Energy & Petroleum Regulatory Authority

BIANNUAL ENERGY & PETROLEUM STATISTICS REPORT

FINANCIAL YEAR 2025/2026

ISO 9001:2015 Certified

ABOUT THIS REPORT

This report provides key statistics on the performance of the electricity, petroleum, and renewable energy subsectors during the first half of the financial year 2025/2026.

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For further information or to provide feedback, please contact EPRA through **statistics@epra.go.ke**.

ACKNOWLEDGEMENTS

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WHO WE ARE

The Energy and Petroleum Regulatory Authority (EPRA) is established under the Energy Act, 2019 as the regulatory agency responsible for economic and technical regulation of the electricity, renewable energy, petroleum and coal sectors.

Our Mission

To facilitate sustainability in the energy and petroleum sectors for improved livelihoods through regulation.

Our Vision

A leading energy and petroleum regulator.

Our Rallying Call

Quality energy, quality life.

Our Core Values

CONTENTS

ABBREVIATIONS AND ACRONYMS

AC	Air conditioner
AGO	Automotive Gas Oil (Diesel)
AGOL	Africa Gas and Oil Company Limited
EEP	Ethiopia Electricity Power
EPRA	Energy and Petroleum Regulatory Authority
FDP	Field Development Plan (FDP)
FEC	Fuel Energy Cost
FERFA	Foreign Exchange Rate Fluctuation Adjustment
GDP	Gross Domestic Product
GWh	Giga-Watt hour
HHI	Herfidahl Hirschman Index
HVDC	High-Voltage Direct Current
IK	Illuminating Kerosene
IPP	Independent Power Producer
KPC	Kenya Pipeline Company
kWh	Kilowatt hour
LPG	Liquefied Petroleum Gas
LTWP	Lake Turkana Wind Power
MW	Mega-watt
MWh	Mega-Watt hour
NDC	Nationally Determined Contributions
NGAO	National Government Administrative Officers
OMCs	Oil Marketing Companies
PMS	Premium Motor Spirit (Super petrol)
PPA	Power Purchase Agreement
SPV	Solar photovoltaic
SWH	Solar Water Heating
UETCL	Uganda Electricity Transmission Company Limited
WHRC	Waste Heat Recovery Cycle

DIRECTOR GENERAL'S MESSAGE

Daniel Kiptoo Bargoria

MBS, OGW

I am pleased to present this biannual report highlighting key developments during the biannual period July to December 2025. This period was marked by strong growth in energy demand and continued progress on the policy front.

Electricity demand increased by 8.25% compared to a similar period in the previous financial year, reflecting sustained economic activity and growing consumption among domestic and industrial customers. The country recorded a peak demand of 2,439.06 MW on 3rd December 2025, underscoring the expanding energy needs of our economy.

One of the most notable developments during the period was the rapid growth of electric mobility. Electricity consumption under the electric mobility category, including electric vehicles and motorcycles, rose by 152.49%, from 1.81 GWh in the previous year to 4.57 GWh during the review period. This growth signals increasing adoption of clean transport solutions and reinforces our commitment to supporting sustainable energy transitions.

The Time of Use (ToU) tariff program continued to deliver tangible benefits to consumers, with beneficiaries cumulatively saving KSh 971.0 million over the six-month period. This demonstrates the effectiveness of demand-side management initiatives in promoting efficiency and cost savings.

Regional power trade strengthened significantly. Electricity imports from Ethiopia and Uganda increased by 24.9%, the highest growth among all supply categories. Kenya imported 939.23 GWh, up from 751.95 GWh in the corresponding period last year, an increase of 187.28 GWh. This growth reflects enhanced regional interconnectivity and the strategic value of cross-border energy cooperation.

Kenya continues to distinguish itself as a global leader in renewable energy. During the period under review, 78.79% of the energy supplied to the national grid was generated from renewable sources.

Renewable technologies also dominated private generation for self-consumption, popularly known as captive power. Solar photovoltaic systems accounted for 326.7 MW, representing 51.86% of total captive capacity, highlighting the growing role of distributed renewable solutions in enhancing energy security and sustainability.

Electricity retail prices remained relatively stable, largely reflecting prevailing foreign exchange rates, inflationary trends, and global fuel cost dynamics. This stability provided predictability to consumers and businesses amid broader economic shifts.

In the petroleum sector, consumption of LPG maintained its upward trajectory, driven by increased awareness of its economic, health, and environmental benefits. The National LPG Growth Strategy is expected to further accelerate adoption, particularly in public institutions such as schools, hospitals, and prisons.

Consumption of super petrol, diesel and kerosene registered growth during the review period, reflecting heightened domestic economic activity. Additionally, demand for petroleum exports to neighbouring countries rose by 14.95% compared to the same period last year, underscoring Kenya's strategic position as a regional energy hub.

Overall, the second half of 2025 demonstrated a resilient and evolving energy sector as you'll see throughout the report. I hope you'll find the insights in this report both valuable and informative.

MESSAGE BY THE DIRECTOR, ECONOMIC REGULATION AND STRATEGY

Dr. John M. Mutua

The biannual period of July–December 2025, though relatively short, was characterized by strong energy demand and notable progress within the policy and regulatory landscape.

During this period, the policy framework was strengthened through the gazettement of the Energy (Solar Water Heating) Regulations, 2025. These Regulations are designed to promote the adoption of solar water heating (SWH) systems by enforcing standards across the entire value chain. In tandem with other Government initiatives, this milestone will accelerate the transition to clean energy solutions and enhance the sustainable utilization of the country's abundant solar resources.

The Energy (Biofuels) Regulations, 2025 were also gazetted, guided by four key objectives: to promote fair business practices within the biofuels industry; ensure quality and safety throughout the value chain; safeguard environmental sustainability; and facilitate the collection of reliable biofuels data to support evidence-based policymaking and sustainable industry growth.

In the petroleum subsector, the Authority instituted eight key regulations (outlined in Chapter 5) aimed at promoting economic efficiency, protecting consumer interests, safeguarding the environment, enhancing security of supply, and fostering effective competition within the midstream and downstream segments.

The Authority further reviewed the Field Development Plan (FDP) submitted by Gulf Energy E&P BV (GE), a Kenyan investor licensed to develop Block T6 and Block T7 in the Tertiary Rift Basin. The FDP details the full development of six discoveries within the contract area, alongside continued appraisal and exploration activities to maximize resource recovery. The review was finalized during the reporting period, and advisory recommendations were submitted to the Cabinet Secretary, Ministry of Energy and Petroleum, in October 2025. The Cabinet Secretary subsequently forwarded the FDP to Parliament for ratification.

First oil production is projected for December 2026. Progress toward commercial oil production marks an important step in diversifying Kenya's economic base, expanding opportunities for communities in northern Kenya, stimulating the growth of new industries, and laying a strong foundation for a more prosperous and self-reliant economy.

We believe that a strong policy and regulatory environment is fundamental to promoting growth in the sector and we remain committed to fulfilling our mandate to support this objective. We invite you to read this report and to engage with us through statistics@epra.go.ke.

BIANNUAL PERFORMANCE OVERVIEW

8.25% increase in electricity demand

8.38% increase in petroleum demand

14.59% increase in LPG demand

Ksh. 971M savings by ToU tariff beneficiaries

8 mid and downstream petroleum regulations gazetted

Energy (Solar Water Heating) Regulations, 2025 gazetted

Energy (Biofuels) regulations, 2025 gazetted

CHAPTER 1

INTRODUCTION

The performance of Kenya's energy sector during the period under review was shaped by a combination of domestic and international factors. Key influences included the country's overall economic trajectory, prevailing weather patterns, geopolitical developments, and global supply and demand dynamics.

At the national level, Gross Domestic Product (GDP) expanded by 4.9% as of September 2025, reflecting steady economic growth. Inflation remained relatively stable at 4.49 % in December 2025. Movements in the foreign exchange market also played a critical role in sectoral performance. The mean exchange rate remained fairly stable, closing at Ksh. 129.01 to the U.S. Dollar in December 2025, thereby supporting a relatively stable price environment.

This macroeconomic stability provided impetus for increased domestic energy consumption. Demand for electricity, petroleum products and Liquified Petroleum Products (LPG) registered an increase of 8.25%, 8.38% and 14.59% respectively compared to the corresponding period in the previous financial year.

CHAPTER 2

ELECTRICITY

This section provides an overview of the performance of the electricity supply chain covering generation, transmission, and distribution. It also highlights electricity reliability indices, pricing systems, market analysis, and greenhouse gas emissions.

2.1 Electricity Demand and Supply

2.1.1 Installed capacity

Installed capacity refers to the combined maximum power generation capacity of a country's power plants. Table 2.1 shows the country's total installed capacity as of December 2025, which comprises grid connected, captive and off grid generation units.

Table 2.1: Installed electricity generation capacity as of December 2025

Technology	Interconnected Capacity (MW)		Captive Capacity (MW)	Offgrid Capacity	Total Installed Capacity	% Total Installed
	Installed	Effective				
Geothermal	940.0	876.1	3.7		943.7	25.72%
Hydro	839.5	809.7	33.0	0.1	872.5	23.78%
Thermal	565.8	558.4	21.3	41.0	628.1	17.12%
Solar	210.3	210.3	326.7	3.9	540.9	14.74%
Wind	435.5	425.5	-	0.6	436.1	11.89%
Bioenergy	2.0	2.0	161.8		163.8	4.47%
WHRC	-	-	83.5		83.5	2.28%
Imports	200.0	200.0	-		200.0	
Total	**3,193.0**	**3,082.0**	**630.1**	**45.5**	**3,868.6**	**100.00%**

Geothermal energy accounted for the largest portion of Kenya's installed capacity, at 25.72%. Hydro and thermal power plants followed with 23.78% and 17.12% respectively. Solar photovoltaic systems and wind generation power plants accounted for 14.74% and 11.89% to the total installed capacity respectively.

There were no new grid-connected power generation plants commissioned during the period under review.

The Muhoroni Gas Turbine (GT) power plant capacity increased by 1 MW upon successful completion of capacity tests bringing it's installed capacity to 53 MW.

Captive power capacity, which refers to power generation plants that are privately established for self-consumption, stood at 630.1 MW, accounting for 16.29% of the country's total installed capacity. In the period under review, 26.24 MW of captive solar capacity was added.

2.1.2 Electrical Energy Generated

Electrical energy generated is the energy supplied to the national grid and the publicly owed offgrid networks at the respective designated points of delivery. In the period under review, electrical energy generated grew by 8.25% to 7,807.07 GWh up from 7,211.36 GWh in a similar period in the previous year. The 595.71 GWh growth is largely attributable to organic growth in demand and increase in electricity connectivity.

Figure 2.1 presents a trend of the monthly electricity generated from July to December 2025.

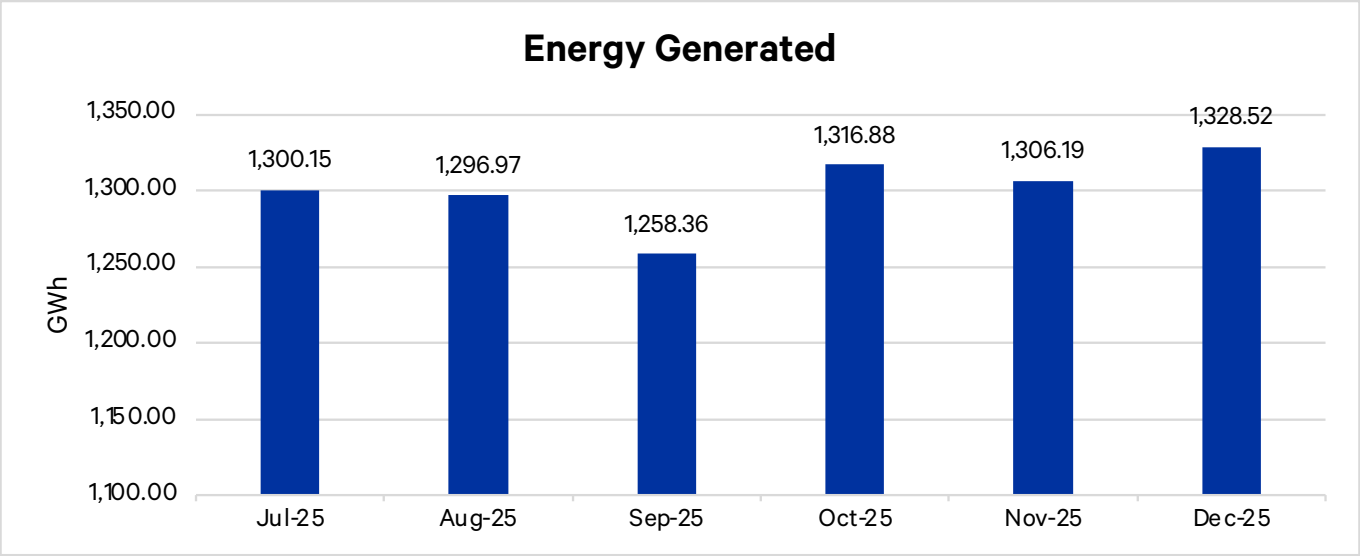


Figure 2.1: A trend of the monthly electricity generation from July to December 2025

In the period under review, electricity generation was highest in December at 1,328.52 GWh, and lowest in September at 1,258.36 GWh. This is a notable improvement compared to a similar period in the previous year where the highest generation was 1,233.59 GWh in October 2024.

Figure 2.2 shows the energy generation mix during the period under review.

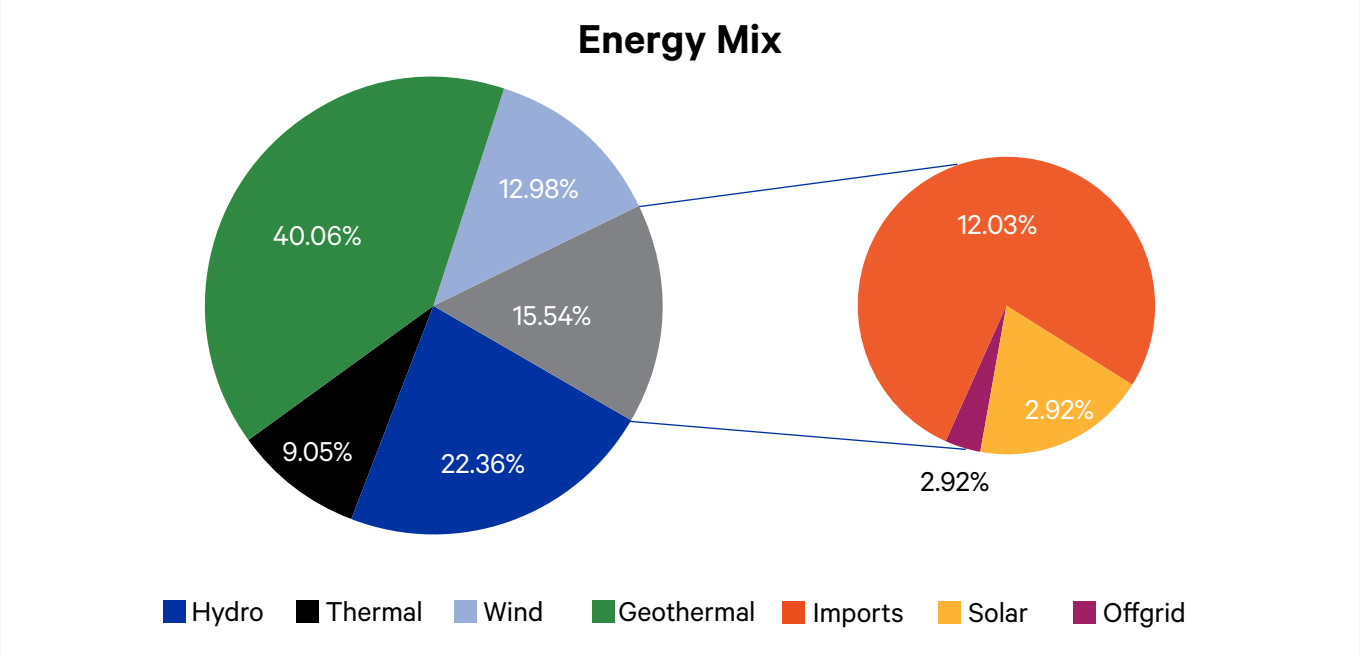


Figure 2.2: An illustration of the energy generation mix from July to December 2025

Geothermal remained the dominant source of electrical energy accounting for 40.06% of total energy generated. Geothermal generation increased by 9.2% from 2,864.32 GWh generated in a similar period in the previous year to 3,127.76 GWh. The increase in generation is attributed to reduction in curtailment.

Hydro generation ranked second accounting for 22.36% of the energy generated in the period under review. Hydro generation decreased by 2.31% from 1,786.90 GWh in the half year ended December 2024 to 1,745.68 GWh. This output reduction was due to limited hydrology as a result of low precipitation.

Wind generation grew by 4.27% to 1,013.43 GWh up from 971.90 GWh in the half year ended December 2024.

Utility scale solar generation recorded a slight drop from 227.69 GWh in the previous half year, to 227.67 GWh accounting for 2.92% of total generation.

Thermal generation, primarily generated from heavy fuel oil and kerosene, increased by 24.27% to 706.9 GWh from 568.83 GWh in a similar period in the previous year. This represents 9.05% of total grid connected generation. The increase in thermal generation was necessitated by increased daily energy demand.

Electricity imports from Ethiopia and Uganda grew by 24.9% which is the highest growth in any category. Kenya imported 939.23 GWh, an increase of 187.28 GWh from 751.95 GWh recorded in a similar period of the previous year. Worth noting that there was a net export of 136.55 GWh to Tanzania as part of the Ethiopia-Kenya-Tanzania wheeling arrangement, and the Kenya-Tanzania Energy Exchange Agreement.

2.1.3 Peak Demand

Peak demand is the highest electrical energy demand over a specified period of time. In Kenya, peak demand occurs in the evening between 1900 hours and 2100 hours. In the period under review the country's peak demand was 2,439.06 MW recorded on 3rd December. This represented a 150.68 MW increase from the peak demand of 2,288.38 MW in a similar period in 2024.

Figure 2.3 shows the progression of the peak demand in the period under review.

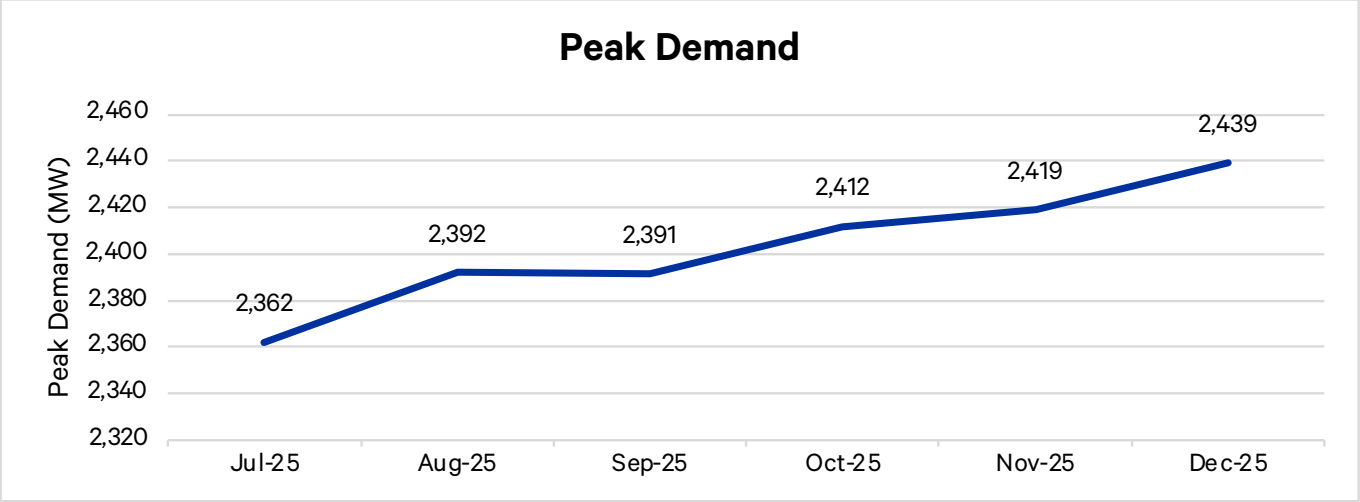


Figure 2.3: A trend of the peak demand from July to December 2025

The peak demand steadily improved from 2,362.29 MW in July to 2,439.06 MW in December. The increase in peak demand can be attributed to growth in energy consumption.

2.1.4 Electricity Access

The number of grid connected customers increased by 182,195 to 10,216,952 during the period under review. Figure 2.4 presents the trend in customer connections from July to December 2025.

