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S. 2152

To establish a comprehensive United States Government policy to encourage the efforts of countries in sub-Saharan Africa to develop an appropriate mix of power solutions, including renewable energy, for more broadly distributed electricity access in order to support poverty reduction, promote development outcomes, and drive economic growth, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 7, 2015

Mr. CORKER (for himself, Mr. CARDIN, Mr. RUBIO, and Mr. COONS) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To establish a comprehensive United States Government policy to encourage the efforts of countries in sub-Saharan Africa to develop an appropriate mix of power solutions, including renewable energy, for more broadly distributed electricity access in order to support poverty reduction, promote development outcomes, and drive economic growth, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Electrify Africa Act
3 of 2015”.

4 **SEC. 2. PURPOSE.**

5 The purpose of this Act is to encourage the efforts
6 of countries in sub-Saharan Africa to improve access to
7 affordable and reliable electricity in Africa in order to
8 unlock the potential for economic growth, job creation,
9 food security, improved health, education, and environ-
10 mental outcomes, and poverty reduction.

11 **SEC. 3. STATEMENT OF POLICY.**

12 It is the policy of the United States to partner, con-
13 sult, and coordinate with the governments of sub-Saharan
14 African countries, international financial institutions, and
15 African regional economic communities, cooperatives, and
16 the private sector, in a concerted effort to—

17 (1) promote first-time access to power and
18 power services for at least 50,000,000 people in sub-
19 Saharan Africa by 2020 in both urban and rural
20 areas;

21 (2) encourage the installation of at least 20,000
22 additional megawatts of electrical power in sub-Sa-
23 haran Africa by 2020 using a broad mix of energy
24 options to help reduce poverty, promote sustainable
25 development, and drive economic growth;

1 (3) promote reliable, affordable, and sustainable
2 power in urban areas (including small urban areas)
3 to promote economic growth and job creation;

4 (4) promote policies to facilitate public-private
5 partnerships to provide electrical service to rural and
6 underserved populations;

7 (5) encourage the necessary in-country reforms,
8 including facilitating public-private partnerships spe-
9 cifically to support electricity access projects to
10 make such expansion of power access possible;

11 (6) promote reforms of power production, deliv-
12 ery, and pricing, as well as regulatory reforms and
13 transparency, to support long-term, market-based
14 power generation and distribution;

15 (7) promote policies to displace kerosene light-
16 ing with other technologies; and

17 (8) promote an all-of-the-above energy develop-
18 ment strategy for sub-Saharan Africa that includes
19 the use of oil, natural gas, coal, hydroelectric, wind,
20 solar, and geothermal power, and other sources of
21 energy.

22 **SEC. 4. DEVELOPMENT OF COMPREHENSIVE, MULTIYEAR**
23 **STRATEGY.**

24 (a) STRATEGY REQUIRED.—

1 (1) IN GENERAL.—The President shall establish
2 a comprehensive, integrated, multiyear strategy to
3 encourage the efforts of countries in sub-Saharan
4 Africa to implement national power strategies and
5 develop an appropriate mix of power solutions to
6 provide access to sufficient reliable, affordable, and
7 sustainable power in order to reduce poverty and
8 drive economic growth and job creation consistent
9 with the policy stated in section 3.

10 (2) FLEXIBILITY AND RESPONSIVENESS.—The
11 President shall ensure that the strategy required
12 under paragraph (1) maintains sufficient flexibility
13 for and remains responsive to technological innova-
14 tion in the power sector.

15 (b) REPORT REQUIRED.—Not later than 180 days
16 after the date of the enactment of this Act, the President
17 shall transmit to the Committee on Foreign Relations of
18 the Senate and the Committee on Foreign Affairs of the
19 House of Representatives a report that contains the strat-
20 egy required under subsection (a) and includes a discus-
21 sion of the following elements:

22 (1) The objectives of the strategy and the cri-
23 teria for determining the success of the strategy.

