



Governing decentralised energy provision: exploring the role of local governance in articulating nexus approaches to energy transitions

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Topic One:

Energy is crucial for achieving the Sustainable Development Goals

- Few observers would dispute this.
- But does progress in energy delivery necessarily deliver progress against other SDGs?
- What factors affect this?
- Not just about delivering energy but also about how this intersects with delivery of other services, the differential access of different groups etc.
- Nexus debates just one small example of this.
- In essence – the key is how energy access is governed

Topic One:

Energy is crucial for achieving the Sustainable Development Goals

- This enables us to connect to wide-ranging debates about the nature of service delivery, about the nature of the state and about governance. Not just the technicalities of technology choices or the freeing of markets.

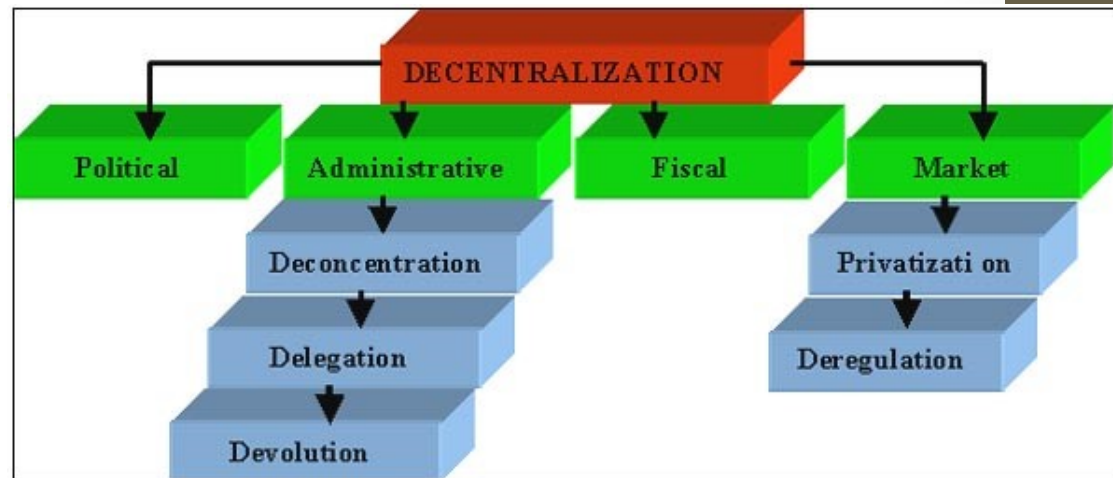
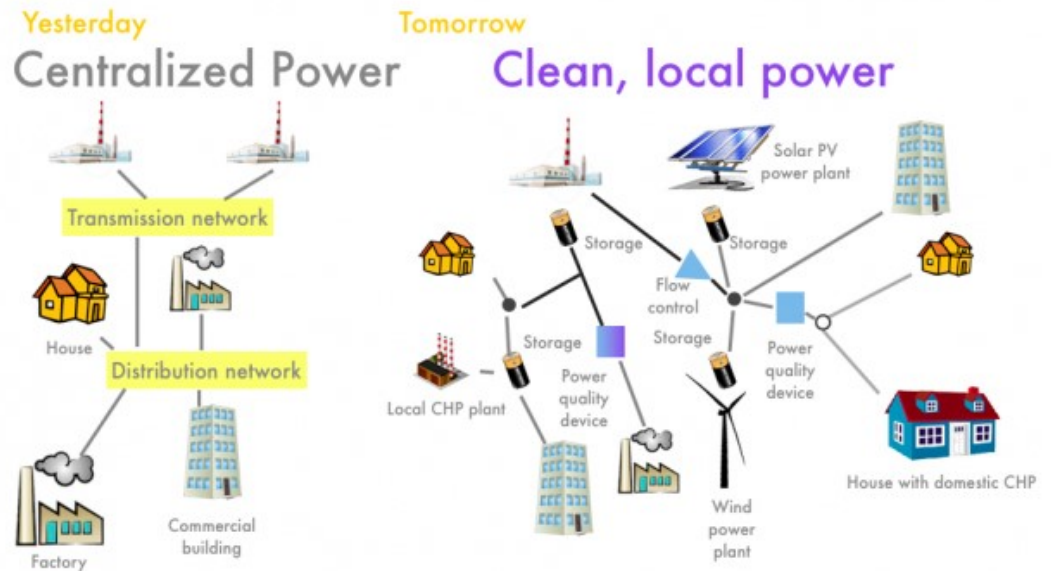
The State in Energy Access Debates

