

## The Highlight



ISO 9001:2015 **STANDARD** 

Understanding **Recertification Process** 

### @ REREC

Organisational Change Management

Board Goes Digital

**REARBS AGM** 

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REREC to Implement
Projects worth Ksh. 120
million Kiambu County





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### From The Editor

Welcome to the  $2^{nd}$  edition of the REREC Newsletter. As the old adage goes "time waits for no man", we have come to the closure of the 1st half of the financial year 2020/2021.

In this issue, we shall be looking back at some of the exciting activities that have taken place in our organization during the last quarter of 2020.

This calendar year has been challenging due to the COVID -19 restrictions. However, the same period has seen the Corporation set into motion undertakings that will see it fully embrace its new dispensation as the Rural Electrification and Renewable Energy Corporation (REREC).

The push towards becoming the lead agency in Renewable Energy in Kenya gathered momentum as the Corporation, in collaboration with the State Corporations Advisory Committee (SCAC), developed a new organizational structure, grading and staff establishment to streamline its operations, in line with the expanded mandate.

Amongst the highlights of the newly approved HR Instruments is the creation of 7 new Directorates. Read about all these in this edition.

Finally, as we come to the end of 2020, we take this opportunity to wish you a happy and enjoyable festive period and in a new year full of hope.

Happy Holidays and Keep Safe!

### **New frontier as REREC & JKUAT** collaborate



REREC CEO CPA Peter Mbugua and Dr. Winifred N. Karugu, Managing Director, JKUAT Enterprises Limited during the signing of the collaboration framework.

REREC has entered into a Framework for collaboration with JKUAT Enterprises Limited (Kenya), a company owned by the Jomo Kenyatta University of Agriculture & Technology (JKUAT).

The collaboration intends to promote, strengthen and build capacity for the Corporation to enable it fulfill its mandate effectively.

In the collaboration framework, JKUAT will provide technical

support in terms of Information & Communication Technology (ICT), Strategic Management, Human Resource, Construction, Research and Development, Marketing, ERP Consultancy and ISO Audits and Risk Management services.



Discussions between REREC and JKUAT Enterprises Ltd before the signing of the Framework contract

## REREC to Implement projects worth Ksh. 120 million in Kiambu County



Chief Executive Officer REREC, CPA Peter Mbugua and H.E. Governor James Nyoro signing the framework of cooperation

The County Government of Kiambu has signed a framework for cooperation with the Rural Electrification and Renewable Energy Corporation for the implementation of rural electrification projects in the County.

Under the framework, the Corporation will implement Kshs. 120 million worth of solar powered street lights and high mast at various market centres within the County.

This move will not only enhance security but also extend the operating hours for traders in the targeted areas. During the implementation of the projects, the Corporation will also provide technical assistance to staff from the County.

H.E. Governor James Nyoro and REREC CEO, Mr. Peter Mbugua signed the framework of cooperation at a ceremony held at the County offices in Kiambu town.

This will not only enhance security but also extend the operating hours for traders in the targeted areas.



Kiambu Governor, H.E. James Nyoro, during the MOU signing ceremony

## Advancing Off Grid Electrification through Renewable Energy



Off-grid Solar mini grid

Before the global Covid-19 pandemic struck, and the ensuing economic crisis, a number of international organisations and governments, including the Kenyan government had embarked on plans to transition to sustainable green and renewable energy economies. A move that was envisioned to facilitate a recovery from the ongoing carbon emissions challenge and ultimately address the looming climate crisis.

Like many other mega projects, these plans have been significantly disrupted by the effects of the ongoing pandemic. However, the current circumstances offer an opportunity to ensure that the task of building a secure and sustainable energy future is strengthened by crafting and adapting sustainable recovery activities that confront the disruption brought by the pandemic while furthering the goal of accelerating circular economies and renewable energy transitions.



In the last few decades, the transition to renewable energy in Africa has slowly gained traction as businesses and homes embrace sustainable forms of energy. The abundance of Africa's renewable energy resources (i.e. solar, wind, hydro, geothermal and biomass, etc.) provide an opportunity and tremendous potential to achieve energy security and to electrify the continent using renewable energy technologies.

