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PROGRESSIVE SHIFT FROM PPA TO WHOLESALE COMPETITIVE POWER INDUSTRY: FRAMING THE TRANSITION FOR SAUDI ARABIA

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Abstract – Saudi Arabia is undergoing major structural transformations in Power Industry. Efforts to restructure the industry relatively recently have been concerted by a high-stake ambition to go green. The paper analyzes state of play of Saudi Power Industry reform and suggests strategic roadmap to move forward with Wholesale Competitive market arrangements.

Keywords – *Power Industry Reform, Competition Reform, Power Market Design, Wholesale Power Competition, Restructuring Reform, Regulation.*

Introduction

Saudi Arabia is undergoing major structural transformations in its Power Industry. Efforts to restructure the industry and move along competitive spectrum in the Kingdom, relatively recently have been concerted by a high-stake ambition to go green. The new strategic direction naturally

requests adjustment for the competitive reform; however, the analysis reveals, that the green policy ambitions do not necessarily lead to abandoning the evolution towards greater competitiveness. On the contrary, both strategic reforms may well strengthen each other under a properly framed regulatory and structural context.

The **objective** of the paper is to suggest a roadmap of transitioning from current PPAs-centered power industry towards working competition at the wholesale level, when “Bilateral Trading Agreements” stands as the interim phase and “Wholesale Competitive Market” stands as the ultimate design. The paper will focus on the market-level arrangements that need to be accomplished by relevant stakeholders, along the road to phase-out PPA-based organizational design towards working competition design.

The **structure** of the paper is organized as follows. First, we introduce the dynamics of the development of the

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power industry of Saudi Arabia. The second section presents the generic model of reforms in power industry, known as “Washington Consensus”, which is utilized globally to design a wide scale power industry reforms and to account the progress of the reforms. We apply the Reforms Model to demonstrate the progress of Saudi Arabia in reforming its power industry. Noteworthy, we replenished the model and included Power Transition Reform so that the ongoing Industry’s trends are reflected without undue limitations. In the third section, we identifies major issues to be addressed while moving from PPA centered industry design towards competitive market at the wholesale level.

1. Dynamics of the Power Development in Saudi Arabia

The Kingdom of Saudi Arabia (thereafter KSA) is blessed with fossil fuels, has enormous solar and wind potential. KSA holds 17.5% share of global total proved oil reserves and 3% of natural gas reserves (BP, 2020). Solar potential is one of the highest in the world, i.e. 5.69 - 6.62 kWh/m² of global horizontal irradiation (GSG, 2019) and 2,200 thermal kWh of solar radiation per m² (Zafar, 2019). Wind potential is equally impressive, at the level of 453 W/m² and wind speed of 7.91 m/s at 100 m height (at the 10% of the windiest areas) (GWA, 2019).

The multiyear statistics evidences the speed of development of the KSA energy sector, in general, and its power industry, in particular. For the last decade, KSA has experienced annual growth of 3.5% for total primary energy consumption, which currently is by 80% higher than the OECD average.

KSA governs the 12th largest power industry in the world. Electricity generation has been facing 5.8% average annual growth for the last decade (BR, 2020), after annual add-ons of 9% a decade earlier. The Peak Load in the interconnected system,

served by NGS, increased by 61% over the last decade (BP, 2020; ECRA, 2019; ECRA, 2009).

Currently, the Industry is fueled by hydrocarbons – as of 2018, generation capacities are dominated by natural gas as primary fuel (43%), which is followed by heavy fuel oil (HFO) (28%) and crude oil (21%), leaving the least share for diesel (7%). In 2019, 0.2% of renewables contributed to the primary energy balance (BP, 2020).

Skyrocketing domestic demand due to population growth and booming economic development has been supported by availability of domestic fossil fuels as well as by provision of subsidies. As of 2019, subsidies to electricity account for USD 5.8 billion, representing approx. 3.7% of Saudi GDP; the latest trend is towards reduction of subsidies (IAE, 2019).

