

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Wednesday, 4th October, 2006

The House met at 2.30 p.m.

*[Mr. Speaker in the Chair]*

### PRAYERS

### POINT OF ORDER

#### SUITABLE DRESSING FOR HON. MEMBERS

**The Assistant Minister for Roads and Public Works** (Eng. Toro): Mr. Speaker, Sir, I beg to lay---

**Mr. Boit:** On a point of order, Mr. Speaker, Sir. Is it in order for Eng. Toro to come to the House dressed in a Kaunda Suit? When did we change the dressing code to allow such dressing?

**Mr. Speaker:** Hon. Members, for quite some time I did not want to get involved in this business of dressing. I think it is incumbent upon hon. Members to present themselves in a presentable fashion in the House. It is for the House, in the end, to judge you.

But in the interest of the dignity of this House, let us all appear dressed in a manner that will not raise eyebrows in this House. I think Eng. Toro has heard the sentiments of his colleagues, so I think he will take note.

In the meantime, Eng. Toro, proceed!

**The Assistant Minister for Roads and Public Works** (Eng. Toro): Mr. Speaker, Sir, in another communication you said that Kaunda suits and Safari suits are good attires for hon. Members to put on when coming to the House.

**Mr. Speaker:** Eng. Toro, it is not the business of the Chair to dress up people. It is your business to dress yourself.

Proceed, and lay the Paper!

### PAPER LAID

The following Paper was laid on the Table:-

Sessional Paper No.5 of 2006 on Development and Management of the Roads Sub-Sector for Sustainable Economic Growth.

*(By the Assistant Minister for Roads  
and Public Works (Eng. Toro)  
on behalf of the Minister for  
Roads and Public Works)*

### NOTICE OF MOTION

ADOPTION OF SESSIONAL PAPER NO.5  
OF 2006 ON DEVELOPMENT AND MANAGEMENT OF ROADS SUB-SECTOR

**The Assistant Minister for Roads and Public Works** (Eng. Toro): Mr. Speaker, Sir, I beg to give notice of the following Motion:-

THAT, this House adopts Sessional Paper No.5 of 2006 on the Development and Management of the Roads Sub-sector for Sustainable Economic Growth laid on the table of the House on Wednesday, 4th October, 2006.

### ORAL ANSWERS TO QUESTIONS

#### *Question No.509*

#### OPERATIONALIZATION OF MALANGA SIDINDI WATER PROJECT

**Mr. Midiwo** asked the Minister for Water and Irrigation:-

- (a) if he is aware that Malanga Sidindi Water Project is not functioning;
- (b) how much money has been allocated to this project since 2003 and how it was used; and,
- (c) what measures he is taking to ensure the project operates properly.

**The Assistant Minister for Water and Irrigation** (Maj. Sugow): Mr. Speaker, Sir, I beg to reply.

- (a) I am aware that Sidindi Malanga water project is operational.
- (b) A total of Kshs35.6 million has been spent on rehabilitation of this project since February, 2002. The rehabilitation works were implemented under two contracts. The first contract was implemented from February, 2002 to March, 2003 and the following works were carried out:-
  - (i) Rehabilitation of the intake;
  - (ii) Replacement of 100 metres of the gravity mains 18 inches pipeline. However, about 400 metres still require replacement.
  - (iii) Rehabilitation of treatment works;
  - (iv) Replacement of 1.5 kilometres of the rising main 16 inches pipeline. About 2.1 kilometres of the pipeline is remaining to be done.
  - (v) Rehabilitation of the pump house.

The second contract was implemented from May, 2004 to April, 2005 and included the following works:-

- (i) Purchase and installation of a new turbine;
- (ii) Repair of one old turbine;
- (iii) Purchase of one pump;
- (iv) Repair of control panels.
- (c) My Ministry will spend Kshs3.5 million this Financial Year, 2006/2007 to undertake the following rehabilitation works to enhance the performance of this water supply:-
  - (i) Desludging of the treatment plant;
  - (ii) Equipping the water supply laboratory;
  - (iii) Rehabilitation of the distribution line;
  - (iv) Purchase and installation of a master meter and replacement of defective consumer meters.

**Mr. Speaker:** Yes, Mr. Owino!

**Hon. Members:** Mr. Midiwo!

**Mr. Speaker:** Sorry, Mr. Midiwo. I apologise.

**Mr. Midiwo:** It is okay, Mr. Speaker, Sir. I hope I do not look like Mr. Owino!

**Mr. Speaker:** Mr. Midiwo, what have you said?

**Mr. Midiwo:** Mr. Speaker, Sir, I said that Mr. Owino and I are not the same. We do not look

alike.

**Mr. Speaker:** That is why I have apologised.

**Mr. Midiwo:** I oblige, Mr. Speaker, Sir. I am sorry.

**Mr. Speaker:** Okay, proceed!

**Mr. Midiwo:** Mr. Speaker, Sir, the Assistant Minister recently visited my constituency to inspect this very water project as he had promised a couple of months ago. I want to thank him for that. However, it is unfortunate that the same answer he tried to give the last time this Question surfaced is the same one he has given even after visiting that project. Malanga Sidindi Water Project is not functional. My people do not get water from this project. Mr. Oparanya's constituents also do not benefit from this water project nor do people in Mr. Arungah's constituency. A lot of money has been spent on this project. Actually, according to the Assistant Minister, Kshs35.6 million has already been spent. Could the Assistant Minister tell this House what was his findings on the ground two weeks ago? Were people getting water or were they not, besides the semantics?

**Maj. Sugow:** Mr. Speaker, Sir, I agree with the hon. Member that I have been to his constituency following a promise I gave to this House when he brought this Question earlier on, to confirm or deny some of his complaints. I went there and called the hon. Member, but unfortunately he did not turn up for us to go round and see the problems he has been raising. According to what I found out, the money given and the work done are commensurate. As far as I am concerned, the Ministry is satisfied with the level of work so far done in rehabilitating this project.

I agree with the hon. Member that according to design, the project is not fully operational. It is 39 per cent operational. It is covering 39 per cent of the intended design. The rehabilitation is still going on. Every year, the Ministry gives out money to put into more areas under operation. We are planning to hold a meeting for all the hon. Members because this project is big and it covers several constituencies in that area. We will bring all the hon. Members together to discuss the requirements of this project and see how much this Ministry can chip in. We hope that we can bring together all our resources including the CDF to fully cover the project area.

**Mr. Angwenyi:** Mr. Speaker, Sir, water is a basic need of the citizens of this country. This is an essential Ministry just as the Ministry of Health is. Could the Assistant Minister table a list of water projects being undertaken in each constituency in this country?

**Maj. Sugow:** Mr. Speaker, Sir, that is a different question, but we can provide the answer if the hon. Member asks a substantive question.

**Mr. Midiwo:** Mr. Speaker, Sir, to set the record straight, may I inform the Assistant Minister that Members of Parliament are not school children that you call on Friday morning and tell them: "I am on the way to your constituency, could you accompany me?"

Mr. Speaker, Sir, we agreed with the Assistant Minister that he would call all three hon. Members in whose constituencies this water project is located. That is, Khwisero, Butere and Gem which is my constituency. The Assistant Minister has said that the project is 39 per cent complete. I do not know how he reached that assessment. This project serves a big part of Nyanza Province but a bigger part of Western Province. The Assistant Minister has told us that the Ministry has allocated only Kshs3.5 million and yet we see some constituencies getting Kshs500 million for water projects, it means that the Government cares less about our people.

Could the Assistant Minister assure me that he will allocate the needed amount of resources to jump-start this process because right now my people get water on that project only once every three weeks?

**Maj. Sugow:** Mr. Speaker, Sir, I think it is very good to be very honest and straightforward. I promised the hon. Member and this House that I would go to assess that project. I sent the hon. Member a short text message 48 hours before I left. If he did not see my message, then it is unfortunate. It happened that just about the same time I was in his constituency, there was an ODM(K) rally in the same area. I think his priorities were little upside down.

However, the Ministry is doing its best. Commensurate with budgetary allocations given, we

always give money to projects to be able to carry out work.

**Mr. M.Y. Haji:** On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to suggest that he wanted to sabotage the ODM(K) meeting when he arranged to go there?

**Mr. Speaker:** Order! What is this ODM(K) business? I do not even know what you are talking about. Could you keep ODM(K) out of this business?

**Maj. Sugow:** Mr. Speaker, Sir, we will give money commensurate to the budgetary allocation. The fact that Kshs3.5 million has been allocated this year does not necessarily mean that the situation will still be the same in the next financial year. I think it is important that we come together and organise a meeting for all Members of Parliament where this particular project is operational and come out with the way forward.

**Mr. Speaker:** Next Question!

*Question No.433*

DISBURSEMENT OF GLOBAL FUND  
MONEY TO MAKINI SCHOOLS

**Mr. Owino** asked the Minister of State for Special Programmes:-

(a) what the rationale of disbursing to Makini Schools Limited Kshs22,379,838 in 2004 under the Global Fund was; and,

(b) how this amount was spent.

**Mr. Speaker:** Mr. Owino, I thought this Question had come before the House.

**Mr. Owino:** Yes, Mr. Speaker, Sir, but it was never answered.

**Mr. Speaker:** No, I think it was.

**Mr. Owino:** Mr. Speaker, Sir, it was not answered. That is why it was deferred.

**Mr. Speaker:** Where is the Minister? I truly believe it was.

**The Minister of State for Special Programmes** (Mr. Munyes): Mr. Speaker, Sir, it was not answered.

Mr. Speaker, Sir, I beg to reply.

(a) The Ministry of Health called for the proposals in the local media in August, 2002, on multi-sectoral response to HIV/AIDS targeting the civil society, private and public sectors. Each proposal was expected to focus on at least one of the following objectives:-

Reduction of HIV/AIDS prevalence in Kenya through prevention and advocacy, that is scaling up existing VCT services. Provision of treatment, continuum of care and support through expansion of existing PMTCT and ARV therapy.

Management and co-ordination through institutional capacity building.

Mr. Speaker, Sir, Makini Schools Limited was among the learning institutions that responded to this advertisement and met the set funding criteria. However, Makini Schools Limited were funded up to Kshs10,857,090 and not Kshs22,379,838.

(b) Makini Schools Limited utilised the funds as follows:-

Setting up counselling sites for pupils, teachers and non-teaching staff.

Procurement of office communication and management equipment.

Carrying out a baseline survey on knowledge, attitude, practices and behaviour change in primary and secondary schools.

Training of school heads, managers and teachers to support HIV/AIDS intervention. That is, strategies in public and private schools in Westlands, Dagoretti, Langata, Kasarani and Embakasi divisions of Nairobi area.

Training and workshop for peer counsellors for the above Nairobi divisions.

Production of information, education and communication materials on HIV/AIDS for use in schools.

**Mr. Owino:** Mr. Speaker, Sir, I would like to thank the Minister for the elaborate answer.

We all know that the Makini Schools are private schools run by an individual. How many private schools qualified for this tender?

**Mr. Munyes:** Mr. Speaker, Sir, the criteria was very clear. In order to combat HIV/AIDS, the Government would work through the private sector, Government departments and NGOs. Three institutions in the private sector qualified and one of them was Makini Schools.

**Mr. Mwandawiro:** Bw. Spika, lengo la hii Serikali ni kuwatetea matajiri. Ninasikitika kwa sababu kule mashinani shule za umma zinajaribu kila njia kupata pesa kama hizi kupambana na UKIMWI. Sera ya hii Serikali ni kuwasaidia watu wote wa Kenya, wengi wao ambao ni maskini au ni kuendeleza pengo kati ya matajiri na maskini?

**Mr. Munyes:** Mr. Speaker, Sir, with regard to this issue of how we selected these groups, we got 164 proposals. In order to combat HIV/AIDS we need a multi-sectoral approach. It is not about which schools are poor or which ones are from the richer members of the community. The approach is to use institutions which had applied for this money to combat HIV/AIDS. We have a criteria that has four stages and all of them were followed. That is how we chose Makini Schools Limited.

**Mr. Owino:** Mr. Speaker, Sir, I want to disagree with the Minister. A schedule of payments from the Global Fund was tabled here and Makini Schools Limited appeared to have been given Kshs22 million. Out of this money, Kshs10 million was disbursed. What happened to the balance?

**Mr. Munyes:** Mr. Speaker, Sir, according to the figures I have, Kshs10 million was disbursed to Makini Schools out of US\$5 million which has run from 2002 to the present date. We have actually given Makini Schools Limited Kshs10 million.

**Mr. Speaker:** The Question by the hon. Member for Mathioya is deferred to next week.

*Question No.510*

NUMBER OF PROJECTS FUNDED BY EDF  
MONEY IN 2003-2006

*(Question deferred)*

*Question No.153*

DANGERS POSED BY SMOKE  
EMISSIONS FROM VEHICLES

**Mr. Mwanicha** asked the Minister for Transport:-

(a) whether he is aware that some accidents that occur on our roads during overtaking are due to poor vision occasioned by dark smoke billowing from light and heavy commercial vehicles;

(b) whether he is further aware that the smoke is a health hazard when inhaled by passengers and other motorists; and,

(c) what the required standard is on emissions from vehicles.

