

## **SOVENTIX and Gentec EPC sign a joint venture agreement to develop solar hybrid projects across Nigeria**

- SOVENTIX and Gentec EPC join forces to drive solar market development in Nigeria
- Joint venture will focus on industrial rooftop solar applications
- Strong development of Nigerian solar market offers significant potential

**Wesel, 23 June 2017** – SOVENTIX, a leading global solar developer based in Germany, and Gentec EPC, a pioneer in the Nigerian energy industry and distributor of Cummins gas generators in Nigeria, have formed a joint venture called SOVENTIX Hybrid Limited to develop solar projects across Nigeria. With this agreement and respective capabilities, both companies secure a strong market position in the Nigerian solar market. With just approximately 4,000 MW of grid power availability and a growing population with over 180 million people, the country faces great demand for cost effective and reliable energy supply solutions. With the increasing competitiveness of solar energy over fossil fuels, analysts view Nigeria as one of the key solar growth markets across Africa.

“We are very excited about this partnership with SOVENTIX. Gentec is continually seeking to bring innovative and diversified energy offerings to the Nigerian market and we believe solar energy meets the customer requirements: Reliable, affordable and emission free power,” stated Deepak Khilnani, founder of Gentec EPC. He added that, “the credibility, expertise and proven track record of the Soventix management team gave us a lot of confidence that SOVENTIX is the correct solar partner.”

SOVENTIX Hybrid will initially focus on industrial rooftop solar applications that synchronise with the existing generators or grid power systems. This model will enable industries to have an additional source of power generation at a lower price than diesel power, whilst also significantly reducing emissions. Phase II of the joint venture will also aim to develop national solar parks that feed clean energy into the Nigerian grid.

The beauty of solar energy is that the tariffs are fixed over a 20 year period given there is no fuel input and hence industries can effectively plan their long term energy costs. Moreover, solar energy is already more competitive against fossil fuels with regard to pricing per kWh.

SOVENTIX is a leading German solar company that builds and operates PV solar systems around the globe – with operational solar plants and branches in twelve countries and four continents. One of the biggest branches is located in South Africa where Soventix develops large-scale greenfield solar projects. Soventix has developed a wide spectrum of solar projects ranging from a 33 MW grid connected solar park in the Dominican Republic (Phase I), the largest solar project in the Caribbean, to rooftop installations catering to industrial sites.

Given the significant shortfall of reliable power across Nigeria, at a residential, industrial and national grid level, solar energy is well positioned to play a major role in Nigeria’s energy mix. The minister of power, works and housing, Mr Babatunde Fashola, has actively encouraged

solar investments into Nigeria to meet the nation's plans of increased renewable power generation.

USAID estimates that 95 million Nigerians, approximately 55% of the population, do not have access to electricity and those that are connected to the grid suffer from extensive power outages. Although Nigeria has 12.5 GW of installed generation capacity, only 3500-5000 MW is typically available. Despite being the wealthiest African economy (measured by GDP), Nigeria has one of the lowest electricity per capita consumption levels globally, estimated at less than 150 kWh.

"The lack of a reliable and affordable supply of electricity impacts every facet of life in Nigeria. Businesses routinely cite the cost of electricity as the principal drain on profitability and competitiveness. Schools and clinics often go without electricity or rely on costly diesel generators," stated USAID.

"A reliable energy supply from renewable energy sources is becoming more and more important for African countries, particularly Nigeria. Since Africa in particular suffers deeply from the effects of climate change, ecological energy solutions gain importance. Combining cost savings with the ecological advantage, we see great potential for solar energy in Nigeria. We believe this will be a successful partnership combining Gentec's established market presence and strong local service team in Nigeria with SOVENTIX's comprehensive solar capabilities," said Thorsten Preugschas, CEO of SOVENTIX.

Deepak Khilnani has been an advocate of cleaner sources of energy in Nigeria since the late 1990's, particularly promoting the utilisation of domestic natural gas and moving away from diesel and HFO. Gentec installed the first gas generators in Nigeria in 2001 and the first waste heat recovery system for customers to get better fuel efficiency from their gensets and further minimise carbon emissions. This move towards solar energy enhances their position as a true clean energy solution provider.

### **About SOVENTIX GmbH**

SOVENTIX has offices in South Africa, Canada, Chile, United Kingdom, United States and the Dominican Republic. The company develops, builds and operates solar parks worldwide. With its professional expertise and many years of experience, SOVENTIX implements high-yield solar farms and also provides specialized services. These include the planning, development, financing, implementation and project management, as well as the Service & Maintenance for their own solar systems. SOVENTIX has access to a project pipeline of more than one gigawatt in various stages of development. Learn more about SOVENTIX on [www.SOVENTIX.com](http://www.SOVENTIX.com).

### **About Gentec EPC**

Gentec EPC is a multinational engineering, procurement and construction (EPC) energy contractor specializing in the development of distributed power and natural gas compression

facilities. Gentec has successfully commissioned over 100 plants across Europe, Asia and Africa.

Gentec holds a leadership EPC position in Nigeria for its concept-to-commissioning turnkey energy solutions. They work closely with clients to customize an energy solution that is clean, reliable and affordable. Most importantly their vertically integrated Group Structure (including Power Generation with Cummins Inc. and Gas Distribution with Powergas Africa) enables Gentec to execute projects on time and under budget, whilst also offering strong after sales service. Gentec is headquartered in London (UK) and has regional service support and engineering offices in Lagos (Nigeria), Geneva (Switzerland), Sri City (India). Learn more about Gentec EPC at [www.gentecepc.com](http://www.gentecepc.com).