The network development in KSA transmission grid evolved equally rapidly. In ten years, from 2008 to 2018, length of transmission lines increased by 3 times, from 27.6 to 83.7 thousand km; length of distribution lines increased by 75%, from 372 to 651 thousand km (ECRA, 2019; ECRA, 2009).

KSA has successfully addressed the phase of major investments to build the Power Industry, to meet the rapidly growing demand and to ensure universal energy access in the country. The next Industry’s phase is the framework, which facilitates increase of value for power consumers in terms of reduced costs, increased reliability, and sustainability of energy resources.

2. Progress of Saudi Power Industry Considered in the Framework of the Generic Model of Power Industry Reforms

In 1990s, the World Bank and other leading international financial institutions formulated a doctrine of power market reform, which became known as “Washington Consensus”. The model

sourced experiences of power market reform from two pioneering countries, United Kingdom and Chile, which entered the path back in 1980s (Foster et al., 2017).

Originally, the model comprises of four generic reforming actions, to be conducted in parallel for sustainable results. However, all the four actions are so complex and essential, that they can be (and often are) treated as reforms *per se*. The four reforms are: Regulatory reform, Restructuring Reform, Private Sector Participation Reform, and Competition Reform; they are discussed below in greater detail. However, for the completeness of landscape of reforms that a power industry may find itself undergoing, we must include other reforms, namely, Power Transition (Green, Sustainability) Reform, Energy Efficiency (Conservation) Reform, Digitalization Reform, and potentially others, which might seem as technical solutions (rather than reforms), but due to their ability to modify industry's *modus operandi* they are reforms by themselves. For this paper, we will include Power Transition Reform into the generic model of reforms in power industry.



Figure 1. **Generic Model of Power Industry Reforms**

The assessment of the current state of play of the Power Industry Reforms in KSA will be conducted *vis a vis* the generic model presented.

2.1. State of Regulatory Reform in KSA

In power industry, there are three essential functions to be implemented: policy making (legislative function), overseeing policy implementation (executive function) and service provision (operations function). In reformed power industry, the policy-making function is implemented by line ministry; the policy-implementation function is implemented by an autonomous entity, specifically established for this purpose and mandated to withstand long term strategies and directions against short term contradictory interferences. Service provision is conducted by corporatized economic entity or entities.

Regulatory Reform is implemented when the regulating body is detached from the line ministry and is mandated with sufficient degree of autonomy in decision making and enforcement towards licensees. The sufficient degree of regulatory autonomy is of essential importance prior to entering competition market.

In Saudi Arabia, Electricity and Cogeneration Regulatory Authority (ECRA) was established in 2001. The Charter (2007) provides autonomy status of ECRA: “*The Authority shall have independent corporate identity and shall enjoy financial and administrative autonomy*” (Art.2).

ECRA is governed as collegial body: “*Supreme governance of the Authority resides with the Board [...]. The Board powers include all powers connected with responsibilities of the Authority stipulated in the Law and the Charter*” (Art.7).

The Board is comprised from representatives from Ministries and upon recommendation of the Minister (Art.6). Decisions are taken by voting (Art.8). Conflict of interests is prohibited (Art.11). Autonomy of budget is provided by financing from the market (Art.13, Art.15).

ECRA functional mandate currently includes as provided in the Charter (Art.5) and the Law (Art.4). In summarizing the regulatory mandate, the functional areas include (selection provided):

- Supply area: issuing licenses and monitoring compliance; development of unified regulatory accounting and reporting procedures; coordination of the infrastructure and development of the expansion plans of power and desalination industries;
- Consumer Issues: assessment, periodic review of tariffs, proposing new tariffs to the government; protecting interests of industry’s stakeholders, investigating and resolving complaints;
- Technical Area: developing and issuing best practice codes and standards;
- Organizational and Administrative: defining public interest with regard to the electricity industry; development of regulations for expansion of the industry’s infrastructure; encouraging private sector participation and investments; reporting to the Council of Ministers on costs and tariffs.