**The Assistant Minister for Transport** (Mr. Githae): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that some vehicles on our roads billow dark smoke. Whereas the emission of exhaust smoke is totally unacceptable nationally and globally because it is hazardous to human health and the environment generally, confirmed cases of road accidents due to poor visibility occasioned by smoke billowing from light and heavy commercial vehicles have not reached my Ministry.

The rule of the road dictates that before a motorist overtakes on the highway, one must ensure that there is clear visibility. It is an offence under the Traffic Act, Section 27 for a vehicle to emit

excessive dark smoke on the road, making it difficult for other road users. It is also an offence under Section 82(a) of the Environment Management and Co-ordination Act to cause air pollution in contravention of the established standards.

(b) I am aware that smoke is a health hazard when inhaled by passengers, motorists and all people. When inhaled in large quantities, exhaust smoke is known to cause respiratory illness and could also be fatal.

I wish to inform this House that discussions are going on between the Ministry of Transport, the Kenya Bureau of Standards and the National Environmental Management Authority on how to address pollution caused by vehicle emissions. Enforcement of the standards already gazetted by the Kenya Bureau of Standards will commence early in the coming financial year.

To this end, the Ministry of Transport is in the process of procuring Vehicle Smoke Emission Testing Equipment for all the 17 motor vehicle inspection units in the country. Vehicle licences will only be accorded to vehicles which meet the set standards. The process will also be carried out randomly but frequently.

(c) The required standard on emissions is as given in the Code of Practice for Inspection of Road Vehicles KS 1515 which is a Kenya Standard, gazetted under Gazette Notice No.1924 of 31st March, 2000.

The Standards Emission Test states that: "The concentrations of carbon monoxide (CO) shall not exceed 0.5 per cent volume and hydrocarbons (HC) concentration shall not exceed 0.12 per cent volume.

**Mr. Mwanicha:** Thank you, Mr. Speaker, Sir. The Assistant Minister has admitted that inhaling of fumes emitted by vehicles on our roads is a health hazard. Science has proven that inhaling of exhaust fumes impair the learning or grasping of sciences and mathematics. The standards have been set but the equipment is not there. What was the basis of setting up the standards which the National Environmental Management Authority (NEMA) and the Ministry of Transport cannot monitor?

**Mr. Githae:** Mr. Speaker, Sir, I fully agree with what the hon. Member, who is my friend, has said; that, inhaling of smoke is dangerous. That is why the Government, for the first time, has come up with the standards that should be met. Previously, there were no standards to be met. Whereas it is an offence under the Traffic Act and the Environmental Co-ordination Act to emit exhaust fumes, no standards were set. It was a word of the policeman against the motorist. For the first time now, we have set the standards. The Motor Vehicle Inspection Unit has such equipment. However, we want to buy equipment for all the Motor Vehicle Inspection Units across the country. We can give some equipment to the traffic policemen who man the roadblocks. We do not want to have another fiasco like the one of the alcoholmeter. We want to buy the equipment so that it is no longer the word of the policeman against the motorist. It is a matter of time before we buy the equipment. I would like the hon. Member to appreciate what the Government has done. We are in the process of acquiring the equipment. We hope to finalise this before the end of this year.

**Mr. Muturi:** Thank you, Mr. Speaker, Sir. The Assistant Minister has said that they have already drafted the gazette notice making it an offence for people to drive vehicles that emit certain quantities of smoke. Could the Assistant Minister tell us the rationale of drafting the gazette requirements when, indeed, there is no equipment in the country to measure the excessive smoke?

**Mr. Githae:** Mr. Speaker, Sir, I think it is good for me to clarify this matter. No new laws have been created. Section 27(1) of the Traffic Act states:-

"Every motor vehicle shall be so constructed, maintained and used so that no smoke or visible vapour is emitted therefrom."

I have said that it has been the word of the policeman against the motorist because there is no smoke or visible vapour. We have now set the standards to be met. The next move is to buy equipment for the traffic police. At the moment, we have one equipment which can detect excessive smoke at the Motor Vehicle Inspection Unit. These rules will be enforced once we acquire more

equipment. We cannot enforce the rules when there are no meters to detect excessive smoke.

**Mr. Mwancha:** Thank you, Mr. Speaker, Sir. The Assistant Minister has said that they have set aside funds to purchase equipment to monitor exhaust fumes in 17 Motor Vehicle Inspection Units. If that is true, how much money will be spent on the equipment?

**Mr. Githae:** Mr. Speaker, Sir, it is true that we are looking for the funds. We have also requested the Treasury to allow us use money accrued from the fines that motorists pay to purchase the equipment. I assure the hon. Member that irrespective of the response we will get from the Treasury on our request, the Ministry will set aside some money in our Vote for the purchase of those gadgets, so that we do not have a situation where it is the word of the policeman against the motorist.

*Question No.114*

LIST OF PUBLIC CEMETERIES  
AND THEIR CUSTODIANS

**Prof. Oniang'o** asked the Minister for Local Government:-

(a) whether he could table the list of all public cemeteries in the country indicating their respective custodians; and,

(b) whether he is aware that Kenyans will soon have no space left to bury their dead if urgent measures are not taken to acquire more land for use as cemeteries.

**Mr. Speaker:** Is anyone here from the Ministry of Local Government? There is nobody. I will defer the Question until next week!

**Prof. Oniang'o:** On a point of order, Mr. Speaker, Sir. Is it possible to be told by the Leader of Government Business when this Question will be answered?

**Mr. Speaker:** But I have deferred it until next week!

*(Question deferred)*

*Question No.522*

ILLEGAL ERECTION OF BUMPS  
ON CLASSIFIED ROADS

**Mr. Speaker:** Is Mr. Maore not here? His Question is dropped!

*(Question dropped)*

*Question No.087*

LIST OF OVERSEAS SCHOLARSHIPS  
AND THEIR BENEFICIARIES

**Mr. Ndolo** asked the Minister for Education:-

(a) how many overseas scholarships did the Government give to students between 2003-2006;

(b) what criteria was used to award the scholarships; and,

(c) whether he could table the list of the beneficiaries indicating provincial distribution for each.

**The Assistant Minister for Education (Dr. Mwiria):** Mr. Speaker, Sir, I request the Chair

that I answer this Question on Tuesday next week because we have not done adequate research to be able to give a satisfactory answer. I have spoken to the hon. Member about this.

**Mr. Speaker:** Mr. Ndolo, is that okay with you?

**Mr. Ndolo:** Yes, Mr. Speaker, Sir.

**Mr. Speaker:** Very well! The Question is deferred to Tuesday next week!

*(Question deferred)*

That is the end of Question Time!

## POINT OF ORDER

### INSECURITY IN NORTH HERR CONSTITUENCY

**Mr. Yattan:** On a point of order, Mr. Speaker, Sir. I wish to seek a Ministerial Statement from the Minister of State for Administration and National Security on the unending insecurity situation in North Horr Constituency.

In the last one year, over 300 people have been killed in my constituency and 5,000 head of camels, 14,000 head of cattle and 50,000 goats and sheep stolen by Ethiopians. You will recall the Turbi Massacre that occurred in July, 2005 that claimed over 1,000 people, mainly children and women.

Despite efforts by the Government to deploy some security personnel, mainly regular policemen, at some points along the over 400-kilometre border stretch, the security situation has deteriorated to a level where people have been displaced and almost all trading centres and schools along the Kenya/Ethiopia border abandoned.

I, therefore, request the Minister of State for Administration and National Security to tell this House how he intends to address the serious security situation. Could he also tell this House why he has not deployed the Kenya Army and the General Service Unit (GSU) personnel at Dukana, Bahale, Taru(?), Ehadi, Turbi and Forolle border points since this is a clear case of external aggression by the Ethiopian Government as evidenced by the army and police uniforms and documents recovered from the raiders.

**Mr. Speaker:** Very good! Could the Minister respond?

**The Assistant Minister, Office of the President (Mr. Kingi):** Thank you, Mr. Speaker, Sir. I undertake to avail the Ministerial Statement to the House next week.

## COMMUNICATION FROM THE CHAIR

### CORRECTION OF HOUSE RECORD ON OFFICE OF THE PRESIDENT SUCCESSION

**Mr. Speaker:** Order, hon. Members! Before we go into the business of the House, I want to correct the records of this House with regard to the statements which were made in this House this morning in relation to the succession in the Office of the President. This is governed by Section 6 of the Constitution of Kenya. I will read out the relevant Section for correct record keeping of this House and for the proper information of the Kenyan public. Section 6(1) of the Constitution of Kenya reads:-

"If the Office of the President becomes vacant by reason of the death or resignation of the President, or by reason of his ceasing to hold office by virtue of Section 10 or 12, an election of a President shall be held within the period of ninety days immediately following the occurrence of that vacancy, and shall be held in the manner prescribed



by Section 5(5).

(2) While the Office of the President is vacant as aforesaid, the functions of that office shall be exercised-

(a) by Vice-President; or

(b) if there is no Vice-President, or if the Vice-

President considers that he is for any reason unable to discharge the functions of the office of the President, by such Minister as may be appointed by the Cabinet."

In that list, the Speaker does not feature anywhere. That was a proposal in the draft Constitution which I am told has since been defeated. That is the correct position. When we refer to constitutional issues, let us get it absolutely right.

Next Order!

### COMMITTEE OF SUPPLY

*(Order for Committee read being  
Tenth Allotted Day)*

### MOTION

THAT MR. SPEAKER DO  
NOW LEAVE THE CHAIR

Vote 30 - Ministry of Energy

*(The Minister for Planning and  
National Development on 3.10.2006)*

*(Resumption of Debate  
interrupted on 3.10.2006)*

**Mr. Speaker:** Mr. Ahenda, you have nine minutes!

**Mr. Ahenda:** Thank you, Mr. Speaker, Sir, for the nine minutes.

Yesterday, we were debating the Vote on the Ministry of Energy and I started my contribution by thanking the Acting Minister for Energy, who has been overworked and as such, he is unable to direct his energy to the Ministry of Energy.

I had started by talking about KenGen that generates power and sells it to the Kenya Power and Lighting Company. KenGen had entered into a dubious contract with Independent Power Producers, thereby causing massive rip off. This is another set of Anglo Leasing which should be looked into deeply. Why should Independent Power Producers sell power to KenGen at a higher price than what the latter sells to the consumers through the KPLC? This is outright theft and the Minister should direct more of his energy into it. I do not know how Kenyans sign some of the contracts.

*(Loud consultations)*

Mr. Speaker, Sir, could you protect me from the hon. Members who are consulting loudly?

**Mr. Speaker:** Absolutely! It is your right to be protected, and I hereby protect you! Could all those hon. Members who are disturbing the peace of the hon. Member restore it back to him?

Proceed, Mr. Ahenda!

Power Producers. It is a rip-off! If not checked, it could amount to one of the biggest "Anglo

Leasing" type of scandals. The contracts signed are supposed to run for decades. I am told it is almost impossible to revoke them. The Kenyan public will keep on paying them billions of shillings.

**An hon. Member:** They were signed by KANU!

**Mr. Ahenda:** Whether they were signed by KANU or whoever, could you, please, do your job? KenGen, as a power generating company, should not be so parochial to only look at power generation within our country. It is high time it looked at supply of power globally. We were cheated that Ethiopia would supply Kenya with power. I am shocked that Ethiopia, which was a fourth world country the other day, is now ahead of our country. What is our Ministry of Energy doing? How can Ethiopia overtake us?

It was also said that power in excess of 100,000 megawatts could be generated along River Congo. Could KenGen run there, generate that power and sell it back to us, instead of waiting for Jesus to come and do it for us?

Mr. Speaker, Sir, there is a correlation between the Ministry of Energy and the Ministry of Environment and Natural Resources. If the Ministry of Energy is looking for geothermal and hydro-electric power, and we are not planting trees to attract rain, how can that happen? The rivers are going to dry up. We will have no water to run those generators.

Mr. Speaker, Sir, it is high time Kenya Power and Lighting Company (KPLC) adopted the GSM technology in its billing. That way, we can have a power billing system that is efficient and on time, instead of having people on motorbikes knocking people's doors. Sometimes, they give us bills that are not commensurate with our consumption.

It is also high time we looked for nuclear power. Why can Kenya not go the nuclear way? Why not? We should generate power from nuclear. The power that South Africa wants to sell to us is nuclear power. We can build our own nuclear stations here. They are cheaper and generate clean power that will run for many generations to come. Rivers will dry up and we will be forced to look for power elsewhere!

Mr. Speaker, Sir, let me also touch on the Rural Electrification Programme. That programme is heavily under-funded. If the Ministry does not put more money into that programme, it will be a pipe dream. A time has come when those programmes should not be seen as money-generating, but a service to the community.

