aforesaid being less than one thousand pounds.

For the purposes of this clause sinking fund payments includes accumulations thereon at the rate mentioned in clause 5 hereof.

7. The Lessors and the Lessees hereby agree that on the grant to the Lessees by the Lessors of the said lease the Lessees will enter into an agreement (hereinafter called "the supply agreement") with the Lessors whereby subject always to the obligations (if any) of the Lessors under any agreement existing at the date of the lease for the taking by the Lessors of a bulk supply the Lessees will come under obligation to supply to the Lessors and the Lessors will come under obligation to take from the Lessees until the twenty-fifth day of August one thousand nine hundred and seventy-one all such electricity as may be required to meet all statutory or contractual obligations of the Lessors as existing from time to time.

The supply agreement shall also provide that the Lessors shall give to the Lessees reasonable notice if they require from the Lessees supplies which are in excess of the supplies being afforded by the Lessors at the date of the lease and that if any question arises as to whether any such notice is reasonable or as to any point at which electricity is to be so supplied by the Lessees to the Lessors such question failing agreement between the Lessors and the Lessees shall be referred to and determined by arbitration as hereinafter provided.

The prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall in no case be greater than the cost (including allowance for depreciation at the rate of two per centum per annum on the capital cost of the premises described in the schedule hereto interest on such capital cost and other capital charges at the rate of six per centum per annum cost of fuel and labour and other costs of generation and transformation (if any)) at which the Lessors would if such lease had

[Ch. lxiii.] *London Electricity* [15 & 16 GEO. 5.]  
(No. 2) Act, 1925.

A.D. 1925. — not been granted have been able to generate and send out such electricity by means of plant in use in the generating station demised by the lease or on order therefor at the date of the lease nor greater than the price which would have been payable by the Lessors for such electricity under any contract in force at the date of such lease Subject to this provision the prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall be such prices as shall be agreed between the parties or failing agreement determined by arbitration as hereinafter provided.

The supply agreement shall further provide that on any reference to arbitration of any question of any prices to be paid to the Lessees by the Lessors for electricity supplied thereunder the arbitrator shall fix such prices so far as the same relate to any supplies of electricity which may be required by the Lessors for fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease at such figures as will in his opinion secure that the Lessors shall not be prejudiced in the fulfilment of such contract by reason of their having leased the premises mentioned in the schedule hereto to the Lessees but that subject as aforesaid the arbitrator shall fix any such prices so that the total receipts of the Lessees will in his opinion enable the Lessees to meet their generating costs rents interest or dividends on moneys borrowed or raised sinking fund payments depreciation and other payments on revenue account with a reasonable margin for contingencies but nothing for profits.

The supply agreement shall also provide that either the Lessors or the Lessees may require that any prices for the time being payable for any such supplies of electricity shall be submitted to revision by arbitration as hereinafter provided at the expiration of each period of five years calculated from the date on which the term of the lease commences and that the prices as so revised from time to time shall be binding on the Lessors and Lessees save so far as they may otherwise agree but that any prices fixed on any such revision shall be prices at which the Lessees can give the supplies to which such revision relates to the Lessors without incurring a loss in giving such supplies and subject thereto shall be such prices as will not prevent the Lessors earning a reasonable return on their capital Provided always that no such provision as to revision shall allow of any revision of price so far as the same relates to any quantity of electricity which may be required by the Lessors for the purpose of fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease except that in any case where the price or prices payable at the date of the lease under any such contract shall have been revised under provisions in that behalf contained in such contract or otherwise the price or prices for supplies required by the Lessors

from the Lessees for the purpose of fulfilling such contract may be revised by way of increase or decrease by the amount by which the price or prices payable under such contract as aforesaid has been so revised.

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—

The Lessors hereby agree with the Lessees that if the receipts of the Lessees on revenue account in any year are insufficient to meet the charges payable by the Lessees out of revenue for that year the Lessors will if so required by the Lessees pay to the Lessees any sum not exceeding such proportion of the deficiency as the amount paid for electricity supplied by the Lessees to the Lessors in that year bears to the total amount paid for electricity supplied by the Lessees in that year. And the Lessees hereby agree with the Lessors that if and so often as any sums shall be paid by the Lessors to the Lessees under the provisions of this clause the Lessees will until the whole of the sums so paid have been repaid with interest thereon at the rate of five pounds per centum per annum apply any balance of their revenue which remains in any year after meeting their expenses of the working maintenance and management of their undertaking and any other payments on revenue account (including sinking fund payments) in repaying to the Lessors with interest as aforesaid the sum or sums so paid by the Lessors to the Lessees in the proportion which such sum or sums bear to the total of all sums paid by the Lessors and by any other body or bodies to the Lessees in respect of any such deficiency as is mentioned in this clause.

8. The said lease shall contain such other terms and conditions as either party hereto shall think necessary and shall be agreed to by the other of them and if either party shall require any term or condition to which the other shall not agree the question in difference shall be referred to a barrister-at-law agreed upon between the parties or failing such agreement to a barrister-at-law nominated by the President of the Law Society on the application of either party and the decision of such barrister-at-law on the matter in difference shall be accepted by the parties hereto and the lease unless the parties hereto otherwise agree shall be framed accordingly.

9. The lease shall contain a provision that if any question shall arise with reference to anything contained therein the decision whereof is not thereby otherwise provided for such question shall be referred to and determined by a single arbitrator to be agreed upon between the Lessors and the Lessees or in default of such agreement to be appointed on the request of either the Lessors or the Lessees by the President of the Institution of Civil Engineers or in the case of an arbitration under the provisions of clause 3 hereof by the President of the Surveyors' Institution and any such reference shall be deemed a reference to arbitration within the meaning of the Arbitration Act 1889 or any statutory modification thereof.

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10. Any sum including costs which may become payable by the Lessors under section 16 of the Electricity (Supply) Act 1919 as amended by the Electricity (Supply) Act 1922 as the result of the closing down by the Lessors of any plant affected by this agreement shall be repaid to them by the Lessees who hereby undertake to indemnify the Lessors in respect of the same.

11. This agreement is subject to its being confirmed by Parliament during the sessions 1924 or 1925 with such alterations as Parliament may think fit to make therein and subject to provision being made in either of the said sessions by Act or by a scheme or order approved by Parliament under the Electricity (Supply) Acts 1882 to 1922 whereby any powers of purchase relating to the electricity undertaking of the Lessors shall be suspended until the year 1971 but if Parliament shall make any material alteration therein to which either the Lessors or the Lessees shall not agree or if no such provision as to powers of purchase relating to the said undertaking of the Lessors shall be made as aforesaid the Lessors or the Lessees may by notice to the other of them withdraw from the agreement and thereupon the same shall be void and of no effect. The grant of the said lease is subject to the obtaining by the Lessors of all necessary licences from their Lessors (if any) to grant the same.

As witness our hands the day and year first above written.

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The SCHEDULE.

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The generating station of the Lessors now in the occupation of the Lessors situate at Grove Road St. John's Wood in the county of London on a site comprising eight and one quarter acres or thereabouts together with all engines plant and machinery therein and together with all such main transmission lines of the Lessors at or connected with the said generating station as may be required for the convenient use of the said station by the Lessees.

Signed on behalf of the Central Electric }  
Supply Company Limited }

F. J. WALKER  
Director.

Signed on behalf of the London }  
Electricity Joint Committee (1920) }  
Limited }

W. F. FLADGATE  
Chairman.



THIS AGREEMENT made the thirteenth day of December .A.D. 1925.  
one thousand nine hundred and twenty-three between  
the CHARING CROSS WEST END AND CITY ELEC-  
TRICITY SUPPLY COMPANY LIMITED (hereinafter called  
"the Lessors") of the one part and the LONDON  
ELECTRICITY JOINT COMMITTEE (1920) LIMITED  
(hereinafter called "the Lessees") of the other part.

WHEREAS the London County Council have under the London  
Electric Supply Act 1908 and the London Electric Supply Act  
1910 a right to purchase as in the said Acts mentioned under-  
takings or parts of undertakings in London of the fourteen  
companies named in the First Schedule to the said Act of 1908  
and the schedule to the said Act of 1910 which said right first  
arises in the year one thousand nine hundred and thirty-one  
and the Lessors are one of the said companies :

And whereas the London County Council have by resolutions  
passed on the thirty-first day of July one thousand nine hundred  
and twenty-three indicated that they are willing to consent  
to the suspension of their said right of purchase for a period  
of forty years subject to certain terms therein mentioned which  
comprise (inter alia) the establishment under the Electricity  
(Supply) Act 1919 by the Electricity Commissioners thereby  
constituted of a Joint Electricity Authority for a district  
comprising (inter alia) the county of London and the transfer  
to the Joint Electricity Authority of the said right of purchase  
subject to the suspension thereof as aforesaid :

And whereas the Electricity Commissioners in the month  
of February one thousand nine hundred and twenty-three  
published a scheme formulated by them under the said Act  
of 1919 providing for the establishment of such a Joint Electricity  
Authority :

And whereas the said terms further require the improvement  
of generation of electricity for supply in the areas of supply  
of the said companies or some of them :

And whereas the Lessees who are a body constituted by  
ten of the said companies have resolved to promote a Bill in  
Parliament in the session 1924 to make provision for improving  
the generation of electricity as aforesaid and for other purposes :

Now therefore the Lessors and Lessees agree as follows  
that is to say :—

1. The Lessors agree to lease to the Lessees the premises  
more particularly described in the schedule hereto with the  
benefit of any rights but subject to any obligations or liabilities  
of the Lessors relating to the occupation or use of the said  
premises for a term of forty-seven years from the twenty-fifth

A.D. 1925. day of August one thousand nine hundred and twenty-four at a yearly rent which shall be a sum equivalent to six per centum per annum on the capital sum as appearing at the date of the lease from the accounts of the Lessors (as certified as correct by their auditors) to have been the aggregate cost of the said premises so leased less such depreciation on the same as has been from time to time allowed thereon by the Board of Inland Revenue in arriving at the taxable profits of the Lessors for income tax purposes.

2. There shall be excepted from the demise any part of the said premises described in the said schedule hereto which is or are used as or form part of an office or a transformer station of the Lessors and all cables or other works leading therefrom and required by the Lessors for their distribution business and reserving to the Lessors all necessary rights for the use by the Lessors of such office transformer station and cables and other works for any purpose of their said distribution business.

3. The said lease shall contain the usual provisions requiring the Lessees (1) to observe the covenants in the head lease (if any) of the Lessors and (2) to pay the rent reserved by the lease and all rates taxes and outgoings which may during the term thereof become due and payable in respect of the demised premises and (3) at the end of the term unless the premises shall have been transferred to the Lessees under the option hereinafter contained to yield the same up and (4) not to assign or underlet without the consent of the Lessors and (if required) of their superior Lessors (if any) such consent in the case of the Lessors not to be unreasonably withheld and (5) to keep the demised premises insured against fire and to rebuild the same if they shall be destroyed or damaged by fire and (6) to undertake the performance of and indemnify the Lessors against any such obligations or liabilities of the Lessors relating to the occupation or use of the demised premises as are referred to in clause 1 of this agreement and shall also contain covenants by the Lessors (1) for quiet enjoyment of the demised premises and (2) to repay to the Lessees such proportion of any rates taxes and outgoings paid by the Lessees as shall be reasonably attributable to or payable in respect of any office transformer station or cables or works leading therefrom which are excepted from the premises demised such proportion in default of agreement between the Lessors and the Lessees to be determined by arbitration as is hereinafter provided.

The Lessees shall not be required to enter into any covenant to repair the demised premises or to deliver the same up in any specified state of repair save so far as any such covenant may be necessary by reason of the existence of any similar covenant in any such head lease as aforesaid.

The said lease shall contain a provision that if and so often as any sum referred to in clause 4 of this agreement shall be paid by the Lessees to the Lessors the annual rent reserved by the said lease (or as the case may be such rent as so reduced by reason of any previous payment by the Lessees to the Lessors under any such obligation as is referred to in the said clause 4) shall be reduced by an amount equal to six per centum upon the sum so paid. A.D. 1925.

4. On the grant of the said lease the Lessees shall if required by the Lessors enter into an obligation that the Lessees shall on or before the first day of April one thousand nine hundred and twenty-six if so required by the Lessors by not less than twelve calendar months' previous notice in writing pay to the Lessors an amount not exceeding two hundred and forty-nine thousand pounds and shall pay to the Lessors on or before the fifteenth day of January one thousand nine hundred and forty-one if so required by the Lessors by not less than twelve calendar months' notice in writing an amount not exceeding six hundred and forty-one thousand four hundred and forty-two pounds the said amounts being in each case moneys due in respect of the debenture debt or loans repayable by the Lessors on the said first day of April one thousand nine hundred and twenty-five and the said fifteenth day of January one thousand nine hundred and forty-one respectively and on such grant the Lessees shall also if required by the Lessors enter into an obligation that the Lessees shall if so required by the Lessors by not less than six calendar months' previous notice in writing pay to the Lessors in addition to the amounts before mentioned in this clause the amount of any loans other than as aforesaid which shall have been raised by the Lessors and for the repayment whereof the Lessors shall be liable at the date of such grant and the Lessees if so required by reasonable notice in writing from the Lessors will indemnify the Lessors against the payment of any moneys which the Lessors may at such date be liable to pay in respect of any additions to or improvements of the demised premises :

Provided always that no such obligation as is mentioned in this clause shall require the Lessees to pay to the Lessors any amount or amounts exceeding in the aggregate the capital sum mentioned in clause 1 of this agreement less such depreciation as is mentioned in that clause and less the aggregate of any sums which shall have been paid to the Lessors by the Lessees under such obligation or under any such arrangement as is mentioned in clause 5 of this agreement.

5. The Lessees shall on the grant of the said lease if required by the Lessors enter into arrangements with the Lessors to secure the payment by the Lessees to the Lessors in each year during the term of the lease of a sum equal to the amount which if annually paid into a sinking fund during the term of the lease

[Ch. lxiii.] *London Electricity* [15 & 16 GEO. 5.]  
(No. 2) Act, 1925.

A.D. 1925. — will be sufficient with accumulations at a net rate not exceeding three pounds per centum per annum to provide at the expiration of the term of the lease the capital sum less depreciation referred to in clause 1 hereof and less any sum or sums which may during the term of the lease be paid by the Lessees to the Lessors under any such obligations as are referred to in clause 4 of this agreement.

Any sum or sums to be annually paid to the Lessors under such arrangements as are mentioned in this clause are in this agreement referred to as "sinking fund payments."

The Lessees undertake that they will prior to the granting of the said lease procure such guarantee or guarantees as the Lessors may have regard to all the circumstances of the case reasonably require to be given to the Lessors for the due payment of the rent and sinking fund payments.

6. The lease shall further provide that if at any time during the continuance thereof the Lessees shall (in addition to paying to the Lessors the rent provided for by clause 1 hereof) have paid to the Lessors by sinking fund payments and by payments made to the Lessors under clause 4 of this agreement or in either of those ways an amount equal to the capital sum referred to in the said clause 1 less (a) such depreciation as is in that clause mentioned and (b) the sum of one thousand pounds or any sum being less than one thousand pounds the Lessors will on the request of the Lessees convey transfer or assign to the Lessees all their estate and interest in the demised premises in consideration of the payment of the sum of one thousand pounds or any such sum as aforesaid being less than one thousand pounds.

For the purposes of this clause sinking fund payments includes accumulations thereon at the rate mentioned in clause 5 hereof.

7. The Lessors and the Lessees hereby agree that on the grant to the Lessees by the Lessors of the said lease the Lessees will enter into an agreement (hereinafter called "the supply agreement") with the Lessors whereby subject always to the obligations (if any) of the Lessors under any agreement existing at the date of the lease for the taking by the Lessors of a bulk supply and except as regards electricity generated by the Lessors at sub-stations for maintaining dual supplies required for any premises to which dual supplies are given by the Lessors the Lessees will come under obligation to supply to the Lessors and the Lessors will come under obligation to take from the Lessees until the twenty-fifth day of August one thousand nine hundred and seventy-one all such electricity as may be required to meet all statutory or contractual obligations of the Lessors as existing from time to time.

A.D. 1925.

The supply agreement shall also provide that the Lessors shall give to the Lessees reasonable notice if they require from the Lessees supplies which are in excess of the supplies being afforded by the Lessors at the date of the lease and that if any question arises as to whether any such notice is reasonable or as to any point at which electricity is to be so supplied by the Lessees to the Lessors such question failing agreement between the Lessors and the Lessees shall be referred to and determined by arbitration as hereinafter provided.

The prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall in no case be greater than the cost (including allowance for depreciation at the rate of two per centum per annum on the capital cost of the premises described in the schedule hereto interest on such capital cost and other capital charges at the rate of six per centum per annum cost of fuel and labour and other costs of generation and transformation (if any)) at which the Lessors would if such lease had not been granted have been able to generate and send out such electricity by means of plant in use in the generating station demised by the lease or on order therefor at the date of the lease nor greater than the price which would have been payable by the Lessors for such electricity under any contract in force at the date of such lease Subject to this provision the prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall be such prices as shall be agreed between the parties or failing agreement determined by arbitration as hereinafter provided.

The supply agreement shall further provide that on any reference to arbitration of any question of any prices to be paid to the Lessees by the Lessors for electricity supplied thereunder the arbitrator shall fix such prices so far as the same relate to any supplies of electricity which may be required by the Lessors for fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease at such figures as will in his opinion secure that the Lessors shall not be prejudiced in the fulfilment of such contract by reason of their having leased the premises mentioned in the schedule hereto to the Lessees but that subject as aforesaid the arbitrator shall fix any such prices so that the total receipts of the Lessees will in his opinion enable the Lessees to meet their generating costs rents interest or dividends on moneys borrowed or raised sinking fund payments depreciation and other payments on revenue account with a reasonable margin for contingencies but nothing for profits.

The supply agreement shall also provide that either the Lessors or the Lessees may require that any prices for the time being payable for any such supplies of electricity shall be

A.D. 1925.

submitted to revision by arbitration as hereinafter provided at the expiration of each period of five years calculated from the date on which the term of the lease commences and that the prices as so revised from time to time shall be binding on the Lessors and Lessees save so far as they may otherwise agree but that any prices fixed on any such revision shall be prices at which the Lessees can give the supplies to which such revision relates to the Lessors without incurring a loss in giving such supplies and subject thereto shall be such prices as will not prevent the Lessors earning a reasonable return on their capital Provided always that no such provision as to revision shall allow of any revision of price so far as the same relates to any quantity of electricity which may be required by the Lessors for the purpose of fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease except that in any case where the price or prices payable at the date of the lease under any such contract shall have been revised under provisions in that behalf contained in such contract or otherwise the price or prices for supplies required by the Lessors from the Lessees for the purpose of fulfilling such contract may be revised by way of increase or decrease by the amount by which the price or prices payable under such contract as aforesaid has been so revised.

The Lessors hereby agree with the Lessees that if the receipts of the Lessees on revenue account in any year are insufficient to meet the charges payable by the Lessees out of revenue for that year the Lessors will if so required by the Lessees pay to the Lessees any sum not exceeding such proportion of the deficiency as the amount paid for electricity supplied by the Lessees to the Lessors in that year bears to the total amount paid for electricity supplied by the Lessees in that year And the Lessees hereby agree with the Lessors that if and so often as any sums shall be paid by the Lessors to the Lessees under the provisions of this clause the Lessees will until the whole of the sums so paid have been repaid with interest thereon at the rate of five pounds per centum per annum apply any balance of their revenue which remains in any year after meeting their expenses of the working maintenance and management of their undertaking and any other payments on revenue account (including sinking fund payments) in repaying to the Lessors with interest as aforesaid the sum or sums so paid by the Lessors to the Lessees in the proportion which such sum or sums bear to the total of all sums paid by the Lessors and by any other body or bodies to the Lessees in respect of any such deficiency as is mentioned in this clause.

8. The said lease shall contain such other terms and conditions as either party hereto shall think necessary and shall be agreed to by the other of them and if either party shall

A.D. 1925.

require any term or condition to which the other shall not agree the question in difference shall be referred to a barrister-at-law agreed upon between the parties or failing such agreement to a barrister-at-law nominated by the President of the Law Society on the application of either party and the decision of such barrister-at-law on the matter in difference shall be accepted by the parties hereto and the lease unless the parties hereto otherwise agree shall be framed accordingly.

9. The lease shall contain a provision that if any question shall arise with reference to anything contained therein the decision whereof is not thereby otherwise provided for such question shall be referred to and determined by a single arbitrator to be agreed upon between the Lessors and the Lessees or in default of such agreement to be appointed on the request of either the Lessors or the Lessees by the President of the Institution of Civil Engineers or in the case of an arbitration under the provisions of clause 3 hereof by the President of the Surveyors' Institution and any such reference shall be deemed a reference to arbitration within the meaning of the Arbitration Act 1889 or any statutory modification thereof.

10. Any sum including costs which may become payable by the Lessors under section 16 of the Electricity (Supply) Act 1919 as amended by the Electricity (Supply) Act 1922 as the result of the closing down by the Lessors of any plant affected by this agreement shall be repaid to them by the Lessees who hereby undertake to indemnify the Lessors in respect of the same.

