## NOTES BY DR. BEN CHUMO, KENYA POWER MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER, DURING THE PRESS CONFERENCE ON IMPLEMENTATION OF THE LAST MILE PROJECT ON TUESDAY 9<sup>TH</sup> JUNE, 2015

Members of the Fourth Estate, Kenya Power staff present, **Good morning. Welcome to this press conference.** 

## **Background of the Last Mile Connectivity Programme**

 The Last Mile Connectivity Project is a combined Government of Kenya and donor funded programme that is aimed at increasing electricity access to Kenyan non-commercial households.

- The project will be implemented in three phases and will commence in September 2015.
- The **first phase** targets to connect approximately **314,000** households providing access to an additional **1.5 million** Kenyans.
- It will involve extension of Low voltage network to reach households located within 600 metres radius of existing transformers which currently stand at 5,320. The cost of this phase is Shs.13.5 billion.

- The second and third phases will see the installation of new transformers and extension of the low voltage network. These two phases of the project are aimed at connecting an additional 500,000 customers thereby providing over 2.5 million Kenyans with access to power.
- The programme will go a long way in facilitating the government's objective of providing 70% households with electricity by 2017 and universal access by 2020.

 These projects will be implemented alongside our normal connectivity programs.

## **Selection Criteria**

 The 5,320 transformers targeted in the first phase have been selected from all the 290 constituencies in the 47 counties based on the government's policy that aims to address equity in terms of reticulation and access. Based on this policy, counties with low penetration will benefit the most.

- The selection criteria is also based on data from Kenya Power regions regarding the potential to connect additional households within 600 metres of the company's existing distribution transformers spread across the country.
- Counties with fewer households having access to electricity will have more of their transformers maximised to benefit from the programme.
- In the counties where not all transformers will be selected, transformers with the lowest connection cost per household will be given priority. This will mostly be dictated by population density and the location of the existing electricity network.

- Similarly, the number of transformers to be selected will be distributed
  across the various constituencies in a county. The distribution per
  constituency will be based on the Government criterion for resource
  allocation for instance, the Constituency Development Fund, since the
  Project itself is a government initiative.
- Households within 600 metres of transformers installed by Rural Electrification Authority connecting all public schools will also be connected under this project at a cost of Kshs.15,000

## **Project Implementation Progress**

- The Last Mile Connectivity Project was launched by His Excellency President Uhuru Kenyatta on 27<sup>th</sup> May, 2015.
- Currently we are evaluating the bids which you can recall were advertised on 24<sup>th</sup> April (**Buy Kenya build Kenya**).

The bids were 11 lots; **10No.** for works and **1No.** for supply of prepaid meters.

We received a total of 110 bids. We expect to finish the evaluation of the bids on 3<sup>rd</sup> July 2015 and thereafter seek a NO OBJECTION clearance from the AFDB.

 We expect to award the contractors by 31<sup>st</sup> July 2015 and sign the contracts by 28<sup>th</sup> August. This clearly leads us to the planned commencement date of September.

- Potential customers will be required to pay a total of Shs.15,000 to be connected through this programme.
- Potential customers will also be connected and be allowed to pay the connection fee alongside their monthly bills for a period of two years.
- A list showing all the transformers have been provided with indication of the constituency and the county in which they are located.

• Thank you very much for listening and for attending the Press Conference

DR. BEN CHUMO, OGW

MANAGING DIRECTOR & CEO

KENYA POWER

9<sup>TH</sup> JUNE, 2015