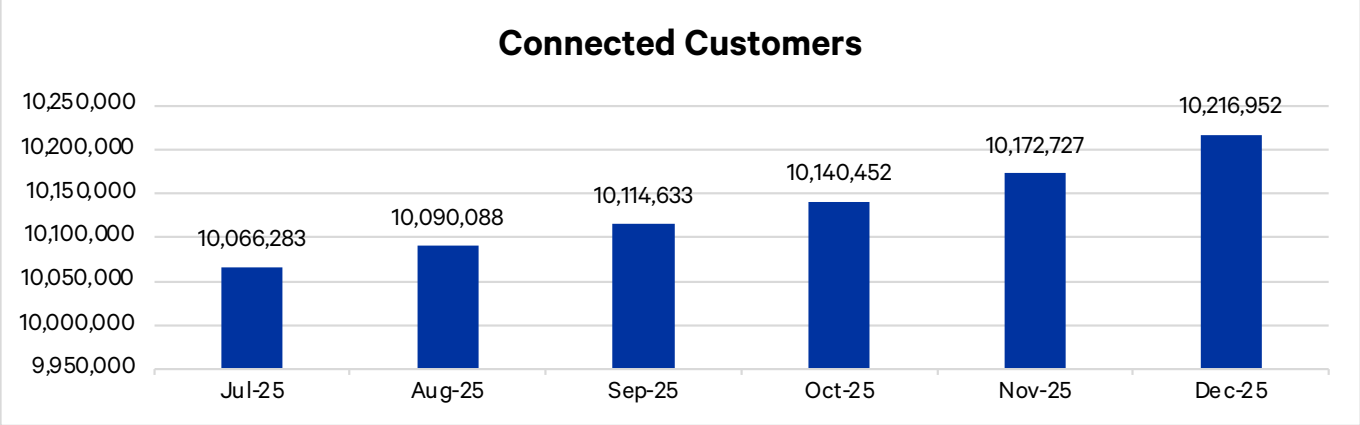


Figure 2.4: A trend of the cumulative customer connections from July to December 2025

The number of new connections was lower than in same period of the previous year which recorded a total of 194,654 new connections.

2.1.5 Energy Consumption by Region

The country's half year electrical energy utilization grew by 8.27% from 5,484.54 GWh in a similar period in the previous year to 5,938.14 GWh. Nairobi region was the leading consumer of electrical energy accounting for 44.24% of total electrical energy utilization in the country. Nairobi utilized 2,627.44 GWh up from 2,415.44 GWh in the half year ended December 2024, an increase of 8.78%. Nairobi region encampasses Kiambu, Kajiado, Machakos and Makueni counties.

The Coast region ranked second in energy consumption, utilizing 977.90 GWh, representing 16.46% of the country's total energy consumption. This was a 1.04% decline from 988.21 GWh of electrical energy utilized in a similar period the previous year. This was the only region that recorded a decrease in electrical energy consumption in the period under review. This region covers Mombasa, Kilifi, Kwale, Lamu, Taita Taveta and Tana River counties.

The North Eastern region utilized 666.98 GWh, accounting for 11.23% of the country's total energy consumption. This represented a 13.73% increase compared to the same period in the previous year, when the region recorded 589.06 GWh. The region comprises Garissa, Wajir, Mandera, Marsabit, Kitui, Thika, and parts of Machakos.

The Central Rift region utilized 553.74 GWh during the period under review, accounting for 9.33% of the country's total electrical energy consumption. This represented an 8.90% increase from the 508.50 GWh recorded during the same period in the previous year. The region comprises Nakuru, Narok, Nyandarua, Kericho, Bomet, Baringo, and Samburu counties.

Mt. Kenya region contributed 6.56% to the overall consumption utilizing 389.52 GWh of electrical energy. Consumption grew by 10.19% from 353.50 GWh used in a similar period in the previous year. The region comprises of Murang'a, Nyeri, Embu, Kirinyaga, Laikipia, parts of Marsabit and parts of Meru.

The West Kenya region utilized 322.89 GWh representing 5.43% of the total consumption. This was a 15% increase from 280.78 GWh used in the half year ended December 2024. The region covers Kisumu, Kakamega, Vihiga, Siaya, Busia, and Bungoma counties.

The North Rift region utilized 276.69GWh of electrical energy up from 250.93 GWh utilized in a similar period in 2024, representing a 10.27% growth in energy consumption. The region accounted for 4.66% of the country's energy utilization. This region covers Uasin Gishu, Nandi, Turkana, West Pokot, Elgeyo Marakwet, Bungoma and parts of Trans Nzoia counties.

The South Nyanza region had the lowest consumption at 123.38 GWh of the country's energy utilization representing 2.07% of the total consumption. The region recorded a 22.53% increase, the highest growth in energy use for any region. In the half year ended December 2024, the region consumed 100.69GWh. The region covers Kisii, Nyamira, Migori, Homa Bay and parts of Narok county. Figure 2.5 provides a summary of the energy consumption by region.

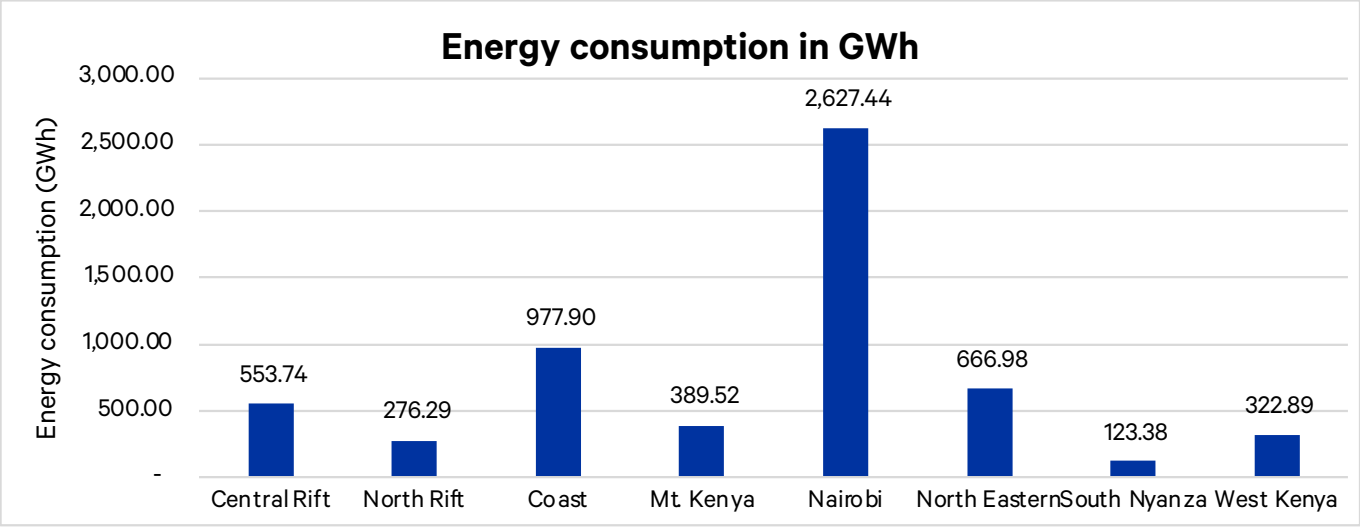


Figure 2.5: A summary of the regional energy consumption from July to December 2025

2.1.6 Electricity Consumption by Category

Electricity consumers in the country are categorized into five broad categories namely: commercial-industrial, small commercial, domestic, electric mobility and street lighting.

In the half year under review, the industrial category consumed 2,924.48GWh an increase of 4.18% from 2,807.10GWh in a similar period in 2024. This category accounted for 49.25% of the country's total consumption, a 1.93% decrease from a similar period in the previous year. For the first time, the industrial consumption fell below 50% of the total electricity consumption. Industrial consumers are supplied at medium and high voltages (11-220kV) and when supplied at low voltage (415V), their usage must exceed 15,000 kWh per month.

Domestic consumers accounted for 32.93% of the total electrical utilization. Consumers in this category consumed 1,955.77 GWh, up from 1,728.19 GWh, which represented a 31.51% of total energy consumption in a similar period of the previous year.

Small commercial enterprises used 987.51 GWh, accounting for 16.63% of overall electrical consumption. This is a 9.37% increase from 902.94 GWh of energy used in a similar period in the previous year.

Street lighting consumed 66.41 GWh, an increase of 49.30% from 44.48 GWh utilized in the half year ended December 2024. This category accounted for 1.12% of the total electrical energy consumption.

Electric mobility, a category for electric vehicles and motorcycles, registered a 152.49% increase in consumption. Consumers in this category utilized 4.57 GWh, an increase from 1.81 GWh in a similar period in the previous year. This category has recorded steady growth accounting for 0.08% of the total energy consumption up from 0.03% in the previous half year.

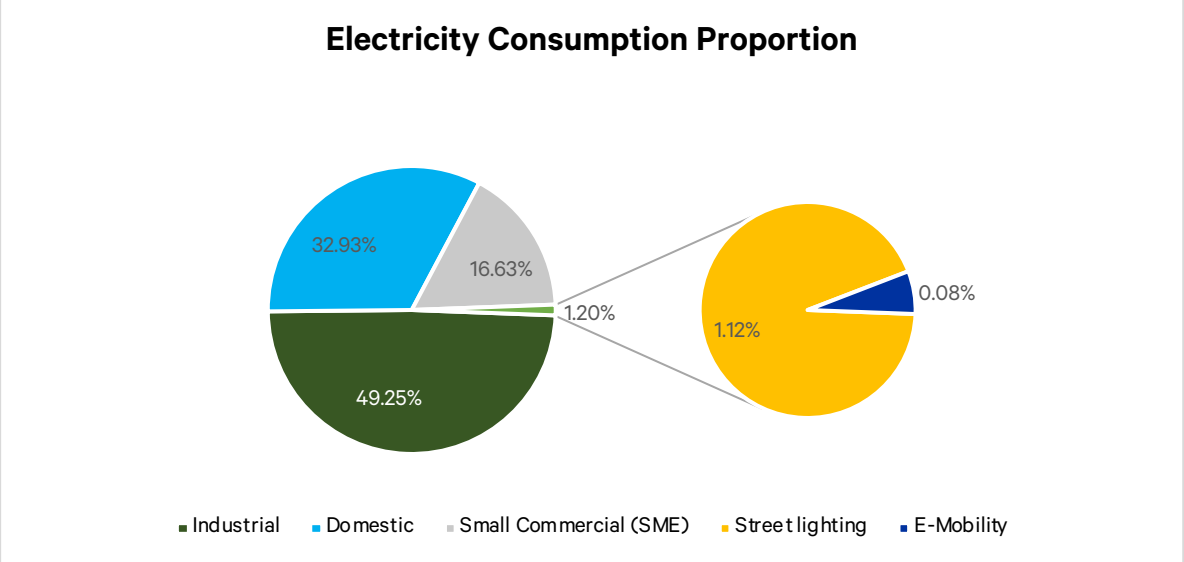


Figure 2.6: A representation of the proportion of energy consumption by each customer category during the half year ended December 2025

2.1.7 Energy Curtailment

Energy curtailment refers to reduction of the output of a power plant that should otherwise be operating at maximum available capacity. This typically occurs between 0000 hours and 0500 hours when demand is at the lowest. Curtailment is done for frequency management; to maintain the balance between demand and generation. It mostly affects geothermal power plants and occasionally wind power plants.

During the period under review, 245.35 GWh of energy, comprising both wind and geothermal, was curtailed, representing a 52.05% reduction from the 511.7 GWh curtailed in the half year ended December 2024. Of the curtailed energy, 234.07 GWh (95.4%) was geothermal, while 11.28 GWh (4.6%) was wind.

In the period under review, 245.35 GWh of geothermal energy was curtailed, a 52.05% reduction from the 511.7 GWh curtailed in the half year ended December 2024.

In this period, 3.01% of the total energy generated was curtailed compared to 7.1% in a similar period of the previous year. The reduction in curtailment can be attributed to an increase in night demand that increased from 1,152 MW in December 2024 to an upward of 1,400 MW in the period under review. Figure 2.7 shows the trend of energy curtailment from July to December 2024.

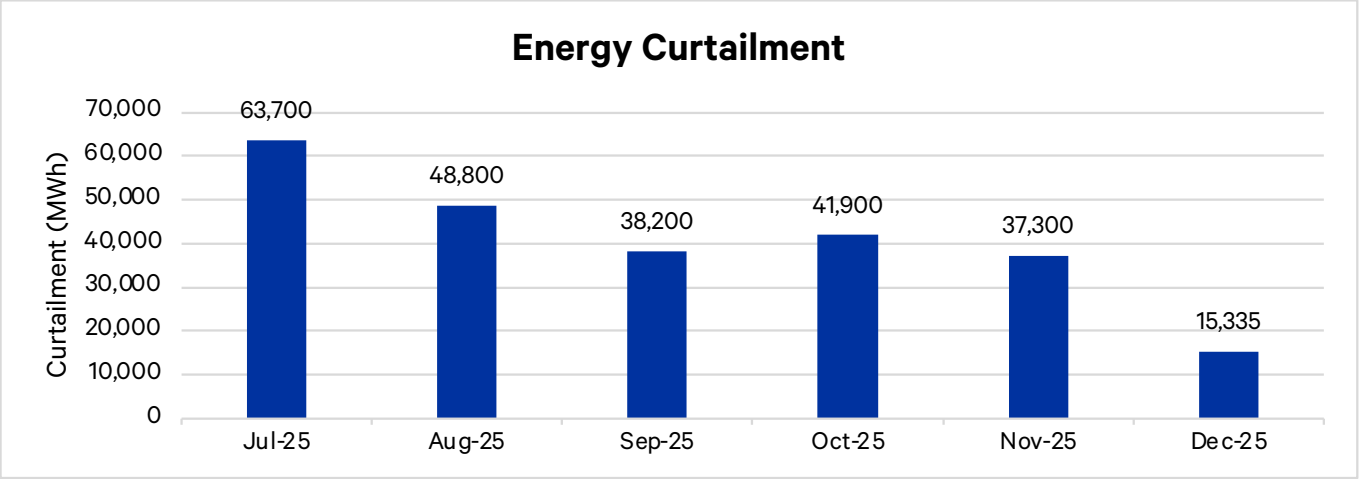


Figure 2.7: A trend of the monthly energy curtailment from July to December 2025

During the review period, July recorded the highest curtailment at 63.7 GWh while December recorded the lowest monthly curtailment at 15.34 GWh.

2.1.8 Offgrid

The national utility operates mini-grids that supply electricity to far flung areas that have not been connected to the national grid yet. Such areas include Lodwar, Marsabit, Wajir, Mandera, Moyale, Kakuma, Lokichoggio among others. The mini-grids comprise medium speed diesel power plants and solar photovoltaic plants feeding into medium voltage distribution networks.

In the period under review, power generation by public minigrids registered a 3.6% growth up from 44.70 GWh in the half year ended December 2024 to 46.40 GWh in the half year ended December 2025. Customers served by these mini-grids are charged the same electricity tariffs as grid connected customers.

Figure 2.8 shows the monthly generation from public mini-grids between July to December 2025.

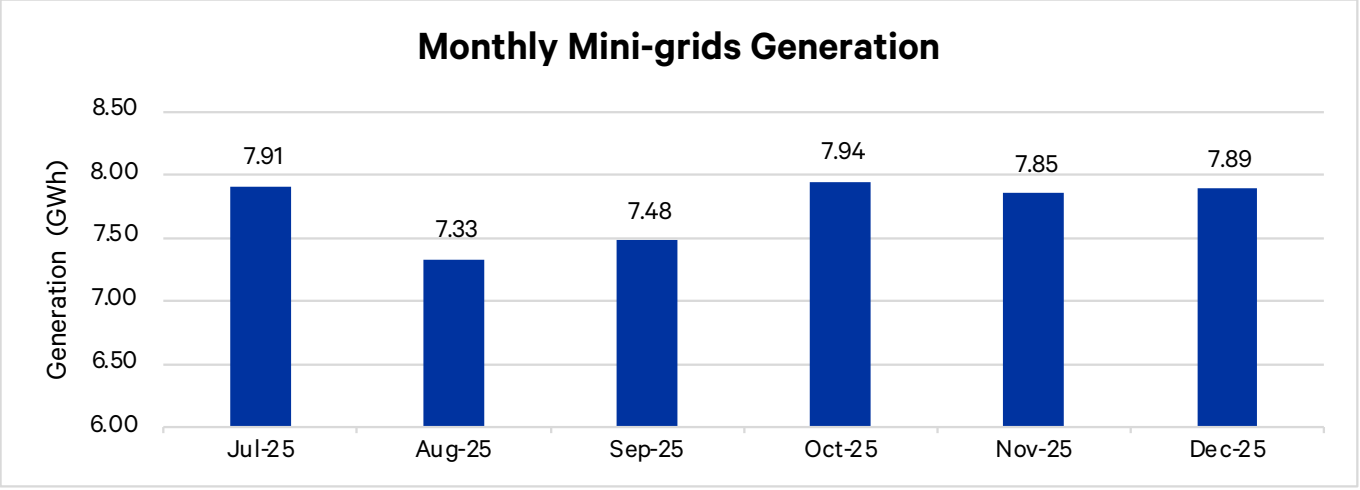


Figure 2.8: Monthly generation by KPLC operated mini-grids between July to December 2025

The highest generation was 7.94GWh recorded in October while the lowest was 7.33GWh recorded in August.

Figure 2.9 presents a summary of the electricity generated by KPLC mini-grids serving in remote areas.

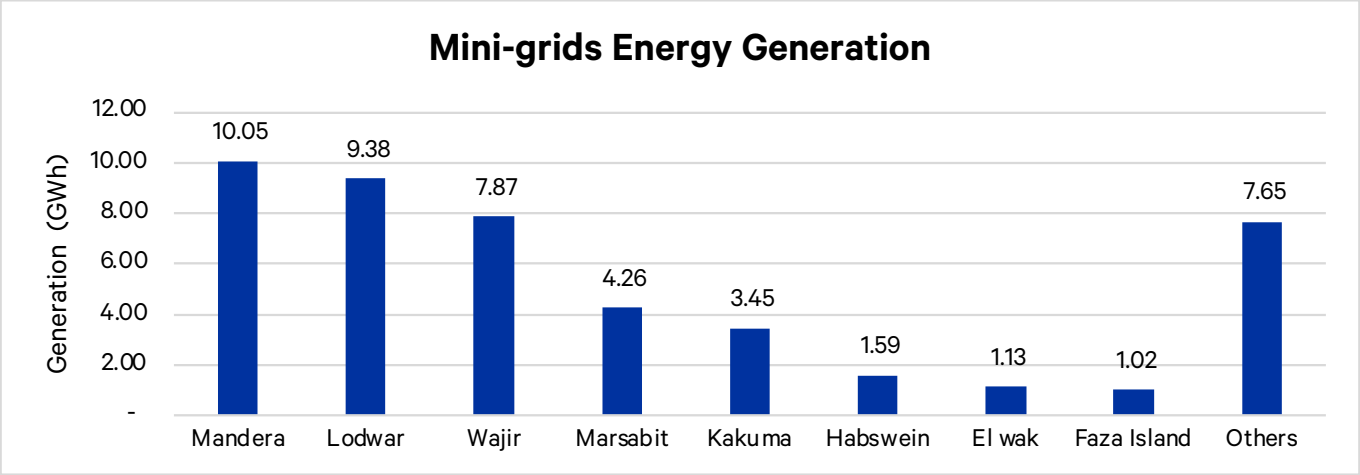


Figure 2.9: An illustration of energy generated by KPLC mini-grids serving remote areas

Mandera, with an installed capacity of 4.5 MW, recorded the highest generation among all areas served by KPLC mini-grids producing 10.05 GWh. This was an increase from 9.40 GWh recorded in the half year ended December 2024. The county leads in minigrid generation, accounting for 21.67% of the total generation. Lodwar ranked second generating 9.38 GWh in the period under review up from 8.77 GWh recorded in a similar period in 2024, while Wajir generated 7.87 GWh. Mandera, Wajir and Lodwar account for 58.8% of total electricity generated by minigrids.

2.1.10 System Losses

System losses refer to electrical energy generated but lost during transmission and distribution. They comprise technical and commercial losses. Technical losses are the inherent losses in transmission and distribution due to lines, transformers and supply infrastructure constrains. Commercial losses refer to unbilled electrical energy resulting from power supply to illegal connections, unmetered connections, unread meters and meter tampering.

In the period under review, 22.07% of the total energy purchased by the national utility was lost, a reduction from 24.08% recorded in a similar period of the previous year.

This was 5.57 percentage points above the 16.50% threshold allowed by the Authority in the schedule of tariffs for the financial Year 2025/26.

Figure 2.10 shows the trend in system losses during the period under review.

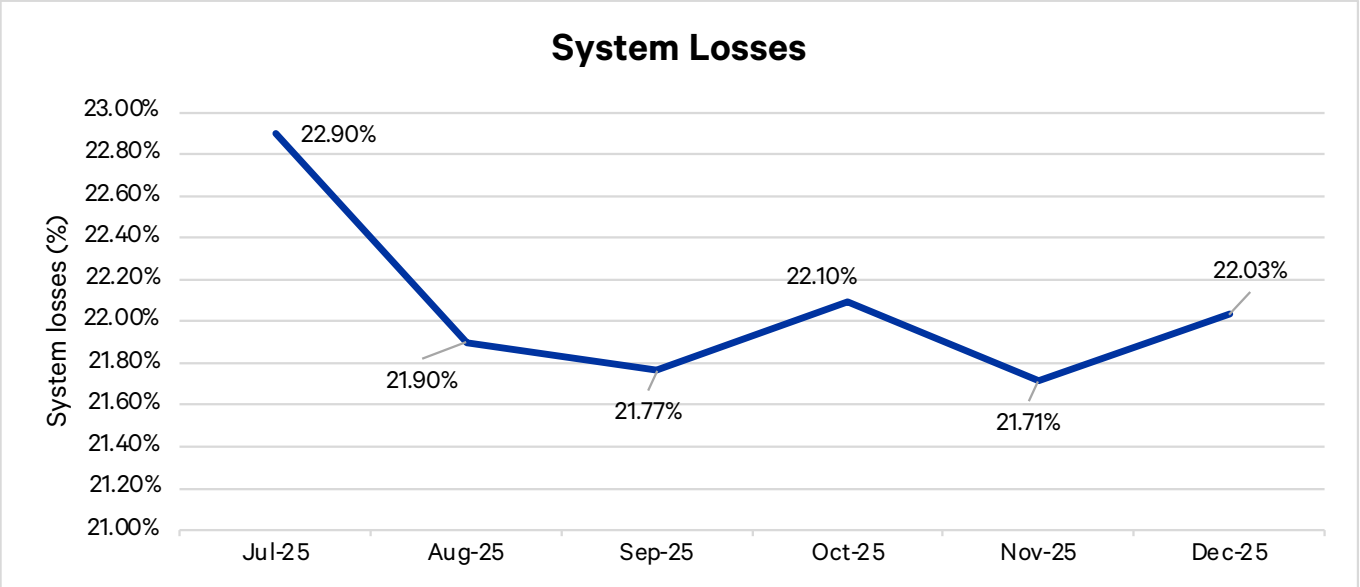


Figure 2.10: A trend of the monthly system losses from July to December 2025

July recorded the highest system losses at 22.9% while the least losses were recorded in November at 21.71%.

