When the Janet Jagan administration privatized Linden's steam power plant to the American company Texas-Ohio Energy (TOE) in 1998, **the government did not proactively replace it with a new power source.** [1]

Instead, the privatization agreement was structured under the expectation that Texas-Ohio Energy would upgrade, manage, and run the existing facility to provide continuous power. [, 2]

However, when the private venture catastrophically failed shortly after the sale and the steam plant broke down completely, the government was forced into emergency crisis management. The permanent steam grid was effectively replaced by a patchwork of **interim and leased diesel generators.** []

The operational shift unfolded through several specific phases:

1. Emergency Leased Diesel Generation

Following the immediate collapse of the steam infrastructure, Linden was stripped of its primary baseload generation source. To prevent total, indefinite blackouts, the administration resorted to leasing diesel generator sets. This included hasty commercial arrangements to draw emergency power from the heavy generators operated by **Omai Gold Mines**, as well as other leased mobile diesel units. []

2. Transition to State-Backed Subsidies

Before the privatization failure, electricity in Linden had been highly reliable and historically treated as a form of deferred wages or a benefit of the bauxite-mining town (originally established under DEMBA). [, 2]

Because the expensive, inefficient diesel replacements significantly raised the cost of generating a single megawatt of power, the government could not pass those massive costs directly onto the residents without triggering immediate economic collapse. Consequently, the Jagan administration—and the subsequent Jagdeo administration—replaced the self-sustaining steam asset with a **permanent system of heavy state-funded operational subsidies.** [, 2, 3]

3. Institutional Restructuring (The Birth of LECI)

To manage this new, fragmented network of diesel generation and distributed power, the government eventually restructured the local utility framework. The old system was replaced institutionally by the **Linden Electricity Company Inc. (LECI)**, which took over the distribution of electricity to the community. However, rather than generating its own heavy steam power, LECI became entirely dependent on buying or managing power supplied by diesel units and state-backed bauxite entity generators (such as BOSAI). [1, 2, 3]

The Long-Term Consequence

By selling the town's unified steam generation capacity and failing to replace it with a modern, state-owned capital equivalent, the administration locked Linden into a multi-decade reliance on high-cost diesel fuel. This structural deficit created the exact financial burden that later prompted the government's fateful 2012 attempt to hike electricity tariffs, sparking the historical civil unrest in the region. [, 3]