- Historical lack of interest in widening access in many (but nowhere near all) parts of the South.
- Energy provision sometimes part of state modernity project (not replicable everywhere)
- Historical lack of interest in ecological limits
- The Neoliberal movement away from state provision and the growth of deregulation and privatization
- The rise of private-sector led visions of off-grid provision – entrepreneurial focus.
- Accompanied by the growth of anti-state community-focused alternative understandings of the potential for decentralised models.
- ?? Growing recognition of governance challenges, importance of effectiveness of multi-level governance (including global agents), crucial nature of regulation etc.

Local Energy Governance: The Global Context

1. **Decentralized Energy**—energy access, climate change, energy security — leading to global trends towards energy decentralization

2. **Political Decentralization** - Challenges facing local authorities in the context of decentralization — transfer of responsibilities, transfer of resources, capacity building, trans-scale coordination.



Local Energy Governance: The Global Context

- Worrying lack of direct attention paid to local governance in most sustainable energy initiatives.
- Electricity access: Attention focused on expanding ***national*** grid provision **OR** ***household/community*** level off-grid initiatives.
- Key debates: Technology, Physical Infrastructure Provision, Business Models – NOT INSTITUTIONAL CAPACITY, MULTI-LEVEL PLANNING, WIDER IMPACT ASSESSMENT.
- At the same time, lack of attention paid to energy within decentralization strategies and local governments frequently don't have specific policies/budgets for addressing energy issues.

SUSTAINABLE ENERGY FOR ALL

Country Action
Reference
Document (CARD)



Energy in National Decentralization Policies

A REVIEW FOCUSING ON LEAST DEVELOPED COUNTRIES AND SUB-SAHARAN AFRICA



UNITED NATIONS DEVELOPMENT PROGRAMME

The Benefits of Decentralization

- Decentralization is not an end in itself but a process purportedly designed to contribute to and improve governance and the functioning of the state.
- However, its track record in delivering on the goals of its advocates is at best mixed – no common definition of understanding of decentralization common to all countries and socio-cultural contexts.
- Cohen and Peterson (1999:16-18) identify six different approaches to decentralization where the concept is defined differently (related to: historical origins; territorial and functional decentralization; problem and value-centred forms; service delivery forms; single country experience forms and objective-based forms)

The Benefits of Decentralization

- Despite this there is a shared core to the claimed benefits for Political/Administrative Decentralization
 - Efficiency and Cost
 - Quality
 - Transparency
 - Democratization of decision-making
 - Enhanced Participation
- However, much of the literature records a depressing story of a failure to live up to this promise.

The Benefits of Decentralization

- Where Decentralization has failed to live up to its promises, the literature suggests a range of broader governance and environmental factors that lay behind this.
 - Inadequate devolution of power, particularly over finance and staff
 - Vague and/or inappropriate systems and procedures
 - Inadequately qualified, underpaid and unmotivated staff
 - Political Interference, corruption and abuse of power
 - Lack of state/political motivation/leadership
 - Hostility/interference by centralised stakeholders
 - Lack of 'downward' accountability
- (Conyers, 2007; Batchelor et al, 2014; Brown et al, 2015)

The READ Project

Renewable Energy and Decentralization (Energy Literacy for Decentralized Governance)

Short project which ran until October 2015 – carrying on some country-specific work in Kenya

