REQUEST FOR EXPRESSION OF INTEREST (EOI)
FOR PROVISION OF PREPAID TOKEN ADVANCES
TO KENYA POWER PREPAID ELECTRICITY CUSTOMERS

Sector: Energy and Financial Services

EXPRESSION OF INTEREST NO: KP1/1/3A/4/1/EOI/002/26-27

Country: Kenya

1. BACKGROUND

Kenya Power and Lighting Company Plc (KPLC) is a public limited liability company incorporated under the Companies Act, 2015 and listed on the Nairobi Securities Exchange. The Company operates and manages Kenya's electricity distribution network and supplies electricity to over 10 million customers nationwide, the large majority of whom are on prepaid metering.

Prepaid metering gives customers control over their spending and gives KPLC cash before consumption. However, supply stops as soon as a customer's credit runs out. Many households and small businesses, particularly those with daily or irregular incomes, face short gaps between running out of credit and having cash to buy more. During these gaps households lose lighting, refrigeration and connectivity, businesses lose trading hours, and KPLC loses energy sales that would otherwise have been made.

Customers can already obtain emergency electricity credit through mobile token advance services, mobile-money overdrafts, digital loans and informal borrowing. Many of these options are priced as fixed fees on very short tenors, which translate into high annualised costs, and some reduce the units the customer receives. Few are integrated with KPLC's vending systems in a way that makes recovery automatic, fair and capped.

In line with its mandate to provide reliable and affordable electricity on a commercially sustainable basis, KPLC is exploring a market-based Prepaid Token Advance Facility (the Facility) that is cheaper and more transparent for customers, is fully funded and risk-borne by the service provider, and delivers measurable commercial benefits to KPLC.

Accordingly, Kenya Power invites Expressions of Interest (EOI) from qualified firms.

2. OBJECTIVE

The objective of this Expression of Interest is to identify and shortlist credible firms with proven experience in providing token advances to prepaid utility customers, capable of offering KPLC customers short-term electricity credit at a total cost lower than the options currently available to them, at no capital, credit or default risk to KPLC, and in a manner that protects and grows KPLC's revenue and improves customer service.

2.1 Specific Objectives

The specific objectives of the EOI are to:

1. Identify credible providers with live, proven experience of token advances or comparable credit for prepaid utility customers, in Kenya or internationally.
2. Establish the indicative pricing of token advances and confirm, on a like-for-like basis, that the proposed total cost to the customer is lower than prevailing alternatives.
3. Assess the benefits the Facility will deliver to KPLC, including incremental energy sales, immediate settlement and zero financial exposure.
4. Assess providers' capability to integrate with KPLC's prepaid vending and switching systems and to recover advances across all sales channels.
5. Obtain market feedback on the proposed commercial and operating framework for the Facility.
6. Shortlist qualified firms for participation in a competitive Request for Proposals (RFP) process.

3. THE SCOPE OF WORK

The scope will include the following outlined aspects:

i. Provide prepaid electricity token advances to eligible KPLC customers through approved channels, as the primary product. Postpaid bill credit may be offered as a secondary product, subject to KPLC approval.

ii. Fund every advance from own resources or committed facilities, act as lender of record and bear all credit losses, including losses above projected levels.

iii. Assess eligibility and assign limits in real time using lawful, consented data, with affordability and responsible-lending controls.

iv. Issue standard STS tokens of full face value through KPLC's existing vending and switching infrastructure, without changes to KPLC's core billing system or meter estate.

v. Recover advances automatically at the customer's next token purchase across all KPLC sales channels, subject to a recovery cap and a recovery order agreed with KPLC where other deductions already apply to a meter.

vi. Disclose all charges to the customer before acceptance, in English and Kiswahili, and allow early repayment at no extra cost.

vii. Provide customer support, complaint handling, fraud controls, data protection and business continuity appropriate to a national-scale service.

viii. Settle KPLC in full for every token at issuance, carry out daily reconciliation and provide agreed performance reports and dashboards.