11. This agreement is subject to its being confirmed by Parliament during the sessions 1924 or 1925 with such alterations as Parliament may think fit to make therein and subject to provision being made in either of the said sessions by Act or by a scheme or order approved by Parliament under the Electricity (Supply) Acts 1882 to 1922 whereby any powers of purchase relating to the electricity undertaking of the Lessors shall be suspended until the year 1971 but if Parliament shall make any material alteration therein to which either the Lessors or the Lessees shall not agree or if no such provision as to powers of purchase relating to the said undertaking of the Lessors shall be made as aforesaid the Lessors or the Lessees may by notice to the other of them withdraw from the agreement and thereupon the same shall be void and of no effect. The grant of the said lease is subject to the obtaining by the Lessors of all necessary licences from their Lessors (if any) to grant the same.

As witness our hands the day and year first above written.

A.D. 1925.

The SCHEDULE.

The generating station of the Lessors now in the occupation of the Lessors situate at West Ham in the county of Essex on a site comprising seven and a half acres or thereabouts and bounded on the north-east by Pudding Mill Lane Stratford together with all engines plant and machinery therein and together with all main transmission lines of the Lessors at or connected with the said generating station.

Signed on behalf of the Charing Cross  
West End and City Electricity Supply  
Company Limited }

J. M. GATTI  
Managing Director.

Signed on behalf of the London  
Electricity Joint Committee (1920)  
Limited }

W. F. FLADGATE  
Chairman.

Stamp.



THIS AGREEMENT made the fourteenth day of December one thousand nine hundred and twenty-three between the CHELSEA ELECTRICITY SUPPLY COMPANY LIMITED (hereinafter called "the Lessors") of the one part and the LONDON ELECTRICITY JOINT COMMITTEE (1920) LIMITED (hereinafter called "the Lessees") of the other part.

WHEREAS the London County Council have under the London Electric Supply Act 1908 and the London Electric Supply Act 1910 a right to purchase as in the said Acts mentioned undertakings or parts of undertakings in London of the fourteen companies named in the First Schedule to the said Act of 1908 and the schedule to the said Act of 1910 which said right first arises in the year one thousand nine hundred and thirty-one and the Lessors are one of the said companies :

And whereas the London County Council have by resolutions passed on the thirty-first day of July one thousand nine hundred and twenty-three indicated that they are willing to consent to the suspension of their said right of purchase for a period of forty years subject to certain terms therein mentioned which comprise (inter alia) the establishment under the Electricity (Supply) Act 1919 by the Electricity Commissioners thereby constituted of a Joint Electricity Authority for a district comprising (inter alia) the county of London and the transfer to the Joint Electricity



Authority of the said right of purchase subject to the suspension thereof as aforesaid : A.D. 1925.

And whereas the Electricity Commissioners in the month of February one thousand nine hundred and twenty-three published a scheme formulated by them under the said Act of 1919 providing for the establishment of such a Joint Electricity Authority :

And whereas the said terms further require the improvement of generation of electricity for supply in the areas of supply of the said companies or some of them :

And whereas the Lessees who are a body constituted by ten of the said companies have resolved to promote a Bill in Parliament in the session 1924 to make provision for improving the generation of electricity as aforesaid and for other purposes :

Now therefore the Lessors and Lessees agree as follows that is to say :—

1. The Lessors agree to lease to the Lessees the premises more particularly described in the schedule hereto for a term of forty-seven years from the twenty-fifth day of August one thousand nine hundred and twenty-four at a yearly rent which shall be a sum equivalent to six per centum per annum on the capital sum as appearing at the date of the lease from the accounts of the Lessors (as certified as correct by their auditors) to have been the aggregate cost of the said premises so leased less such depreciation on the same as has been from time to time allowed thereon by the Board of Inland Revenue in arriving at the taxable profits of the Lessors for income tax purposes.

2. There shall be excepted from the demise any part of the said premises described in the schedule hereto which is or are used as or form part of an office or a transformer station of the Lessors and all cables or other works leading therefrom and required by the Lessors for their distribution business and reserving to the Lessors all necessary rights for the use by the Lessors of such office transformer station and cables and other works for any purpose of their said distribution business.

3. The said lease shall contain the usual provisions requiring the Lessees (1) to pay the rent reserved by the lease and all rates taxes and outgoings which may during the term thereof become due and payable in respect of the demised premises and (2) at the end of the term unless the premises shall have been transferred to the Lessees under the option hereinafter contained to yield the same up and (3) not to assign or underlet without the consent of the Lessors such consent not to be unreasonably withheld and (4) to keep the demised premises insured against fire and to rebuild the same if they shall be destroyed or damaged by fire and shall also contain covenants by the Lessors (1) for quiet enjoyment of the demised premises and (2) to repay to the Lessees

A.D. 1925. — such proportion of any rates taxes and outgoings paid by the Lessees as shall be reasonably attributable to or payable in respect of any office transformer station or cables or works leading therefrom which are excepted from the premises demised such proportion in default of agreement between the Lessors and the Lessees to be determined by arbitration as is hereinafter provided.

The Lessees shall not be required to enter into any covenant to repair the demised premises or to deliver the same up in any specified state of repair.

3A. On the grant of the said lease the Lessees shall if required by the Lessors enter into an obligation that the Lessees shall if so required by the Lessors by not less than six calendar months' previous notice in writing pay to the Lessors the amount of any loans which shall have been raised by the Lessors and for the repayment whereof the Lessors shall be liable at the date of such grant. Provided always that no such obligation as is mentioned in this clause shall require the Lessees to pay to the Lessors any amount or amounts exceeding in the aggregate the capital sum mentioned in clause 1 of this agreement less such depreciation as is mentioned in that clause and less the aggregate of any sums which shall have been paid to the Lessors by the Lessees under such obligation or under any such arrangement as is mentioned in clause 4 of this agreement.

4. The Lessees shall on the grant of the said lease if required by the Lessors enter into arrangements with the Lessors to secure the payment by the Lessees to the Lessors in each year during the term of the lease of a sum equal to the amount which if annually paid into a sinking fund during the term of the lease will be sufficient with accumulations at a net rate not exceeding three pounds per centum per annum to provide at the expiration of the term of the lease the capital sum less depreciation referred to in clause 1 hereof.

Any sum or sums to be annually paid to the Lessors under such arrangements as are mentioned in this clause are in this agreement referred to as "sinking fund payments."

The Lessees undertake that they will prior to the granting of the said lease procure such guarantee or guarantees as the Lessors may have regard to all the circumstances of the case reasonably require to be given to the Lessors for the due payment of the rent and sinking fund payments.

5. The lease shall further provide that if at any time during the continuance thereof the Lessees shall (in addition to paying to the Lessors the rent provided for by clause 1 hereof) have paid to the Lessors by sinking fund payments and by payments made to the Lessors under clause 3A of this agreement or in either of those ways an amount equal to the capital sum referred to in the said

clause 1 less (a) such depreciation as is in that clause mentioned and (b) the sum of one thousand pounds or any sum being less than one thousand pounds the Lessors will on the request of the Lessees convey transfer or assign to the Lessees all their estate and interest in the demised premises in consideration of the payment of the sum of one thousand pounds or any such sum as aforesaid being less than one thousand pounds. A.D. 1925.

For the purposes of this clause sinking fund payments includes accumulations thereon at the rate mentioned in clause 4 hereof.

6. The Lessors and the Lessees hereby agree that on the grant to the Lessees by the Lessors of the said lease the Lessees will enter into an agreement (hereinafter called "the supply agreement") with the Lessors whereby subject always to the obligations (if any) of the Lessors under any agreement existing at the date of the lease for the taking by the Lessors of a bulk supply the Lessees will come under obligation to supply to the Lessors and the Lessors will come under obligation to take from the Lessees until the twenty-fifth day of August one thousand nine hundred and seventy-one all such electricity as may be required to meet all statutory or contractual obligations of the Lessors as existing from time to time.

The supply agreement shall also provide that the Lessors shall give to the Lessees reasonable notice if they require from the Lessees supplies which are in excess of the supplies being afforded by the Lessors at the date of the lease and that if any question arises as to whether any such notice is reasonable or as to any point at which electricity is to be so supplied by the Lessees to the Lessors such question failing agreement between the Lessors and the Lessees shall be referred to and determined by arbitration as hereinafter provided.

The prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall in no case be greater than the cost (including allowance for depreciation at the rate of two per centum per annum on the capital cost of the premises described in the schedule hereto interest on such capital cost and other capital charges at the rate of six per centum per annum cost of fuel and labour and other costs of generation and transformation (if any) ) at which the Lessors would if such lease had not been granted have been able to generate and send out such electricity by means of plant in use in the generating station demised by the lease or on order therefor at the date of the lease nor greater than the price which would have been payable by the Lessors for such electricity under any contract in force at the date of such lease Subject to this provision the prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall be such prices as shall be agreed between

A.D. 1925. — the parties or failing agreement determined by arbitration as hereinafter provided.

The supply agreement shall further provide that on any reference to arbitration of any question of any prices to be paid to the Lessees by the Lessors for electricity supplied thereunder the arbitrator shall fix such prices so far as the same relate to any supplies of electricity which may be required by the Lessors for fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease at such figures as will in his opinion secure that the Lessors shall not be prejudiced in the fulfilment of such contract by reason of their having leased the premises mentioned in the schedule hereto to the Lessees but that subject as aforesaid the arbitrator shall fix any such prices so that the total receipts of the Lessees will in his opinion enable the Lessees to meet their generating costs rents interest or dividends on moneys borrowed or raised sinking fund payments depreciation and other payments on revenue account with a reasonable margin for contingencies but nothing for profits.

The supply agreement shall also provide that either the Lessors or the Lessees may require that any prices for the time being payable for any such supplies of electricity shall be submitted to revision by arbitration as hereinafter provided at the expiration of each period of five years calculated from the date on which the term of the lease commences and that the prices as so revised from time to time shall be binding on the Lessors and Lessees save so far as they may otherwise agree but that any prices fixed on any such revision shall be prices at which the Lessees can give the supplies to which such revision relates to the Lessors without incurring a loss in giving such supplies and subject thereto shall be such prices as will not prevent the Lessors earning a reasonable return on their capital Provided always that no such provision as to revision shall allow of any revision of price so far as the same relates to any quantity of electricity which may be required by the Lessors for the purpose of fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease except that in any case where the price or prices payable at the date of the lease under any such contract shall have been revised under provisions in that behalf contained in such contract or otherwise the price or prices for supplies required by the Lessors from the Lessees for the purpose of fulfilling such contract may be revised by way of increase or decrease by the amount by which the price or prices payable under such contract as aforesaid has been so revised.

The Lessors hereby agree with the Lessees that if the receipts of the Lessees on revenue account in any year are insufficient to meet the charges payable by the Lessees out of revenue for that

year the Lessors will if so required by the Lessees pay to the Lessees any sum not exceeding such proportion of the deficiency as the amount paid for electricity supplied by the Lessees to the Lessors in that year bears to the total amount paid for electricity supplied by the Lessees in that year. And the Lessees hereby agree with the Lessors that if and so often as any sums shall be paid by the Lessors to the Lessees under the provisions of this clause the Lessees will until the whole of the sums so paid have been repaid with interest thereon at the rate of five pounds per centum per annum apply any balance of their revenue which remains in any year after meeting their expenses of the working maintenance and management of their undertaking and any other payments on revenue account (including sinking fund payments) in repaying to the Lessors with interest as aforesaid the sum or sums so paid by the Lessors to the Lessees in the proportion which such sum or sums bear to the total of all sums paid by the Lessors and by any other body or bodies to the Lessees in respect of any such deficiency as is mentioned in this clause.

A.D. 1925.  
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7. The said lease shall contain such other terms and conditions as either party hereto shall think necessary and shall be agreed to by the other of them and if either party shall require any term or condition to which the other shall not agree the question in difference shall be referred to a barrister-at-law agreed upon between the parties or failing such agreement to a barrister-at-law nominated by the President of the Law Society on the application of either party and the decision of such barrister-at-law on the matter in difference shall be accepted by the parties hereto and the lease unless the parties hereto otherwise agree shall be framed accordingly.

8. The lease shall contain a provision that if any question shall arise with reference to anything contained therein the decision whereof is not thereby otherwise provided for such question shall be referred to and determined by a single arbitrator to be agreed upon between the Lessors and the Lessees or in default of such agreement to be appointed on the request of either the Lessors or the Lessees by the President of the Institution of Civil Engineers or in the case of an arbitration under the provisions of clause 3 hereof by the President of the Surveyors' Institution and any such reference shall be deemed a reference to arbitration within the meaning of the Arbitration Act 1889 or any statutory modification thereof.

9. Any sum including costs which may become payable by the Lessors under section 16 of the Electricity (Supply) Act 1919 as amended by the Electricity (Supply) Act 1922 as the result of the closing down by the Lessors of any plant affected by this agreement shall be repaid to them by the Lessees who hereby undertake to indemnify the Lessors in respect of the same.

A.D. 1925.

10. This agreement is subject to its being confirmed by Parliament during the sessions 1924 or 1925 with such alterations as Parliament may think fit to make therein and subject to provision being made in either of the said sessions by Act or by a scheme or order approved by Parliament under the Electricity (Supply) Acts 1882 to 1922 whereby any powers of purchase relating to the electricity undertaking of the Lessors shall be suspended until the year 1971 but if Parliament shall make any material alterations therein to which either the Lessors or the Lessees shall not agree or if no such provision as to powers of purchase relating to the said undertaking of the Lessors shall be made as aforesaid the Lessors or the Lessees may by notice to the other of them withdraw from the agreement and thereupon the same shall be void and of no effect. The grant of the said lease is subject to the obtaining by the Lessors of all necessary licences from their Lessors (if any) to grant the same.

As witness our hands the day and year first above written.

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The SCHEDULE.

The generating station of the Lessors now in the occupation of the Lessors situate at Alpha Place Flood Street Chelsea in the county of London on a site comprising one acre or thereabouts together with all engines plant and machinery therein.

The following main transmission lines of the Lessors namely the main transmission lines

- (a) From the boundary line between the Chelsea and Westminster Companies areas of supply in Pont Street to Alpha Place sub-station.
- (b) From the same place to Cadogan Gardens sub-station.
- (c) From the same place to Charlotte Street sub-station.

Signed on behalf of the Chelsea Electricity Supply Company Limited in the presence of	}	CHELSEA ELECTRICITY SUPPLY CO. LTD. PERCY STILL Engineer and Manager.
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G. T. GREENLAND  
93 Manor Street Chelsea S.W.3  
Clerk.

Signed on behalf of the London Electricity Joint Committee(1920) Limited	}
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W. F. FLADGATE  
Chairman.

THIS AGREEMENT made the fourteenth day of December A.D. 1925.  
one thousand nine hundred and twenty-three between  
the KENSINGTON AND KNIGHTSBRIDGE ELECTRIC  
LIGHTING COMPANY LIMITED (hereinafter called "the  
Lessors") of the one part and the LONDON ELEC-  
TRICITY JOINT COMMITTEE (1920) LIMITED (herein-  
after called "the Lessees") of the other part.

WHEREAS the London County Council have under the London  
Electric Supply Act 1908 and the London Electric Supply Act  
1910 a right to purchase as in the said Acts mentioned under-  
takings or parts of undertakings in London of the fourteen com-  
panies named in the First Schedule to the said Act of 1908 and  
the schedule to the said Act of 1910 which said right first arises  
in the year one thousand nine hundred and thirty-one and the  
Lessors are one of the said companies :

And whereas the London County Council have by resolutions  
passed on the thirty-first day of July one thousand nine hundred  
and twenty-three indicated that they are willing to consent to the  
suspension of their said right of purchase for a period of forty  
years subject to certain terms therein mentioned which comprise  
(inter alia) the establishment under the Electricity (Supply) Act  
1919 by the Electricity Commissioners thereby constituted of a  
Joint Electricity Authority for a district comprising (inter alia)  
the county of London and the transfer to the Joint Electricity  
Authority of the said right of purchase subject to the suspension  
thereof as aforesaid :

And whereas the Electricity Commissioners in the month of  
February one thousand nine hundred and twenty-three published  
a scheme formulated by them under the said Act of 1919 providing  
for the establishment of such a Joint Electricity Authority :

And whereas the said terms further require the improvement  
of generation of electricity for supply in the areas of supply of the  
said companies or some of them :

And whereas the Lessees who are a body constituted by ten  
of the said companies have resolved to promote a Bill in Parlia-  
ment in the session 1924 to make provision for improving the  
generation of electricity as aforesaid and for other purposes :

And whereas the whole of the Lessors' bulk supply of  
electricity is obtained from the generating station situate at Wood  
Lane (hereinafter called "the Wood Lane station") which as a  
separate undertaking is vested in the Lessors and the Notting  
Hill Electric Lighting Company Limited jointly :

And whereas an agreement bearing even date herewith has  
been entered into between the Lessors and the Notting Hill  
Electric Lighting Company Limited of the one part and the  
Lessees of the other part for the leasing of the Wood Lane station  
to the Lessees :

A.D. 1925.

Now therefore the Lessors and Lessees agree as follows that is to say :—

1. The Lessors agree to lease to the Lessees the premises more particularly described in the schedule hereto with the benefit of any rights but subject to any obligations or liabilities of the Lessors relating to the use of the said premises for a term of forty-seven years from the twenty-fifth day of August one thousand nine hundred and twenty-four at a yearly rent which shall be a sum equivalent to six per centum per annum on the capital sum as appearing at the date of the lease from the accounts of the Lessors as certified as correct by their auditors to have been the aggregate cost of the said premises so leased less such depreciation on the same as has been from time to time allowed thereon by the Board of Inland Revenue in arriving at the taxable profits of the Lessors for income tax purposes.

2. The said lease shall contain the usual provisions requiring the Lessees (1) to pay the rent reserved by the lease and all rates taxes and outgoings which may during the term thereof become due and payable in respect of the demised premises and (2) at the end of the term unless the premises shall have been transferred to the Lessees under the option hereinafter contained to yield the same up and (3) not to assign or underlet without the consent of the Lessors such consent not to be unreasonably withheld and (4) to undertake the performance of and indemnify the Lessors against any such obligations or liabilities of the Lessors relating to the use of the demised premises as are referred to in clause 1 of this agreement and shall also contain covenants by the Lessors for quiet enjoyment of the demised premises.

The Lessees shall not be required to enter into any covenant to repair the demised premises or to deliver the same up in any specified state of repair.

2A. On the grant of the said lease the Lessees shall if required by the Lessors enter into an obligation that the Lessees shall if so required by the Lessors by not less than six calendar months' previous notice in writing pay to the Lessors the amount of any loans which shall have been raised by the Lessors and for the repayment whereof the Lessors shall be liable at the date of such grant. Provided always that no such obligation as is mentioned in this clause shall require the Lessees to pay to the Lessors any amount or amounts exceeding in the aggregate the capital sum mentioned in clause 1 of this agreement less such depreciation as is mentioned in that clause and less the aggregate of any sums which shall have been paid to the Lessors by the Lessees under such obligation or under any such arrangement as is mentioned in clause 3 of this agreement.

3. The Lessees shall on the grant of the said lease if required by the Lessors enter into arrangements with the Lessors to secure



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the payment by the Lessees to the Lessors or as they shall direct in each year during the term of the lease of a sum equal to the amount which if annually paid into a sinking fund during the term of the lease will be sufficient with accumulations at a net rate not exceeding three pounds per centum per annum to provide at the expiration of the term of the lease the capital sum less depreciation referred to in clause 1 hereof.

Any sum or sums to be annually paid to the Lessors under such arrangements as are mentioned in this clause are in this agreement referred to as "sinking fund payments."

The Lessees undertake that they will prior to the granting of the said lease procure such guarantee or guarantees as the Lessors may having regard to all the circumstances of the case reasonably require to be given to the Lessors for the due payment of the rent and sinking fund payments.

4. The lease shall further provide that if at any time during the continuance thereof the Lessees shall (in addition to paying to the Lessors the rent provided for by clause 1 hereof) have paid to the Lessors by sinking fund payments and by payments made to the Lessors under clause 2A of this agreement or in either of those ways an amount equal to the capital sum referred to in the said clause 1 less (a) such depreciation as is in that clause mentioned and (b) the sum of one thousand pounds or any sum being less than one thousand pounds the Lessors will on the request of the Lessees convey transfer or assign to the Lessees all their estate and interest in the demised premises in consideration of the payment of the sum of one thousand pounds or any such sum as aforesaid being less than one thousand pounds.

For the purposes of this clause sinking fund payments includes accumulations thereon at the rate mentioned in clause 3 hereof.

5. The Lessors and the Lessees hereby agree that on the grant to the Lessees by the Lessors of the said lease the Lessees will enter into an agreement (hereinafter called "the supply agreement") with the Lessors whereby subject always to the obligations (if any) of the Lessors under any agreement existing at the date of the lease for the taking by the Lessors of a bulk supply the Lessees will come under obligation to supply to the Lessors and the Lessors will come under obligation to take from the Lessees until the twenty-fifth day of August one thousand nine hundred and seventy-one all such electricity as may be required to meet all statutory or contractual obligations of the Lessors as existing from time to time.

The supply agreement shall also provide that the Lessors shall give to the Lessees reasonable notice if they require from the

A.D. 1925. Lessees supplies which are in excess of the supplies being taken by the Lessors from the Wood Lane station at the date of the lease and that if any question arises as to whether any such notice is reasonable or as to any point at which electricity is to be so supplied by the Lessees to the Lessors such question failing agreement between the Lessors and the Lessees shall be referred to and determined by arbitration as hereinafter provided.

The prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall in no case be greater than the cost (including allowance for depreciation at the rate of two per centum per annum on the capital cost of the Wood Lane station interest on such capital cost and other capital charges at the rate of six per centum per annum cost of fuel and labour and other costs of generation and transformation (if any)) at which the Wood Lane station would have been able to generate and send out such electricity by means of plant in use in the Wood Lane station or on order therefor at the date of the lease Subject to this provision the prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall be such prices as shall be agreed between the parties or failing agreement determined by arbitration as hereinafter provided.

The supply agreement shall further provide that on any reference to arbitration of any question of any prices to be paid to the Lessees by the Lessors for electricity supplied thereunder the arbitrator shall fix such prices so far as the same relate to any supplies of electricity which may be required by the Lessors for fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease at such figures as will in his opinion secure that the Lessors shall not be prejudiced in the fulfilment of such contract by reason of their having leased the premises mentioned in the schedule hereto to the Lessees or by reason of the leasing of the Wood Lane station but that subject as aforesaid the arbitrator shall fix any such prices so that the total receipts of the Lessees will in his opinion enable the Lessees to meet their generating costs rents interest or dividends on moneys borrowed or raised sinking fund payments depreciation and other payments on revenue account with a reasonable margin for contingencies but nothing for profits.

The supply agreement shall also provide that either the Lessors or the Lessees may require that any prices for the time being payable for any such supplies of electricity shall be submitted to revision by arbitration as hereinafter provided at the expiration of each period of five years calculated from the date on which the term of the lease commences and that the prices as so revised from time to time shall be binding on the Lessors and Lessees

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save so far as they may otherwise agree but that any prices fixed on any such revision shall be prices at which the Lessees can give the supplies to which such revision relates to the Lessors without incurring a loss in giving such supplies and subject thereto shall be such prices as will not prevent the Lessors earning a reasonable return on their capital. Provided always that no such provision as to revision shall allow of any revision of price so far as the same relates to any quantity of electricity which may be required by the Lessors for the purpose of fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease except that in any case where the price or prices payable at the date of the lease under any such contract shall have been revised under provisions in that behalf contained in such contract or otherwise the price or prices for supplies required by the Lessors from the Lessees for the purpose of fulfilling such contract may be revised by way of increase or decrease by the amount by which the price or prices payable under such contract as aforesaid has been so revised.

The Lessors hereby agree with the Lessees that if the receipts of the Lessees on revenue account in any year are insufficient to meet the charges payable by the Lessees out of revenue for that year the Lessors will if so required by the Lessees pay to the Lessees any sum not exceeding such proportion of the deficiency as the amount paid for electricity supplied by the Lessees to the Lessors in that year bears to the total amount paid for electricity supplied by the Lessees in that year. And the Lessees hereby agree with the Lessors that if and so often as any sums shall be paid by the Lessors to the Lessees under the provisions of this clause the Lessees will until the whole of the sums so paid have been repaid with interest thereon at the rate of five pounds per centum per annum apply any balance of their revenue which remains in any year after meeting their expenses of the working maintenance and management of their undertaking and any other payments on revenue account (including sinking fund payments) in repaying to the Lessors with interest as aforesaid the sum or sums so paid by the Lessors to the Lessees in the proportion which such sum or sums bear to the total of all sums paid by the Lessors and by any other body or bodies to the Lessees in respect of any such deficiency as is mentioned in this clause.

6. The said lease shall contain such other terms and conditions as either party hereto shall think necessary and shall be agreed to by the other of them and if either party shall require any term or condition to which the other shall not agree the question in difference shall be referred to a barrister-at-law agreed upon between the parties or failing such agreement to a barrister-at-law nominated by the President of the Law Society on the application of either party and the decision of such barrister-at-law on the

A.D. 1925. — matter in difference shall be accepted by the parties hereto and the lease unless the parties hereto otherwise agree shall be framed accordingly.

7. The lease shall contain a provision that if any question shall arise with reference to anything contained therein the decision whereof is not thereby otherwise provided for such question shall be referred to and determined by a single arbitrator to be agreed upon between the Lessors and the Lessees or in default of such agreement to be appointed on the request of either the Lessors or the Lessees by the President of the Institution of Civil Engineers or in the case of an arbitration under the provisions of clause 2 hereof by the President of the Surveyors' Institution and any such reference shall be deemed a reference to arbitration within the meaning of the Arbitration Act 1889 or any statutory modification thereof.

8. Any sum including costs which may become payable by the Lessors under section 16 of the Electricity (Supply) Act 1919 as amended by the Electricity (Supply) Act 1922 as the result of the closing down by the Lessors of any plant affected by this Agreement shall be repaid to them by the Lessees who hereby undertake to indemnify the Lessors in respect of the same.

9. This agreement is subject to its being confirmed by Parliament during the sessions 1924 or 1925 with such alterations as Parliament may think fit to make therein and subject to provision being made in either of the said sessions by Act or by a scheme or order approved by Parliament under the Electricity (Supply) Acts 1882 to 1922 whereby any powers of purchase relating to the electricity undertaking of the Lessors shall be suspended until the year 1971 but if Parliament shall make any material alteration therein to which either the Lessors or the Lessees shall not agree or if no such provision as to powers of purchase relating to the said undertaking of the Lessors shall be made as aforesaid the Lessors or the Lessees may by notice to the other of them withdraw from the agreement and thereupon the same shall be void and of no effect.

As witness our hands the day and year first above written.

The SCHEDULE.

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The main transmission lines of the Lessors namely the main transmission lines between—

- (a) The Wood Lane station and Kensington Court sub-station.
- (b) The Wood Lane station and Albert Vaults sub-station.
- (c) The Albert Vaults sub-station and Cheval Place sub-station.

Signed on behalf of the Kensington and Knightsbridge Electric Lighting Company Limited in the presence of } R. E. CROMPTON.

J. C. WOOLVEN  
Thriplands  
Kensington Court  
Employee.

Signed on behalf of the London Electricity Joint Committee (1920) Limited }

W. F. FLADGATE  
Chairman.

amp.  
pence.

THIS AGREEMENT made the fifteenth day of December one thousand nine hundred and twenty-three between the KENSINGTON AND KNIGHTSBRIDGE ELECTRIC LIGHTING COMPANY LIMITED and the NOTTING HILL ELECTRIC LIGHTING COMPANY LIMITED (hereinafter called "the Lessors") of the one part and the LONDON ELECTRICITY JOINT COMMITTEE (1920) LIMITED (hereinafter called "the Lessees") of the other part.

WHEREAS the London County Council have under the London Electric Supply Act 1908 and the London Electric Supply Act 1910 a right to purchase as in the said Acts mentioned undertakings or parts of undertakings in London of the fourteen companies named in the First Schedule to the said Act of 1908 and the schedule to the said Act of 1910 which said right first arises in the year one thousand nine hundred and thirty-one and the Lessors are two of the said companies :

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And whereas the London County Council have by resolutions passed on the thirty-first day of July one thousand nine hundred and twenty-three indicated that they are willing to consent to the suspension of their said right of purchase for a period of forty years subject to certain terms therein mentioned which comprise (inter alia) the establishment under the Electricity (Supply) Act 1919 by the Electricity Commissioners thereby constituted of a Joint Electricity Authority for a district comprising (inter alia) the county of London and the transfer to the Joint Electricity Authority of the said right of purchase subject to the suspension thereof as aforesaid :

And whereas the Electricity Commissioners in the month of February one thousand nine hundred and twenty-three published a scheme formulated by them under the said Act of 1919 providing for the establishment of such a Joint Electricity Authority :

And whereas the said terms further require the improvement of generation of electricity for supply in the areas of supply of the said companies or some of them :

And whereas the Lessees who are a body constituted by ten of the said companies have resolved to promote a Bill in Parliament in the session 1924 to make provision for improving the generation of electricity as aforesaid and for other purposes :

And whereas the Lessors were jointly authorised by the Kensington and Notting Hill Electric Lighting Companies Act 1899 to erect maintain and operate the generating station specified in the schedule hereto :

Now therefore the Lessors and Lessees agree as follows that is to say :—

1. The Lessors agree to lease to the Lessees the premises more particularly described in the schedule hereto with the benefit of any rights but subject to any obligations or liabilities of the Lessors relating to the occupation or use of the said premises for a term of forty-seven years from the twenty-fifth day of August one thousand nine hundred and twenty-four at a yearly rent which shall be a sum equivalent to six per centum per annum on the capital sum as appearing at the date of the lease from the accounts of the Lessors (as certified as correct by their auditors) to have been the aggregate cost of the said premises so leased less such depreciation on the same as has been from time to time allowed thereon by the Board of Inland Revenue in arriving at the taxable profits of the Lessors for income tax purposes.

2. The said lease shall contain the usual provisions requiring the Lessees (1) to pay the rent reserved by the lease and all rates taxes and outgoings which may during the term thereof become due and payable in respect of the demised premises and (2) at

the end of the term unless the premises shall have been transferred to the Lessees under the option hereinafter contained to yield the same up and (3) not to assign or underlet without the consent of the Lessors such consent not to be unreasonably withheld and (4) to keep the demised premises insured against fire and to rebuild the same if they shall be destroyed or damaged by fire and (5) to undertake the performance of and indemnify the Lessors against any such obligations or liabilities of the Lessors relating to the occupation or use of the demised premises as are referred to in clause 1 of this agreement and shall also contain covenants by the Lessors for quiet enjoyment of the demised premises. A.D. 1925.

The Lessees shall not be required to enter into any covenant to repair the demised premises or to deliver the same up in any specified state of repair.

The said lease shall contain a provision that if and so often as any sum referred to in clause 3 of this agreement shall be paid by the Lessees to the Lessors the annual rent reserved by the said lease (or as the case may be such rent as so reduced by reason of any previous payment by the Lessees to the Lessors under any such obligation as is referred to in the said clause 3) shall be reduced by an amount equal to six per centum upon the sum so paid.

3. On the grant of the said lease the Lessees shall if required by the Lessors enter into an obligation that the Lessees shall on or before the fifteenth day of April one thousand nine hundred and twenty-six if so required by the Lessors by not less than twelve calendar months' previous notice in writing pay to the Lessors an amount not exceeding one hundred and fifty thousand pounds and shall pay to the Lessors on or before the first day of January one thousand nine hundred and thirty-one if so required by the Lessors by not less than twelve calendar months' previous notice in writing an amount not exceeding two hundred thousand pounds or such less amounts as shall in each case be the moneys due in respect of the debenture debt or loans repayable by the Lessors on the said fifteenth day of April one thousand nine hundred and twenty-six and the said first day of January one thousand nine hundred and thirty-one respectively and on such grant the Lessees shall also if required by the Lessors enter into an obligation that the Lessees shall if so required by the Lessors by not less than six calendar months' previous notice in writing pay to the Lessors in addition to the amounts before mentioned in this clause the amount of any loans other than as aforesaid which shall have been raised by the Lessors and for the repayment whereof the Lessors shall be liable at the date of such grant :

Provided always that no such obligation as is mentioned in this clause shall require the Lessees to pay to the Lessors any amount or amounts exceeding in the aggregate the capital

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sum mentioned in clause 1 of this agreement less such depreciation as is mentioned in that clause and less the aggregate of any sums which shall have been paid to the Lessors by the Lessees under such obligation or under any such arrangement as is mentioned in clause 4 of this agreement.

4. The Lessees shall on the grant of the said lease if required by the Lessors enter into arrangements with the Lessors to secure the payment by the Lessees to the Lessors in each year during the term of the lease of a sum equal to the amount which if annually paid into a sinking fund during the term of the lease will be sufficient with accumulations at a net rate not exceeding three pounds per centum per annum to provide at the expiration of the term of the lease the capital sum less depreciation referred to in clause 1 hereof and less any sum or sums which may during the term of the lease be paid by the Lessees to the Lessors under any such obligation as is referred to in clause 3 of this agreement.

Any sum or sums to be annually paid to the Lessors under such arrangements as are mentioned in this clause are in this agreement referred to as "sinking fund payments."

The Lessees undertake that they will prior to the granting of the said lease procure such guarantee or guarantees as the Lessors may have regard to all the circumstances of the case reasonably require to be given to the Lessors for the due payment of the rent and sinking fund payments.

5. The lease shall further provide that if at any time during the continuance thereof the Lessees shall (in addition to paying to the Lessors the rent provided for by clause 1 hereof) have paid to the Lessors by sinking fund payments and by payments made to the Lessors under any such obligation as is referred to in clause 3 of this agreement or in either of those ways an amount equal to the capital sum referred to in the said clause 1 less (a) such depreciation as is in that clause mentioned and (b) the sum of one thousand pounds or any sum being less than one thousand pounds the Lessors will on the request of the Lessees convey transfer or assign to the Lessees all their estate and interest in the demised premises in consideration of the payment of the sum of one thousand pounds or any such sum as aforesaid being less than one thousand pounds.

For the purposes of this clause sinking fund payments includes accumulations thereon at the rate mentioned in clause 4 hereof.

6. The said lease shall contain such other terms and conditions as either party hereto shall think necessary and shall be agreed to by the other of them and if either party shall require any term or condition to which the other shall not agree the question in difference shall be referred to a barrister-at-law agreed upon



between the parties or failing such agreement to a barrister-at-law nominated by the President of the Law Society on the application of either party and the decision of such barrister-at-law on the matter in difference shall be accepted by the parties hereto and the lease unless the parties hereto otherwise agree shall be framed accordingly. A.D. 1925.

7. The lease shall contain a provision that if any question shall arise with reference to anything contained therein the decision whereof is not thereby otherwise provided for such question shall be referred to and determined by a single arbitrator to be agreed upon between the Lessors and the Lessees or in default of such agreement to be appointed on the request of either the Lessors or the Lessees by the President of the Institution of Civil Engineers or in the case of an arbitration under the provisions of clause 3 hereof by the President of the Surveyors' Institution and any such reference shall be deemed a reference to arbitration within the meaning of the Arbitration Act 1889 or any statutory modification thereof.

8. Any sum including costs which may become payable by the Lessors under section 16 of the Electricity (Supply) Act 1919 as amended by the Electricity (Supply) Act 1922 as the result of the closing down by the Lessors of any plant affected by this agreement shall be repaid to them by the Lessees who hereby undertake to indemnify the Lessors in respect of the same.

9. All payments to be made by the Lessees to the Lessors under or by virtue of this agreement whether for interest sinking fund or otherwise shall be divided between and be receivable by the two lessor companies in the proportion and on the terms contained in clause 11 of an agreement dated the twelfth day of July one thousand eight hundred and ninety-nine and made between the Kensington and Knightsbridge Electric Lighting Company Limited of the one part and the Notting Hill Electric Lighting Company Limited of the other part Provided always that if the two companies shall fail to agree as to the proportions to be made to them respectively of such payments and shall in writing notify the Lessees to that effect the Lessees shall until such difference has been settled by arbitration as provided by the said agreement make all payments to be made hereunder or by virtue hereof to two persons one to be nominated by the Kensington and Knightsbridge Electric Lighting Company Limited and the other by the Notting Hill Electric Lighting Company Limited and the receipt of such persons shall be a good discharge to the Lessees.

10. This agreement is subject to its being confirmed by Parliament during the sessions 1924 or 1925 with such alterations as Parliament may think fit to make therein and subject to

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provision being made in either of the said sessions by Act or by a scheme or order approved by Parliament under the Electricity (Supply) Acts 1882 to 1922 whereby any powers of purchase relating to the electricity undertaking of the Lessors shall be suspended until the year 1971 but if Parliament shall make any material alteration therein to which either the Lessors or the Lessees shall not agree or if no such provision as to powers of purchase relating to the said undertaking of the Lessors shall be made as aforesaid the Lessors or the Lessees may by notice to the other of them withdraw from the agreement and thereupon the same shall be void and of no effect. The grant of the said lease is subject to the obtaining by the Lessors of all necessary licences from their Lessors (if any) to grant the same.

As witness our hands the day and year first above written.

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The SCHEDULE.

The generating station of the Lessors now in the occupation of the Lessors situate at Wood Lane Shepherds Bush in the county of London on a site comprising three and a quarter acres or thereabouts together with all engines plant and machinery therein and all railway engines and wagons and other plant and apparatus used by the Lessors for the purposes of the said generating station and the operations carried on thereon and together with all such main transmission lines of the Lessors at or connected with the said generating station as form part of their joint undertaking.

Signed on behalf of the Kensington and  
Knightsbridge Electric Lighting Com- } R. E. CROMPTON.  
pany Limited

J. C. WOOLVEN  
Thriplands  
Kensington Court  
Employee.

Signed on behalf of the Notting Hill } A. E. FRANKLIN.  
Electric Lighting Company Limited

A. P. McDouall  
140 High St. W.11  
Engineer.

Signed on behalf of the London }  
Electricity Joint Committee (1920)  
Limited

W. F. FLADGATE  
Chairman.

THIS AGREEMENT made the thirteenth day of December A.D. 1925.  
one thousand nine hundred and twenty-three between  
the LONDON ELECTRIC SUPPLY CORPORATION LIMITED  
(hereinafter called "the Lessors") of the one part  
and the LONDON ELECTRICITY JOINT COMMITTEE  
(1920) LIMITED (hereinafter called "the Lessees")  
of the other part.

WHEREAS the London County Council have under the London Electric Supply Act 1908 and the London Electric Supply Act 1910 a right to purchase as in the said Acts mentioned undertakings or parts of undertakings in London of the fourteen companies named in the First Schedule to the said Act of 1908 and the schedule to the said Act of 1910 which said right first arises in the year one thousand nine hundred and thirty-one and the Lessors are one of the said companies :

And whereas the London County Council have by resolutions passed on the thirty-first day of July one thousand nine hundred and twenty-three indicated that they are willing to consent to the suspension of their said right of purchase for a period of forty years subject to certain terms therein mentioned which comprise (inter alia) the establishment under the Electricity (Supply) Act 1919 by the Electricity Commissioners thereby constituted of a Joint Electricity Authority for a district comprising (inter alia) the county of London and the transfer to the Joint Electricity Authority of the said right of purchase subject to the suspension thereof as aforesaid :

And whereas the Electricity Commissioners in the month of February one thousand nine hundred and twenty-three published a scheme formulated by them under the said Act of 1919 providing for the establishment of such a Joint Electricity Authority :

And whereas the said terms further require the improvement of generation of electricity for supply in the areas of supply of the said companies or some of them :

And whereas the Lessees who are a body constituted by ten of the said companies have resolved to promote a Bill in Parliament in the Session 1924 to make provision for improving the generation of electricity as aforesaid and for other purposes :

Now therefore the Lessors and Lessees agree as follows that is to say :—

1. The Lessors agree to lease to the Lessees the premises more particularly described in the schedule hereto with the benefit of any rights but subject to any obligations or liabilities of the Lessors relating to the occupation or use of the said premises for a term of forty-seven years from the twenty-fifth day of August one thousand nine hundred and twenty-four at a yearly rent which shall be a sum equivalent to six per centum per annum

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on the capital sum as appearing at the date of the lease from the accounts of the Lessors (as certified as correct by their auditors) to have been the aggregate cost of the said premises so leased less such depreciation on the same as has been from time to time allowed thereon by the Board of Inland Revenue in arriving at the taxable profits of the Lessors for income tax purposes.

2. There shall be excepted from the demise any part of the said premises described in the said schedule hereto which is or are used as or form part of an office or a transformer station of the Lessors and all cables or other works leading therefrom and required by the Lessors for their distribution business and reserving to the Lessors all necessary rights for the use by the Lessors of such office transformer station and cables and other works for any purpose of their said distribution business.

3. The said lease shall contain the usual provisions requiring the Lessees (1) to observe the covenants in the head lease (if any) of the Lessors and (2) to pay the rent reserved by the lease and all rates taxes and outgoings which may during the term thereof become due and payable in respect of the demised premises and (3) at the end of the term unless the premises shall have been transferred to the Lessees under the option hereinafter contained to yield the same up and (4) not to assign or underlet without the consent of the Lessors and (if required) of their superior Lessors (if any) such consent in the case of the Lessors not to be unreasonably withheld and (5) to keep the demised premises insured against fire and to rebuild the same if they shall be destroyed or damaged by fire and (6) to undertake the performance of and indemnify the Lessors against any such obligations or liabilities of the Lessors relating to the occupation or use of the demised premises as are referred to in clause 1 of this agreement and shall also contain covenants by the Lessors (1) for quiet enjoyment of the demised premises and (2) to repay to the Lessees such proportion of any rates taxes and outgoings paid by the Lessees as shall be reasonably attributable to or payable in respect of any office transformer station or cables or works leading therefrom which are excepted from the premises demised such proportion in default of agreement between the Lessors and the Lessees to be determined by arbitration as is hereinafter provided.

The Lessees shall not be required to enter into any covenant to repair the demised premises or to deliver the same up in any specified state of repair save so far as any such covenant may be necessary by reason of the existence of any similar covenant in any such head lease as aforesaid.

The said lease shall contain a provision that if and so often as any sum referred to in clause 4 of this agreement shall be paid by the Lessees to the Lessors the annual rent reserved by the said lease (or as the case may be such rent as so reduced by reason of

any previous payment by the Lessees to the Lessors under any such obligation as is referred to in the said clause 4) shall be reduced by an amount equal to six per centum upon the sum so paid.

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4. On the grant of the said lease the Lessees shall if required by the Lessors enter into an obligation that the Lessees shall on or before the first day of January one thousand nine hundred and thirty-one if so required by the Lessors by not less than twelve calendar months' previous notice in writing pay to the Lessors (a) an amount not exceeding the capital sum mentioned in clause 1 of this agreement less such depreciation as is mentioned in that clause and less the aggregate of any sums which shall on the said first day of January one thousand nine hundred and thirty-one have been paid to the Lessors by the Lessees under clause 5 of this agreement or (b) an amount not exceeding five hundred and eighty-seven thousand three hundred and fifty-five pounds (being moneys due in respect of the debenture debt or loans repayable by the Lessors on the said first day of January one thousand nine hundred and thirty-one) whichever of the said two amounts shall be the less.