Project Partners

- Practical Action East Africa
- GAMOS Ltd
- Loughborough University

Funders

- UK Engineering and Physical Sciences Research Council
- UK Department for International Development
- UK Department for Energy and Climate Change
- Understanding Sustainable Energy Solutions Research Programme (2013-2018) – 13 projects



Gamos

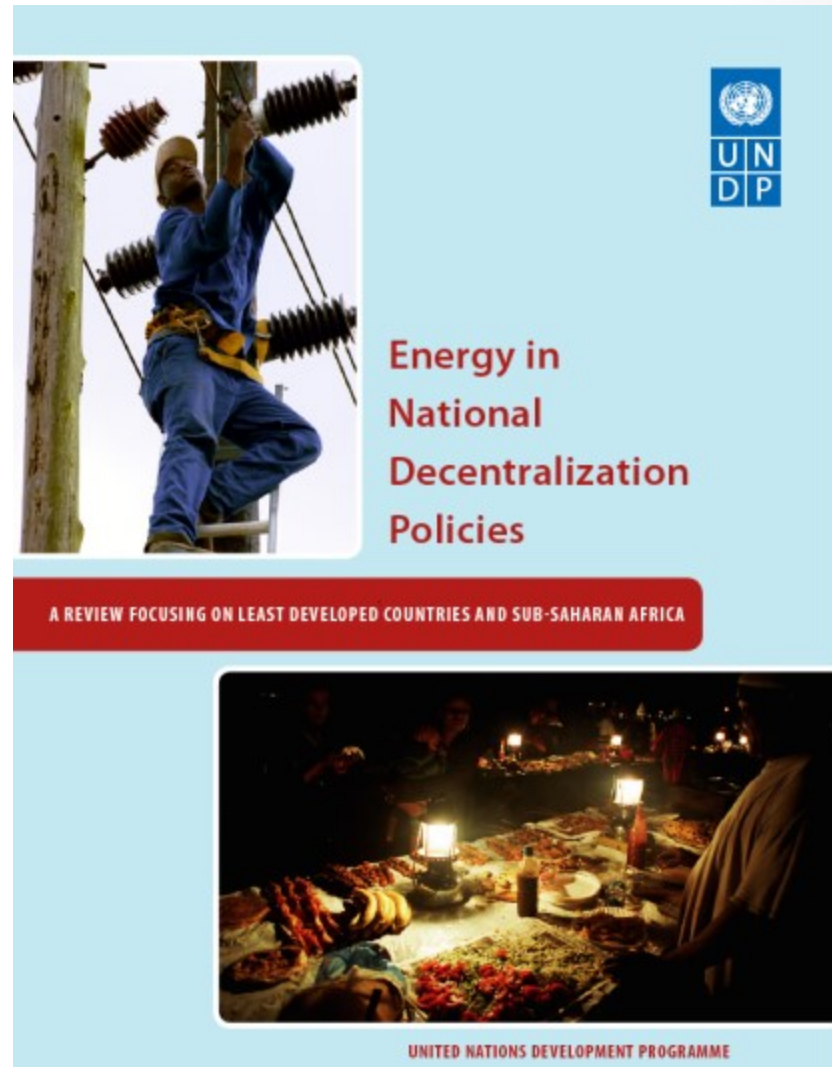


Project Aims

- To assess the roles and responsibilities of ***African local authorities*** in relation to energy issues.
- To examine how the ***roles and responsibilities*** of local authorities in relation to energy issues have already been ***affected by the transfer of powers and budgets under decentralization*** initiatives.
- Underlying all of this is the question of what kind of capacity local authorities need in order to play the ***potentially crucial role of integrating clean energy transitions into local development planning*** and how those capacities are being enhanced
- Two specific country case studies: ***Rwanda*** and ***Kenya***

Decentralization and Energy

- A 2009 UNDP Study is the only significant study connecting the two areas.
- This ***explored decentralization policy in over 60 countries*** and found explicit mention of energy issues in only 4 cases.
- But local governance of energy is clearly important and ***local authorities clearly do have important roles in relation to energy*** across the globe.