Art.3 of the Law (2005) provides a mandate of the Ministry, which includes proposing policies and supervising their implementation; preparing, issuing, and updating the development plans and programs for the Electricity Sector and ensuring their implementation; representing and promoting interests of the Kingdom’s Electricity Sector in domestic, regional and international bodies; preparing a long term plan to support national industries associated with the Electricity Industry, and others.

From all the element stated above, the Regulatory Reform is advanced in KSA, and several important parameters of autonomous regulatory framework have been implemented for the date.

2.2. State of Private Sector Participation Reform in KSA

Private Sector Participation is based on general principle that under a properly designed regulatory framework, the profit motive of privately operated entities will create incentives to increase operational

and investment efficiency, which on its turn increases quality and deescalates prices (costs). The essence of the Private Sector Participation Reform is to ensure an adequate response to profit incentives (regulatory “stick and carrot” framework).

Private Sector Participation Reform may have diverse scope (which activities to be handled over to private actors, for eg., generation, distribution, or both), coverage (how much of scope is to be handled, for eg., 100% or up 50%) and forms (for eg., management contracts, concession, green field contracts, divestiture). Private Sector Participation Reform and profit-oriented operations (under regulatory safeguards) are regarded as mandatory prior to moving into Competition Reform.

Saudi Electricity Company (SEC) is a joint stock company. As of 2019, more than 80% of shares belong to the Government; 18.8% are publicly traded shares (free-float), and the remaining 1.28% belong to several funds of asset management.

Name of IPP project [fuel, technology]	Capacity, MW	Private share, %
Riyadh 11 [oil, CCGT]	1.729	50%
Qurayyah-1 [gas, CCGT]	3.927	50%
Rabigh-1 [oil, CCGT]	1.204	40%
Rabigh-2 [gas, CCGT]	2.060	50%
Al-Fadhili [gas, CHP]	1.504	40%
Jazan Plant [gas, IGCC]	3.800	100%
Layla Al-Aflaj [solar PV]	10	100%
Sakaka [solar PV]	300	100%

Figure 2. **Private sector participation in green field generation projects in KSA** (data from SEC, 2019; SEC, 2018; SEC, 2017)

SEC introduced Company’s “Program for Private Sector Participation in Electricity Projects” back in 2007. The Program provisioned participation of private capital in new generation projects, under the Independent Power Producer (IPP) mode. As of end of 2018, the Program resulted in USD 8.8 billion of accumulated private sector investment and the generation projects provided in Fig. 2 above.

The Law generally provides the KSA power industry being open for private sector participation: *“This Law aims at (...) encouraging the private sector to invest and participate in the systematic expansion and development of the Electricity Industry, and protecting the investment and enabling it to realize a fair economic return taking into account the costs of service through a fair and clear electricity Tariff structure to be adopted until an Electricity Market governed by competitive factors is established”* (Art.2 para 2). The Law welcomes private sector participation for the sake of establishing working competition environment: *“Taking into account the stipulations of the Competition Law, the following shall be realized: the Ministry and the Authority shall promote competition in the Electricity Industry to encourage the private sector to invest therein and to ensure that Consumers have the right of choice in obtaining electricity services (...)”* (Art.10).

To summarize, the Private Sector Participation Reform is undergoing in KSA. Currently, it is manifested in the following modes:

- for the incumbent entity SEC: scope – financial participation; coverage – 20%; form – divestiture;
- for the new projects: scope – generation; coverage – up to 100%; form - green field investment.

The broader divestiture via privatization, discussed as a wide scale sell-off since several years, seems to be postponed as the result of SEC strategic shift (Knott, 2018; Knott, 2019).

2.3. State of Restructuring Reform in KSA

Vertically integrated monopoly (VIM) entity is the starting point for the Restructuring Reform. Restructuring implies decomposing of the VIM along the value chain, corporatizing the new unbundled entities and establishing

working economic relationships among them.