Mr. Speaker, Sir, I am shocked that we are only providing power to 13 per cent of our people while Zambia, Malawi and other countries are doing over 30 per cent! Could we provide power to, at least, 50 per cent of our people? If the Rural Electrification Programme is to succeed, please, allocate more money to it.

**Mr. Speaker:** Mr. Ahenda, your time is up!

Mr. Githae, please, proceed!

**Mr. Ahenda:** With those few remarks, I beg to support.

**The Assistant Minister for Transport** (Mr. Githae): Thank you, Mr. Speaker, Sir, for giving me this opportunity to contribute to the Vote of the Ministry of Energy.

First of all, I would like to congratulate the Acting Minister for the work that the Ministry is doing. It is trying to connect power to all parts of the country. Whereas I commend them for doing that, they should stop thinking within the box. I have always said that sugar factories in this country need to change their tactics. One of the reasons why sugar is expensive is because most of the by-products are wasted. If you go to countries that are known for the production of sugar - I have in mind Brazil and Cuba - the main item they produce is power. That is because power is more expensive. Sugar is only a by-product in that process. If our sugar factories could emphasize the production of power rather than sugar, sugar would be a by-product. It would then be possible to increase the prices paid to farmers.

Mr. Speaker, Sir, the Ministry also needs to give guidelines on other sources of power. In this country, we are fortunate to have sunshine for 360 days out of 365 days in a year. We should be able to use power from the sun. Solar panels should be made cheaper and affordable, so that most people

can instal solar power. That is the way to go. It is also in un-limited quantities.

Mr. Speaker, Sir, the Ministry also needs to encourage people to use biogas. I have visited a few homes where the system is working very well. They use power from cattle waste. We need to encourage them.

We have got very many hydro-electric power stations. But we have not utilised all of them. We have water falls in very many rivers. We do not have to go for the gigantic ones. We can go for small hydro-power stations which will supply power to particular towns. To me, that is the way to go, instead of going for the huge hydro-electric power stations.

Mr. Speaker, Sir, with regard to independent power stations, I do not know how that concept came about. How come that power is purchased more expensively from Independent Power Producers compared to KenGen? I think electricity is the same, irrespective of how it is generated! So, it will only be fair that KenGen be paid the same rates that the Independent Power Producers (IPPs) are being paid. That will make the playing ground level.

Mr. Speaker, Sir, KPLC also needs to do their act. They need to privatise some of their functions. Why can they not privatise the digging of holes? Must such work be done by the main company? Why should the company be the one to erect poles all over the country? They need to privatise that so that more companies are involved. There is nothing technical in erecting electricity poles. Should that activity be privatised, we shall be able to instal power in many households in the rural areas.

We still see people on motorbikes coming to read our electricity metres. I was shocked when I visited Rwanda - a country which has just come out of genocide - to see that there are no people on motorbikes charged with the responsibility of reading electricity metres. Instead, they have in place what the mobile telephone companies are using. All one needs to do is to buy a scratch card and load the amount of money for use in ones electricity metre. When the amount of money loaded is exhausted, the power supply is automatically shut down. This means that you can buy electricity power for only Kshs100, if that is what you require. When you intend to be away from your house, you are able to remove your card and nobody will misuse your electricity. That is the way to go. The days of people on motorbikes coming to read the electricity metres are over. It is, in fact, shocking that a country like Rwanda is able to do this while here in Kenya we are still far much behind.

I would like to associate myself with what hon. Ahenda said. We also need to go nuclear. This is not a reserve of the Western countries. We have an institute of nuclear science at the University of Nairobi and I do not see why we cannot go nuclear. We even have a nuclear physicist in this country, Mr. Hilary Ng'weno. I think he is the only African nuclear physicist. It is only unfortunate that he had to become a journalist because he could not practise his profession in this country.

Mr. Speaker, Sir, we need to emphasise rural electrification in this country. This is because the majority of our people are in the rural areas and we need to provide them with power irrespective of the standard of the houses they live in. Even grass thatched houses should be provided with power. Once power is provided, it creates other economic opportunities like welding, photocopying services and so on.

We used to have a rural electrification programme. Today, I understand that it is no longer there. I do not know why. Whenever our people apply for power they are given commercial quotations. For instance, they are made to pay 10 per cent for the design to be done and after it has been completed, 90 per cent. This is very expensive because very few households can afford to pay this amount of money.

Mr. Speaker, Sir, electricity is not a luxury; it is a necessity and so we need to provide all households with it. I think it is high time that we had other power distribution companies. How come it is only KPLC which can distribute electricity? Other companies should be allowed to distribute electricity. This will create competition. In fact, we should have, at least, a power distribution company in every province instead of a monopoly as it is now. If we have IPPs, why can we not have

Independent Power Distributors (IPD)? What is so technical about distributing power? Why can other companies not be licensed to distribute power? If we do that we shall be able to connect power to a lot of households. One of the main reasons why people come to town is that there is no electricity in the rural areas.

One other thing that KPLC needs to do is to provide that if you pay for the connection of power, any other person wishing to be connected to that particular transformer should refund you some amount of money. The existing policy is discouraging people from paying for power connection because they would rather wait for somebody else to pay for power connection and then they be connected free of charge. If I pay for power, any person coming to connect from there is supposed to refund me some money. If that is done, a lot of households will be connected with power.

Mr. Speaker, Sir, with those remarks, I beg to support.

**Mr. Dahir:** Thank you, Mr. Speaker, Sir, for giving me this opportunity to contribute to this important Vote.

I would like to thank the Minister for Energy for introducing the Rural Electrification Scheme (ERS). Indeed, this has been equally distributed nationally. However, there are old machines in the marginalised areas which are obsolete and need to be replaced. For example, in Mandera, there was a machine whose capability for work was not proven. Initially, caterpillars with proven capability were being put to use. We request them to use efficient machines whose capacity for work is proven. That way, we shall avoid blackouts especially during this holy month of Ramadhan.

Mr. Speaker, Sir, the Ministry should allocate more money for the expansion and modernisation of the Garissa Power Station. By putting up a diesel plant of 3 Megawatts, this will enhance irrigation along the River Tana and small-scale industries in that area. This is in line with the policy of the Government with regard to poverty alleviation.

I would like to talk about the National Oil Corporation of Kenya (NOCK). In the petroleum sector, the Government should allocate more money for the NOCK. I must admit there is a turn-around in that company. I think CEOs in this country should emulate Mrs. Mary M'Mukindia. She is a good example to the Government which should now appoint more women to head parastatals. Women are honest and do a lot of work, unlike men who are lazy and like to politic.

With regard to the management of the Kenya Pipeline Company (KPC), I feel that it should upgrade its systems in order to monitor pilferage of petroleum products. Recently, most hon. Members must have seen on television petroleum being siphoned without the knowledge of the management of KPC. They should involve the right people in monitoring their products and establish internal controls so that issues like that do not recur.

Mr. Speaker, Sir, we understand that there are expatriates being hired by the Government of Kenya to come and manage the KPLC. I think this is ill-advised because we have Kenyans who are capable of running that parastatal and managing it prudently. There is no need to hire expatriates to come and manage organisations like the KPLC. These organisations have been managed by Kenyans before. This is ill-advised and I strongly feel that the Government must not go by the advice of the World Bank, which I feel has ulterior motives. We cannot really know their intentions. What they are introducing in this country now is neocolonialism by allowing *wazungus* to come here and manage our firms.

Mr. Speaker, Sir, with those remarks, I beg to support.

**Mr. Karaba:** Thank you, Mr. Speaker, Sir, for giving me this chance to congratulate the Acting Minister for Energy. I wish to support this Vote.

Power distribution and supply is a very important policy that has been maintained by the Government. What has happened in the last three years is a clear testimony that there is something to celebrate as far as power supply is concerned. It is important to note that without power, very many schools, hospitals and shopping centres will be in darkness at times of need. Power supply has brought life to most of our shopping centres. It is also important to note that power supply is one of

the factors necessary for industrialisation of this country. For us to attain industrialisation by 2020, we should implement many power supply projects in our rural areas.

In our rural areas electricity is a very expensive commodity for wananchi. Power connection to any domestic home from a transformer within a radius of 600 metres costs about Kshs35,000. If the transformer is further away, then it costs more than Kshs70,000 to get a power connection. Many people cannot afford power in their homes. It has become expensive to a point where very many needy people cannot afford it. I, therefore, wish to ask the Minister to subsidize provision of power, so that many people can access it. Possibly, he should liberalise purchase and installation of transformers. In that way, we will have many transformers installed in rural areas where there is high population. Our people need to have affordable power connected to their homes.

I also wish to note the fact that there are so many transformers along Kabarnet-Iten Road. Some of them serve no purposes at all. I do not know when those transformers were installed and for what reason. More transformers should be installed in areas where we have high population. It is also important to note that without power we will continue to have rural-urban migration. This can only be stopped if we will have more industries located in our rural areas. Power is one of the factors necessary for establishment of industries.

Mr. Speaker, Sir, there are also a lot of discrepancies in the distribution of educational facilities. Most rural schools in our country have problems in teaching science subjects like physics, electricity, chemistry and other sciences. Proper teaching of these subjects is hampered by lack of power supply in our schools. If power is supplied to our rural schools, I am sure it will be helpful. There is corruption in the Ministry of Education with regard to power supply to our schools. This is because only schools based in urban centres are considered for power supply. We should know that it is our rural schools which will provide students to our local universities. There should be harmonisation in the power supply to rural and urban schools. It is, therefore, important to supply electricity to all rural trading centres and schools.

This House recently passed a Motion urging the Government to ensure that all schools in the country offer computer science as a compulsory subject. We cannot offer computer studies in our schools if there is no electricity. Electricity should, therefore, be subsidized and supplied to all schools in the Republic, so that they are able to offer computer lessons. Where it is not possible to supply power through the Kenya Power and Lighting Company (KPLC), the Ministry should come up with other sources of power like wind and solar energy. In that way, our schools will be able to offer computer lessons. It is also important to note that power supply in our rural areas has been seen as the preserve of people with wealth.

We need also to address lack of power in our agricultural sector. We have tea, coffee and pyrethrum factories in some areas. It is only with power supply that we are able to process these crops to earn us foreign exchange. We should make sure that production and processing of agricultural products is done at the factory level. This can be done by subsidizing electricity cost and lowering the price of fuel, which is very high. We should zero-rate tax on fuel. We should also discourage cutting down of our trees to provide fuel for drying of tea leaves. If that is done, I am sure we will protect our environment and help in the industrialisation of our rural trading centres.

Finally, it is important to note that it takes a long time for anyone to be connected to power. In my constituency, Kerugoya/Kutus, I paid almost 100 per cent for power connection cost in 2003, and up to now we have not been connected to power. So, you wonder what happens if this year ends without our people being connected to power, and yet money has been paid. I, therefore, ask the Ministry of Energy to make sure that after applicants for power pay the 10 per cent deposit, they are connected to power. The KPLC should not engage in unnecessary procurement procedures, which makes power supply very expensive. I, therefore, call upon the Minister and his officers to come in and save wananchi from being exploited by the KPLC. It takes too long to get connected to power. This is not in line with the current policy of wanting to locate industries in our rural areas.

With those few remarks, I beg to supply.

*(Several hon. Members stood up  
in their places)*

**Mr. Speaker:** I am sorry, I have an interest in calling upon the next speaker. I declare an interest in allowing Mr. Musila to contribute because, after contributing, he will have to relieve me of the Chair.

**Mr. Musila:** Thank you, Mr. Speaker, Sir. These are some of the benefits some of us enjoy.

From the outset, let me say that I support this Motion. I want to congratulate the Ministry of Energy for its new initiative in revitalising the supply of electricity, particularly to our rural areas. When the Acting Minister was moving this Motion he, among other things, read out colossal sums of money to be used in rural electrification. Most hon. Members will have no problem in approving this Vote. However, I find it very difficult, if not impossible, to have this programme implemented if it is going to be done by the Kenya Power and Lighting Company as we know it.

Mr. Speaker, Sir, I have said on the Floor of this House before, and I want to repeat, that the Kenya Power and Lighting Company has been the biggest hindrance to the implementation of the Rural Electrification Programme (REP) in this country. I say so because the company has been riddled with corruption in the past, whereby an electric pole has been known to cost upwards of Kshs10,000. It has been alleged that the price of every single equipment procured by the company must be loaded with some commission to go to officials of the company.

As if that is not enough, there is a lot of favouritism by the company. Electricity is directed to certain areas. As I speak, some areas of this country are over-electrified at the expense of other areas. There are some areas in this country where people do not know what an electric pole looks like. These are mistakes which have been committed by the Kenya Power and Lighting Company.

Mr. Speaker, Sir, every day, we experience power outages, which cause enormous damage to equipment with no compensation to the victims. Even recently, we have had many fires in Nairobi, which damaged buildings. All of them have been attributed to electric faults, be they from locally-generated sources or from the national grid.

