



## **Focus on Algeria: The next hot solar market**

**Solar Energy UK 2015** - Solar Business Theatre  
The NEC, Birmingham, UK – Tue, October 13, 2015

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# Outline

- 1) Context for renewable energy development in Algeria
- 2) About us
- 3) Projects in progress
- 4) Upcoming events



# Context for renewable energy developement in Algeria



## Context

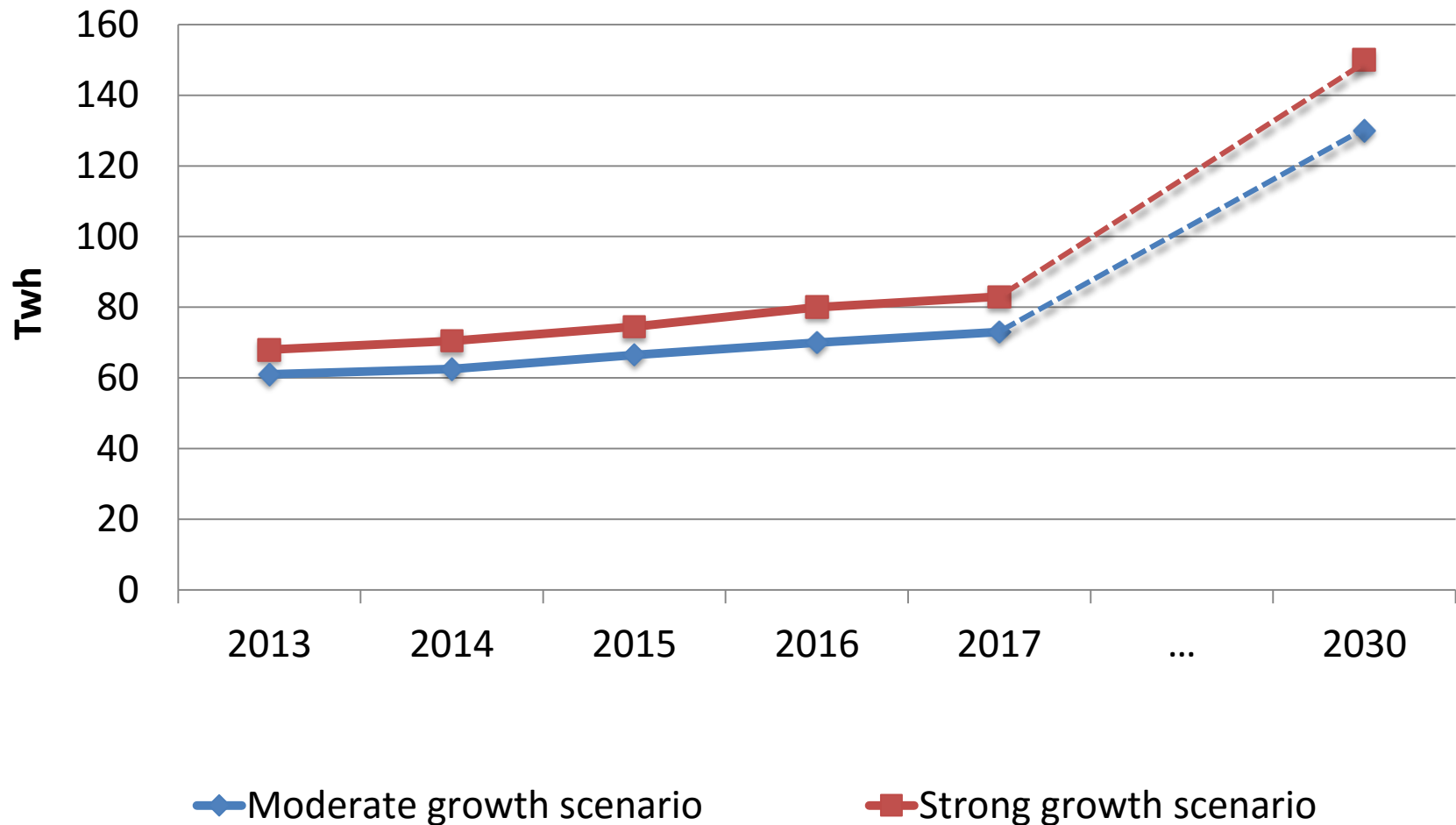
- Important solar potential
- Decreasing cost of renewables
- Uncertainty over oil and gas prices
- Uncertainty over oil and gas reserves
- Environmental issues and sustainable development

