

MIDDLE NZOIA AND GITUGI



Location
Kenya

PROJECT SUMMARY

Two proposed run-of-river hydropower plants in rural Kenya will provide a total installed capacity of 15MW, with far-reaching benefits for the community.

Under plans by rural utility developer Virunga Power, the 7.56MW Middle Nzoia plant will be built on the Nzoia River in western Kenya, while the 7.51MW Gitugi plant will be on the Mathioya South River in the central region.

The projects are both being developed under Kenya's Small-Scale Renewable Energy Feed-in-Tariff programme, and once built will be among the country's first – and largest – privately developed grid-connected small hydropower installations. As of 31 March 2022, the project was at an advanced stage of development; however, COD has been delayed as a result of a slump in demand for power in Kenya.

Community support, as well as co-ownership and long-term benefits to the community, are all central to the Nairobi-based developer's business model, and both hydro projects will be developed in collaboration with local community organisations.

The plants are expected to create around 600 jobs during construction, and a further 30 jobs when operational. Direct community ownership and participation will ensure dividends and other long-term and sustainable socio-economic benefits flow to local rural communities.

Completion of the projects will have a strong demonstration effect within Kenya and across the East African region, not merely in terms of successful grid-connected small hydropower development, but also as a model for developing such projects in partnership with communities.

Virunga Power's approach, which seeks to develop financeable projects with both direct and indirect benefits to local communities, is innovative, sustainable, and also highly replicable.

In July 2020, Virunga Power became one of the first REPP investees to establish a gender action plan. The plan contains 57 actions and targets across three main areas – namely, corporate, project construction and operation, and community.



Country policy alignment

Supports Kenya's Updated NDC (2020) target to abate GHG emissions by 32% by 2030 and the objectives of the National Energy Policy (2018), which includes the development of small hydro. By developing energy infrastructure, Virunga Power is supporting the manufacturing and other development priorities outlined in the "Big Four" agenda (2018).

AT A GLANCE

Technology

Run-of-river hydro



Project type

Greenfield, grid-connected

Offtaker

Kenya Power

KPIs



GHG emissions avoided: 44,044 tCO₂e per year



Improves stability of grid supply



Planned capacity: 15.07MW

FUNDING STRUCTURE

Signed: 30 June 2016

Type: Development capital

REPP funding: USD 751,000

SDGs



"With REPP's support, Virunga Power is able to accelerate the development of impactful rural energy projects and expects to deliver long-lasting, highly beneficial, and sustainable infrastructure to our Kenyan community partners."

Brian Kelly, Founder and MD, Virunga Power