2.1.11 Electricity Reliability Indices

Reliability indices are tools for measuring how frequently power interruptions occur, how long they last and how long it takes to restore supply. There are three indices used to quantify how reliable a power supply system is, namely: CAIDI, SAIDI and SAIFI. Table 2.2 shows the reliability indices for the period under review.

Table 2.2: A summary of the electricity reliability indices from July to December 2025

	Jul 2025	Aug 2025	Sept 2025	Oct 2025	Nov 2025	Dec 2025	Average	EPRA target (Financial year 2025/26)
CAIDI	2.54	2.37	2.11	2.60	2.30	2.39	2.38	1.36
SAIDI	7.18	8.42	8.01	9.83	7.61	9.26	8.39	1.50
SAIFI	2.82	3.55	3.79	3.79	3.31	3.88	3.52	1.10

a) Customer Average Interruption Duration Index (CAIDI)

This index measures the average outage duration that any given customer would experience. It provides an indicator of how long it takes for power to be restored after a sustained interruption. Figure 2.11 shows the performance of this index during the half year ended December 2025.

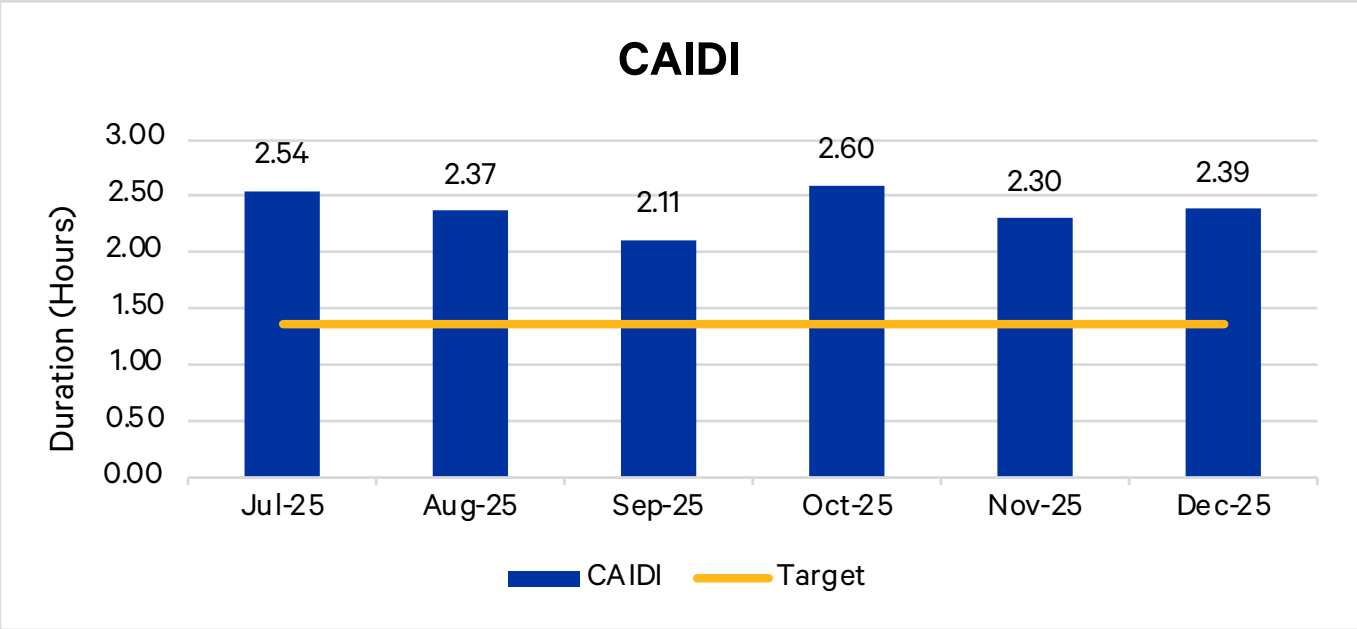


Figure 2.11: A trend of the monthly CAIDI performance from July to December 2025

In the period under review, the average outage duration decreased to 2.38 hours compared with 2.56 hours recorded in a similar period of the previous year. This exceeded the Authority's set target of 1.36 hours for the financial year 2025/26. The shortest restoration time was recorded in September at 2.11 hours while the longest was in October at 2.60 hours.

b) System Average Interruption Duration Index (SAIDI)

SAIDI is a measure of the total duration of interruptions a customer would experience in a given period and is measured in units of time (minutes, hours) per month or year. Figure 2.12 shows the monthly progression of this index in the period under review.

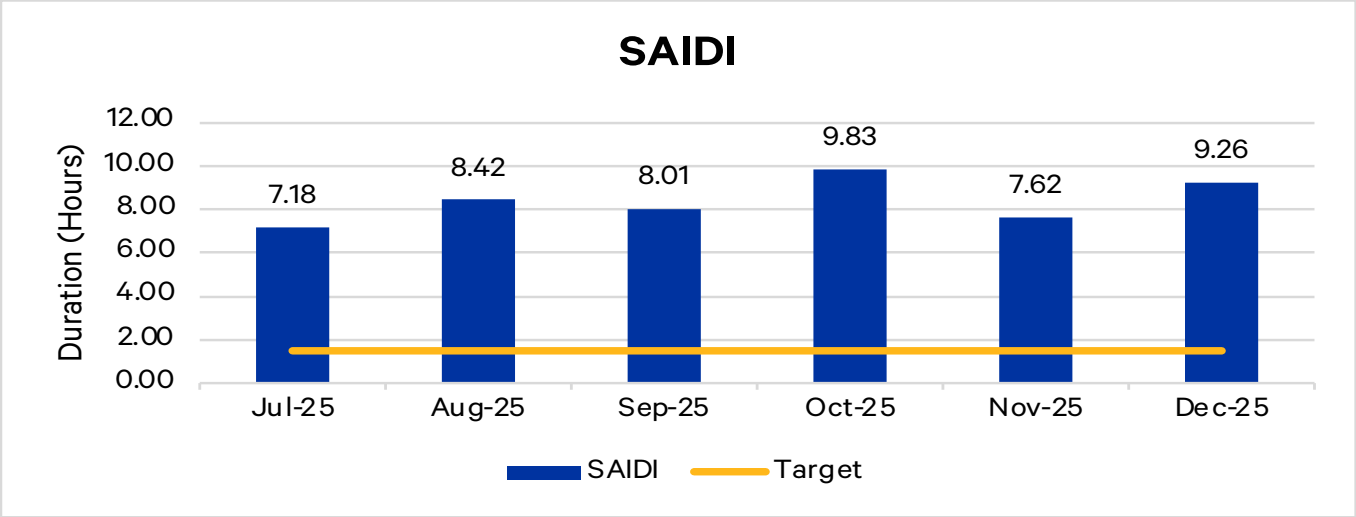


Figure 2.12: A trend of the monthly SAIDI performance from July 2025 – December 2025

In the period under review, customers' outage durations reduced to an average of 8.39 hours per month, down from 9.15 hours per month recorded in a similar period in the previous year. This exceeded the Authority's target for this index that was set at 1.50 hours per month. October had the highest outage duration of 9.83 hours while July recorded the lowest outage duration of 7.18 hours.

c) System Average Interruption Frequency Index (SAIFI)

This is the average number of interruptions that any given customer experiences. SAIFI is measured in units of interruptions per customer. There was a slight improvement of 0.05 in SAIFI in the period under review. Customers experienced an average of 3.52 interruptions per month in the period under review, down from 3.57 interruptions per month recorded in the half year ended December 2024. This, however, was still higher than the 1.10 interruptions threshold per month set by the Authority. Figure 2.13 shows the performance of SAIFI in the review period.

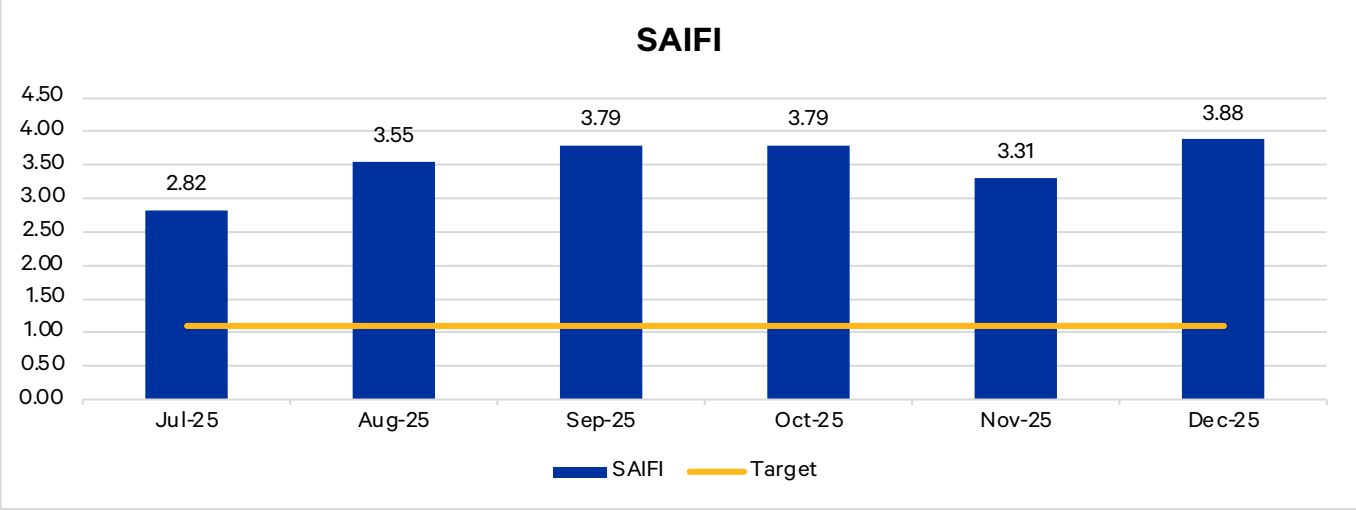


Figure 2.13: A trend of the monthly SAIFI performance from July – December 2025

2.2 Electricity Pricing

When determining retail electricity prices, the Authority takes into account several cost components including the cost of generation, transmission and distribution, pass-through costs, approved energy losses, and applicable taxes and levies.

2.2.1 Power Purchase Agreement

A Power Purchase Agreement (PPA) is a contractual arrangement between power generators and utility companies, outlining the terms for the sale of electricity. These terms encompass the quantity of power to be sold and the associated costs. PPAs play a crucial role in ensuring long-term price stability by establishing a fixed electricity price throughout the contract term. This stability is beneficial to both generators and consumers, as it helps mitigate the risks associated with fluctuating market conditions.

The following PPAs were approved in the period under review.

1. Power Purchase Agreement between KPLC and KenGen for the Muhoroni Gas Turbine (GT), in Muhoroni, Kericho County.
2. The C&I PPA between BE Africa C&I Limited and Coca-Cola to install a 1.907 MW solar plant at Coca Cola Kisumu manufacturing site.
3. The C&I PPA between BE Africa C&I Limited and Coca-Cola to install a 2.076MW solar plant at Coca Cola Embakasi manufacturing site.
4. The PPA between Kleen Hydro Limited and KPLC for a 6.0 MW Hydro Power Plant at Ndunda Falls.
5. The Deed of Variation and Novation between KPLC and Hannan Arya Energy (K) Limited and Hon One Limited in respect to the PPA Between KPLC And Hannan Arya Energy (K) Limited for the development of a 10.25 MW Solar Plant.

2.2.2 Base Electricity Tariff

The base electricity tariff consists of multiple components that encompass the costs related to electricity generation, transmission, distribution, operational expenses, and return on equity for the utility company. The Authority approved the base tariff for the tariff control period spanning 2022/23 to 2025/26 in March 2023.

Table 2.3 provides a summary of the applicable base tariff for the various customer categories during the review period.

Table 2.3: The base electricity tariff for the financial year 2025/26

Customer Category	Voltage at connection	Energy Limit (kWh/month)	Energy Charge (Ksh. /kWh)		Demand Charge (Ksh.)
			As at June 2025	As at December 2025	
Domestic	240 Volts/415 Volts	0-30	12.23	12.14	0
		30-100	16.54	16.50	0
		>100	19.08	18.57	0
Small Commercial	240 Volts/415 Volts	<30	12.23	12.28	0
		30-100	16.34	16.30	0
		>100	19.40	19.00	0
Electric Mobility	240 Volts/415 Volts	200-15,000	16.0	16.0	0
Commercial Industrial	415 Volts	>15,000	13.74	13.44	1,100
	11,000 Volts	No Limit	12.44	12.16	700
	33,000 Volts	No Limit	11.92	11.68	370
	66,000 Volts	No Limit	11.68	11.42	300
	132,000 Volts	No Limit	11.4	11.16	300
	220,000 Volts	No Limit	10	10	200
Special Economic Zones	220,000 Volts	No Limit	10	10	200
Street Lighting		No Limit	9.23	9.15	0

2.2.3 Pass-through charges

Pass-through charges are implemented to cover additional expenses incurred in the provision of generation, transmission and distribution of electricity which are not included in the base tariff. These include Fuel Energy Charge (FEC), Foreign Exchange Rates Fluctuations Adjustments (FERFA), Water Resource Authority (WRA) levy, Inflation Adjustments, and taxes and levies.

The FEC exhibited fluctuations during the review period with the lowest at Ksh. 2.99/kWh in August and highest at Ksh. 3.81/kWh in November 2025. These fluctuations are attributed to varying quanta of thermal power dispatch.

The WRA levy is prescribed in the Water Resource Management Rules, 2007 at 5 Cents/kWh for generation derived from hydro sources of 1MW and above. It contributes to the maintenance and operation of the WRA infrastructure, ensuring sustainable water resource management. During the review period, the WRA levy was highest at Ksh. 0.0134/kWh in September and lowest at Ksh. 0.0128/kWh in December.

The FERFA is designed to offset the impact of foreign exchange rate fluctuations on power purchase costs and KPLC and KenGen forex losses on foreign currencies denominated loans. During the review period, FERFA recorded a high of Ksh. 1.7742/kWh in July and a low of Ksh. 0.6809/kWh in December 2025.

Inflation adjustment is implemented to account for changes in the general price level of goods and services, ensuring that electricity tariffs align with prevailing economic conditions. The actual inflation adjustment on end-user tariffs, done biannually, was Ksh. 0.44/kWh throughout the review period.

Figure 2.14 provides a trend in pass-through charges from July 2023 to November 2025.

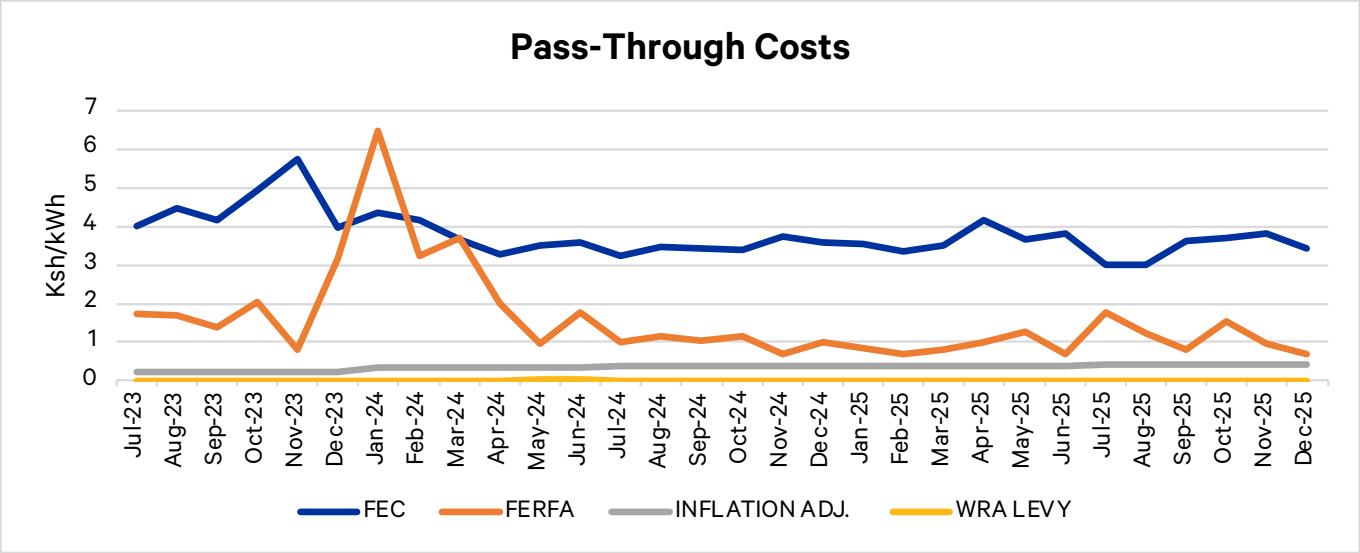


Figure 2.14: A comparative trend in pass-through costs from July 2023 to December 2025

2.2.4 Retail Electricity Tariff

The retail electricity tariff represents the final calculated cost, incorporating the costs of generation, transmission and distribution, pass-through costs and applicable taxes and levies. The monthly variations in the tariff reflect changes in the pass-through costs and adjustments in the base tariff. Table 2.4 provides a summary of the trend in the retail tariff for the various customer categories during the review period.

Table 2.4: A summary of the overall electricity retail tariff for the various customer categories

Customer Category	Jul-25 Ksh/kWh	Aug-25 Ksh/kWh	Sep-25 Ksh/kWh	Oct-25 Ksh/kWh	Nov-25 Ksh/kWh	Dec-25 Ksh/kWh
DC 1 Lifeline (0-30 kWh)	20.50	19.91	20.21	21.04	20.60	19.87
DC 2 Ordinary (30-100 kWh)	25.78	25.19	25.48	26.32	25.88	25.15
DC 3 Ordinary (100-15000 kWh)	28.28	27.70	27.99	28.82	28.38	27.65
Small Commercial 1 (0-30 kWh)	20.67	20.09	20.37	21.21	20.77	20.04
Small Commercial 2 (30kWh-100kWh)	25.53	24.95	25.24	26.07	25.63	24.90
Small Commercial 3 (100kWh-1500kWh)	28.80	28.22	28.51	29.34	28.90	28.17
SC Bulk Supply (1000kWh-1500kWh)	28.80	28.22	28.51	29.34	28.90	28.17
Commercial Industrial 1 - 415 V (> 15,000 kWh)	25.53	24.95	25.24	26.07	25.63	24.90
Commercial Industrial 2 - 11,000 V	21.41	20.83	21.12	21.95	21.51	20.78
Commercial Industrial 3 - 33,000 V	21.60	21.01	20.31	22.14	21.70	20.97
Commercial Industrial 4 - 66,000 V	20.64	20.06	20.35	21.18	20.74	20.01
Commercial Industrial 5 - 132,000 V	19.74	19.15	19.44	20.28	19.84	19.10
Commercial Industrial 6 - 220,000 V	17.94	17.36	17.65	18.49	18.05	17.32
Commercial Industrial 7 (SEZs)	17.94	17.36	17.65	18.49	18.05	17.32
E-Mobility	25.17	24.59	24.88	25.71	25.27	24.54
Street Lighting	16.88	16.30	16.59	17.42	16.98	16.25

Figure 2.15 presents a comparative trend in retail tariffs for domestic customers categories from July 2023 to December 2025.

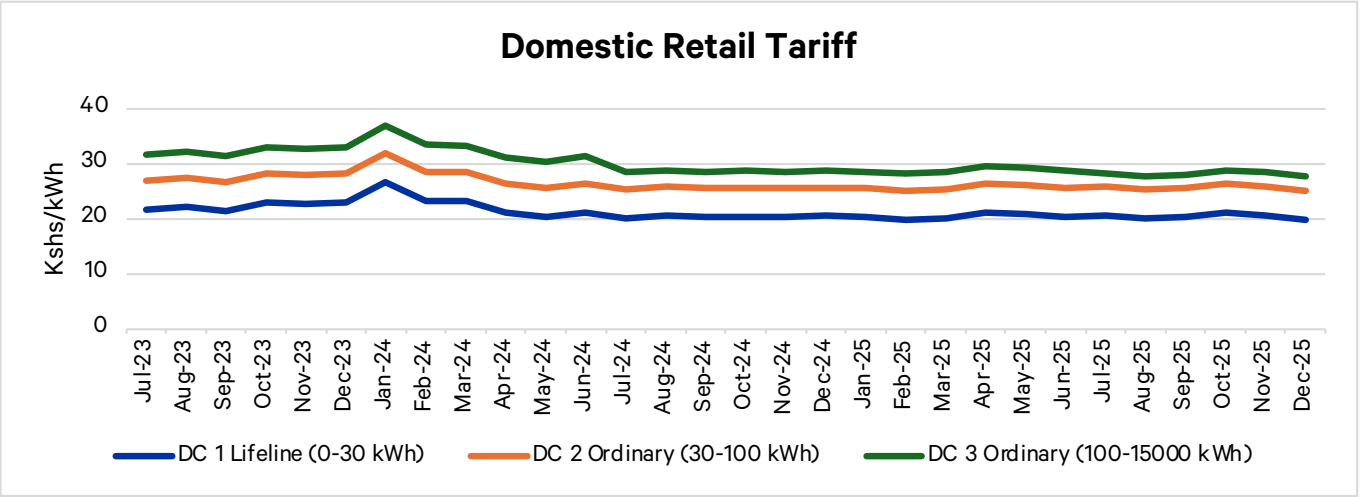


Figure 2.15: A comparative trend in retail tariff for domestic customer categories from July 2023 to December 2025.