Vertical restructuring means unbundling of economic activities and appearance of one or more entities engaged in each value chain (generation, transmission, distribution); at some point they are to be joined by market operator, system operator, wholesale and retail suppliers, market service providers, etc. Vertical unbundling enables removing conflict of interest and establishing financial transactions among industry participants.

Horizontal unbundling, targeted to generation area, is aimed at reducing market power of the incumbent generator(s). In entirety, vertical and horizontal unbundling pave the way for the “next level”, i.e. the Competition Reform.

In 2000, SEC was created as a VIM to undergo further transformations. In 2010, the further vision of restructured power industry in KSA was outlined in the “Electricity Industry Restructuring Plan”. The unbundling measures, foreseen in 2013, included:

- Operationalization of National Electricity Transmission Company (NETC);
- Creating an entity “Independent System Operator” (ISO);
- Creating a special entity “Principal Buyer” within the SEC structure;
- Commence establishing of four companies to take over ownership and operation of SEC’s generation assets;
- Commence establishing of a distribution company (ECRA, 2014).

In summary and as of 2020, the Restructuring Reform is progressing in KSA, with the legal unbundling achieved for:

- Transmission - National Grid S.A. is 100% owned subsidiary of SEC, established in 2012; and
- Energy procurement - Saudi Company for Energy Procurement is 100% owned subsidiary of SEC, established in 2017.

2.4. State of Competition Reform in KSA

Competition Reform aims to increasing efficiency and promoting innovations because of competitive pressure created and sustained in the industry. Direct competition for consumers is expected to hold costs well below monopoly level, to incentivize innovative investment solutions and to improve quality and consumer experiences. Competition in power industry may be introduced in two basic forms:

- competition for the market (terminated right of supplying). This corresponds to the initial stages of Competition Reform, namely, entering of Independent Power Producers (IPPs) into generation and sustained overall VIM control. Introduction of Single Buyer Model (SBM) is more advanced form of competition for the market;

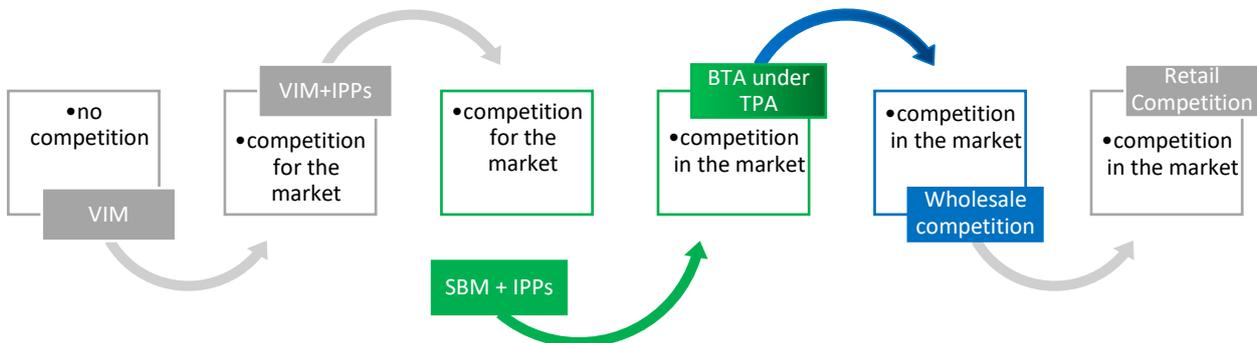


Figure 3. **Phased Competition Reform power industry (evolution approach) and the phase the KSA is anticipating**

- competition in the market (head-to-head competition for consumers). This corresponds to the to the subsequent stages of Competition Reform, namely, introduction of Bilateral Trading Agreements (BTA) under Third Party Access (TPA); evolving Wholesale Competition; opening for Retail Competition.

