

# NATIONAL ASSEMBLY

## OFFICIAL REPORT

Tuesday, 14th August, 2007

The House met at 2.30 p.m.

*[Mr. Speaker in the Chair]*

### PRAYERS

### COMMUNICATION FROM THE CHAIR

#### CORRECTION OF TYPING ERROR ON ORDER PAPER

**Mr. Speaker:** Hon. Members, if you look at the Order Paper, you will notice, on the first page, that Vote 30 is for the Ministry of Energy. However, if you turn over the leaf, you will see the same Ministry described as Vote 13. This is a typing error.

Therefore, delete the figure "13" and substitute "30" for it. Are we all together?

**Hon. Members:** Yes!

**Mr. Speaker:** Good! Thank you!

### ORAL ANSWERS TO QUESTIONS

**Mr. Speaker:** Hon. Members, Mr. J.M. Mutiso has requested that his Question, which is the first one on the Order Paper, be deferred to next Tuesday, and it is so deferred!

*Question No.323*

#### NUMBER OF COMPENSATION CASES FILED BY FORMER MILITARY OFFICERS

*(Question deferred)*

**Mr. Speaker:** Next Question, Mr. Ojaamong!

*Question No.069*

#### WATER PROJECTS UNDERTAKEN IN TESO DISTRICT SINCE 2003

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

- (a) how many water projects the Government has undertaken in Teso District since the year 2003;
- (b) who the contractors for the projects were; and,
- (c) how much money had been earmarked for the projects and how much was spent.

**The Vice-President and Minister for Home Affairs** (Mr. Awori): Mr. Speaker, Sir, on behalf of the Minister for Water and Irrigation, I beg to reply.

(a) The Government has undertaken 11 water projects in Teso District since the year 2003.

(b) Private contractors were contracted to construct Malaba/Kocholia and Angurai Water Projects. The contractors included M/s Beo Agencies, M/s Joima Enterprises, M/s Yoga General Contractors, M/s Alakara Building Contractors, M/s Angurai Investments and M/s Machiri Limited. The rest of the projects were undertaken in-house by the Ministry through the National Water Conservation and Pipeline Corporation.

(c) The total amount earmarked for water projects in Teso District was Kshs64,750,000. However, only Kshs55,603,000 was allocated and spent on these projects.

Thank you, Mr. Speaker, Sir.

**Mr. Ojaamong:** Mr. Speaker, Sir, the Vice-President and Minister for Home Affairs said that there were 11 projects. Could he table the names of the projects, indicating the amounts of money that was earmarked for the projects, how much money has been used so far and tell the House whether the projects are functional? That was the main issue we had last week.

**Mr. Awori:** Mr. Speaker, Sir, 11 projects were undertaken, and the breakdown of the amounts involved in Kenya Shillings were as follows:-

<u>Project Name</u>	<u>Earmarked</u>	<u>Issued</u>	<u>Spent</u>
	Kshs	Kshs	Kshs
Malaba/Kocholia	28,987,000	25,000,000	24,000,000
Amukura Complex	5,000,000	5,000,000	5,000,000
Amukura Health	5,000,000		
Asegei	5,750,000	2,000,000	2,000,000
Angurai	12,000,000	4,000,000	14,000,000
Malaba Solid			
Waste Management	2,500,000	2,500,000	2,000,000
Changara Dam	4,500,000	4,500,000	4,500,000
Angoromo Airstrip			
Borehole	3,000,000	3,000,000	3,000,000
Amukura Complex			
Borehole	3,000,000	3,000,000	3,000,000
Bishop Sulumeti			
Borehole	2,000,000	2,000,000	2,000,000
Total	64,000,000	56,000,000	55,000,000

Thank you, Mr. Speaker, Sir.

**Mr. Speaker:** Last question, Mr. Ojaamong!

**Mr. Ojaamong:** Mr. Speaker, Sir, as we talk now, all the projects that the Vice-President and Minister for Home Affairs has read out are ghost projects. That was why the Speaker deferred this Question last week to today, so that we could go with the Minister to Teso and find out whether those projects existed. That was the main point.

Mr. Speaker, Sir, I want to assure the Vice-President and Minister for Home Affairs that all those are ghost projects. The Kshs56 million has been "eaten" by your people in the Government. There are no boreholes or dams in Teso.

**Mr. Speaker:** Just for the record, do you mean misappropriated or "eaten"?

**Mr. Ojaamong:** Mr. Speaker, Sir, it was "eaten" because as he reads the answer, the money was earmarked and spent! So, what I would like to say is that all that money has been misappropriated. I think that is what caused the death of the former Managing Director of Water Services Board, Mr. Mukalo. He was trying to find out how that money was spent.

**The Vice-President and Minister for Home Affairs** (Mr. Awori): Mr. Speaker, Sir, if I remember correctly, the Assistant Minister who answered this Question before it was deferred offered to accompany the Member for Amagoro, so that they could visit the 11 projects.

Mr. Speaker, Sir, may I revisit that offer and arrange for the Assistant Minister or his Minister to accompany the hon. Member. That is because I have an interest in Amagoro as the hon. Member knows. I would really like to get to the bottom of that matter. So, if it is all right, we will fix a mutual date since we are going on recess on Thursday.

Thank you.

**Mr. Speaker:** Next Question by Mr. Chepkitony.

*Question No.416*

DRILLING/OPERATIONALISATION OF  
BOREHOLES IN KEIYO SCHOOLS

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

(a) whether he is aware that the Government drilled three boreholes at Mindililwo Primary School, Kapteren Centre and Cheligwa Primary School in Keiyo North Constituency two years ago;

(b) when those boreholes will be equipped and operationalised to supply water to the intended residents; and,

(c) how much money was used to drill each borehole.

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

(a) Yes, I am aware that My Ministry drilled three boreholes at Mindililwo Primary School, Kapteren Centre and Cheligwa Primary School in Keiyo North Constituency two years ago.

(b) The boreholes had low yields ranging from 0.8m<sup>3</sup>/hr to 1.0m<sup>3</sup>/hr, and my Ministry recommended installation of hand pumps as is the normal practice for low yielding boreholes. However, when the hand pumps were purchased and delivered for installation, the beneficiary communities expressed their preference for motorized pumps. That caused a change of plans which contributed to the delay in procurement of electric submersible pumps. The boreholes have now been equipped with submersible pumps and will be operationalised once power is supplied by the Kenya Power and Lighting Company.

(c) A total of Kshs594,200 was spent on the drilling of the Mindililwo Primary School borehole. A total of Kshs563,000 was spent on Kapteren Centre and Kshs614,200 was spent on Cheligwa Primary School borehole.

Thank you.

**Mr. Chepkitony:** Mr. Speaker, Sir, I thank the Minister for that answer. He has said that they will operationalise those boreholes once the Kenya Power and Lighting Company supplies power. The electric power lines are not more than 200 metres from each of those boreholes. That should not be the reason because power is very near. Could he confirm whether payments have been made to Kenya Power and Lighting Company to connect power to those boreholes?

**Mr. Katuku:** Mr. Speaker, Sir, no payment has been made to Kenya Power and Lighting Company. Once that is done, power will be connected.

**Mr. Chekitony:** Mr. Speaker, Sir, could he tell this House when payments will be done?

**Mr. Katuku:** Mr. Speaker, Sir, we expect to do it this financial year.

**Mr. Speaker:** Next Question!

**Mr. J. Nyagah:** Mr. Speaker, Sir, may I say that I live next door to this bar. That is why I am raising this Question. So, I wish to declare my interest.

*Question No.388*

GOVERNMENT POSITION ON  
OPERATION OF BARS IN  
RESIDENTIAL AREAS

**Mr. J. Nyagah** asked the Minister of State, Office of the President:-

(a) what is his position with regard to establishment and operation of bars in residential areas of Nairobi;

(b) why Salongo Bar is allowed to operate in Kaputei Gardens in Kileleshwa area; and,

(b) when the bar will be closed.

**The Assistant Minister, Office of the President** (Mr. Munya): Mr. Speaker, Sir, I beg to reply.

(a) The position of the Government is that bars shall not be established and operated in residential areas. That is according to the Liquor Licensing Act.

(b) Salongo is not a bar. It is a lounge licensed to operate after meeting all the licensing requirements, which include health, security and social considerations.

(c) The lounge will only be closed if it flouts the Liquor Licensing Act.

**Mr. J. Nyagah:** Mr. Speaker, Sir, I am very disappointed because lounges are to be found in airports and hotels. I am unable to sleep at night! My neighbourhood is unable to sleep at night because of the noise that comes from Salongo Bar. All our efforts as the neighbourhood to have it closed have failed! I do not know why!

Mr. Speaker, Sir, what is a bar? What is a lounge? It disturbs us because we cannot sleep the whole night. Has it not flouted the rules of the Liquor Licensing Board?

**Mr. Munya:** Mr. Speaker, Sir, this is a lounge for transit tourists for Salongo tour operators. When they come from Jomo Kenya International Airport at night, they rest there before they are transported to their various destinations. When that lounge was opened, the Kaputei Residents Association - which comprises the members of that area, were opposed to it. But they sat down with the operator and they agreed as an association. They allowed him to operate.

So, it was not opened without the consultation of the residents, who are members of the Kaputei Residents Association. They were duly consulted and accepted that, that lounge should be opened. If they have changed their minds now, they can formally complain to the Liquor Licensing Court and action will be taken.

**Mr. Ahenda:** Mr. Speaker, Sir, could we know who are those operators? Some things happen in this country when they are owned by the "big fishes". Who owns Salongo Bar?

**Rev. Nyagudi:** On a point of order, Mr. Speaker, Sir.

**Mr. Speaker:** Yes, what is it?

**Rev. Nyagudi:** Mr. Speaker, Sir, could we be told because I have never known "fishes" to own bars? Could the hon. Member substantiate what he means?

*(Laughter)*

**Mr. Speaker:** Order, Order! The Chair believes that the House is at the sea! What are "fishes"? Mr. Ahenda, what are "fishes"?

**Mr. Ahenda:** Mr. Speaker, Sir, I am saying the *samaki* in the Lake Victoria.

**Mr. Speaker:** Oh! You mean that? They do not own bars, anyway!

*(Laughter)*

Now that we understand, Mr. Munya, would you like to respond?

**Mr. Munya:** Mr. Speaker, Sir, I have said that the lounge is run by Salongo Tour Company. I have not yet checked who the owners are, but these are ordinary citizens who just run a tour company. They requested to be allowed to have a lounge for their tourists, with the agreement of the residents.

**Mr. Muite:** Mr. Speaker, Sir, some of us who are not born-again Christians, like the hon. Member for Gachoka, like to enjoy our Chivas Regal, and this particular place is a very nice and posh!

**Mr. Speaker:** You have been there?

**Mr. Muite:** Yes, I have been there, Mr. Speaker, Sir.

*(Laughter)*

Mr. Speaker, Sir, could the Assistant Minister assure us that the bar will continue to be licensed to operate without the noise?

*(Laughter)*

It is operated by a gentleman from Western Province, who is married to a lady from Japan. It is a very posh place. It is only the noise that needs to be reduced.

**Mr. Munya:** Mr. Speaker, Sir, we have already said that the lounge was opened with the co-operation of the residents, who agreed with the operator. If there are any complaints, they can be channelled to the liquor licensing court that will look at the conditions. However, so far, other than hon. J. Nyagah, the residents are happy with it.

**Mr. Speaker:** Last question, Mr. J. Nyagah!

**Mr. J. Nyagah:** Mr. Speaker, Sir, I beg to disagree with my friend the Assistant Minister because he knows the truth. It is prominent people of Kenya who like posh places to hide at night. They are not alone when they come there. They have become a nuisance to Kaputei Association, of which I have been a member for many years. The Association has tried everything, even appealing to authorities, but because of prominent people who come to that place, including some hon. Members from this House, we have been unable to do anything about it.

Mr. Speaker, Sir, could the Assistant Minister assure this House that once we make the appeal for the twentieth time, as an association, he will instruct the Provincial Commissioner (PC) to approve it so that the posh bar, which attracts very many people at funny hours of the night is closed down?

**Mr. Munya:** Mr. Speaker, Sir, the lounge has been following the conditions for which it was established. They do not play any music there. It is only their guests who go there to rest as they wait for their next destinations. We have no reason to close it. In any case, hon. J. Nyagah needs to declare his interest in this matter because we are told that he has an interest in a business premise next door.

**Mr. J. Nyagah:** On a point of order, Mr. Speaker, Sir. I declared my interest!

**Mr. Speaker:** As a resident!

**Mr. J. Nyagah:** Mr. Speaker, Sir, as a resident and a neighbour.

**Mr. Speaker:** Order, Mr. J. Nyagah! The Assistant Minister is saying that in addition to being a resident, you have business premises next door!

**Mr. J. Nyagah:** That is a white lie, Mr. Speaker, Sir!

**Mr. Speaker:** Quite right?

**Mr. J. Nyagah:** Mr. Speaker, Sir, I have a house next door and I live there. I am a member of the association too.

**Mr. Speaker:** Order, Members! Surely, there is a difference, in my understanding, between a house and business premises. There is a difference between a residence and business premises. He said that you are against Salongo Bar because you carry on some business in your premises next door and which may be in competition.

**Mr. J. Nyagah:** Mr. Speaker, Sir, it is my official residence which is in Kaputei. You know, when you are a big man, your home is not called a home. It is called a residence. It is where I live.

*(Laughter)*

**Mr. Speaker:** Order, Members! I was tempted to sit here and relax and hear you, hon. Members, open pandora boxes. I think that is enough now. We will proceed to the next Question before the boxes are fully opened.

Next Question!