The tariff trend for small commercial, e-mobility and street lighting customer categories over the same period is illustrated in figure 2.16.

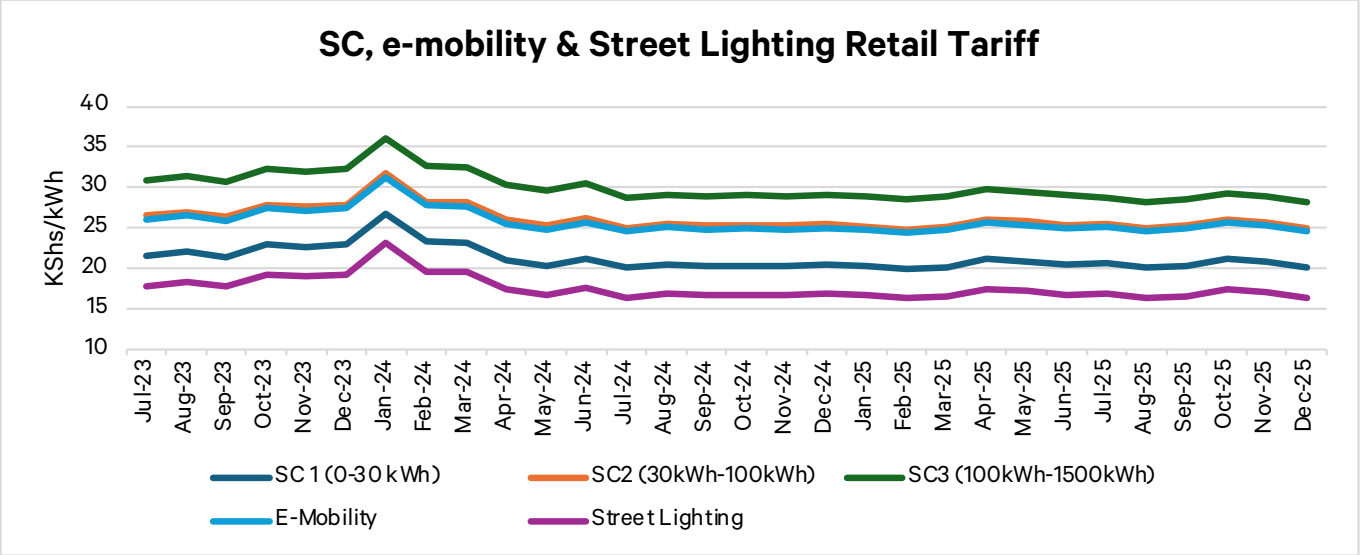


Figure 2.16: A comparative trend of the retail tariff for the small commercial, e-mobility and street lighting customer categories from July 2023 to December 2025

The tariff trend for Commercial Industrial Customer categories is illustrated in figure 2.17.

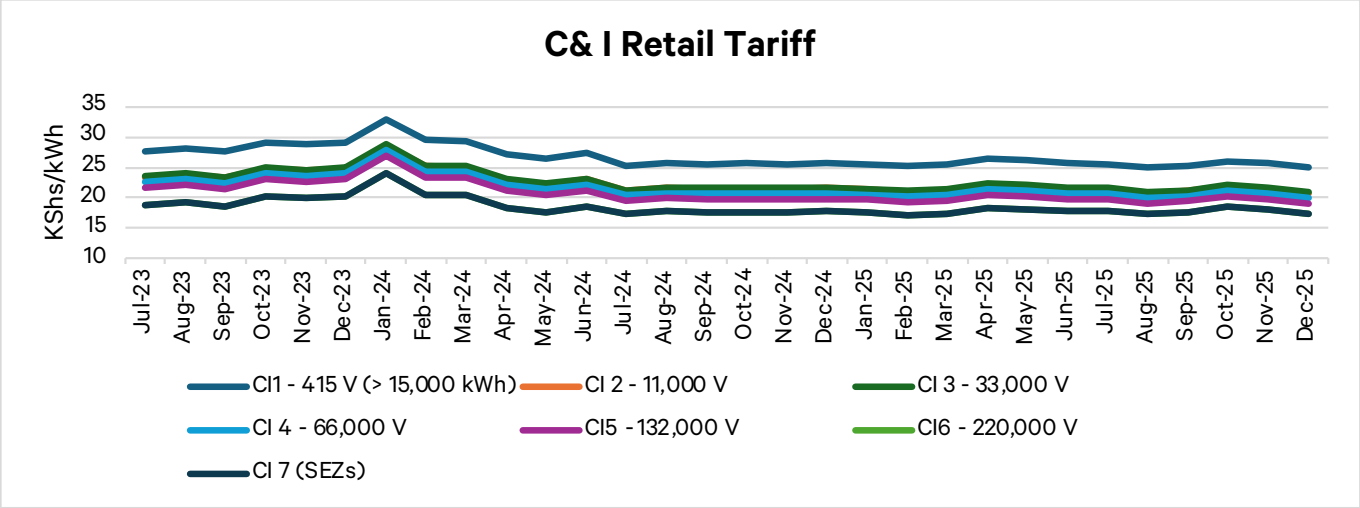


Figure 2.17: A trend of the retail tariff for the commercial industrial customers from July 2023 to December 2025

Table 2.5 provides a breakdown of the overall retail tariff for the DC3 category, the largest consumer group under the domestic category, with monthly consumption exceeding 100 kWh.

Table 2.5: A breakdown of the retail tariff for DC 3(>100kWh)

Component (Kshs. /kWh)	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
Base Tariff	18.57	18.57	18.57	18.57	18.57	18.57
Pass Through Costs	5.25	4.67	4.86	5.68	5.22	4.55
Taxes and Levies	4.62	4.66	4.65	4.64	4.70	4.67
Total	**28.28**	**27.70**	**27.99**	**28.82**	**28.38**	**27.65**

Figure 2.18 illustrates the proportions of the cost component in the December 2025 retail tariff for the domestic customer category (DC3).

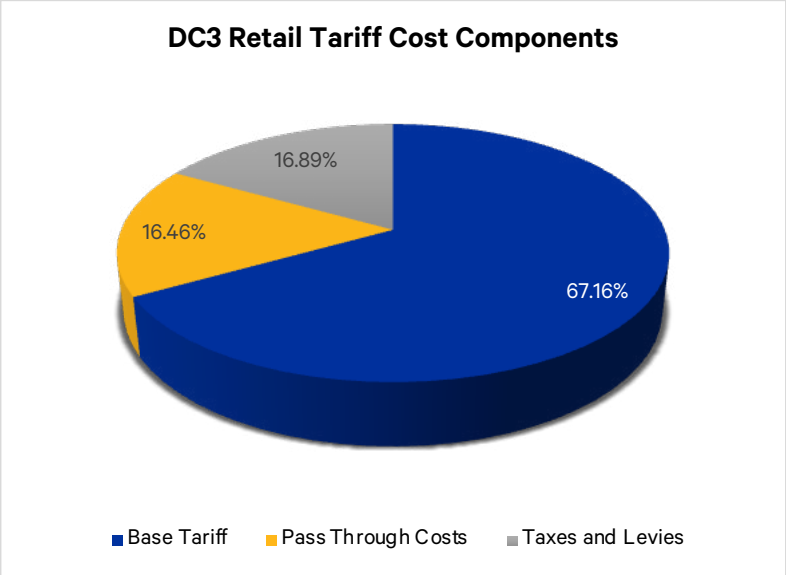


Figure 2.18: Proportions of cost components in the DC3 retail tariff for December 2025

2.2.5 Time of Use (ToU) Tariff

The TOU tariff was introduced in December 2017 to encourage increased electricity consumption by commercial industrial customers during off-peak hours. The tariff aims to flatten the demand curve thereby enhancing grid stability and optimizing the utilization of available generation capacity. It also seeks to balance affordability for consumers with efficiency in power system operations, while supporting sustained revenue growth for the utility.

Further, in April 2023 the Authority introduced the TOU tariff for the small commercial customer categories and electric mobility tariff customers. The TOU tariff provides a 50% discount on the energy charge rates during the off-peak periods (2200 hours to 0600 hours during weekdays, 0000 hours to 0800 hours and 1400 hours to 0000 hours on Saturday and on public holidays and the whole day on Sundays on premises that electricity consumption thresholds are met.

During the review period, 148 GWh of energy was sold under the ToU tariff, an increase from 84.9 GWh in the same period of the previous year. The ToU beneficiaries cumulatively saved Ksh. 971.0 million during the review period. The savings achieved in this period increased by Ksh. 282.3 million compared to a similar period in the previous year. A summary of the monthly ToU savings is provided in table 2.6.

Table 2.6 Monthly savings by the ToU customers

Month	No. of Customers Who Benefited	Customer Savings (Ksh. 000,000)	Total Increase in Sales (Low Rate) GWh
Jul-25	2,478	146.3	19.3
Aug-25	2,826	145.5	19.8
Sep-25	2,446	123.7	15.8
Oct-25	2,745	150.4	19.9
Nov-25	2,937	196.8	27.2
Dec-25	2,918	208.4	46.0

Source: Kenya Power

Figure 2.19 presents the trend in customers' savings from the TOU tariff from July 2023 to December 2025.

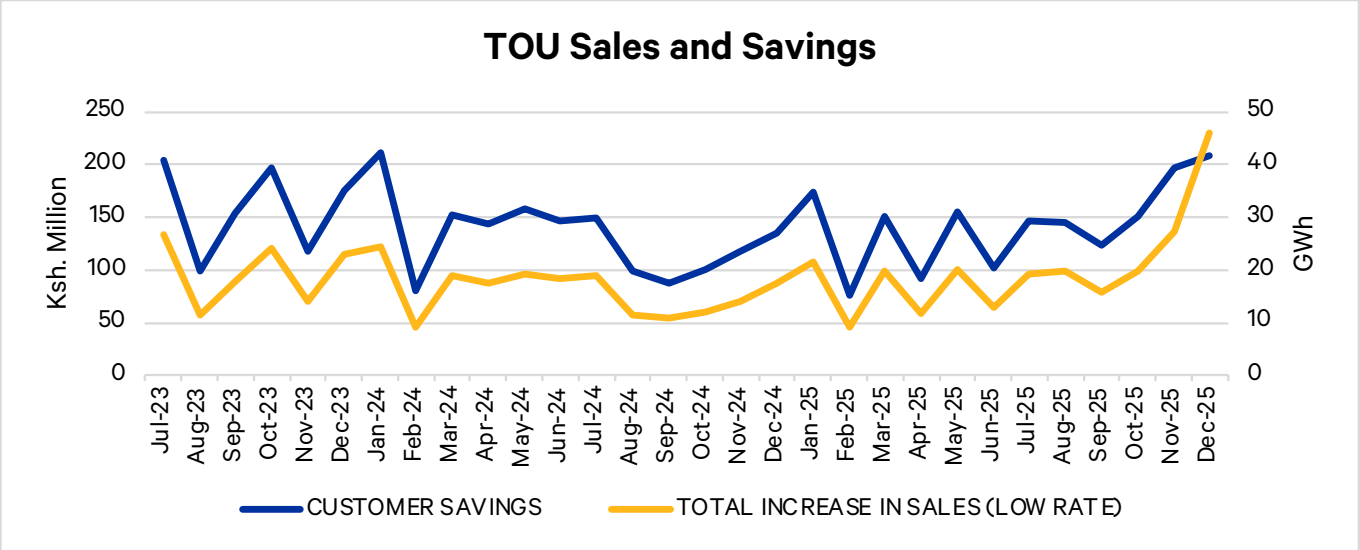


Figure 2.19: A trend in TOU sales and customer savings from July 2023 to December 2025

2.3 Market share

The electricity subsector market share is determined by the proportion of energy purchased from power producers by the off taker (Kenya Power). KenGen maintained the largest market share of 57.49%. This underscores its significant role as leading contributor in the energy generation landscape, supported by its extensive infrastructure and diverse portfolio of power generation assets.

Lake Turkana Wind Power (LTWP) plant held the second largest market share of 9.97% followed by imports from Ethiopia (EEP) at 9.88%. Other generators with notable market shares include Orpower, Rabai Power, Kipeto Energy, Sosian, Thika Power and imports from Uganda and Ethiopia. Table 2.7 presents a biannual comparative summary of the market share based on energy purchased.

Table 2.7: A biannual comparative summary of the electricity market share

Company	Energy Purchased (GWh) (July-December 2025)	% Market Share (July - December 2024)	% Market Share (July - December 2025)
KenGen	4,461.66	59.94%	57.49%
LTWP	773.40	10.24%	9.97%
Ethiopian Electric Power (EEP) 500 HVDC	766.48	8.85%	9.88%
Orpower	497.19	5.78%	6.41%
Rabai Power	250.53	3.21%	3.23%
Kipeto Energy PLC	213.72	3.01%	2.75%
Sosian Menengai Geothermal	167.60	2.23%	2.16%
Uganda Electricity Transmission Company Limited (UETCL)	163.67	1.55%	2.11%
Thika Power	103.59	0.67%	1.33%
Alten Kenya Solarfarm	52.00	0.70%	0.67%
Malindi Solar Group	50.15	0.70%	0.65%
Selenkei Solar Farm	44.15	0.62%	0.57%
Garissa Solar Power Plant	40.93	0.56%	0.53%
Cedate	40.41	0.60%	0.52%
Others	135.18	1.34%	1.74%
Total	**7,760.66**	**100%**	**100%**

2.4 Greenhouse Gas Emissions

Kenya is a party to the Paris Agreement and, through its Second Nationally Determined Contribution (NDC), has committed to reduce greenhouse gas (GHG) emissions by 35% by 2035 relative to the business-as-usual scenario of 215 $MtCO_2eq$. This translates to an abatement of 75.25 $MtCO_2eq$. The NDCs cover the energy sector, industrial processes and product use, agriculture, land use and forestry, and waste management, addressing key greenhouse gases including carbon dioxide (CO_2), methane (CH_4), and nitrous oxide (N_2O). To achieve this target, Kenya aims to achieve 100% renewable energy generation by 2035 and promote the adoption of clean and efficient energy use across the transport, agriculture, and domestic sectors.

During the period under review, carbon dioxide emissions were estimated at 449,521.64 tCO_2 from halfyear grid electricity generation of 7,760.68 GWh. This corresponds to a grid emission factor of 0.05792 tCO_2/MWh, representing a 17.56% increase compared to the previous financial year, which recorded a grid emission factor of 0.04927 tCO_2/MWh. Overall, carbon dioxide emissions rose by 27.11%, from 353,646.78 tCO_2 to 449,521.64 tCO_2. This increase is primarily attributed to a 24.27% rise in grid thermal generation during the review period.

CHAPTER 3

RENEWABLE ENERGY

This chapter analyses the renewable energy sub-sector, detailing the installed capacity and performance of each renewable energy resource, throughout the review period.

3.1 Installed capacity

The installed capacity of renewable energy sources as at December 2025 was 2,957 MW, which accounts for 80.60 % of Kenya's total installed capacity. This comprises 2,427.2 MW of interconnected renewable energy capacity and 525.2 MW of captive renewable energy capacity. The period under review saw additions in captive solar PV plants to an installed captive capacity of 326.7 MW. Table 3.1 shows the country's installed renewable energy capacity by technology as at December 2025.

Table 3.1: Installed renewable energy capacity by technology as at December 2025

Technology	Interconnected Capacity (MW)		Captive Capacity (MW)	Offgrid Capacity	Total Installed Capacity	% Total Installed
	Installed	Effective				
Hydro	839.5	809.7	33.0	0.1	872.5	23.78%
Geothermal	940.0	876.1	3.7	0.0	943.7	25.72%
Wind	435.5	425.5	-	0.6	436.1	11.89%
Solar	210.3	210.3	326.7	3.9	540.9	14.74%
Bioenergy	2.0	2.0	161.8	0.0	163.8	4.47%
Total	**2,427.2**	**2,323.6**	**525.2**	**4.6**	**2,957.0**	**80.60%**

In the period under review, 78.79% of the energy supplied to Kenya's national grid was obtained from renewable energy sources. Thermal plants accounted for 9.11% while 12.10% was imported. For the renewable energy sources, geothermal energy generation continues to supply the majority of Kenya's electric energy demand accounting for 40.06% of the total energy generation.

Hydro and wind generation ranked second and third, accounting for 22.36 % and 12.98 % respectively. Utility scale solar generation contributed 2.92 % of the country's energy needs. The renewable energy generation mix is presented in figure 3.1.

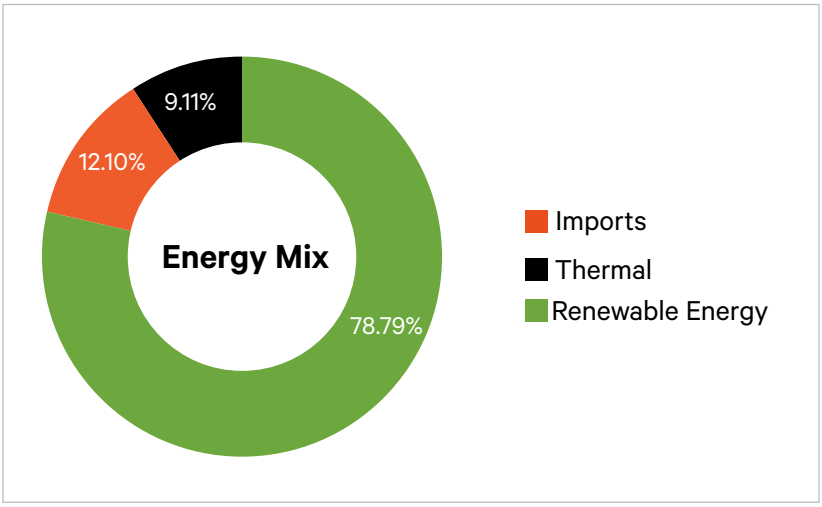


Figure 3.1: Kenya's renewable energy generation mix from July to December 2025

3.2 Source performance summary

3.2.1 Geothermal Energy

Geothermal power plants in Kenya are operated as base load facilities. The installed geothermal capacity remained unchanged at 943.7 MW, the same level recorded during the corresponding period in the previous year.

Geothermal accounted for 40.06% of the energy supplied to the interconnected grid, generating 3,127.76 GWh. The monthly geothermal energy generated during the review period is illustrated in figure 3.2.

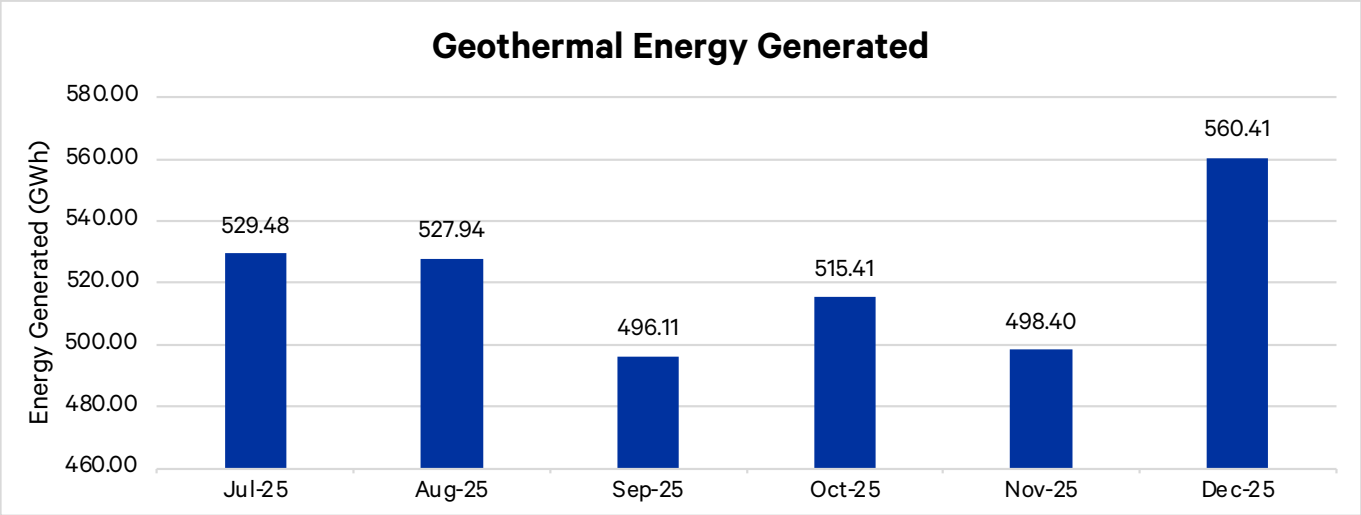


Figure 3.2: A trend of the monthly geothermal energy generated from July to December 2025

The highest geothermal energy in the period under review was generated in December at 560.41 GWh while the lowest energy was generated in September at 496.11 GWh.