3.1 KPLC's Position on Risk and Customer Protection

i. KPLC will not provide funding, guarantees, first-loss cover or recourse of any kind.

ii. KPLC will be paid the full face value of every token issued, whether or not the advance is repaid.

iii. Disconnection, tariff changes or meter blocking will not be used as collection tools.

iv. Penalty interest, compounding charges and rollover fees will not be permitted.

3.2 Duration of Service

The pilot and roll-out timeline will be set in the RFP and will apply equally to all shortlisted Applicants, who will receive integration access at the same time. The proposed contract term is three (3) to five (5) years, to be confirmed at the RFP stage.

3.3 Coverage

The Facility shall be available to eligible prepaid customers across KPLC's entire service territory and through all KPLC sales channels, so that customers can access the Facility whichever KPLC sales channel they use.

4. ELIGIBILITY AND QUALIFICATION CRITERIA

Eligible applicants may include payment service providers, banks, microfinance banks, digital credit providers, mobile network and mobile-money operators, fintech and utility-credit technology firms, existing KPLC token vendors, and consortia of these. Prior approval as a KPLC token vendor is not required to apply or to be shortlisted.

Applicants shall meet the following requirements:

i. Be legally registered in Kenya, or commit to establishing a Kenyan-registered company or partnering with one; and provide a company profile.

ii. Be tax compliant and not debarred from public procurement.

iii. Disclose beneficial ownership information.

iv. Undertake lending through an entity licensed by the Central Bank of Kenya (CBK) to lend in Kenya, such as a bank, microfinance bank or licensed digital credit provider.

v. Perform payment functions through an entity authorised by CBK under the National Payment System Act, 2011.

vi. Hold KPLC token vendor approval, or undertake to obtain KPLC vending accreditation or to issue tokens through an approved KPLC vendor before go-live.

vii. Demonstrate at least one (1) prepaid utility token advance programme, or a comparable digital credit programme such as airtime advance or digital microloans, that has been live with real customers for at least twelve (12) months, with at least 1,000,000 advances issued, in Kenya or any other market. Where a comparable programme is relied on, the Applicant must show that it runs on the same loan management, credit scoring and recovery system proposed for the electricity token advance. The programme must be

supported by a reference letter from the utility, vending operator, mobile network operator or financial institution concerned.

viii. Demonstrate at least one (2) live integration with a utility prepaid vending or switching system (STS or equivalent) that enables advance issuance and recovery at the point of purchase, supported by reference letters.

ix. Demonstrate financial capacity of at least KES 1 billion available for the Facility, supported by audited accounts for the last two (2) years and a funding letter or parent guarantee.

x. Provide ISO/IEC 27001 certification, or an equivalent independent security assessment, for the credit platform.

xi. Provide registration with the Office of the Data Protection Commissioner, or an undertaking to register before contract for foreign firms.

xii. For consortia, provide a consortium agreement or letter of intent setting out each member's role. Members shall be jointly and severally liable, and no firm may participate in more than one EOI.

xiii. Provide an indicative pricing model and customer cost comparison as set out in Section 4.2.

xiv. Provide a statement of the benefits to KPLC as set out in Section 4.3.

xv. Provide a high-level implementation approach and timeline.

xvi. Provide signed declarations on anti-corruption, conflicts of interest and material litigation.

4.1 Experience and Understanding of Token Advances

Applicants shall describe their live utility token advance programmes, stating customers served, advances issued, median advance size, median repayment period, recovery and default rates, and customer complaints. They shall also explain how they have managed the practical dynamics of token advances, including real-time delivery at any hour, recovery across all sales channels without leakage or double recovery, interaction with existing token deductions for arrears or connection loans, shared and landlord meters, failed or reversed tokens, fraud, and customer affordability.