1. A Direct Role in Electricity Generation/Supply?

- Local government played a major role in the development of the electricity infrastructure in many Northern countries.
- In the UK local government agencies supplied about one third and two thirds respectively of gas and electricity consumption in 1945 prior to nationalization (Byrne, 2000:22)
- In the US, municipal and state provision (and cooperative provision in rural areas) was the rule rather than the exception for much of the twentieth century.
- Beginnings of a shift back in this direction?



Tacoma Power dates back to 1893, when citizens voted to buy out a private power company.
Photo source: Tacoma Power

1. A Direct Role in Electricity Generation/Supply?

- Not just a Northern phenomenon + not just historical.
- Several examples of electrification schemes (grid + off-grid) where local authorities have played a major role.
- E.g. **State**-level responsibility for implementing national electrification policy in **South Africa** - linked to integrated regional development plans.
- Plus **Municipalities** have responsibility for implementing Free Basic Alternative Energy Policy.
- There are also other examples
- Significant debates over their record.

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SUPPORTING SOUTH AFRICAN
LOCAL GOVERNMENT
to meet sustainable energy
and climate change challenges.



South African Electrification Programme



Summary

In South Africa access to electricity increased from 35% of households in 1990 to 84% in 2011 (StatsSa 2012). The political context for this dramatic increase was the transition from the racially dominated apartheid government to a democratically elected government in 1994. These changes took place in three phases. From the late 1980s to 1994, there were initial scattered efforts and preparations. In the second phase from 1994 to 2000, new policies were drafted and institutional reforms were carried out in the electricity sector. Electrification levels increase from about 35% to 71%. In the third phase from 2000 to present, institutions return to function normally and policymaking and

1. A Direct Role in Electricity Generation/Supply?

- In the Global South most successful local government experiences in electrification involve a facilitation role (rather than direct provision).....
- Success seems to depend upon:
 - Sufficient local/regional control of budgets;
 - Capacity Building for local institutions;
 - Multi-level collaborations with clearly defined roles.....

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Micro hydro facilitates with electricity to adult literacy classes in Pithoragarh...
UNDP Nepal

Micro-Hydro Village Electrification in Nepal



2. Individual Initiative

- In the North, there is a growing movement for local governments to take a leadership role in promoting transformative action on decentralised energy
- But its not just important in Europe
- Examples of local energy programmes run by or supported via individual local governments in the Global South
- E.g. waste to energy projects or sschemes linked to other local authority services (health, education etc.)

News > Society > Fuel poverty

Councils generate own power to take on the big six energy firms

Prompted by fuel poverty, local authorities in Britain and Ireland are generating their own cheaper power



Peter Hetherington

The Guardian, Wednesday 4 December 2013

[Jump to comments \(32\)](#)

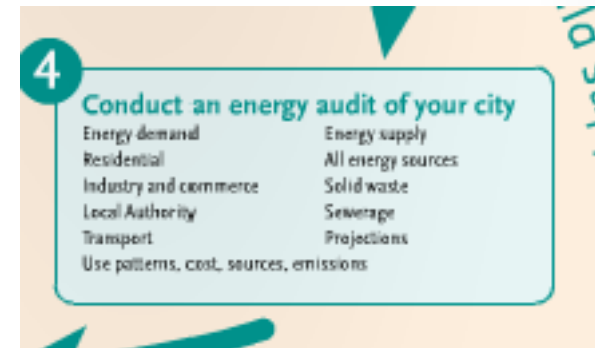


Thamesway's electricity generating plant powers part of Milton Keynes. The company is owned by Woking borough council and predicts an expansion of local energy schemes. Photograph: Thamesway



