

Saudi Arabia recognizes PV's potential

According to analysis carried out by the Berlin, Germany-based consulting firm Apricum GmbH, Saudi Arabia has one of the most promising PV markets in the Middle East and North Africa (MENA) region. As the oil-rich country's demand for energy is growing in leaps and bounds, the government has started to take action in introducing renewable energies into the mix and has already made initial steps toward PV power generation. By the beginning of the summer, the government's aim is to determine concrete conditions for solar electricity production in the country.

In addition, national oil giant Saudi Arabian Oil Co. (Saudi Aramco) is said to be starting to make big investments in PV installations and companies. A contract for a 10 MW project in the country was reportedly awarded in April;

thin-film modules from Japanese manufacturer Solar Frontier KK will be used. Saudi Aramco has a 15-percent interest in the module manufacturer's parent company, Showa Shell Sekiyu KK. According to Apricum, the desert state requires 30 GW of new generation capacity by 2020 and another 20 GW are due to be replaced. They report that PV could be a good solution in Saudi Arabia for supplying peak load power when air-conditioning demands are high. The electricity production costs from large-scale PV power plants are currently 15.4 euro cents (22.8¢) per kWh – that's almost as low as costs at gas-fired power stations, where production costs for peak-load power come in at 12.9 euro cents (19.1¢) per kWh. The consultants report solar power in Saudi Arabia will be at 6.4 euro cents (9.5¢) by 2020, while rising prices for fossil fuels will cause gas-based power to exceed PV prices today. ● ab



Solar Frontier K.K.

▲ A 10 MW PV system will provide shade in the parking lot in front of an office complex planned by Saudi Aramco in the city of Dhahran in the Persian Gulf.