Figure 3.3 presents a comparative trend of the biannual geothermal energy generation from 2023 and 2025.

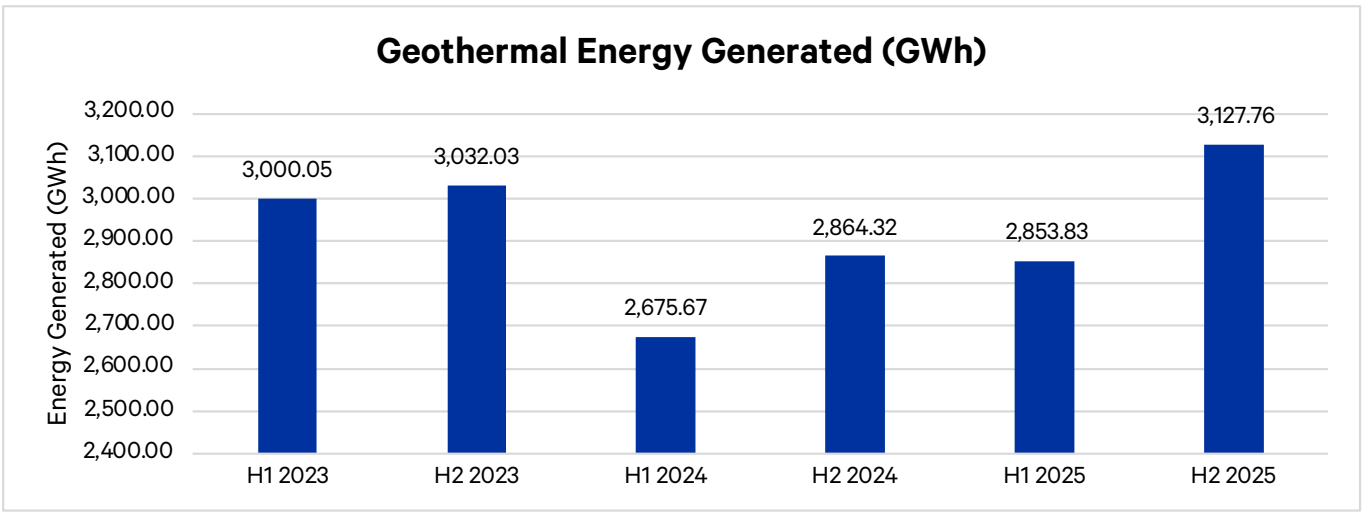


Figure 3.3: A biannual trend of the geothermal energy generation from 2023 to 2025

The geothermal energy generation in the period under review increased by 9.20% to 3,127.76 GWh up from 2,864.32 GWh in a similar period in the previous year. The increased uptake of geothermal energy was occasioned by growth in demand and reduction in curtailment.

3.2.2 Hydro Power

As of December 2025, the installed hydro capacity was 872.5 MW, comprising 839.5MW of interconnected capacity and 33MW of captive capacity.

During the period under review, interconnected hydropower plants generated 1,745.68 GWh, constituting 22.36% of the total energy generated. Figure 3.4 presents a trend of the monthly energy generation from hydropower plants throughout the review period.

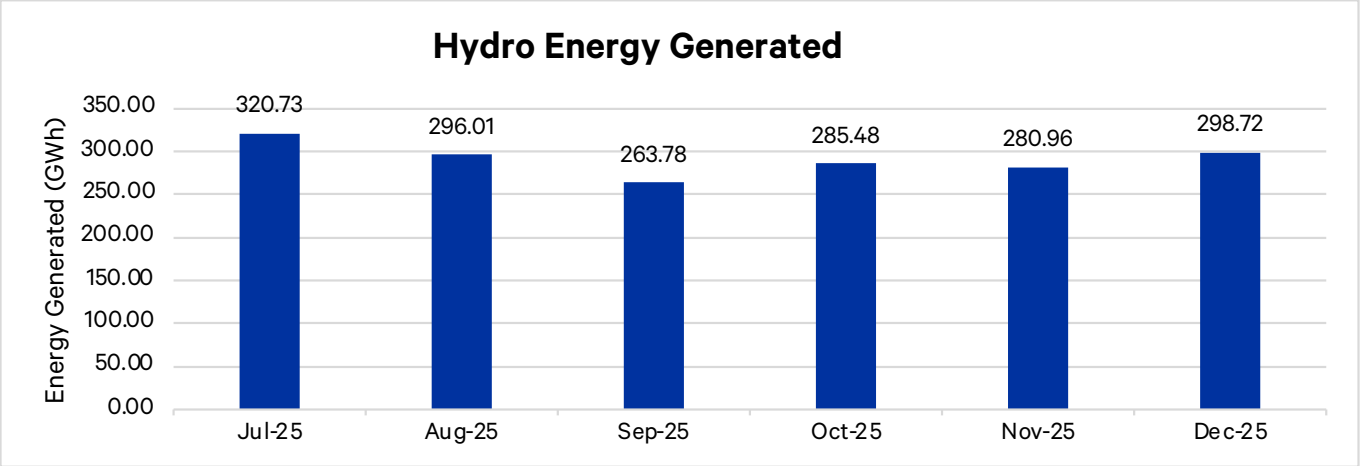


Figure 3.4: A trend of the monthly hydropower generation from July to December 2025

July 2025 recorded the highest hydro energy generation at 320.73 GWh while September 2025 recorded the lowest at 263.78 GWh.

There was a 2.31% decrease in hydro energy generation from 1,786.90GWh in a similar period in 2024 to 1,745.68 GWh. This is attributed to sub-optimal rains. Figure 3.5 illustrates the trend in hydro energy generation from 2023 to 2025.

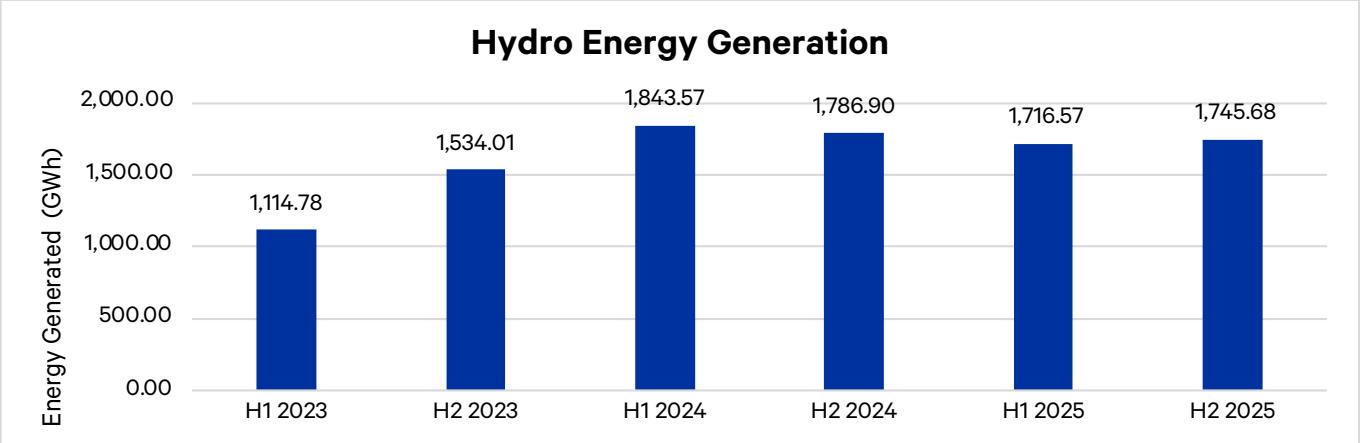


Figure 3.5: A biannual trend in hydro energy generation from 2023 to 2025.

3.2.3 Wind Energy

The country's installed wind generation capacity remained unchanged at 436.1 MW, the same level recorded during the corresponding period in the previous year. Wind energy contributed 1,013.43 GWh to the interconnected grid during the period under review, constituting 12.98% of the country's total electricity mix.

The wind energy generated increased by 4.27% from 971.90 GWh in the previous review period. Figure 3.6 presents the monthly wind energy generation during the review period.

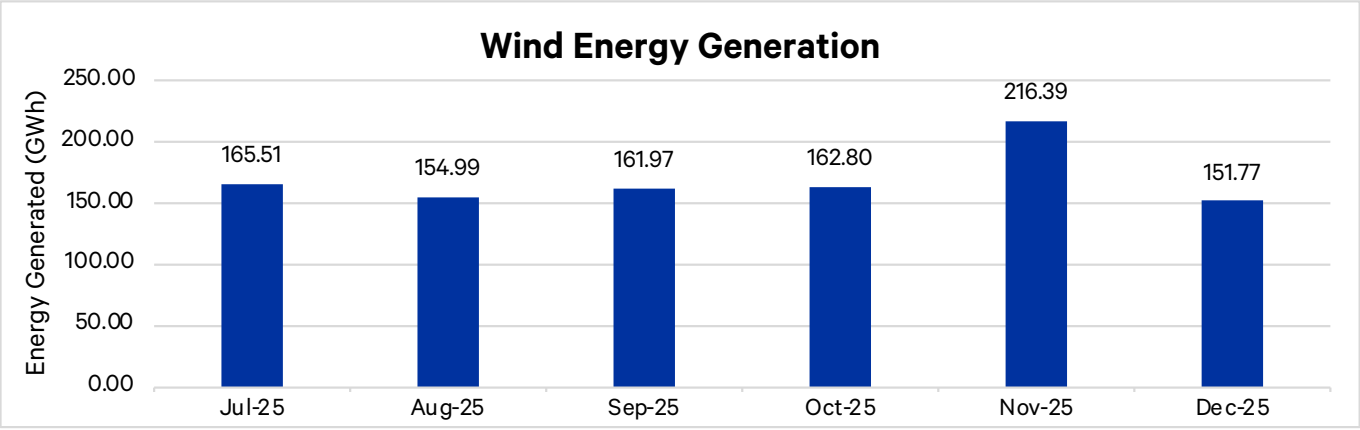


Figure 3.6: A trend of the monthly wind energy generation from July to December 2025

The highest wind energy was generated in November 2025 at 216.39 GWh, attributed to a favorable wind regime, while the lowest was generated in December 2025 at 151.77 GWh. A comparative trend of the biannual wind energy generation from 2023 and 2025 is provided in figure 3.7.

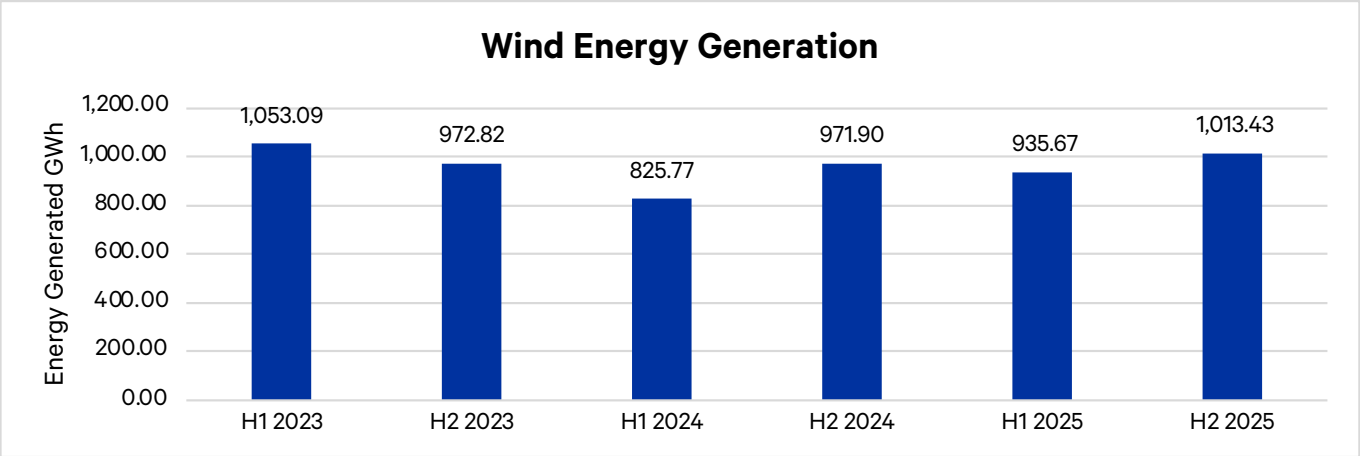


Figure 3.7: A biannual trend of the wind energy generation from 2023 and 2025

3.2.4 Solar Energy

As of December 2025, Kenya's solar installed capacity was 540.9 MW, comprising 210.3 MW of utility scale capacity, 326.7 MW of captive capacity and 3.9 MW of off grid capacity.

In the period under review 227.67 GWh was generated from utility scale solar systems accounting for 2.92% of the country's electricity demand. This was a slight decrease of 0.06% from a similar period in 2024.

The monthly energy generation from interconnected solar photovoltaic plants is displayed in figure 3.8.

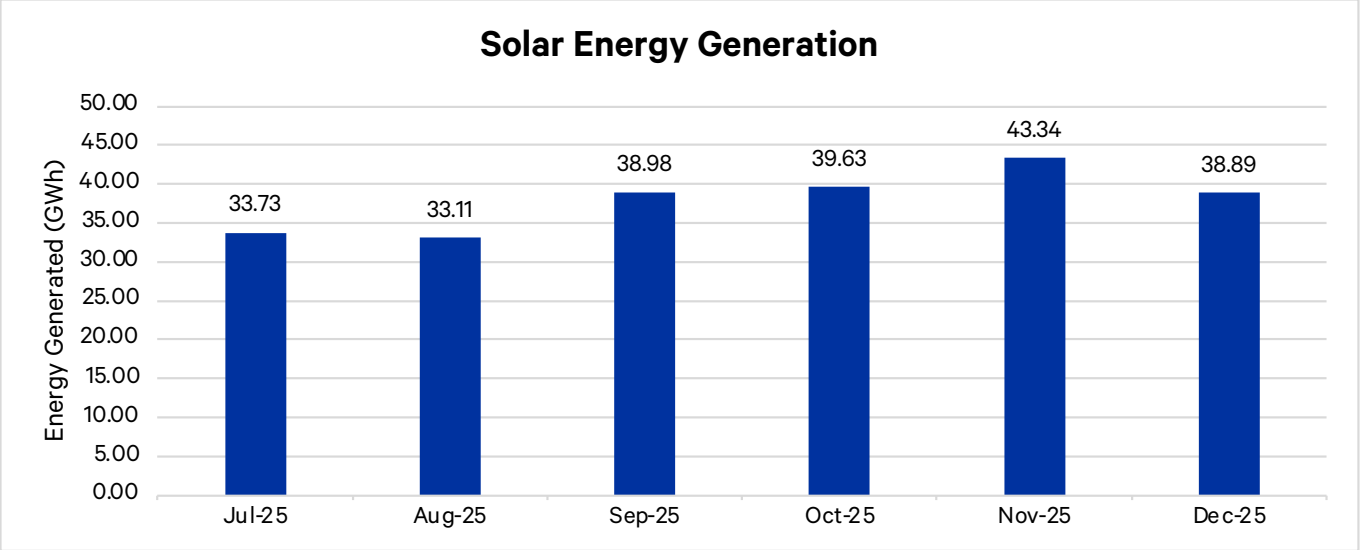


Figure 3.8: A trend of monthly solar energy generation during from July to December 2025

The highest solar energy generation occurred in November, at 43.34 GWh, while the lowest was recorded in August, at 33.11 GWh. The fluctuations in the energy generation are attributed to variations in solar insolation.

A biannual trend of the annual solar energy generation from 2023 to 2025 is provided in figure 3.9.

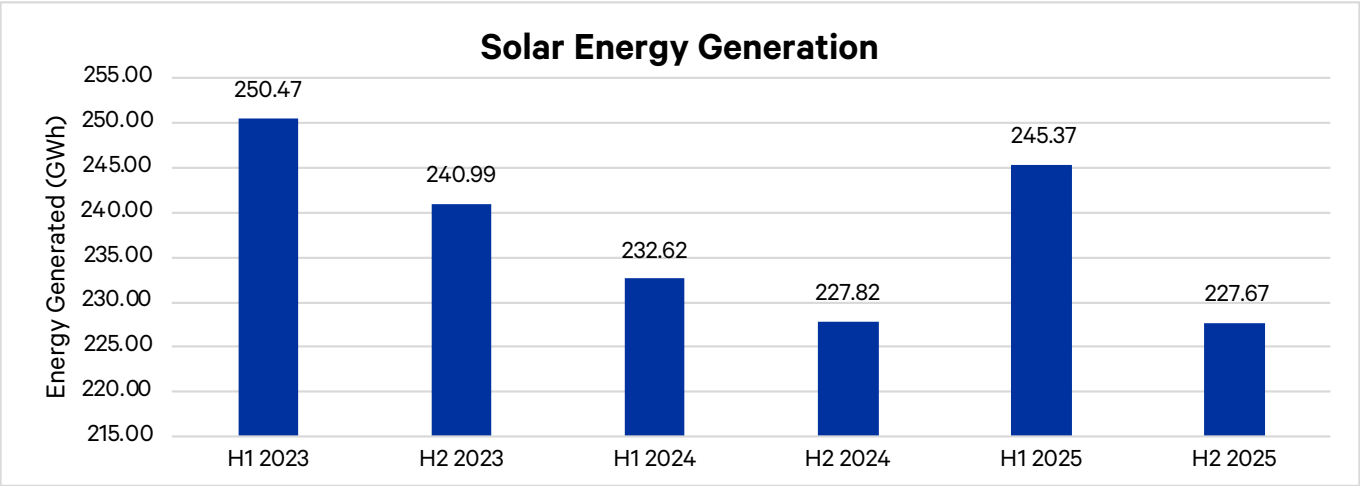


Figure 3.9: A biannual trend in the annual solar energy generation from 2023 and 2025

Solar photovoltaic systems make the highest contribution to the country's captive generation capacity at 326.7 MW, which accounts for 51.86 % of the total captive capacity. The review period saw additions in captive capacity of 26.2 MW.

The policy landscape was enhanced during this period with the gazettement of the Energy (Solar Water Heating) Regulations, 2025. These regulations aim to promote the use of SWH systems by enforcing standards in the value chain. Along with other government policies, this regulatory advancement will promote the transition to sustainable energy solutions.

3.2.5 Bioenergy

Bioenergy refers to sustainable energy derived from organic matter and can take various forms such as firewood, biochar, briquettes, bagasse, biogas, syngas, bioethanol, and biodiesel. In Kenya, these diverse forms of bioenergy find applications in open-fire cooking, improved cook stoves, industrial biomass boilers, furnaces, internal combustion engines, lighting lamps, and electricity generation. Notably, bioenergy constitutes the most substantial portion of the final energy consumption in Kenya.

As of December 2025, the installed capacity for electricity generation from bioenergy was 163.8 MW, comprising 161.8 MW of captive capacity and 2 MW of grid-interconnected capacity. During the review period, the Energy (biofuels) regulations, 2025, were gazetted with the aim to promote the adoption and use of biofuels by prescribing standards in the biofuels value chain.

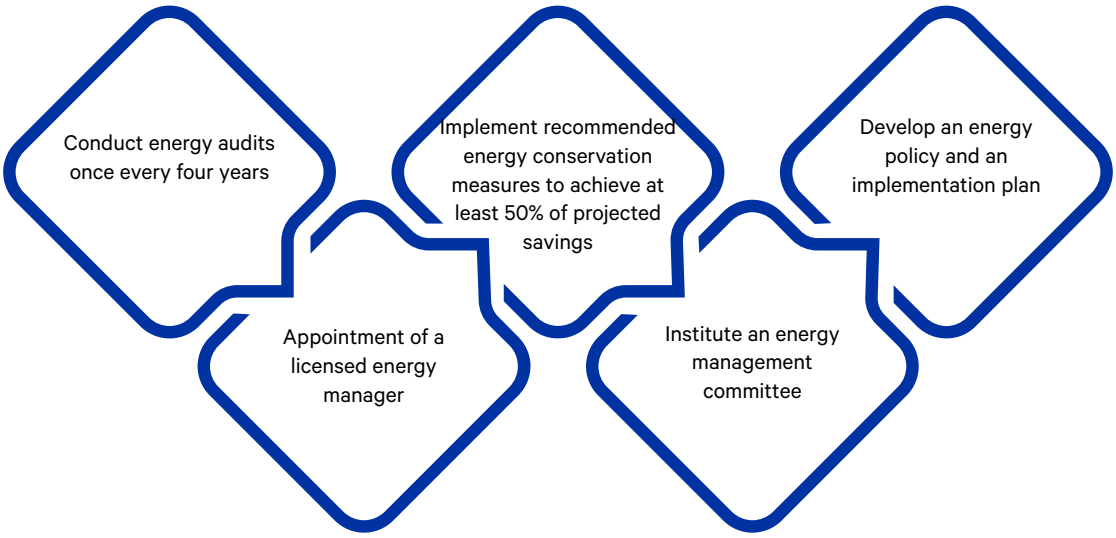
CHAPTER 4

ENERGY EFFICIENCY

The Authority has instituted two key regulations to promote energy efficiency: the Energy (Energy Management) Regulations, 2025 and the Energy (Appliances' Energy Performance and Labelling) Regulations, 2016.

The Energy Management regulations aim to promote energy efficiency among industrial, commercial and institutional facilities with an energy consumption threshold of at least 180,000 kWh.

Energy Management Regulations Requirements



These regulations underscore the Authority's commitment to promoting energy efficiency and supporting designated facilities in reducing energy consumption and enhancing their competitiveness.