Competition Reform is moving along the spectrum from complete Monopoly to working competition at all levels (except wires), i.e. wholesale energy,

ancillary services, retail energy, support services.

In KSA currently, the Principal Buyer acts as the central body for energy procurement from generation entities, i.e. SEC generation units, IPPs, IWPPs, RES-IPPs and captive (embedded) generators (for excess production). The procurement takes place based on active PPAs. Bulk electricity is supplied downstream.

The current industry arrangements enable competition for the market when new projects are announced. The competition takes place for a multiyear power purchase agreement (PPA) with the Principal Buyer (PB). This phase of Competition Reform enables attracting investment capital and mitigating long-term price volatility risks. On the other side, level of economic efficiency embedded during the moment of PPA conclusion, is not later challenged.

The next phase in the sequence – Bilateral Trading Agreements, for eligible generators and eligible consumers, will enable gradual introduction of competitive contracts, keeping most of the industry under the current order. The progress, which may to be delivered by the BTA phase, is the changed nature of competition: the competition will start to be in the market rather than for the market. Enlargement of BTA eligible parties has potential to guide eventually to the wholesale market competition.

2.5. State of Energy Transition Reform in KSA

Transition Reform gained momentum relatively recently, thanks to commercialization of innovative generation technologies fueled by renewable resources. Global policy focus on Energy Transition reform was especially strengthened after the Paris Conference in 2015. The essence of the Transition Reform is transformation of the energy industry from fossil-based to zero-carbon by 2050. However, economic policy perspective, the Transition Reform is stimulated by falling costs of renewable technologies, energy security considerations, opportunities for 100% energy access, environmental quality, etc.

Globally, low carbon energy is the mainstream policy direction (Shaikh et al., 2020), which adds-on a thick level of complexity into the net of reforms. At technical level, the power system needs to be arranged to accommodate intermittent sources, which means *inter alia* investment to mitigate intermittence. At regulatory level, properly designed modes are needed for renewable projects to enter the power industry and to operate without producing a negative impact on the other Reforms, especially upon the Competition Reform. At policy level, solutions are needed regarding the extent and the modes of society's contribution to finance the Transition Reform.

The recent statement of Saudi Arabia's Energy Minister, being provided during the event "Kingdom's Future Investment Initiative" in June 2020, reveals the Kingdom aiming for renewable energy to account for 50% of its power generation capacity by 2030. The installed capacities of KSA are to increase up to 120 GW by the date. The latest statement by the Energy Minister reaffirms the ambition of the KSA, established in the National Renewable Energy Program (NREP, 2018) to reach 58.7 GW of installed RES capacity by 2030. The REPDO agency is targeting for

27.3 GW by 2023, as an interim milestone. For the date, the following facilities are of mentioning:

- Layla Al-Aflaj Solar, 10 MW, online;
- Sakaka Solar, 300 MW, pilot operations started in 2019;
- Dumat Al Jandal Wind, 400 MW, under construction, due in 2022;
- Six solar projects, totaling 1.470 MW, winners to be announced by REPDO as the result of Round 2 call (bids provided January-February 2020);
- Four solar projects, of combined capacity 1.200 MW, undergoing RFQ phase by REPDO, under Round 3 (RFQ in January, 2020) (NREP, 2020; NREP, 2020*).

Collectively, the first three rounds consist of a combined 3.37GW RES capacity, which far is beyond the 27.3 GW target by 2023. Nevertheless, the Energy Transition Reform is backed with a strong political support in KSA.

3. Mapping the Progressive Shift from PPA-centered to Competitive Design at the Wholesale Level

Planning Power Industry evolution involves multiple areas to be carefully considered, and projecting shift from PPA-centered to competitive wholesale market requests considering the minimum of required achievements on each of the Reforms.