I would, therefore, like to differ with my colleagues who do not support the injection of new experience at the Kenya Power and Lighting Company. Previous speakers, Mr. Muriithi included, complained about why the Kenya Power and Lighting Company has recruited expatriates at this time. I have no problem with that myself. I support the recruitment of expatriates by the Kenya Power and Lighting Company because in the past, the company failed us.

Mr. Speaker, Sir, the principles of good governance demand that national resources are distributed equitably. This House will demand in due course, if not immediately, to be informed by the Minister of the location of the REP projects, which the Minister said are so many around the country. Could he be kind enough to provide this House with information on the location of these REP projects on constituency by constituency basis? We will be happy to know whether the Minister is equitably distributing the resources of this country.

In the same breath, the Minister said that his Ministry was going to provide solar power to secondary schools in ASAL areas to improve the standards of education in those areas. We must all welcome this initiative and applaud the Minister. However, again, we would like the Minister to tell us where these solar projects for secondary schools will be implemented. In the past, we have been given raw figures for projects intended to be implemented in ASAL areas. My home district, Mwingi, happens to be among the ASAL areas, but I am not aware of any solar power project intended to be implemented for any secondary school. I would like to know where the solar plants for secondary schools will be placed.

Mr. Speaker, Sir, I would now like to address the issue of exploration of oil, gas and coal. I

will start with coal, which is very important to me, because it has been said that the mineral is found in Mwingi District, and particularly in my constituency. Coal exploration in Mwingi District has been going on for a long time. Last year, we approved Kshs40 million for the same exercise. This year, we are being asked to approve more than Kshs100 million for the same exercise.

I would like to urge the Minister to ensure that in the very near future, we exploit this resource. Prof. Maathai yesterday decried the destruction of forests through various activities, particularly harvesting of wood for curing of tea. If the coal in Mwingi District is exploited, this country will save lots of funds in foreign reserves and save our forests from destruction. I would like the Minister to give us a timetable of the exploration of this fuel. We cannot continue investigating to verify whether coal exists in that area indefinitely.

Mr. Speaker, Sir, I need not say here that the people of Mwingi District, who welcome this initiative, would want to be consulted at every stage of exploration. We are interested in knowing the outcome of the exercise. Above all, we would like to be the ultimate beneficiaries of this resource once it is discovered. We do not want a repeat of what happened in Kwale District, where people were displaced from their land at short notice. We would like to start negotiations as early as now, as to how our people will benefit.

Finally, I will speak on oil and gas exploration. I stood here sometime ago and wondered loudly. I want to wonder again. How come that Sudan, to the north of Kenya, has enormous oil and gas resources? How come that Tanzania, in the south of Kenya, has enormous reserves of gas, and Kenya remains an island without oil resources? I want to put it to the Minister that it is because of inefficiency of past exploration exercises for these commodities that so many years after Independence, despite all the countries surrounding us having discovered oil, we still continue to say that we are looking for oil.

Mr. Speaker, Sir, I want to support the notion that we have been restricting ourselves so much to the West in the exploration of oil and gas. That is exactly what we are doing with coal exploration. That is why we are taking ages to discover the right quantities of coal we have in this country. I want to agree with the hon. Member who proposed that we must now move to the East. We must seek expertise particularly from China in the exploration of oil and gas. I believe that the Chinese and the Russians have a lot of experience in coal mining, but we continue to seek the services of Western countries. I do not know why.

May I earnestly appeal to the Minister that we should diversify. We should give as many blocks as possible for oil and gas exploration to other people, without necessarily going to Canada, Europe, America, *et cetera*. I am sure that we will succeed if that is done.

Mr. Speaker, Sir, I also want to join other hon. Members of this House who have decried the high cost of fuel oil at the pump stations. When fuel prices go up, just by hearing about it on the radio, the following morning, you find that the pump price has increased. However, when the oil prices go down at the world market, we never see any reduction of prices. It is time that the Minister prevailed upon the oil companies to follow certain ethical standards to ensure that the people of this country get fair prices for this commodity.

With those remarks, I beg to support.

**The Vice-President and Minister for Home Affairs** (Mr. Awori): Mr. Speaker, Sir, I would like to start by congratulating the Minister for the way in which he has prepared his Budget. It has been stated here that the Minister is being over-worked and we need to have a substantive Minister for Energy.

The Minister is doing a sterling job being assisted by a very able and young Assistant Minister. We are happy with the way he has ran this Ministry. We have not heard that the Ministry has suffered in any way because of the Minister working in two Ministries. This is a time when we should start talking positively about the good things that are happening and the successes that we are making. We must now forget the past and focus ahead.

It is stated that we are consuming about 1,000 megawatts of power. That is what we are producing. We need about 4,000 megawatts, so that we can utilise electricity fully. We need to have a transit system that is viable and cheaper. It is about time that we electrified our trains in cities like Nairobi and Mombasa. We need to have fast moving trains.

*[Mr. Speaker left the Chair]*

*[Mr. Deputy Speaker took the Chair]*

Mr. Deputy Speaker, Sir, I would like to congratulate not just the Ministry, but also the Kenya Power and Lighting Company (KPLC). The immediate former speaker has stated the problems that the KPLC has had. That is in the past. The KPLC is now beginning to make profits. I am happy that, that is happening because some of us bought shares in the KPLC about 40 years ago and we have not been getting dividends. As a result of the ways things are going, we will soon be getting dividends from the KPLC. I, therefore, want to congratulate the board and the management of the KPLC.

The Minister has told us that as far as the rural electrification programme is concerned, nearly 930 projects are being undertaken or have been planned to be undertaken throughout the country. Indeed, there are areas where there is over-electrification, while there are others which are not yet connected with electricity. We have 210 hon. Members who cover the whole country. These hon. Members are free to go and see the Permanent Secretary in the Ministry of Energy, who is a very able man, and tell him what problems they have and what they need. He is very receptive to this. I, therefore, would like to appeal to the hon. Members not to just leave the issue to the planners, but to go to the Permanent Secretary and ask him what they need.

Mr. Deputy Speaker, Sir, we obviously need electricity throughout the country. Apart from the transit system that I have mentioned, many hon. Members have mentioned computers. Indeed, we need to have computers in all our schools. Therefore, we need to have electricity.

We need to do more research in the energy sector. We should do what other countries have done. For example, in Mauritius, their sugar industry produces a lot of energy, and sugar is a mere by-product. Mumias and Nzoia Sugar Factories should concentrate on producing electricity, so that it can be sent into the national grid. We need to encourage independent power producers. We have the Electricity Regulatory Board and we should have independent power producers to help KenGen.

Mr. Deputy Speaker, Sir, I would like to congratulate KenGen. This is a company that is doing an extremely good job. It is making profits. I was recently at Turkwel. Some ten years ago, many of us were criticising the project in Turkwel, and yet it is the most viable project because the previous ones were based on seasonal rivers instead of permanent rivers like River Suam on which the Turkwel project is based. Let us borrow a leaf from countries like China which have very many small independent power producers. I cannot see any reason why we cannot do this.

The Kenya Pipeline Company is another success story. We should congratulate the management for turning around a company that was making losses. Today, it is making a lot of profits. The company should build a pipeline all the way to Sudan, so that when Sudan starts producing oil, we will be ready to get oil from there.

I would like to talk about oil exploration. It has been stated that there is no oil in Kenya, and we are surprised. With the modern technology, satellite light from the sky can check to see if there is a possibility of some oil in Kenya. We should utilise that and then be satisfied, that perhaps, we are one of the few countries in the world where there is no oil. Then we should look for something else. We know that oil is a depleting product. It has been stated that even in places like Saudi Arabia and Venezuela, probably in another 50 years, the oil will have run out. Let us not be planning in the short-term. We should look at other sources of energy.



With those few remarks, I beg to support.

**Eng. Okundi:** Thank you, Mr. Deputy Speaker, Sir, for giving me a chance to support this very important Vote.

I want to congratulate the Minister and his officers for working very hard in the Ministry of Energy. Energy is very important in the wellbeing of our nation and our people. Most of our people who live in the rural areas will be heavily affected by the increase of rural electrification. Again, I would like to thank the Minister because in using some assistance from friendly donor countries, the Ministry has really tried to approve a number of rural electrification projects.

The only problem which many hon. Members have cited is the speed at which the rural electrification projects are being implemented. A number of projects have been approved for the last two years, but the capacity to implement these projects has not been seen. This actually frustrates rural development. Rural development requires power and energy very, very strategically. The Government is now trying to put money into our youth to try and develop entrepreneurship among our youth. We need this money to be put in power-driven enterprises, yet power is not in so many of those areas where the youth projects have been approved.

Mr. Deputy Speaker, Sir, with this speed of implementation, I also feel that rural electrification should have its own organization because that is where most people will pay for power generation. That is also where most people will be satisfied with the effects of energy in their use to generate economic activities. Therefore, the instrument that is important to their work, which is power and energy, requires that this becomes a focus of its own organization. With its own organization, it will need its own tariffs, particularly connection tariffs. There is no point giving a rural electricity applicant the same tariff you would give to a person intending to industrialize in the urban areas. I think this has to be lower so that our people who are currently extremely poor can upgrade slowly into using power so provided so that they become more able to pay for these services.

Mr. Deputy Speaker, Sir, I now turn to what was being planned sometime ago. I think that in power, we need to conduct power exploration and development. There is also the distribution of power, which is now the mandate of the KPLC. Then, of course, there are those independent power producers who will always have a commercial component, which is really a supplementation of what we cannot provide easily, particularly during the drought situations. But, again, at the end of it, the tariffs matter a lot.

Mr. Deputy Speaker, Sir, we want a very clear plan of how power will be managed in this country because it is crucial for our industries and for the operation of various institutions, for example, medical institutions, schools, our universities, industries and so on. Here again, the tariff will dictate the prices that we will require as Kenyans when we export our goods overseas. The countries that have developed so much and are doing well are the ones whose power tariffs are low enough to allow them to ask for fair prices when they compete with other goods overseas.

Mr. Deputy Speaker, Sir, I want to end my contribution on power by talking about capacity of the KPLC. I think the KPLC needs a very fine-tuned look in terms of its efficiency. I think that this organization is stuck with so many approvals to implement, and they are not able to implement them. We need speedy action by the Minister to get the KPLC to come up and actually implement these requirements and also to provide power. The sustainability of the power they distribute is failing so many times, particularly in western or southern Kenya, for example, where I always go almost every weekend. I find that when I am enjoying power, then it is off. This happens so many times and it is extremely frustrating. There is a sub-station in Kericho which is so old that it is being rehabilitated for years, and still it does not work. I blame all these woes on those concerned.

Mr. Deputy Speaker, Sir, KenGen is doing a good job since it started its operations. That is seen with the recent Initial Public Offering of its shares to *wananchi*, and you have seen how far those shares have shown the confidence the people have in this company. I think that is very, very good, indeed.

Mr. Deputy Speaker, Sir, I want to comment on oil and its exploration. No country will do well if it does not work on drilling its own oil and putting it on the market. I know the story of Nigeria for so many years. They drilled for over ten years until they had actually given up. When they struck oil, the situation of their economy is very different today. Recently, we read in the newspapers that drilling will start off the coast of Kenya, somewhere in Lamu. Companies were being given a chance to drill so that by November, we should be able to strike oil. As you said yourself, Mr. Deputy Speaker, Sir, when you had a chance to contribute to this Motion, how come that just down here in the south, we have struck gas in Tanzania? And they are saying that it looks as if the amount of gas there looks inexhaustible and that it is being worked such that it is directly imported into Kenyan needs. We are their biggest market next door, yet they are not so far. Oil and gas are in wells, and we cannot have wells in the north, west, south and east of Kenya *na hapa hakuna kitu!*

**Mr. Deputy Speaker:** Order! You must use only one language.

**Eng. Okundi:** I am sorry, Mr. Deputy Speaker, Sir. I use only one language. Let us work on drilling for coal, gas as well as for oil. I am sure we can find oil if we are serious. I would like to call upon the Minister, through you, to really put his energy into this exploration work. We have always said that we are an agricultural country, but I can see that agricultural produce is falling in prices worldwide, because the developed countries, which subsidize and support agriculture, are also able to dictate the world prices. We are not in a position to create good prices for our agricultural produce. So, what we need now as a country is to really push forward for industrialization, and this requires energy. This requires this effort that we are talking about.

Lastly, Mr. Deputy Speaker, Sir, I would like to say that we should support this Vote, but we need the Minister to come back here with a policy paper, which we saw some time back but which seems to be lying somewhere else, for us to approve it so that we can progress in the area of coming up with more power sources for the good of this country.

With these few remarks, I beg to support the Motion.