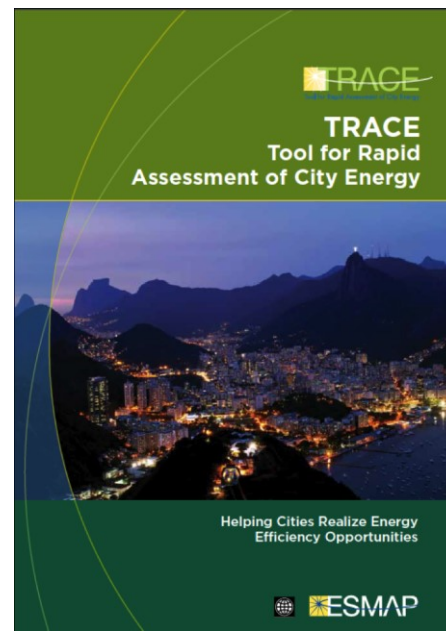
3. Other Important Roles for Local Authorities

- Not all local authorities have the capacity (or the resources) to develop their own generation projects.
- But there are plenty of examples of other actions that individual local authorities have engaged in which have made a difference to local energy governance.
- **Audit** of energy provision and energy needs
- **Social Consultation:** Not just ascertaining the types of needs that communities and local businesses express in relation to energy but also how they rank those needs against other necessities and desires (e.g. Central African Republic/Nicaragua)
- The best of these consultation processes can feed into improving overall national energy policy management, the targeting of particular schemes or identification of capacity building needs



- Ensuring that NGO/private sector energy initiatives are connected adequately into **local and regional development strategies** and local programmes in water, education, health etc..
- Provision of **information and training** about energy issues (for example about specific technologies, how to use energy for livelihood enhancement, contacts for companies operating in particular fields, funding possibilities etc.).
- A **‘demonstrator role’** in promoting new technologies or approaches in the delivery of services to local citizens (e.g. energy efficiency measures free up funds for other uses)
- E.g. the use of clean energy technologies in powering municipal buildings.

Other Important Roles for Local Authorities



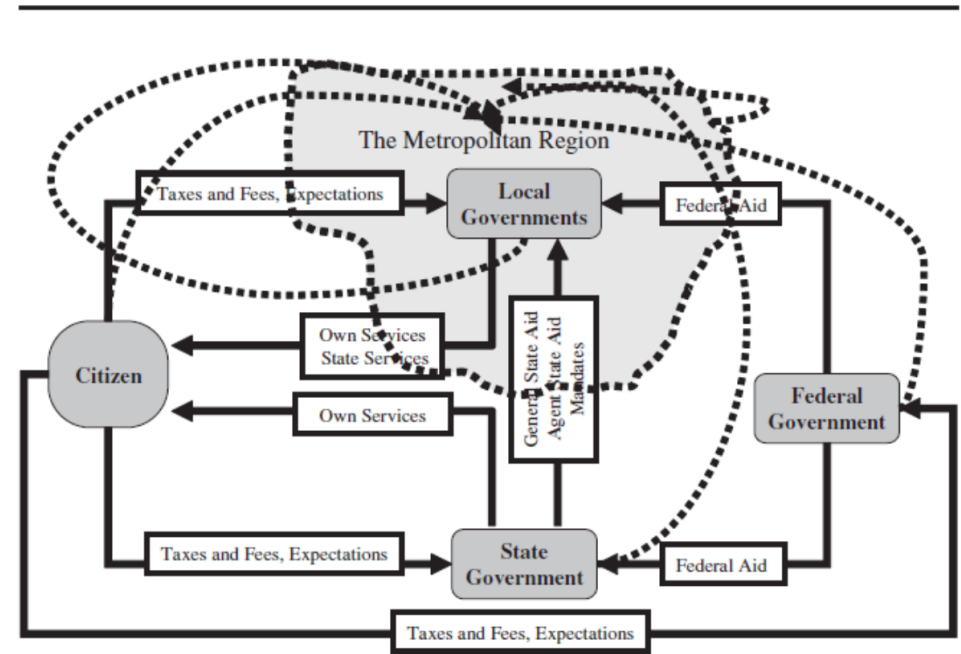
Purported Advantages of Political Decentralization for Energy Access/Low Carbon Transitions