24 (2) A general description of efforts in sub-Saha-
25 ran Africa to—

1 (A) increase power production;

2 (B) strengthen electrical transmission and
3 distribution infrastructure;

4 (C) provide for regulatory reform and
5 transparent and accountable governance and
6 oversight;

7 (D) improve the reliability of power;

8 (E) maintain the affordability of power;

9 (F) maximize the financial sustainability of
10 the power sector; and

11 (G) improve access to power.

12 (3) A description of plans to support efforts of
13 countries in sub-Saharan Africa to increase access to
14 power in urban and rural areas, including a descrip-
15 tion of plans designed to address commercial, indus-
16 trial, and residential needs.

17 (4) A description of plans to support efforts to
18 reduce waste and corruption and improve existing
19 power generation through the use of a broad power
20 mix, including fossil fuel and renewable energy, dis-
21 tributed generation models, energy efficiency, and
22 other technological innovations, as appropriate.

23 (5) An analysis of existing mechanisms for en-
24 suring, and recommendations to promote—

25 (A) commercial cost recovery;

1 (B) commercialization of electric service
2 through distribution service providers, including
3 cooperatives, to consumers;

4 (C) improvements in revenue cycle man-
5 agement, power pricing, and fees assessed for
6 service contracts and connections;

7 (D) reductions in technical losses and com-
8 mercial losses; and

9 (E) access to power, including rec-
10 ommendations on the creation of new service
11 provider models that mobilize community par-
12 ticipation in the provision of power services.

13 (6) A description of the reforms being under-
14 taken or planned by countries in sub-Saharan Africa
15 to ensure the long-term economic viability of power
16 projects and to increase access to power, including—

17 (A) reforms designed to allow third parties
18 to connect power generation to the grid;

19 (B) policies to ensure there is a viable and
20 independent utility regulator;

21 (C) strategies to ensure utilities become or
22 remain creditworthy;

23 (D) regulations that permit the participa-
24 tion of independent power producers and pri-
25 vate-public partnerships;

1 (E) policies that encourage private sector
2 and cooperative investment in power generation;

3 (F) policies that ensure compensation for
4 power provided to the electrical grid by on-site
5 producers;

6 (G) policies to unbundle power services;

7 (H) regulations to eliminate conflicts of in-
8 terest in the utility sector;

9 (I) efforts to develop standardized power
10 purchase agreements and other contracts to
11 streamline project development; and

12 (J) efforts to negotiate and monitor com-
13 pliance with power purchase agreements and
14 other contracts entered into with the private
15 sector.

16 (7) A description of plans to ensure meaningful
17 local consultation, as appropriate, in the planning,
18 long-term maintenance, and management of invest-
19 ments designed to increase access to power in sub-
20 Saharan Africa.

21 (8) A description of the mechanisms to be es-
22 tablished for—

23 (A) selection of partner countries for fo-
24 cused engagement on the power sector;

1 (B) monitoring and evaluating increased
2 access to, and reliability and affordability of,
3 power in sub-Saharan Africa;

4 (C) maximizing the financial sustainability
5 of power generation, transmission, and distribu-
6 tion in sub-Saharan Africa;

7 (D) establishing metrics to demonstrate
8 progress on meeting goals relating to access to
9 power, power generation, and distribution in
10 sub-Saharan Africa; and

11 (E) terminating unsuccessful programs.

12 (9) A description of how the President intends
13 to promote trade in electrical equipment with coun-
14 tries in sub-Saharan Africa, including a description
15 of how the government of each country receiving as-
16 sistance pursuant to the strategy—

17 (A) plans to lower or eliminate import tar-
18 iffs or other taxes for energy and other power
19 production and distribution technologies des-
20 tined for sub-Saharan Africa, including equip-
21 ment used to provide energy access, including
22 solar lanterns, solar home systems, and micro
23 and mini grids; and

24 (B) plans to protect the intellectual prop-
25 erty of companies designing and manufacturing

1 products that can be used to provide energy ac-
2 cess in sub-Saharan Africa.