*(Several hon. Members stood up  
in their places)*

**Mr. Deputy Speaker:** Hon. Members, you stood up a little bit earlier, but I give the Floor to hon. Angwenyi.

**Mr. Angwenyi:** Mr. Deputy Speaker, Sir, it is time this country realized that energy is the heart of the economy of this country. Imagine we do not have power to run our factories; we do not have fuel to run our tractors in our farms, and we do not have fuel to run our transport industry in this country. We need to realize that energy is our heart. If we were to realize that, could we allocate only Kshs1.2 billion to maintain and operate this "heart" of the economy of this country? Why are we allocating Kshs5 billion to the National Security Intelligence Service (NSIS) and yet, we do not see its work? We have the infiltration of small arms in this country and our people are being slaughtered day and night. If we could reverse the situation and allocate the Ministry of Energy Kshs5 billion, we would have street lights all over the country and the rate of crime will go down. The NSIS does not do any good work for this country.

Mr. Deputy Speaker, Sir, several hon. Members who have contributed have talked about oil exploration in this country. I believe it is time now that we went ahead to exploit whatever oil reserves that we have discovered. I know there is a problem of the boundary between Kenya and Somalia where we are exploring oil.

I believe the Government should move with dispatch and formalise that boundary, so that when we discover oil, it will belong to Kenya and not to the militia courts across the border.

Mr. Deputy Speaker, Sir, we do have coal reserves in Mwingi District. However, it is one of the poorest districts in the country. If we were to exploit those coal reserves, it would be among the

richest districts in this country. Why do we want to confine that district to poverty when we can uplift it? Instead of spending money to explore more, we should spend it to exploit whatever we have already discovered in that district.

Mr. Deputy Speaker, Sir, the use of wood fuel in the country is destroying our forests and water catchment areas. Therefore, it is destroying the country's agricultural potential. The country is now turning into a desert. So, to relieve ourselves of this problem, let us explore and exploit whatever exploration that we have done, so that we produce cheap energy to substitute wood fuel in this country.

Mr. Deputy Speaker, Sir, Kenya is endowed with enormous renewable energy resources. For example, hydro energy in this country has continued consistently to follow the European model which developed the Seven Forks Dam. We do know that this country has got two climatic conditions. When we have got rain in the east, there is drought in the west and vice versa. Why can we not construct more hydro-electric power stations in western Kenya? The one we have been constructing on River Sondu for the last ten years should be completed and be commissioned, so that we reduce the likelihood of getting energy shortage. We should also develop more hydro power stations on River Kuja, River Yala, River Nyando and River Nzoia. We should move with dispatch. We should not wait until we run short of energy before we can think of developing these other resources.

Mr. Deputy Speaker, Sir, the KenGen made a profit of about Kshs3.4 billion this year. Let it use that amount of profit to develop more hydro power stations in the west. We should start with River Kuja. In Kisii, where the river originates, we have got rain 330 days in a year. Unless we annoy God, we are unlikely to run short of water on that river.

Mr. Deputy Speaker, Sir, we have got an abundance of solar energy in the country. Three months ago our Committee visited Germany. I was amazed to realize that in Germany most buildings receive their electricity from solar energy. As we know, Germany gets sunshine for about three or four months in a year. In Kenya, we have got sunshine throughout the year. Why can we not make use of this resource that God has given us abundantly? Why do we not have electricity in Mandera or Wajir, for example, and yet, there is so much sunshine there that can produce solar energy?

We can also develop bio-energy, especially in pastoralist areas. If we convert those cattle *bomas* into generators of energy, we can produce electricity. As a result, our pastoralists would be more advanced than the settled farmers.

Mr. Deputy Speaker, Sir, we should also look at the issue of importation of energy. When we visited Egypt about three months ago, we were told by the Egyptians that they are capable and willing to get us power from Egypt at half the cost we are getting power from independent producers. But we seem to believe in whites so much that we have brought them to run the Kenya Power and Lighting Company (KPLC). We have brought in expatriates simply because we are borrowing Kshs3 billion, an amount that the KenGen got as profit this year. Why can we not give the Kshs3 billion from the KenGen to the KPLC and get rid of those expatriates? Why do we want to be subordinate in management to other races? Which country has the World Bank developed in the world? There is none! The World Bank only interferes with the management of countries. That is why it imports management for us, and yet, we have got capable people who are qualified to run this country's economy.

Mr. Deputy Speaker, Sir, on the Rural Electrification Programme, I do know that the Ministry has given a lot of money to the KPLC. The KPLC in turn has contracted many contractors. However, it looks like there is no supervision. When the contracted companies are given a project, they move in and dig up holes with no poles and cables, and yet, we have got the East African Cables Industry in this country. Could the Ministry move with dispatch again to address the issue of actually implementing rural electrification projects. I do have six projects in my constituency that were approved more than one year ago, but none of them has been implemented. I heard the Minister say

that the Ministry wants to implement 900 projects in this country this year. I do not know how it will do this when it has been unable to implement only six projects in Kitutu Chache Constituency.

Mr. Deputy Speaker, Sir, we do have the agencies which we must develop and enhance. We have the KenGen which is being run successfully by Kenyans. We also have the KPLC which has been turned round by Kenyans. We must ensure that those Kenyans continue to run it to success. We also have the Kenya Pipeline Corporation (KPC) and National Oil Corporation of Kenya (NOCK) which are being run successfully by Kenyans. So, we should enhance our own management capability. We should train our management if necessary, so that we can run our economy, independent of the World Bank, the International Monetary Fund (IMF) and those other people who interfere with our management.

Mr. Deputy Speaker, Sir, with those few remarks, I beg to support.

**Mr. Deputy Speaker:** Mr. Moi, are you the Chairman of the Departmental Committee on Energy?

**Mr. Moi:** Yes, Mr. Deputy Speaker, Sir. It is called the Departmental Committee on Energy, Communications and Public Works.

**Mr. Deputy Speaker:** Then you are the right person to speak about this.

**Mr. Moi:** Absolutely! Thank you very much for giving me this opportunity to say a word or two on the Vote of the Ministry of Energy. First and foremost, we have to get everything in perspective. The Government's contributions to this Vote is a mere Kshs2.2 billion, while the total amount is Kshs8 billion. You can see that Kshs6 billion is donor-driven funding. So, what my colleagues have said about enhancing the Government's input into this Vote is absolutely vital, especially when you come down to rural electrification. My Committee has been asking for a Rural Electrification Authority Bill. We have been requesting the Minister to bring that Bill before the House. We think it will be absolutely vital if we are going to achieve any meaningful rural electrification. Rural electrification started in 1973 and to date, only 100,000 consumers have been connected. It is a dismal show. Currently, only 5 per cent of Kenyans in the rural areas have access to electricity, while 15 per cent of the total population have national access. That has been caused, obviously, by capacity restraint in the Kenya Power and Lighting Company (KPLC). The KPLC has targeted 150,000 consumers every year but, in 2004/2005, the company only connected 48,000 consumers. At that rate, there is no way we can have any meaningful economic growth.

Part of the reason why they have been having problems, and we have seen that in the Committee, is lack of capacity in procurement, especially poles. We have seen tremendous problems with that, especially where suppliers are not honouring their contractual obligations. We have had situations where the Ministry has gone out of its way to assist local suppliers. But we are of the view that Kenyans need electricity. They do not care, particularly, where the poles come from, as long as they are connected with power. So, we are encouraging KPLC to source poles from every part of the world, as long as the prices are competitive and normal tendering requirements are followed.

Mr. Deputy Speaker, Sir, I would like to talk about the diversification of energy sources to solar, small hydro-electric stations and bio-fuels. That is the way forward. The issue of just relying on one source of energy is not productive. We must look at those other sectors and give incentives to others to come into that industry. But in order to do that, the Ministry needs a much larger Budget than what they have. They need adequate funds for exploring and prospecting for coal, geo-thermal gas and others. One potential area is Baringo District, which has a high potential of geo-thermal energy. I think the Ministry is exploring the possibilities there.

*[Mr. Deputy Speaker left the Chair]*

*[The Temporary Deputy Speaker  
(Mr. Khamasi) took the Chair]*

Mr. Temporary Deputy Speaker, Sir, I would like to touch on the Kenya Petroleum Refineries Limited (KPRL). The Committee visited KPRL. We came up with some recommendations and observations that the facility should be fully reviewed as it is an important asset of this country. We believe that the Government should invite investors for public-private partnership. The Government should comply with the international obligation of providing unleaded fuels. I think that has been done.

The other issue which has touched many Kenyans is the price of fuel. We feel that the Government should establish a market regulator in the petroleum industry to protect the consumers. One of the ways to do that is to strengthen the National Oil Corporation of Kenya (NOCK). As it is now, NOCK has only seven existing outlets. They need more outlets in order to act as a check and balance of the big players.

I also wish to touch on a few things that my colleagues have said before me. That regards KenGen as a supplier of energy to KPLC. We believe that one of the ways is to break up KPLC as a distribution network into many components. There may be four or five regions of distribution and not just one. That way, we shall have distributors in Rift Valley, Central or Coast Province. Those distributors could source for power at the cheapest rate because they would be competing in the open market.

Also, the price at which KPLC has been buying energy from KenGen is an issue of great concern. As you know, before the Initial Public Offer (IPO) of KenGen, prospective buyers were given an assurance that KenGen will be selling power at a certain price to KPLC. The Government, on the other hand, and for reasons best known to it, had assured others that after the IPO, it would reduce the price which KPLC was buying power from KenGen. As you are aware, there is a tussle going on right now about that. But it is important that, no matter which side of the fence we sit, we must honour our contractual obligations. It is very important, whether it is the Government, the private sector or whomever we are entering into a contractual obligation!

Mr. Temporary Deputy Speaker, Sir, one colleague talked about diversifying sugar factories from just producing sugar to producing power. Mumias Sugar Company is one of them. As a Committee, we have held meetings with the companies and they have assured us that they are willing. They just need co-operation from the buyers and the Ministry. The Ministry has also assured us that those are the issues they are looking into.

Finally, on the exploration of oil, there is a massive exploration worth US\$100 million off the coast of Lamu. The only thing that we pray for is to discover oil. The Australian company that is exploring oil off the coast of Lamu should be given adequate security. It is over 100 kilometres from the coast, but those are not chartered waters. In fact, piracy does exist. So, we need to protect them using our security services.

With those few remarks, I beg to support.

**Mr. Arungah:** Thank you, Mr. Temporary Deputy Speaker, Sir. Let me start by congratulating the Minister, the Assistant Ministers, the Permanent Secretary and the entire staff for the able manner in which they have been running the Ministry. By using the open-door policy, I have never found it necessary to see the Minister or the Permanent Secretary because most of the time, the Ministry officials have addressed the issues I have had. I must take this opportunity to say thank you to them. I happen to be a Member of the Committee on Energy, Communications and Public Works and through my work, I have had the privilege to interact with many people in the energy sector. The quality of work and competence of the officers has so far impressed me. I have every reason to have hope that we are on the right track and that there will be a difference in the near future.

I would like to make a comment or two on the electricity tariffs. Given the resources and endowment that this country has, I know it is possible to reduce the cost of energy in this country. However, we may not be able to reduce it to the level of our neighbours in the South who are

endowed with natural gas, petroleum and coal deposits. However, I believe that there are certain measures, given our circumstances, that we can use to reduce the high tariffs of electricity. I will start by asking why the cost of electricity is very high in this country. The reason is that we are dependant on the fuel oil and the costs are very high. There are forex exposures that fluctuate and affect the cost. There is also the element of taxation. We have been told that the generation is not as efficient as it should be at the hydro-electric power stations. Last but not least is the level of transmission losses which are extremely high. Those factors are known to the Ministry.

We need to look for ways and means of addressing the issues. What do we do about the high cost of petroleum and the fluctuating exchange rates? It is possible for the Ministry, since it collects a lot of money, to be empowered so that it stores some certain amount of fuel in the country so that when multinationals increase their prices, the National Oil Corporation of Kenya (NOCK) can release its reserves to stabilise fuel costs, in particular.

On the issue of transmission losses, it is possible to encourage local generation of power. For instance, we have a plant coming up in Sondu Miriu. The principle is to generate power and feed the national grid. It is possible to reduce transmission losses, for instance if Sondu Miriu would produce power and transmit it in the general neighbourhood. We could ask Mumias Sugar Company to produce power and supply it to its neighbourhood. That would reduce the transmission cost. I am told the transmission losses for KPLC are at 21 per cent. That represents a lot of money and it is a big loss compared to international standards of about 10 per cent.

Mr. Temporary Deputy Speaker, Sir, so, by localising or encouraging stand-alone generation plants, we could reduce the power costs. The other alternative we have is to encourage international inter-connectivity. For example, we know that our neighbours in the South have got slightly cheaper sources of energy. It is possible to source for energy from there. Government levies which are at 1 per cent, which we refer to as the Petroleum Development Levy is collected at Kshs120 million every month which amounts to about Kshs1.5 billion. We have heard concerns here about the fact that we have not been able to strike natural resources like oil and gas. With such kind of collections, it is possible to sink a well because I am told that it costs 5 million dollars to sink one well. We cannot discover oil if we do not prospect. You can only prospect if you try going out and sinking wells. The international average is that for every five wells sank, one has to be productive.