*Question No.413*

MEASURES TO PROMOTE SCIENCE AND  
TECHNOLOGY IN KENYA

**Mr. Speaker:** Hon. Prof. Ruth Oniang'o's Question is deferred to tomorrow, Wednesday, 15th August, 2007, afternoon.

*(Question deferred)*  
*Question No.450*

PURCHASE OF SOLIO RANCH FOR  
RESETTLEMENT OF SQUATTERS

**Mr. Speaker:** The next Question is by Mr. Keter. He is out of the country and, therefore, the Question is deferred.

*(Question deferred)*

Next Question by Mr. Martin Wambora!

*Question No.352*

OPERATIONALISATION OF MORTUARY AT  
RUNYENJES SUB-DISTRICT HOSPITAL

**Mr. Wambora** asked the Minister for Health:-

(a) if she is aware that lack of a mortuary at Runyenjes Sub-District Hospital

is inconveniencing residents of Runyenjes and Kyeni Divisions who are forced to take the remains of their relatives to either Embu Provincial General Hospital or privately run mission hospitals at a high price; and,

(b) when she will operationalize the newly built mortuary at Runyenjes Sub-District Hospital, which has been fully funded by Runyenjes Constituency Development Committee.

**The Assistant Minister for Health** (Dr. Machage): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware that lack of a mortuary at Runyenjes Sub-District Hospital is inconveniencing residents of Runyenjes and Kyeni divisions.

(b) My Ministry has plans to equip Runyenjes Sub-District Hospital Mortuary in the current financial year at a cost of Kshs4 million.

**Mr. Wambora:** Mr. Speaker, Sir, I am very impressed by the answer given by the Assistant Minister. I will only make one special request that when this equipment is being delivered, as he said, by the end of August, he should do it himself or send a competent officer like the Embu Medical Officer of Health. This is because the Ministry has a habit of sending vehicles, equipment and medicine through an aspiring candidate, which is politicising the delivery of goods and services in my constituency.

**Dr. Machage:** Mr. Speaker, Sir, I will always send hospital equipment through employees of my Ministry. I believe all employees of the Government, who are interested in politics, have so far resigned.

**Mr. Speaker:** Is there anybody else who is interested?

**Mr. Wambora:** Mr. Speaker, Sir, I have no problem with employees delivering medicine or equipment, but I get concerned when the Ministry sends people who are aspiring for the Runyenjes Constituency seat and yet they are not employees of the Ministry of Health. That was my concern. So, I will be quite happy if the Ministry will send competent employees of the Ministry to deliver this equipment and vehicles to our health facilities in the constituency.

**Dr. Machage:** Mr. Speaker, Sir, the hon. Member's wish will be observed.

**Mr. Speaker:** That is the end of Question Time then. I will now go to the hon. Member for Shinyalu who is seeking a Ministerial Statement.

## POINTS OF ORDER

### LANDSLIDE IN MALAVA CONSTITUENCY

**Mr. Khamasi:** Mr. Speaker, Sir, I rise to seek a Ministerial Statement from the Minister of State for Special Programmes.

On Saturday, 11th August, 2007, a terrible and very sad incident took place in a village in Malava Constituency in Kakamega North District. A mudslide on the slopes of Nandi Escarpment took place killing around 20 people.

Four days since the incident occurred, only few bodies have been retrieved from the mudslide using very primitive equipment by the people from the Red Cross Society of Kenya and the local population.

Mr. Speaker, Sir, the absence of the Government is very conspicuous in this particular area. The little presence of the Government is seen to be completely helpless. They are doing very little or nothing at all. You cannot compare this tragedy to other incidences that have occurred elsewhere. For example, recently, in Cameroon, where a Kenya Airways (KQ) plane crashed, the Government was there in a very short while. It took there all the necessary expertise and all the required assistance.

Mr. Speaker, Sir, when a building came down in Nyamakima area here in Nairobi, the Government was there in a big way. It even invited foreign governments to help us with expertise. They went as far as using sniffer dogs to trace the bodies that had been trapped in the rubble.

Mr. Speaker, Sir, the same thing happened in 1998 when there was a bomb blast here in Nairobi. Why is the Government so slow? Why is the Government not taking similar measures, particularly in this incident in which about 20 bodies are lying in debris? The Minister should explain why this case is an exception.

*(Applause)*

**Mr. Speaker:** To which Ministry is this directed?

**Hon. Members:** The Minister of State for Special Programmes!

**Mr. Speaker:** Is the Minister here?

**Mr. Sambu:** Mr. Speaker, Sir. May I request that as the Government retrieves the bodies, it also assists those people admitted in different hospitals to pay bills. I would like also to ask the Government to assist in settling mortuary fees because they are quite high.

**Mr. Speaker:** Maybe, we should hear the Minister!

Mr. Michuki, please, proceed!

**The Minister of State for Administration and National Security** (Mr. Michuki): Mr. Speaker, Sir, we will obviously pass this information to the Minister concerned. However, with your permission, let me point out that on the same day, the Provincial Commissioner (PC), Western Province, was ordered by the President himself to go to the scene to assess the problem and recommend what should be done. I am sure that the Government is very alert to this problem.

**Mr. Speaker:** Okay, we will wait for the Minister! In the meantime, I think that this House---

**Mr. Oparanya:** On a point of order, Mr. Speaker, Sir.

**Mr. Speaker:** Why are you stopping the Speaker from speaking? Why do you think I am the Speaker, if I cannot speak?

*(Laughter)*

Mr. Oparanya, while I am speaking, you cool!

As I was saying, while we wait for the Minister, I think this House joins the people of Malava in grief. We sympathise with the members of that community; the Kenyan people living there, because of the tragedy that has stricken them. That is from the House! Is that so?

Well, I hope even if you are not joining me, I have said it on your behalf!

Mr. Oparanya, what was it?

**Mr. Oparanya:** Mr. Speaker, Sir, I have been at the scene and it is a very pathetic situation. I would, therefore, request that as the Minister gives the Ministerial Statement, the Government takes action to re-settle people who have been displaced.

**Mr. Speaker:** Okay, all those will be taken into account!

Hon. Members, I hope that Statement will take all these into account. I think that some of these calamities that are hitting us have got a lot to do with how we manage the places we live in. I also hope that, we, as leaders of this country, must be in the forefront to teach our people to manage the environment properly, so that these calamities are minimised. Thank you!

Mr. Kabogo, please, proceed!



**Mr. Gitau:** Mr. Speaker, Sir, I rise on a point of order to seek a Ministerial Statement from the Minister for Foreign Affairs regarding the murder of a Kenyan family in Atlanta, United States of America (USA).

Mr. Speaker, Sir, on 31st July, 2007, Jane Wanjiru Kuria and her daughters; Isabella and Anabella, were murdered in the USA. As Kenyans, to date we do not know what our Government or that of the USA has done in connection with the murder.

Mr. Speaker, Sir, if you remember, when a celebrity; Johnson's wife and son were killed in USA, it was a major issue in the USA. However, this matter was only shown on the Cable News Network (CNN) once. No one has said anything about it. Is it because they are too black as they refer to Senator Obama today? What has our Government done? Under what circumstances was this family murdered and what are they going to do about it? Have they issued an alert to Kenyans in USA that it is a high-insecurity place?

*(Applause)*

**Mr. Speaker:** Mr. Wetangula, have you issued a travel advisory?

**The Assistant Minister for Foreign Affairs** (Mr. Wetangula): Mr. Speaker, Sir, we have not issued any advisory. We will give a Statement by Tuesday, next week.

**Mr. Speaker:** Could you reverse it to Thursday?

**The Assistant Minister for Foreign Affairs** (Mr. Wetangula): Thursday, this week?

**Mr. Speaker:** Yes!

**The Assistant Minister for Foreign Affairs** (Mr. Wetangula): No, it would be too soon, Mr. Speaker, Sir. We need to contact our mission in the USA. We also need to contact many other agencies to get correct information. We do not just want to give a Statement for the sake of it. We want to bring a factual Statement.

**Mr. Speaker:** Mr. Gitau, what is your reaction?

**Mr. Gitau:** Mr. Speaker, Sir, this family was murdered on 31st July, 2007. The bodies of these young Kenyans are being flown into the country today to be buried on Friday. I am not asking for too much. If the Assistant Minister can, let him try give the Statement on Thursday, so that on the burial day, the family might have a chance to know what happened to their loved ones.

*(Applause)*

**The Assistant Minister for Foreign Affairs** (Mr. Wetangula): Mr. Speaker, Sir, I will try. If we manage, I will bring the Statement on Thursday. But if we do not, I beg the House to understand.

**Mr. Speaker:** Very well! Let us hope you will be able to!  
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 Energy on 8.8.2007)*

*(Resumption of Debate  
interrupted on 8.8.2007)*

**Mr. Speaker:** Again, those hon. Members who were not present at the beginning of business, we corrected the Vote description on the second page of the Order Paper. Delete "13" and substitute with "30"!

Was there anybody on the Floor? None!

Mr. Gor Sungu, please, proceed!

**Mr. Sungu:** Mr. Speaker, Sir, I am grateful for the opportunity to support this Vote by the Minister for Energy who is now a born-again politician.

*(Laughter)*

Mr. Speaker, Sir, allow me to raise a few issues on this Vote. With regard to the Rural Electrification Programme (REP), we need to commend the Ministry because, at least, each constituency has one project under this item. However, the implementation thereof, leaves a lot to be desired. I cannot understand why a project prioritised by local leaders and accepted by the Ministry would take such a long time to implement. I would like to ask the Minister to, particularly refer to a project in my constituency known as Chiga-Landi Matope. It has been in the books for along time, but has not been completed.

Mr. Speaker, Sir, on the same note, I would like to request the Minister to, at least, look very keenly at the issue of Constituencies Development Fund (CDF)-funded projects.

*(Mr. Murungi consulted with Mr. Wamwere)*

Mr. Speaker, Sir, as I talk, the Minister is not listening to me. He is so busy consulting with Mr. Koigi Wamwere. I hope that somebody is taking notes on his behalf.

Mr. Speaker, Sir, my very good friend should note that hon. Members of Parliament have taken the issue of REP very seriously. Many of us have started a number of projects in our constituencies. Whenever a community applies for a project, it is prioritised and the Kenya Power and Lighting Company (KPLC) Ltd gives a quotation. However, it is alarming that the moment the KPLC realises that it would be a CDF-funded project, the quotation is revised upwards immediately. This is unfair because the Constituencies Development Fund (CDF) money is not enough to cater for all things that people need in their constituencies. So, I would like to appeal to the Minister to, particularly address the issue of CDF-funded power projects. This is Government money which is going to another arm of Government. Therefore, they should not take advantage because of the monopoly that they unfairly wield on Kenyans, because it is the only company which is allowed to distribute power. In fact, tomorrow we shall be looking at that issue of monopoly, because it gives unfair advantage to some firms to dictate prices without any recourse whatsoever to any other agency. There is no question whatsoever - and I am sure about this - that most of the quotations by the Kenya Power and Lighting Company (KPLC) are over-exaggerated, and there is no way of verifying them.

Mr. Speaker, Sir, the other aspect that I want to talk about is the *Umeme Pamoja* Programme. I do not know whether this programme applies to towns only. I have a number of my

constituents who have spent a lot of money to supply power to people in very remote areas. But when people apply to be supplied with power, again, the quotations are exorbitant. Is this *Umeme Pamoja* Programme meant for the town folk only or also people from the rural areas? I am saying this because every time groups in the rural areas apply to be supplied with electricity under this programme, which is very good, indeed, again, they are not able to afford it. But on the radio, it is announced daily that people only need to apply and they will be supplied with power immediately, which they will be able to pay for slowly over months.

Mr. Speaker, Sir, I would like the Minister to also address the issue of Independent Power Producers (IPPs). The cost of electricity in Kenya is too high. In fact, this is a major cost of production which is affecting foreign investment in this country. This is because many investors would prefer to go where power is cheap enough. As I speak now, we are losing a lot of investors to Uganda, South Africa and other countries with cheap power supply. It is a shame, really, that when our forefathers

were initially constructing the power generation dams, they only looked at a particular river called River Tana, and left our rivers like Nzoia, Yala, Nyando, Miriu, Kuja, Mara and so on. If these rivers were harnessed, I am sure we would not be suffering from power outages. I am also sure that power would be cheap enough.

Mr. Speaker, Sir, we also need to address the issue of ownership of the Independent Power Producers, because the prices they charge are too high. A few minutes ago, we were talking about the environment. This is of major concern to some of us. I think the Ministry should re-focus its energy on the issue of proper financing of redeemable energy sources. It is common knowledge that fossil fuels will one day get finished and the supply will disappear. The issue of environmental sustainability of power supply sources is of major importance, particularly in view of the fact that we have problems like global warming and climate changes. The effects of some of these environmental issues can be disastrous to the future of humanity, and not just Kenya. Therefore, this country needs to get on board with regard to this issue, in order to ensure that as we produce power, we also look at the environment.

Mr. Speaker, Sir, we also need to address the issue of petroleum. My only concern here is that in this country, Kenyans suffer a lot because of high petroleum prices. This is the only country where you will find that whenever the price of crude oil per barrel goes down in the international market, our prices are either still going up or remain where they were. This is not fair. We know that this happens because of a cartel of a few importers who are holding this country at ransom. In fact, some of them sit in this House. When I was a young man, I read a book called the "Seven Sisters," which described how the oil industry held the world hostage over a barrel of oil.

In the modern world where the market has been liberalised and the competitive process has been left to circle on the market, this should not be allowed to occur. I would like to encourage this Government to try as much as possible to ensure that petroleum exploration is prioritised. As I speak, we know that there are a number of cases where international companies have been given a chance to explore for crude oil but, again, they always come negative. Sometimes one wonders, given the fact that our neighbours have oil, whether these companies are actually colluding with these international suppliers - the so-called "Seven Sisters" - to ensure that we do not discover oil in our own country.