Based on their energy consumption, facilities are classified into three categories: small facilities, which consume less than 180,000 kWh; medium facilities, which consume between 180,001 kWh and 1,200,000 kWh; and large facilities, which consume more than 1,200,000 kWh. In the period under review, 77 facilities comprising 10 small, 30 medium and 37 large energy consumers conducted energy audits. These audits identified estimated annual energy savings amounting to 32,527.41 MWh that can be achieved through implementation of recommended energy conservation measures.

The Energy (Appliances' Energy Performance and Labelling) Regulations, 2016, on the other hand, aim to ensure that the regulated electric appliances manufactured or imported into the country meet Kenya's Minimum Energy Performance Standards (MEPS). The regulated appliances are household refrigerators, non-ducted air conditioners, motors and lighting appliances. During the period under review, 119 appliance models were registered, comprising 89 household refrigerators and 30 air conditioners.

The Authority also issues energy efficiency labels for the registered appliances based on a star rating system. The star rating system range from 1 to 5 in the ascending order of energy efficiency, with 5 stars for the most efficient appliances.

Figure 4.1 presents the distribution, by star rating, of the household refrigerators models registered during the period under review.

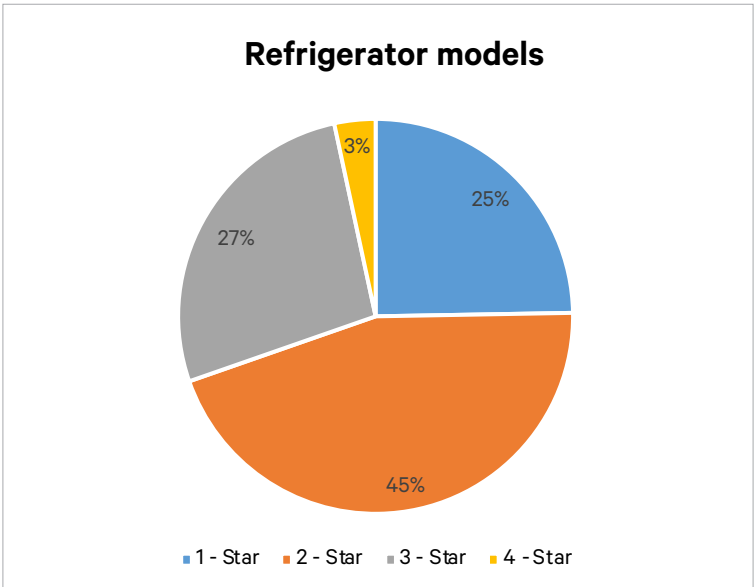


Figure 4.1: Distribution, by Star rating, of the registered household refrigerator models

As shown in figure 4.1, 2-Star rated refrigerator models constitute majority of the models registered in the period under review with forty (40) models registered. Twenty-two (22) 1-Star rated, twenty-four (24) 3-Star rated and three (3) 4-Star rated refrigerator models were registered during the period under review.

Figure 4.2 shows the distribution, by star rating, of non-ducted air conditioners (AC) models registered during the period under review.

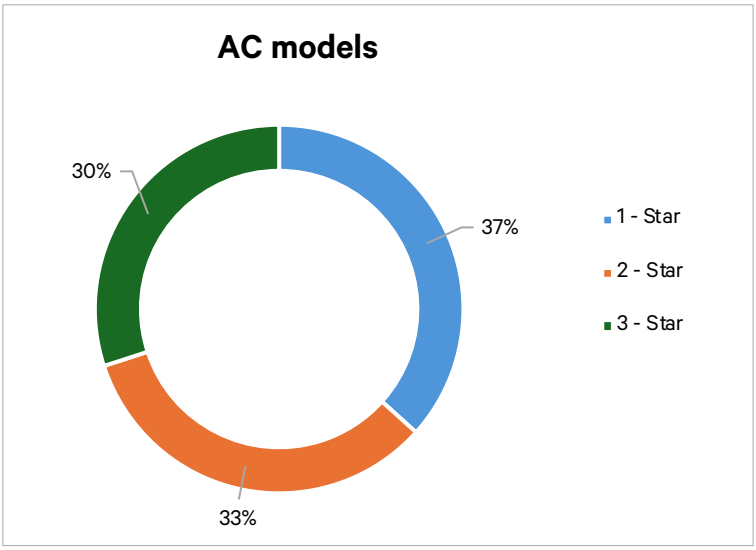


Figure 4.2: Distribution, by Star rating, of the registered non-ducted AC models

Eleven (11) 1-Star rated, ten (10) 2-Star and nine (9) 3-Star AC models were registered in the period under review.

PETROLEUM

This chapter presents a summary of the performance of the upstream, midstream, and downstream petroleum subsectors.

5.1. Upstream

Upstream petroleum operations encompass all activities related to the exploration, development, production, separation and treatment, storage, and transportation of petroleum up to the agreed delivery point. Such operations are undertaken at the initial stage of the petroleum value chain. The success of these operations is crucial for ensuring a steady supply of petroleum, which is essential for the energy security.

There are fifty (50) exploration blocks whose sizes have been optimized for effective exploration as shown in table 5.1 and figure 5.1. Block demarcation aligns with best petroleum industry practice to make Kenya's upstream sector more attractive to investors.

Table 5.1: Number of exploration blocks across all basins

Basin	Number of Blocks
Tertiary Rift	12
Anza	6
Mandera	3
Lamu	29
Total	**50**

The government is working on marketing some of the open petroleum blocks and is preparing data packages, block atlases and ranking of the blocks in readiness for bidding rounds and licensing as envisaged under Section 18 of the Petroleum Act, Cap 308.

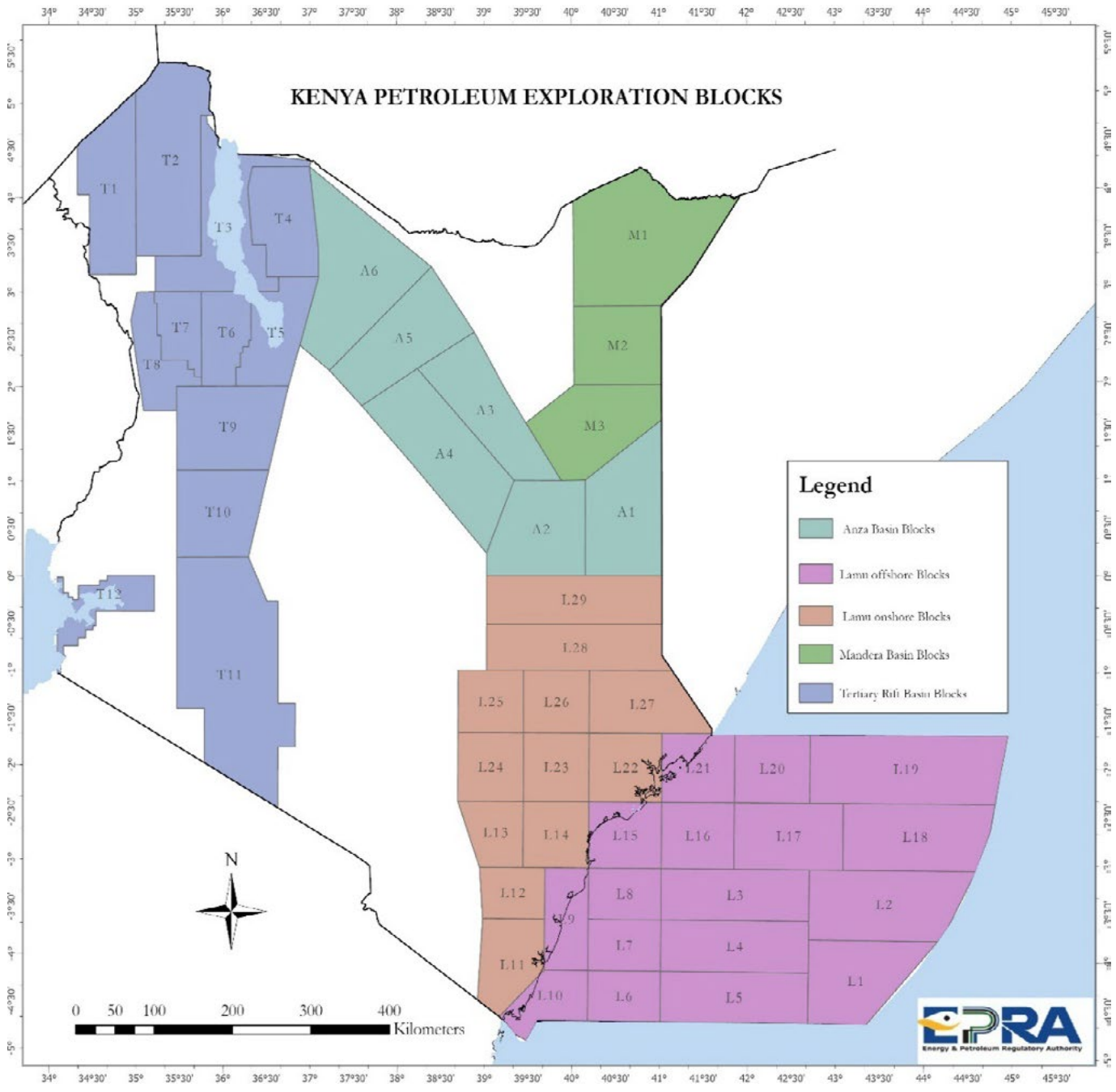


Figure 5.1: A map of petroleum exploration blocks

During the period under review, the Authority finalized the review of the Field Development Plan (FDP) and submitted an advisory to the Cabinet Secretary (CS), Ministry of Energy and Petroleum in October 2025. The CS subsequently submitted the FDP to Parliament for ratification.

5.2 Midstream and Downstream

This section presents a summary of the performance of the mid and downstream subsectors including supply, domestic consumption, pipeline transportation, pricing and competition.

During the review period, the Authority instituted eight key regulations were gazetted aimed at promoting economic efficiency, safeguarding consumer interests, ensuring environmental protection, enhancing security of supply, and fostering effective competition within the mid and downstream subsector:

1. The Petroleum (Licensing of Petroleum Road Transportation Business) (No. 2) Regulations, 2025;
2. The Petroleum (Petroleum Business Licensing and Petroleum Logistics Facility Construction Permit) (No. 2) Regulations, 2025;
3. The Petroleum (Operation of Common User Petroleum Facilities) (No. 2) Regulations, 2025;

4. The Petroleum (Products Quality Management) (No. 2) Regulations, 2025;
5. The Petroleum (Lubricants Facility Construction and Business Licensing) (No. 2) Regulations, 2025;
6. The Petroleum (Information and Statistics) (No. 2) Regulations, 2025 (LN 187/2025);
7. The Petroleum (Retail Dispensing Site Construction and Licensing) (No. 2) Regulations, 2025; and
8. The Petroleum (Liquefied Petroleum Gas) (No. 2) Regulations, 2025.

5.2.1. Petroleum Supply

During the period under review, a total of 5,601,693.79 m3 was imported into the country for local consumption and export to neighbouring countries; Uganda, South Sudan, DRC, Rwanda, and Burundi. Figure 5.2 shows the biannual import trend from 2023 to 2025.

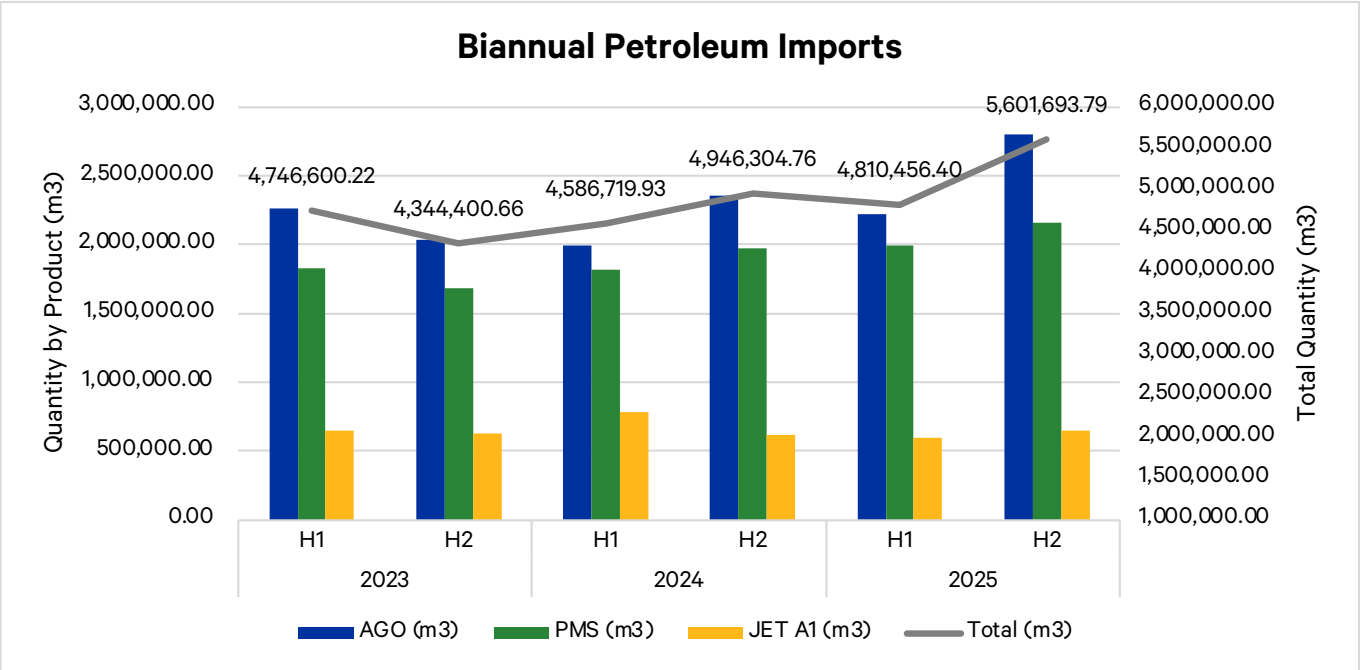


Figure 5.2: A biannual trend of petroleum imports from 2023 to 2025

There was a 13.25% increase in imports, largely attributed to higher volumes for AGO and PMS compared to the second half of 2024. This trend is supported by the increased demand in both the export and local markets as evidenced by the increased throughput recorded for these markets.

Overall, the share of volumes designated for the local market accounted for 48.49% of the total import volume.

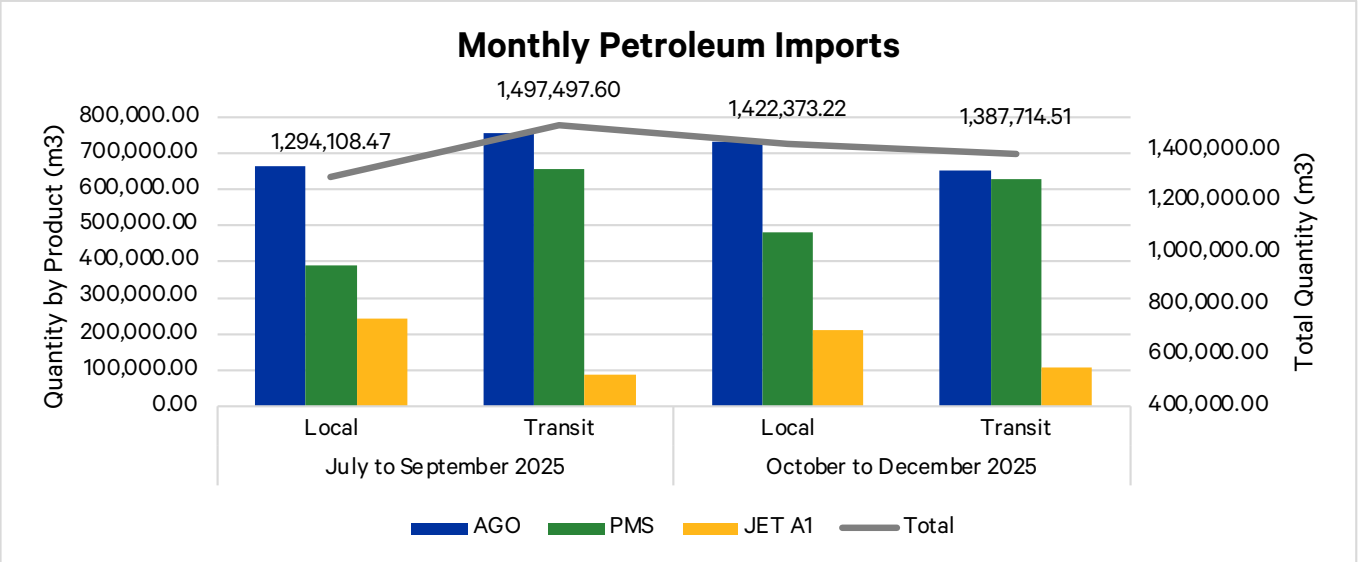


Figure 5.3: A monthly trend of imports volumes from July to December 2025

5.2.2 Petroleum Demand

5.2.2.1 Domestic Petroleum Demand

The overall domestic demand for petroleum products increased by 8.38% to 3,155,120.69 m3 compared to a corresponding period in the previous financial year. Figure 5.4 illustrates the biannual trend in demand.

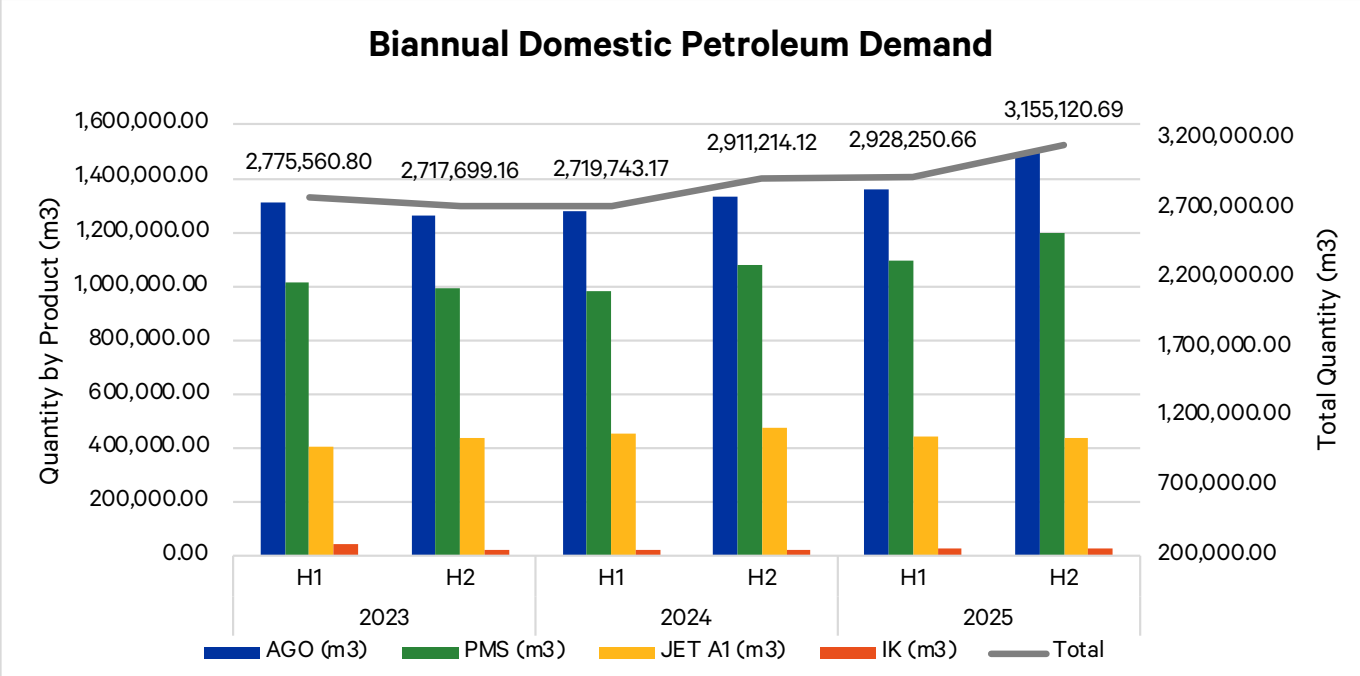


Figure 5.4: A biannual trend in domestic petroleum demand from 2023 to 2025

The demand for petroleum products throughout the period under review was steady with the highest consumption level recorded in October. This notably coincides with the highest demand for diesel. The highest demand for super petrol was recorded in December and can be attributed to increased travel during the festive season.

Figure 5.5 shows the monthly trend in the demand of petroleum products from July to December 2025.