On the grant of the said lease the Lessees shall also if required by the Lessors enter into an obligation that the Lessees shall from time to time as any sinking fund payments or annual instalments of capital become payable by the Lessors in respect of any moneys borrowed by the Lessors under the provisions of an agreement dated the sixth day of November one thousand nine hundred and twenty-two and made between the Lessors of the one part and the Commissioners of His Majesty's Treasury of the other part pay to the Lessors sums equal to the sums payable by the Lessors as such sinking fund payments or instalments and on such grant the Lessees shall also if required by the Lessors enter into an obligation that the Lessees shall if so required by the Lessors by not less than six calendar months' previous notice in writing pay to the Lessors in addition to the amounts before mentioned in this clause the amount of any loans other than as aforesaid which shall have been raised by the Lessors and for the repayment whereof the Lessors shall be liable at the date of such grant and the Lessees if so required by reasonable notice in writing from the Lessors will indemnify the Lessors against the payment of any moneys which the Lessors may at such date be liable to pay in respect of any additions to or improvements of the demised premises. Provided always that the sums payable by the Lessees to the Lessors under clauses 4 5 and 6 of this agreement or any of those clauses shall not exceed in the aggregate the capital sum mentioned in clause 1 of this agreement less such depreciation as is in that clause mentioned. For the purposes of this clause payments made under the said clause 5 shall be deemed

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to include accumulations on any sums paid under that clause at the rate therein mentioned.

5. The Lessees shall on the grant of the said lease if required by the Lessors enter into arrangements with the Lessors to secure the payment by the Lessees to the Lessors in each year during the term of the lease of a sum equal to the amount which if annually paid into a sinking fund during the term of the lease will be sufficient with accumulations at a net rate not exceeding three pounds per centum per annum to provide at the expiration of the term of the lease the capital sum less depreciation referred to in clause 1 hereof and less any sum or sums which may during the term of the lease be paid by the Lessees to the Lessors under any such obligations as are referred to in clause 4 of this agreement.

Any sum or sums to be annually paid to the Lessors under such arrangements as are mentioned in this clause are in this agreement referred to as "sinking fund payments."

The Lessees undertake that they will prior to the granting of the said lease procure such guarantee or guarantees as the Lessors may have regard to all the circumstances of the case reasonably require to be given to the Lessors for the due payment of the rent and sinking fund payments.

6. The lease shall further provide that if at any time during the continuance thereof the Lessees shall (in addition to paying to the Lessors the rent provided for by clause 1 hereof) have paid to the Lessors by sinking fund payments and by payments made to the Lessors under clause 4 of this agreement or in either of those ways an amount equal to the capital sum referred to in the said clause 1 less (a) such depreciation as is in that clause mentioned and (b) the sum of one thousand pounds or any sum being less than one thousand pounds the Lessors will on the request of the Lessees convey transfer or assign to the Lessees all their estate and interest in the demised premises in consideration of the payment of the sum of one thousand pounds or any such sum as aforesaid being less than one thousand pounds.

For the purposes of this clause sinking fund payments includes accumulations thereon at the rate mentioned in clause 5 hereof.

7. The Lessors and the Lessees hereby agree that on the grant to the Lessees by the Lessors of the said lease the Lessees will enter into an agreement (hereinafter called "the supply agreement") with the Lessors whereby subject always to the obligations (if any) of the Lessors under any agreement existing at the date of the lease for the taking by the Lessors of a bulk supply the Lessees will come under obligation to supply to the Lessors and the Lessors will come under obligation to take from the Lessees until the twenty-fifth day of August one thousand nine

hundred and seventy-one all such electricity as may be required to meet all statutory or contractual obligations of the Lessors as existing from time to time.

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The supply agreement shall also provide that the Lessors shall give to the Lessees reasonable notice if they require from the Lessees supplies which are in excess of the supplies being afforded by the Lessors at the date of the lease and that if any question arises as to whether any such notice is reasonable or as to any point at which electricity is to be so supplied by the Lessees to the Lessors such question failing agreement between the Lessors and the Lessees shall be referred to and determined by arbitration as hereinafter provided.

The prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall in no case be greater than the cost (including allowance for depreciation at the rate of two per centum per annum on the capital cost of the premises described in the schedule hereto interest on such capital cost and other capital charges at the rate of six per centum per annum cost of fuel and labour and other costs of generation and transformation (if any) ) at which the Lessors would if such lease had not been granted have been able to generate and send out such electricity by means of plant in use in the generating station demised by the lease or on order therefor at the date of the lease nor greater than the price which would have been payable by the Lessors for such electricity under any contract in force at the date of such lease Subject to this provision the prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall be such prices as shall be agreed between the parties or failing agreement determined by arbitration as hereinafter provided.

The supply agreement shall further provide that on any reference to arbitration of any question of any prices to be paid to the Lessees by the Lessors for electricity supplied thereunder the arbitrator shall fix such prices so far as the same relate to any supplies of electricity which may be required by the Lessors for fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease at such figures as will in his opinion secure that the Lessors shall not be prejudiced in the fulfilment of such contract by reason of their having leased the premises mentioned in the schedule hereto to the Lessees but that subject as aforesaid the arbitrator shall fix any such prices so that the total receipts of the Lessees will in his opinion enable the Lessees to meet their generating costs rents interest or dividends on moneys borrowed or raised sinking fund payments depreciation and other payments on revenue account with a reasonable margin for contingencies but nothing for profits.

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The supply agreement shall also provide that either the Lessors or the Lessees may require that any prices for the time being payable for any such supplies of electricity shall be submitted to revision by arbitration as hereinafter provided at the expiration of each period of five years calculated from the date on which the term of the lease commences and that the prices as so revised from time to time shall be binding on the Lessors and Lessees save so far as they may otherwise agree but that any prices fixed on any such revision shall be prices at which the Lessees can give the supplies to which such revision relates to the Lessors without incurring a loss in giving such supplies and subject thereto shall be such prices as will not prevent the Lessors earning a reasonable return on their capital. Provided always that no such provision as to revision shall allow of any revision of price so far as the same relates to any quantity of electricity which may be required by the Lessors for the purpose of fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease except that in any case where the price or prices payable at the date of the lease under any such contract shall have been revised under provisions in that behalf contained in such contract or otherwise the price or prices for supplies required by the Lessors from the Lessees for the purpose of fulfilling such contract may be revised by way of increase or decrease by the amount by which the price or prices payable under such contract as aforesaid has been so revised.

The Lessors hereby agree with the Lessees that if the receipts of the Lessees on revenue account in any year are insufficient to meet the charges payable by the Lessees out of revenue for that year the Lessors will if so required by the Lessees pay to the Lessees any sum not exceeding such proportion of the deficiency as the amount paid for electricity supplied by the Lessees to the Lessors in that year bears to the total amount paid for electricity supplied by the Lessees in that year. And the Lessees hereby agree with the Lessors that if and so often as any sums shall be paid by the Lessors to the Lessees under the provisions of this clause the Lessees will until the whole of the sums so paid have been repaid with interest thereon at the rate of five pounds per centum per annum apply any balance of their revenue which remains in any year after meeting their expenses of the working maintenance and management of their undertaking and any other payments on revenue account (including sinking fund payments) in repaying to the Lessors with interest as aforesaid the sum or sums so paid by the Lessors to the Lessees in the proportion which such sum or sums bear to the total of all sums paid by the Lessors and by any other body or bodies to the Lessees in respect of any such deficiency as is mentioned in this clause.

8. The said lease shall contain such other terms and conditions as either party hereto shall think necessary and shall be



agreed to by the other of them and if either party shall require any term or condition to which the other shall not agree the question in difference shall be referred to a barrister-at-law agreed upon between the parties or failing such agreement to a barrister-at-law nominated by the President of the Law Society on the application of either party and the decision of such barrister-at-law on the matter in difference shall be accepted by the parties hereto and the lease unless the parties hereto otherwise agree shall be framed accordingly.

9. The lease shall contain a provision that if any question shall arise with reference to anything contained therein the decision whereof is not thereby otherwise provided for such question shall be referred to and determined by a single arbitrator to be agreed upon between the Lessors and the Lessees or in default of such agreement to be appointed on the request of either the Lessors or the Lessees by the President of the Institution of Civil Engineers or in the case of an arbitration under the provisions of clause 3 hereof by the President of the Surveyors' Institution and any such reference shall be deemed a reference to arbitration within the meaning of the Arbitration Act 1889 or any statutory modification thereof.

10. Any sum including costs which may become payable by the Lessors under section 16 of the Electricity (Supply) Act 1919 as amended by the Electricity (Supply) Act 1922 as the result of the closing down by the Lessors of any plant affected by this agreement shall be repaid to them by the Lessees who hereby undertake to indemnify the Lessors in respect of the same.

11. The Lessees hereby agree with the Lessors that the Lessees will not without the consent of the Lessors supply or offer to supply electricity to any railway company with whom the Lessors have any contract or agreement in such manner as to in any way prejudice or interfere with any rights or interests of the Lessors under any such contract or agreement.

12. This agreement is subject to its being confirmed by Parliament during the sessions 1924 or 1925 with such alterations as Parliament may think fit to make therein and subject to provision being made in either of the said sessions by Act or by a scheme or order approved by Parliament under the Electricity (Supply) Acts 1882 to 1922 whereby any powers of purchase relating to the electricity undertaking of the Lessors shall be suspended until the year 1971 but if Parliament shall make any material alteration therein to which either the Lessors or the Lessees shall not agree or if no such provision as to powers of purchase relating to the said undertaking of the Lessors shall be made as aforesaid the Lessors or the Lessees may by notice to the other of them withdraw from the agreement and thereupon the same shall be void and of no effect. The grant of the said lease is

A.D. 1925. subject to the obtaining by the Lessors of all necessary licences from their Lessors (if any) to grant the same.

As witness our hands the day and year first above written.

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The SCHEDULE.

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The generating station of the Lessors now in the occupation of the Lessors situate at the Stowage Wharf Deptford in the county of London on a site comprising seven and a half acres or thereabouts adjoining the River Thames together with all engines plant and machinery therein and together with all such main transmission lines of the Lessors at or connected with the said generating station as may be required for the convenient use of the said generating station by the Lessees.

Signed on behalf of the London  
Electric Supply Corporation  
Limited

G. W. PARTRIDGE  
Managing Director.

Signed on behalf of the London  
Electricity Joint Committee  
(1920) Limited

W. F. FLADGATE  
Chairman.

Stamp.



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THIS AGREEMENT made the eighteenth day of March one thousand nine hundred and twenty-four between the METROPOLITAN ELECTRIC SUPPLY COMPANY LIMITED (hereinafter called "the Owners") of the one part and the LONDON ELECTRICITY JOINT COMMITTEE (1920) LIMITED (hereinafter called "the Committee Company") of the other part.

WHEREAS the London County Council have under the London Electric Supply Act 1908 and the London Electric Supply Act 1910 a right to purchase as in the said Acts mentioned undertakings or parts of undertakings in London of the companies named in the First Schedule to the said Act of 1908 and the schedule to the said Act of 1910 which said right first arises in the year one thousand nine hundred and thirty-one and the Owners are one of the said companies but the generating station and other assets of the Owners mentioned in Part I. of the schedule hereto are not subject to purchase by the London County Council or by any local authority or other body :

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And whereas the London County Council have by resolutions passed on the thirty-first day of July one thousand nine hundred and twenty-three indicated that they are willing to consent to the suspension of their said powers of purchase for a period of forty years subject to certain terms therein mentioned which comprise (inter alia) the establishment under the Electricity (Supply) Act 1919 by the Electricity Commissioners constituted by that Act of a Joint Electricity Authority for a district comprising (inter alia) the county of London and the transfer to the Joint Electricity Authority of the said right of purchase subject to the suspension thereof as aforesaid :

And whereas the Electricity Commissioners in the month of February last published a scheme formulated by them under the said Act of 1919 providing for the establishment of such a Joint Electricity Authority :

And whereas the said terms further require the improvement of generation of electricity for supply in the areas of supply of the said companies or some of them :

And whereas the Committee Company who are a body representing the majority of the said companies have resolved to promote a Bill in Parliament in the session 1924 to make further provision for improving the generation of electricity as aforesaid and for other purposes :

Now therefore the Owners and the Committee Company agree as follows that is to say :—

1. In the event of the said Bill passing into law the Owners will if so required by the Committee Company within twelve calendar months after the passing of such Bill enter into an agreement with the Committee Company for the sale by the Owners and the purchase by the Committee Company of the generating stations and main transmission lines of the Owners more particularly described in the schedule hereto but subject to clause 3 hereof together with all engines plant and machinery in or about the said generating stations with the benefit of any rights but subject to any obligations of the Owners relating to the use or occupation of the said premises The Owners do not hereby agree and nothing herein contained is to be read or construed as an agreement on their part to sell to the Committee Company their generating station at Uxbridge which is hereby expressly excepted from this agreement.

2. The consideration to be paid to the Owners by the Committee Company shall be the original cost price of the said generating stations and main transmission lines engines plant and machinery (other than any parts of the same which are to be retained by the Owners as provided for by clause 3 hereof) as appearing in the accounts of the Owners (as certified as correct by their auditors) less depreciation as computed for the purposes of

[Ch. lxxiii.]      *London Electricity* [15 & 16 GEO. 5.]  
(No. 2) Act, 1925.

A.D. 1925.      income tax with the addition thereto of such sum (if any) as shall failing agreement between the Owners and the Committee Company be determined as between a willing vendor and a willing purchaser and under and in accordance with the Arbitration Act 1889 or any statutory modification thereof by an arbitrator to be agreed upon by the Owners and the Committee Company or failing such agreement to be appointed by the President of the Law Society to be the sum (if any) by which the value to the Owners of their generating station at Willesden other than any part thereof which is to be retained by them as aforesaid under the provisions of clause 3 hereof as existing at the date of the completion of the said sale exceeds the original cost price of the said station other than any such part as aforesaid less such depreciation in respect thereof as aforesaid.

3. The said agreement shall contain provisions reserving to the Owners any part of the said generating stations or assets which is or are used or form part of a transformer station of the Owners and all cables or other works leading therefrom and required by the Owners for distributing or supplying electricity and reserving to the Owners all necessary rights for use by the Owners of the said transformer station and cables and other works for any purposes of the distribution and supply of electricity by them and the said agreement in particular shall reserve to the Owners the switchgear and transformers used in connection with the control transformation and transmission of the Owners' 20,000 volt three phase system and the motor generators switchgear controllers and transmission lines of what is known as "the Thury system" of conversion and transmission all situate and being at the Owners' generating station at Willesden aforesaid referred to in Part I. of the schedule hereto and shall also reserve to the Owners that portion of the Owners' station at Amberley Road Paddington referred to in Part II. of the schedule hereto and of the contents of the said station which is used in connection with the Owners' conversion and transmission of high tension current.

4. The said agreement shall contain all such provisions as are usual in an agreement for sale including the date at which the title to the said premises shall commence and any stipulations or restrictions necessitated by the conditions of the title.

5. The Owners and the Committee Company hereby agree that on the completion of the sale to the Committee Company by the Owners of the said premises the Committee Company will enter into an agreement (hereinafter called "the supply agreement") with the Owners whereby subject always to the obligations (if any) of the Owners under any agreement existing at the date of the completion of the sale for the taking by the Owners of a bulk supply the Committee Company will come under obligation to supply to the Owners in perpetuity and the Owners will come

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under obligation to take from the Committee Company for a period of at least ten years from the date of the completion of the sale all the electricity which the Owners may require for their London areas of supply and in addition all such further quantities as the Owners may require to supplement the quantities which the Owners will be able otherwise to obtain to enable them to meet all statutory or contractual obligations of the Owners as existing from time to time. The supply agreement shall also provide that the Owners shall give to the Committee Company reasonable notice if they require any supplies of electricity from the Committee Company after the expiration of a period of ten years from the date of the completion of the sale and if and whenever thereafter they require any increased supplies of electricity from the Committee Company and shall also give to the Committee Company reasonable notice if the Owners at any time or times during the said period of ten years require from the Committee Company supplies in excess of the supplies which were being afforded by the Owners by means of the said generating station at Willesden at the date of the completion of the sale and that if any question arises as to whether any such notice is reasonable or as to any point at which electricity is to be so supplied by the Committee Company to the Owners such question failing agreement between the Owners and the Committee Company shall be referred to and determined by arbitration as hereinafter provided. The prices to be paid by the Owners to the Committee Company for supplies of electricity under the supply agreement shall in no case be greater than the cost (including allowance for depreciation at the rate of two per centum per annum on the capital cost of the premises described in Part I. of the schedule hereto interest on such capital cost and other capital charges at the rate of six per centum per annum cost of fuel and labour and other costs of generation and transformation (if any)) at which the Owners would if such sale had not been made have been able to generate and send out such electricity by means of plant in use in the generating station specified in Part I. of the said schedule so sold as aforesaid or on order therefor at the date of the completion of the sale nor greater than the price which would have been payable by the Owners for such electricity under any contract in force at the date of such completion of the sale. Subject to this provision the prices to be paid by the Owners to the Committee Company for supplies of electricity under the supply agreement shall be such prices as shall be agreed between the parties or failing agreement determined by arbitration as hereinafter provided. The supply agreement shall further provide that on any reference to arbitration of any question of any prices to be paid to the Committee Company by the Owners for electricity supplied thereunder the arbitrator shall fix such prices so far as the same relate to any supplies of electricity which may be required by the Owners for fulfilling any contract for supplies exceeding one million units per

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annum made by the Owners and in force at the date of the completion of the sale at such figures as will in his opinion secure that the Owners shall not be prejudiced in the fulfilment of such contract by reason of their having sold the premises mentioned in Part I. of the schedule hereto to the Committee Company but that subject as aforesaid the arbitrator shall fix any such prices so that the total receipts of the Owners will in his opinion enable the Committee Company to meet their generating costs rents interest or dividends on moneys borrowed or raised sinking fund payments depreciation and other payments on revenue account with a reasonable margin for contingencies but nothing for profits. The supply agreement shall also provide that either the Owners or the Committee Company may require that any prices for the time being payable for any such supplies of electricity shall be submitted to revision by arbitration as hereinafter provided at the expiration of each period of five years calculated from the date of the completion of the sale and that the prices as so revised from time to time shall be binding on the Owners and Committee Company save so far as they may otherwise agree but that any prices fixed on any such revision shall be prices at which the Committee Company can give the supplies to which such revision relates to the Owners without incurring a loss in giving such supplies and subject thereto shall be such prices as will not prevent the Owners earning a reasonable return on their capital. Provided always that no such provision as to revision shall allow of any revision of price so far as the same relates to any quantity of electricity which may be required by the Owners for the purpose of fulfilling any contract for supplies exceeding one million units per annum made by the Owners and in force at the date of the said completion of the said sale except that in any case where the price or prices payable at the date of the completion of the sale under any such contract shall have been revised under provisions in that behalf contained in such contract or otherwise the price or prices for supplies required by the Owners from the Committee Company for the purpose of fulfilling such contract may be revised by way of increase or decrease by the amount by which the price or prices payable under such contract as aforesaid has been so revised.

The Owners hereby agree with the Committee Company that if the receipts of the Committee Company on revenue account in any year are insufficient to meet the charges payable by the Committee Company out of revenue for that year the Owners will if so required by the Committee Company pay to the Committee Company any sum not exceeding such proportion of the deficiency as the amount paid for electricity supplied by the Committee Company to the Owners in that year bears to the total amount paid for electricity supplied by the Committee Company in that year. And the Committee Company hereby

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agree with the Owners that if and so often as any sums shall be paid by the Owners to the Committee Company under the provisions of this clause the Committee Company will until the whole of the sums so paid have been repaid with interest thereon at the rate of five pounds per centum per annum apply any balance of their revenue which remains in any year after meeting their expenses of the working maintenance and management of their undertaking and any other payments on revenue account (including sinking fund payments) in repaying to the Owners with interest as aforesaid the sum or sums so paid by the Owners to the Committee Company in the proportion which such sum or sums bear to the total of all sums paid by the Owners and by any other body or bodies to the Committee Company in respect of any such deficiency as is mentioned in this clause.

6. The said agreement shall contain such other terms and conditions as either party hereto shall think necessary and shall be agreed to by the other of them and if either party shall require any term or condition to which the other shall not agree the question in difference shall be referred to a barrister-at-law agreed upon between the parties or failing such agreement nominated by the President of the Law Society on the application of either party and the decision of such barrister-at-law on the matter in difference shall be accepted by the parties hereto and the said agreement unless the said parties otherwise agree shall be framed accordingly.

7. The said agreement shall contain a provision that if any question shall arise with reference to anything contained therein the decision whereof is not thereby otherwise provided for such question shall be referred to and determined by a single arbitrator to be agreed upon between the Owners and the Committee Company or in default of such agreement to be appointed on the request of either of the Owners or the Committee Company by the President of the Institution of Civil Engineers and subject thereto any such reference shall be deemed a reference to arbitration within the meaning of the Arbitration Act 1889 or any statutory modification thereof.