Mr. Speaker, Sir, if we want to make sure that the prices are rational, then we must make sure that even the cost of transporting fuel is also rationalised. I am talking here, for example, about the Kenya Pipeline Company (KPC). Recently, we had shortages of petroleum products and gas, allegedly, because of inadequacy in the oil supply system. This kind of thing should not happen. I think in a country such as ours, we should be able to plan long enough, in order to ensure that, in fact, the means of transporting oil will be adequate for the needs of the country. When we are constructing the oil pipeline, it is important also to look at the terrain, for example. It is

questionable why one would want to construct an oil pipeline from Malaba, passing through my friend's constituency, to Uganda, which is mountainous and, therefore, will entail higher costs, when one could easily construct it from Kisumu and pass through the constituency of the Vice-President and Minister for Home Affairs to Uganda. It would be cheaper to do so, because the terrain is very flat.

One wonders at the rationale behind going for what would, obviously, cost us more and, therefore, make fuel more expensive than it should be. That kind of thing is what makes this country not to work as it should.

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

**The Assistant Minister for Foreign Affairs** (Mr. Wetangula): Thank you, Mr. Speaker, Sir, for giving me an opportunity to say a few words in support of this Vote.

The kind of work that the Ministry of Energy is doing around the country, especially in the field of rural electrification, is highly commendable. If you travel around, there is not a single constituency - I believe - where there is no Rural Electrification Programme (REP) of some type going on. This is because the Government is focused on a realisation that we have to supply electricity to rural areas, markets, emerging towns and schools, so that they can benefit from the benefits of modernity.

Mr. Speaker, Sir, the amount of money that we have allocated to this Ministry - Kshs6 billion - is, in my view, inadequate. In fact, this Ministry should have been given double this amount, availability of funds allowing. I say so because I believe that the Ministry, in its REP, should ensure that each and every secondary school in this country is connected with electricity to enable them to benefit from Information and Communications Technology (ICT) development; that is, computer training and so on.

Today, some libraries in the world are on diskettes. If schools have electricity, and with computerisation, they can access materials.

As we take electricity to rural areas, one looks at the increased consumption. I do not know if our development of electricity supply is meeting the required demand. Our neighbours, Uganda, have a terrible shortage of electricity. I want to urge the Ministry to hasten the inter-connection between East Africa and the South African Power Pool, so that we can take care of any eventuality in terms of shortages.

As the economy continues to grow---

*(Loud consultations)*

There is so much noise!

**Mr. Speaker:** Order, hon. Members! Will you sit down, please, Mr. Assistant Minister? Order, hon. Members! It is becoming extremely difficult to communicate. Hon. Members, you have the right to consult. Please, do so, by all means, but do it in a manner that you do not disrupt the business of the House.

Proceed, Mr. Assistant Minister!

**The Assistant Minister for Foreign Affairs** (Mr. Wetangula): Mr. Speaker, Sir, with the increased demand for electricity from our national grid, I think we need to increase the supply. I was saying that we need to hasten the connection between Eastern Africa and Southern Africa Power Pool, which has the capacity to give us more power. We also need the East African Masterplan on Power to work hand in hand with the SADC Power Masterplan that is planning to develop the massive hydro-capacity on the River Congo, so that Kenya can, in future, if we are to achieve our Vision 2030, access readily available, clean and cheap source of energy.

Mr. Speaker, Sir, given the rate at which our economy is growing, one can see a situation

where in the next five to ten years, the need for our energy supply will double. I want to see great exploitation of the geothermal power within the Rift Valley. As you know, between Lake Naivasha and Lake Baringo, we have proven reserves of up to about 2,400 megawatt production of geothermal power. To date, we are exploiting just about 400 or 500 of the available resources. It is a renewable and clean source of energy, and, I think, a little focus should be put on that in terms of exploration, exploitation and harnessing it to the national grid.

I also want to mention the issue of transportation of fuel. Uganda, Rwanda, Burundi and western parts of Kenya rely heavily on the transportation of fuel, by both pipeline and trailers and tankers. These trailers and tankers have had a heavy toll on our roads. Now that the roads are being reconstructed, now that a lot of infrastructure development is going on, we need the Ministry to focus on expanding the capacity of the pipeline, so that the pipeline extension to Kampala, in fact, goes on up to Rwanda. Internally, as well, we can have a pipeline inter-connector to northern and central Kenya, so that we take these monsters off the roads, because every time the roads are fixed, these trailers, with unchecked axleloads, come and destroy the same roads. We end up with reconstruction of roads, when the funds used would have otherwise been used elsewhere.

Mr. Speaker, Sir, many hon. Members have raised concerns, and I want to join in, on the management of the Kenya Power and Lighting Company (KPLC). In this day and age in the manpower and womanpower development of Kenya, I do not believe that we need to import white people to come and run an organisation such as the KPLC. If we are looking for engineers, we have enough local engineers. If we are looking for economists, we have enough local economists; even if we are looking for persons of whatever capacity, we have them. I am told that the amount of money we use to pay the expatriate managers at the KPLC is, in fact, enough to extend some of the services on rural electrification that we are talking about. Why do we have these foreigners managing the KPLC? Look at the success of Kenya Airways (KQ) in the hands of Kenyans. Look at the success of Mumias Sugar Company (MSC) in the hands of Kenyans.

Mr. Speaker, Sir, look at the success of our banks, the Barclays Bank of Kenya (BBK) and the Kenya Commercial Bank (KCB). All these are major and critical institutions run by Kenyan sons and daughters. Why should the KPLC be an exception? This has to stop! This idea of us dancing to the World Bank and the International Monetary Fund (IMF), and being told who to hire and put where must, in this day and age, be stopped, because it is not necessary. It is totally unhelpful and, above all, it is not cost effective.

At the end of the day you will find that as those expatriates sit at the top earning fat salaries, all the work is done by local boys and girls. This is something that we need to look into.

Mr. Speaker, Sir, I want to end by urging the Ministry to continue with the good work they are doing in rural electrification, to continue agitating for allocation of more funds from the Treasury, so that the dream of Kenyans to have access to electricity for faster development, particularly in the rural areas, is realised.

With those few remarks, I beg to support.

**Mr. Ojode:** Mr. Speaker, Sir, I want to add my voice to this Vote on Energy.

I also want to thank those who came to wish me a quick recovery when I had an accident. I also want to thank the entire staff of the Aga Khan Hospital, for having made me who I am today. I was almost going, but by the grace of God, I am around.

Mr. Speaker, Sir, having said that I will speak briefly on what is going on in rural electrification. First of all, I want to commend - this is my second time to do so - the entire staff in the Ministry under the leadership of my friend, the Permanent Secretary, and the Minister for having done a wonderful job on the rural electrification project. However, not much is happening. A number of projects have, so far, stalled. I want to request my friends to actually go and purchase the items that are missing in order for us to realise the goal of rural electrification.

The amount of money required, as a deposit, from schools for a connection to be effected is more than Kshs100,000.

I would like to request the Ministry to consider institutions like schools and health centres because they had allocated certain funds to do connections in those institutions. We had agreed earlier that people living within a radius of 600 metres should be connected. But that is not happening under the Rural Electrification Programme (REP). I would like to request my friend, the Permanent Secretary, Mr. Nyoike, to consider connecting people living within a radius of 600 metres in order to achieve the goal of rural electrification.

We also agreed that those who do not have the money for individual connections--- Those who cannot afford the Kshs16,000 or the Kshs32,000 for whatever phase--- There are those who are going for single-phase and three-phase! They should be allowed to pay in instalments because the poverty level, especially in my constituency, is very high.

Mr. Speaker, Sir, the other concern regards the issue of hiring expatriates. We addressed that issue in this House for the last two months. We have three expatriates managing Kenya Power and Lighting Company (KPLC) through a grant. Each expatriate is getting Kshs3.4 million per month, plus a house allowance of Kshs180,000. When we asked the Minister for Energy about that, he agreed that there were some grants which we got, and that those fellows were on a contract. Those people are being paid that amount because they are white, and not because they have some special skills! I asked one pertinent question here last time. We have a Managing Director, who is an African. The Managing Director of KPLC is a very qualified person. He is only earning Kshs530,000!

**Mr. Odoyo:** And the expatriate?

**Mr. Ojode:** The expatriate, who is his colleague, and who is a white--- A 65-year-old expatriate from Canada is earning Kshs3.4 million per month with a 24-hour vehicle for use and a house allowance of Kshs180,000! He is 65 years old! He had already retired from where he was working! Are we paying that man because he is white? The Minister has not told us how we can afford to pay Kshs3.4 million to one individual! There are three of them! So, if you multiply Kshs3.4 million three times and a housing allowance of Kshs180,000 plus the motor vehicle usage, that is another Anglo Leasing in a small way!

**Hon. Members:** That is corruption!

**Mr. Ojode:** Mr. Speaker, Sir, I requested my friend here, the Minister, that there is no need of getting grants, which our kids are going to pay for, in order for those Canadians to be paid! Why? Even if we wanted an expert, why would we not go for an expert who is young? Why is this Government so fond of old people? What is in old age? Why should they take people who are 70 years plus every now and again? What is wrong with this Government? Why 65 years old? Even if we wanted one person from that particular region, why do we not go for a university graduate who has attained the age of 40 or 45 years? That is a person in his or her prime age! Why should we do that?

**Hon. Members:** Experience!

**Mr. Ojode:** Mr. Speaker, Sir, those who are talking about experience do not know that when the next Government comes into power, we will force them to re-pay what they earned because they were not supposed to, first of all, work after attaining the mandatory retirement age of 55 years!

*(Applause)*

Mr. Speaker, Sir, we are not giving any incentives to our local people. Those three expatriates at KPLC are doing nothing! One of them is an accountant by profession. We have an

accountant here, Mr. Akaranga. Mr. Akaranga left Barclays Bank when his salary was below Kshs34,000. If we are having an accountant from Canada simply because he is white--- When he comes here and he shows the Minister his colour, the Minister bows for him and pays him Kshs3.4 million! What is that, if that is not corruption?

Mr. Speaker, Sir, let me now address the issue of the refinery---

**Mr. Speaker:** Order, Mr. Ojode! In your life, have you ever heard about something called tedious repetition? I warn you that you are being repetitive in a tedious way!

**Mr. Ojode:** Thank you, Mr. Speaker, Sir. I can talk, but hearing and implementing what I am saying are two different things!

Mr. Speaker, Sir, let me talk about the Kenya Petroleum Refineries in Mombasa. We advised the Minister that it is important for us to go for new technology. Those old machines are obsolete and are not cost-effective. It is important for us to go for the new technology, if we want to get value for our money. To date, nothing is happening. I understand they want to sell the refinery to Shell. Actually, they have sold it to Shell. Maybe, you are not aware.

The other day, there is a Bill which I moved here, to regulate the prices of petroleum products. The price of petrol is still the same as it was six months ago, and yet the price of a barrel in dollars has gone down---

**The Assistant Minister for Co-operative Development and Marketing** (Mr. Mwenje):  
On a point of order, Mr. Speaker, Sir.

**Mr. Ojode:** Who is this?

**Mr. Speaker:** Does it matter?

Proceed, Mr. Mwenje!

**The Assistant Minister for Co-operative Development and Marketing** (Mr. Mwenje):  
Mr. Speaker, Sir, this is the second time Mr. Ojode has said that the refinery has been sold.

Could he substantiate to who, when and how the refinery was sold? What he has been saying is not true!

**Mr. Ojode:** Mr. Speaker, Sir, when an hon. Member is displaying ignorance, especially in an august House like this, it is very dangerous! Those who are owning the majority shares in the refinery is Kenya Shell. Mr. Mwenje does not know what he is talking about! In any case, I cannot even answer that because I understand he is an Assistant Minister. He is "half Minister"!

*(Laughter)*

**Mr. Speaker:** Order, Mr. Ojode! At least, he is an Assistant Minister! You do not have that rank! Do you? Please, respect your colleagues!

**Mr. Ojode:** My "half Minister", you are respected! I apologise!

Mr. Speaker, Sir, on the issue of transportation of fuel, it is true and considered---

**Mr. Speaker:** Order! Time up!

**Mr. Ojode:** Mr. Speaker, Sir, with those few remarks, I beg to support the Vote!

**Mr. Muite:** Mr. Speaker, Sir, I also would like to support this Motion. If some of us were given the opportunity to rate the performance of the Ministries--- You know, somehow, the Government has got its own internal mechanisms of measuring the Ministries which are performing well. They do not ask some of us, who are the consumers. That is because we are interacting with these Ministries on behalf of our employers. Our employers, as you know, are our constituents. If I was to rate the Ministries, certainly, the Ministry of Energy is being run very well, almost as well as the Ministry of Roads and Public Works and the Ministry of Finance. These are the three Ministries that, I, personally, would rate as being run very well, particularly by the civil servants in those Ministries.

Mr. Speaker, Sir, I want to support this Motion but add the following; that, production of energy is a key issue. We are patting ourselves on the back that we have achieved a 6 per cent economic growth. However, before we hit double digits, we should not be congratulating ourselves. The point I want to make is this: If we are going to go into double digits growth rates, we have to address the issue of the cost of energy. We are not going to exceed double digits, like 10 per cent or 12 per cent, if the cost of energy is going to remain what it is. The cost of energy is key to manufacturing, transportation of goods and to economic growth. When you look at the cost of our energy compared to some other countries like Egypt, you will see that our cost is four times higher. How can we expect our industries to compete? The goods we are producing and manufacturing in Kenya have to be four times more expensive than what Egypt is producing. If the Government will subsidise the cost of energy, we will recover the subsidy by exporting goods which will be more competitive. That way, we will recover that subsidy. I urge the Government to note that it is very critical that we bring down the cost of energy and electricity in this country so that it can bring down the cost of manufacturing and irrigation, among other things. The Ministry of Energy needs to raise this issue with the Government. The issue has to be dealt with at Inter-Ministerial level and at Cabinet level. There has to be some intervention so that the cost of energy, be it electricity or petroleum can come down, if we hope to exceed the 10 per cent growth rate.