## Challenges

- Development of alternative energy sources
- Development of a renewable energy industry
- Diversification of the national economy
- Becoming an actor in the world market of renewable energy



# Growth of electricity consumption in Algeria



# Key facts and figures

- **22,000** MW of renewable power generating capacity including **13,500** MW of solar PV
- **2030**: a programme that will take another **15** years to realise
- **20** year PPA and a FiT at around **\$0.20** Kwh
- Over the next six years, construction of over **50** solar PV projects
- The global cost of the renewable electricity program is expected to reach between **60-100 billion US dollars**
- Expected volume of natural gas saved, over the period of 2011 and 2030, from the renewable power plants in operation is **300 billion m<sup>3</sup>**

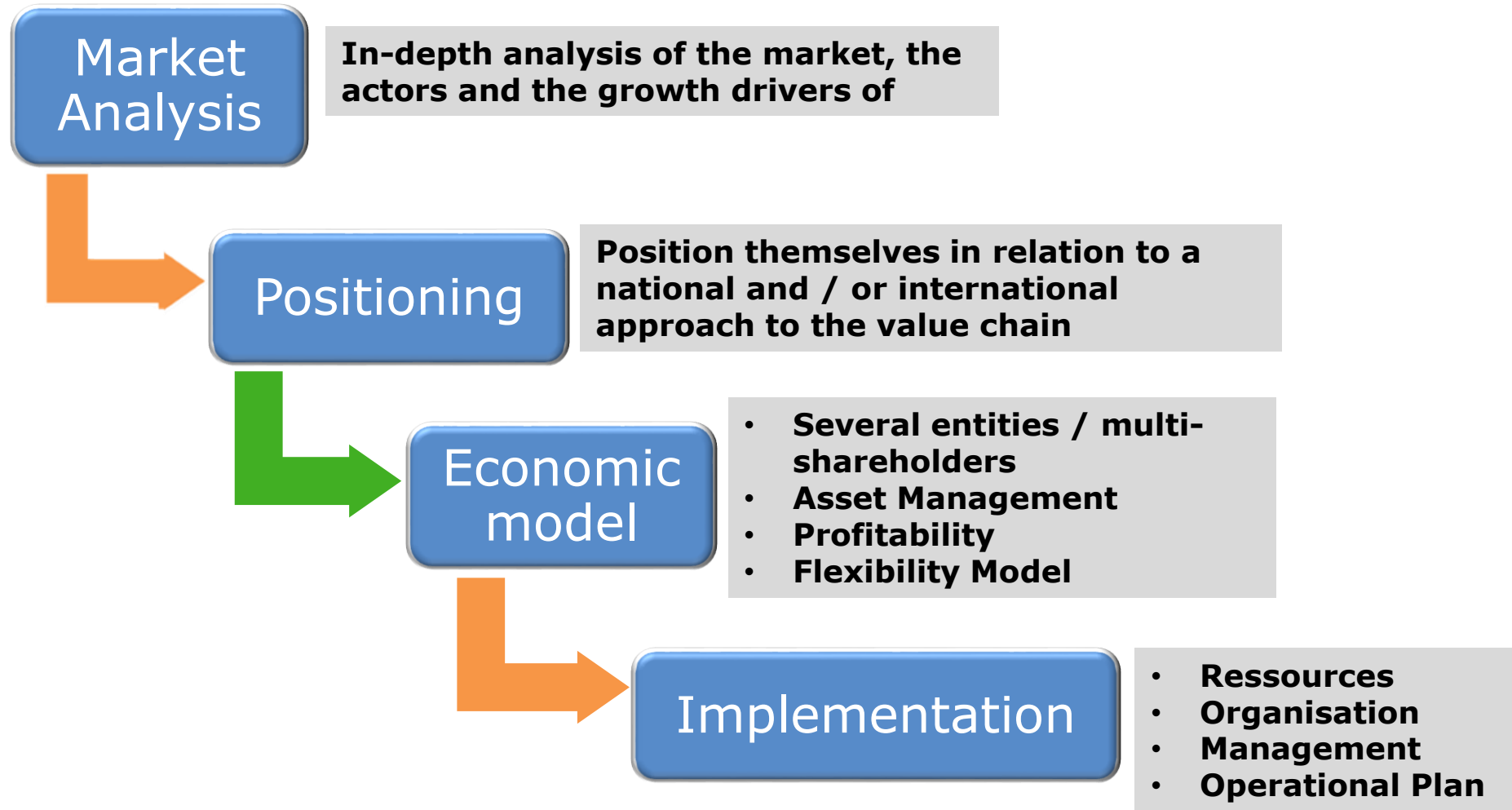


# About us

- Advisory boutique firm specialised in renewable energy projects in the Middle East and Africa
- Providing a full range of services at all stages of the development of renewable energy projects from sourcing opportunities to providing local partner services
- Clients include solar module manufacturers, solar PV developers and wind developers
- Dedicated to carrying out own project development in North Africa

