

POWERHIVE KENYA



Location
Kisii and Nyamira counties,
Kenya

PROJECT SUMMARY

Around 60,000 people living in rural Kenya are set to gain first-time electricity access after REPP approved a US\$3m results-based financing facility for this first-of-kind microgrid project.

Phase 2 of the scheme – which follows a successful four-grid pilot – will involve the installation of close to 100 ground-mounted microgrids that will supply clean energy to rural communities in the Kisii and Nyamira regions of south-western Kenya over the next two years.

Combined, the microgrids will provide up to 1MW of generating capacity. Electricity will be sold directly to local households and businesses by developer Powerhive East Africa Ltd on a prepayment basis. Each system will include batteries to offer reliable power to customers.

REPP's financing facility will enable Powerhive to complete the successful roll-out of Phase 2 and grow to a sufficient scale to attract additional debt and equity finance, and continue building microgrids in Kenya.

Up until 2016, microgrids were not licensed but "tolerated" in Kenya. Powerhive broke new ground when it became the first private company to be licensed for developing microgrids. The success of the venture is expected to make it easier for other private developers to operate in Kenya and will assist in the creation of a sustainable business model.

AT A GLANCE

Technology

Off-grid solar PV



Project type

Off-grid solar PV microgrids

Offtaker

Off-grid communities

KPIs



Greenhouse gas emissions avoided: 1,170 tCO₂e per year



People with first-time energy access: 60,000



Jobs created: 100 during construction, 20 during operation



Installed capacity: 1MW

FUNDING STRUCTURE

Contracted date

24 May 2018

Lending type

Results-based loan with convertible option

REPP funding

US\$3,000,000

"The REPP facility has been critical to unlocking the potential of microgrids for Powerhive in Kenya. In addition to providing equity investors with a framework to understand how Powerhive's microgrid projects can be leveraged by project debt, it is also a great show of confidence in our data-driven platform, which we intend to deploy across Kenya and more broadly Africa in the future."

Christopher Hornor, Founder and CEO, Powerhive