Abdul Latif Jameel Energy set to contribute to Saudi renewable energy vision

Jun 6, 2016

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JEDDAH —Abdul Latif Jameel Energy and Environmental Services, which recently celebrated the first anniversary of its acquisition of Fotowatio Renewable Ventures (FRV), a leading

global developer of large-scale solar power plants, has reaffirmed its readiness to support Saudi Arabia's national agenda for a renewable energy industry, as outlined in the Vision 2030 plan.

Mohammed Abdul Latif Jameel, Chairman and CEO of Abdul Latif Jameel, said: "Led by the bold Vision 2030 plan, Saudi Arabia today is undergoing significant economic diversification initiatives, which includes the creation of a long-term renewable energy industry. We fully support this goal, and are strategically placed to be part of the development of this burgeoning sector and supporting the country's renewable energy ambitions through our global expertise."

As outlined in the recently announced Vision 2030, domestic energy consumption in Saudi Arabia is set to increase three fold by 2030. To satisfy the increase in energy demand, the government is looking to tap into the renewable energy potential in the country. The arid and sunny climate makes it naturally suitable to harness solar energy. Overall, a target of 9.5GW has been set, supported by an increased localization of the renewable energy value chain.

Over the last few years, Abdul Latif Jameel Energy and Environmental Services has taken strategic steps in building its capabilities, culminating in the acquisition of FRV a year ago. Completed in April 2015, the acquisition resulted in Abdul Latif Jameel Energy and Environmental Services' 100% ownership of FRV, making the company the largest* GCC-based solar photovoltaic (PV) developer and one of the leading solar PV developers in the world.

As part of its drive to identify and drive investments and strategic partnerships in Saudi Arabia, Abdul Latif Jameel appointed Omar Al-Madhi as Senior Managing Director and Member of the Board for Investments, based in Riyadh. He also leads the Saudi-based activities for Abdul Latif Jameel Energy and Environmental Services, exploring opportunities and forming strategic partnerships in Saudi Arabia's renewable energy sector.

Prior to joining Abdul Latif Jameel, Omar Al-Madhi held a number of leadership roles, including CEO of Volkswagen Group Saudi Arabia, Executive Director and CEO of the National Labor Competitiveness Council and Assistant Deputy Governor at the Saudi Arabian General Investment Authority (SAGIA). During his time at SAGIA, he also served as an advisor to the Minister of Labor in Saudi Arabia, and as a member of the Public-Private Partnerships steering committee at the Ministry.

Omar Al-Madhi added "as we explore new opportunities for growth and diversification within Saudi Arabia, we have identified the renewable energy sector as vital within this plan and as

we extend our capabilities in the solar PV business, we look to expand our capacity to wind and other renewable technologies. We are also interested in supporting other areas including water desalination and energy efficiency initiatives."

Today, Abdul Latif Jameel Energy and Environmental Services holds a 4.3 GWdc pipeline of projects in emerging solar markets, including the Middle East, Australia, Africa and Latin America. 4.3 GWdc of power is the equivalent of generating enough electricity to supply approximately 2,000,000 homes and remove approximately six million tons of CO2 emissions.
Over the past year, Abdul Latif Jameel Energy and Environmental Services and FRV delivered a number of projects across both the region and the world, with more in the pipeline.

In November 2015, the company signed a Power Purchase Agreement (PPA) for a planned 50 MW (65 MWdc) solar PV power plant in the Hashemite Kingdom of Jordan. The PPA was signed with the National Electric Power Company (NEPCO), Jordan's regulatory authority for power generation and distribution, and is valid for 20 years.

The project is expected to bring approximately 150 job opportunities during the construction phase, stimulating job creation in the Kingdom.
Additionally, the plant will also help the Kingdom reduce its carbon footprint by displacing over 80,000 metric tons of Carbon Dioxide (CO2) per year, equivalent to removing about 17,000 cars from its roads.

In January 2016, the company acquired a second 50 MW solar PV project in Jordan which will be executed in parallel with the planned 50 MW solar PV power plant in the same location for a total of 100MW.

In full alignment with FRV's strategy to develop, build, sell and retain the asset management activities of renewable power generation assets across Australia and other global markets at an attractive return, the company recently sold 100% of its equity interest in the iconic Royalla Solar Farm, a 20 MW (24 MWdc) photovoltaic solar plant in the Australian Capital Territory (ACT), to Dutch Infrastructure Fund (DIF), an independent fund management company.

FRV also has entered into a landmark agreement with Origin Energy Limited (Origin), signing a 15-year power purchase agreement (PPA) that covers 100 per cent of the output from FRV's recently commissioned 56 MW (70 MWdc) Moree Solar Farm.

In May 2016, FRV announced the signing of a second power purchase agreement with

Origin Energy Limited covering 100 percent of the electricity output of FRV's 100MW Clare Solar Farm, located outside the township of Clare, Queensland. Upon completion, the 300-hectare solar farm will be the highest generating polycrystalline photovoltaic (PV) project in Australia and will utilize a single-axis tracking system to maximize energy generation during the day.

In January 2016, the company completed the construction of 'La Jacinta' 50 MW (65 MWdc) solar plant in Uruguay. The project is the first large-scale solar plant in Uruguay and one of the largest solar PV projects in Latin America.

In May 2016, FRV was awarded a 100 MW power purchase agreement in a reverse auction, conducted by Solar Energy Corporation of India, Ltd. under the National Solar Mission program, which was launched by the Government of India to achieve 100 GW of installed solar capacity in the country by 2022. The 25-year agreement was signed at a fixed tariff of US 6.67 cents/kWh (4.43 INR/kWh) coupled with Viability Gap Funding from SECI. — SG