

## Saudi eyes big jump in solar power output

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Top oil exporter Saudi Arabia believes renewable sources could account for up to 10 percent of its power output by 2020 with prices coming down and a regulatory framework in place

"The proposed target is between 7 to 10 percent of peak electricity generated by renewables by 2020, most likely solar...that represents roughly 5 gigawatts by 2020. Can we achieve that target? It's feasible," said Ahmad Al-Khowaiter, director of new business evaluation department at Aramco.

The kingdom has said it was investing \$80 billion to boost power generating capacity to 60,000 MW by 2020. Installed capacity in the kingdom had reached 46,000 megawatts (MW) by March, an official has said. It was around 43,000 MW in 2009, with peak demand at around 40,000 MW.

The kingdom, which benefits from abundant intense sunshine, had said it was looking to start exporting power from solar energy by 2020.

"It (solar energy) is expensive at this point, but as we see prices are coming down we know we have a very strong probability of having both the potential and the price correct by 2020-2030 ... It is a very strategic move into solar," Khowaiter added.

"We believe large scale power generation from solar can be achieved near the end of this decade, near 2020. Beyond 2020, the economics will be clearly in the favour of deployment of solar power," Khowaiter told reporters.

Saudi Arabia, which faces a rapid increase in power demand, hopes to approve a regulatory framework for investment in renewable energy in 2011 to set out the conditions of government funding and incentives for the sector, a top official said on Wednesday.

"We now have the target to learn to start building capacity, building the ability so we'll be able to deploy large scale and save fuel in the future and have an environmental impact, To achieve 5

gigawatts if the regulatory framework is in place it's very achievable," he added.

Aramco has held discussions with Abu Dhabi's Masdar City for future collaboration, Khowaiter said. In 2007, Masdar unveiled ambitious plans to invest \$15 billion in renewable energy projects such as the world's flagship carbon-free city in Abu Dhabi. – **Reuters**

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