The 2016 International Off-grid Renewable Energy Conference (IOREC) report forecasted that by

2040, around 600 million people globally will still not have access to electricity. Additionally, the Africa Renewable Energy Initiative (AREI), in its 2018 framework report indicates that at least 600 GW is required to ensure 100% electricity access by 2030. Based on the current historic trend, Africa will face a 400 GW access gap by 2030 but AREI's aspirational goal, is to have an additional minimum of 300 GW of renewable energy being generated by 2030, in order to close this gap.

Closing the energy access gap, will contribute to sustainable and stable economies, improved livelihoods, boosting of agricultural activities, creation of job opportunities, health, energy security, reduced emissions and sustainable development goals.

In Kenya, the enactment of the Energy Act 2019, points to the alacrity and steps the country is already taking to shape its renewable energy landscape. Its legislative framework, positions Kenya at the forefront of renewable energy transformation for on grid, off grid and mini grid projects. This includes incentives that attract investors who contribute to driving sustainable and green energy driven solutions in the country.

Kenya's Rural Electrification and Renewable Energy Corporation (REREC) is a key player in accelerating the pace of off grid renewable energy. The Corporation is currently implementing projects that are shifting from diesel stations to renewable energy solutions, in off grid areas like the Northern and Coastal parts of the Country.

Diesel power stations incur incredibly high operation and maintenance costs. Renewable energy on the other hand, comes with comparatively low costs that keep energy prices at affordable levels.

Presently, REREC, under its now expanded mandate that includes Renewable Energy, is exploiting the abundance of renewable energy resources like solar and wind to electrify off grid areas. In the long run, the vision is to enable Kenyans access clean, sustainable, affordable, reliable and competitively priced electricity.

# REREC commissions projects worth Ksh. 21 million in Laikipia



REREC CEO, CPA Peter Mbugua addressing Residents in Laikipia

REREC CEO, Peter Mbugua, on 15<sup>th</sup> December, joined the Laikipia's Women Rep. Hon. Catherine Waruguru in a day-long event during which various rural electrification projects were launched in Laikipia East Sub County.

REREC has embarked on installing or maximizing 8 transformer projects worth Ksh. 21 million in the area.



Laikipia's Women Rep. Hon. Catherine Waruguru launching a REREC project

## Lighting Up Nyali Constituency

Rural Electrification and Renewable Energy Corporation (REREC) on 1st November 2020 commissioned three high masts and 63 solar powered street lights in Nyali Constituency, Mombasa County.



Some of the installed solar streetlights in Nyali Constituency.

Speaking while presiding over the ceremony, the area MP, Hon. Mohamed Ali, said that the project will lead to improved security at Kambi Kikuyu, Mkomani, Ziwa la Ngombe, Kadzandani and Frere town areas.

The Ksh. 20 million street lighting project was implemented under the matching fund program through a collaboration between Nyali Constituency and the Corporation.

The "shilling for a shilling" program (Matching Fund) is a collaboration framework that allows Constituencies and County Governments to allocate a certain amount of money towards rural electrification and the Corporation matches the amount by contributing a similar amount and implementing the projects.



A REREC Staff member demonstrates the operation of the lighting project to Nyali MP Hon. Mohamed Ali

## REREC commissions streetlights in Kabete

REREC CEO, Peter Mbugua, together with the Kabete MP Hon. James Githua Kamau, commissioned a total of 226 grid connected streetlights on 8th October 2020 in Kabete Constituency.



A commissioned streetlight in Kabete

The project, undertaken in partnership with Kabete Constituency CDF, covers Kibiku-Gathiga road (101), Kamuguga-Gichagi road (41) and Kiambaa-Muguga (84).

According to the area MP, the project is expected to bring about various positive changes resulting from increased security in the area. Shops along the road will enjoy longer operating hours and early openings. Additionally, farmers will be able to transport their produce from the farms very early in the morning.



REREC CEO, CPA Peter Mbugua addressing beneficiary residents in Kabete

# Electrification of villages in Kakamega County

In order to enhance electricity connectivity in Kakamega, the County Government contracted Rural Electrification and Renewable Energy Corporation (REREC) to provide transformers in each of the 60 wards located in areas that were not connected to the National grid. The Corporation is currently undertaking Phase One of the same project.



