

February 19, 2014

Chairman Robert Menendez
U.S. Senate Committee on Foreign Relations
446 Dirksen Senate Office Building
Washington, DC 20510-6225

Chairman Ed Royce
The House Committee on Foreign Affairs
2170 Rayburn House Office Building
Washington, DC 20515

Ranking Member Bob Corker
U.S. Senate Committee on Foreign Relations
444 Dirksen Senate Office Building
Washington, DC 20510-6225

Ranking Member Eliot L. Engel
The House Committee on Foreign Affairs
B-360 Rayburn House Office Building
Washington, DC 20515

Dear Chairmen Menendez and Royce; Ranking Members Corker and Engel,

We, a collection of entrepreneurs and NGOs currently delivering energy access services for the poor around the world, write to you today requesting that you refuse to endorse proposed amendments to the Electrify Africa Act that would undermine the U.S. Overseas Private Investment Corporation's global leadership in supporting the off-grid energy access sector.

Current reliance on grid extension or large-scale centralized solutions will leave more than one billion people living without access to modern energy services by 2030 according to the International Energy Agency (IEA). In fact, the IEA has found that half of all energy services will have to be provided by off-grid clean energy investments in order to deliver universal energy access by 2030.

However, current investment flows do not prioritize small scale off-grid decentralized interventions to address energy access. For example, only 0.029%, or \$2 million, of the \$7 billion in US government funding commitments under the administrations Power Africa initiative specifically target off-grid energy development. Instead they overwhelmingly flow to large scale centralized power plants and grid extension. As a result, traditional capital markets view a relatively new industry or market segment like ours to be higher risk, which has constrained our ability to access finance. While our sector is on the verge of maturity, in the absence of concerted support the transformative developmental impact it promises is threatened.

OPIC, has recognized the importance of expanding capital access for this sector, and has been emerging as a leader in providing funds for off grid energy solutions for the poor. The \$20 million African Clean Energy Finance (ACEF) initiative announced at the Rio +20

conference is an important initiative that has supported off grid companies. We strongly support the investments this program has made in our sector and encourage its expansion.

Much of the investment ACEF seeks to leverage from OPICs core portfolio has been driven by its carbon cap and reduction policy, which has induced OPIC to proactively seek out low carbon investments to support its development mandate. However, proposed amendments to the Electrify Africa Act would amend these cap restrictions and therefore divert much of OPIC's scarce resources instead to large, centralized fossil fuel projects. This would significantly impede OPIC's ability to provide support for our industry. Moreover, because of the formidable costs of extending the grid to those who are currently not connected, this centralized approach is unlikely to be a cost effective solution poor citizens who lack access to modern energy services.

For this reason, we respectfully request that you do not support efforts to amend OPIC's current carbon cap and reduction policy. Instead we request you use this opportunity to expand OPIC, and other US agency support, for off grid clean energy solutions. Doing so will help the Electrify Africa Act best realize its ambition of providing support for clean energy solutions for the world's poor.

Sincerely,

Sam Duby, Co-Founder and Director
access:energy Ltd.

Lesley Silverthorn Marincola, CEO
Angaza Design

Mansoor Hamayun, Co-Founder and CEO
BBOX

Ned Tozun, President and Founder
d.light

Daniel Schnitzer, Founder and Executive Director
EarthSpark International

Mike Lin, Co-Founder and CEO
Fenix International

Carl Pope, Principal
Inside Straight Strategies

Jigar Shah, CEO
Jigar Shah Consulting

Sandhya Hedge, Partner
Khosla Impact Fund

Vy Manthripragada, Manager, South Asia
KMR Infrastructure

Nikhil Jaisinghani, Co-Founder
Mera Gao Power

Daniel Rosen, Co-Founder and CEO
Mosaic

F. Xavier Helgesen, Co-Founder and CEO
Off.Grid:Electric

Anil Raj, CEO
OMC Power

Emmanuel Beau, Sustainable Investments Manager
Schneider Electric

Harish Hande, Managing Director
SELCO-India

Andrew Webb, Managing Director
SolarAid

Willem Nolens, Managing Director
Solar Now

Paul Needham, President and Co-Founder
Simpa Networks

Ryan Levinson, Founder and CEO
SunFunder

Stewart Craine, Managing Director
Village Infrastructure Angels

Hugh Youngblood, Chief Executive
Youngblood Capital Group, LLC