8. Any sum including costs which may become payable by the Owners under section 16 of the Electricity (Supply) Act 1919 as amended by the Electricity (Supply) Act 1922 as the result of the closing down by the Owners of any plant affected by this agreement shall be repaid to them by the Committee Company who hereby undertake to indemnify the Owners in respect of the same.

9. This agreement is subject to its being confirmed by Parliament during the sessions 1924 or 1925 with such alterations as Parliament may think fit to make therein and subject to provision being made in either of the said sessions by Act or by a scheme or

A.D. 1925. order approved by Parliament under the Electricity (Supply) Acts 1882 to 1922 whereby any powers of purchase relating to any undertaking of the Owners in the county of London which were transferred to or conferred on the London County Council by the London Electric Supply Act 1908 shall be suspended until the year one thousand nine hundred and seventy-one but if Parliament shall make any material alteration therein to which either the Owners or the Committee Company shall not agree or if no such provision as to powers of purchase relating to any such undertaking of the Owners shall be made as aforesaid the Owners or the Committee Company may by notice to the other of them withdraw from this agreement and thereupon the same shall be void and of no effect.

As witness our hands the day and year first above written.

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The SCHEDULE.

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PART I.

The generating station of the Owners now in the occupation of the Owners situate at Acton Lane Willesden in the county of Middlesex on a site comprising nine acres or thereabouts adjoining the London Midland and Scottish Railway together with all engines plant and machinery therein and together with all such main transmission lines of the Owners at or connected with the said generating station as may be required for the convenient use of the said generating station by the Committee Company in connection with the supply of electric energy.

PART II.

The generating station of the Owners now in the occupation of the Owners situate at Amberley Road Paddington in the county of London on a site comprising half an acre or thereabouts adjoining the Grand Junction Canal together with all engines plant and machinery therein.

Signed on behalf of the Metropolitan } GEO. BALFOUR  
Electric Supply Company Limited } Director.

Signed on behalf of the London }  
Electricity Joint Committee (1920) } W. F. FLADGATE.  
Limited }



THIS AGREEMENT made the fifteenth day of December A.D. 1925.  
one thousand nine hundred and twenty-three between  
the NOTTING HILL ELECTRIC LIGHTING COMPANY  
LIMITED (hereinafter called "the Lessors") of the  
one part and the LONDON ELECTRICITY JOINT  
COMMITTEE (1920) LIMITED (hereinafter called "the  
Lessees") of the other part.

WHEREAS the London County Council have under the London  
Electric Supply Act 1908 and the London Electric Supply Act  
1910 a right to purchase as in the said Acts mentioned undertakings  
or parts of undertakings in London of the fourteen companies  
named in the First Schedule to the said Act of 1908 and the  
schedule to the said Act of 1910 which said right first arises in the  
year one thousand nine hundred and thirty-one and the Lessors  
are one of the said companies :

And whereas the London County Council have by resolutions  
passed on the thirty-first day of July one thousand nine hundred  
and twenty-three indicated that they are willing to consent to  
the suspension of their said right of purchase for a period of  
forty years subject to certain terms therein mentioned which  
comprise (inter alia) the establishment under the Electricity  
(Supply) Act 1919 by the Electricity Commissioners thereby  
constituted of a Joint Electricity Authority for a district com-  
prising (inter alia) the county of London and the transfer to the  
Joint Electricity Authority of the said right of purchase subject  
to the suspension thereof as aforesaid :

And whereas the Electricity Commissioners in the month of  
February one thousand nine hundred and twenty-three published  
a scheme formulated by them under the said Act of 1919 providing  
for the establishment of such a Joint Electricity Authority :

And whereas the said terms further require the improvement  
of generation of electricity for supply in the areas of supply of the  
said companies or some of them :

And whereas the Lessees who are a body constituted by ten  
of the said companies have resolved to promote a Bill in Parlia-  
ment in the session 1924 to make provision for improving the  
generation of electricity as aforesaid and for other purposes :

And whereas the whole of the Lessors' bulk supply of electri-  
city is obtained from the generating station situate at Wood  
Lane (hereinafter called "the Wood Lane station") which as a  
separate undertaking is vested in the Lessors and the Kensington  
and Knightsbridge Electric Lighting Company Limited jointly :

And whereas an agreement bearing even date herewith has  
been entered into between the Lessors and the Kensington and  
Knightsbridge Electric Lighting Company Limited of the one  
part and the Lessees of the other part for the leasing of the Wood  
Lane station to the Lessees :

A.D. 1925.

Now therefore the Lessors and Lessees agree as follows that is to say:—

1. The Lessors agree to lease to the Lessees the premises more particularly described in the schedule hereto with the benefit of any rights but subject to any obligations or liabilities of the Lessors relating to the use of the said premises for a term of forty-seven years from the twenty-fifth day of August one thousand nine hundred and twenty-four at a yearly rent which shall be a sum equivalent to six per centum per annum on the capital sum as appearing at the date of the lease from the accounts of the Lessors as certified as correct by their auditors to have been the aggregate cost of the said premises so leased less such depreciation on the same as has been from time to time allowed thereon by the Board of Inland Revenue in arriving at the taxable profits of the Lessors for income tax purposes.

2. The said lease shall contain the usual provisions requiring the Lessees (1) to pay the rent reserved by the lease and all rates taxes and outgoings which may during the term thereof become due and payable in respect of the demised premises and (2) at the end of the term unless the premises shall have been transferred to the Lessees under the option hereinafter contained to yield the same up and (3) not to assign or underlet without the consent of the Lessors such consent not to be unreasonably withheld and (4) to undertake the performance of and indemnify the Lessors against any such obligations or liabilities of the Lessors relating to the use of the demised premises as are referred to in clause 1 of this agreement and shall also contain covenants by the Lessors for quiet enjoyment of the demised premises.

The Lessees shall not be required to enter into any covenant to repair the demised premises or to deliver the same up in any specified state of repair.

2A. On the grant of the said lease the Lessees shall if required by the Lessors enter into an obligation that the Lessees shall if so required by the Lessors by not less than six calendar months' previous notice in writing pay to the Lessors the amount of any loans which shall have been raised by the Lessors and for the repayment whereof the Lessors shall be liable at the date of such grant. Provided always that no such obligation as is mentioned in this clause shall require the Lessees to pay to the Lessors any amount or amounts exceeding in the aggregate the capital sum mentioned in clause 1 of this agreement less such depreciation as is mentioned in that clause and less the aggregate of any sums which shall have been paid to the Lessors by the Lessees under such obligation or under any such arrangement as is mentioned in clause 3 of this agreement.

3. The Lessees shall on the grant of the said lease if required by the Lessors enter into arrangements with the Lessors to secure the payment by the Lessees to the Lessors in each year during

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the term of the lease of a sum equal to the amount which if annually paid into a sinking fund during the term of the lease will be sufficient with accumulations at a net rate not exceeding three pounds per centum per annum to provide at the expiration of the term of the lease the capital sum less depreciation referred to in clause 1 hereof.

Any sum or sums to be annually paid to the Lessors under such arrangements as are mentioned in this clause are in this agreement referred to as "sinking fund payments."

The Lessees undertake that they will prior to the granting of the said lease procure such guarantee or guarantees as the Lessors may have regard to all the circumstances of the case reasonably require to be given to the Lessors for the due payment of the rent and sinking fund payments.

4. The lease shall further provide that if at any time during the continuance thereof the Lessees shall (in addition to paying to the Lessors the rent provided for by clause 1 hereof) have paid to the Lessors by sinking fund payments and by payments made to the Lessors under clause 2A of this agreement or in either of those ways an amount equal to the capital sum referred to in the said clause 1 less (a) such depreciation as is in that clause mentioned and (b) the sum of one thousand pounds or any sum being less than one thousand pounds the Lessors will on the request of the Lessees convey transfer or assign to the Lessees all their estate and interest in the demised premises in consideration of the payment of the sum of one thousand pounds or any such sum as aforesaid being less than one thousand pounds.

For the purposes of this clause sinking fund payments includes accumulations thereon at the rate mentioned in clause 3 hereof.

5. The Lessors and the Lessees hereby agree that on the grant to the Lessees by the Lessors of the said lease the Lessees will enter into an agreement (hereinafter called "the supply agreement") with the Lessors whereby subject always to the obligations (if any) of the Lessors under any agreement existing at the date of the lease for the taking by the Lessors of a bulk supply the Lessees will come under obligation to supply to the Lessors and the Lessors will come under obligation to take from the Lessees until the twenty-fifth day of August one thousand nine hundred and seventy-one all such electricity as may be required to meet all statutory or contractual obligations of the Lessors as existing from time to time.

The supply agreement shall also provide that the Lessors shall give to the Lessees reasonable notice if they require from the Lessees supplies which are in excess of the supplies being taken by the Lessors from the Wood Lane station at the date of the lease and that if any question arises as to whether any such notice is reasonable or as to any point at which electricity is to be so supplied by the Lessees to the Lessors such question failing

[Ch. lxiii.] *London Electricity* [15 & 16 GEO. 5.]  
(No. 2) Act, 1925.

A.D. 1925. — agreement between the Lessors and the Lessees shall be referred to and determined by arbitration as hereinafter provided.

The prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall in no case be greater than the cost (including allowance for depreciation at the rate of two per centum per annum on the capital cost of the Wood Lane station interest on such capital cost and other capital charges at the rate of six per centum per annum cost of fuel and labour and other costs of generation and transformation (if any)) at which the Wood Lane Station would have been able to generate and send out such electricity by means of plant in use in the Wood Lane station or on order therefor at the date of the lease Subject to this provision the prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall be such prices as shall be agreed between the parties or failing agreement determined by arbitration as hereinafter provided.

The supply agreement shall further provide that on any reference to arbitration of any question of any prices to be paid to the Lessees by the Lessors for electricity supplied thereunder the arbitrator shall fix such prices so far as the same relate to any supplies of electricity which may be required by the Lessors for fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease at such figures as will in his opinion secure that the Lessors shall not be prejudiced in the fulfilment of such contract by reason of their having leased the premises mentioned in the schedule hereto to the Lessees or by reason of the leasing of the Wood Lane station but that subject as aforesaid the arbitrator shall fix any such prices so that the total receipts of the Lessees will in his opinion enable the Lessees to meet their generating costs rents interest or dividends on moneys borrowed or raised sinking fund payments depreciation and other payments on revenue account with a reasonable margin for contingencies but nothing for profits.

The supply agreement shall also provide that either the Lessors or the Lessees may require that any prices for the time being payable for any such supplies of electricity shall be submitted to revision by arbitration as hereinafter provided at the expiration of each period of five years calculated from the date on which the term of the lease commences and that the prices as so revised from time to time shall be binding on the Lessors and Lessees save so far as they may otherwise agree but that any prices fixed on any such revision shall be prices at which the Lessees can give the supplies to which such revision relates to the Lessors without incurring a loss in giving such supplies and subject thereto shall be such prices as will not prevent the Lessors earning a reasonable return on their capital Provided always that no such provision as to revision shall allow of any revision of price so far as the same relates to any quantity of electricity which

A.D. 1925.

may be required by the Lessors for the purpose of fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease except that in any case where the price or prices payable at the date of the lease under any such contract shall have been revised under provisions in that behalf contained in such contract or otherwise the price or prices for supplies required by the Lessors from the Lessees for the purpose of fulfilling such contract may be revised by way of increase or decrease by the amount by which the price or prices payable under such contract as aforesaid has been so revised.

The Lessors hereby agree with the Lessees that if the receipts of the Lessees on revenue account in any year are insufficient to meet the charges payable by the Lessees out of revenue for that year the Lessors will if so required by the Lessees pay to the Lessees any sum not exceeding such proportion of the deficiency as the amount paid for electricity supplied by the Lessees to the Lessors in that year bears to the total amount paid for electricity supplied by the Lessees in that year. And the Lessees hereby agree with the Lessors that if and so often as any sums shall be paid by the Lessors to the Lessees under the provisions of this clause the Lessees will until the whole of the sums so paid have been repaid with interest thereon at the rate of five pounds per centum per annum apply any balance of their revenue which remains in any year after meeting their expenses of the working maintenance and management of their undertaking and any other payments on revenue account (including sinking fund payments) in repaying to the Lessors with interest as aforesaid the sum or sums so paid by the Lessors to the Lessees in the proportion which such sum or sums bear to the total of all sums paid by the Lessors and by any other body or bodies to the Lessees in respect of any such deficiency as is mentioned in this clause.

6. The said lease shall contain such other terms and conditions as either party hereto shall think necessary and shall be agreed to by the other of them and if either party shall require any term or condition to which the other shall not agree the question in difference shall be referred to a barrister-at-law agreed upon between the parties or failing such agreement to a barrister-at-law nominated by the President of the Law Society on the application of either party and the decision of such barrister-at-law on the matter in difference shall be accepted by the parties hereto and the lease unless the parties hereto otherwise agree shall be framed accordingly.

7. The lease shall contain a provision that if any question shall arise with reference to anything contained therein the decision whereof is not thereby otherwise provided for such question shall be referred to and determined by a single arbitrator to be agreed upon between the Lessors and the Lessees or in default of such agreement to be appointed on the request of either the Lessors

[Ch. Ixiii.] *London Electricity* [15 & 16 GEO. 5.]  
(No. 2) Act, 1925.

A.D. 1925. or the Lessees by the President of the Institution of Civil Engineers or in the case of an arbitration under the provisions of clause 2 hereof by the President of the Surveyors' Institution and any such reference shall be deemed a reference to arbitration within the meaning of the Arbitration Act 1889 or any statutory modification thereof.

8. Any sum including costs which may become payable by the Lessors under section 16 of the Electricity (Supply) Act 1919 as amended by the Electricity (Supply) Act 1922 as the result of the closing down by the Lessors of any plant affected by this agreement shall be repaid to them by the Lessees who hereby undertake to indemnify the Lessors in respect of the same.

9. This agreement is subject to its being confirmed by Parliament during the sessions 1924 or 1925 with such alterations as Parliament may think fit to make therein and subject to provision being made in either of the said sessions by Act or by a scheme or order approved by Parliament under the Electricity (Supply) Acts 1882 to 1922 whereby any powers of purchase relating to the electricity undertaking of the Lessors shall be suspended until the year 1971 but if Parliament shall make any material alteration therein to which either the Lessors or the Lessees shall not agree or if no such provision as to powers of purchase relating to the said undertaking of the Lessors shall be made as aforesaid the Lessors or the Lessees may by notice to the other of them withdraw from the agreement and thereupon the same shall be void and of no effect.

As witness our hands the day and year first above written.

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The SCHEDULE.

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The main transmission lines of the Lessors from Hunt Street Hammersmith to Victoria Gardens sub-station and to Lancaster Road sub-station and to Napier Road sub-station and from Lancaster Road sub-station to Newnes and Pearsons Printing Works Barlby Road North Kensington.

Signed on behalf of the Notting Hill } A. E. FRANKLIN  
Electric Lighting Company Limited } Chairman.

A. P. McDOUALL  
140 High St. W. 11  
Engineer.

Signed on behalf of the London }  
Electricity Joint Committee (1920) }  
Limited }

W. F. FLADGATE  
Chairman.

THIS AGREEMENT made the thirteenth day of December A.D. 1925.  
one thousand nine hundred and twenty-three between  
the SAINT JAMES' AND PALL MALL ELECTRIC LIGHT  
COMPANY LIMITED (hereinafter called "the Lessors")  
of the one part and the LONDON ELECTRICITY JOINT  
COMMITTEE (1920) LIMITED (hereinafter called "the  
Lessees") of the other part.

WHEREAS the London County Council have under the London  
Electric Supply Act 1908 and the London Electric Supply Act  
1910 a right to purchase as in the said Acts mentioned under-  
takings or parts of undertakings in London of the fourteen  
companies named in the First Schedule to the said Act of 1908  
and the schedule to the said Act of 1910 which said right first  
arises in the year one thousand nine hundred and thirty-one and  
the Lessors are one of the said companies :

And whereas the London County Council have by resolutions  
passed on the thirty-first day of July one thousand nine hundred  
and twenty-three indicated that they are willing to consent to  
the suspension of their said right of purchase for a period of  
forty years subject to certain terms therein mentioned which  
comprise (inter alia) the establishment under the Electricity  
(Supply) Act 1919 by the Electricity Commissioners thereby  
constituted of a Joint Electricity Authority for a district  
comprising (inter alia) the county of London and the transfer  
to the Joint Electricity Authority of the said right of purchase  
subject to the suspension thereof as aforesaid :

And whereas the Electricity Commissioners in the month  
of February one thousand nine hundred and twenty-three  
published a scheme formulated by them under the said Act of  
1919 providing for the establishment of such a Joint Electricity  
Authority :

And whereas the said terms further require the improvement  
of generation of electricity for supply in the areas of supply  
of the said companies or some of them :

And whereas the Lessees who are a body constituted by  
ten of the said companies have resolved to promote a Bill in  
Parliament in the session 1924 to make provision for improving  
the generation of electricity as aforesaid and for other purposes :

Now therefore the Lessors and Lessees agree as follows that  
is to say :—

1. The Lessors agree to lease to the Lessees the premises  
more particularly described in the schedule hereto with the  
benefit of any rights but subject to any obligations or liabilities  
of the Lessors relating to the use of the said premises for a term  
of forty-seven years from the twenty-fifth day of August one  
thousand nine hundred and twenty-four at a yearly rent which

[Ch. lxiii.] *London Electricity* [15 & 16 GEO. 5.]  
(No. 2) Act, 1925.

A.D. 1925. shall be a sum equivalent to six per centum per annum on the capital sum as appearing at the date of the lease from the accounts of the Lessors (as certified as correct by their auditors) to have been the aggregate cost of the said premises so leased less such depreciation on the same as has been from time to time allowed thereon by the Board of Inland Revenue in arriving at the taxable profits of the Lessors for income tax purposes.

2. The said lease shall contain the usual provisions requiring the Lessees (1) to pay the rent reserved by the lease and all rates taxes and outgoings which may during the term thereof become due and payable in respect of the demised premises and (2) at the end of the term unless the premises shall have been transferred to the Lessees under the option hereinafter contained to yield the same up and (3) not to assign or underlet without the consent of the Lessors such consent not to be unreasonably withheld and (4) to undertake the performance of and indemnify the Lessors against any such obligations or liabilities of the Lessors relating to the use of the demised premises as are referred to in clause 1 of this agreement and shall also contain covenants by the Lessors for quiet enjoyment of the demised premises.

The Lessees shall not be required to enter into any covenant to repair the demised premises or to deliver the same up in any specified state of repair.

2A. On the grant of the said lease the Lessees shall if required by the Lessors enter into an obligation that the Lessees shall if so required by the Lessors by not less than six calendar months' previous notice in writing pay to the Lessors the amount of any loans which shall have been raised by the Lessors and for the repayment whereof the Lessors shall be liable at the date of such grant. Provided always that no such obligation as is mentioned in this clause shall require the Lessees to pay to the Lessors any amount or amounts exceeding in the aggregate the capital sum mentioned in clause 1 of this agreement less such depreciation as is mentioned in that clause and less the aggregate of any sums which shall have been paid to the Lessors by the Lessees under such obligation or under any such arrangement as is mentioned in clause 3 of this agreement.

3. The Lessees shall on the grant of the said lease if required by the Lessors enter into arrangements with the Lessors to secure the payment by the Lessees to the Lessors in each year during the term of the lease of a sum equal to the amount which if annually paid into a sinking fund during the term of the lease will be sufficient with accumulations at a net rate not exceeding three pounds per centum per annum to provide at the expiration of the term of the lease the capital sum less depreciation referred to in clause 1 hereof.



Any sum or sums to be annually paid to the Lessors under such arrangements as are mentioned in this clause are in this agreement referred to as "sinking fund payments."

The Lessees undertake that they will prior to the granting of the said lease procure such guarantee or guarantees as the Lessors may have regard to all the circumstances of the case reasonably require to be given to the Lessors for the due payment of the rent and sinking fund payments.

4. The lease shall further provide that if at any time during the continuance thereof the Lessees shall (in addition to paying to the Lessors the rent provided for by clause 1 hereof) have paid to the Lessors by sinking fund payments and by payments made to the Lessors under clause 2A of this agreement or in either of those ways an amount equal to the capital sum referred to in the said clause 1 less (a) such depreciation as is in that clause mentioned and (b) the sum of one thousand pounds or any sum being less than one thousand pounds the Lessors will on the request of the Lessees convey transfer or assign to the Lessees all their estate and interest in the demised premises in consideration of the payment of the sum of one thousand pounds or any such sum as aforesaid being less than one thousand pounds.

For the purposes of this clause sinking fund payments includes accumulations thereon at the rate mentioned in clause 3 hereof.

5. The Lessors and the Lessees hereby agree that on the grant to the Lessees by the Lessors of the said lease the Lessees will enter into an agreement (hereinafter called "the supply agreement") with the Lessors whereby subject always to the obligations (if any) of the Lessors under any agreement existing at the date of the lease for the taking by the Lessors of a bulk supply the Lessees will come under obligation to supply to the Lessors and the Lessors will come under obligation to take from the Lessees until the twenty-fifth day of August one thousand nine hundred and seventy-one all such electricity as may be required to meet all statutory or contractual obligations of the Lessors as existing from time to time.

The supply agreement shall also provide that the Lessors shall give to the Lessees reasonable notice if they require from the Lessees supplies which are in excess of the supplies being afforded by the Lessors at the date of the lease and that if any question arises as to whether any such notice is reasonable or as to any point at which electricity is to be so supplied by the Lessees to the Lessors such question failing agreement between the Lessors and the Lessees shall be referred to and determined by arbitration as hereinafter provided.

The prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall in no

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case be greater than the cost (including allowance for depreciation at the rate of two per centum per annum on the capital cost of the premises described in the schedule hereto interest on such capital cost and other capital charges at the rate of six per centum per annum cost of fuel and labour and other costs of generation and transformation (if any)) at which the Lessors would if such lease had not been granted have been able to generate and send out such electricity by means of plant in use in the generating station demised by the lease or on order therefor at the date of the lease nor greater than the price which would have been payable by the Lessors for such electricity under any contract in force at the date of such lease Subject to this provision the prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall be such prices as shall be agreed between the parties or failing agreement determined by arbitration as hereinafter provided.

The supply agreement shall further provide that on any reference to arbitration of any question of any prices to be paid to the Lessees by the Lessors for electricity supplied thereunder the arbitrator shall fix such prices so far as the same relate to any supplies of electricity which may be required by the Lessors for fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease at such figures as will in his opinion secure that the Lessors shall not be prejudiced in the fulfilment of such contract by reason of their having leased the premises mentioned in the schedule hereto to the Lessees but that subject as aforesaid the arbitrator shall fix any such prices so that the total receipts of the Lessees will in his opinion enable the Lessees to meet their generating costs rents interest or dividends on moneys borrowed or raised sinking fund payments depreciation and other payments on revenue account with a reasonable margin for contingencies but nothing for profits.

The supply agreement shall also provide that either the Lessors or the Lessees may require that any prices for the time being payable for any such supplies of electricity shall be submitted to revision by arbitration as hereinafter provided at the expiration of each period of five years calculated from the date on which the term of the lease commences and that the prices as so revised from time to time shall be binding on the Lessors and Lessees save so far as they may otherwise agree but that any prices fixed on any such revision shall be prices at which the Lessees can give the supplies to which such revision relates to the Lessors without incurring a loss in giving such supplies and subject thereto shall be such prices as will not prevent the Lessors earning a reasonable return on their capital Provided always that no such provision as to revision shall allow of any revision of price so far as the same relates to any quantity of electricity which may be required by the Lessors

for the purpose of fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease except that in any case where the price or prices payable at the date of the lease under any such contract shall have been revised under provisions in that behalf contained in such contract or otherwise the price or prices for supplies required by the Lessors from the Lessees for the purpose of fulfilling such contract may be revised by way of increase or decrease by the amount by which the price or prices payable under such contract as aforesaid has been so revised. A.D. 1925.

The Lessors hereby agree with the Lessees that if the receipts of the Lessees on revenue account in any year are insufficient to meet the charges payable by the Lessees out of revenue for that year the Lessors will if so required by the Lessees pay to the Lessees any sum not exceeding such proportion of the deficiency as the amount paid for electricity supplied by the Lessees to the Lessors in that year bears to the total amount paid for electricity supplied by the Lessees in that year. And the Lessees hereby agree with the Lessors that if and so often as any sums shall be paid by the Lessors to the Lessees under the provisions of this clause the Lessees will until the whole of the sums so paid have been repaid with interest thereon at the rate of five pounds per centum per annum apply any balance of their revenue which remains in any year after meeting their expenses of the working maintenance and management of their undertaking and any other payments on revenue account (including sinking fund payments) in repaying to the Lessors with interest as aforesaid the sum or sums so paid by the Lessors to the Lessees in the proportion which such sum or sums bear to the total of all sums paid by the Lessors and by any other body or bodies to the Lessees in respect of any such deficiency as is mentioned in this clause.

6. The said lease shall contain such other terms and conditions as either party hereto shall think necessary and shall be agreed to by the other of them and if either party shall require any term or condition to which the other shall not agree the question in difference shall be referred to a barrister-at-law agreed upon between the parties or failing such agreement to a barrister-at-law nominated by the President of the Law Society on the application of either party and the decision of such barrister-at-law on the matter in difference shall be accepted by the parties hereto and the lease unless the parties hereto otherwise agree shall be framed accordingly.

7. The lease shall contain a provision that if any question shall arise with reference to anything contained therein the decision whereof is not thereby otherwise provided for such question shall be referred to and determined by a single arbitrator to be agreed upon between the Lessors and the Lessees or in default of such agreement to be appointed on the request of either

A.D. 1925. the Lessors or the Lessees by the President of the Institution of Civil Engineers or in the case of an arbitration under the provisions of clause 2 hereof by the President of the Surveyors' Institution and any such reference shall be deemed a reference to arbitration within the meaning of the Arbitration Act 1889 or any statutory modification thereof.

8. Any sum including costs which may become payable by the Lessors under section 16 of the Electricity (Supply) Act 1919 as amended by the Electricity (Supply) Act 1922 as the result of the closing down by the Lessors of any plant affected by this agreement shall be repaid to them by the Lessees who hereby undertake to indemnify the Lessors in respect of the same.

9. This agreement is subject to its being confirmed by Parliament during the sessions 1924 or 1925 with such alterations as Parliament may think fit to make therein and subject to provision being made in either of the said sessions by Act or by a scheme or order approved by Parliament under the Electricity (Supply) Acts 1882 to 1922 whereby any powers of purchase relating to the electricity undertaking of the Lessors shall be suspended until the year 1971 but if Parliament shall make any material alteration therein to which either the Lessors or the Lessees shall not agree or if no such provision as to powers of purchase relating to the said undertaking of the Lessors shall be made as aforesaid the Lessors or the Lessees may by notice to the other of them withdraw from the agreement and thereupon the same shall be void and of no effect. The grant of the said lease is subject to the obtaining by the Lessors of all necessary licences from their Lessors (if any) to grant the same.

As witness our hands the day and year first above written.

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The SCHEDULE.

The main transmission lines of the Lessors from Oxford Street to the sub-station of the Lessors at Carnaby Street Golden Square from Oxford Street to the sub-station of the Lessors at Mason's Yard Jermyn Street and between those two sub-stations all in the administrative county of London.

Signed on behalf of the Saint James' and  
Pall Mall Electric Light Company }  
Limited

WALTER LEAF  
Chairman.

Signed on behalf of the London }  
Electricity Joint Committee (1920) }  
Limited

W. F. FLADGATE  
Chairman.

THIS AGREEMENT made the fourteenth day of December A.D. 1925.  
one thousand nine hundred and twenty-three between  
the WESTMINSTER ELECTRIC SUPPLY CORPORATION  
LIMITED (hereinafter called "the Lessors") of the  
one part and the LONDON ELECTRICITY JOINT COM-  
MITTEE (1920) LIMITED (hereinafter called "the  
Lessees") of the other part.

WHEREAS the London County Council have under the London  
Electric Supply Act 1908 and the London Electric Supply Act  
1910 a right to purchase as in the said Acts mentioned under-  
takings or parts of undertakings in London of the fourteen  
companies named in the First Schedule to the said Act of 1908 and  
the schedule to the said Act of 1910 which said right first arises  
in the year one thousand nine hundred and thirty-one and the  
Lessors are one of the said companies :

And whereas the London County Council have by resolutions  
passed on the thirty-first day of July one thousand nine hundred  
and twenty-three indicated that they are willing to consent to  
the suspension of their said right of purchase for a period of forty  
years subject to certain terms therein mentioned which comprise  
(inter alia) the establishment under the Electricity (Supply)  
Act 1919 by the Electricity Commissioners thereby constituted of  
a Joint Electricity Authority for a district comprising (inter alia)  
the county of London and the transfer to the Joint Electricity  
Authority of the said right of purchase subject to the suspension  
thereof as aforesaid :

And whereas the Electricity Commissioners in the month of  
February one thousand nine hundred and twenty-three published  
a scheme formulated by them under the said Act of 1919 providing  
for the establishment of such a Joint Electricity Authority :

And whereas the said terms further require the improvement  
of generation of electricity for supply in the areas of supply of the  
said companies or some of them :

And whereas the Lessees who are a body constituted by ten  
of the said companies have resolved to promote a Bill in Parlia-  
ment in the session 1924 to make provision for improving the  
generation of electricity as aforesaid and for other purposes :

Now therefore the Lessors and Lessees agree as follows that  
is to say :—

1. The Lessors agree to lease to the Lessees the premises more  
particularly described in the schedule hereto with the benefit of  
any rights but subject to any obligations or liabilities of the  
Lessors relating to the occupation or use of the said premises for  
a term of forty-seven years from the twenty-fifth day of August  
one thousand nine hundred and twenty-four at a yearly rent which  
shall be a sum equivalent to six per centum per annum on the

[Ch. lxiii.]                      *London Electricity* [15 & 16 GEO. 5.]  
(No. 2) Act, 1925.

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capital sum as appearing at the date of the lease from the accounts of the Lessors (as certified as correct by their auditors) to have been the aggregate cost of the said premises so leased less such depreciation on the same as has been from time to time allowed thereon by the Board of Inland Revenue in arriving at the taxable profits of the Lessors for income tax purposes.

2. There shall be excepted from the demise any part of the said premises described in the said schedule hereto which is or are used as or form part of an office or a transformer station of the Lessors and all cables or other works leading therefrom and required by the Lessors for their distribution business and reserving to the Lessors all necessary rights for the use by the Lessors of such office transformer station and cables and other works for any purpose of their said distribution business.

3. The said lease shall contain the usual provisions requiring the Lessees (1) to observe the covenants in the head lease (if any) of the Lessors and (2) to pay the rent reserved by the lease and all rates taxes and outgoings which may during the term thereof become due and payable in respect of the demised premises and (3) at the end of the term unless the premises shall have been transferred to the Lessees under the option hereinafter contained to yield the same up and (4) not to assign or underlet without the consent of the Lessors and (if required) of their superior Lessors (if any) such consent in the case of the Lessors not to be unreasonably withheld and (5) to keep the demised premises insured against fire and to rebuild the same if they shall be destroyed or damaged by fire and (6) to undertake the performance of and indemnify the Lessors against any such obligations or liabilities of the Lessors relating to the occupation or use of the demised premises as are referred to in clause 1 of this agreement and shall also contain covenants by the Lessors (1) for quiet enjoyment of the demised premises and (2) to repay to the Lessees such proportion of any rates taxes and outgoings paid by the Lessees as shall be reasonably attributable to or payable in respect of any office transformer station or cables or works leading therefrom which are excepted from the premises demised such proportion in default of agreement between the Lessors and the Lessees to be determined by arbitration as is hereinafter provided.

The Lessees shall not be required to enter into any covenant to repair the demised premises or to deliver the same up in any specified state of repair save so far as any such covenant may be necessary by reason of the existence of any similar covenant in any such head lease as aforesaid.

3A. On the grant of the said lease the Lessees shall if required by the Lessors enter into an obligation that the Lessees shall if so required by the Lessors by not less than six calendar months' previous notice in writing pay to the Lessors the amount of any

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loans which shall have been raised by the Lessors and for the repayment whereof the Lessors shall be liable at the date of such grant. Provided always that no such obligation as is mentioned in this clause shall require the Lessees to pay to the Lessors any amount or amounts exceeding in the aggregate the capital sum mentioned in clause 1 of this agreement less such depreciation as is mentioned in that clause and less the aggregate of any sums which shall have been paid to the Lessors by the Lessees under such obligation or under any such arrangement as is mentioned in clause 4 of this agreement.

4. The Lessees shall on the grant of the said lease if required by the Lessors enter into arrangements with the Lessors to secure the payment by the Lessees to the Lessors in each year during the term of the lease of a sum equal to the amount which if annually paid into a sinking fund during the term of the lease will be sufficient with accumulations at a net rate not exceeding three pounds per centum per annum to provide at the expiration of the term of the lease the capital sum less depreciation referred to in clause 1 hereof.

Any sum or sums to be annually paid to the Lessors under such arrangements as are mentioned in this clause are in this agreement referred to as "sinking fund payments."

The Lessees undertake that they will prior to the granting of the said lease procure such guarantee or guarantees as the Lessors may have regard to all the circumstances of the case reasonably require to be given to the Lessors for the due payment of the rent and sinking fund payments.

5. The lease shall further provide that if at any time during the continuance thereof the Lessees shall (in addition to paying to the Lessors the rent provided for by clause 1 hereof) have paid to the Lessors by sinking fund payments and by payments made to the Lessors under clause 3A of this agreement or in either of those ways an amount equal to the capital sum referred to in the said clause 1 less (a) such depreciation as is in that clause mentioned and (b) the sum of one thousand pounds or any sum being less than one thousand pounds the Lessors will on the request of the Lessees convey transfer or assign to the Lessees all their estate and interest in the demised premises in consideration of the payment of the sum of one thousand pounds or any such sum as aforesaid being less than one thousand pounds.

For the purposes of this clause sinking fund payments includes accumulations thereon at the rate mentioned in clause 4 hereof.

6. The Lessors and the Lessees hereby agree that on the grant to the Lessees by the Lessors of the said lease the Lessees will enter into an agreement (hereinafter called "the supply agreement") with the Lessors whereby subject always to the obligations (if any) of the Lessors under any agreement existing at the

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— date of the lease for the taking by the Lessors of a bulk supply the Lessees will come under obligation to supply to the Lessors and the Lessors will come under obligation to take from the Lessees until the twenty-fifth day of August one thousand nine hundred and seventy-one all such electricity as may be required to meet all statutory or contractual obligations of the Lessors as existing from time to time.

The supply agreement shall also provide that the Lessors shall give to the Lessees reasonable notice if they require from the Lessees supplies which are in excess of the supplies being afforded by the Lessors at the date of the lease and that if any question arises as to whether any such notice is reasonable or as to any point at which electricity is to be so supplied by the Lessees to the Lessors such question failing agreement between the Lessors and the Lessees shall be referred to and determined by arbitration as hereinafter provided.

The prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall in no case be greater than the cost (including allowance for depreciation at the rate of two per centum per annum on the capital cost of the premises described in the schedule hereto interest on such capital cost and other capital charges at the rate of six per centum per annum cost of fuel and labour and other costs of generation and transformation (if any)) at which the Lessors would if such lease had not been granted have been able to generate and send out such electricity by means of plant in use in the generating station demised by the lease or on order therefor at the date of the lease nor greater than the price which would have been payable by the Lessors for such electricity under any contract in force at the date of such lease Subject to this provision the prices to be paid by the Lessors to the Lessees for supplies of electricity under the supply agreement shall be such prices as shall be agreed between the parties or failing agreement determined by arbitration as hereinafter provided.

The supply agreement shall further provide that on any reference to arbitration of any question of any prices to be paid to the Lessees by the Lessors for electricity supplied thereunder the arbitrator shall fix such prices so far as the same relate to any supplies of electricity which may be required by the Lessors for fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease at such figures as will in his opinion secure that the Lessors shall not be prejudiced in the fulfilment of such contract by reason of their having leased the premises mentioned in the schedule hereto to the Lessees but that subject as aforesaid the arbitrator shall fix any such prices so that the total receipts of the Lessees will in his opinion enable the Lessees to meet their generating costs rents interest or dividends on moneys borrowed or raised



sinking fund payments depreciation and other payments on revenue account with a reasonable margin for contingencies but nothing for profits.

A.D. 1925.

The supply agreement shall also provide that either the Lessors or the Lessees may require that any prices for the time being payable for any such supplies of electricity shall be submitted to revision by arbitration as hereinafter provided at the expiration of each period of five years calculated from the date on which the term of the lease commences and that the prices as so revised from time to time shall be binding on the Lessors and Lessees save so far as they may otherwise agree but that any prices fixed on any such revision shall be prices at which the Lessees can give the supplies to which such revision relates to the Lessors without incurring a loss in giving such supplies and subject thereto shall be such prices as will not prevent the Lessors earning a reasonable return on their capital. Provided always that no such provision as to revision shall allow of any revision of price so far as the same relates to any quantity of electricity which may be required by the Lessors for the purpose of fulfilling any contract for supplies exceeding one million units per annum made by the Lessors and in force at the date of the said lease except that in any case where the price or prices payable at the date of the lease under any such contract shall have been revised under provisions in that behalf contained in such contract or otherwise the price or prices for supplies required by the Lessors from the Lessees for the purpose of fulfilling such contract may be revised by way of increase or decrease by the amount by which the price or prices payable under such contract as aforesaid has been so revised.

The Lessors hereby agree with the Lessees that if the receipts of the Lessees on revenue account in any year are insufficient to meet the charges payable by the Lessees out of revenue for that year the Lessors will if so required by the Lessees pay to the Lessees any sum not exceeding such proportion of the deficiency as the amount paid for electricity supplied by the Lessees to the Lessors in that year bears to the total amount paid for electricity supplied by the Lessees in that year. And the Lessees hereby agree with the Lessors that if and so often as any sums shall be paid by the Lessors to the Lessees under the provisions of this clause the Lessees will until the whole of the sums so paid have been repaid with interest thereon at the rate of five pounds per centum per annum apply any balance of their revenue which remains in any year after meeting their expenses of the working maintenance and management of their undertaking and any other payments on revenue account (including sinking fund payments) in repaying to the Lessors with interest as aforesaid the sum or sums so paid by the Lessors to the Lessees in the proportion which such sum or sums bear to the total of all sums paid by the Lessors and by any other body or bodies to the Lessees in respect of any such deficiency as is mentioned in this clause.

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(No. 2) Act, 1925.

A.D. 1925.

7. The said lease shall contain such other terms and conditions as either party hereto shall think necessary and shall be agreed to by the other of them and if either party shall require any term or condition to which the other shall not agree the question in difference shall be referred to a barrister-at-law agreed upon between the parties or failing such agreement to a barrister-at-law nominated by the President of the Law Society on the application of either party and the decision of such barrister-at-law on the matter in difference shall be accepted by the parties hereto and the lease unless the parties hereto otherwise agree shall be framed accordingly.

8. The lease shall contain a provision that if any question shall arise with reference to anything contained therein the decision whereof is not thereby otherwise provided for such question shall be referred to and determined by a single arbitrator to be agreed upon between the Lessors and the Lessees or in default of such agreement to be appointed on the request of either the Lessors or the Lessees by the President of the Institution of Civil Engineers or in the case of an arbitration under the provisions of clause 3 hereof by the President of the Surveyors' Institution and any such reference shall be deemed a reference to arbitration within the meaning of the Arbitration Act 1889 or any statutory modification thereof.

9. Any sum including costs which may become payable by the Lessors under section 16 of the Electricity (Supply) Act 1919 as amended by the Electricity (Supply) Act 1922 as the result of the closing down by the Lessors of any plant affected by this agreement shall be repaid to them by the Lessees who hereby undertake to indemnify the Lessors in respect of the same.

10. This agreement is subject to its being confirmed by Parliament during the sessions 1924 or 1925 with such alterations as Parliament may think fit to make therein and subject to provision being made in either of the said sessions by Act or by a scheme or order approved by Parliament under the Electricity (Supply) Acts 1882 to 1922 whereby any powers of purchase relating to the electricity undertaking of the Lessors shall be suspended until the year 1971 but if Parliament shall make any material alteration therein to which either the Lessors or the Lessees shall not agree or if no such provision as to powers of purchase relating to the said undertaking of the Lessors shall be made as aforesaid the Lessors or the Lessees may by notice to the other of them withdraw from the agreement and thereupon the same shall be void and of no effect. The grant of the said lease is subject to the obtaining by the Lessors of all necessary licences from their Lessors (if any) to grant the same.

As witness our hands the day and year first above written.

The SCHEDULE.

A.D. 1925.

The generating station of the Lessors now in the occupation of the Lessors situate at Horseferry Road Westminster in the county of London on a site comprising half an acre or thereabouts and bounded on the south by Horseferry Road together with all engines plant and machinery therein and together with all such main transmission lines of the Lessors at or connected with the said generating station as may be required for the convenient use of the said station by the Lessees.

Signed on behalf of the Westminster }  
Electric Supply Corporation Limited }

EDMUND BAX  
Chairman.

Signed on behalf of the London Elec- }  
tricity Joint Committee (1920) Limited }

W. F. FLADGATE  
Chairman.

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THE THIRD SCHEDULE.

THIS AGREEMENT made the twenty-seventh day of May one thousand nine hundred and twenty-four between THE COUNCIL FOR THE ADMINISTRATIVE COUNTY OF LONDON (hereinafter called "the Council") of the one part and the LONDON ELECTRICITY JOINT COMMITTEE (1920) LIMITED (hereinafter called "the Company") of the other part.

WHEREAS by the Electricity (Supply) Act 1919 (hereinafter called "the Act of 1919") Electricity Commissioners (hereinafter called "the Commissioners") were established and by the Act of 1919 and the Electricity (Supply) Act 1922 (hereinafter called "the Act of 1922") the Commissioners were empowered to determine electricity districts and to formulate schemes for effecting the improvement of the existing organisation for the supply of electricity in any such district and the establishment and incorporation where necessary of a Joint Electricity Authority for the district:

And whereas the Act of 1919 provides that the Commissioners may make orders giving effect to such schemes and for the confirmation of such orders by the Minister of Transport and that such orders when so confirmed and approved by resolution of each House of Parliament shall have effect as if enacted in the said Act of 1919:

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(No. 2) Act, 1925.

A.D. 1925.

