

Saudi Arabia invites bids for Round Three of the National Renewable Energy Program

- Round Three is comprised of four projects with a combined capacity of 1,200 Megawatts (MW) of Solar PV
- 49 companies pre-qualified to bid, 28 of which are from Saudi Arabia

Riyadh – Kingdom of Saudi Arabia, April 08, 2020 – Shaban 15, 1441: The Ministry of Energy has issued the Request for Proposals (RFP) for Round Three 'Category B' Solar PV independent power producer (IPP) of the Kingdom's National Renewable Energy Program (NREP). The RFP for Round Three 'Category A' projects will be released to the market later this month.

Round Three is comprised of four Solar PV projects with a combined generation capacity of 1,200 megawatts (MW). The projects, which are located on four sites in the central region of the Kingdom, will be as follows:

- 'Category A' projects: Wadi Ad Dawasir 120 MW Solar PV IPP and the Layla 80 MW Solar PV IPP.
- 'Category B' projects: Ar Rass 700 MW Solar PV IPP, the Saad 300 MW Solar PV IPP.

The tendering methodology for Round Three will continue the strategy established by the Ministry of Energy in Round Two of the NREP, whereby smaller projects, namely the Wadi Ad Dawasir 120 MW Solar PV IPP and the Layla 80 MW Solar PV IPP, labeled as 'Category A', will have relaxed qualification criteria allowing for local developers to participate in the NREP as lead members. The two larger projects, namely the Ar Rass 700 MW Solar PV IPP and the Saad 300 MW Solar PV IPP, labeled 'Category B', are targeted towards attracting international developers to further invest in the Kingdom.

The Ministry of Energy issued the Request for Qualifications (RFQ) for Round Three of the NREP on the 9th of January 2020 and has received on the 6th of February 2020 a total of 83 applications of which, a total of 49 companies have been pre-qualified for lead roles, including 28 local Saudi companies. Pre-qualified companies will now proceed to the RFP stage as either a Managing Member and/or Technical Member and/or Local Managing Member (the later only applying to Round Three 'Category A' projects).

In light of business and travel restrictions during this period, the Ministry of Energy has extended the RFP timeframe on this round of projects from four to six months. Additionally, the Ministry will be hosting virtual meetings to facilitate bidders' conferences. Proposals from prospective bidders will be submitted online through the Ministry's NREP procurement portal. These measures have been implemented to this round of projects in recognition of the Kingdom's commitment to progressing its renewable energy development goals.

Round Three projects will carry a minimum requirement of 18% local content as calculated by the mechanisms defined by the Local Content & Government Procurement Authority (LCGPA), which aims to increase the value-added contribution of products and services in the national economy.

All projects tendered by The Ministry of Energy are 100% IPPs backed by 25-year Power Purchase Agreements (PPA) with the Saudi Power Procurement Company (SPPC) as offtaker. Since its inception, The Ministry of Energy, through the NREP, has pre-developed and tendered 2,170 MW of renewable energy capacity in the Kingdom, of which 700 MW was awarded in 2019 and a further 1,470 MW will be awarded in 2020.

A full list of pre-qualified companies can be found on NREP's dedicated e-procurement portal www.powersaudi Arabia.com.sa

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