- **Coordination** of energy services with **other service provision infrastructures** (health, education, economic development, agricultural extension services).
- **Coordination** of the wide variety of actors involved in the energy sector and more effective targeting of national energy policy and provision of support services and networking opportunities.
- Political decentralization should encourage local people to play a more active role in **articulating local solutions** to the challenges which they face including energy (closer to where decision-making takes place) – assumes decentralization implies encouragement of consultation/participation



Purported Advantages of Political Decentralization for Energy Access/Low Carbon Transitions

- But so much depends upon national/local context of each situation – capacity, transparency, legitimacy, resourcing, legislative authority.
- The **inter-relationships** between different branches of territorial government and other actors (and between different scales of government) are crucial
- *“the sharing of power between numerous scales of governance must be seamlessly mangled, resulting in a “polycentricity” or “nestedness” that involves multiple authorities and overlapping jurisdictions”* (Sovacool, 2011:3833)



Source: Ed Araral and Kris Hartley (2015) Polycentric Governance for a new environmental regime
http://www.icpublicpolicy.org/IMG/pdf/panel_46_s1_araral_hartley.pdf

- New **Kenyan Constitution** in 2010 – new strong county governments.
- Complex political process – inter-relationships still unclear - at times, overlapping mandates.
- New **Energy Bill** – devolves certain powers related to energy to the county level (political deadlock).
- Each County Government is required to develop **County Energy plans**.
- Energy is yet to receive prominence on the county agenda. **Inadequate budgets** and local **capacity** of county executives/staff to implement decentralised energy projects
- Debate over the utilisation of the proposed **Equalisation fund**
- The challenge in decentralization is to think about the different energy needs of people at the local level, e.g. household and institutional cooking and lighting needs, and not only large scale electricity generation programmes and projects

Kenyan Decentralization



LAWS OF KENYA



Varied county interpretations of their energy roles

Energy in county ministries.

