

PRESS RELEASE <u>Energy Regulatory Commission has Not Issued a License for the</u> Lamu Coal Plant

Lamu: March 30th, 2017

We wish to clarify media reports that the Energy Regulatory Commission (ERC) has not granted a license to Amu Power for the proposed 1,050 MW coal power plant in Lamu County. Rather, the ERC published a response to Save Lamu's objection to the issuance of a license to Amu Power. This does **NOT** mean that a licence has been granted.

The dismissal was published in the Kenya Gazette notice, no. 1256 of 24th February 2017. The ERC dismissed Save Lamu's objection on several broad claims, namely that: the communities affected by the project do not object to the license, that all economic, environmental and social issues have been addressed in the Environmental Impact Assessment (EIA), and that Kenya needs coal power.

However, the ERC are still deliberating and a decision has yet to be made on the granting of the electricity generation license.

To make the above decision, the Commission claims to have held a public hearing in Lamu to hear the community's complaints. While the ERC sent commissioners to Lamu on 6th December to hear Save Lamu's objections, Save Lamu insists that a fair hearing was not given.

The hearing was to be held in Lamu town with members of Save Lamu and representatives of Amu Power, but on the eve of the hearing, the ERC changed the venue and moved the hearing to the proposed coal plant site. The drastic change of venue gave inadequate time for complainants to mobilize. Furthermore, the site is 20 kilometers away from Lamu, in an area inaccessible to most community members, especially affected fishermen. To access the area, members would have to use boat and boda boda at a cost of Ksh 3,500 per person.

As a result, the only participants able to attend the hearing were the ERC, Amu Power representatives and landowners, who have a conflict of interest in the matter, as they will be receiving compensation for their land. Fishermen, tourism operators, and other project affected persons were excluded.



Save Lamu sent a letter to the ERC requesting them to hold another hearing in a more accessible location, where the majority of affected people would be able to attend. The ERC never replied to our request. Instead, on 24 February 2017, a gazette notice from the ERC discounted Save Lamu's objections, without holding a fair public hearing, and intentionally excluding those opposed to the project.

Save Lamu maintains its objection to the issuance of a license to Amu Power. The objection focuses on three main areas: technical, environmental and economical. The issues raised have yet to be adequately analysed, thus creating major gaps in Amu Power's assessment of the coal power plant, which need to be addressed sufficiently.

If fully addressed, Save Lamu believes that a licence will not be issued. Alternative forms of renewable energy can cost-effectively provide the desired power without damaging the health and environment of the community. We also argue that the cost of coal will be higher than anticipated and Kenyan taxpayers will pay the price.

Considering that a license is yet to be issued, Save Lamu remains optimistic and will continue to pursue any legally available means to ensure it remains that way.

ABOUT SAVE LAMU:

Save Lamu is a coalition of over 35 community groups who have long been advocating on sustainable development in Lamu. Save Lamu's aim is to engage communities and stakeholders so as to ensure participatory decision-making, achieve sustainable and responsible development and preserve the environmental, social and cultural integrity of the Lamu community. Save Lamu is currently partnering with other national and international partners under the banner of "deCOALonize" to campaign for alternatives to coal and embracing clean energy in Kenya.

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