

Project Announcement for Independent Power Plants with total capacity of 7,200 MW

In line with the Saudi Vision 2030, the Kingdom of Saudi Arabia (“**KSA**”) is taking pivotal steps in the direction of achieving a diversified energy portfolio to ensure affordable and high-quality electricity services. The Ministry of Energy strategic policies adopted in such a way to prioritize gas allocation, transitioning away from liquid fuel in favor of natural gas and renewables, enhance the overall system efficiency as well as to comply with environmental considerations of the Kingdom’s stated greenhouse gasses (GHG) net-zero ambition by 2060 through the deployment of circular carbon economy technologies approach and promoting electricity market for enhanced fair competition and transparency. These steps would facilitate sustainable growth in KSA's evolving energy landscape.

Within this context, the Saudi Power Procurement Company (“**SPPC**”) has been established with responsibilities including being the Principal Buyer of electrical energy and capacity from generators within the KSA and conducting electrical energy trading (including cross border electrical energy trading). SPPC is also responsible for the future capacity planning, the establishment of new ventures and partnerships, monitoring and implementation of IPPs, management of trade agreements for the sale and purchase of energy, fuel supply, and efficiency management.

In order to address the intermittency associated with increasing renewable energy production and progressing toward the goal of replacing liquid fuel generation in favour of natural gas generation, SPPC is implementing an Independent Power Plant (“**IPP**”) procurement program. The first set of four IPPs in this program (Taiba-1, Taiba-2, Qassim-1, and Qassim-2) with a combined net power capacity of 7,200 MW are in the advanced stages of procurement.

SPPC is now embarking on the next stage of this program, with the procurement of two combined cycle gas-fired IPPs with a combined net power capacity of 1,800 MW each to be located near Riyadh, central providence of KSA (“**Rumah-1**” and “**Rumah-2**” IPPs); and two combined cycle gas-fired IPPs with a combined net power capacity of 1,800 each MW to be located near Jubail, eastern Providence of KSA (“**Al-Nairyah-1**” and “**Al-Nairyah-2**” IPPs), with provision for Carbon Capture and Sequestration (CCS) readiness, which will introduce to the ability to implement CCS or other potential solution to address GHG emission when deemed feasible. Therefore, SPPC shall invite the Request for Qualifications (“**RFQ**”) in respect of the development of **Projects**. SPPC will conduct a competitive process to select a developer or developer consortia to develop each of the Projects on a build, own and operate (“**BOO**”) basis. It should be noted that SPPC intends to award the Projects at each site to different bidders and not have the same developer or consortium develop both Projects at a site.

Each project company developing a Project will provide the entire generation capacity to SPPC under a Power Purchase Agreement (“**PPA**”). The term of the PPA is expected to be up to 25 years following Project commercial operations date.

Prior to receiving the RFQ, interested parties are requested to provide a signed copy of the Confidentiality Undertaking as specified on the e-Procurement portal (<http://powersaudi Arabia.com.sa>).



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If any interested party faces any challenges in accessing/submitting their expression of interest through the portal, they can reach out to the below address:

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The RFQ should only be submitted by developers seeking qualification as a sole developer or lead developer as part of a developer consortium. The RFQ will include further information, including a description of the project, an outline of the tender process and evaluation criteria for prequalification of interested parties.

For more information about the projects, you may visit the website: <http://SPB.com.sa> and <http://powersaudiarabia.com.sa>