If we move in that direction, we might be lucky to strike oil. However, we will not strike oil by praying. We will only find oil by going out there and looking for it, which is by drilling. We could also think of establishing a pipeline. We recently visited Tanzania and found out that they have large reserves of natural gas in Songa Songa. It is possible for us to have a pipeline so that we have a cheaper source of energy.

Mr. Temporary Deputy Speaker, Sir, let me comment on the issue of connectivity. I applaud the Ministry's approach in terms of rural electrification. The Ministry has started with market centres, secondary schools, health centres and market places and water points in various areas. While at that, I would like to take this opportunity to say that my constituency, Khwisero, has benefited from what they have done. Eight markets and five secondary schools have been supplied with electricity, two health centres have power and one orphanage is connected. That is something which we never had since Independence.

I would like to thank the Ministry for the work it has done. However, two key markets, Eshiringa and Emalindi have been left out, yet they host the only two girls' schools. I would like the Ministry to look into the issue and see what it can do to help. The cost of electricity is also high, given the low incomes of our people. I would urge the Ministry to reconsider the high cost of Kshs32,000 which is the connection charge to be reduced and above that, see if the amount can be paid over a period of time.

I have said that the Ministry is doing a lot in terms of connectivity. However, we know that it will not be possible for all households to have access to power since they are found in the interior.

However, there are alternatives to that. If you visit the rural women, you will find that they would only require electric power for light and to cook.

Mr. Temporary Deputy Speaker, Sir, the Ministry has energy centres across the country. Unfortunately, they are not well funded. The Ministry should consider giving more money to the energy centres so that they can teach our people about alternative sources of energy. For instance, I know that an average household requires 10 kilograms of firewood to cook three meals a day. I also know that three times that amount is used at the moment. Without the right education, we will lose forest cover because that means that at our current consumption, we lose 360 million trees every year. That is what is required for firewood and charcoal. Therefore, energy centres should be given more money so that they can teach our people how to conserve energy. If they gave each household a liner which costs Kshs100, it would cost us Kshs2 billion for the whole country. That would save this country a lot of money in terms of forest cover.

Finally, we have plants which are available that produce seeds which if crushed, one can get oil which is burnt. We can give this to our *mamas* to use as a lighting source.

With those few remarks, I wish to support the Vote.

**Mr. Rotino:** Thank you very much, Mr. Temporary Deputy Speaker, Sir, for giving me the opportunity to join my colleagues in contributing to this very important Motion. In supporting the Ministry by giving them Kshs8 billion, I wish to make the following remarks.

I want to begin with the Rural Electrification Programme (REP). In spite of the Minister having to run two Ministries, the Ministry of Energy has done well compared to the previous regime. Having been in this Parliament from 1992 and having persistently asked Questions about rural electrification in my own constituency, I want to congratulate the Minister and the entire staff of the Ministry for coming up with a national image. For the first time, at least, there is something going on. There is some hope for rural electrification. But as my colleagues have said, the workload at KPLC is so much that they do not have the capacity to implement all the proposals and the projects that they earmark to do.

Something must be done by the Ministry so that they speed up the work that they are supposed to do. They should even go further and look at constituencies that do not have electricity at the moment and try to help those ones first.

Turkwell Gorge Hydropower Station is located in my constituency, yet since it was inaugurated, we have never had electricity. I have said this time and again, that it is immoral that our land was taken by KenGen and we have had to suffer many consequences. For instance, malaria has increased in that area because of the water level, yet when we ask KenGen to give us even 0.1 per cent of revenue, nothing is being done. It is only this year that they are purporting to be giving us electricity. We are praying to God that the Minister considers providing electricity to Sigor Constituency. This Government promised to create employment, and one of the ways of doing so and fight insecurity is to provide electricity.

Mr. Temporary Deputy Speaker, Sir, if you look at the audited accounts of KenGen or KPLC, they talk about large amounts of profits. Therefore, they are profit-oriented, not service-oriented. I think we should introduce performance related pay so that any Executive Officer is paid according to the work that he does. You just cannot come here and tell us that you have made a profit of Kshs2 billion. How much electricity have you given to the people? That is the question the Executive Officer should be answering.

Mr. Temporary Deputy Speaker, Sir, I say this with a lot of bitterness because 43 years after Independence and after asking the Government many Questions to provide services to the people, nothing is being done. The only services KenGen provides to the people of West Pokot are given after a lot of pressure. I think this company should even help in providing security in the area by building police posts. We have tried to do so using CDF funds, but KenGen should chip in. The GSU camp in Turkwell is within the compound of KenGen. They are not providing security for other

people outside the area. They only take care of KenGen staff.

Mr. Temporary Deputy Speaker, Sir, I want to talk about the prices of oil. All of us drive cars and note the high prices of fuel. We hear complaints from farmers and other motorists. What does the Government want us to do? How much pressure must we apply on Government to act? The Minister should come up with ways of addressing this matter. They should form a Ministerial Committee to look at how they can control the prices of oil. The National Oil Corporation of Kenya (NOCK) was started with a noble cause, but it is losing its meaning. It was formed to stabilise prices, just the way the NCPB is doing. But if it is not doing its job, it is not worth being there. So, I want to appeal to the Minister to re-look at the functions of NOCK.

Mr. Temporary Deputy Speaker, Sir, when he was moving the Vote, the Minister mentioned that there are 42 secondary schools in ASAL areas that will be given power. That is not enough. We want to know which secondary schools are these. So, in his reply, he should mention the particular secondary schools. This is because out of the 14 secondary schools in my own constituency, none of them has electricity. Even the children finish Form Four when they do not know how a computer looks like. We spend a lot of money sending them to college using CDF funds to learn computer.

The Minister also talked about 940 projects to be completed by June, next year. I wonder whether the Kenya Power and Lighting Company will have the capacity to implement those projects before the end of this financial year.

Mr. Temporary Deputy Speaker, Sir, my colleagues have spoken about foreigners being employed. I think that after 43 years of Independence, we have capable people to run Ministries, departments or parastatals that we have. The only problem is that we have no confidence in our own people.

Finally, it has been stated that only 10 per cent of our homesteads have electricity. So, what do we expect our rural people to use if not charcoal? If we cannot make electricity cheap and affordable for them, they will not be able to pay their monthly bills. It is one thing to provide electricity and another thing to pay and maintain the monthly charges. The price of electricity must be reduced. The Ministry should look at ways and means of reducing the cost of power.

Finally, I want to say that the Minister in his reply should tell us how many constituencies in this country do not have power and what plans he has to provide those constituencies with power.

With those few remarks, I beg to support.

**Mr. Mwanicha:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this chance to contribute on this Ministry's Vote. I am gratified that both sides of the House think that the Minister and the Ministry are doing a good job. I, therefore, want to add my voice to those who said that the staff of the Ministry need congratulation for the teamwork that they have shown in giving this country power which is needed everywhere. I also want to add my voice to those who are in the school of thought that the Minister is doing a good job. He does not need to continue heading two Ministries but needs to be confirmed in this Ministry of Energy. I want my voice to go on the HANSARD as having said that he needs to be confirmed.

We have talked of the price of Liquefied Petroleum Gas (LPG). This is a matter that the Minister and the Ministry at large needs to look at very critically because it is a cross cutting issue. I call it cross cutting because in my area the rivers have dried up because everybody needs to plant some blue gum trees to ensure that they will have firewood because they cannot afford gas. Any effort that will go into the reduction of the price of LPG will be highly welcomed by Kenyans.

Mr. Temporary Deputy Speaker, Sir, I note with gratitude that the Ministry has said that they will support efforts that will go into the distribution of LPG. We welcome this and ask the Ministry to move with speed so that we can ensure that LPG is cheaper and it is used by most Kenyans.

The Ministry is asking for Kshs2.8 billion for the Rural Electrification Programme (REP). It is my sincere hope that this money will be approved without any delay to this Ministry as soon as we



pass this Vote so that the Ministry can continue with the speed they have shown, that they are ready to electrify this country. If it was not for the fact that there are budget constraints in the generation of revenue from taxes, the money to this Ministry should be doubled. However, there are taxes and we also do not want to tax our people very heavily. Otherwise, to be able to give everybody power in this country, the Ministry needs to be given this money. I am happy that both sides of the House support this.

Mr. Temporary Deputy Speaker, Sir, in some of our areas, like in Kisii District, the company would make money if they supplied everybody with power. I understand that there are areas where there is sparse population. However, in areas like where we come from in Kisii, the whole place could be electrified and the Kenya Power and Lighting Company (KPLC) would make a lot of money. Our people are ready to be connected to electricity and start using it immediately.

The Minister has said that they will use Kshs48 million to provide power to 48 secondary schools in Arid and Semi-Arid (ASAL) areas. I have no problem with that. However, the Ministry should look at that as the first phase of a project to give all secondary schools power. How would it look when only schools in ASAL areas have power? What are you asking Kenyans to do? Are we asking them to move to ASAL areas or what? We are taxpayers and as much as we are thinking of ASAL areas, we need to ensure that this is the first phase and that the following year there would be more money budgeted so that more schools are connected. Indeed, in future, all schools will get power. About two years ago, we were thinking of how all the schools in our three districts could be supplied with computers. That will not be possible unless this Ministry moves with speed to supply those schools with power. Otherwise, teaching of computer and other related subjects will be a mirage.

Mr. Temporary Deputy Speaker, Sir, outages are a serious problem in our area. Sometimes I do not even understand how people manage their electric gadgets like fridges and television sets. I am happy that the Ministry is upgrading the Rongo line. I hope this will solve this problem once and for all.

Forty years after Independence, we are talking of getting experts to manage our power sector. What are we lacking? Are we lacking personnel to manage this? If we have a Permanent Secretary managing the whole Ministry and he has several companies under his domain, how do we get experts to manage just one company? This aspect needs to be looked into. This House, 40 years after Independence, is not going to listen to experts coming to manage the KPLC. We can vote money for training our personnel in those countries so that they can acquire the necessary skills to come and run these companies. However, bringing experts to run companies is, to me, abominable.

Mr. Temporary Deputy Speaker, Sir, is this the time we are importing power from Ethiopia? How about our rivers? Let them come to Kisii and see the rivers. During the rain season, they are a big problem as are, indeed, all the other rivers in this country. I am sure that will be a better way of utilising these funds. They may have to do their feasibility studies once again and see whether we could not make much more economic sense if we can get our power from our rivers.

The idea of the National Wind Map, to me, sounds interesting. We should move with speed to ensure that, that map is put in place. This will ensure that we know where we can get wind power. This is power that will continue supplementing other sources. It can even be used to pump water from boreholes. This is God-given energy without the generation that we have right now. I believe it would not be as expensive as the geothermal power that we are currently using. Instead of going to Egypt or Ethiopia for power, have we exhausted our sources of thermal energy from the Rift Valley? I believe that if we did that, it would be a much better way of being self-independent with our own power sources than depending on an external source. We were getting power from Uganda and you can see what is happening.

Mr. Temporary Deputy Speaker, Sir, since last year, the Ministry of Energy has been talking

about implementing the French Phase I, Phase II and Phase III Electric Power Projects. When will we get electric power under the French and Spanish schemes?

**The Temporary Deputy Speaker** (Mr. Kagwima): Mr. Mwanicha, make your concluding remarks, your time is up!

**Mr. Mwanicha:** Mr. Temporary Deputy Speaker, Sir, with those many remarks, I support the Motion on the Vote of the Ministry of Energy.

**The Temporary Deputy Speaker** (Mr. Kagwima): Hon. Members, it is now time for the Mover to reply.

**The Minister for Planning and National Development** (Mr. Obwocha): Mr. Temporary Deputy Speaker, Sir, from the outset, I would like to thank all hon. Members who have contributed to this Motion. The Chair will agree with me that the contributions have been very constructive and informative. I would like to assure hon. Members that we, as a Ministry, have taken all the comments seriously. I have sat here for two days when debate on this Motion was going on and I have taken note of the comments of hon. Members. We will address issues that have been raised by hon. Members with immediate attention.

Mr. Temporary Deputy Speaker, Sir, I would like to comment on a few of the issues raised as a way of clarification. I will start with the major one, which is the implementation strategy of the Rural Electrification Programme (REP). This is the new connectivity and system reliability. We have come up with a strategy for the REP. By 30th June, 2007 or precisely at the end of this financial year, we would have completed 940 projects under the REP. We have divided their implementation into three sections. The first section is to use the Kenya Power and Lighting Company (KPLC) teams. They will take up 82 projects. That should be fairly easy to complete. The second section would be to use the L and T local contractors who will take up 481 projects. The last section will be the turn-key out sourcing who will take up the remaining 377 projects. So, 377, 481 and 82 projects will make up 940 projects. We are set. It is not a question of talking, but we have also set ourselves on how to achieve that goal.

