



## PRESS RELEASE

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### **Kenya Power signs power purchase agreements for 76 MW additional capacity**

National electricity distributor, Kenya Power, has signed power purchase agreements with locally-owned electricity generators Akiira Geothermal Limited and Kleen Energy Limited that will see the development of geothermal and mini hydro plants totaling 76 MW.

In the signed agreements, Akiira Geothermal Limited will develop and sell 70 MW from its Kajiado- based facility to Kenya Power at a unit cost of US Cents 9.23 per kilowatt hour whereas Kleen Energy Limited will sell 6 MW of hydropower from its plant in Embu at US cents 9.20.

Speaking today during an agreement signing ceremony in Nairobi, Kenya Power Managing Director and CEO, Dr Ben Chumo, said completion of these generation projects is crucial as part of the country's strategy of diversifying the 5,000 MW additional generation capacity to ensure adequate power for the growing economy as well as reduce the overall cost of electricity.

Dr Chumo said the contribution of the two companies to the national grid is notable and is planned to increase in future thus complementing Government and KenGen's investment in the generation expansion.

"The PPAs provide stakeholders of Akiira Geothermal Limited and Kleen Energy Limited the off take certainty needed to advance their respective projects as well as provide Kenya Power with

an important addition to our generation planning. These partnerships and generation projects are crucial towards meeting our goal to reach 70% connectivity by 2017 and universal access by 2020, " Dr. Chumo added.

Kenya Power recently signed a PPA with Kipeto Power Limited, another Kajiado- based plant, for 100 MW wind energy which is expected in the grid in 24 months. Renewable energy (hydro and geothermal) currently accounts for over 85% of the country's energy mix.

Kenya's current installed generation capacity stands at 2,298 MW with geothermal providing 46.4%, hydro - 38.1%, thermal - 14.8% and wind - 0.4%. In the medium, we expect renewable energy sources coming into the grid to displace the expensive thermal power.

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***For more information, contact:***

Corporate Communications Department  
The Kenya Power & Lighting Company Limited  
Tel. 3201622/39 or/43  
E-mail [communications@kenyapower.co.ke](mailto:communications@kenyapower.co.ke)