*[Mr. Speaker left the Chair]*

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

Mr. Temporary Deputy Speaker, Sir, as you know, Kenya has the second highest potential for geothermal power production. I think the only other country in the world that has a greater capacity than Kenya is New Zealand. I urge the Government to intensify---We are aware that they have been thinking of setting up wells to tap geothermal energy. That needs to be expedited. We need to put a premium on that, exploit it fully and move away slowly from using hydro.

We are aware of the effects of green houses. It is true that coal is a pollutant if it is going to generate electricity. However, the fact of the matter is that electricity generated from coal, like it is done in South Africa, is amongst the cheapest in the world. Since we have not reached our quota in terms of green houses and global warming, I would urge--- We are aware that the Government is exploiting the deposits of coal in Mwingi South, Mwingi North and Kitui, among other areas of Ukambani. We need to fast-track the exploitation of this coal so that we can also generate electricity from coal before we reach our quota. If we do this, then we will bring down the cost of energy.

Mr. Temporary Deputy Speaker, Sir, we talked about the small-scale generation of electricity. That is something that the Ministry should accelerate in terms of encouraging building of more dams in many villages so that they can generate their own electricity. As you are aware, we have a lot of wastage when transporting electric energy over long distances. However, if it is generated in a particular dam for consumption in the same area, no electric energy would be lost owing to long distance. The Ministry of Energy should work hand-in-hand with the Ministry of Water and Irrigation so that we can build dams, not just to generate electricity but to carry out irrigation.

Mr. Temporary Deputy Speaker, Sir, if you examine the map of Kenya, you will see that the area between Nairobi and Mombasa, the whole of Ukambani, which people refer to as an Arid and Semi Arid Land (ASAL), and other areas that are described as arid and semi arid--- If the Ministry of Energy was to combine forces with the Ministry of Water, they would build dams to



seal all the water which is also causing landslides that are killing Kenyans in Western Province. Where are the plans to harvest this rain water? Where do we get the plans to harvest rain water from every stream and river so that we can generate electricity and also harvest rain water for irrigation?

We have a peaceful country. However, when we talk as if we are satisfied with very pedestrian achievements in terms of economic growth, we are not factoring in the bigger picture. The bigger picture, as I said, is to harvest all the rain water to dams, particularly the seasonal rivers so that we can generate electricity and use that water for irrigation purposes. Only then, can we start talking about taking off. It is true that this economy can take off. However, it can only take off if we stop being satisfied with very modest gains. The gains we are seeing are very modest and until we go further and dream big and implement big dreams, we are not going to have the economy of this country achieve growth to the digit to which we want it to grow; the double-digit growth.

I beg to support.

**Mr. M.Y. Haji:** Thank you very much, Mr. Temporary Deputy Speaker, Sir. I would like to support this Motion, but with some reservations. People in North Eastern Province, and other marginalised parts of this country, still live in the Stone Age! I say they still live in the Stone Age because we have information, truthful information, that when some of our boys complete their primary school education and join secondary schools in urban areas, they are mistreated by their brothers and sisters from urban areas. They are told blow off the bulbs so that the power can go out! Since they have never seen a bulb, and are used to using lantern lamps, whereby if you must put it off, you have to blow it, then they blow bulbs thinking that power will go out! It is shameful that at this time and age, our children have no access to power. I know if the Minister was asked about this today, he would say that he has installed solar energy systems in one or two secondary schools. Solar is not reliable, particularly when it rains and when the weather is bad. It does not work. Even the telephones in my district; Ijara---

*(Loud consultations)*

**The Temporary Deputy Speaker** (Mr. Khamasi): Order! I will dismantle that area!

**Mr. M.Y. Haji:** Thank you, Mr. Temporary Deputy Speaker, Sir. Many times, for months, we are not able to communicate with our constituents because the solar system which generates power for telephone use is out of order. One wonders whether, really, it is fair to say that a lot has been done in terms of electricity generation in this country. We know that some parts of the country are advantaged and get electricity on a regular basis. What pleases me is that, whenever His Excellency the President, the leader of this country, gets an occasion to speak, he does not forget to mention the Arid and Semi-Arid Lands (ASALs) of this country, and yet the technocrats in the Ministry do not heed the wishes of His Excellency the President. Even today, if you read in the newspapers, when he hosted His Highness the Aga Khan, he urged him to move from the affluent areas of this country on matters of education and health, and reach out to the people in the ASAL areas of our country. We would like to urge Ministers and our brothers in the Civil Service to do something about electricity in the northern part of this country.

Mr. Temporary Deputy Speaker, Sir, we know that hydro-electric power, which is used to generate electricity, has its source in the waters of Tana River. We live along the Tana River but we never get electricity connection. Places like Garissa and Tana River District which are as old as the world has existed, get energy through powered engines. That is total failure! We go to the mosque at 4.30 a.m. or 5.00 a.m. but there is no electricity. Sometimes the power is off at 8.00 p.m. in the evening. We want something to be done in order to allow the people of that part of the country to

enjoy like their brothers in the other parts of Kenya.

We know that there is a programme in future, for every constituency to get electricity. We know that there are some villages which are already enjoying electricity. We are really left behind and I would like to appeal to the Minister, at this juncture, to do something about power generation in northern Kenya.

With those few remarks, I beg to support.

**The Assistant Minister for Housing** (Mrs. Tett): Mr. Temporary Deputy Speaker, Sir, energy is a very important aspect for a developing country. We must look at new ways of meeting our energy resources.

Energy sources like biogas need to be developed a lot more. We do not even take recognition of these matters and yet we do not have enough energy. Of course, it is not a viable substitute for oil, but if exploited, it can promote new trends in technology and development. Another way is that if we feed cows with a lot of cassava, their dung is very good in biogas. Many countries have used this method. In Western Province, and Mombasa, there is a lot of cassava and when they feed them to the cows, the dung becomes good for production of biogas. We do not look at these matters and yet, we can save a lot of energy by using simple methods like that one.

Mr. Temporary Deputy Speaker, Sir, another source is the wind. Wind is another alternative of power. An average wind-driven generator can serve about ten homes in the wind-prone areas. How much do we need to put up the wind mills? It will cost us nothing and it will generate a lot of power in those areas. Rather than keep on saying that there is no electricity in the rural areas, why not use the wind power in all those areas while we wait for the Ministry to see the best way to bring power to the rural areas?

We could also tap solar energy. Solar energy can be very popular in the rural areas. We should invest more in solar cookers. The other day I saw on television solar cookers being used to cook. We only need to put those solar cookers where there is sunshine. We are blessed in this country that we do have a lot of sunshine. So, we should buy more solar cookers instead of crying that there is no electricity.

Mr. Temporary Deputy Speaker, Sir, fetching firewood is one of the challenges facing our women and children. Many hours are wasted while searching for firewood. It depletes our forest cover very rapidly and also contributes to the excess carbon monoxide which damages our environment. With solar energy, all these problems will be solved. Our women will be able to engage in more productive activities. We must fund research in this freely-available energy source which, at the moment, I do not think that we are doing very well.

Another issue is that we are depending so much on hydro-electric power. Hydro-electric power, as you know, depends on rain. So, when we do not have rain, there is no power. We need to get out of this box and focus on new methods including the geothermal source of energy which does not depend on rain. Olkaria area has successfully generated power using this method for many years. I think we need to put more funds into this method. That would help many Kenyans.

Mr. Temporary Deputy Speaker, Sir, in South America, there are companies that are actually using agricultural waste. In Kenya, we have the coffee and maize waste that is simply wasted. The waste can be used for the boilers. They are doing it in South Africa and South America. That waste is actually used to drive the boilers. All these are initiatives that we can look at and just put a little bit more funding and we shall be able to adopt many of these resources which are just at our door-step. That way, the farmers will benefit because we shall be buying their waste. We should look at all those possibilities and borrow the technology from other countries in order to benefit our people. We need to support all these initiatives.

Mr. Temporary Deputy Speaker, Sir, in many countries of the world, there are a lot of people using bicycles. If we have cycle tracks in Kenya today--- Imagine people from Kangemi,

Korogocho and so on, if we had constructed those tracks all over, we would save a lot of energy and money. People would be able to save what they are, at the moment, paying for transport. Transport is very expensive in Kenya today.

Mr. Temporary Deputy Speaker, Sir, if we put up these tracks for bicycles, life will be easier for our people. It has been done in India, China and even in European countries. I have seen millions of bicycles all over these countries. It is also very healthy because it involves a lot of exercising. So, people will save on medical bills because they will be exercising a lot. We will also have less accidents. People will cycle themselves to work. We can also create an industry of bicycles. If the Ministry can consider all these ideas from this august House, surely, we can do a lot. Even during the winter season, people cycle to work. I do not see why we cannot put up bicycle tracks. I think we have a long way to go. If this Ministry can look at all those sources of energy, then we will develop.

Mr. Temporary Deputy Speaker, Sir, lastly, if the Ministry can waive the connection fee, it will be very good. It is a lot of money for the poor *mwananchi*. The connection fee is just too high and that is why people are going without electricity. Despite the fact that electricity is within people's reach, they cannot tap it because they have to pay a lot of money in form of connection fees. This money will be recovered when one is connected. I hope and pray that this Ministry will look at helping the common *mwananchi* by waiving the connection fee. After all, when one's house is connected with electricity he or she will enjoy it for many years to come. Let us be mindful of our people.

With those few remarks, I beg to support.

**Mr. Odoyo:** Thank you, Mr. Temporary Deputy Speaker, Sir. I wish to add my voice to this Motion. This is one of the few Ministries where the Development Budget, far exceeds, the Recurrent Budget. Indeed, the Recurrent Budget is only Kshs154 million and the Development Budget is well in excess of Kshs19 billion. We are now being asked to approve Kshs12.5 billion. There is a further nearly Kshs7 billion that will come from the Authority to Incur Expenditures (AIE), including donors.

Mr. Temporary Deputy Speaker, Sir, this Ministry is central to this country. They look at petroleum among other things. The price of petroleum today affects the common *wananchi*. In view of the fact that most of the money went to development, I want to focus my attention on the Development Vote for which the Minister is expected to spend some money in my Nyakach Constituency where the Sondu Miriu Hydro Electric Power Project is situated. It is about to be ready. I hope he will find time to come to my constituency, so that I can give him a little fish for the good work he has done on this project.

*(Laughter)*

Mr. Temporary Deputy Speaker, Sir, the hon. Minister, indeed, made a public statement when he took over this Ministry and said he will speak less, listen more and take more action. Indeed, he took action. However, there are several areas where he has not taken enough action. I also wish to point out those ones, especially the way the Development Vote is being spent. He is asking us for Kshs12 billion. Out of this money, Kshs8 billion is for rural electrification while a sum of Kshs4 billion will go for petroleum and related works. Only a sum of Kshs4 billion or less is earmarked for renewable energy. He has spread it out here and there, but he is not paying close attention to where the rest of the world is going. The rest of the world is moving towards alternative sources of energy, environmentally-accessible energy and wide afforestation. Today, the Ministry is not focusing on these areas as demonstrated by the allocation of the Budget.

Mr. Temporary Deputy Speaker, while I should not fault the rural electrification

programme, I wish to point out to the Minister that the distribution of this Kshs8 billion leaves a lot of questions unanswered. If I were to divide it among 12 provinces, I find a disproportionate amount of this fund going to a certain region. I will not name that particular region out of respect for the Minister, but I will tell him that we have taken full note that, for example, Nyanza Province is lagging behind in the distribution of this income. If I were to release this Kshs12.5 billion he is asking for today per capita, it shows that certain individuals in this country have got a higher amount per unit of money spent on energy than certain individuals in Nyanza Province. I wish to point out to the Minister that---

**The Minister for Energy** (Mr. Murungi): On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to insinuate that we are discriminating against Nyanza Province when, as a matter of fact, we have spent over Kshs2 billion in rural electrification in that province?

**Mr. Odoyo:** Mr. Temporary Deputy Speaker, Sir, I have no problems with the amount which the Minister has mentioned. Indeed, I am encouraging him to spend up to Kshs4 billion. I only said that "relative to a certain region and province". If you are kind enough to quote for us the figures for that region, my point will be well driven home. However, let me continue because the Minister is a well-known lawyer. In fact, during his practice of law, he got a lot of business from the Kenya Power and Lighting Company (KPLC), KenGen and all these other energy related firms before he became a Minister. So, he knows something about energy. I wish to point out that the Minister knows that there is petroleum in this country. Uganda today has found petroleum.

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

Mr. Temporary Deputy Speaker, Sir, could you protect me from the Assistant Minister?

*(Laughter)*

**The Temporary Deputy Speaker** (Mr. Khamasi): Order!

**The Assistant Minister for Energy** (Mr. Kiunjuri): Mr. Temporary Deputy Speaker, Sir, you know you do not receive protection when you are in the wrong footing. Is the hon. Member of Parliament in order to insinuate that the Minister was a lawyer for our companies while he has never worked for those companies and we have the records? Could he substantiate his claim?

**The Temporary Deputy Speaker** (Mr. Khamasi): Mr. Odoyo, you are responsible for the accuracy of what you state here!

**Mr. Odoyo:** I am much obliged, Mr. Temporary Deputy Speaker, Sir. Indeed, I merely said that the former Minister for Justice and Constitutional Affairs is a well known lawyer. In the general practice of where he was a partner in a company, this company handled matters related to energy for various companies. It was not him as an individual, but where he was a partner. On that basis, I acknowledged his wide and competent ability to handle this particular Ministry. Unless he feels that he is not competent, then allow me to proceed.

