

MINISTRY OF ENERGY



PRESS STATEMENT BY HON. KIRAITU MURUNGI, MINISTER FOR ENERGY TO ANNOUNCE THE UPCOMING 2ND ENERGY CONFERENCE

The importance of energy in a country's development is paramount as it has a direct relationship with the growth of an economy.

The Government recognizes the importance of access to adequate and reliable supply of electricity to all Kenyans for socio-economic development and as an input to the achievement of the Millennium Development Goals (MGDs) and the realization of Vision 2030.

It is in line with this that I am therefore pleased to announce that we have organized the second National Energy Conference.

This year's conference is centered around the theme "Powering the Vision", and will focus particularly on the gains made since the last conference in 2008 and the role

the Ministry has been playing towards the attainment of the goals set out at the conference.

It will also focus on the major challenges and factors that we have faced and how they should be addressed if the Ministry is to provide secure, quality and affordable energy services in line with the country's economic blueprint; Vision 2030.

The conference will be held from 4th to 6th October at Kenyatta International Conference Centre. An exhibition will run along the conference where energy stakeholders will have a chance to showcase what the sector has to offer Kenyans.

We have invited policy makers, technical experts and stakeholders in the energy sector to exchange views on cost effective energy supply strategies covering electricity, petroleum and renewable energy to provide social economic growth stimulus for realization of Kenya's Vision 2030.

As we host this conference, the critical issues for consideration remain, among others, the involvement of the private sector in mobilising resources for the development of selected energy projects.

The Ministry of Energy is raising the bar in its efforts to build capacity and discharge its core mandate of providing secure, adequate, quality, cost-effective and affordable energy services for the Kenyan people in order to accelerate the country's socio economic transformation.

One of the major challenges to the realization of Vision 2030 continues to be the need to address the country's energy requirements in consonance with the targeted growth rates in other sectors. It is against this background that the Ministry has organised the Energy Conference with a view to isolating and identifying those policies that will, first and foremost, increase supply of, and access to, electricity.

These policies will also need to accelerate the development of geothermal energy and the exploration of coal, petroleum and other renewable energy sources like wind energy and Nuclear energy as encapsulated in Sessional Paper No. 4 of 2004 on Energy, and the Kenya Vision 2030.

Since the first conference, it is worth to note that the Government has so far commissioned a 5.1 MW wind farm

in Ngong hills and a further 610 MW projects are at various stages of development in different parts of the country.

The Government has continued to disseminate renewable energy information through established Energy Centres across the Country. To date, fifteen (15) Energy Centres have been established and fully equipped with competent officers capable of passing messages to the community, mainly through registered Community Based Organizations.

The Ministry has also identified geothermal as one resource with the potential to reduce power costs substantially.

Unfortunately, this sub-sector continues to be constrained by lack of adequate financial resources for exploration, appraisal and drilling.

For example, to drill enough wells to generate 140 MW of power, we require between **US\$184 million and US\$227 million**, depending on steam output and quality.

Additionally, about **US\$350 million** would be required to construct a power plant to convert the steam gathered from the wells into electricity.

For coal-based generation, constructing a power plant of the same size would cost about **US\$310 million**. And the operating costs for such a plant would be relatively higher. Nevertheless, substantial coal deposits have already been discovered in one of the four blocks in the Mui Basin in Kitui County while coal has been encountered in the other three. We are in the process of concessioning two of the blocks for coal exploitation.

Many more gains have been made in the sector and we will be sharing them in the coming conference.

With those remarks, I want to warmly welcome all the sponsors, participants and well wishers to Second National Energy Conference.

THANK YOU

**HON KIRAITU MURUNGI EGH, MP
MINISTER FOR ENERGY**

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