ELECTRICITY COST DECREASES BY 30% IN KENYA DUE TO GEOTHERMAL

Lately, the news out of Kenya about its electricity situation has been quite positive. Electricity costs for both consumer and industrial customers have decreased by about 30%. You can imagine how advantageous it is for a nation to lower its electricity costs so much. In fact, one estimate pegged Kenya's savings at $24 million per month.

The reason for the favorable shift is the country's consistent investment in geothermal energy. Geothermal activity in Kenya is abundant, so it makes very

good sense to develop more geothermal power there. Recently, two new plants were commissioned in the Rift Valley, which boosted the country's geothermal capacity significantly. They are located at Olkaria, which is northwest of Nairobi and this area has an estimated 2,000 MW of geothermal potential.

It isn't surprising that developing domestic renewable energy sources has significant benefits, "I have seen first-hand how getting affordable electricity to ordinary Kenyans can transform lives. Kids can learn at school and do homework at night. Businesses can flourish and create new jobs. That's why we are investing in the energy sector, which is a key infrastructure investment in the fight against poverty," **explained** the World Bank's country director for Kenya.

Kenya is not stopping where it is though: by 2018 another 460 MW of geothermal may be developed. If it achieves this goal, the amount of electricity generated by hydro power could be reduced to 28% of the total mix. Decreasing the country's reliance on hydro power would likely be beneficial, because lower rain levels have decreased hydro power output. Drought can be a big problem when it occurs because river flows reduce to a trickle as does electricity from hydro power. Climate change is believed by some to intensify weather like droughts, so shifting away from hydro power is probably a good decision.