*(Mr. Kiunjuri stood up in place)*

**Mr. Odoyo:** Mr. Temporary Deputy Speaker, Sir, can you protect me from this Assistant Minister?

**The Temporary Deputy Speaker** (Mr. Khamasi): Order! I am prepared to protect you, so long as you protect yourself!

*(Laughter)*

You are responsible for what you say!

**The Assistant Minister for Energy** (Mr. Kiunjuri): On a point of order, Mr. Temporary Deputy Speaker, Sir. As you have said, the hon. Member is responsible for his utterances. What we are asking him to do is to substantiate his claim. That is because the Minister, nor any law company that has been associated with him, has ever worked for those companies. Could he substantiate his claims?

**The Temporary Deputy Speaker** (Mr. Khamasi): Yes, indeed, you have to substantiate what you are saying! You went on to repeat it!

**Mr. Odoyo:** Mr. Temporary Deputy Speaker, Sir, may I seek your humble guidance and sole discretion to allow me to lay the corroborating evidence on the Table, but not on this particular sitting. If that discretion is not allowed, then I will withdraw and apologise to the House.

**The Temporary Deputy Speaker** (Mr. Khamasi): Very well! Then you can continue.

**Mr. Odoyo:** Thank you, Mr. Temporary Deputy Speaker, Sir.

*(Laughter)*

Mr. Temporary Deputy Speaker, Sir, the price of petroleum in this country, for example, in Nairobi, is very expensive. If you go to Nakuru, it is cheap. In Narok, which does not even have a pumping station, it is cheap. If you go to Kisumu, which has a pumping station, the price is high! The price of petroleum products in Kisumu is very, very high and yet, we have a Kenya Pipeline Company (KPC) pumping facility, just like Nakuru. But, as an economist, why should prices in Nairobi be higher than those in Nakuru, which is far away from where petroleum is coming from, which is Mombasa? Why should petrol prices in Nakuru be lower than petrol prices in Mombasa? We need some element of reasoning! In my humble and educated mind as an economist, it simply means that those oil companies have a certain wide margin latitude; which means that they are overpricing their products. Indeed, they can play around with the prices as they wish because they are making such a huge margin!

Mr. Temporary Deputy Speaker, Sir, the question we, therefore, put to the Minister is: Why is the Ministry sleeping? Are they in a diesel-driven train moving so nicely? They do not care about how the *wananchi* are suffering. The price of *mafuta taa* - kerosene--- *Wananchi* are suffering!

Mr. Temporary Deputy Speaker, Sir, with those few remarks, I beg to support the Minister's budget reluctantly.

**The Minister for Roads and Public Works** (Mr. Nyachae): Thank you, Mr. Temporary Deputy Speaker, Sir. As you know, when I make a contribution, I do not take a lot of time. I am going to be very brief.

Mr. Temporary Deputy Speaker, Sir, I stand here to support this Motion, and also congratulate the Ministry. Those of us who come from the rural areas have seen the development that has taken place due to the rural electrification programme, something that we have not seen for a long time. No part of the country can claim that it has not seen that happening. I think there is a lot of attention being given to supplying power to all our institutions. Almost all the schools have been given electricity. The remaining ones are in the process of being given electricity. Medical facilities, including dispensaries, are now being given that facility, including all public institutions of public interest. Water supplies are now being given electricity.

Mr. Temporary Deputy Speaker, Sir, listening to some of the contributions from my colleagues, for instance, my colleague who has just spoken, he comes from Nyanza and I also come from Nyanza, when he says that Nyanza has not been getting attention, surely, we should appreciate that, for the first time, this administration has recognised the need for electricity supply

to all fish-landing points! That never existed! Plans are under way to install electricity in all the fish-landing points under the Rural Electrification Programme.

**Mr. Raila:** On a point of order, Mr. Temporary Deputy Speaker, Sir. Is the hon. Member in order to mislead the House that, that was planned by this administration, when I know that it was planned during my tenure at the Ministry, when I was the Minister for Energy?

*(Laughter)*

**The Minister for Roads and Public Works (Mr. Nyachae):** Mr. Temporary Deputy Speaker, Sir, if my colleague, hon. Raila, wants to give himself credit, that is a different matter! But the truth of the matter is that when he left--- I also was a Minister there! It is me who was processing some of these things! They have not been completed by my successor! Therefore, let us not take credit individually. We should take credit in the name of the Government. That is what is happening. It is the present Government which is doing it. We should be realistic about some of these things. Let us be appreciative of what is being done. If the previous Government started it, it is the responsibility of the present Government to continue doing it! If the present Government did not like Nyanza, it should have stopped those programmes. But the programme is continuing. Let us appreciate that!

Mr. Temporary Deputy Speaker, Sir, when we move around the country, we either see electricity being put up in the rural areas or poles being delivered to those areas. What we need to do here is to give the Ministry more encouragement to continue with the job! It should give us more power. We should negotiate for more funding. For me, I stand here to request for additional funding, because for us to deal even with the problem of unemployment, we need the *Jua Kali* sector to be established in the rural areas, not only in urban centres. For *Jua Kali* to succeed, we need electricity so that our young boys and girls can do welding and some repairs using electricity. That is an important item in our lives and for building the economic well-being of individuals in the rural areas.

Mr. Temporary Deputy Speaker, Sir, you know, in the past, in the area where I come from, if somebody had an injury and needed an operation, he had to be driven all the way to Kisii Town, despite the fact that, some of the clinical officers could do that job. But in the absence of electricity, they could not do it. So, a person had to get a vehicle to take the injured person all the way to Kisii Town. But now, it can be done in health centres because there is electricity. There are medicines which cannot be stored in the rural areas unless there are refrigerators to keep them. Otherwise, they will go bad. But now, they can be stored in those areas.

Mr. Temporary Deputy Speaker, Sir, my friend who spoke before me, and I can see that he is very amused over there--- He is my brother! I want to remind him that he comes from a constituency that has benefitted from this Ministry in a very big way. The project---

**Mr. Odoyo:** On a point of order, Mr. Temporary Deputy Speaker, Sir.

**The Temporary Deputy Speaker (Mr. Khamasi):** Order! Mr. Odoyo! The Minister has not even said what he wants to say! What is your point of order?

**Mr. Odoyo:** But, Mr. Temporary Deputy Speaker, Sir, he has referred to me! Is it in order for the Minister, who is a former Minister for Energy, to refer to Sondu Miriu, which is a national project, as a project of Nyakach? It is not correct! That is a national project!

**An hon. Member:** No! He did not say that!

**The Temporary Deputy Speaker (Mr. Khamasi):** Order! Order! Mr. Odoyo, we have to keep order here! I have not heard the Minister say anything about what you have said. You can only raise a point of order if he says something adverse about it.

Proceed, Mr. Minister!

**The Minister for Roads and Public Works** (Mr. Nyachae): Mr. Temporary Deputy Speaker, Sir, let us be honest to ourselves. In the hon. Member's own constituency, we now have permanent classrooms and several children have been admitted to those schools, because of the Sondu Miriu Project.

So many people of Nyakach, who voted for him, are now employed because of that project. So, how can he deny the fact that Nyakach is benefiting from the project? Let us face the realities.

**Hon. Members:**---(Inaudible)

**The Minister for Roads and Public Works** (Mr. Nyachae): That is the truth! Even God up there is seeing you denying the truth!

**Mr. Odoyo:** On a point of order, Mr. Temporary Deputy Speaker, Sir. May I seek your indulgence that, indeed, I commend the former Minister for Energy? With your full indulgence, may I request that---

**The Temporary Deputy Speaker** (Mr. Khamasi): Order! Order! Mr. Odoyo, you cannot even obey the simple rules of the House, yet you are supposed to be a senior hon. Member of this House. That gives me the opportunity to give the Minister an additional minute. Do not interfere any more!

**The Minister for Roads and Public Works** (Mr. Nyachae): Mr. Temporary Deputy Speaker, Sir, the hon. Member is just demonstrating love for me, because his father was my greatest friend in 1958; in those years we used to be somewhere in Ruaraka together. So, I had better remind him that we are very good friends.

However, the truth of the matter is that wherever we have a Rural Electrification Project (REP) project, the people in that area are benefiting. Let us do more work in this House to encourage the Ministry of Finance to give this Ministry more money. Let us encourage our development partners abroad, who have money for electrification, to come in, so that they can also support us. We want electricity to be installed all over the country.

I feel very sad, and this is one area I want given priority. I would like this programme, which Mr. Raila mentioned, saying that he started it, completed. I visited those areas. I have friends there. Less than 50 per cent of the fish that comes out of the lake reaches the market due to lack of cold storage facilities, because of lack of electricity.

If we can get millions of shillings from abroad, we can get a lot of fish, particularly from Rusinga and Mfangano areas, to the market and enrich those fellows. This is something which needs to be given greater attention. A project has been there, but it is taking a little longer. I know that the problem is not the technical people but rather lack of funds. That is why I am saying that this Ministry deserves more money. Projects like that one should be completed as soon as possible.

Mr. Temporary Deputy Speaker, Sir, I would also like to appeal that the Minister considers, very seriously, reminding the Treasury that more money is needed for the ASAL areas, because the national grid does not reach there. So, bigger generators are needed, and those are separate projects which need time.

I can see that the my time is running out, but I thank you for helping me to deal with this young man here.

I beg to support.

**The Temporary Deputy Speaker** (Mr. Khamasi): Mr. John Sambu!

**Mr. Sambu:** Thank you, Mr. Temporary Deputy Speaker, Sir. I would like to support this Vote on the Ministry of Energy.

I support what this Ministry has done in setting aside funds for distributing electricity to the rural areas, and also for negotiating or continuing what has been negotiated with donors, including the French, so that the REP can be taken to the countryside. I am happy that in my Nandi North

District, you can see the spread of electricity to the rural areas. I want to congratulate the Ministry for that effort.

Mr. Temporary Deputy Speaker, Sir, I would also like to point out one issue on this matter: When electricity reaches the rural areas, the connection fees demanded by the Kenya Power Lighting Company, which is also a distributor, is too high. The connection fees of Kshs100,000 for primary schools and Kshs32,000 for homesteads is too high. I want the Ministry to direct the Kenya Power and Lighting Company to reduce the required down payment and have its payment spread over a period of, say, two or three years, because once electricity is connected to a homestead or a school, the required down payment can be paid with the monthly electricity bills. This has to be done if the REP has to have an effect.

I have, for example, in my constituency used the Constituencies Development Fund (CDF) to pay for about six step-down transformers, but they are not being effectively used, because the demand for Kshs32,000 down payment from rural families and Kshs100,000 from primary schools is too high. So, I hope that the Minister will accede to my request and direct the Kenya Power and Lighting Company to reduce the amount of money that is to be paid as down payment.

Mr. Temporary Deputy Speaker, Sir, in appointing contractors, the Kenya Power and Lighting Company has to be more careful. I cannot say that some of the projects in the North Rift are not being properly done, but some of the contractors are indulging in politics. Even if they are aspirants for certain political seats, they should separate that aspiration from the contractual work given to them by the Kenya Power and Lighting Company. There is one individual, particularly in Eldoret, who is messing up the whole project. We know that this is Government money. There is a process involved for it to be disbursed. It has to go through the District Development Committees. When some people are appointed sub-contractors, they move around bragging. That is not right. We should appoint proper contractors. Secondly, contractors should pay on time the young people who help in digging the holes and erecting the poles.

Now that the Kenya Electricity Generating (KenGen) Company is going to get funds from the initial public offer - it could have gotten that money already - it should spread the generation of electricity to the western region. Rivers like Nzoia and Yala in the North Rift are permanent, unlike the rivers which flow to the Indian Ocean, which, sometimes, have a problem. In the western parts of Kenya, we have a problem controlling floods. We have seen the unfortunate incident occasioned by heavy rains.

Mr. Temporary Deputy Speaker, Sir, we should use rain water not only for agriculture but also for generating electricity. Those rivers start in the Highlands of the North Rift and flow down to Lake Victoria. I believe that if we build a power-generating plant on River Yala at Kaimosi, we will displace some people, but the returns from such a power station will be quite useful. Thank God, we have rains up there throughout the year.

So, Mr. Temporary Deputy Speaker, I would like the Ministry and KenGen, now that they are going to generate funds from sale of shares, to use those funds to invest in more hydro-generating plants.

Mr. Temporary Deputy Speaker, Sir, I want to speak about petroleum. My opinion is that we should diversify. In addition to relying on mineral and petroleum, we should also tell our people to plant oil producing crops such as sunflower and castor oil. Those are wild plants which grow in many areas. They even grow in dry areas. If they are grown in large numbers, you can extract, at least, some kind of crude diesel oil which require very little refining. So, I would like this Ministry to work in conjunction with other Ministries such as the Ministry of Science and Technology and the Ministry of Agriculture to see that we get into other areas of getting petroleum. As I have said, the two crops; sunflower and castor oil plant--- Particularly castor, because it grows in many areas and produces fruits throughout the year. Sunflower is also good because in the areas with high



rainfall, you can harvest two crops of sunflower in a year.

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

*[The Temporary Deputy Speaker  
(Mr. M'Mukindia) took the Chair]*

So, Mr. Temporary Deputy Speaker, I would like to urge this Ministry to work with other Ministries, as I have said, to plant those trees even on experimental basis, so that we can see, for example, how much crude diesel can an acre of castor produce and how much it would cost, compared to imported crude petroleum. I would like to also ask the Ministry to fast-track the construction of a pipeline from Eldoret to Kampala. At the moment, huge lorries, mainly tankers, are stuck at Timboroa because of the main road being done. The bypass which has been constructed on the sides cannot take those tankers. Again, even when the road is done, those tankers are heavy. If you push the pipeline to Kampala, it will help to reduce the wear and tear on our roads. It is very difficult. If a lorry or a tanker goes to a weighbridge, it cannot be told to off-load. You cannot off-load the diesel or the petroleum which is in the tanker. We have also seen that, sometimes, when there is an unfortunate accident, the kind of damage that is done to our people.