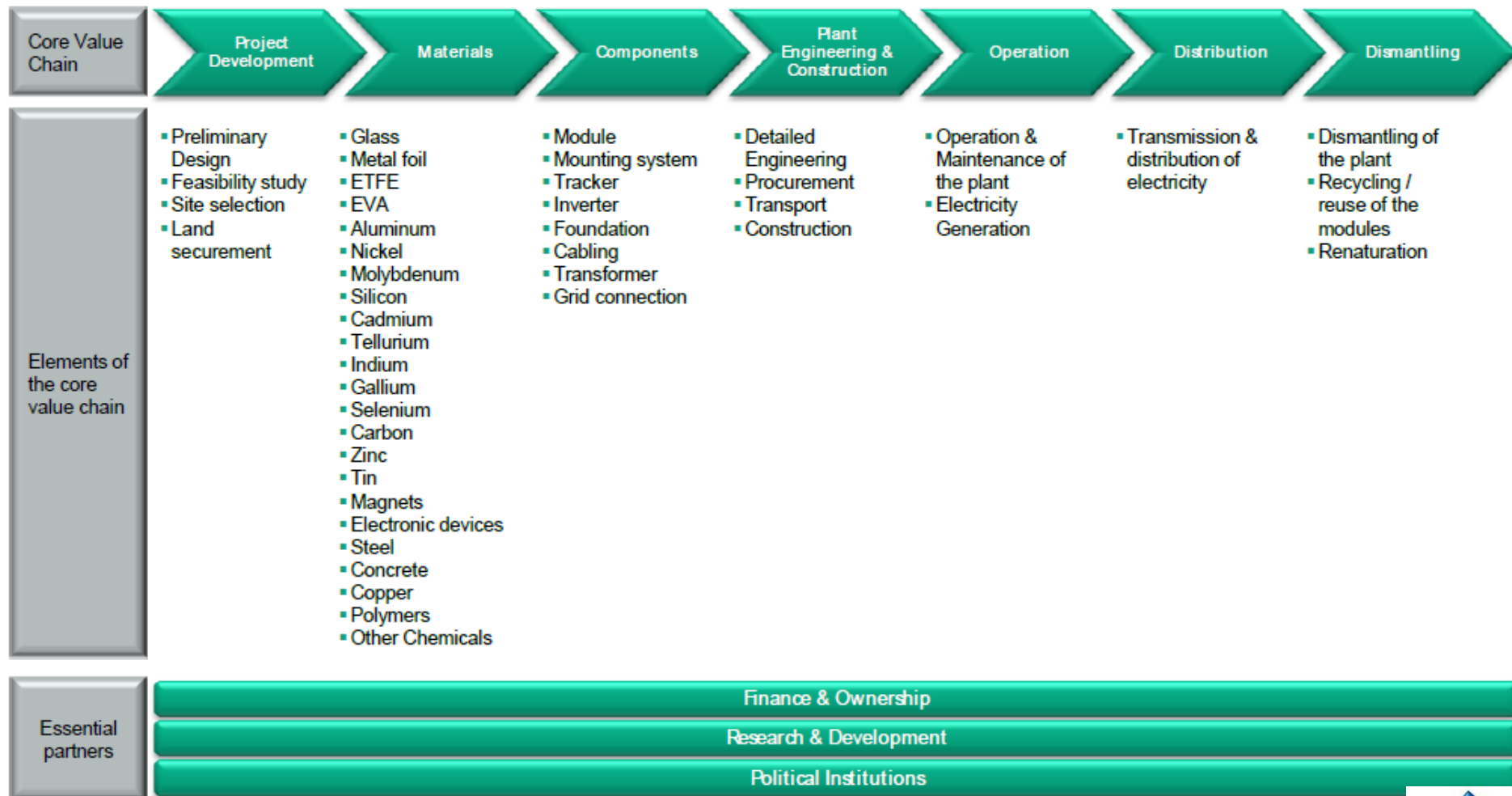


# Market Entry Strategy

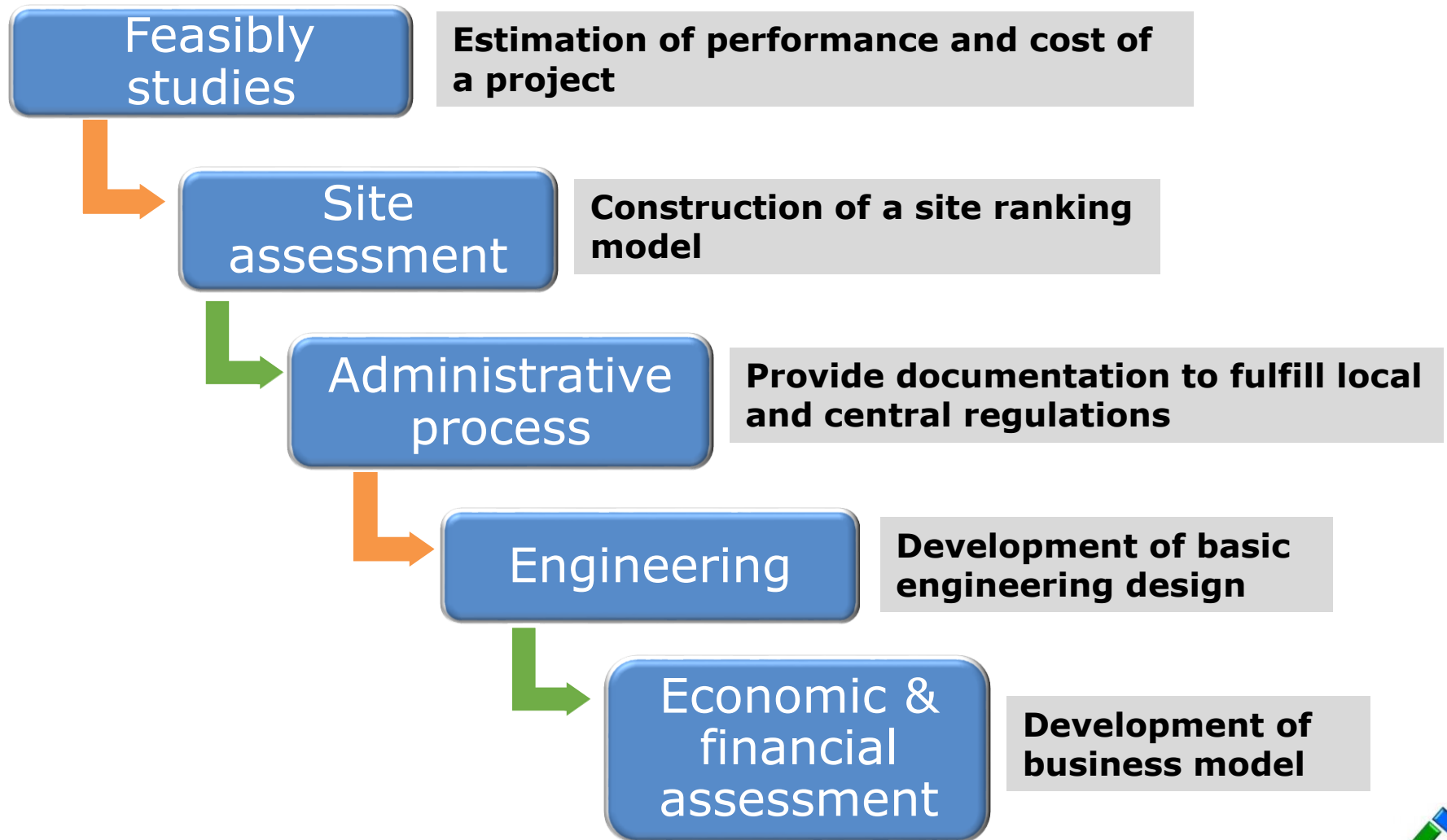