Home of a REREC project Beneficiary in Kakamega

On 8<sup>th</sup> October 2020, County Supervisor Mr. Daniel Onyango together with the CECM for Roads, Public Works and Energy CPA Geoffrey Omulayi, made an inspection tour of the ongoing implementation of the County Rural Electrification Programme in Mumias East Sub-County.

REREC has already completed installation of three (3), 50 KVA transformers in East Wanga, Lubinu-Lusheya and Malaha-Isongo wards, which is scheduled to connect 300 households within a radius of 600 metres with electricity.



Kakamega County Supervisor Mr. Daniel Onyango and CECM for Roads, Public Works and Energy CPA Geoffrey Omulayi inspecting the completed REREC Projects

### **Understanding the ISO 9001:2015** standard recertification process



(the International Organization for **▲**Standardization) is a worldwide federation of national standards bodies (ISO member bodies).

Preparation of International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and nongovernmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

### **Quality Management System** (QMS)

The adoption of a quality management system (QMS) is a strategic decision of the Corporation since the year 2012 when REREC (formerly REA) was first certified. The adoption of QMS in the Corporation aims to improve its overall performance and provide a sound basis for sustainable development initiatives.

The benefits that have accrued over the years to the Corporation from the adoption of QMS includes; -

- 1. The ability to consistently provide products and services that meet customer and applicable statutory and regulatory requirements;
- 2. Facilitating opportunities to enhance customer satisfaction;
- 3. Addressing risks and opportunities
- 4. The ability to demonstrate conformity requirements.

The Corporation in a bid to enhance QMS adoption upgraded the Quality and Risk Division into a fullyfledged department in the year 2019 when it reviewed the human resource instruments. The Corporation continues to make huge strides in its processes by ensuring that risks in the processes are determined and tracked in the course of the operations.



### ISO 9001:2015 standard certification

ISO 9001 being the ultimate global benchmark for quality management; ISO 9001:2015 is the most up-to-date version of the certification, rendering any qualification certified to previous standards now redundant.

Quality management under ISO 9001:2015 is based on seven principles which are; -



### **REREC** certification cycle

There are several Certifying bodies in Kenya accredited to provide certification services by Kenya Accreditation Service (KENAS). KENAS is a state-owned entity (SOE) under the Ministry of Industrialization. Except for the Kenya Bureau of Standards (KEBS), all other accredited certification bodies in Kenya are private entities.)

Kenya Bureau of Standards (KEBS) is the Corporation's certifying body. The Corporation is in the fourth cycle of certification by KEBS on ISO 9001:2015 standard for Quality Management System. Each certification cycle lasts for three years with surveillance audits after every nine months to establish continued application of QMS principles and establish its continued maintenance.

REREC certification cycles since the first certification

- 1. Certification; 2012 2014
- 2. Recertification; 2014 2017
- 3. Second Recertification; 2017 2020
- 4. Third Recertification; 2020 2023

Certification happens once and every subsequent is known as recertification.

The third recertification occurred in December 2020 and the following departments, sections, and regional offices were sampled for a recertification audit; -

- 1. Nyanza Regional Office
- 2. Garissa Solar Plant
- 3. Central Rift Regional Office
- 4. Headquarters

In the Head office in KAWI, the following departments and sections were sampled to be audited;

a	Human Resource	e	Finance and Accounts
b	Construction	f	Alternative Energy (RE)
c	ICT	g	Management
			Representative
d	Internal Audit	h	Top Management

The recertification audit was conducted by a team of three led by Mr. Davis Kimutai. The auditors conducted the audit as follows;

Nyanza R.O (Kisumu)	10 <sup>th</sup> Dec 2020	Charles Maru
Central Rift (Nakuru)	7 <sup>th</sup> Dec 2020	Davis Kimutai
Garissa Solar Plant	10 <sup>th</sup> December 2020	Davis Kimutai
Headquarters	15 <sup>th</sup> and 16 <sup>th</sup> December 2020	Cyrus Mwangi & Davis Kimutai

The Corporation received a total of 13 Minor Non-Conformities and whose corrective action plan has since been approved by the auditors. The Corporation was cleared by the Lead auditor for Re-Certification for a fourth term of three (3) years and is awaiting the issue of the Certificate and signing of certification Contract.