4.2 Cost to the Customer

Applicants shall demonstrate that their proposed cost is lower than the options currently available to KPLC customers. To allow fair comparison, Applicants shall state the Total Cost of Credit (TCC), being every amount the customer pays above the amount advanced, including fees, interest, taxes, channel charges and penalties, in Kenya shillings per KES 1,000 advanced, and compare it with at least three (3) existing alternatives using published tariffs, in the format below:

Option	**Charging structure**	**TCC repaid day 7 (KES)**	**TCC repaid day 30 (KES)**	**Units received vs cash purchase**	**Source and date**
Applicant's proposal					
Alternative 1					
Alternative 2					

Option	Charging structure	TCC repaid day 7 (KES)	TCC repaid day 30 (KES)	Units received vs cash purchase	Source and date
Alternative 3					

Tokens issued under the Facility must carry their full face value, with all charges disclosed separately. Pricing at the EOI stage is indicative; binding pricing will be sought at the RFP stage.

4.3 Benefits to KPLC

Applicants shall explain and, using stated assumptions and evidence from comparable deployments, quantify over three years the benefits the Facility will deliver to KPLC, including incremental energy sales from bridged zero-credit periods, full settlement at token issuance, zero credit exposure, reduced postpaid arrears where bill credit is offered, fewer supply interruptions and related complaints, and improved customer satisfaction. Any proposed revenue share or fee to KPLC shall be shown together with its effect on the customer's cost.

4.4 Fair Competition

Any reference to a standard or system shall be read as "or equivalent", and no particular vendor's system is required. Experience gained in any country is accepted on equal terms. An existing commercial relationship with KPLC, including status as an approved token vendor, confers no advantage in evaluation.

5. INVITATION FOR EXPRESSION OF INTEREST

Kenya Power and Lighting Company Plc hereby invites eligible and qualified firms, both local and international, to submit EoI for the provision of prepaid token advances to Kenya Power electricity customers. Interested parties should submit documentation demonstrating their experience, technical, commercial and financial capability to provide the proposed services. Shortlisted respondents will be invited to participate in a competitive Request for Proposals (RFP) process. Following the RFP, Kenya Power intends to appoint one (1) service provider to deliver the Facility.

This EOI is a prequalification exercise only and does not constitute a commitment by Kenya Power to enter into any contractual arrangement.

6. EVALUATION AND SHORTLISTING

Submissions will first be checked for compliance with the requirements in Section 4. Compliant submissions will then be evaluated against the criteria below. Applicants scoring at least 70 marks will be considered for shortlisting.

Criterion	Marks
Experience and understanding of utility token advances (Section 4.1)	25
Cost to the customer compared with existing alternatives (Section 4.2)	25
Benefits to KPLC (Section 4.3)	15
Technical and integration capability	15

Criterion	Marks
Financial capacity and ability to absorb credit losses	10
Responsible lending, customer protection and data protection	10
Total	**100**

7. SUBMISSION DETAILS AND OPENING OF BIDS

Bidders are required to submit their completed Expression of Interest titled **'REQUEST FOR EXPRESSION OF INTEREST FOR PROVISION OF PREPAID TOKEN ADVANCES TO KENYA POWER PREPAID ELECTRICITY CUSTOMERS – REF NO: KP1/1/3A/4/1/EOI/002/26-27 '** Submission can be done either physically, or sent via Email Communication to the address given below, on or before **11th December, 2026 at 10:00 A.M** (East Africa Time). Bidders may also obtain further information at the address below during office hours, between 0900 to 1200 and 1400 to 1630 hours (East Africa Time), or through the e-mail address indicated. Bidders are required to visit the portal from time to time for revised closing dates and addenda.

All queries shall be raised not later than seven (7) days before the deadline for submission.

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The submission of an EOI will not constitute a substantive bid. Kenya Power will use the information solely to complete its shortlisting exercise and thereafter in preparing the subsequent Request for Proposals (RFP) documents, which will be issued to shortlisted Bidders.

Bids will be opened electronically promptly after the closing time, and Bidders or their representatives are welcome to witness the opening at The Institute of Energy Studies & Research (KPLC Training School, Ruaraka) next to Kenya Utali College

GENERAL MANAGER
SUPPLY CHAIN & LOGISTICS
Any canvassing or giving of false information will lead to automatic disqualification