# Value Chain



# Project development steps

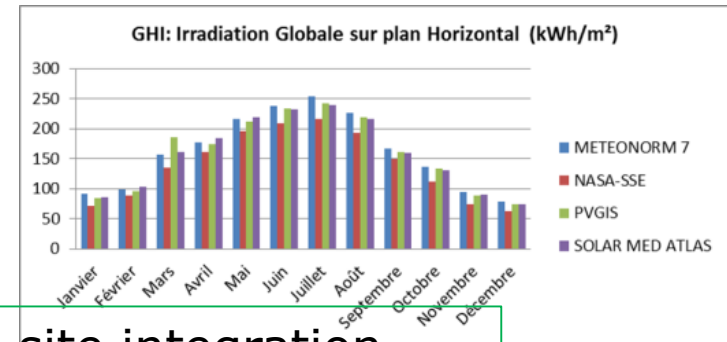
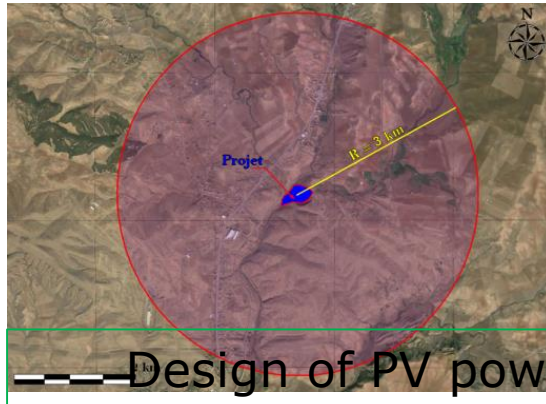