3 (10) A description of how the President intends
4 to encourage the growth of distributed renewable en-
5 ergy markets in sub-Saharan Africa, including off-
6 grid lighting and power, that includes—

7 (A) an analysis of the state of distributed
8 renewable energy in sub-Saharan Africa;

9 (B) a description of market barriers to the
10 deployment of distributed renewable energy
11 technologies both on- and off-grid in sub-Saha-
12 ran Africa;

13 (C) an analysis of the efficacy of efforts by
14 the Overseas Private Investment Corporation
15 and the United States Agency for International
16 Development to facilitate the financing of the
17 importation, distribution, sale, leasing, or mar-
18 keting of distributed renewable energy tech-
19 nologies; and

20 (D) a description of how bolstering distrib-
21 uted renewable energy can enhance the overall
22 effort to increase power access in sub-Saharan
23 Africa.

24 (11) A description of plans to ensure that small
25 and medium enterprises based in sub-Saharan Africa

1 can fairly compete for energy development and en-
2 ergy access opportunities associated with this Act.

3 (c) INTERAGENCY WORKING GROUP.—

4 (1) IN GENERAL.—The President may, as ap-
5 propriate, establish an Interagency Working Group
6 to coordinate the activities of relevant United States
7 Government departments and agencies involved in
8 carrying out the strategy required under this sec-
9 tion.

10 (2) FUNCTIONS.—The Interagency Working
11 Group may, among other things—

12 (A) seek to coordinate the activities of the
13 United States Government departments and
14 agencies involved in implementing the strategy
15 required under this section;

16 (B) ensure efficient and effective coordina-
17 tion between participating departments and
18 agencies; and

19 (C) facilitate information sharing, and co-
20 ordinate partnerships between the United
21 States Government, the private sector, and
22 other development partners to achieve the goals
23 of the strategy.

1 **SEC. 5. PRIORITIZATION OF EFFORTS AND ASSISTANCE**
2 **FOR POWER PROJECTS IN SUB-SAHARAN AF-**
3 **RICA BY KEY UNITED STATES INSTITUTIONS.**

4 (a) IN GENERAL.—In pursuing the policy goals de-
5 scribed in section 3, the Administrator of the United
6 States Agency for International Development, the Director
7 of the Trade and Development Agency, the Overseas Pri-
8 vate Investment Corporation, and the Chief Executive Of-
9 ficer and Board of Directors of the Millennium Challenge
10 Corporation should, as appropriate, prioritize and expedite
11 institutional efforts and assistance to facilitate the involve-
12 ment of such institutions in power projects and markets,
13 both on- and off-grid, in sub-Saharan Africa and partner
14 with other investors and local institutions in sub-Saharan
15 Africa, including private sector actors, to specifically in-
16 crease access to reliable, affordable, and sustainable power
17 in sub-Saharan Africa, including through—

18 (1) maximizing the number of people with new
19 access to power and power services;

20 (2) improving and expanding the generation,
21 transmission and distribution of power;

22 (3) providing reliable power to people and busi-
23 nesses in urban and rural communities;

24 (4) addressing the energy needs of people living
25 in areas where there is little or no access to a power

1 grid and developing plans to systematically increase
2 coverage in rural areas;

3 (5) reducing transmission and distribution
4 losses and improving end-use efficiency and demand-
5 side management;

6 (6) reducing energy-related impediments to
7 business productivity and investment; and

8 (7) building the capacity of countries in sub-Sa-
9 haran Africa to monitor and appropriately and
10 transparently regulate the power sector and encour-
11 age private investment in power production and dis-
12 tribution.

13 (b) EFFECTIVENESS MEASUREMENT.—In priori-
14 tizing and expediting institutional efforts and assistance
15 pursuant to this section, as appropriate, such institutions
16 shall use clear, accountable, and metric-based targets to
17 measure the effectiveness of such guarantees and assist-
18 ance in achieving the goals described in section 3.

