

## **The chairman of the Board**

### **Board members**

### **Fellow Managers**

### **Ladies and gentlemen**

I feel greatly honored by the Board and the Ministry of Energy and Petroleum to be confirmed as the next Chief Executive Officer (CEO) of REA. It is an expression of confidence on me to take charge of this great organization to deliver its goal of providing Energy Solutions for better lives to our Kenyan People.

Since March 2017, I have been in an acting capacity as the CEO. I have received great support from the MOEP, Board of Directors and the whole REA family. For this I say THANK YOU. Moving forward I believe this cooperation will continue in order to move this Authority to greater heights

This period has been a time that gave me the opportunity to appreciate the various challenges that we need to address in order to better deliver on our mandate. It has also been a time that we have been able to deliver on some of our key projects including:

- *REA has also successfully implemented a 120 KM line from Turkwel Gorge to Lokichar to serve the area where oil has been discovered in Turkana County at a cost of Kshs. 1.69 billion. The project involved the construction of the following:*
  - a) *A 110km of 66KV line from Turkwell to Lokichar through Kalimungorok*
  - b) *A 10MVA 66/33kV substation at Kalimungorok*
  - c) *A 23MVA 66/33kV substation at Lokichar*
  - d) *A 33KV distribution network at Kalimungorok town and nearby markets and utilities.****This line was commissioned by H.E President Uhuru Kenyatta in July this year***
- *On the electrification of areas far from the national grid commonly known as offgrid, REA has within the last eight years established twenty (20) isolated diesel generators in the off-grid counties of Turkana, Wajir, Mandera, Marsabit, Garissa and Lamu.*
- *Since March 2017 we have commissioned 5 stations:*
  - *Hulugho in Garissa County*
  - *Kamorliban and Banisa in Mandera County*
  - *Kotulo and Khorondile in Wajir County*
- *The Authority implemented the first solar mini grid project in Biyamadhow in Wajir County comprising of a 60KVA solar unit which will be the main source of electricity and a 40KVA diesel back-up that is providing electricity to 200 homes in the town.*

- *Upgrading of the Faza Diesel Power Station with 2no. 630KVa generators to enable electricity reach all the nine villages on Faza/Pate island.(Now Covered the 9 villages in Faza island)*
- *REA is also proud to have enabled the implementation of the digital learning programme through the electrification of more than 23,000 primary schools across the country. The primary schools electrification programme was implemented between June 2013 and June 2017 and is providing the backbone for the Last Mile Electrification Project.*
- *REA has so far electrified 68% (60,247) public facilities out the existing 88,570 public facilities across the country. These public facilities include education institutions (primary & secondary schools and polytechnics), health centres, market centres, community water points, tea and coffee buying centres and government facilities.*

Our vision and mission is to Provide Energy Solutions to All for better lives. We are geared toward this as guided by our core values of Customer focus, team work, integrity, Professional Excellence, Transparency and Accountability and Environmental Consciousness

While carrying out our Mission and vision, we are guided by The Kenya Vision 2030 which is the national long-term development policy that aims to transform Kenya into a newly industrializing, middle-income country providing a high quality of life to all its citizens by 2030 in a clean and secure environment

This Vision has identified Energy as a key foundation and one of the infrastructural enablers upon which the economic, social and political pillars of this long-term development strategy will be built

REA's Strategic plan (2016/17-2020/21) is to electrify all the remaining public facilities and domestic households within their vicinity.. This will facilitate achievement of the Government target of universal connectivity by 2020.

Currently an estimated over 28,000 public facilities are un-electrified and estimated to cost **Ksh 90 billion**. Also, we are currently updating our rural electrification programme master plan with a view to identifying all the un-electrified public facilities. We will in particular pay attention to Renewable Energy with an expanded our mandate, on passing a new Energy Policy and Bill which proposes to enhance the mandate of REA in the promotion and development of renewable energy.

Funding remains a challenge which we will address by looking into other funding alternatives in addition to Exchequer funds

In order to effectively carry out our mandate, The Authority needs to have fully established regional presence throughout the country with regional offices and staffing. Until June 2017, the Authority approved staffing level was 291. This has since been increased to 481. We have since commenced on the process of internal recruitment to ensure qualified and competent staff are in place to better help deliver on our mandate. We will continue on capacity building through recruitments and training of our staff.

With the new bill, we expect that REA will inherit the Energy centres across the country which will serve as our regional offices. In areas where we do not have the Centres, we will consider leasing offices to improve on our regional presence.

In June 2017, following the re-categorisation of REA from PC7A to PC7A1, we implemented new salary structure for our staff. This I believe will result in a motivated work force. We will continue looking at the areas that we can improve the scheme of service for our staff members. I will seek to build teamwork in order to benefit from the great ideas from our staff.

A number of challenges continue to affect our projects' implementation and need to be addressed: These includes delay in project completion time, Quality of materials delivered, quality of work done by contractors, Lack of materials for project implementation and publicity of works we have executed.

In the FY 2017/18, we have key projects that we must deliver. This include the

- Garissa 50MW project by September 2018
- 1,000 Constituencies transformers
- 25 mini grids within the off grid areas
- Planned electrification of Public facilities
- Completion of the remaining Gensets namely Kakuma anad, Lokiriama in Turkana, Maikona and Sololo in Marsabit

We have planned projects under donor funding

- 10 mini-grids financed by WB under KEMP
- Kenya Off-grid solar Access project (KOSAP) where REA will implement part of mini-grids and solar pumping systems

I wish to involve all the staff members in forming strong teams that will continue to deliver on REA mandate.

### **In conclusion**

Successful organizations need both inspirational leaders and sound managers. In order to achieve increased and sustainable results, organizations need to execute strategies and engage its employees. Everyone has great ideas that when shared and implemented will contribute to greater achievements for REA

God bless you, God bless the entire REA family.

Thank you