### **REREC Board Goes Digital**



REREC Board members during the e-Board platform training

REREC Board Directors led by the Chairman Prof. Simon Gicharu was recently trained on the use of the e-Board platform. The e-Board is a digital central document repository that will be accessible to all Board members from wherever they are in the country. It can be used to carry out board performance evaluations, carry out surveys and produce reports seamlessly.

The platform is an efficient, confidential, transparent effective way of effortlessly conducting Board matters.





Board members engage during the e-Board platform training

Once operationalized, the e-Board will refine REREC's approach to preparing and documenting Board and Committee meetings. As a result, the board shall be equipped to undertake paperless meetings, share board papers, reports and board evaluations thereby saving on resources.

The training took place in October 2020, at Sarova Woodlands Hotel in Nakuru.

### Transfer of Energy Centres gains momentum



REREC Chairman, Prof. Simon Gicharu addressing the board and Ministry of Energy officials

Members of the REREC Board of Directors and Senior Management had a one week retreat to deliberate on the anticipated transfer of Energy Centres from the Ministry of Energy to the Corporation. The objective of the retreat was to enhance understanding on the role and operations of the energy centres before the transfer scheduled for January 2021.



In his opening remarks at the retreat, the Board Chairman, Prof. Simon Gicharu, expressed his satisfaction with the ongoing work in the organization as it transits fully from REA to REREC.

Prof. Gicharu emphasized that the board is in full support of the transfer of all Energy Centres to the Corporation and gave his assurance that all the 177 members of staff currently working in the energy centres will be absorbed by REREC.

The retreat which was held in October at the Sarova Woodlands Hotel in Nakuru, was also attended by officials from the Ministry of Energy.

### REREC charge team to lead new system adoption



Group photo of departmental super users together with the HOD ICT Mr. Alex Kang'the and facilitators from Blue Sky Technologies Global (BSK)

On the 12<sup>th</sup> and 13<sup>th</sup> of November 2020, members of the S/4HANA project departmental super users held a change management team workshop at REREC's Garissa Solar Plant. The workshop was an exciting initiative aimed at motivating, learning and unlearning, building commitment, and preparing for change.

The team comprised of S/4HANA project super users who have been selected to spearhead a smooth transition into the new system.

The workshop, which was facilitated by the implementation partner Blue Sky Technologies Global (BSK) aimed at equipping the team with the

skills required to drive the adoption of change that will be brought about by the project implementation.

In his opening remarks Mr. Alex Kang'ethe, (HOD ICT & Project manager) noted that by implementing SAP S/4HANA, REREC seeks to achieve the following:

- Simplification of processes through automation.
- Reduction of organizational costs by automating all processes on one technical platform
- Improved reporting across all REREC departments.
- Increased user productivity, real-time decisions and improved customer service

The objectives of the successfully rated workshop included:

- Raising maximum awareness of Project RIDS.
- Extensively communicating the project's objectives, drivers, implications, and business impact.
- Clearly articulating the importance of the team's involvement in the change initiative.



### REREC transitions to E-newspapers

In a bid to mitigate the spread of COVID-19 in the work place, REREC has transitioned from the usual and common hardcopy newspapers to e-newspapers.

Rural Electrification and Renewable Energy Corporation (REREC) intends to recruit over 700 staff following the approval of the new human resource structure for the organization.

The approval granted by the State Corporations Advisory Committee (SCAC) and the Ministry of Energy follows the enactment of the Energy Act 2019 which significantly expanded the mandate of the Corporation, giving it a pivotal role in spearheading renewable energy in the Country.

The new structure has created 7 new directorates; Power Distribution & Regional Coordination, Renewable Energy, Research & Development, Information, Education and Communication, Strategy and Business Development, Human Resource and Administration, Finance and ICT as well as Internal Audit.

Subsequently, the Board has approved the advertisement of 232 new positions. The adverts were placed in both the National print newspapers and REREC's social media platforms.