Mr. Temporary Deputy Speaker, Sir, if I could comment briefly on the KPLC teams, 12 construction teams have been set aside for the implementation process. They will complete the 82 projects. The material plan has been developed and the procurement process has been speeded up to ensure material availability for the projects to be implemented. Tenders have already been awarded for the additional transport for teams and the delivery expected to commence next month, November, 2006. Close and effective regional and central supervision by the KPLC teams will ensure productivity.

Mr. Temporary Deputy Speaker, Sir, the problem we have been having involves the lack of materials such as poles, transformers, conductors and so on. However, these issues have now been sorted out.

Mr. Temporary Deputy Speaker, Sir, on the L and T contractors, 65 contractors have been dedicated exclusively for implementation of the 481 projects. We will get more contractors procured locally. Optimal utilisation of the contractor capacity will be ensured and the contractors will only be loaded with the REP schemes based on their historic productivity. We will take away contracts from those contractors who have not performed. Letters have been written to the contractors who have not been performing as expected. The plan is to impose penalties in case of lack of improvement in future. Emphasis will be made to facilitate the contractors to help resolve financial constraints within the contract provisions. Some of the facilitation will include advance payments against bank guarantees, issuing of materials from regional stores, reduced bid bonds and performance bond amounts to allow contractor participation. Prompt payments will be made and the unit rates have been raised for proper compensation of the contractors. Those are the measures to make sure these people perform.

The contractors will also be provided with maximum assistance in terms of resources. Close co-ordination between supplies, transport and distribution project management groups is also planned. The weekly monitoring of progress in capital works and committee meetings will also improve on productivity. Measures are being taken to make sure that every constituency has at least one project going on and then we go on up to June, 2007 when we will have completed 940 projects. Averagely, if we have a project for each of the 210 constituencies, from the 940 projects, each constituency will benefit from four or five projects. If you have five projects in one year in your constituency, surely, you should be able to tell people how money has been utilised and the progress made. I think this will be a good thing.

Mr. Temporary Deputy Speaker, Sir, lastly, on the turn-key contractors, 377 rural electrification schemes will be implemented. The cost of the turn key projects shall be reduced through the KPLC undertaking tasks such as survey, design and way leave acquisitions. The difference for 17 surveyors and way leave officers will be compensated through available designer capacity.

Secondly, the schemes have been grouped into eight sub-projects based on geographical regions so that each region has this group. Procurement supervision shall be done by the KPLC. A project management group has been established consisting of a project manager supported by six project engineers along the necessary support staff and equipment.

Lastly, the tendering process has been fast-tracked taking into account that some waivers are granted by the Government in terms of notification award and tender duration before the operation.

Mr. Temporary Deputy Speaker, Sir, that is precisely how we intend to tackle the REP. I do not want to over emphasise this, but I can assure hon. Members that the projects are across the board in all the constituencies.

On the KPLC, there are a few issues that have come up from contributions of hon. Members. The reason why we brought in the Mantoba Consultants is because part of the KPLC group has been under performing. In the Financial Year 2004/2005, for example, there were a total of 349 fully financed projects where we gave the KPLC a sum of Kshs1.564 billion for those projects. Unfortunately, only 31 projects were completed. Others were done halfway. Others, did not even start. In the Financial Year 2005/2006, we gave the KPLC a sum of Kshs845 million. The projects were 188. They only submitted six and 32 were completed. With that, we were going nowhere. These are our people, but if they are not performing, we need to do something about it. So, we brought in these consultants to help our people. They are not replacing them, they are advisors. It was also a condition from the Energy Recovery Project Programme (ERPP) that we have through the World Bank that we should get this money to carry on our projects in the power sector. So, it is not because we lack confidence in our people, but if they are under performing, we need to tackle that issue.

Mr. Temporary Deputy Speaker, Sir, I agree with the sentiments expressed by hon. Members about the role of Kenya Power and Lighting Company (KPLC) and KenGen. Under KPLC, we are looking at the case of a deposit of Kshs32,000 to see whether it can be reduced or the payments can be spread. That way, those charges will become affordable. We are looking into that and an announcement will come soon.

Mr. Temporary Deputy Speaker, Sir, the issue of tariffs was also raised. There is the issue of what KenGen had agreed with KPLC. The Ministry of Finance is in contact with the Ministry of Energy; to see whether those legal obligations will be maintained. But as it is at the moment, the decision of our Ministry is that there should be no tariff increase. The two companies are making enough profits. We do not think there is any reason to increase the tariffs. But we are waiting for the results of a tariff study that is going on, so that we can confirm whether the current tariffs are too high or too low.

When the results of that study come out, which we believe should be at the end of November or early December, the Ministry will make a final decision on this issue. But, in the meantime, the tariffs remain as they were at the end of June.

Mr. Temporary Deputy Speaker, Sir, I believe I have touched on most of the issue raised on KPLC. But on the French and Spanish projects, there are issues that have been raised. The French gave us 30 million euros - that is about Kshs2.8 billion! But there have been problems with the tender. We have managed to resolve the issue and that project will start at the end of the year or early next year; either January or February.

There is also a problem with the Spanish project. But we believe we will have overcome those tendering problems by early next year. But I want to assure hon. Members that the moment those projects start, they will continue until they are finished. We, as a Government, sometimes, run out of money before the projects are completed. So, the moment we start those projects, we will finish them.

Mr. Temporary Deputy Speaker, Sir, on power generation, I want to make one or two comments. We have regional projects going on. We are trying to get power from Ethiopia. When I was moving this Vote, I said that Ethiopia has excess power. One of their projects, when completed, will generate 1,875 megawatts. This country runs on only 1,100 megawatts. So, you can see only one of their projects produces power in excess of our requirement. In developing power generation, the Ethiopians are aiming to generate excess of 3,000 megawatts or 4,000 megawatts. So, that is a source of cheap energy. We have got money to study the line from Moyale to Nairobi, so that our colleagues from northern Kenya can access power. We will access power from Ethiopia when those negotiations are completed. We believe that the power there is sufficient and we can import some.

Mr. Temporary Deputy Speaker, Sir, we are also shifting to geothermal power. However, as I said, the private investors are welcome to develop hydro-electric power stations in small rivers and so on. Our emphasis is, however, shifting to geothermal and wind generated power.

Mr. Temporary Deputy Speaker, Sir, I would like to tell Mr. Rotino that we will supply solar panels to the schools that we have identified. I do not have the list here, but we shall supply those schools with solar panels. If he has any issue, he can raise it with the Ministry.

Mr. Temporary Deputy Speaker, Sir, there was a complaint from Eng. Okundi about power blackouts. I can assure you that our trip to China was fruitful. We got a company to upgrade the system from Chemosit to Rongo. In that part of Nyanza Province, power blackouts will be a thing of the past. So, that has been taken care of. As we go on, we are going to generate 60 megawatts from the Sondu-Miriu Project. It will also cover that region. Therefore, that issue is being catered for.

Mr. Temporary Deputy Speaker, Sir, I would like to comment about oil. As I said, the country has been divided into blocks. We have about 21 blocks. We are, however, increasing those blocks because the companies we gave out those tenders to found out that the areas were too large and the investment required too big. Therefore, we divided some of the blocks to try and find out if we really have oil in this country. I agree with hon. Members that we have taken too long to find out whether we have that natural resource.

Mr. Temporary Deputy Speaker, Sir, moving to the East, as the Deputy Speaker was saying, is not our policy. Our policy is to give contracts to companies which are capable of investing in finding out whether we have that natural resource. As it is at the moment, we have started from the Coast Province where we have the Lamu Basin. We have given that area to the Australian company; Woodside. They will start drilling in November/December on L5. There are other companies like Plan Continental that is also in that region and Origin.

Mr. Temporary Deputy Speaker, Sir, coming to the mainland, we have Blocks 10(a) and (b), 9 and 11 in Turkana region. In Marsabit up to Mandera, we have other companies. We have companies from Spain, Sweden and South Africa. They are quite a number of companies. As you

know, we also signed a contract with a Chinese company - the China National Oil Off-Shore Company (CNOOC). It has taken six blocks. If those companies perform well, we believe Kenyans should find out whether we have oil or not. That is not exclusive to any company. We are open. We want to find out whether we have those resources to increase our revenue capacity to serve our people.

The only other issue about oil are the prices. We struck out price regulation and we cannot regulate the oil prices now. Prices of crude oil in the world market have gone down from US\$73 to US\$63. As I said yesterday, oil companies need to reciprocate and reduce the prices. A reduction of Kshs2 is just too little. The minimum that we are demanding they charge is Kshs5 to Kshs7 per litre so that our people can benefit from the reduction of world crude oil prices.

We will also, as a Ministry, look at the issue that hon. Members have raised concerning the role of NOCK. We shall have to determine whether NOCK should go back to what it is mandated to do or not. As you know, we shall have to come back to you hon. Members to find out whether you could give us more resources to try and revamp that corporation.

Hon. Moi, who is the Chairman of the Departmental Committee on Energy, Communications and Public Works raised a concern to do with adequate security. I wish to state that adequate security will be given to WoodSide Company at a cost when they start drilling. We have already alerted our army. I wish to tell hon. Angwenyi and hon. Chepkitony that we do not have any dispute at the border between us and Somalia. This is a creation of the two gentlemen and I do not know where they got that information from. Where we are drilling, about 75 kilometres off Lamu Coast, is directly against Kenya. I do not know where they are getting this information from. So, gentlemen, do not create a war which is not there because we have no dispute with Somalia.

Mr. Temporary Deputy Speaker, Sir, when the President was commissioning the LPG plant at Kenol Kobil, he said that the valves are now standardised to allow Kenyans to access the LPG products. Since we have already gazetted this matter, when we finalise everything, you can go to any petrol station and access the LPG products. That is the purpose of the standardisation of valves. In so doing, we believe that we shall protect our forests. I think that answers hon. Mwanicha's concern.

The Kenya Petroleum Refineries Limited is an old refinery and we are trying to find out whether we can get private investors to give us money to modernise it. We are looking for investors for this private-public sector partnership investment to try and see whether we can modernise that refinery. They have a large parcel of land and they require about US\$300 million to modernise that refinery. We are shopping around for private investors who can put their money in the refinery.

One or two issues were raised about power supply to Garissa. This must have been raised by hon. Dahir. We are in the process of getting an investor to construct a 132 KV line from Rabai, Malindi, Bura, Hola to Garissa. So, that will address the issue of Garissa getting power.

With regard to the Deputy Speaker's concern about oil exploration, I can assure him that a lot of work has been done. All we are doing now is to find out whether the coal we have been able to get in Mwingi is commercially viable. I can, however, assure him that a lot is being done and we will involve the local community in case we get commercial deposits of coal.

I wish to conclude by thanking hon. Members. Their concerns have been taken into account. We are ready and willing to work for this country. We are willing to find out what we have and I believe that my officers have done well. Parastatals under this Ministry have equally done well. For example, KPC realised Kshs2 billion profit; KenGen, Kshs3.7 billion and KPLC, Kshs2.4 billion. This is an indication that they have done well.

For those who are wondering whether I am doing my work or not, basically it is about management of time. I spend my morning hours in the Ministry of Energy and in the afternoon I am in the Ministry of Planning and National Development. I do not put all the work on my desk. I normally delegate work because there are other officers who can assist. You do not put all work on

your desk. If you go away, will work in Kenya stop? So, it is a question of management and we are devoted to work for this country.

Mr. Temporary Deputy Speaker, Sir, with those remarks, I beg to move.

*(Question put and agreed to)*

*[The Temporary Deputy Speaker  
(Mr. Kagwima) left the Chair]*

### **IN THE COMMITTEE**

*[The Chairman took the Chair]*

Vote 30 - Ministry of Energy

**The Minister for Planning and National Development** (Mr. Obwocha): Mr. Chairman, Sir, I beg to move:

THAT a sum not exceeding Kshs1,204,537,335 be issued from the Consolidated Fund to complete the sum necessary to meet the expenditure during the year ending 30th June, 2007 in respect of:-

Vote 30 - Ministry of Energy

### **VOTE R30 - RECURRENT EXPENDITURE**

#### **SUB-VOTE 300 - GENERAL ADMINISTRATION AND PLANNING**

*(Heads 428, 429 and 574 agreed to)*

*(Sub-Vote 300 agreed to)*

#### **SUB-VOTE 301 - RENEWABLE ENERGY DEVELOPMENT**

*(Heads 430 and 433 agreed to)*

*(Sub-Vote 301 agreed to)*

#### **SUB-VOTE 302 - ELECTRIC POWER DEVELOPMENT**

*(Heads 435 and 436 agreed to)*

*(Sub-Vote 302 agreed to)*

#### **SUB-VOTE 303 - PETROLEUM EXPLORATION AND SUBSTITUTION**

*(Head 427 agreed to)*

*(Sub-Vote 303 agreed to)*

*(Mr. Oparanya stood up in his place)*

**Mr. Chairman:** Mr. Oparanya what is it? You have stood up when I have already put the Question! Sorry, we will continue!