And whereas by the Act of 1919 the Commissioners are empowered by any order constituting a Joint Electricity Authority to transfer to that authority any right to purchase the whole or any part of the undertaking of any authorised distributors which is vested in any local authority (including a county council) whose area is comprised within the district of the Joint Electricity Authority subject to providing for adequate representation on the Joint Electricity Authority of the local authority from whom the right is transferred and by the said Act of 1922 the Commissioners may by an order establishing a Joint Electricity Authority suspend any powers of a Joint Electricity Authority or of the Council or any other local authority relating to the purchase of any undertaking or part of an undertaking of any authorised undertakers but no such powers are to be suspended except with the consent of the authority or authorities in whom they are vested :

And whereas shortly after the passing of the Act of 1919 the Company were incorporated under the Companies Acts 1908 to 1917 with the objects (amongst others) of formulating schemes for the improvement of the organisation for the supply of electricity within the area of the counties of London and Middlesex and neighbouring counties and districts or any or all of them and promoting Bills in Parliament for dealing with or improving such organisation :

And whereas the Brompton and Kensington Electricity Supply Company Limited the Charing Cross Electricity Supply Company Limited the Chelsea Electricity Supply Company Limited the London Electric Supply Corporation Limited the Metropolitan Electric Supply Company Limited the Kensington and Knightsbridge Electric Lighting Company Limited the Notting Hill Electric Lighting Company Limited the Saint James' and Pall Mall Electric Light Company Limited and the Westminster Electric Supply Corporation Limited all of whom supply electricity under statutory powers in areas in the administrative county of London and the Central Electric Supply Company Limited which generates electricity under statutory powers and supplies the same to certain of the said companies are constituent members of the Company :

And whereas the Commissioners gave notice under the Act of 1919 that they had provisionally determined that a certain area comprising the city of London the counties of London and Middlesex and parts of the counties of Berks Buckingham Essex Hertford Kent and Surrey should be constituted a separate electricity district for the purposes of the Act of 1919 :

And whereas the Commissioners in the months of June and July one thousand nine hundred and twenty-one held an inquiry with reference to the district so provisionally determined by them

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and for the consideration of schemes for effecting improvement of the existing organisation for the supply of electricity in the said district including proposals for adjustment of the boundaries of the district and the formation of a Joint Electricity Authority for the district :

And whereas no order has yet been made by the Commissioners under the Acts of 1919 and 1922 constituting a Joint Electricity Authority for the said district but the Commissioners have published certain decisions at which they had arrived as the result of the said inquiry from which it appears that it is the intention of the Commissioners by their order to constitute and establish a Joint Electricity Authority for the said district and to provide a technical scheme for the improvement of the existing organisation for the supply of electricity in the said district and that such technical scheme of the Commissioners will be a technical scheme submitted at the said inquiry by the Council the body known as the Conference of Local Authorities Owning Electricity Undertakings in Greater London and the Company as amended in certain respects by the Commissioners hereinafter referred to as "the technical scheme" :

And whereas the authorised undertakers for the supply of electricity in the various London areas of supply are sixteen metropolitan borough councils the said companies being constituent members of the Company (other than the Central Electric Supply Company Limited) and four other companies :

And whereas the Central Electric Supply Company Limited are authorised to give a supply in bulk to the said metropolitan borough councils and thirteen companies and are included among the companies hereinafter referred to whose undertakings or parts of whose undertakings are purchasable by the Council :

And whereas the Council have under the London Electric Supply Act 1908 and the London Electric Supply Act 1910 a right (subject to certain rights hereinafter mentioned) in the year one thousand nine hundred and thirty-one and in every subsequent tenth year to purchase on the terms set forth in the said Act of 1908 the undertakings or parts of the undertakings in London of the London Electric Supply Companies named in the First Schedule to the said Act of 1908 and the schedule to the said Act of 1910 and under the provisions of section 23 of the said Act of 1908 the Council may not purchase the undertaking or any part of the undertaking of any of the said companies unless they shall at the same time purchase all the undertakings or parts of undertakings which they are so empowered to purchase but the said last-mentioned provisions do not apply to a certain part of the undertaking in London of the Metropolitan Electric Supply Company Limited which the Council may but are not obliged to purchase and as to which in the event of purchase by them special terms are by the said Act of 1908 applicable :

A.D. 1925.

And whereas it is claimed that certain rights to purchase three of the undertakings of companies supplying electricity in London or portions of such undertakings are vested in the mayor and commonalty and citizens of the city of London and the councils of the metropolitan boroughs of Camberwell and Lambeth but such rights if exerciseable in any case are only exerciseable in the years one thousand nine hundred and twenty-seven and one thousand nine hundred and twenty-eight :

And whereas the Council and the Company are of opinion that the co-operation of the Council and the London electricity supply companies is necessary to secure the efficient working of the scheme to be set out in the order to be made by the Commissioners (hereinafter referred to as "the scheme") and that objections thereto of the Council and of the Company and the companies being constituent members of the Company which might arise should as far as possible be removed in advance and for that purpose negotiations have taken place between the Council and the Company :

And whereas the Council are desirous that a Joint Electricity Authority should be established and that provision should be made whereby there should be a cheaper and more abundant supply of electricity in London and the Council are prepared to agree to the suspension of their said powers of purchase over the undertakings or parts of the undertakings of the said companies being constituent members of the Company until the thirty-first day of December one thousand nine hundred and seventy-one subject to the establishment of a Joint Electricity Authority and to the said last-mentioned companies accepting the conditions and obligations in this agreement hereinafter set forth :

Now it is hereby agreed between the Council and the Company as follows that is to say :—

1. Neither the Company nor any company being a constituent member of the Company shall oppose (except on details) the establishment at the earliest possible date of a Joint Electricity Authority by a scheme and order of the Commissioners under the Acts of 1919 and 1922 so long as such order suspends as aforesaid the before-mentioned powers of purchase. The Company shall also use their best endeavours to obtain an Act of Parliament to confirm this agreement and to make the same binding on the parties hereto and on the companies being constituent members of the Company and to enable the same to be carried into effect. The Council shall take all such steps as may be necessary to further the establishment of a Joint Electricity Authority and shall at the request and cost of the Company support the application of the Company for such an Act of Parliament as aforesaid by evidence or as the circumstances may require but the Council reserve to themselves full

liberty to oppose the Bill in respect to any matter affecting the county of London not covered by the terms of this agreement. A.D. 1925.

2. From and after the first day of January one thousand nine hundred and twenty-five or such later date as the Commissioners may determine the dividends of each company being a constituent member of the Company shall be regulated by the price of electricity sold by such company in accordance with the sliding scale of prices and dividends set out in the schedule hereto.

3. With a view to enabling any two or more of the following companies namely (a) any company being a constituent member of the company and (b) any other company named in the First Schedule to the London Electric Supply Act 1908 or in the schedule to the London Electric Supply Act 1910 which shall have entered into or become bound by an agreement with the Council similar to this agreement to amalgamate all or any of their undertakings or parts of their undertakings the Company shall take all necessary steps including the seeking of statutory powers by the promotion in the sessions one thousand nine hundred and twenty-four or one thousand nine hundred and twenty-five of a Bill in Parliament to obtain the repeal or removal of any restrictions which prevent such amalgamation. The Council shall not oppose any such Bill promoted by the Company so far as such Bill is intended to give effect to this clause hereof. Provided that no such Bill shall seek to authorise any amalgamation of the undertaking or any part of the undertaking of any company being a constituent member of the Company with the undertaking or any part of the undertaking of any company which has not entered into or become bound by an agreement with the Council similar to this agreement.

4. The Council shall not object to the suspension by the scheme or order to be made by the Commissioners establishing a Joint Electricity Authority for the London and Home Counties Electricity District under the Acts of 1919 and 1922 until the thirty-first day of December one thousand nine hundred and seventy-one of any powers of purchase of any undertaking or any part of any undertaking of any company being a constituent member of the Company which are now vested in the Council under the London Electric Supply Act 1908 and the London Electric Supply Act 1910 or either of them or otherwise but subject to the provisions of section 23 (2) of the London Electric Supply Act 1908 and any other provisions (if any) to the like effect being amended to such extent as is necessary to enable this agreement to be carried out and to preserve the right of the Council to purchase any undertaking or any part of any undertaking of any company which shall not have entered into or become bound by an agreement with the Council similar to this agreement and to this agreement being confirmed by Parliament but if no order of the Commissioners effectively providing for

[Ch. lxiii.]                      *London Electricity* [15 & 16 GEO. 5.]  
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— such suspension shall have been made confirmed and approved as required by the said Acts of 1919 and 1922 before the said statutory provisions shall have been amended by the passing of any Bill promoted by the Company as aforesaid the Council shall not object to the retention in such Bill of provisions suspending until the thirty-first day of December one thousand nine hundred and seventy-one the said powers of purchase so far as relates to any undertaking or any part of any undertaking of any company being a constituent member of the Company so long as provisions amending as aforesaid the said statutory provisions and confirming this agreement also remain in such Bill. Provided also and it is hereby further expressly declared and agreed that if the provisions in such Bill suspending such powers of purchase are omitted therefrom or any alteration is made in such provisions to which the Council or the Company shall not agree and at the date of such omission or alteration no such order of the Commissioners providing for such suspension as aforesaid shall have been made confirmed and approved as aforesaid then either party hereto may by notice to the other of them withdraw from this agreement and thereupon the same shall be void and of no effect. Provided further that if a Joint Electricity Authority is not established before this agreement is confirmed by Parliament the Council may withdraw from this agreement and thereupon the same shall be void and of no effect.

5. The undertaking of or any part of any undertaking of any of the companies being constituent members of the Company which is purchasable by the Council shall not be purchased by the Council or by the Joint Electricity Authority (except by agreement) before the thirty-first day of December one thousand nine hundred and seventy-one but shall on the said thirty-first day of December one thousand nine hundred and seventy-one be transferred to the Joint Electricity Authority on the terms hereinafter appearing and any agreement between any two or more of the companies being constituent members of the Company or any other company or companies which shall have entered into or become bound by an agreement with the Council similar to this agreement or any of those companies whereby provision shall be made for the amalgamation of their undertakings or parts of their undertakings shall be made subject to the terms of this agreement. In any Bill or Bills promoted by the Company for the purpose of obtaining statutory powers for any of the said companies to amalgamate their undertaking or part thereof with the undertaking or undertakings or part or parts of the undertaking or undertakings of any of the others of them a provision shall be inserted that the amalgamated undertakings shall be subject in all respects to the terms of this agreement as if they were undertakings therein referred to.

6.—(1) Such of the lands buildings works machinery plant mains apparatus appliances and other like property (hereinafter



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called "the physical assets") as form part of any undertaking or of any part of any undertaking of any company being a constituent member of the Company which is purchasable by the Council under the London Electric Supply Act 1908 and the London Electric Supply Act 1910 or either of them and as are at the date of transfer to the Joint Electricity Authority comprised in the undertaking or the part of the undertaking so transferred and as shall have been in use or available and suitable for use at the date of the establishment of the Joint Electricity Authority shall on such transfer be transferred by such company to the Joint Electricity Authority free of charge.

(2) Such of the physical assets as shall be at the date of transfer comprised in any such undertaking or part of an undertaking of any such company so transferred and as shall have been properly provided subsequent to the date of the establishment of the Joint Electricity Authority shall on such transfer be transferred by such company to the Joint Electricity Authority on the terms that the Joint Electricity Authority shall pay to such company in respect of such transfer a sum equal to the amount expended in providing such assets as shown by the books and records relating thereto less the amount standing to the credit of sinking fund B hereinafter mentioned.

(3) The stock-in-trade and stores of each such company as they stand at the date of transfer (other than such physical assets as aforesaid) shall be sold by the Company and purchased by the Joint Electricity Authority at such price as shall be agreed upon in each case between the Company and the Joint Electricity Authority or as failing agreement shall be determined by a valuer to be agreed upon between the parties or failing agreement to be nominated by the President of the Surveyors Institution upon the application of either party.

(4) No further sum than is provided for in this clause shall be payable to a company by the Joint Electricity Authority as the purchase price of the physical assets and stores to be transferred to the Joint Electricity Authority in one thousand nine hundred and seventy-one.

All other assets shall be retained by the Company provided however that the Company shall hand over to the Joint Electricity Authority or allow a deduction to be made from the purchase price of the physical assets and stores of a sum equal to the total of the following :—

- (a) The balance on the revenue account as at the thirty-first day of December one thousand nine hundred and seventy-one remaining after providing for the dividends payable for the year ended on that date and any sum payable to the co-partners for such year less payments by the Company made in advance in respect of the year one thousand nine hundred and seventy-two;

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- (b) The balance on the contingency or special purposes fund as at the thirty-first day of December one thousand nine hundred and seventy-one;
- (c) The balance of the superannuation fund (if any) as at the thirty-first day of December one thousand nine hundred and seventy-one; and
- (d) Any sum to be credited to the Joint Electricity Authority under clause 9. (1) of this agreement:

Provided that in respect of (c) the Joint Electricity Authority shall take over any liability then existing to members of the superannuation fund under any scheme approved by the Commissioners.

The Company shall be entitled to all debts or sums of money due to the Company as at the thirty-first day of December one thousand nine hundred and seventy-one and shall discharge all liabilities of the Company for sums due from the Company as at such date.

(5) In the event of the Company obtaining an Act of Parliament whereby they shall become an undertaker or authorised undertaker under the Electricity (Supply) Acts 1882 to 1922 in the administrative county of London the undertaking of the Company shall be transferred to the Joint Electricity Authority on the thirty-first day of December one thousand nine hundred and seventy-one upon the terms of this clause.

(6) From and after any such transfer to the Joint Electricity Authority as is provided for by this clause of any undertaking or part of an undertaking all powers and obligations in relation thereto of the Company transferring such undertaking or part of an undertaking shall vest in and be exerciseable by and binding on the Joint Electricity Authority in substitution for such company and shall cease to be exerciseable by or binding on such company. Provided that no contract entered into by any such company after the confirmation of this agreement (otherwise than in pursuance of heads of agreement in writing entered into before such confirmation) and extending for more than three years beyond the thirty-first day of December one thousand nine hundred and seventy-one shall be binding on the Joint Electricity Authority unless it has been approved by the Commissioners after giving the Joint Electricity Authority an opportunity of being heard thereon.

7.—(1) The Company and each company being a constituent member of the Company shall provide a sinking fund A by setting aside annually out of their revenue such sums as with interest thereon will be sufficient to liquidate within such period or periods as may be approved by the Commissioners and in any event by the thirty-first day of December one thousand nine hundred and

seventy-one the value as shown in the schedule relating to such company provided for in clause 8 hereof of any physical assets of such company which are or may become by the terms of clause 6 hereof transferable by such company to the Joint Electricity Authority free of charge and to liquidate any other sums being at the date of the establishment of the Joint Electricity Authority capital properly expended by such company as shown by their books and records. In the event of any such asset being transferred by any company being such a constituent member as aforesaid to the Company the foregoing provisions of this clause shall as from the date of such transfer apply to the Company in respect of the asset so transferred in lieu of such constituent company. Provided that if the Company or any such company are under an obligation to provide a sinking fund for the redemption of loan capital and are required to set aside annual contributions therefor the future contributions to such sinking fund shall be taken into account in calculating the annual sum to be set aside for sinking fund A.

(2) The Company and each company being a constituent member of the Company shall provide a sinking fund B by setting aside annually out of their revenue such sums as with interest thereon will be sufficient to liquidate within such periods as may be approved by the Commissioners the cost of any assets which may be provided by the Company or any company being such a constituent member as aforesaid and any other expenditure properly chargeable to capital account which may be incurred by the Company or any company being such a constituent member as aforesaid after the establishment of the Joint Electricity Authority.

(3) Interest on the moneys forming any such sinking fund at the rate allowed for in calculating the annual contribution to such sinking fund shall be paid annually to such sinking fund out of the revenue of the Company by which the sinking fund is set aside and the interest or dividends arising from any investment on account of any such sinking fund shall be included in the revenue of the said company.

(4) When any capital asset shall become worn out or disused or be replaced the value or cost thereof standing in the capital account of the Company or any company being such a constituent member as aforesaid shall be written off and charged to the appropriate sinking fund.

(5) On any transfer to the Joint Electricity Authority of the undertaking or any part of the undertaking of the Company or any such company as provided for by clause 5 of this agreement any sinking fund formed by the Company or any such company shall be retained by the Company or any such company as the case may be.

A.D. 1925.

(6) In the case of the London Electric Supply Corporation Limited so much of the sum of two hundred thousand pounds representing the balance of the purchase money paid by the said corporation for the acquisition of the undertaking of Sir Coutts Lindsay and Company Limited as stands for goodwill of such undertaking shall be regarded as capital properly expended by the said corporation as shown by their books and records for the purposes of this clause.

(7) In the event of any difference arising as to whether any capital has been properly expended or not such difference shall be referred to the Commissioners whose decision shall be final.

(8) Any moneys forming any part of any such sinking fund may be invested in the undertaking of the company forming the sinking fund.

8. For the identification of the physical assets of the Company and each of the companies being constituent members of the Company as shall be in use or available and suitable for use at the date of the establishment of the Joint Electricity Authority and for the determination of the value thereof at the said date the Company and each such company shall prepare and deliver to the Joint Electricity Authority not later than six months after the date of establishment of the Joint Electricity Authority or such further time as may be allowed by the Commissioners firstly a schedule of the said assets grouped under the heads appearing in the capital account in the statutory form of account and of the Acts and orders obtained by the Company or any such company either alone or jointly with any other company or companies before that date or for which applications were pending at that date and secondly a statement under the same heads of the value as at the date of the establishment of the Joint Electricity Authority of the assets contained in such schedule and of the cost to the Company or any such company then standing to capital account of and incidental to obtaining any such Act or order or incurred in any such application and shall allow the Joint Electricity Authority to inspect their books and records for the purpose of checking and verifying the entries in such schedule and statement. The value of the said physical assets as appearing in the said statement shall be deemed to be a sum equal to the capital properly expended in the provision of such assets as shown by the books and records relating thereto of the company delivering the same (including appropriate charges already allocated in such books and records for supervision not exceeding five per centum on the relative expenditure) less depreciation calculated at the rates allowed by the Board of Inland Revenue for wear and tear of plant and machinery that is to say three per centum on the written down value of cables and five per centum on the written down value of plant and machinery. Each such

A.D. 1925.

schedule and statement if and so far as it is agreed by the Joint Electricity Authority or if not objected to by the Joint Electricity Authority within six months from the date of its receipt from the company delivering the same or such further time as may be allowed by the Commissioners shall be conclusive and binding on such company and the Joint Electricity Authority for the purposes of this agreement but in the event of any difference arising as to the inclusion in or exclusion from any such schedule of particular assets or as to the value of any asset therein contained or otherwise as to the correctness of any such schedule or statement of values in any respect such difference shall be referred to arbitration in the manner set out in clause 17 hereof. In the event of any difference arising as to whether capital has been properly expended or not or as to whether any such cost is properly standing to capital account or not such difference shall be referred to the Commissioners whose decision shall be final.

9.—(1) Except as otherwise specifically provided in this agreement nothing in this agreement shall be deemed to restrict the financial and administrative independence of the Company or of any of the companies being constituent members of the Company or to restrict the right of the Company or of any company being a constituent member of the Company to carry on their respective undertakings until the thirty-first day of December one thousand nine hundred and seventy-one in the ordinary course of business. Provided always that any moneys arising from any sale or disposal by any such company in the ordinary course of business (otherwise than to the Company) of any assets which but for this clause would on the transfer of their undertaking or any part of their undertaking to the Joint Electricity Authority as provided for by this agreement be transferred to such Authority free of charge shall be on such transfer credited to the Joint Electricity Authority.

(2) The Company and each of the said companies being constituent members of the Company shall respectively exercise due care and economy in the management and administration of their respective undertakings and shall take all such steps as shall be reasonably practicable to secure that all by-products resulting from or arising in the generation of electricity and disposed of by them shall be disposed of to the best advantage and profit of the company disposing of the same.

10. The Company and each of the companies being constituent members of the Company shall carry out or secure the carrying out so far as the same relates to the London areas of supply of the said companies being such constituent members of the technical scheme for the improvement of the organisation of supply in the district (known as "the agreed scheme") and being the technical scheme for such improvement submitted to

A.D. 1925. the Commissioners by the Council the body known as the Local Authorities Owning Electricity Undertakings in Greater London and the Company at the said inquiry held by the Commissioners in the months of June and July one thousand nine hundred and twenty-one as amended by the Commissioners but with such modifications or amendments (if any) therein as may be agreed upon by a technical committee to be appointed by the Joint Electricity Authority in accordance with the scheme and order of the Commissioners establishing the Joint Electricity Authority Provided always that if the Company or any company being a constituent member of the Company shall desire any amendments or modifications made in the said technical scheme and the said technical committee shall decline to give consent thereto or if any of the said companies object to any amendments or modifications in the said technical scheme made or proposed to be made by the said technical committee the matter in difference shall be referred to and determined by the Commissioners whose decision shall be final and who may dispense with any consent so withheld.

11. The Company and each company being a constituent member of the Company shall subject as hereinafter mentioned dispose of all electricity generated by each such company which shall be in excess of the electricity which such company may from time to time be under obligation to supply to any company body or person in accordance with the reasonable directions of the Joint Electricity Authority.

12. The Company and any company being a constituent member of the Company shall notify to the Joint Electricity Authority their intention of making any capital expenditure (which shall exceed in respect of any individual item the sum of five thousand pounds) in respect whereof any payment may become payable to such company by the Joint Electricity Authority on the transfer as hereinbefore mentioned to the Joint Electricity Authority of the undertaking or any part of the undertaking of such company If the Joint Electricity Authority shall within one month from receiving any such notification in writing inform the company having given the same that the Joint Electricity Authority object to the expenditure mentioned therein a difference shall be deemed to have arisen between such company and the Joint Electricity Authority and such difference shall be determined by the Commissioners as provided by clause 15 hereof.

