

Saudi invites bidders to build \$1.5bn power plant

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BIDS INVITED: Saudi Arabia's Marafiq has invited international firms to bid to build a \$1.5bn, 850MW steam power plant in Yanbu. (Getty Images)

Saudi Arabian utility Marafiq has invited international firms to bid to build a \$1.5 billion, 850 megawatt (MW) steam power plant in the Red Sea port of Yanbu, industry sources said on Wednesday.

The plant, to be fired with heavy fuel oil or Arab light crude as a backup, one of the sources said, is part of the leading crude exporter's drive to increase power generation to keep pace with rising industrial demand.

Those invited to bid for the main power package include Germany's Siemens, Spain's Tecnicas Reunidas and Italy's Saipem and US engineering company Bechtel, the sources said.

Asian companies in the running are South Korea's Hyundai Heavy Industries Co, Samsung Engineering, Hanwha Engineering and Construction Co and Daelim Industrial.

Saudi based Bemco is also a contender.

The deadline for bids for this main package is Nov 3.

The work is also divided into three other packages, each with a different closing date for bids.

Set up in 2000, Marafiq's main shareholders are state oil giant Saudi Aramco, Saudi Basic Industries Corporation (SABIC), the Royal Commission for Jubail and Yanbu and state run the Public Investment Fund (PIF).