19 (c) RULE OF CONSTRUCTION.—Nothing in this sec-
20 tion may be construed to authorize modifying or limiting
21 the portfolio of the institutions covered by subsection (a)
22 in other developing regions.

23 **SEC. 6. LEVERAGING INTERNATIONAL SUPPORT.**

24 In implementing the strategy described in section 4,
25 the President should direct the United States representa-

1 tives to appropriate international bodies to use the influ-
2 ence of the United States, consistent with the broad devel-
3 opment goals of the United States, to advocate that each
4 such body—

5 (1) commit to significantly increase efforts to
6 promote investment in well-designed power sector
7 and electrification projects in sub-Saharan Africa
8 that increase energy access, in partnership with the
9 private sector and consistent with the host countries’
10 absorptive capacity;

11 (2) address energy needs of individuals and
12 communities where access to an electricity grid is
13 impractical or cost-prohibitive;

14 (3) enhance coordination with the private sector
15 in sub-Saharan Africa to increase access to elec-
16 tricity;

17 (4) provide technical assistance to the regu-
18 latory authorities of sub-Saharan African govern-
19 ments to remove unnecessary barriers to investment
20 in otherwise commercially viable projects; and

21 (5) utilize clear, accountable, and metric-based
22 targets to measure the effectiveness of such projects.

23 **SEC. 7. PROGRESS REPORT.**

24 (a) IN GENERAL.—Not later than three years after
25 the date of the enactment of this Act, the President shall

1 transmit to the Committee on Foreign Affairs of the
2 House of Representatives and the Committee on Foreign
3 Relations of the Senate a report on progress made toward
4 achieving the strategy described in section 4 that includes
5 the following:

6 (1) A report on United States programs sup-
7 porting implementation of policy and legislative
8 changes leading to increased power generation and
9 access in sub-Saharan Africa, including a description
10 of the number, type, and status of policy, regulatory,
11 and legislative changes initiated or implemented as
12 a result of programs funded or supported by the
13 United States in countries in sub-Saharan Africa to
14 support increased power generation and access after
15 the date of the enactment of this Act.

16 (2) A description of power projects receiving
17 United States Government support and how such
18 projects, including off-grid efforts, are intended to
19 achieve the strategy described in section 4.

20 (3) For each project described in paragraph
21 (2)—

22 (A) a description of how the project fits
23 into, or encourages modifications of, the na-
24 tional energy plan of the country in which the

1 project will be carried out, including encour-
2 aging regulatory reform in that county;

3 (B) an estimate of the total cost of the
4 project to the consumer, the country in which
5 the project will be carried out, and other inves-
6 tors;

7 (C) the amount of financing provided or
8 guaranteed by the United States Government
9 for the project;

10 (D) an estimate of United States Govern-
11 ment resources for the project, itemized by
12 funding source, including from the Overseas
13 Private Investment Corporation, the United
14 States Agency for International Development,
15 the Department of the Treasury, and other ap-
16 propriate United States Government depart-
17 ments and agencies;

18 (E) an estimate of the number of individ-
19 uals, communities, businesses, schools, and
20 health facilities that have gained power connec-
21 tions as a result of the project, with a descrip-
22 tion of how the reliability, affordability, and
23 sustainability of power has been improved as of
24 the date of the report;

1 (F) an assessment of the increase in the
2 number of people and businesses with access to
3 power, and in the operating electrical power ca-
4 pacity in megawatts as a result of the project
5 between the date of the enactment of this Act
6 and the date of the report;

7 (G) a description of efforts to gain mean-
8 ingful local consultation for projects associated
9 with this Act and any significant estimated
10 noneconomic effects of the efforts carried out
11 pursuant to this Act; and

12 (H) a description of the participation by
13 small and medium enterprises based in sub-Sa-
14 haran Africa on projects associated with this
15 Act.

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