13. The Company and each company being a constituent member of the Company shall maintain respectively all physical assets comprised in the respective undertakings or any part of the respective undertakings of such company which will or may eventually be transferred to the Joint Electricity Authority.

in accordance with the provisions of clause 5 and clause 6 of this agreement to the reasonable satisfaction of the Joint Electricity Authority and will permit the Joint Electricity Authority by its chief engineer or persons authorised by him in writing on producing their authority once in every year while any such assets are in existence to enter upon the premises of such company to inspect such assets. A.D. 1925.

14.—(i) In the construction of this agreement in its application to the Metropolitan Electric Supply Company Limited no regard shall be had to any part of the undertaking of that company which is not purchasable by the Council under the London Electric Supply Act 1908 or by the Joint Electricity Authority under this agreement and the revenue and expenditure of that company from any such part of such undertaking for the purpose of arriving at the sliding scale of price and dividends and for any other purpose shall be disregarded. If and so far as may be necessary for the purposes of this clause all the proper apportionments shall be made in respect of any accounts of the company.

(ii) So soon as practicable after the thirty-first day of December one thousand nine hundred and twenty-four a separate balance sheet shall be prepared by the company showing as at that date—

- (a) the assets relating to the part of the undertaking of the company which is purchasable under the said Act of 1908 (hereinafter called “the purchasable portion of the undertaking”);
- (b) the liabilities relating to the purchasable portion of the undertaking;
- (c) the portions of the debentures and loans and preference and ordinary capital of the company allocated to the purchasable portion of the undertaking;
- (d) the portions of the reserves of the company allocated to the purchasable portion of the undertaking.

(iii) For the purpose of ascertaining what is to be the standard rate of dividend up to the end of the year one thousand nine hundred and thirty-one on the portion of the ordinary capital allocated to the purchasable portion of the undertaking the total dividend paid for the year one thousand nine hundred and twenty-two on the ordinary capital of the company shall be apportioned between the purchasable portion of the undertaking and the remainder of the undertaking of the company in the ratios of the net revenues for that year relating to the purchasable portion of the undertaking and the remainder of the undertaking of the company and such net revenues shall be arrived at on the basis of the figures appearing in the accounts

A.D. 1925. of the company for the year one thousand nine hundred and twenty-two as submitted to the Minister of Transport :

Provided always that—

- (a) income from investments shall be apportioned by reference to the investments allocated as at the thirty-first day of December one thousand nine hundred and twenty-four to the purchasable portion of the undertaking and the remainder of the undertaking of the company respectively ;
- (b) interest on debentures loans and consumers' deposits and dividends on preference capital and transfers to debenture sinking funds shall be apportioned by reference to the allocations of such debentures loans deposits and preference capital as shown by the said separate balance sheet ; and
- (c) the amounts carried to depreciation and reserve account shall be apportioned in the ratio of the amount of depreciation for the year one thousand nine hundred and twenty-two calculated at the rates allowed for income tax purposes on the assets included in the purchasable portion of the undertaking and the remainder of the undertaking of the company.

(iv) As from and after the first day of January one thousand nine hundred and twenty-five separate accounts shall be kept in respect of the purchasable portion of the undertaking and the remainder of the undertaking of the company.

(v) All apportionments and allocations provided for by this clause shall be agreed between the company and the Council or the Joint Electricity Authority or failing such agreement determined by the Commissioners whose decision shall be final.

15. If any difference shall arise between the Company or any company being a constituent member of the Company and the Joint Electricity Authority as to whether any direction of the Joint Electricity Authority as to the disposal of electricity or as to the maintenance of any assets is reasonable such difference shall be referred on the application of either party thereto to the Commissioners whose decision thereon shall be final and who shall have power to cancel any such direction and to give such direction or decision thereon as to them shall seem proper.

16. This agreement is subject to such alterations as Parliament may think fit to make therein but if the Bill or Bills to be promoted by or on behalf of the Company in accordance with this agreement shall fail to pass into law or if this agreement shall not be confirmed by Parliament during the sessions one thousand nine hundred and twenty-four or one thousand nine



hundred and twenty-five or if Parliament shall make any alteration of this agreement to which either of the parties hereto shall not agree then either party hereto may by notice to the other of them withdraw from this agreement and thereupon the same shall be void and of no effect.

A.D. 1925.  
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17. If any difference shall arise with reference to anything contained in this agreement the decision whereof is not hereby otherwise provided for the same shall be referred to a single arbitrator to be agreed upon between the parties to such difference or in default of such agreement to be appointed at the request of either party by the President of the Institution of Civil Engineers and subject thereto any such reference shall be deemed a reference to arbitration within the meaning of the Arbitration Act 1889.

In witness whereof the said parties to these presents have hereunto caused their respective common seals to be affixed the day and year first above written.

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The SCHEDULE referred to in the foregoing Agreement.

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SLIDING SCALE.

1. The standard prices shall be such that when applied to the units sold in the last completed year prior to the fixing of the standard prices they shall provide sufficient revenue to meet the costs and charges as set out below. Standard prices—Up to 1931.

Such costs and charges shall be ascertained as follows:—

By taking the costs and charges as in the last completed year prior to the fixing of the standard prices—

(1) For generation of electricity or purchase of electricity;

(2) For distribution of electricity;

(3) For royalties &c.;

(4) For rents rates and taxes (other than taxes on profits);

(5) For management expenses;

(6) For law and parliamentary charges:

For special charges—

(7) Insurances superannuation and contributions to expenses of the Commissioners and to administrative expenses of the Joint Electricity Authority;

(8) Expenses for certification of meters;

A.D. 1925.

and adding thereto the amounts required—

(9) For sinking fund calculated in accordance with clause 7 of the foregoing agreement; and

(10) For interest on sinking fund.

From the total amount represented by the above there shall be deducted income derived during the year prior to the fixing of the standard prices in respect of—

(11) Rental of meters and other apparatus on consumers' premises;

(12) Sale and repairs of lamps and other apparatus;

(13) Royalties licences &amp;c.;

(14) Rents less outgoings not otherwise provided for;

(15) Transfer fees;

(16) Interest on investments including investments of sinking fund but excluding other investments representing specific funds (interest on new (No. 2) reserve fund investments to be credited to the new (No. 2) reserve fund);

(17) Other general receipts for interest or otherwise.

Adjustments shall be made in respect of any costs and charges in the year prior to fixation included in the above so as to allow for any known subsequent increases or decreases in costs due to variations in rates and prices or for any items of expenditure or income included therein of an exceptional or non-recurring nature.

To the balance of costs and charges so resulting there shall be added an amount to cover the following charges viz. :—

(18) For contingency or special purposes fund an amount not exceeding  $\frac{1}{2}$  per cent. on the ordinary and preference capital paid up including premiums;

(19) Interest on debentures and notes outstanding at 31st December in the year prior to the date of fixing the standard prices and where the issue price was less than the redemption price one year's appropriate contribution in respect of such difference;

(20) Interest on loans outstanding at 31st December in the year prior to the date of fixing the standard prices;

(21) Interest on consumers' deposits as at 31st December in the year prior to the date of fixing the standard prices;

(22) Interest on superannuation or pension funds as at 31st December in the year prior to the date of fixing the standard prices if not invested in outside securities;

(23) Dividend on preference capital as at 31st December in the year prior to the date of fixing the standard prices;

(24) (a) The amount of dividend (including bonus if any) paid in cash by the company on their ordinary shares for the year ended 31st December 1922 adjusted to a gross figure if paid free of tax;

Plus—

(b) an appropriate allowance at the rate of 7 per cent. per annum in respect of new capital (including premiums if any) only employed during a portion of that year;

Plus—

(c) 7 per cent. on the amount of cash (including premiums if any) received after 31st December 1922 in respect of partly paid ordinary shares existing at that date;

Plus—

(d) 7 per cent. on the amount of cash (including premiums if any) received in respect of ordinary capital issued after 31st December 1922;

Or alternatively—

(e) An amount equal to 10 per cent. on the nominal amount (paid up) of ordinary share capital subscribed in cash or issued for an equivalent consideration at 31st December 1922;

Plus—

(f) 7 per cent. on ordinary capital created by capitalisation of free reserves before or after 31st December 1922;

Plus—

(g) 7 per cent. on the amount of cash (excluding premiums if any) received after 31st December 1922 in respect of ordinary shares existing at that date or new ordinary capital issued for cash;

Plus—

(h) 7 per cent. on premiums received on ordinary capital after 31st December 1922 unless and until capitalised as a free reserve;

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(No. 2) Act, 1925.

A.D. 1925.

Provided that neither of the two above alternatives shall in total amount to less than—

(i) 10 per cent. on the nominal amount (paid up) of ordinary share capital outstanding at 31st December 1922;

Plus—

7 per cent. on the amount of cash (including premiums if any) received after the 31st December 1922 in respect of ordinary capital.

Each company shall declare which of the two alternatives they elect to adopt prior to the fixing of the standard prices when the right of exercising the option shall expire.

Standard prices shall be fixed for each company and shall remain in force up to 31st December 1931 subject to the provisions of clause 7 the marginal note of which is "Revision of standard prices."

Standard prices—  
After 1931.

2. New standard prices shall be fixed for each company to come into force after 1931 and to remain in force subject to the provisions of clause 7 the marginal note of which is "Revision of standard prices."

The new standard prices shall be calculated and arrived at in a similar manner to that set out in clause 1 above the marginal note of which is "Standard prices—Up to 1931" except that in place of item 24 sub-clauses (a) to (i) there shall be substituted the following :—

(25) (j) An amount equal to 7 per cent. on the nominal amount paid up of ordinary capital subscribed in cash or issued for an equivalent consideration;

Plus—

(k) An amount equal to 7 per cent. on ordinary capital created by capitalisation of free reserves.

Different standard prices for classes of consumers.

3. The total revenue arrived at on the lines indicated above shall be subdivided and standard prices fixed for supplies to the following classes of consumers viz. :—

(a) Railway and traction supplies;

(b) Bulk supplies;

(c) Street lighting supplies after deducting expenditure specially relating thereto;

(d) Supplies to private consumers;

so that the prices when applied to the units sold to the respective classes of consumers shall give an amount equal to the total amount of such revenue and the standard price for each of the

above classes shall be determined in such manner as the Commissioners shall decide.

A D. 1925.

4. The companies may increase or reduce the prices charged for electricity above or below the standard prices but except as provided under clause 5 the marginal note of which is "Participation in surplus profits" they shall not in any year up to and including 1931 distribute by way of dividend on the ordinary capital a larger sum than the amount of the ordinary dividend paid for the year ended 31st December 1922 adjusted to a gross figure if paid free of tax and increased to the extent of the allowances referred to under clause 1 (24) (b) (c) and (d) the marginal note of which is "Standard prices—Up to 1931" or alternatively (according to the option exercised for the purposes of clause 1 above) dividends at the rate of 10 per cent. on the nominal amount (paid up) of ordinary share capital subscribed in cash or issued for an equivalent consideration at 31st December 1922 plus 7 per cent. on ordinary capital created by capitalisation of free reserves with an appropriate allowance in respect of items (g) and (h) of clause 1 (24) subject to the minimum dividend as provided for under clause 1 (24) (i) Such amount or rates to be the standard rates of dividend up to the end of the year 1931.

Limitation  
of dividends.

After 1931 The standard rate of dividend on the ordinary capital subscribed in cash or issued for an equivalent consideration and on ordinary capital created by capitalisation of free reserves shall be 7 per cent. and on new ordinary capital subscribed for cash shall be a rate not exceeding 7 per cent.

Such rate to be the standard rate of dividend for the years after 1931 :

Provided that the reduction of the standard rate of dividend to 7 per cent. shall take effect from and after the 31st December 1936 in the case of the Charing Cross Electricity Supply Company Limited in respect of the city undertaking of that company.

The divisible or retainable profits in any year shall be the amount represented by the standard dividends above provided for in that year plus any share of the surplus profits provided for under clause 5 the marginal note of which is "Participation in surplus profits" and in the case of any company holding ordinary capital in another company or undertaking supplying electricity within the London and Home Counties Electricity District such holding company shall be allowed to retain for dividend purposes any sum received as dividend from such subsidiary company in excess of the standard rate of dividend on the ordinary capital of such subsidiary company.

4A. In the case of any company whose reserves are insufficient to meet the amount of depreciation as calculated in accordance with clause 8 of the foregoing agreement the amount of capital to which the rates referred to in clause 1 (24) (e) and (i) clause 2

Insufficiency  
of reserves.

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(No. 2) Act, 1925.

A.D. 1925. (25) (j) and clause 4 are to be applied shall be deemed to be reduced to the extent of any such deficiency :

Provided that in the case of the Charing Cross Electricity Supply Company Limited the following provisions shall have effect :—

- (a) £200,000 of the reserves of the city undertaking of that company as at 31st December 1924 shall be regarded as available for capitalisation and may be capitalised by the company the remainder of such reserves being applied to writing down the assets of their city undertaking in such manner as may be agreed with the Council or Joint Electricity Authority or failing agreement as may be determined by the Commissioners :
- (b) The standard dividend on the present ordinary share capital (£350,000) of the said city undertaking shall be continued at 10 per cent. until the 31st December 1936 as from which date it shall be reduced to 7 per cent. :
- (c) The West End undertaking of that company shall be allowed to retain for dividend purposes the excess over 7 per cent. of any dividends received by them on the ordinary share capital of the city undertaking in respect of the year 1932 and subsequent years and in calculating the standard prices to apply to the West End undertaking as from 1st January 1932 the amount to be included in item (16) of clause 1 of this schedule in respect of income from such shares shall not exceed 7 per cent. of the nominal amount thereof :
- (d) The new standard prices for the city undertaking to come into force as from 1st January 1932 shall be based on a standard dividend of 10 per cent. until 1st January 1937 when the standard prices shall be based on a standard dividend of 7 per cent. :

If in the case of any company other than the Charing Cross Electricity Supply Company Limited the Commissioners are satisfied that the requirement of this clause would work inequitably the Commissioners may dispense with such requirement in whole or in part on the condition that the company make provision for the liquidation of any such deficiency out of its future divisible profits.

Participa-  
tion in  
surplus  
profits.

5. If in any year the total of the amounts actually charged to consumers for current supplied is less than an amount arrived at by applying the appropriate standard prices to the number of units supplied during the year the difference shall be described as "consumers' benefit" and subject to the profits being available a sum equal to one-sixth of such consumers' benefit may be used for purposes of additional dividend for the ordinary shareholders and/or for accumulation of reserves and it shall be com-

petent for the companies to apply for the benefit of co-partners such a share of surplus profits (not exceeding one-sixth of the consumers' benefit in the years up to and including 1931) as may be allowed under any co-partnership scheme approved by the Commissioners and such scheme may be framed in such a way that the benefit of the co-partners shall not be prejudiced by the revision of the standard price calculation for the years subsequent to the year 1931 and if the Commissioners so decide an appropriate addition shall be made in calculating the standard price to cover such benefit provided that such benefit shall remain a variable figure dependent upon the surplus profits of the undertaking and shall not become a fixed addition to standard wages.

A.D. 1925.

6. If the clear profits of any company in any year amount to a larger sum than is sufficient to pay dividends at the standard rates plus one-sixth of the consumers' benefit (if any) and any share (if any) of surplus profits (if any) applied for the benefit of co-partners as aforesaid the excess shall be carried forward to the next following year :

Limitation  
on carry  
forward.

Provided that the total sum carried forward shall not exceed at any time 12 months' interest on the preference capital and dividend at the standard rates on the issued ordinary capital.

7. If at any time it is shown to the satisfaction of the Commissioners that the costs and charges of and incidental to the generation and distribution of electricity have substantially altered for any of the following reasons viz. :—

Revision of  
standard  
prices.

(a) Circumstances beyond the control of or which could not reasonably have been avoided by the undertakers ;

(b) Alteration of the cost of supply caused by any action taken in pursuance of the agreed technical scheme or any modification thereof ;

(c) Material alterations in the nature of supply such as to affect substantially the proportionate number of units sold to the respective classes of consumers referred to under clause 3 ;

(d) Amalgamation of two or more companies after 1931 ;

the Commissioners may if they think fit on the application of—

(1) the Undertakers ;

(2) such number of consumers not less than 20 as the Commissioners consider sufficient having regard to the population of the area of supply ; or

(3) the Council and (as regards the city of London) the mayor and commonalty and citizens of the city of London acting by the mayor aldermen and commons of the said city in common council assembled ;

after such inquiry as they may think fit make an order correspondingly varying the standard prices or methods of charge :

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A.D. 1925.

Provided that after such a revision no further revision shall be made until the expiration of three years.

Reserve  
funds.

8. The companies may after writing down their capital expenditure to the value to be arrived at under the provisions of clause 8 of the foregoing agreement capitalise all free reserves not required for depreciation of capital expenditure and any sum by which the capital expenditure has been written down below such value may be treated as a free reserve. In the case of any company holding ordinary capital in another company or undertaking supplying electricity within the London and Home Counties Electricity District such holding company shall be entitled to take credit for the whole or their proportion of the free reserves of such subsidiary company and to write up their assets represented by such holdings and to capitalise the reserves so created provided that such subsidiary company shall become a sliding scale company and their dividend shall be limited in a similar manner to that of the holding company.

Reserves not so capitalised shall remain in a special reserve fund which may be capitalised at any time but the fund shall not be increased in any way by being credited with interest or dividends on investments and any balance of this fund not capitalised may be carried to the credit of the contingency fund or after the year 1931 may be transferred to the (No. 2) reserve fund. The special reserve fund shall be available for purposes of paying the authorised dividends in any year in which the amount available for dividend is short of the amount required to pay the authorised dividends.

If between the date of fixing the standard prices for the period up to 1931 and the year 1931 the companies have not distributed their retainable profits in respect of those years then they shall be permitted to capitalise these or to carry them to the credit of a new (No. 2) reserve fund.

The companies shall also be permitted to form or to add to the new (No. 2) reserve fund out of divisible profits and the fund shall be applicable in or towards the payment of dividends in any year subsequent to the fixing of the standard prices in which the profits are insufficient to pay the authorised rates of dividends on the ordinary capital or in or towards increasing beyond the authorised rates the dividends on the ordinary capital for any year subsequent to such fixing or to any other purpose which the company may think fit.

Except as in this clause provided the companies shall not pay dividends in any year in respect of any previous year in which the dividends were below the authorised rates.

Any balance in any such fund at the end of the year 1971 shall belong to the company.



9. The companies shall issue all new capital in the most advantageous form and on the best terms obtainable at the time of issue such terms and form to be approved by the Commissioners Provided that in case of a premium being realised the same less expenses of such issue shall be treated as capital and if in any particular issue no premium is realised the expenses of such issue shall be charged against any premiums that may previously have been carried to capital account.

A.D. 1925.

—  
New capital.

10. The companies shall be allowed to set up a contingency or special purposes fund by annual contributions not exceeding one-half per cent. of the ordinary and preference capital paid up including premiums such annual contribution to be included in the charges to be allowed for in the calculation to arrive at the standard prices The companies shall also be permitted to contribute to the fund an equal amount out of divisible profits but the maximum amount standing to the credit of the fund shall not at any time exceed an amount equal to one-tenth of the ordinary and preference capital paid up including premiums.

Contingency  
or special  
purposes  
fund.

The fund shall be available to meet such charges as an accountant appointed for the purpose by the Commissioners shall approve as being—

- (a) Expenses of accidents strikes or circumstances which due care and management could not have prevented ;
- (b) Expenses of replacement or removal of plant or works other than expenses requisite for maintenance or renewal ;
- (c) Compensation to officers servants &c. imposed by statute ; or
- (d) Contributions to administrative expenses of the Joint Electricity Authority up to the 31st December 1931 if and so far as these expenses are not allowed for under clause 1 (7) of this schedule.

The money forming this fund or any portion thereof may be invested in securities in which trustees are authorised by law to invest or may be applied for the general purposes of the company to which capital is properly applicable or may be used partly in the one way and partly in the other Any balance in the fund at 31st December 1971 shall be handed over to the Joint Electricity Authority.

11. For the purposes of the application of this schedule—

- (1) In the case of the Brompton and Kensington Electricity Supply Company Limited if the company shall at any time convert any of their existing preference share capital into ordinary capital the ordinary capital issued in respect of such conversion shall be deemed to be new ordinary capital subscribed for in cash as at the date of such conversion ;

As to  
Brompton  
and  
Notting Hill  
Companies.

A.D. 1925.

(2) In the case of the Notting Hill Electric Lighting Company Limited for the purposes of calculating standard dividend to apply after the end of the year 1931 the whole of the share capital of the company issued at 31st December 1922 shall be regarded as ordinary capital carrying a standard dividend at the rate of £7 per cent. per annum.

As to fixing  
standard  
prices.

12. The standard prices fixed under this schedule which are (subject to revision as thereby provided) to operate till the end of the year 1931 shall be fixed in each case by the company to which such standard price is to apply and shall be submitted to the Council for their approval and in the event of the Council withholding their approval to any such standard price such price shall be determined by the Commissioners or an arbitrator appointed by them.

The foregoing provisions of this clause shall apply to standard prices which are to operate (subject as aforesaid) after the end of the year 1931 but with the substitution of the joint Electricity Authority for the Council.

Sealed by Order

JAMES BIRD  
Clerk of the Council.



W. F. FLADGATE }  
F. J. WALKER } Directors.  
W. A. PEARMAN }  
Secretary.



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