**Mr. Oparanya:** I stood up early but you never saw me.

**Mr. Chairman:** Do not blame the Chair! I saw you stand up. You stood up when I was putting the Question. When I proposed the Question there was no movement in this House. Let us proceed!

**Mr. Oparanya:** Mr. Chairman, Sir, I have a question.

**Mr. Chairman:** Not on the matter that I have concluded! Wait until we come to another Sub-Vote. That one is done.

Hon. Members we have just concluded Recurrent Vote. We now move to Development Expenditure.

#### VOTE 30 - DEVELOPMENT EXPENDITURE

##### SUB-VOTE 300 - GENERAL ADMINISTRATION AND PLANNING

##### *Head 428 - Headquarters Administrative Services*

**Mr. Muturi:** Mr. Chairman, Sir, on page 676, Head 428, Item 2630200, which is listed as Capital Grants to Government Agencies and other Levels of Government---

**Mr. Chairman:** What page, Mr. Muturi?

**Mr. Muturi:** Page 676, Item 2630200 Capital Grants to Government Agencies and Other Levels of Government.

My concern is that in the last financial year, under the same Item, there was a sum of Kshs4 billion. This financial year, and the next two financial years, there is no provision for this Item. I just want the Minister to explain what this means.

**The Minister for Planning and National Development (Mr. Obwocha):** Mr. Chairman, Sir, as I said, most of my parastatals are making profits. These were grants we were giving to our parastatals. The only parastatal that we are left with is the National Oil Corporation of Kenya (NOCK), which we are giving money to oil exploration. But for the Kenya Power Lighting and Company (KPLC), KenGen, the Kenya Pipeline Company and the Kenya Oil Refineries we are not giving any money to them. Those were the agencies we were giving grants to and that is why we do not have that money under this Item.

**Mr. Muturi:** The Minister has admitted that they are still giving grants to NOCK. Where is the provision for it?

**Mr. Chairman:** Mr. Minister, you have mentioned that apart from NOCK other State Corporations are not getting money from you. If that is so, hon. Members want to know where the money for NOCK is?

**The Minister for Planning and National Development (Mr. Obwocha):** Mr. Chairman, Sir, it appears elsewhere in the Printed Estimates. I said that it is about Kshs60 million; to assist NOCK in oil exploration.

**Mr. Chairman:** You should, perhaps, point out to Mr. Muturi later where that allocation is. In the meantime, we will continue. Is there any other hon. Member wishing to raise an issue on this Head?

*(Heads 428 and 429 agreed to)*

*(Sub-Vote 300 agreed to)*

SUB-VOTE 301- RENEWABLE ENERGY DEVELOPMENT

*Head 433 - Alternative Energy Technologies*

**Mr. Muturi:** Mr. Chairman, Sir, on page 677 we have Head 433 - Alternative Energy Technologies.

**Mr. Chairman:** Which Item?

**Mr. Muturi:** It is Item 3111400. We are talking of Alternative Energy Technologies. This is about research, feasibility studies, project preparation and design and project supervision. In the last financial year, there was a provision of Kshs16 million.

This year, there is a provision of only Kshs4.950 million, and yet we are talking of alternative energy technologies. What has made the earlier provision come down as opposed to its rising up, as expected?

**The Minister for Planning and National Development (Mr. Obwocha):** Mr. Chairman, Sir, I want to give the reference you asked me for earlier, which is Item 2630200, under which there is Kshs60 million.

**Mr. Chairman:** I am Sorry, Mr. Minister! Could you, please, repeat it?

**The Minister for Planning and National Development (Mr. Obwocha):** The Item you had asked me to give him is No.2630200. If you look at that Item, you will see that it makes a provision for Kshs60 million to Government agencies.

**Mr. Chairman:** I see no "Kshs60 million" against Item 2630200.

**The Minister for Planning and National Development (Mr. Obwocha):** It is under another Item. Maybe I can answer that later on.

But about the Kshs4.9 million, this is for alternative energy technologies promotion and dissemination. This is money for just promotion and dissemination.

*(Mr. Omamba's cell phone rang)*

**Mr. Chairman:** Order! whose cell phone is it?

**An hon. Member:** That must be Mr. Omamba's phone!

**Mr. Chairman:** Mr. Omamba, you will come back after putting that gadget off and apologise to the House.

**Mr. Omamba:** Mr. Chairman, Sir, I beg to apologise.

**Mr. Chairman:** I would have taken a more drastic action against you, but we accept your apology.

Mr. Muturi, are you satisfied?

**Mr. Muturi:** Yes, Mr. Chairman, Sir.

**The Minister for Planning and National Development (Mr. Obwocha):** Mr. Chairman, Sir, I have explained that this money is for alternative energy technologies promotion and dissemination.

Mr. Chairman, Sir, most of the money has been actually transferred to solar energy. What remains is just for promotion and dissemination.

*(Heads 430 and 433 agreed to)*

*(Sub-Vote 301 agreed to)*



## SUB-VOTE - 302 ELECTRIC POWER DEVELOPMENT

*Head 435 - Receipts Not Classified Elsewhere- Treated as Revenue.*

**Mr. Syongo:** Mr. Chairman, Sir, under Head 435, Item No.1450100 a figure of Kshs401,653,920 has been indicated as receipts not classified elsewhere, treated as revenue. Could the Acting Minister explain that particular Item?

**The Minister for Planning and National Development** (Mr. Obwocha): Mr. Chairman, Sir, that is Appropriations-in-Aid. It is money we receive from donors and our **[The Minister for Planning and National Development]**

own fees that we collect. So, they are receipts which are not classified. We have classified them separately. That is the manner in which we have done it.

**Mr. Chairman:** Are you satisfied, Mr. Syongo?

**Mr. Syongo:** Yes, Mr. Chairman, Sir.

**Mr. Muturi:** Mr. Chairman, Sir, on the same Head 435, I just want the Minister to explain the difference between Item 3110500, Construction and Civil Works, for which in this financial year there is a provision of over Kshs1.5 billion, and Item 3111500, Rehabilitation of Civil Works, for which there is provision of over Kshs547 million. What is this all about?

**The Minister for Planning and National Development** (Mr. Obwocha): Mr. Chairman, Sir, let me consult.

**Mr. Muturi:** Mr. Chairman, Sir, as the Minister consults, let me raise all the issues I have in mind. On Item 311400, Research, Feasibility Studies, Project Preparation and Design, Project Supervision, last year, this Item was allocated only Kshs4 million. In this financial year, the Item has been allocated Kshs80 million. Could the Minister explain this huge increase in allocation?

**The Minister for Planning and National Development** (Mr. Obwocha): Mr. Chairman, Sir, the Kshs80 million allocation to Item 311400 is for pre-feasibility studies, appraisal and engineering designs. The Kshs1.6 billion allocated to Item 3110500 is for upgrading of the transmission and distribution systems of the Kenya Power and Lighting Company.

The Kshs1.6 billion is being funded by the ESRP, the European Investments Bank (EIB) and the Kenya Power and Lighting Company itself, with our portion. So, that is money we have been given to upgrade the transmission lines and the distribution systems, which we have been talking about.

Lastly, the Kshs547 million allocated to Item 3111500 is for reinforcement and improvement of the power transmission and distribution system. This is the one I was talking about as being funded by China. There are two lines, one from Kiambere to Meru and the other one is from Chemosit to Rongo. These are the two power transmission lines whose reinforcement and improvement the Chinese Government is funding.

**Mr. Chairman:** Do you have something else, Mr. Muturi?

**Mr. Muturi:** Mr. Chairman, Sir, just one last clarification. I appreciate the explanation by the Minister. On page 678, Head 436, Item 3111400, Electric Power Development, Geothermal Resources, is part of what we are considering.

Mr. Chairman, Sir, I want the Minister to explain to us whether the provision of Kshs181 million against last year's Kshs36 million is an indication that we are now getting more into the geothermal area. What is the issue?

**The Minister for Planning and National Development** (Mr. Obwocha): Mr. Chairman, Sir, I appreciate the hon. Member's grasp of the matter. That is exactly what it is. We are moving to geothermal. So, the Kshs181 million is basically for feasibility studies and appraisal of engineering designs for the Geothermal Exploration Project. The manner in which he has described it is correct. We are now moving to geothermal.

**Mr. Muturi:** Mr. Chairman, Sir, I have another query. This is because there are so many related Heads. Under Sub-Vote 302, there is Head 3111444. On this one, I have two issues which I am sure the Minister is able to deal with. Item 2820100, Capital Transfer to Non-Financial Public Enterprises has been allocated Kshs650 million this financial year. I would want to understand which these non-financial institutions that are shown year in, year out, to receive huge sums of money are.

On the same Head, Item 3111500, there is rehabilitation of civil works and yet it was on the Sub-Head of Rural Electrification. Are they being rehabilitated or are we getting new ones being constructed? The provision here is Kshs2.124 billion.

**The Minister for Planning and National Development (Mr. Obwocha):** Mr. Chairman, Sir, the allocation of Kshs650 million to the first Item are grants we are giving to the Kenya Power and Lighting Company for loss systems, operation and maintenance of the Rural Electrification lines in all the districts.

Mr. Chairman, Sir, in other words, the Rural Electrification Programme is not self-sufficient. The programme does not pay. So, we must pay for the losses. That is what the Kshs650 million has been provided for. The Kshs2.1 billion is part of the money we are receiving from the French Government. In fact, it includes money that we are going to use for design, construction and extension of the Rural Electrification supply lines. This is the programme that I was talking about. So, necessarily---

**Mr. Chairman:** Mr. Minister, the question is on rehabilitation but you have talked about development. The hon. Member wants to know whether you are rehabilitating the existing systems or you are starting new works.

**The Minister for Planning and National Development (Mr. Obwocha):** Mr. Chairman, Sir, part of it is for rehabilitation but most of it is for new works.

**Mr. Muturi:** Mr. Chairman, Sir, the Minister has not come out clear. If, indeed, Kshs2.1 billion is intended for rehabilitation, then "rehabilitation" would refer to existing civil works. However, the Minister has said that part of this money is coming from the French Government, and that it will be used for extending power lines to rural areas. Indeed, this refers to areas where no electric power lines have been in existence, like in Siakago. So, he cannot say that he is rehabilitating anything there. If there is a component of rehabilitation, it should be a separate Item, so that construction of civil works, as has been described in the other Heads, can be shown. So, there is construction of civil works and rehabilitation of civil works.

Could the Minister explain? If, indeed, this is a combination of the two, how much money goes to construction of new civil works and how much goes to rehabilitation of old civil works?

**Mr. Chairman:** I am sure that the Minister has an answer now.

**The Minister for Planning and National Development (Mr. Obwocha):** Mr. Chairman, Sir, this is the problem with accounting sometimes. When you have codes, they describe certain things. The first one I described is the one that talks about system losses.

Mr. Chairman, Sir, this particular code describes all the extensions and designs together, which we call rehabilitation. In English, "rehabilitation" means something different but that is the code that takes those works into account.

*(Heads 435, 436 and 444*

*agreed to)*

*(Sub-Vote 302 agreed to)*

SUB-VOTE 303 - PETROLEUM EXPLORATION AND SUBSTITUTION

*Head 427 - Petroleum and Coal Exploration*

**The Minister for Planning and National Development** (Mr. Obwocha): Mr. Chairman, Sir, I would like to make a clarification on Item 2630200. The Kshs60 million falls under this Head. That is the grant that we are giving to the National Oil Corporation of Kenya and it is what hon. Muturi was asking about.

*(Head 427 agreed to)*

*(Sub-Vote 303 agreed to)*

*(Vote D30 agreed to)*

*(Question put and agreed to)*

*(Resolution to be reported  
without amendment)*

*(The House resumed)*

*[The Temporary Deputy Speaker  
(Mr. Kagwima) in the Chair]*

## REPORT

Vote 30 - Ministry of Energy

**Mr. Musila:** Mr. Temporary Deputy Speaker, Sir, I am directed to report that the Committee of Supply has considered the Resolution that a sum not exceeding Kshs1,204,537,335 be issued from the Consolidated Fund to complete the sum necessary to meet expenditure during the year ending 30th June, 2007, in respect of Vote 30 - Ministry of Energy, and has approved the same without amendment.

**The Minister for Planning and National Development** (Mr. Obwocha): Mr. Temporary Deputy Speaker, Sir, I beg to move that the House doth agree with the Committee in the said Resolution.

*(Question proposed)*

*(Question put and agreed to)*

## ADJOURNMENT

**The Temporary Deputy Speaker** (Mr. Kagwima): Hon. Members, that brings us to the end of business today. The House is, therefore, adjourned until tomorrow, Thursday, 5th October, at 2.30 p.m.

The House rose at 5.55 p.m.