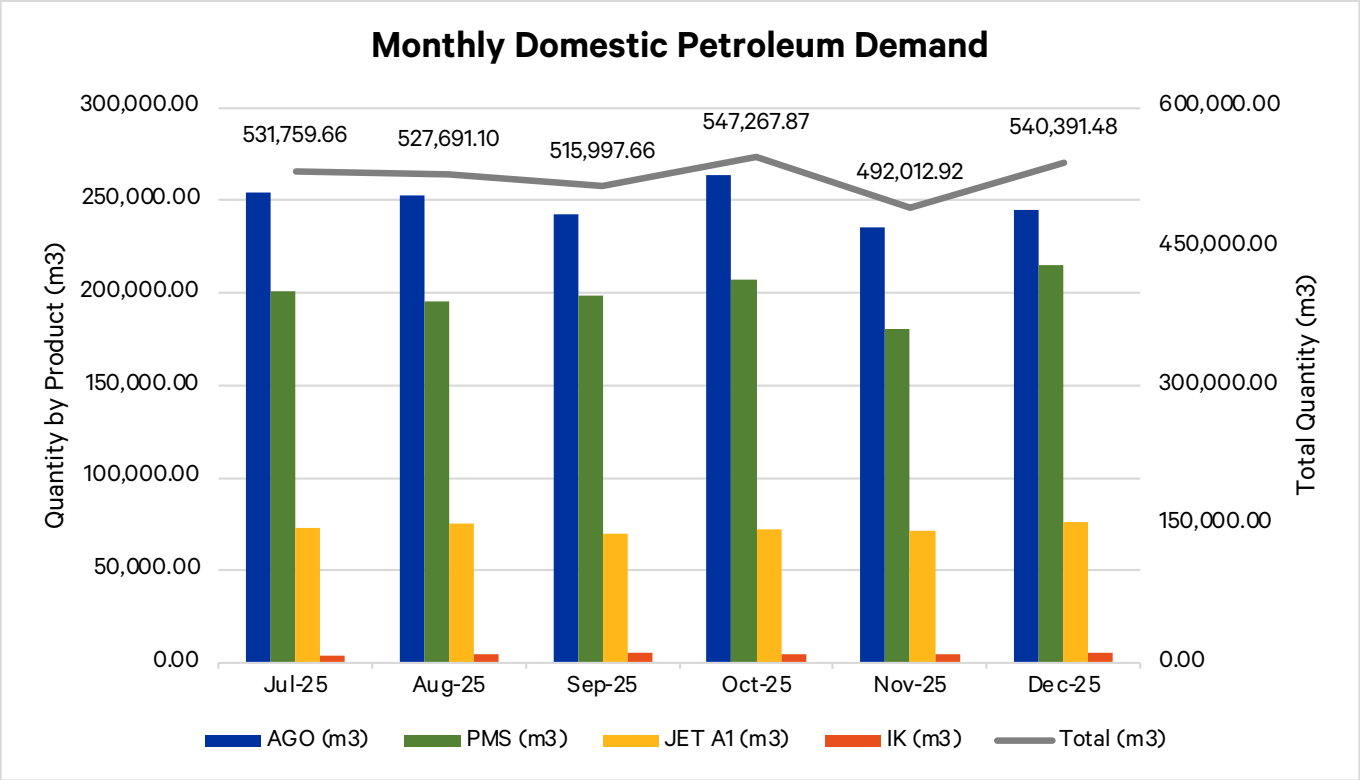


Figure 5.5: A monthly trend in the domestic petroleum demand from July to December 2025

5.2.2.2 Pipeline Throughput

The Kenya Pipeline Company (KPC) primarily handles petroleum products imported into the country. This represents about 95% of petroleum products imported during the period under review. The remaining amount is transported from the port to the hinterland through rail and road.

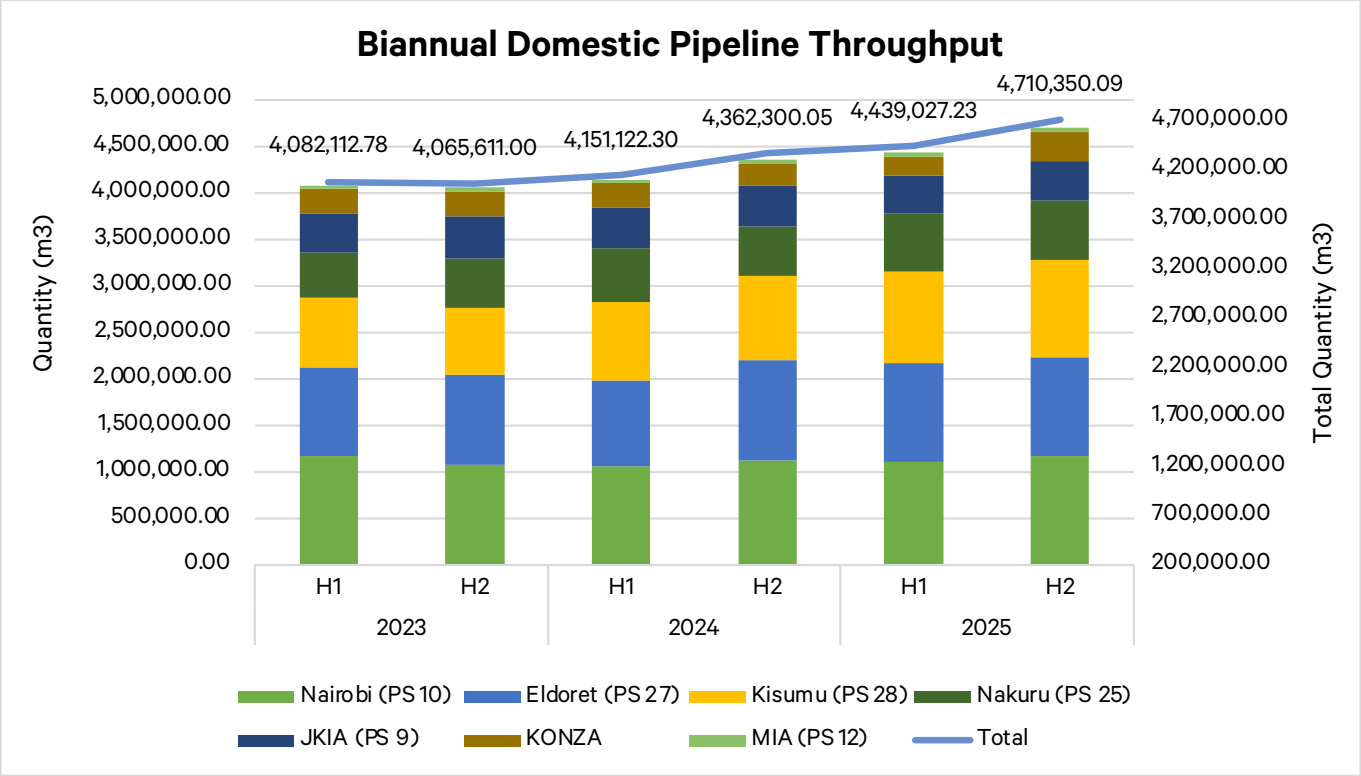


Figure 5.6: A trend in the biannual domestic pipeline throughput from 2023 to 2025

The pipeline throughput increased by 7.98% during the review period compared to the same period 2024. This growth is attributed to higher volumes for both the export and local markets. The local market accounted for 52.97% of the total throughput. Figure 5.7 shows a comparison of the local and export throughput during the period under review.

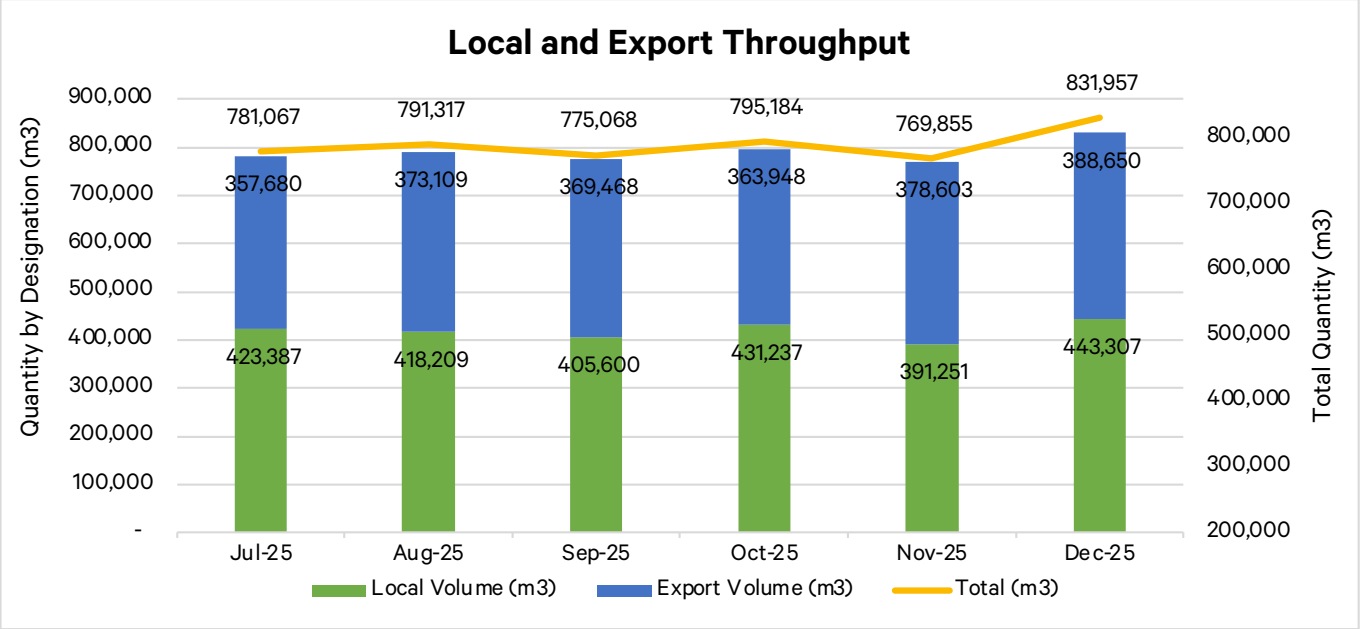


Figure 5.7: A comparative trend of the local and export pipeline throughput from July to December 2025

The Kenya Northern Corridor is a critical multi-modal transport network linking the port of Mombasa to landlocked East African nations, including Uganda, Rwanda, Burundi, South Sudan, and the Democratic Republic of Congo (DRC).

The corridor facilitates regional trade by reducing transport costs and improving cargo delivery speed. The harmonized customs procedures in member states also facilitate effective transit. Figure 5.8 shows the half year trend in the throughput for export.

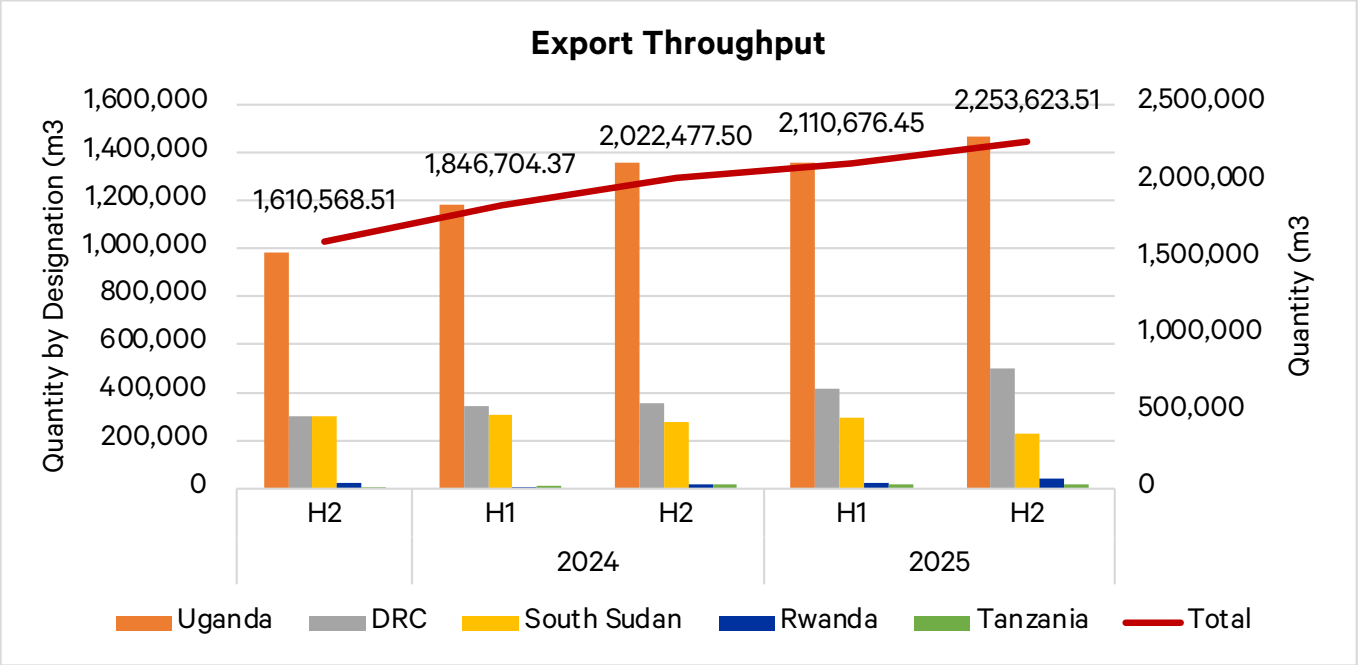


Figure 5.8: A comparative trend of the pipeline throughput for the export market

During the period under review, the total export throughput in the KPC network was 2,253,624 m3. This represents a 14.95% increase compared to a similar period in 2024, largely driven by increased demand from Uganda, DRC and Rwanda.

5.2.3 Petroleum Prices

5.2.3.1 International Crude Oil Prices

During the period under review, Murban Crude Oil recorded a minimum price of $63.62/bl in July and a peak price of $71.12/bbl in September. The initial price increase in early July was due to tensions in the Middle East, and the subsequent decline in December 2025 was due to an influx of supply.

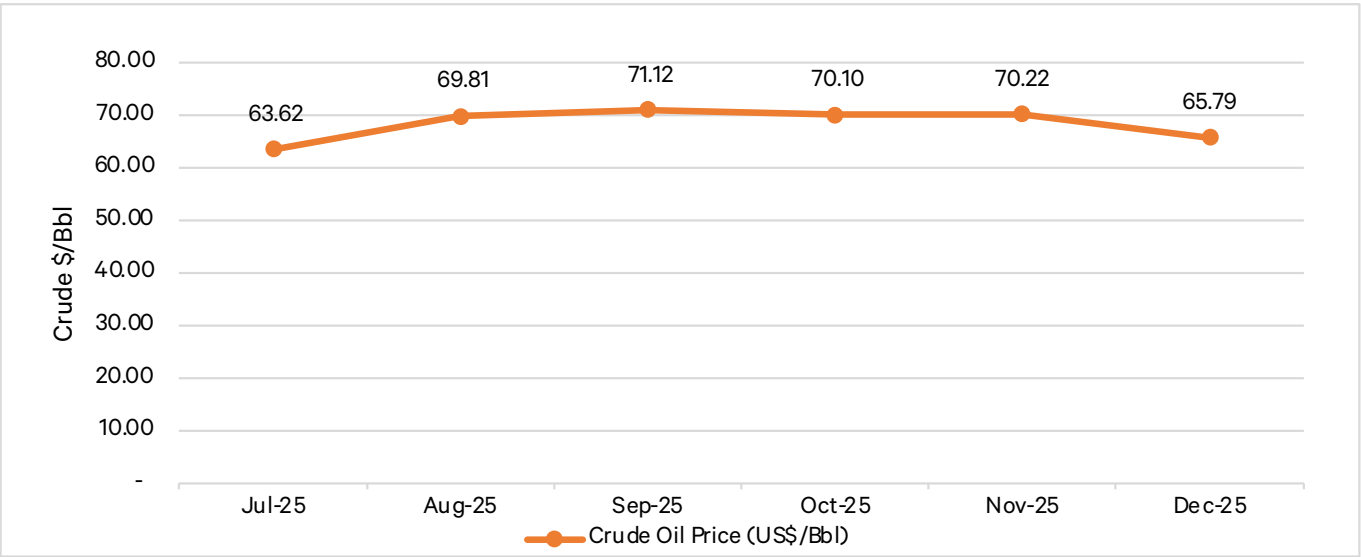


Figure 5.9: A trend in the Murban Crude oil prices from July to December 2025

5.2.3.2 Local Retail Petroleum Prices

Fuel prices in Kenya are determined by landed costs, distribution costs, taxes and levies, demurrage costs and margins accrued by Oil Marketing Companies (OMCs). The Authority computes these costs and publishes monthly retail prices for PMS, AGO and IK on the 14th day of every month.

Figure 5.10 shows the trend of the Nairobi pump prices.

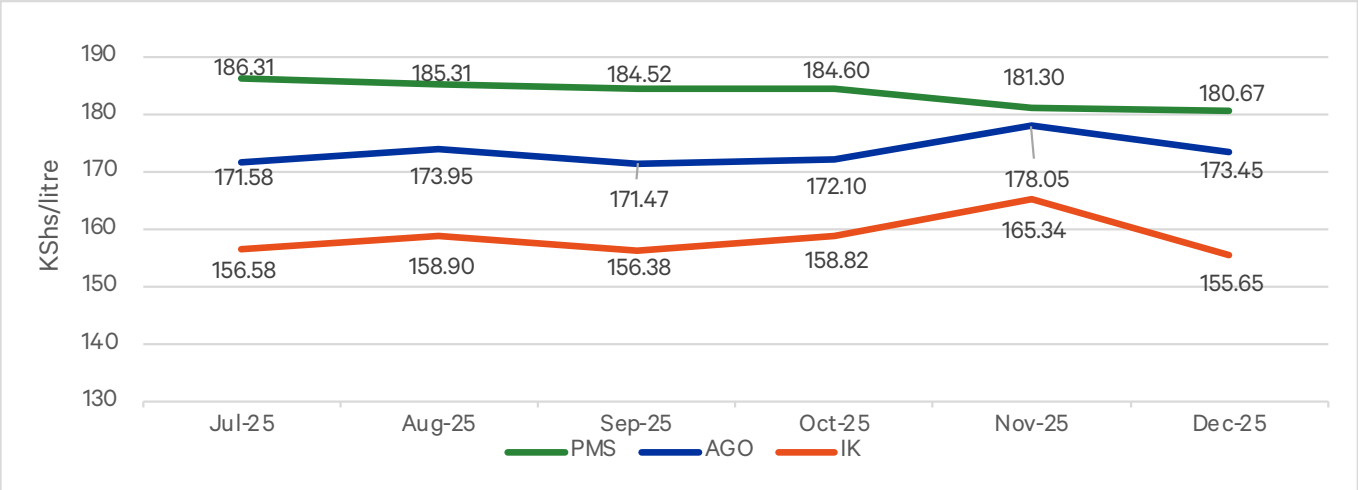


Figure 5.10: A trend in the Nairobi pump prices from July to December 2025

The fuel prices remained fairly steady during the review period, with the peak price for PMS at 186.31 Ksh. per litre in July and the lowest at 180.67 Ksh. per litre. AGO recorded a peak price of 178.05 Ksh. per litre and the lowest price of 171.58 Ksh. per litre while IK recorded a peak price of 165.34 Ksh. per litre in November and a low price of 155.65 Ksh. per litre in December.

The prices of petroleum products are largely dependent on international prices of their respective derivatives that are determined based on international benchmarks hence the distinctive price variations.

5.3 Liquefied Petroleum Gas (LPG)

5.3.1 LPG supply

LPG is primarily imported through Mombasa and Kilifi ports as well as Namanga, Isebania and Lunga Lunga routes. During the period under review, all LPG imports were received through the Mombasa and Kilifi ports via the AGOL jetty and the Lake Gas jetty, respectively. A total of 207,987,805 kilograms of LPG was imported through the AGOL jetty, and 22,020,366 kilograms through the Lake Gas jetty.

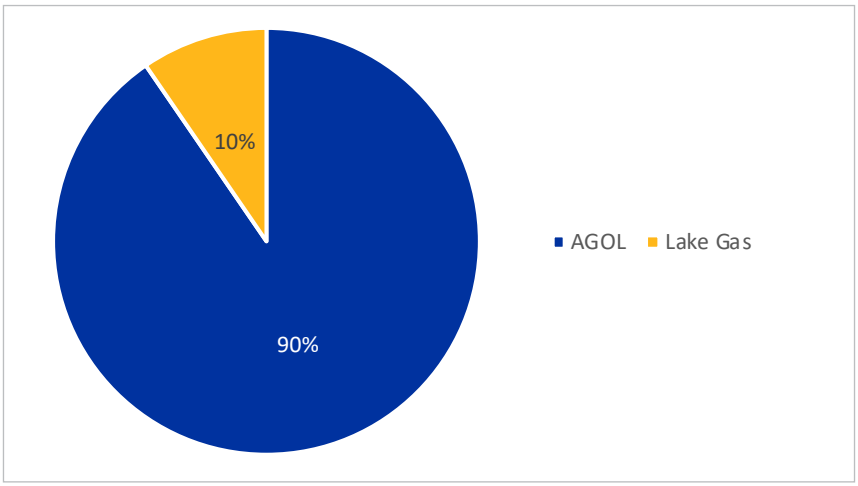


Figure 5.11: Share of LPG imports by route

5.3.2 LPG Demand

Demand for Liquefied Petroleum Gas (LPG) increased by 14.59% to 251,425 metric tonnes in comparison to a similar period in 2024. This growth is largely attributable to sustained clean cooking promotion initiatives, and the Government-led LPG growth strategy. The biannual trend in LPG consumption is summarized in figure 5.12.