Mr. Temporary Deputy Speaker, Sir, I would like the Government to assist Kenya Pipeline Company to fast-track the construction of the pipeline from Eldoret to Kampala. Further more, the expansion of the pipeline to a greater diameter of several lines from Mombasa up to Nairobi, and down to Kisumu and to Eldoret, should also be fast-tracked. That is because, sometimes, in Eldoret or Kisumu towns, there is shortage of petrol and diesel. It is sad because we have a shortage and yet, we have the pipeline just stopping there. We have been told that it is because of the small diameter of the pipe from Mombasa. We should fast-track the construction of that pipeline.

Mr. Temporary Deputy Speaker, Sir, I support this Vote. I hope that the projects that are on-going in the rural areas, particularly, in my Nandi North District - Emgwen and Mosop constituencies - should be completed as soon as possible. They are some contractors who are leaving poles by the roadside for several months. The poles rot or get damaged. So, I request that projects which have been started should be completed.

With those remarks, I beg to support.

**The Assistant Minister for Labour and Human Resource Development** (Ms. Mwau): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to support this Vote.

I want to, first and foremost, congratulate the Ministry for a job well done. This country is being lighten up. Nairobi is a very good example. I would like the Ministry and Kenya Power and Lighting Company to actually extend that lighting to Thika and Machakos so that thuggery could become a thing of the past. In rural areas--- The other day, we were in Kyuso, very far from Nairobi. You could see a power project going on there. The other day, we were also in the remote parts of Machakos District, where the Kenya Power and Lighting Company has some projects.

Mr. Temporary Deputy Speaker, Sir, this country, for the first time, is benefiting from the Rural Electrification Programme. I come from an area where having electricity was thought to be impossible. But soon, we will have power in our secondary schools and market places. Our young people will be employed through *Jua Kali*. So, I want to congratulate and urge the Ministry to continue with the good job that they are doing. The Ministry needs more funding, so that electricity could get to more rural areas.

Mr. Temporary Deputy Speaker, Sir, I have a bone to pick with the contractors. What is letting the Ministry down is the contractors. It is important to monitor those contractors. It is important to make sure that contractors have only one job. That way, they can complete their work. An example is a project that was passed when Mr. Nyachae was the Minister for Energy. But, two years down the line, we do not have electricity. Sometimes, the contractor complains: "I do not have a lorry to carry the logs". Now the story is: "We do not have transformers!" People are actually starting to complain. So, it is important that contractors are checked and monitored. Those who are not doing their work should be blacklisted. That way, the good job that the Ministry is doing would be sustained. I think performance contracts should be extended to contractors. They should sign performance contracts. If they are not doing their jobs, let them go! Let us get others. But I think the most important thing is to check how many contracts does a contractor have. That will mean that they will either complete the jobs in a given time or not.

Mr. Temporary Deputy Speaker, Sir, we have a project that started two years ago. We have poles and wiring. But what is lacking now, I hear, is transformers. So, as a contractor signs a contract, make sure that all the materials are there. For the last three months, we have been told that there are transformers in the high seas. Where are they and for how long are we going to wait for them? It is important for us to get answers to those questions. Otherwise, work is being done, but there is delay that can be dealt with.

Mr. Temporary Deputy Speaker, Sir, the connection fee is becoming a big burden to institutions such as schools and also individuals who want to be connected with power. For example, I was in a *Harambee* in a very remote area in Kaiti Constituency called Kyuluni, where we were collecting money for them to pay the connection fee. I think something has to be done so that people can access power. One hon. Member said that if you are connected, you will pay the connection fee together with the monthly bills.

Alternative sources of power are important, especially in the Arid and Semi-Arid Land (ASAL) areas. We need to encourage the use of solar energy. There are many places in the ASAL areas where solar energy can work very well. Solar energy can be used for cooking, lighting, communication and even protecting our environment. If solar power is introduced in ASAL areas as an alternative source of energy, then the environment will be protected.

Mr. Temporary Deputy Speaker, Sir, the policy of the Ministry to supply power to secondary schools and market places needs to be extended to primary schools. This is because sooner or later, primary schools will be required to have computers. This policy should, therefore, be extended to primary schools.

Mr. Temporary Deputy Speaker, Sir, with those few remarks, I would like to state that this Ministry needs more money so that Kenya can be lit and so that thuggery actually goes down.

**The Temporary Deputy Speaker** (Mr. M'Mukindia): Hon. Members, as you all know, we will have to call the Minister at 5.00 p.m. to make a reply. I can see several hon. Members who are intending to contribute to this Motion. So, I would suggest that each hon. Member who is given a chance should not take more than five minutes to allow other hon. Members to get a chance.

Prof. Mango!

**Prof. Mango:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me an opportunity to contribute to this Motion.

Rural electrification is very important if this country is to move on. The Rural Electrification Programme (REP) had not spread in very many places. For example, in my constituency, two locations do not have electricity. That means that the secondary schools and markets do not have it, and that denies those areas *Jua Kali* jobs. So, I appeal to the Minister to look into that.

Mr. Temporary Deputy Speaker, Sir, I would also like to appeal to the Government to give more resources to the Ministry so that we can have more places in the rural areas getting electricity, especially in secondary schools and markets.

Mr. Temporary Deputy Speaker, Sir, I would like to turn to the idea of fuel energy, particularly for domestic use. It is becoming a major constraint starting from kerosene to other types of fuel at home. For example, an area like Budalang'i, which has been flooded, the major constraint is lack of energy. Even if people are given relief food, they have no way of cooking it. The Ministry should address the issue of alternative energy sources starting with the God-given solar energy, which is for free and the wind energy, which is there. It could also look at alternatives like energy from sunflower. There are generators which can use fuel harnessed from sunflower at one litre per hour to generate energy. That kind of energy can also be used in the manufacturing industry. The Ministry of Energy should look into such sources of energy, especially in areas where rural electrification is unlikely to reach.

Mr. Temporary Deputy Speaker, Sir, we need to save our environment. It is by using alternative sources of energy that we can save our environment. In many areas, women and the girl child spend a lot of hours fetching firewood. By doing this, they degrade the environment. We, therefore, need alternative sources of energy to save the environment. At this rate, Kenya will become a desert unless we do something to arrest the situation.

Mr. Temporary Deputy Speaker, Sir, biogas could be used very well. It can be got from biological waste such as rice husks, coffee husks and all manner of biological waste that is not utilised, but which can be transformed into charcoal instead of everybody trying to cut down trees to get firewood or charcoal.

I would like to add my voice to the question of contractors. Some of the contractors get so many contracts that they do not finish their work. It takes three or more years to get a dispensary electrified. May I appeal to the officers in the Ministry of Energy to look at this matter. You will hear the same project being repeated over and over again. Could the Ministry have a plan to allocate a certain number of projects to every constituency?

Mr. Temporary Deputy Speaker, Sir, I beg to support.

**Mr. Karaba:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this chance to contribute in support of this Vote for the Ministry of Energy.

The Ministry of Energy is an example of the very few Ministries in this country which seems to know what development is and what it entails, particularly in maintaining development trends. This is a Ministry that many Kenyans think will save us from poverty in the future and, more so, with the coming up of cottage industries in the rural areas.

Mr. Temporary Deputy Speaker, Sir, the Ministry of Energy has done a lot and we are very proud of its management staff. We are very happy with the way they have responded to the many projects that we have in the country. What we are seeing is the coming up of very many projects in Kenya. We were made to understand that about 195 projects were ready for completion during the last financial year. What we should be told this year is the number of projects that the Ministry is going to complete so that those who have been unable to get any project can be captured. That way, they could have one or two projects before the financial year 2007/2008 ends.

We know that most of the projects are in areas where the population is low. That is what used to happen before 2003. I would like to ask the Ministry to consider the factor of population density. Where there are many people, the demand for electricity is high. For that matter, I would wish that those overhead power lines passing over congested villages and markets--- We need to step down power from the high voltage power lines so that it can be supplied to the local markets. That is happening in some parts of this country. I have in mind some places in Kirinyaga District where power lines pass over, but there is no electricity there. I would, therefore, ask the Ministry of

Energy to carry out a study so that they can come up with strategic plans for areas where the demand for power is high. At the end of it all, of course, we have to pay for it.

Mr. Temporary Deputy Speaker, Sir, we know that most electricity is generated using water from River Tana. It also has its catchment in the Mt. Kenya region. I am, therefore, asking the Ministry of Energy to tap all that water to get electricity. This depends on the rainfall cycle. Therefore, we need to see the Ministry of Energy taking reforestation of most of the highlands seriously. We realise that most of the Mt. Kenya slopes have been eroded. There is very little happening to prevent the very rapid soil erosion. Most of the soil is washed down stream. In the course of this, we will realise decreased volumes of water in our rivers. We need to see the Ministry of Energy, in collaboration with the Ministry of Environment and Natural Resources, make sure that reforestation in catchment areas of River Tana is done.

Mr. Temporary Deputy Speaker, Sir but---

**The Temporary Deputy Speaker** (Mr. M'Mukindia): Order, Mr. Karaba! Your time is up!

**Mr. Karaba:** Mr. Temporary Deputy Speaker, Sir, I beg to support

**Mr. Raila:** Thank you, Mr. Temporary Deputy Speaker, Sir. I wholly agree with what Mr. Nyachae said about fast-tracking the provision of electricity along the beaches of the lake in order to prevent continued exploitation by the fishermen.

Mr. Temporary Deputy Speaker, Sir, I want to address the issue of electricity generation generally. It is very important that if this country expects to industrialise, we must seriously address the issue of expansion of our power generation capacity. At the moment, the installed capacity is about 1,200 megawatts. This is peanut when talking about Vision 2030! The Vision 2030 would just remain a mirage like the others. We were told that we were going to industrialise by 2015, then they pushed it to 2025 and now it is 2030. When they get nearer there, it is going to be 2045. Unless we seriously address the issue of capacity, we will never get there.

Mr. Temporary Deputy Speaker, Sir, I want to give an example of Nigeria. When my friend, Gen. Olusegun Obasanjo, came to power in 1999, the installed capacity in Nigeria was 1,500 megawatts. In the eight years that he was in power, he was proud to tell me that he increased it to 10,000 megawatts. If Nigeria can do it, why can Kenya not?

Mr. Temporary Deputy Speaker, Sir, it is pointless to be told by donors all the time that we should look at the demand. Demand will come if there is capacity. Most of the serious investors will not come to Kenya when they look at the power capacity as it is today. We are always suffering power shortages. These days we are almost becoming another Nigeria. The situation is that; you are in your House in the evening, but cannot even watch the news unless you have a stand-by generator. We are now being forced to have stand-by generators in all our residences. I do not see any kind of serious plans to quickly fast-track the installed capacity.

Mr. Temporary Deputy Speaker, Sir, we have not looked at other alternatives. In places like Marsabit and Lodwar, for example, we did a survey and compiled a wind atlas. In those areas, you can come up with stand-alone systems. In Marsabit, we can generate up to 300 megawatts on wind power. However, there is no serious plan to exploit this kind of potential.

Mr. Temporary Deputy Speaker, Sir, even in terms of exploration of hydrocarbons, we still have not come up with a serious plan to increase our exploration and drilling. One well for 13,000 square kilometres is peanuts! I believe very strongly that this country has hydrocarbons. However, we are not serious in our exploration. We need to seriously take a look at what the Sudanese have done. In the past, as a former Minister for Energy, I went to Sudan. I took time to study how the Sudanese have methodically gone about exploration. That is the route we should go. The Government itself must be prepared to put in more resources in exploration.

With those few remarks, I beg to support.

**Mr. Arungah:** Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this chance

to support this Vote. Appreciation does not cause any constipation. I would like to add my voice to my colleagues who have commended the Ministry for a wonderful job done. I would be failing if I do not express my personal gratitude and that of the people of Khwisero for whatever the Ministry has done in that area. Majority of the markets and secondary schools have now been connected with electricity. We are truly grateful for this.

Mr. Temporary Deputy Speaker, Sir, as we commend the Ministry for what it has done, perhaps, it is not the number of markets they have been able to connect electricity to; it is the number of connections they are going to make, that will make this project sustainable or otherwise. So, I would urge the Ministry, having taken the bold decision to go rural, to go further and ensure that they connect as many customers as possible. In the long run, they should be able to pay the bills.

Mr. Temporary Deputy Speaker, Sir, I would like to comment on what my colleague; Mr. Raila has said. It is true that if we have to achieve the Vision 2030, I do not see any concrete plan to be able to generate adequate power or energy to meet its requirements. I think the Ministry has been generally obsessed with going for mega projects instead of trying to look for ways and means of going for small, but decentralised schemes that would be more cost effective. We do not necessarily need to do this through Government resources. I think the Ministry would find it worthwhile to make sure there is the necessary legislation to allow the private sector to join the Government so that the necessary investment is made for us to meet energy requirements for Vision 2030.

Mr. Temporary Deputy Speaker, Sir, it is a fact that to strike oil is not an issue of luck. You have to invest resources. We appreciate how expensive it is because it is generally acceptable for every ten wells you drill, you may be lucky to get oil in one. However, we can count the number of wells the Ministry has dug over the years. It is true that we have not given emphasis in the area of exploration.

I am aware that we have what is called Petroleum Development Levy. It is not clear how this money is used. However, my thinking is that part of this money would be set aside for exploration or invest in National Oil Corporation (NOC). Over the years, I do not think the money has been invested where it should be; generation of additional energy.