# Projects in progress

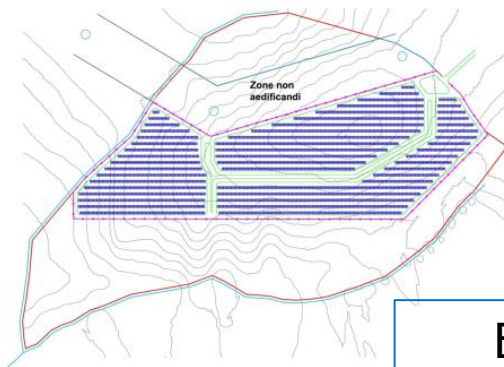


# Development steps of the first private IPP PV project in Algeria

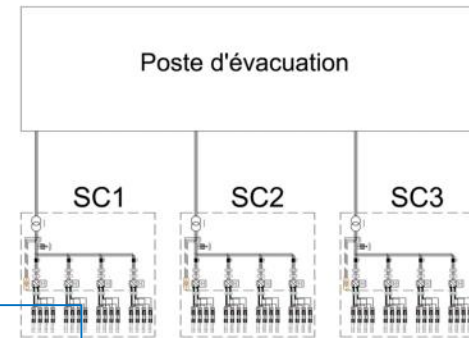
## Site assessment



Design of PV power plant + site integration



## Economic assessment



Confidentiel

Year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Calendar Year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Subsidy	851.382	837.328	834.628	830.968	827.020	824.072	821.020	818.068	815.120	812.168	809.220	806.272	803.320	800.372	797.420	794.472	791.520	788.572	785.620
PT Distribution Sales	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Output/Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Earnings	551.362	491.520	434.450	398.364	367.569	334.472	334.618	353.435	332.965	352.614	433.231	634.538	656.060	679.153	703.906	727.639	752.351	779.854	806.280
Total	1402.744	1328.848	1269.078	1229.332	1194.590	1165.542	1155.688	1177.473	1148.033	1165.782	1243.461	1443.801	1512.120	1548.123	1581.376	1619.991	1652.201	1688.724	1711.960
Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Costs: O&M	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loan Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lease/Rent	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operation/Management	43850	85.233	171.47	187.97	187.97	187.97	187.97	187.97	187.97	187.97	187.97	187.97	187.97	187.97	187.97	187.97	187.97	187.97	187.97
Depreciation	2.221.980	321.428	321.428	321.428	321.428	321.428	321.428	321.428	321.428	321.428	321.428	321.428	321.428	321.428	321.428	321.428	321.428	321.428	321.428
Unsubsidized/Depreciable Short Life Costs	86.862	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Queue Costs	2.442.384	412.321	476.741	404.754	431.088	457.635	584.443	515.524	511.462	559.121	267.066	215.363	223.304	232.943	242.261	251.951	262.625	272.586	283.411
Operating Profit	-1.891.022	235.805	215.695	286.176	196.421	106.431	39.519	41.901	381.222	393.433	480.951	479.289	432.671	445.539	466.895	475.639	486.322	506.043	522.650