The management initiated the process of recruiting the approved positions between 1st Dec 2020 and 4th Dec 2020. Internal applications are open for grade REREC 6 – REREC 10. Applications should be forwarded through the respective General Manager or Head of Department. Closing dates are 22nd December, 2020 for REREC 6, and 29th Dec, 2020 for grade REREC 10.

The internal advertisement of opportunities has gone a long way to motivate staff, reduce attrition, provide career advancement and employee retention, increase productivity and promote job satisfaction among the staff members.



The advantage of e-newspapers over the hard copies is their accessibility 24-hours, seven days a week basis. The papers are accessible from anywhere, even when the user is away from office. The e-newspapers user is also able to access past newspapers from the archives for reference purposes. REREC has subscribed to Nation Newspapers, the East African, Standard Newspaper and the Star for online access of the newspapers.

Newspapers in REREC are provided to all heads of departments to enable them keep abreast with current and industry affairs.



# REARBS

The Rural Electrification Authority Retirement ■ Benefit Scheme (REARBS) was established as a contributory scheme under an irrevocable trust on 1st July 2008, to provide Pension benefits to REREC staff and relief for deceased members' dependents. The rate of contributions remains the same for all employees at the rate of 5%, while the Employer contributes at the rate of 10% of an individual's basic salary. The total number of active membership as at the end of 2019 was 293 contributors.

The Trustees are: Everlyn Koech (Chair), Mr. Edward Gakunju, Sharon Tugee, Jossylyn Mutua, Collins Maubi, Dan Kariuki, Andrew Isoe and Wachuka Mugo.

At the year-end, the scheme assets were invested in a segregated fund, with GenAfrica Asset Managers who were retained as Fund Managers to execute the investment policy. However, the overall responsibility for investment and performance still rests with the Trustees.

The year under review was an excellent year for the scheme, performing well above its peers. The return earned for the year ended 31st December 2019 was 16.6%. The net assets of the Scheme stood at Kshs. 476,299,049.00 reflecting a growth of Kshs.118,658,365.00 for the year under review. The average net rate of return has since 2011 remained at 9.0%.

#### The return earned for the year ended 31st December 2019

The Scheme is registered with the Commissioner of Income Tax as a tax-exempt fund. The Scheme is also registered with the Retirement Benefits Authority and has complied with all the regulatory provisions under the Retirement Benefits Act and Regulations thereof during the year under review.

The board of Trustees continues to watch industry changes affecting the scheme and the members at large.

During the year 2019 there was a proposal in the Finance Bill to lock the employer portion of pension contributions; however, after stakeholder engagement, the proposal was dropped. The policy behind the proposal was to discourage members from accessing their contributions way before retirement age. The leeway that still exists for members to access the retirement savings has led many members to deplete their savings hence defeating the whole purpose of having the contributions in the first place. This therefore, aimed to compel individual members to be more disciplined and refrain from accessing their benefits whenever there is an opportunity such as a change of jobs.

## Maintenance of wind and solar hybrid projects

In the FY 2012/2013, REREC implemented two pilot solar-wind hybrid electrification projects in two public schools namely, St. Patterson Memorial Secondary School in Kajiado County and North Horr Secondary School in Marsabit County. The projects included the installation of a 3 kilowatts (kW) wind turbine with solar PV systems to provide power to the schools to meet their electricity requirements.



Having been in operation for the last 10 years, REREC will during this financial year undertake repair and maintenance works for the two solar – wind hybrid projects to enhance their operational efficiency.

At St. Patterson Memorial Secondary School, the specific works include maintenance of the turbines including the nacelle and wind vane, cleaning service, replacement and repair work, cable crimping and any other necessary maintenance works on the wind turbines as well as cleaning of the solar panels, testing of all connections, battery system maintenance and testing of the connection.

While at the North Horr Boys Secondary School, the scope of works includes the supply, installation, testing and commissioning of a complete 3kw, 24v wind turbine, to be hoisted to the existing mast with all the necessary accessories. The wind turbine system will be interconnected with the existing solar PV system and a 3kW inverter and 12 No. 2V, 1,200AH batteries will be installed to replace the existing ones.





## Sustainable energy solutions enhancing education





The Chairman & the Board of Directors take this opportunity to wish you all a