Mr. Temporary Deputy Speaker, Sir, electricity supply tends to concentrate in urban areas. As we all know, only 25 per cent of Kenyans live in urban areas. There are 80 per cent or so who live in rural areas and their energy needs are ignored. I have not seen any concrete plans on the part of the Ministry to find how to encourage the villager on the ground or what they do to come up with good laws that would support their energy requirements.

I think we know that 90 per cent of our energy comes from hydro. For as long as we keep cutting trees, without planting others, that affects rainfall which in turn will affect the amount of water we get. That means reduced electricity. I think big companies, like KenGen, will find it worth their while to make a token investment in order to ensure that the villagers are supported to grow trees that will provide for energy needs. They could also go further than that because 90 per cent of the firewood actually goes to waste. I think it is the duty of the Ministry to encourage people at the village level to use energy-saving *jikos* in order to conserve our forests.

**The Temporary Deputy Speaker** (Mr. M'Mukindia): Mr. Arungah, please, sum up your contribution because your time is up!

**Mr. Arungah:** Mr. Temporary Deputy Speaker, Sir, with those few remarks, I beg to support.

**The Temporary Deputy Speaker** (Mr. M'Mukindia): Hon. Members, it is time now to call upon the Minister to reply.

**The Minister for Energy** (Mr. Murungi): Mr. Temporary Deputy Speaker, Sir, let me, first

and foremost, sincerely thank all the hon. Members for their support of my Ministry's budget. I would like, especially to thank those hon. Members who have called for an increase of our budgetary allocation and funding.

Mr. Temporary Deputy Speaker, Sir, the very useful suggestions that have been made by various hon. Members during their contributions to this debate will be taken seriously by the Ministry. We are going to incorporate them in the future planning of the events of this Ministry, and also in our programmes.

Mr. Temporary Deputy Speaker, Sir, I would now like to respond to a few of the specific concerns that have been raised by the hon. Members. First, there has been some common concern about the delay in implementation of the Government of Kenya-funded projects under the Rural Electrification Programme (REP). This concern is real. It is true that many projects under the REP, which are fully-funded by this Ministry across the country, have now stalled. This is due to shortage of some critical materials on the part of the Kenya Power and Lighting Company (KPLC), without which the contractors cannot move. My Ministry is holding high-level consultation meetings. Even tomorrow, we are meeting with the KPLC to address this issue. I believe that very soon we shall bring the situation under control, and work all over the country will start again soon.

Mr. Temporary Deputy Speaker, Sir, on the issue of expatriates at the KPLC, all I can say for now is that I have listened and heard the sentiments of the hon. Members on this issue. I think hon. Ojode was very forceful. I am going to monitor their performance and appropriate action will be taken when/and if necessary.

Mr. Temporary Deputy Speaker, Sir, regarding the payment of the 10 per cent deposits to the KPLC, which has been raised by quite a number of hon. Members, I would like the hon. Members to know that the old programme of rural electrification, where self-help groups used to pay 10 per cent and expect their projects to be funded to the tune of 90 per cent by the Government is no longer available. What this Government is doing is to connect electricity to public institutions, including schools, health centres, administrative offices, boreholes *et cetera*. For that reason, we do not require any group. Those who have paid the 10 per cent deposit to the KPLC should be advised to contact the KPLC managers at the district level, so that they can be advised on the modalities of being connected through the *Umeme Pamoja* Programme.

With regard to the legal status of the KPLC, it is true that the Government now owns less than 50 per cent of the shares at the KPLC. To be precise, it owns only 48 per cent. But we have received a legal opinion from the Office of the Attorney-General, which has advised that the KPLC remains a State corporation, governed by the State Corporations Act. The Attorney-General has said this because the Government has invested enormous resources in the KPLC, which include holding preference shares in excess of Kshs16 billion in that company. So, we have sufficient stake in this company to make it a legitimate State corporation under the State Corporations Act.

Mr. Temporary Deputy Speaker, Sir, regarding the high costs of customer connection, it is true that the KPLC and Government are aware that many of our people are having problems in raising the Kshs35,000 that is required as connection fees. But we are working with the KPLC to introduce and fund payment schemes; where after payment of part of this money, a customer can be connected and then he or she will pay the rest together with their monthly electricity bills.

Mr. Temporary Deputy Speaker, Sir, regarding the issue of power generation which has been raised by a former Minister for Energy, hon. Raila, I agree with him that, indeed, this is a very serious issue. Right now, the margin between installed capacity and the requirements to our peak demand is laser thin. We are taking this issue of generation very seriously. Tomorrow, I am having a joint meeting between the KPLC and KenGen boards to address this issue. We are doing everything possible to make sure that this country does not return to the old days of power rationing.

Mr. Temporary Deputy Speaker, Sir, regarding oil and gas exploration, many of the hon. Members were asking: "If oil and gas have been found in Tanzania, Uganda, Ethiopia and Sudan, why not Kenya?" It is true that Kenya, like her neighbouring countries, has a very encouraging geology. There is potential for discovery of commercial hydro-carbon oil and natural gas deposits in our sedimentary basins of Lamu, Mandera, Faza and tertiary Rift. We believe that within these 400,000 square kilometres, there must be some oil or gas somewhere. I think the problem that we have is that Kenya's oil and gas reserves have not been sufficiently explored. So far, we have only drilled 31 wells in this country, and these are not enough. We are told that before oil was discovered in Nigeria, they had drilled 71 dry wells. Ours are only 31. I think in Egypt they had drilled over 90 wells. Very little exploration activities have been taking place in this country, especially in the last 15 years. But all this has now changed, and my Ministry has embarked on a very aggressive acreage promotion campaign. Kenya has now started attracting multinational oil companies, and we are in the process of allocating them various blocks in this country.

*(Loud consultations)*

**The Temporary Deputy Speaker** (Mr. M'Mukindia): Order, hon. Members! Your consultations are more than just consultations. Let us pay attention to the Minister as he replies.

**The Minister for Energy** (Mr. Murungi): Mr. Temporary Deputy Speaker, Sir, we are saying that with this intensified and heightened level of exploration for oil and gas in this country, it is just a matter of time before we strike commercial hydrocarbon like our neighbours. So, my Ministry is investing a lot in oil and gas exploration. You will find in the Estimates that we are seeking your approval today.

Regarding geothermal exploration, we are in the process of forming a geothermal development company, whose exclusive focus will be geothermal exploration, especially in the Rift Valley.

Hon. Members have raised concerns regarding the very little allocation to the development of alternative sources of energy, the renewables. The small amounts contained in the Estimates for this year only capture elements of research and planning. The Ministry is, indeed, aware that the world is moving towards renewable sources of energy, wind, solar, microhydro, *et cetera*. We need to invest much more resources in the renewables, and we believe that during the next financial year, we will be making a much bigger request than we have made this year, because the results of some of the studies that we are undertaking will be out, and we will be in a position to have a framework within which we can extract direct private investment into renewables during the next financial year.

Regarding liquified petroleum gas (LPG) supply, again, this is a very challenging area. We have been having challenges regarding inadequacy of infrastructure, storage and handling capacity. To address this issue, the Ministry has, therefore, decided to implement two projects through the Kenya Petroleum Refinery and the Kenya Pipeline Company (KPC) to build an LPG depot for handling and storage in Mombasa and another one in Nairobi, which will entail construction of 6,000 metric tonnes LPG import, handling and storage facility in Mombasa, and a 2,000 metric tonnes LPG storage and sales facility in Nairobi. We hope to construct these two facilities also with support from the private sector. These two projects will improve availability of the LPG. We will also look at the question of cost. We want to supply to *wananchi* the LPG at an affordable cost. So, we believe our two projects will make the LPG not only available but also affordable.

Regarding the Kenya Petroleum Refinery upgrading, already the Government has made a decision to upgrade it. During this financial year, the Treasury has made available Kshs1 billion towards this project. The project will be developed by the Government, in conjunction with the

private sector participation. So far, six oils firms, including the TAMOIL of Libya, and five other foreign firms, have expressed interest in participating in the Refinery upgrading project.

Mr. Temporary Deputy Speaker, Sir, with regard to the prices of petroleum products, the Government is aware that the prices of these products in Kenya are very high. However, as you are aware, the prices of petroleum products are dependent on international market prices of crude oil. The dominant crude oil used in Kenya is maban oil from the United Arab Emirates. Its price rose from US\$54.85 in January this year to US\$73.70 per barrel in July this year. So, within a period of six months, there was a 34 per cent increase in the price of crude oil. This has led to high domestic prices. However, as we have said before, the Government, through the newly created Energy Regulatory Commission, will continue to monitor these prices to ensure that Kenyans are not unduly exploited by oil cartels operating in this market.

Hon. Members have raised other pertinent issues, which my officers have noted. We are going to study them in great detail and implement them, as we continue with our operations during the financial year. I want, again, to sincerely thank all hon. Members from both sides of the House for their tremendous support for my Ministry, my staff and myself, as a Minister, during this financial year.

I, again, want to thank them very much, and we promise you our support as we continue to provide Kenyans with clean, accessible and affordable modern energy services.

With those few remarks, I beg to move.

*(Question put and agreed to)*

*[The Temporary Deputy Speaker  
(Mr. M'Mukindia) left the Chair]*

#### IN THE COMMITTEE

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

Vote 30 - Ministry of Energy

**The Temporary Deputy Chairman** (Mr. Khamasi): Order, hon. Members! We now want to consider, in the Committee, Vote 30, Ministry of Energy.

First of all, I will ask the Minister to move the Motion and then, begin with the Recurrent Expenditure.

**The Minister for Energy** (Mr. Murungi): Mr. Temporary Deputy Chairman, Sir, I beg to move:-

THAT, a sum not exceeding Kshs6,349,854,280 be issued from the Consolidated Fund to complete the sum necessary to meet the expenditure during the year ending 30th June, 2008 in respect of:-

Vote 30 - Ministry of Energy

*(Question proposed)*

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 - Petroleum and Coal Exploration*

**Mr. Sungu:** Mr. Temporary Deputy Chairman, Sir, on page 1119, Item No.3111100 on Purchase of Specialised Plant, Equipment and Machinery, my first concern is: Why is that not under Development Expenditure?

Secondly, we have all emphasised the need to take the matter of petroleum exploration very seriously. That could have a bearing on changing the economy of the country. Is the Kshs12 million for that Item not too small? Is the Minister satisfied that, that is enough to cater for that kind of important sector?

**The Temporary Deputy Chairman** (Mr. Khamasi): Mr. Murungi, would you like to comment on that?

**The Minister for Energy** (Mr. Murungi): Mr. Temporary Deputy Chairman, Sir, first, I would like to correct the hon. Member. The hon. Member is talking of Kshs12 million. That should be Kshs110,000 for Purchase of Specialised Plant, Equipment and Machinery.

Secondly, this Item refers to purchase of software, ICT networking and communication equipment. What the hon. Member wants to talk about is what is in the Development Expenditure and not Recurrent Expenditure.

**Mr. Billow:** Mr. Temporary Deputy Chairman, Sir, I would like to seek a clarification from the Minister. You will notice that the entire Petroleum and Coal Exploration in the Head quoted is financed by only Kshs12 million, which is coming from some Appropriations-in-Aid (A-in-A) receipt of sales.

I am just wondering whether the Ministry has other resources? Why does the Ministry have only Kshs12 million to finance such an important activity?

**The Minister for Energy** (Mr. Murungi): Mr. Temporary Deputy Chairman, Sir, we have a small department of geology, which deals with petroleum exploration in the Ministry. But part of the work is also done by the National Oil Corporation of Kenya (NOCK). So, there are other resources in addition to what is here.

**Mr. Sungu:** Mr. Temporary Deputy Chairman, Sir, in addition to what I earlier asked, the Minister is not explaining this matter properly. A sum of Kshs 12 million was the total, not the Item itself. That is simply not enough to cater for exploration, even if other parts of this exploration are done by other departments. The software for Kshs110,000 is nothing really.

Mr. Temporary Deputy Chairman, Sir, is the Minister taking this matter seriously or he is taking it for a joke? The matter of oil exploration is very serious. We want oil yesterday and not tomorrow!

**The Minister for Energy** (Mr. Murungi): Mr. Temporary Deputy Chairman, Sir, we are taking this matter very seriously.

*(Head 427 agreed to)*

*(Sub-Vote 303 agreed to)*

*(Vote R30 agreed to)*

**The Temporary Deputy Chairman** (Mr. Khamasi): Hon. Members, let us now move on to the Development Expenditure.

#### VOTE D30 - DEVELOPMENT EXPENDITURE

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

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

**Mr. Sungu:** Mr. Temporary Deputy Chairman, Sir, on Page 718, Head 428, there are two Items that I need clarification from the Minister.

Item No.263---

**The Temporary Deputy Chairman** (Mr. Khamasi): Order! Which Head are you referring to?

**Mr. Sungu:** Mr. Temporary Deputy Chairman, Sir, that is Head 428, Item No.2630100 on Current Grants to Government Agencies and other Levels of Government. The very next Item is also relevant. This is Item No.2630200 on Capital Grants to Government Agencies and other Levels of Government. I would like the Minister to clarify the difference. We are talking of Kshs2 billion for the first Item and Kshs2.1 billion for the second Item. These are innocuously big figures. There is no breakdown provided. I would like the Minister to explain what these grants are. Which are these agencies and other levels of Government that he is talking about? What is the difference between current and capital grants?

**The Minister for Energy** (Mr. Murungi): Mr. Temporary Deputy Chairman, Sir, regarding Item No.2630100, the Kshs2 billion for Current Grants to Government Agencies is actually a grant to the Kenya Electricity Generating Company (KenGen). This is to support its generation projects, especially on emergency power.

On Item No.2630200 on Capital Grants, the Kshs2.1 billion is above tariff, which is payable to the KPLC.