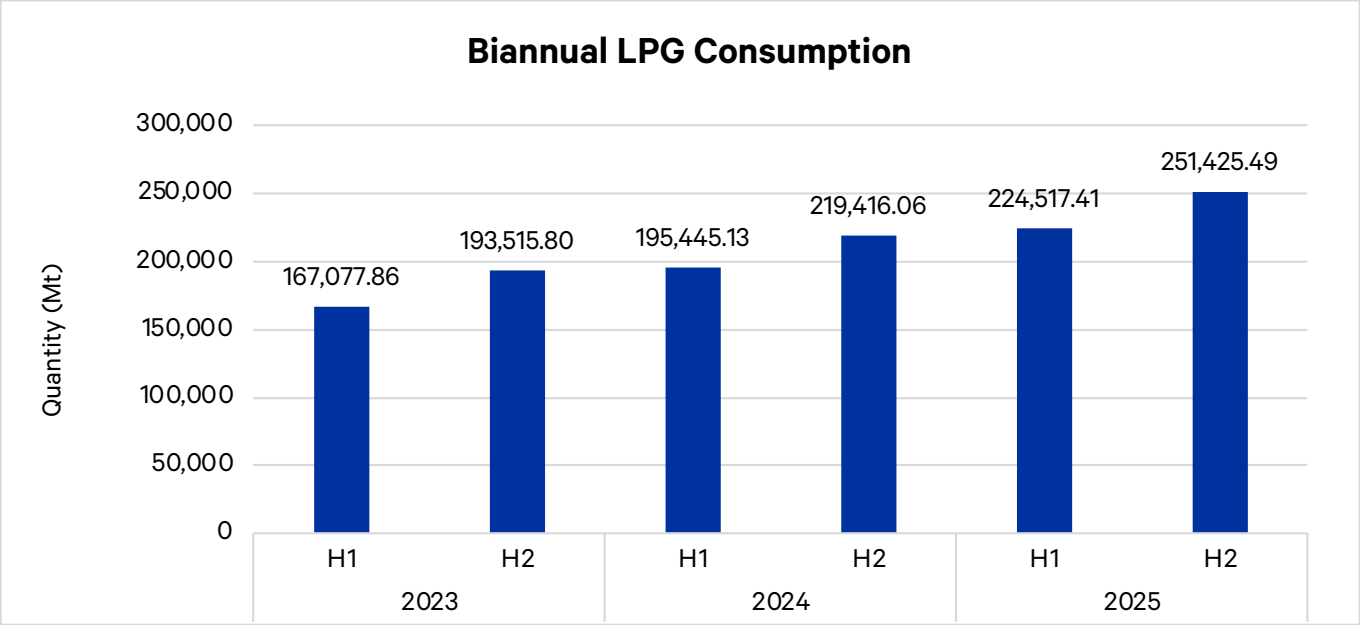


Figure 5.12: A biannual trend in the LPG consumption from 2023 to 2025

Figure 5.13 shows the monthly trend in LPG consumption.

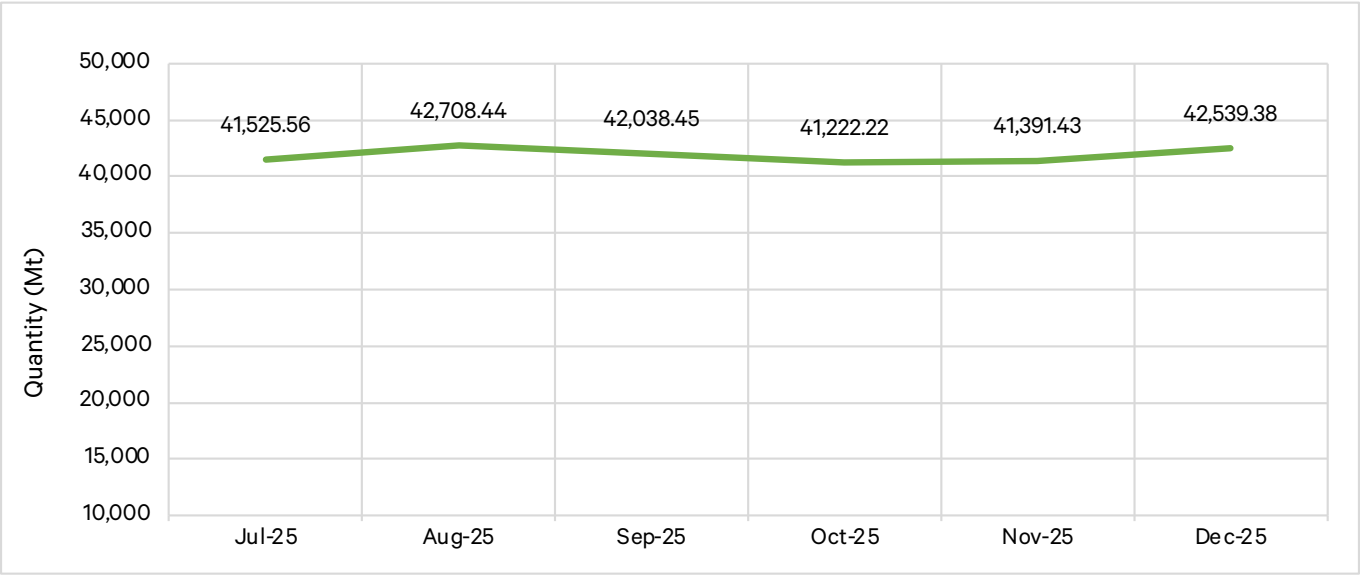


Figure 5.13: A monthly trend in LPG consumption from July to December 2025

5.4 Competition Analysis and Market Share

There were 149 registered OMCs as of December 2025. These companies market petroleum products; AGO, IK, PMS, JET fuel, lubricants, and LPG. Table 5.2 presents the market share of the OMCs during the review period.

Table 5.2: Market share of OMCs as of December 2025

Company	Total Sales PMS, AGO, IK and JET (m3)	% Share
Vivo Energy Kenya Limited	648,668.33	20.56%
TotalEnergies Marketing Kenya Plc	441,929.34	14.01%
Rubis Energy Kenya Plc	434,600.59	13.77%
Ola Energy Kenya Limited	109,987.00	3.49%
Hass Petroleum Kenya Limited	107,451.12	3.41%

Company	Total Sales PMS, AGO, IK and JET (m3)	% Share
Galana Energies Limited	101,719.89	3.22%
Be Energy Limited	99,952.88	3.17%
Stabex International Ltd	78,513.04	2.49%
Vitalac International Limited	77,458.91	2.46%
Kengas Kenya Limited	73,505.23	2.33%
Petro Oil Kenya Limited	69,309.00	2.20%
Lake Oil Limited	58,074.19	1.84%
Dalbit Petroleum Limited	54,879.15	1.74%
Astrol Petroleum Company Limited	54,795.70	1.74%
Aftah Petroleum(K)Ltd	54,053.32	1.71%
Towba Petroleum Company Limited	53,531.67	1.70%
Leadway Petroleum Limited	45,825.61	1.45%
Tosha Petroleum (Kenya) Limited	45,476.57	1.44%
E3 Energy Kenya Limited	36,720.22	1.16%
Fossil Supplies Limited	35,356.00	1.12%
Others	473,312.92	14.99%

The Herfindahl–Hirschman Index (HHI) for the downstream petroleum subsector in the period under review was 0.0908 which was slightly below the Authority's benchmark of 0.1. The HHI value was also lower compared to 0.1050 recorded in a similar period in 2024

This value indicates healthy competition in the sector since none of the OMCs have significant market dominance. Additionally, it signifies market share redistribution from the dominant players.

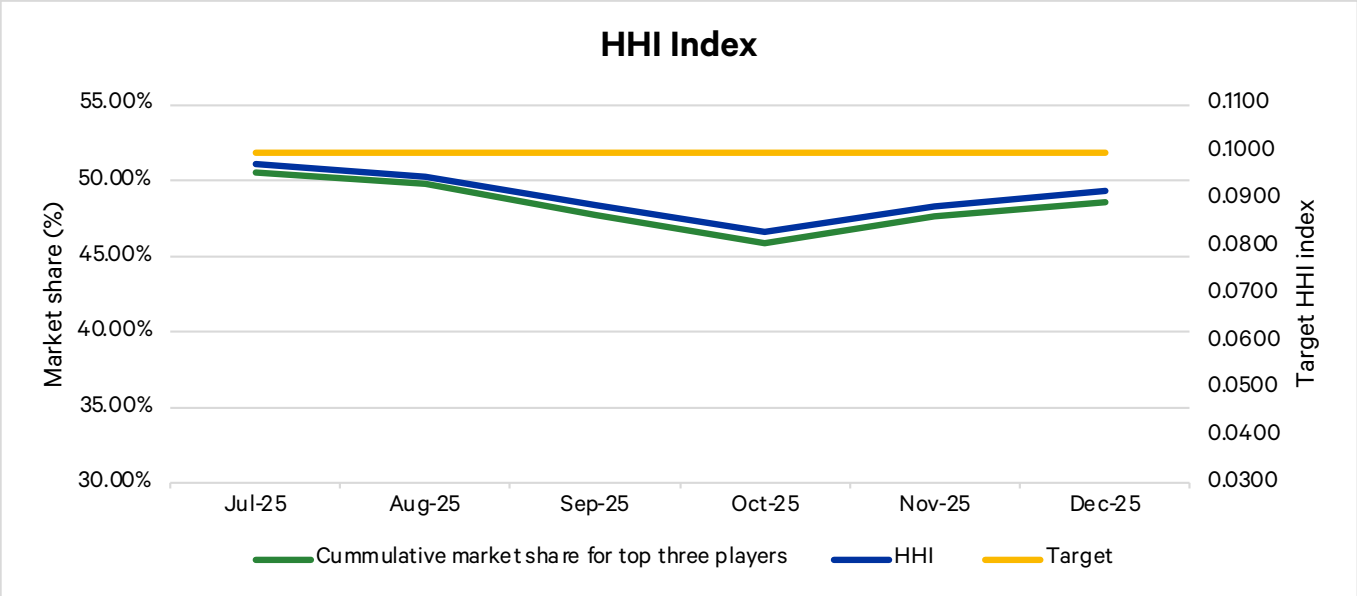


Figure 5.15: A trend of the HHI index for the downstream petroleum subsector from July to December 2025

CHAPTER 6

CONSUMER PROTECTION

The Authority plays a vital role in protecting consumer interests within the energy and petroleum sectors. Its responsibilities include licensing, monitoring the quality of energy and petroleum products, addressing complaints and disputes, investigating accidents and incidents, as well as engaging in public education and advocacy efforts.

6.1 Licencing

6.1.1 Petroleum and LPG operations

The Authority grants licenses, permits or certificates to any person intending to undertake the importation, exportation, bulk storage, transportation, wholesale and retail of petroleum products. Table 6.1 summarizes the various categories of petroleum and LPG licenses issued from July to December 2025.

Table 6.1: Summary of licenses issued between July and December 2025

Type of licence	Licences issued
Driver Certification	5,712
Transport of petroleum products(Except LPG) by Road	1,231
Export and Wholesale of Petroleum Products(Except LPG)	642
Retail of LPG in Cylinders	610
Retail of Petroleum Products (except LPG)	474
Transport of LPG in Cylinders	227
Transport of LPG in bulk by Road	117
Storage & Wholesale of LPG in cylinders	112
Transport of Jet-A1	71
Import, Export and Wholesale of Petroleum Products (Except LPG)	68
Storage & Filling of LPG in Cylinders	46
Export and Wholesale of LPG in bulk	34
Import, Export and Wholesale of LPG in bulk	24
Export & wholesale of Jet-A1	23
Storage of petroleum products(Except LPG)	20
Import, Export and Wholesale of Bitumen	17
Retail of LPG at Autogas Dispensing Station	16
Import, Export and Wholesale of Fuel Oil	15
Import of Lubricants	6
Bunkering of Petroleum Products (Except LPG)	6
Storage & Filling of LPG in Bulk	6
Storage of LPG in Bulk	2
Storage of Crude Oil	1
Retail of LPG in Cylinders Via Smart Meters	1
Total	**9,481**

The Authority issues construction permits to ensure that proposed petroleum and LPG facilities are developed in accordance with the applicable standards. The permits issued in the period under review are shown in table 6.2.

Table 6.2: No of Permits issued in the period under review

Permit Category	Permits issued
Petroleum Retail Dispensing Station	27
Autogas Dispensing Station	15
Liquified Petroleum Gas (LPG) Storage and Filling Facility	6
Fuel Consumer Site	1
Liquified Petroleum Gas (LPG) Consumer Site	2
Fuel storage Depot	1
LPG Consumer Site - Autogas Conversion and Testing center	1
Total	**53**

6.1.2 Electricity and Renewable Energy Sector

a) Generation and retail supply licenses

During the period under review, the Authority approved the following generation and retail supply licences.

Table 6.3: A list of generation and retail supply licences approved between July and December 2025

No.	Licencee Name	Technology	Class	Capacity	Location	
1	Renewable Safi Power International Limited	Solar	Generation	0.12	Kilimani	Nairobi
2	BE Africa C&I limited	Solar	Generation	0.65	Nyeri	Nyeri
3	BE Africa C&I limited	Solar	Retail Supply	0.36	Umoja	Nairobi
4	BE Africa C&I limited	Solar	Retail Supply	0.35	Keringet	Nakuru
5	BE Africa C&I limited	Solar	Generation	0.35	Keringet	Nakuru
6	BE Africa C&I limited	Solar	Generation	0.36	Embakasi	Nairobi
7	BE Africa C&I limited	Solar	Retail Supply	0.191	Kisumu	Kisumu
8	BE Africa C&I limited	Solar	Retail Supply	2.08	Embakasi	Nairobi
9	GridX Africa Development	Solar	Generation	0.45	Kapsoit	Kericho
10	Empower Projects Kenya Limited	Solar	Retail Supply	4	Awasi	Kericho
11	Jinye Company Limited	Bulk supply	Retail Supply	1	Kilimani	Nairobi
12	BE Africa C&I limited	Solar	Generation	1.91	Cocacola Bottlers	Kisumu
13	BE Africa C&I limited	Solar	Generation	2.08	Umoja	Nairobi
14	Dummen Power Station Ltd	Solar	Retail Supply	0.6	Dummen	Embu
15	GridX Africa Development	Solar	Generation	0.14	Mabati Rolling Mills	Machakos
16	Hydrobox Kenya Ltd	Hydro	Distribution and Supply	0.21	Kiamahindu	Kirinyaga
17	Hydrobox Kenya Ltd	Hydro/Solar	Distribution and Supply	0.28	Mwangaza	Muranga
18	CrossBoundary Energy	Solar	Generation	0.04	Kitengela	Kajiado
19	Empower Projects Kenya Limited	Solar	Generation	4	Awasi	Kericho

No.	Licencee Name	Technology	Class	Capacity	Location	
20	GridX Africa Development	Solar	Generation	0.6	Insteel Fabricators	Nairobi
21	Collective Energy Africa Limited	Solar	Generation	0.06	Ilutirisho	Narok
22	Ofgen Limited	Solar	Distribution and Supply	0.7	Tatu city	Kiambu
23	Hydrobox Kenya Ltd	Hydro	Generation	0.21	Kiamahindu	Kirinyaga
24	Hydrobox Kenya Ltd	Hydro/Solar	Generation	0.28	Mwangaza	Muranga

b) Electrical Workers and Contractors

The Authority licenses electrical workers and contractors who undertake electrical installation works. In the period under review, 374 electrical workers and 301 electrical contractors were licensed. Table 6.4 presents the number of electrical worker certificates and electrical contractor licences issued in the period under review.

Table 6.4: Electrical worker and contractor licences issued between July and December 2025

	Number of Issued Certificates/Licences					
	C2	C1	B	A2	A1	Total
Electrical Workers	148	112	74	7	33	374
Electrical Contractors	32	40	153	3	73	301

c) Solar PV Licensing

The Energy (Solar Photovoltaic Systems) Regulations, 2012 provides for licensing of solar PV firms and technicians. During the review period, licenses were issued to 185 solar PV firms and 123 solar PV technicians.

Table 6.5: A summary of solar PV licences issued from July to December 2025

Category	Class	Number of licences issued
Solar PV Contractor/ Vendor/ Manufacturer	C1	79
	V1	67
	V2	39
Solar PV Technicians	T3	13
	T2	110

d) Energy Audit Licensing

The Energy (Energy Management) Regulations 2025 provides for regulation of energy efficiency in designated industrial, institutional and commercial facilities. To achieve the aim of improving energy efficiency in designated facilities, the Authority licenses energy auditors, energy audit firms and energy managers. Table 6.6 outlines the licenses issued during the review period.

Table 6.6: A summary of licences issued to energy auditors, energy audit firms and energy managers from July to December 2025

Category	Number of licences issued
Energy Audit Firm	2
Energy Auditor	14
Energy Managers	33

6.1.3 Electrical Appliance Registration Certificates

The Energy (Appliances' Energy Performance and Labelling) Regulations, 2016, are designed to enhance the energy efficiency of electrical appliances. These regulations require both imported and locally manufactured refrigerators, non-ducted air conditioners, lamps, and motors to undergo testing to ensure compliance with the applicable Kenya Standard.

Importers or manufacturers of these regulated appliances are eligible to receive a registration certificate upon demonstrating their compliance with these regulations.

During the period under review, the Authority issued registration certificates for 119 appliance models comprising 89 refrigerator models and 30 air conditioner models.

6.2 Fuel Quality Monitoring

Fuel quality in Kenya is monitored through a process of adding small amounts of a distinct identifier, commonly a bio-chemical liquid referred to as the marker, to fuel products. This helps identify the presence of fuel adulterants or fuels intended for export. During the review period, the Authority marked 2,274,035,149 litres of Export Volume and 28,477,107 litres of Local Kerosene volumes. A summary of volumes marked per month is provided in table 6.7.

Table 6.7: Export and local kerosene volumes marked from July to December 2025

MONTH	Export Volume Marked (Litres)	Local Kerosene Volume Marked (Litres)
JULY	339,561,820	4,096,027
AUGUST	359,089,013	4,282,430
SEPTEMBER	404,413,066	5,358,630
OCTOBER	351,582,769	4,846,678
NOVEMBER	459,450,963	4,901,169
DECEMBER	359,937,518	4,992,173
TOTAL	**2,274,035,149**	**28,477,107**

Apart from the fuel marking undertaken at the depots, the Authority also monitors the petroleum products at retail stations across the county to ascertain fuel quality. When selecting retail sample sites, the Authority takes into account various factors, including the need for nationwide coverage, intelligence gathered through surveillance efforts, and feedback from the public.

During the period under review, the Authority conducted 10,598 sample tests at 2,305 petroleum outlets across the country. Out of the tests carried out, 2,282 stations equivalent to 99% were found to be compliant. However, 23 stations were non-compliant, and appropriate penalties were imposed as per the relevant legislation.

6.3 LPG Compliance

The Authority conducts technical audits as well as Environmental, Health and Safety (EHS) audits at LPG facilities to assess their adherence to regulatory requirements and operational safety standards. The audits also evaluate the maintenance of plant and equipment, emergency preparedness, and risk management practices at these facilities.

These audits assess compliance with national legislation and standards including the Energy Act, Cap 314; Petroleum Act, Cap 308; Environmental Management and Co-ordination Act, Cap 387; Occupational Safety and Health Act, Cap 236A; Kenya Standards relevant to petroleum sub-sector, international standards, industry best practices and maritime guidelines.

During the review period, fifty-six (56) audits were conducted in LPG storage and filling facilities across the country. Arising from the audits, non-complaint facilities are required to prepare corrective action plans and take necessary action. Follow-up audits are then conducted to verify the implementation of corrective actions.

Additionally, the Authority conducted various inspections at LPG retail and wholesale sites and on LPG tankers as presented in table 6.8.

Table 6.8: A summary of inspections undertaken at LPG retail and wholesale sites and on LPG tankers from July to December 2025

Month	Retail/ Wholesale Sites Inspections	Average Compliance (%)	LPG Tankers Inspections	Average (Compliance%)
July 2025	265		58	
Aug 2025	419		59	
Sept 2025	449		58	
October 2025	479	43.04%	53	86.6%
November 2025	642		59	
December 2025	696		49	
Total	2,950		161	

Arising from the above inspections, recommendations were shared with each of the inspected sites and tanker owners, highlighting specific gaps identified during the exercise and setting out the corrective measures required to address them. These recommendations, which are time bound, are aimed at enhancing adherence to applicable regulatory, safety, and operational standards.

6.4 Complaints and Dispute Handling

The Authority is mandated to investigate complaints and disputes reported by consumers, investors, and other stakeholders.

During the review period, 200 complaints were reported, of which 199 were resolved, while 1 remained under review at the close of the period under review. In addition, the Authority handled 76 disputes out of which 69 disputes were resolved, while 7 were at various stages of the dispute resolution process.

6.5 Public Education and Advocacy

The Authority undertook extensive public education and advocacy initiatives, aimed at increasing awareness and bridging knowledge gaps within the energy and petroleum sectors. These initiatives were designed to promote safety, regulatory compliance and understanding of consumer rights and responsibilities.

On the advocacy front, public education forums focused on adoption of clean energy solutions as part of reinforcing the LPG Growth policy. The Authority adopted a multi-stakeholder and grassroots approach, targeting licensees, administration officers, county government staff, community leaders, associations, training institutions and the public in high-risk and high-impact areas. The interventions included capacity-building workshops, barazas, outreaches, institutional engagements and national-level virtual sensitizations.

The Authority implemented a total of 51 public education and advocacy forums across 14 counties and one national forum, targeting members of the public and other key stakeholders. These engagements were predominantly grassroots based, with sensitization outreaches and barazas focusing on energy and petroleum safety, regulatory compliance, consumer rights and public advocacy accounting for the largest share of the forums.

In addition, the Authority conducted capacity-building and sensitization forums for National Government Administration Officers (NGAOs) and county government staff to enhance regulatory coordination, continued public sensitizations and enforcement at the devolved level.

Sector-specific engagements were also held for LPG and petroleum dealers, as well as electrical contractors and workers, aimed at strengthening compliance and improving safety standards within industry operations. Further targeted initiatives included a sensitization forum for domestic workers, a national webinar for OMCs on LPG and petroleum safety and compliance.

The sustained implementation of structured sensitization forums, barazas, outreaches and institutional engagements significantly enhanced public awareness, improved safety in handling and use of energy and petroleum products, strengthened stakeholder capacity and reinforced compliance with energy and petroleum regulatory requirements.

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