

Last Mile Programme - Frequently Asked Questions

Q: What is the Last Mile Connectivity Programme?

A: The Last Mile Project is a Government of Kenya programme that is aimed at facilitating the objective of affordably connecting Kenyan households to the national network grid. This is geared towards achieving a national connectivity rate of 70% by 2017 as part of the government's goal of universal access to electricity by 2020.

Q: What will the project involve?

A: The project has various stages spread out over the next 3 years. The first phase is the maximisation phase which involves connecting those households lying within 600 metres of the earmarked transformers to the national grid. During this particular phase of the project, the low-voltage network and service cables will be extended to reach these households. This phase will cover 314,200 households or 1.5 million Kenyans.

The second and third phases will involve the maximization of additional transformers, installing new transformers, and extending the low-voltage network to connect more Kenyans. Under these phases, Kenya Power targets to connect 500,000 households which will in effect add 2.5 million Kenyans to the national grid.

Q: When will the project start and how will it be implemented?

A: The first phase started in April 2015 whereby Kenya Power sent out invitations to local contractors to bid for the project work. The bids are arranged in 11 lots: 10 bids for works and 1 bid for supply of prepaid meters. The company received a total of 110 bids and the formalization of the tendering process has been completed. The signing of contracts is expected to be done by August leading up to the planned commencement in September.

Q: How is the programme funded?

A: The first phase of the project has been funded jointly by Government of Kenya and the African Development Bank (AfDB) to the tune of Shs.13.5 billion. AfDB has approved an additional USD 150 million in support of the project in the next phase. The World Bank

under the International Development Assistance (IDA) is complementing this programme by granting a further amount of 150 million USD loan.

Negotiations are at an advanced stage for the funding of the project's second and third phases.

Q: How much are the beneficiaries of the project expected to pay?

A: The beneficiaries of the project will pay a contribution fee of Shs.15,000. It is being termed a contribution since the total cost of connection is slightly higher than this amount and this further cost has been covered under the funding provided by the government and AfDB.

All the beneficiaries under this scheme will be connected whether they have paid the contribution or not. Those unable to raise the Shs.15,000 at the time of connection will pay the contribution fee over 3 years. This will translate to a deduction of Shs.416 per month which will be part of their monthly bill.

Q: There are applicants who paid the initial connection fee of Shs.34,000. How will they be treated?

A: All those who paid Shs.34,000 and are within 600m of the identified transformers will be charged the contribution fee of Kshs 15,000. The outstanding balance will go towards the payment of their bills.

Q: Where are the focus areas of the project?

A: The 5,320 transformers identified for the project's first phase have been selected from all the 47 counties. The selection criteria are based on the government's policy that aims to address equity in terms of access. This, therefore, means that priority has been given to those counties with low access to electricity.

The selection was also based on real data from Kenya Power regarding the potential to connect additional households within 600 meters of the existing distribution transformers. Those counties with fewer households accessing electricity will have more of their transformers covered.

Kenya Power intends to cover the entire country in due course. It will do this by organically growing its network through the maximization of its existing 40,000 transformers spread across the country. Its goal is to drive up the national electricity connectivity rate from the current 40% to 70% by 2017.

Q: How have the transformers been distributed across the counties?

A: The number of transformers to be maximized will be distributed across the various constituencies in a county. The distribution per constituency will be based on the government's criterion for resource allocation, such as the Constituency Development Fund, since the project itself is a government initiative.

Q: How will the project be carried out in relation to other ongoing projects such as the ones under the government's Rural Electrification Programme?

A: Households within 600 meters of the transformers installed by the Rural Electrification Authority in its mandate to connect all public facilities will also be connected under the Last Mile Project at a cost of Shs.15, 000. The potential customers will also be allowed to pay the connection fee alongside their monthly bills for a period of three years. The projects will be carried out alongside each other since they are complementary.

Q: What will happen to those potential customers who will not fall under the identified transformers?

Given that this is a phased project, Kenya Power intends to progressively cover the entire country through the stepped maximization of its currently existing 40,000 transformers. Even as it implements this project, the company will be installing more transformers in addition to expanding both its high-voltage and low-voltage networks as it continues undertaking its normal connectivity programs which it does at cost.