Under *Competition Reform*, moving along spectrum requests framing the competitive wholesale market along parameters (the list of which here is not complete):

- Interim arrangements for today-PPA-parties to enable the start of competitive wholesale market (the Market), increase its liquidity (up certain extent) and yet withhold the level of financial security for PPA parties guaranteed by the PPAs in force until the expire of the PPAs, for eg., Contracting for Differences;

- Voluntary participation in the Market or Compulsory participation in the Market. This choice will determine if any traders may operate outside the Market and continue executing bilateral trading agreements (BTA);
- Pool Market or Exchange Market. The first implies central dispatch, and the second enables self-dispatching of units;
- Time-wise layers of the wholesale competitive market provisioned: Long Term Market, Day Ahead Market and Intraday Market;
- Service-wise layers of the market: Energy, Capacity, Ancillary Services. Choice of the layers to be introduced and the sequence of introduction will impact the behavior of market participants, especially pricing strategies;

Under each of framing options above, regulatory decisions and relevant arrangements at operational level need to be detailed. However, at the general level, the Competition Reform implies turning PPA-parties into merchant actors, who price the products (energy, capacity) based on demand rather than on primary reflection of capital investment. When units get dispatched accordingly to their marginal generation costs, much greater pressure is faced to keep the prices lower by moderating capital investment, operational and maintenance expenses, and profit levels. The competitive ranking in the merit order need not to be complicated by relicts of the preceding order of the market, namely (here, the list is not exhaustive):

- Fuel to be procured by merchant entities under same terms, preferably at market conditions. As temporary interim measure, partial fuel price hedging to electricity price may be considered. Here, the important point is non-discrimination of entities in their access to fuel;
- Tariffs to accommodate the competitive price of production so that financial

sustainability of merchant entities is not additionally affected by administrative means at the wholesale level;

- Subsidies to be down streamed to the retail level to address specifically vulnerability of consumers. At the wholesale level, the Competitive Market needs to be a subsidies-free environment.

Several arrangements must be specifically underlined, though not discussed in depth here, i.e. third-party access, ancillary services, and collaboration modes among stakeholders.

Effective third-party access (TPA) to the grid must be ensured well before any competitive trading takes place. The TPA here applies both to technical and commercial terms of accessing the grid. Clarity over technical terms is to be ensured by relevant Grid Code (or a separate Connection Code) provisions and technical information available to parties, for eg., long term network development plans, bottlenecks, etc. It is expected to appear several network-related services, servicing the TPA to the grid. And not be omitted the issue of setting a cross-subsidy free and non-discriminatory tariff for transmission, which ensures cost-coverage, is sufficient to finance investments, and introduces flexibility.

Competitive Wholesale Market implementation will request amendments in the Grid Code to ensure adequate coordination and collaboration of System Operator, Market Operator and other stakeholders in the areas of dispatch, metering, settlement.

Ancillary Services – to be specifically highlighted in the context of Competitive Wholesale Markets. The Ancillary Services (ASs) may join the Wholesale Competitive Market at not the same time as energy, however, before the shift, the ASs need to be assigned with economic value of their own and remuneration system for provision of ASs needs to be established. Clear demarcation line between energy and ASs

is needed to ensure no-cross-subsidies being imposed among groups of market participants and to ensure no competitive distortions in the energy trading.

Under ***Restructuring Reform***, necessary unbundling actions need to be performed:

- securing no conflict of interest for System Operator and Transmission Asset Owner (may be one entity). Ownership unbundling is the most effective way to ensure this requirement, although cases exist when state preserves ownership over both Transmission and Generation being unbundled;
- established Market Operator being completely free from interests of any stakeholder in the industry;
- mitigated existing market power in Generation chain, through horizontal breaking down the generating entity;
- Distribution Operator and retail Supply need to be unbundled if Retail competition is provisioned; however, for the phase of Wholesale Competition, these two value chains may continue staying together.