**Mr. Sungu:** Thank you, Mr. Temporary Deputy Chairman, Sir, I am not entirely satisfied, particularly with the first explanation given concerning the grant to KenGen. You are aware that recently, KenGen took an Initial Public Offering (IPO). The company is reputed to be one of the

most profitable companies. It should be giving dividends to the Government and not the other way round. The Government money is needed. I wish we would put some of that money into something else like the Rural Electrification Programme.

**The Minister for Energy** (Mr. Murungi): Mr. Temporary Deputy Chairman, Sir, I think the hon. Member is talking about a broader issue. The support given to the KenGen--- The IPP generation is a fairly expensive exercise. Part of this grant goes towards support of Excise Tax and VAT remission on petroleum products, especially diesel which is used in the generation of emergency power for which tax is supposed to be paid by KenGen to the KRA. So, part of the grant will support the tax.

**Mr. Billow:** Mr. Temporary Chairman, Sir, I would like to seek a clarification on the same issue. One of my concerns is that there was no similar grant in the previous year. I think there is no problem in giving grants to KenGen but perhaps the Minister should shed some light on the fact that there was no precedent, it appears, in the past.

**The Minister for Energy** (Mr. Murungi): Mr. Temporary Deputy Chairman, Sir, the hon. Member will recall that there was a looming threat of a major drought last year when the IPP was introduced. Actually, no drought took place. Owing to the looming power shortage, it was decided that we continue with the 100 megawatts power generation which was introduced at that time. Indeed, without that 100 megawatts today, this country would be facing road shedding and blackouts in some areas.

**Mr. Sungu:** Mr. Temporary Deputy Chairman, Sir, I am not satisfied. You are aware that the charges of electricity to a consumer are high and we actually pay tax. There is something called the Foreign Currency Adjustment, which is still applicable and up to now. I am still paying it and many other Kenyan consumers are still paying it despite the fact that it is said that KenGen is still one of the most profitable companies.

**The Minister for Roads and Public Works** (Mr. Nyachae): On a point of order, Mr. Temporary Deputy Chairman, Sir. We are going through a Vote. However, we are entering into a debate again. That is the point I am raising. We are entering into a debate, yet we are in Committee Stage where we should only be seeking clarification.

**The Temporary Deputy Chairman** (Mr. Khamasi): I appreciate!

**The Minister for Roads and Public Works** (Mr. Nyachae): This is the third time the hon. Member is raising this issue. He is repeating the same subject which is a debate. I am sorry, you can correct me if I am wrong. That is the way I see it.

**Mr. Sungu:** Mr. Temporary Deputy Chairman, Sir, this is a very simple matter. For me, a poor Kenyan, Kshs2 billion is too large an amount to give to KenGen to pay Excise Duty as the Minister has explained when we know that consumers are paying tax---

**The Temporary Deputy Chairman** (Mr. Khamasi): Order! Order! Mr. Nyachae has raised an issue and I think the Chair needs to address it. I do not think that Mr. Sungu is out of order. It is only reasonable that before you approve this figure, you be satisfied that it is intended for a good purpose. If the explanation is insufficient, then it is only good that he expresses that concern; that he does not think that as he approves the figure, it is necessary. So, he is basically in order. I think we better address that. I, definitely, do not allow fresh debate in this matter. Debate ended and we are in the Committee Stage. We can seek clarification and when that is over, we proceed.

**The Minister for Energy** (Mr. Murungi): Thank you, Mr. Temporary Deputy Chairman, Sir. The original concern was what the big amount of Kshs2 billion is all about, which I explained. Arising out of my explanation, the hon. Member came up with an opinion that given the poverty among Kenyans, we should not give tax remission to KenGen for the generation of emergency power because power is expensive. We have to consider the two concerns. The hon. Member is

concerned about the effects on Kenyans of us spending that amount of money. We are concerned about the effects to the economy in case of power blackouts. With regard to the two ables, I would rather have the power in place, even if it is expensive.

**The Temporary Deputy Chairman** (Mr. Khamasi): Very well. I think you cannot go further than that. Mr. Sungu, be prepared to vote for or against it.

*(Capt. Nakitare stood up  
in his place)*

**The Temporary Deputy Chairman** (Mr. Khamasi): Are you standing on a point of order?

**Capt. Nakitare:** No!

**The Temporary Deputy Chairman** (Mr. Khamasi): What is it?

**Capt. Nakitare:** Mr. Temporary Deputy Chairman, Sir, I want to seek some clarification. Following the explanation by the Minister, I am not convinced by the fact that the Government should give the grant to KenGen. What plans does the Minister have---

**The Temporary Deputy Chairman** (Mr. Khamasi): Order! Order! That has been sorted out. I have told hon. Sungu that if he is not satisfied that this money should be voted for the Ministry, then he should vote to oppose it. That is as far as we can go.

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

Order! Please, sit down! The Minister has already explained why the money has been included in the Vote. That is the issue that Mr. Sungu raised. Whether you are satisfied with the explanation or not, that is a different matter. We must vote on this. We cannot call the Minister again and again to explain as to why the amounts are included in this Vote. So, I will put the Question.

*(Heads 428 and 429 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

**Mr. Sungu:** Mr. Temporary Deputy Chairman, Sir, allow me to express my disillusionment at the fact that when we are seeking clarification on serious matters--- This Parliament has previously approved issues that ended up being a cost to the taxpayer. It is wrong.

**The Temporary Deputy Chairman** (Mr. Khamasi): Order! Order, Mr. Sungu! What does that mean to the Chair?

**Mr. Sungu:** Mr. Chairman, I am discouraged because I want to---

**The Temporary Deputy Chairman** (Mr. Khamasi): What does that mean to the Chair?

**Mr. Sungu:** Mr. Temporary Deputy, Chairman, Sir, I am seeking your indulgence.

**The Temporary Deputy Chairman** (Mr. Khamasi): No! You are imputing improper motive on the part of the Chair and I reject that.

**Mr. Sungu:** Mr. Temporary Deputy Chairman, Sir, in that case, let me withdraw. It was not intended against the Chair. It was intended against---

**The Temporary Deputy Chairman** (Mr. Khamasi: Proceed with the Heads we have proposed!

**Mr. Sungu:** Mr. Temporary Deputy Chairman, Sir, I am on Head 435 - National Grid System. Item 2630200 - Capital Grants to Government Agencies and other Levels of Government. Last year, there was no money allocated to this item, but this year, there is an allocation of Kshs4 billion. You will recall that this is the same issue concerning the last item we voted on; amounting to Kshs2 billion. In fact, there were two amounts. One was Kshs2 billion while the other figure was Kshs2.1 billion. This amount is too high to just be passed like that. We need to know exactly what this money is earmarked for before we approve it to satisfy the tax-payer.

**The Temporary Deputy Chairman** (Mr. Khamasi): We are on page 719, Head 435, Item 2630200. The question being raised is that in the previous year, there was no amount of money allocated and now you have a substantial Kshs4 billion being allocated to that Item.

**The Minister for Energy** (Mr. Murungi): Mr. Temporary Deputy Chairman, Sir, the allocation of Kshs4 billion is a grant to KenGen. The Kshs2 billion was in respect of taxes for the fuel that would be used by KenGen for emergency power generation. If that tax element was not given, the cost of power would accordingly rise to the tune of that Kshs2 billion. So, the Government is in effect subsidising the cost of power to *wananchi*. The Kshs4 billion under this Item, is for capacity hire. When we contract companies to come and generate power in this country, there is a capacity charge which is paid on a monthly basis. So, the Kshs4 billion goes towards the rental of that equipment.

**Sungu:** Mr. Temporary Deputy Chairman, Sir, allow me to express my dissatisfaction that such large amounts of money are going to one particular company which is one of the most profitable.

*(Heads 435, 436, 444 agreed to)*

*(Sub-Vote 302 agreed to)*

SUB-VOTE 303 - PETROLEUM EXPLORATION AND SUBSTITUTION

*(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. Sungu) in the Chair]*

## REPORT

Vote 30 - Ministry of Energy

**Mr. Khamasi:** Mr. Temporary Deputy Speaker, Sir, I beg to report that the Committee of Supply has considered the Resolution that a sum not exceeding Kshs6,349,854,280 be issued from the Consolidated Fund to complete the sum necessary to meet the expenditure during the year ending 30th June, 2008 in respect of Vote 30 - Ministry of Energy, and approved the same without amendment.

**The Minister for Energy** (Mr. Murungi): Mr. Temporary Deputy Speaker, Sir, I beg to move that this House doth agree with the Committee in the said Resolution.

**The Assistant Minister for Energy** (Mr. Kiunjuri) seconded.

*(Question proposed)*

**Mr. Billow:** Mr. Temporary Deputy Speaker, Sir, I congratulate you for your work. We have voted for what I think is very modest amount of money for this Ministry which is very important. I do appreciate that there is about Kshs2 billion that has been allocated for research into geo-thermal power production. I will appreciate if this Ministry will do more than it has done to ensure that there are adequate energy resources available to this country so that we can get out of darkness in many parts of this country.

**Mr. Khamasi:** Mr. Temporary Deputy Speaker, Sir, unfortunately, I did not have the opportunity to contribute on this Vote because I was doing something else elsewhere. I want to congratulate the Minister for the job he is doing. I think that Kenyans have faith in you in this Ministry and I believe that there are many people who are feeling that probably the rate at which we want to supply electricity is not the same rate at which we are showing Kenyans that we are generating the same. There is a feeling that what we are showing the country as the extent that we shall supply electricity, we may not have the capacity to do it. That is a challenge to you and I think you will face it and show Kenyans that you are serious and there is electricity.

**Angwenyi:** Mr. Temporary Deputy Speaker, Sir, I want to thank this Ministry because it is one of the most effective in this Government. I only urge them to, first, improve the supply of energy by looking at alternative methods of producing power in this country especially renewal energy for areas like North Eastern Province. Secondly, I would also like to urge them to get enough supply of material so that the poles that they have placed all over the country can be put into use, so that people do not abuse this Government of doing a "*kipipiri*" this time as we face elections.

**Capt. Nakitare:** Mr. Temporary Deputy Speaker, Sir, I must thank this Ministry for the efficiency they have shown in providing light and energy to this nation. As you know, we have entered into an internet technology. The emphasis must be given to the supply of energy to educational institutions where we are nurturing our young people into modern life.

With those few remarks, I support the Motion.

**The Minister for Water and Irrigation** (Mr. Katuku): Thank you, Mr. Temporary Deputy Speaker, Sir, for giving me this opportunity to just make one comment. I missed to contribute on this Motion, but I would want to congratulate the Minister for the good work he has done. [**The Minister for Water and Irrigation**]

The Minister for Water and Irrigation I also would like to congratulate the officers in his Ministry for the good work they are doing. Our people are very much impressed. I only want to appeal to the Ministry to look at decentralising pay points for those who want to be connected. This is because some people are travelling long distances to pay for connection in Nairobi.

**The Minister for Planning and National Development** (Mr. Obwocha): Mr. Temporary Deputy Speaker, Sir, I want to congratulate this Ministry because I have been associated with it. I

want to congratulate the Minister because I know he has the energy to do what he is doing. He has a very good team. As we develop the inter-connector from the neighbouring country, particularly Ethiopia, we should look at this--- It can be a stop gap in supplying power to our people because there are a number of projects that are going on and that have been extremely successful. So, I want just to appeal that this gap be looked at. Finally, I request the new Rural Electrification Authority (REA) to revise the amount of money for connection, so that we can make power affordable to our people.

**Mr. G.G. Kariuki:** Mr. Temporary Deputy Speaker, Sir, some of us were not lucky to catch your eye. I think what hon. Khamasi has just said is very important. I want to echo his statement that we have done quite a lot in Rural Electrification Programme (REP), but whether we shall be able to sustain it, in terms of power supply, is a major question. In fact, it is a very serious one. It is also a challenge to the Ministry.

Secondly, I would want the Minister to give firm commitment over the money that has been paid by *wananchi* to Kenya Power and Lighting Company (KPLC). This issue has been avoided now and then. He should tell us what he will do with that money. Will he pay back that money or what is the future of this money that was collected by KPLC?

**The Minister for Trade and Industry** Dr. Kituyi): Mr. Temporary Deputy Speaker, Sir, I just want to say something in addition to what hon. Obwocha said. When we look at inter-connectivity with neighbours with short-term surpluses like Ethiopia, I think this Ministry should help my Ministry and the Ministry of Foreign Affairs in domesticating the knowledge that there is a scramble that there is in this region. It is a scramble between us and South Africa. It is the scramble for the Inka Dam in Congo. In the medium term and long term, our capacity to sustain the growth tempo we have now will depend on under what conditions we access power from the Inka Dam.

**The Assistant Minister for Tourism and Wildlife** (Mr. Muriungi): Mr. Temporary Deputy Speaker, Sir, I wish to thank the Minister for a job well done. However, I wish to point out that the contractors are on a collision course with the Ministry of Roads and Public Works because sometimes they are putting their poles right on the roads instead of using the road reserves. So, let them rectify that anomaly.

**Mr. Arungah:** Mr. Temporary Deputy Speaker, Sir, I just want to say that as the Ministry embarks on the mission of providing adequate energy for the Vision 2030, it is time to invest in new technology. That will mean investing in young, intelligent, brilliant and talented people who will be able to come up with new ideas on how we can put in new technology to meet the requirements by the year 2030.

So, the recruitment of staff should begin now.

*(Question put and agreed to)*

## ADJOURNMENT

**The Temporary Deputy Speaker** (Mr. Sungu): Hon. Members, it is now time for the interruption of business. The House is, therefore, adjourned until tomorrow, Wednesday 15th August, 2007 at 9.00 a.m.

The House rose at 5.55 p.m.