Capitalized	-1.891.022	-1.891.022	-1.891.022	-1.891.022	-1.891.022	-1.891.022	-1.891.022	-1.891.022	-1.891.022	-1.891.022	-1.891.022	-1.891.022	-1.891.022	-1.891.022	-1.891.022	-1.891.022	-1.891.022	-1.891.022	-1.891.022
After Earnings Tax	-1.891.022	235.805	215.695	286.176	196.421	106.431	39.519	41.901	381.222	393.433	480.951	479.289	432.671	445.539	466.895	475.639	486.322	506.043	522.650
Residual Net Profit	-1.891.022	235.805	215.695	286.176	196.421	106.431	39.519	41.901	381.222	393.433	480.951	479.289	432.671	445.539	466.895	475.639	486.322	506.043	522.650
Terminal Value after Depreciation	1.800.863	1.229.237	953.616	628.306	290.960	-28.406	-355.852	-683.137	-683.137	-683.137	-683.137	-683.137	-683.137	-683.137	-683.137	-683.137	-683.137	-683.137	-683.137
Residual Value Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0



## Upcoming Events:

### *Renewable Energy Partner*

**IS PROUD SUPPORTER OF  
SEUK 2015**

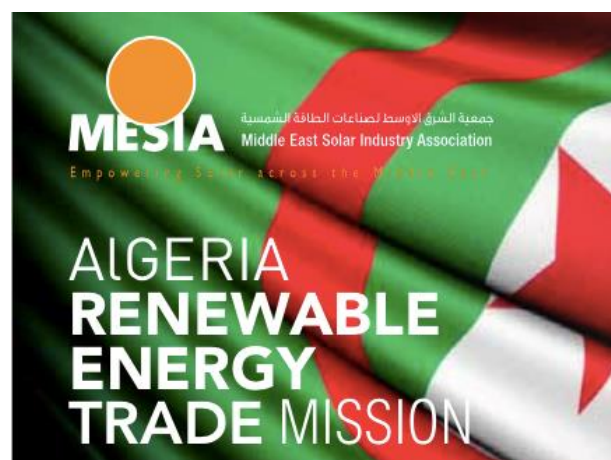


**13-15 October 2015, NEC  
Birmingham**

Renewable Energy Partner will participate as a Supporter in the next edition of SEUK to be held on the 13th to 15th October in Birmingham. In particular we are proud to be associated with the Focus on Algeria seminar: Towards 2030 which has been organised in collaboration with Renewable Energy Partner.

### *Renewable Energy Partner*

**IS PROUD STRATEGIC PARTNER  
OF**



**25 OCTOBER 2015  
Sofitel, Algiers, Algeria**

### *Renewable Energy Partner*

**IS PROUD SPONSOR OF ERA  
2015**



Renewable Energy Partner will participate as a Sponsor in ERA next edition to be held on the 26th and 28th October in Oran. The congress will be attended, the industry will come together to discuss the next steps for solar, wind and all clean energy sources development in Algeria.



# Thank you for your attention

- [contact@rnepartner.com](mailto:contact@rnepartner.com)
- [www.rnepartner.com](http://www.rnepartner.com)