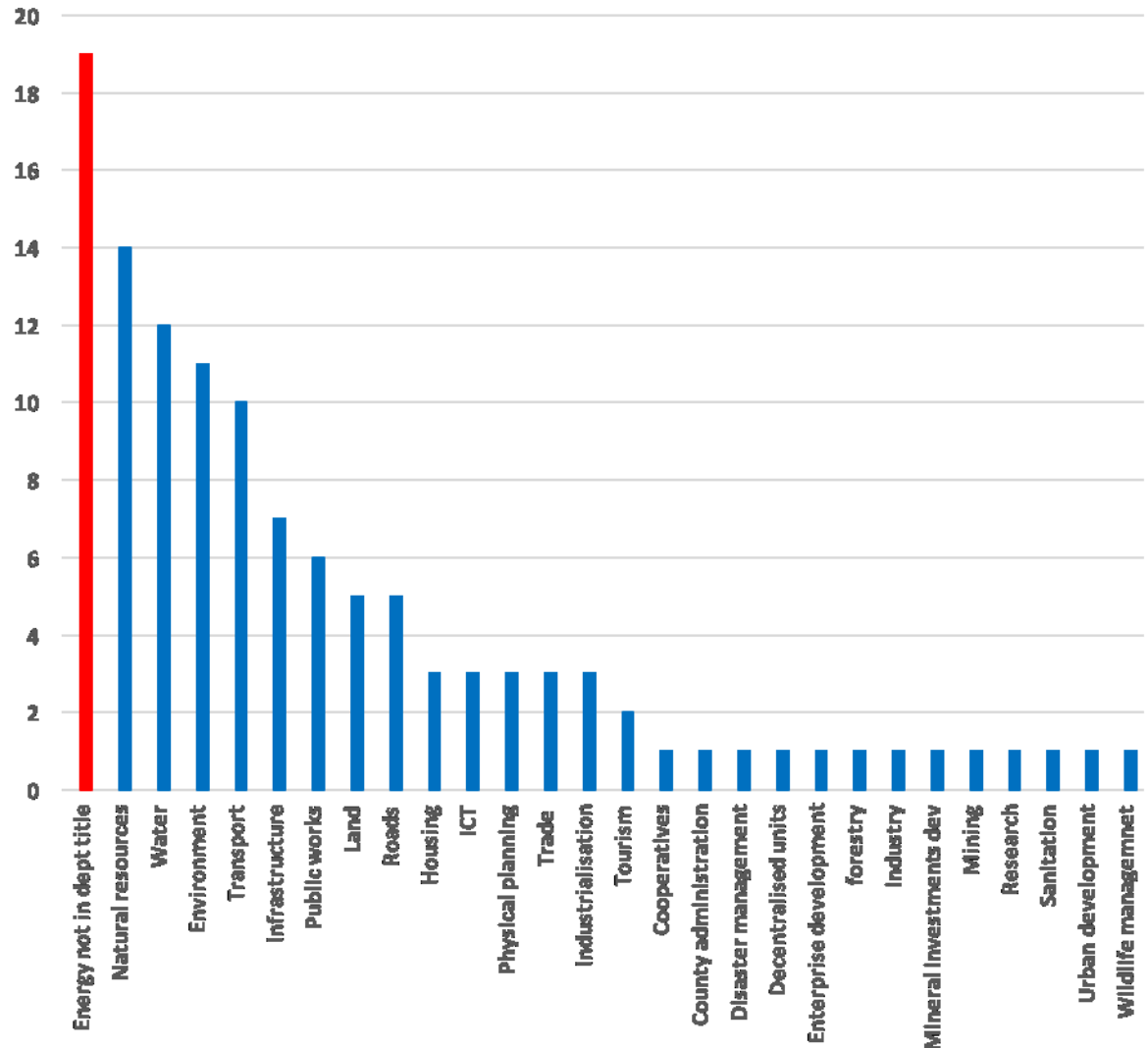
Nakuru county: Ministry of **Environment, Natural Resources, Energy** and **Water**

Migori county: Ministry of **Roads, Transport, Public works** and **Energy**

Machakos county: Ministry of **Decentralized Units, County Administration** and **Energy**

- Prioritisation of energy varies significantly from county to county
- Capacity varies significantly from county to county
- Neglect of energy implies a lack of understanding of how it is critically interconnected with other sectors (nexus issues)

Sectors combined with energy in Kenyan county departments



Vertical coordination issues

- Grid extension and private sector models prioritised by national and transnational actors over community led schemes (READ, 2015).
- Dependence on donors for large scale electricity generation projects influences energy policy (Newell & Phillips, 2016)
- PV policy environment at times 'hostile' (Ockwell & Byrne, 2016).
- Ministry of Energy: only part decentralised

Generation is centralised

Grid roll out - centralised and lack of publicly available plan¹

- County level administrations lack capacity and resources to develop energy plans (READ, 2015)

¹ Interviews with representatives from the EU commission and the Energy Regulatory Commission, Nairobi (2016).

Horizontal coordination issues

- Need for discussion and learning between the various stakeholders undertaking decentralised energy activities (SEI, 2016; READ, 2015)
- Lack of platforms for information to be shared among stakeholders (SEI, 2016; READ, 2015)
- Significant bottleneck: understanding what investors want to do and what the repercussions would be¹.

¹Interview with energy consultant, Nairobi (2016)

Ongoing READ activity?

In Malawi

- District Energy Planning (**EPSRC GCRF Project** - joint project between Gamos, Loughborough, Strathclyde and Community Energy Malawi)

In Kenya

- Building cross-sectoral partnerships for joined up work (**EPSRC Impact Enhancement Bid**)
 - Inter-county information exchange: The county can benefit greatly from information on how other counties are managing energy projects and better understanding of the regulatory environment
 - In-county training programme
- Medium-term collaboration via **EPSRC PhD project – Richard Sieff.**



Thank you for listening!