State Policy
Development of RE in KAZAKHSTAN

Ministry of Energy of Kazakhstan
<table>
<thead>
<tr>
<th>Energy Source</th>
<th>Resource (BLN kWh/year)</th>
<th>Additional Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wind power</td>
<td>920</td>
<td>Capability</td>
</tr>
<tr>
<td>Hydro</td>
<td>62</td>
<td>Capability</td>
</tr>
<tr>
<td>Solar</td>
<td>3</td>
<td>Thousand Sun Hours/year</td>
</tr>
</tbody>
</table>
RE Development Targets:

* considering NPP and HPP
2018 – 1,35 bln kWt
2019:

<table>
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<tr>
<th>Existing RE facilities</th>
<th>Total capacity</th>
</tr>
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<tbody>
<tr>
<td>75</td>
<td>684 MW</td>
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</table>

- **Wind**: 231.8 MW
- **Hydro**: 200.5 MW
- **Solar**: 250 MW
- **Biogas unit**: 1.4 MW
Law

On support for the use of renewable energy sources

defined:

• RE Electricity Purchase and Sales Structure with Financial Settlement Center

• Standard Form of 15-Year PPA at the Auction Rate in KZT

• Standard Form of Connection of a RE Facility to Electric Networks
Preferences for RE Producers

- Tariffs are subject to annual indexation, taking into account inflation and exchange rate differences between KZT and USD.
- Exempt from Payment for Electrical Energy Transmission.
- Investment preferences based on a contract concluded between the Government of Kazakhstan and the legal entity implementing the investment project.
Launched in 2018

**Auction mechanism for RE projects**

- Transparent and clear process of selecting projects and investors
- Selection of technologies and projects with minimum affect on end-user tariffs
- Clear responsibility of market participants in generation, transmission and consumption of electricity
36 RE projects with a total capacity of 857.93 MW were selected

Participants – 113 companies from 9 countries:

- Kazakhstan
- Netherlands
- Italy
- Russia
- France
- Turkey
- China
- UAE
- Bulgaria
AUCTION PRICES

WPP: -23.3%
Starting Price: 22.6
Knockdown Price: 17.39

SPP: -48%
Starting Price: 34.61
Knockdown Price: 18

HPP: -23.4%
Starting Price: 16.71
Knockdown Price: 12.8

BioPP: -1%
Starting Price: 32.23
Knockdown Price: 32.15

Investment Volume about 1 billion USD
Plans for 2019

- Revision of the state support mechanism for construction of Biogas PP
- Development of projects for hydroelectric power plants construction
- Developing of regulatory framework, of supporting small scale RE projects, as well as RE-based generation in new construction
- Auction schedule www.energo.gov.kz
THANK YOU!