Vertical Restructuring and horizontal Restructuring are equally important for the wholesale market competition: when vertical Restructuring provides the playground for wholesale competition to evolve, the horizontal Restructuring determines the intensity of the wholesale competition to be expected. In the context of moving towards the wholesale competitive market, the Restructuring Reform assigns each merchant generation entity with a certain market power. Therefore, when designing the move to the wholesale market competition, in the frame of the Restructuring Reform, the number of independent entities, at the starting point, must be planned at the level, which is sufficient for competition to evolve. Here, “independent entities” means having different ownership and consequently

different economic interests. Equally important, the market power of each individual entity at the starting point – the number of merchant entities with equally similar market power will have better chances for a healthy competition to be sustained.

Under ***Private Sector Participation Reform***, the competitive market will enable increasing the participation of private entities, albeit the domination of the incumbent generator may persist if not sufficiently addressed under Restructuring Reform. Regarding newcomers, the legal-regulatory framework shall make their entry as simple as possible, under condition of meeting technical requirements.

Under ***Regulatory Reform***, conducted critical assessment of the regulatory mandate and the framework determines whether the legal mandate is sufficient to ensure efficient functioning of the wholesale competitive market. Following the mandate, the regulatory rules developed by the regulatory authority shall (here the list if not exhaustive):

- ensure high level of transparency in the market and timely flow of information, especially the one that can affect prices;
- monitor market functioning and prevent market manipulations and other anticompetitive behaviors;
- establish market power of participants and impose adequate measures mitigating the market power;
- engage in pretrial dispute resolutions;
- effectively enforce regulatory decisions;
- adjust tariff settlement methodological approaches to reflect network costs in network tariff; to reflect system usage costs in respective changes; to incorporate fluctuations of market price for those consumers who stay under regulated tariffs; to reflect the increased number of industry actors and diversity of available products;

- engage actively into challenging the long-term network development planning and implementation; adequacy and security of supply.

Rethinking and replenishment of regulatory framework would result in a change of regulatory sight and regulatory role in the industry. For eg., regulatory *ex post* will be replaced by *ex ante*; cost estimation/check will be replaced (to extent) by ensuring transparent, fair, and open market functioning. Therefore, specifically for merchant entities (yesterday's PPA parties), the regulatory framework will be decisive in terms of utilization the full potential of wholesale competition, and the regulatory institution will probably act as the insurance policy of effectively implementing the temporary interim measures until PPAs expire.

Under ***Power Transition Reform***, competitive wholesale market will enable Decisions: Renewable projects need to be treated as full-fledged participants of the Wholesale Competitive Market, with offered regulatory measures to mitigate market price dynamics for a limited period. Notably, Contract for Differences may not be the only measure targeted at RES generators. However, all applied measures need to not have impact on the functioning of Wholesale Competitive Market. In case RES targeted measures are applied and subsequently certain costs arise, these costs need to be accumulated and later remunerated through specific regulatory mechanisms applied outside the Wholesale Competitive Market operations.

Conclusions

To frame the Power Industry Reform, we used the “Washington Consensus” concept, which integrates four different reforms into one general wide scale Power Market Reform: Regulatory Reform, Private Sector Participation Reform, Restructuring Reform,

Competition Reform. Aiming to landscape the Power Industry as complete as possible and responding to the global shift in energy policy, we included Power Transition Reform into the model used.

The assessment of Saudi Arabia against the five Reform streams revealed, that KSA is undergoing all the five reforms, with some being at an early stage, for eg., Transition Reform, and some reached advanced phase, for eg., Regulatory Reform.

At this current stage of KSA Power Industry, the continuation of moving along the five streams of Reforms, already requests careful planning of actions in time. It is evident, that some Reforms need to be completed before approaching other reforms, for eg., Restructuring Reform (unbundling) needs to be finalized before moving forward with Competition Reform (establishing Wholesale Competitive Market). Parallel working on regulatory framework specification and implementing principles of no-cross subsidies and no-discrimination will pave the way for Competition Reform, which on its turn further facilitates Private Sector Participation and Power Transition Reforms.

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