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Stima Investment to buy a 40% stake in a wind power generation project

Stima Investment Limited is planning to raise Shs.240 million from its members to buy a 40% stake at locally-owned Oldonyat Wind Power Project, the Company's Chief Executive Officer, Mr. Nelson Irungu, has said.

Speaking during an investors' briefing held in Nairobi today, Mr. Irungu said the move is part of the organization's diversification strategy to grow its net revenues and asset base to Shs.7.3 billion and Shs.80 billion respectively within ten years.

He said that company behind the wind power generation has concluded a power purchase agreement to sell an initial 10 MW to Kenya Power.

“Stima Investment Co-operative Society will enhance its investment portfolio and conduct shares mobilization drive as part of its four year strategy to grow its asset base. The expected returns from Oldanyat Wind Power project is positive considering that Stima investment has been growing its asset base by average growth rate of 40% annually,” Mr. Irungu said.

Stima Investment Limited is a co-operative society which is largely owned by employees of energy sector players including Kenya Power, the national electricity distributor and KenGen, the country's main power generator.

Speaking during the event, Kenya Power Managing Director, Dr. Ben Chumo, expressed support for the project saying investors will appreciate the opportunities that ventures such as the Oldonyat Wind Power Project offer.

Dr. Chumo said that the project will dramatically increase energy efficiency as well as lowering the cost of supplying energy.

“We believe in renewable energy sources because they are sustainable, economical, and available. Kenya Power has tapped into large-scale renewable and clean energy projects such as hydro-power with an effective capacity of 797.6 MW; geo-thermal power with an effective capacity of 568.1 MW; and wind power at an effective capacity of 25.5 MW,” he added.

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