

## Press release

# Saudi Energy Minister announces ‘new phase’ in Kingdom’s power generation as first round bids for Renewable Energy Projects opened

- *His Excellency Khalid Al Falih, Minister of Energy, Industry and Mineral Resources announces the opening of the RFP for 300MW of solar energy in Sakaka as part of the King Salman Renewable Energy Initiative*
- *RFP for 400MW wind project to be launched in weeks*
- *Saudi electricity sector to be strengthened through privatization and restructuring as Kingdom plans to boost generation capacity to supply regional power grids*
- *King Abdullah City for Atomic and Renewable Energy’s (KACARE) National Center for Renewable Energy Data launched*
- *National Renewable Energy Program (NREP) to include 30 projects that will produce 9.5GW of energy*

**Riyadh – Kingdom of Saudi Arabia, April 17, 2017:** Under the auspices of the King Salman Renewable Energy Initiative, Saudi Arabia is now seeking bids for its first utility-scale renewable energy projects, following the launch today of the round one request for proposal (RFP) stage by His Excellency, Khalid Al Falih, Minister of Energy, Industry and Mineral Resources. The RFP is now live on a 300MW solar PV project in Sakaka, with the RFP for a 400MW wind project due to be released in weeks. The announcement was made at the inaugural Saudi Arabia Renewable Energy Investment Forum (SAREIF) organized by the Ministry of Energy, Industry and Mineral Resources.

Details regarding round two of the National Renewable Energy Program (NREP) were also revealed which will have a total capacity of 1020 MW, featuring a 400MW wind farm in Doumat Al Jandal together with 620MW of solar PV projects across various sites. Request for qualifications (RFQ) for these projects will go live during the last quarter of 2017. Earlier this month, the Renewable Energy Project Development Office (REPDO) announced 51 qualified bidders for round one.

During the event, the Minister also launched the King Abdullah City for Atomic and Renewable Energy’s (KACARE) National Center for Renewable Energy Data. The center will act as a central independent authority providing high precision renewable energy site information across the Kingdom, enabling developers to track data, de-risking private sector investments in the Kingdom’s renewable energy sector. The Minister outlined that the center will operate to a high standard, ensuring data quality, international energy sector best practice and importantly transparency.

In front of more than 800 local and international renewable energy developers and investors, Minister Al Falih reinforced Saudi Arabia's commitment to a diversified energy future.

Minister Al Falih said: "We have the potential to become a global renewable energy powerhouse, and we will pursue that ambition with focus and purpose. The market response to round one has been unprecedented and lays the foundation for the deployment of utility-scale renewable energy that delivers best value to Saudi Arabia and its people."

In an address that focused on a complete restructuring of the Kingdom's power generation capacity, the Minister noted that the strengthening of the Electricity & Cogeneration Regulatory Authority (ECRA) was an important milestone in preparing Saudi's electricity sector for expansion.

Saudi Arabia will develop a more buyer-focused market, through the separation of the administrative and financial functions of the Saudi Electricity Company (SEC), alongside separately developing its generation, transmission and distribution activities. The Minister noted the importance of building a more competitive framework in "shaping an attractive environment for investors in line with Saudi Vision 2030 and the National Transformation Program 2020".

With a view to building the Kingdom's electricity generation capacity, the Minister noted that meeting "local alongside regional demand will make use of the Kingdom's unique geographical location as a hub linking three continents".

"Today, Saudi Arabia has taken another important and decisive step towards a more resilient, dynamic and sustainable economic future for us all," said the Minister. Stressing the importance of meeting global targets to reduce greenhouse emissions, the Minister noted that "renewable energy is a global growth industry that is not only delivering low-carbon energy security to markets across the region and the world, but it is galvanizing innovative thinking and presenting exciting new career opportunities for millions."

"Through this program," His Excellency concluded, "we aim to become the world's leading and most reliable diversified supplier of energy, and in doing so, will pursue our nation's full economic potential."

Winning bids for round one will be announced in November 2017. The program has set clear local content guidelines; requiring firms to source 30% of their supply chain domestically in round one.

END

**For more information on the National Renewable Energy Program, and for qualified bidders to submit their RFPs for Round 1, please visit:**

**[www.powersaudiarabia.com.sa](http://www.powersaudiarabia.com.sa)**

#### **About the National Renewable Energy Program**

Saudi Arabia's National Renewable Energy Program (NREP) is a long term, multifaceted renewable energy strategy designed to balance the domestic power mix in order to deliver long term economic stability and prosperity to the Kingdom, whilst working towards carbon reduction commitments. The NREP is

managed and executed by the Ministry of Energy, Industry and Mineral Resources (MEIM), directly supporting Saudi Arabia's National Transformation Program (NTP) and Vision 2030.

The office responsible for the delivery of the NREP is The Renewable Energy Project Development Office (REPDO), an official office within the MEIM. The Program will be phased and rolled out in a systematic and transparent way to ensure that the Kingdom benefits from the cost-competitive nature of renewable energy. The National Renewable Energy Program aims to substantially increase the share of renewable energy in the total energy mix, targeting the generation of 3.45 gigawatts (GW) of renewable energy by 2020 under the National Transformation Program (NTP), and 9.5GW by 2023, towards Vision 2030.