Press information

Energy transition to be accelerated – Expansion of offshore wind energy up to 2020 progressing according to plan

- **Utilize cost reduction trend – raise cap for offshore wind**
- **2017: 1.25 GW newly installed, a total of more than 5.3 GW connected to the grid**
- **Prompt use of free converter capacities necessary**
- **Increased efforts for grid expansion and sector coupling required**

Berlin, 17 January 2018 – "With a total output capacity of more than 5.3 GW, offshore wind turbines make an increasing contribution to the security of Germany's energy supply. They deliver clean power almost around the clock, every day of the year," industry representatives from AGOW, the BWE, the German Offshore Wind Energy Foundation, VDMA Power Systems and the WAB explained in Berlin during the presentation of the latest expansion figures for offshore wind energy. "The expansion of offshore wind energy is running to plan."

According to an analysis of Deutsche WindGuard, a total of 1,169 wind turbines with an installed capacity of 5,387 MW were connected to the grid on 31 December 2017. Following the figures from AG Energiebilanzen, offshore wind turbines increased their power generation to 18.3 terawatt hours in 2017. That is almost 50 percent more than in 2016 (12.3 terawatt hours).

Two offshore wind farms with a capacity of 780 MW are currently under construction. For another five projects with a capacity of 1.5 GW, the final investment plan is now available. Until 2020, the legal extension of offshore wind energy up to a capacity of 7.7 GW is possible.

However, the reduction of the expansion path for wind energy at sea, as envisaged in the German renewables regulation (EEG) in 2017, particularly at the start of the 2020s, is slowing down this positive development of the offshore wind industry in Germany. Therefore, Cuxhavener Appell, initiated by Germany´s coastal states, trade unions and the offshore wind industry back in September 2017, called for an expansion of the offshore wind target to at least 20 GW by 2030 and 30 GW by 2035. Only higher expansion volumes in Germany and throughout the whole of Europe will ensure further and permanent cost reductions, as well as innovations in technological development. Furthermore, the free converter capacities that will arise following the tender results in Germany in spring 2018 should be used promptly. The results to date from the exploratory talks between the parties CDU, CSU and SPD also make this a logical course of action. The massive cost reductions in renewable energy open up new potential and clearly show that the relatively young technologies are now largely competitive to other forms of power generation.

A greater expansion of renewable energies is also necessary from a climate policy perspective. To achieve its domestic and international climate targets, the new federal government must create a political framework limiting the emission intensive power generation, whilst ensuring a higher expansion volume for renewable energies, and thereby adapting the energy system accordingly.
"The new government must develop a mandatory framework for the energy transition in which a greater expansion of renewable energies and a corresponding adjustment of the entire system take center stage. The exploratory talks could open up new possibilities here," explained the industry representatives. "Thanks to the current cost development, offshore wind energy can play a considerably larger role in this than was previously the case."

Higher expansion volume for more value creation and employment
Furthermore, a higher expansion volume in the offshore wind energy sector is highly important for more employment and value creation in Germany as an industrial location. Around 20,000 people are currently employed in the German offshore wind industry, at an annual turnover of approximately two billion Euro. Germany accounts for roughly 40 percent of all offshore wind industry employees across Europe. Although final production for the turbine manufacturers predominantly takes place in the north of Germany, the supply industry is spread across all federal states, in particular in North Rhine-Westphalia, Baden-Württemberg and Bavaria. Many companies in eastern Germany are also important suppliers to the wind industry.

Manufacturers and suppliers therefore need the prospect of their production capacities being utilized to retain and add industrial jobs. A stable and sustainable domestic market is the basis for expanding exports of European wind energy technologies. Wind turbine manufacturers currently have an export quota of more than 70 percent. Alongside Germany, Great Britain and the Netherlands are also showcasing new technologies and are attractive markets for offshore technologies. And the progress continues – manufacturers are now already working on turbines in the 10 MW class and beyond. It is therefore important to implement the plans for a test field for prototypes in German waters as soon as possible.

Germany can only retain its technological leadership in the field of offshore wind energy through intensified efforts in research and development. Future energy policy should not be oriented towards current technological knowledge – it must be open for innovation.

Priority for grid expansion and sector coupling
In addition to the expansion of renewable energies, the success of the energy transition in Germany is also dependent to a large extent upon grid expansion and the progress within sector coupling. Therefore, the new federal government must make the expansion of the large transmission grids a priority. It is vital to avoid further delays. Furthermore, all technical possibilities must be utilized in order to temporarily or permanently avoid bottlenecks in the grid. These include measures for improving the capacity of the existing grid. It is also important to check the amount of must-run capacities necessary for system stability.

Moreover, the regulatory obstacles to the further coupling of energy sectors must be removed as soon as possible. The mobility solutions of the future must be demonstrably based on renewable sources. Furthermore, access to heat grids needs to be improved and the barriers to direct delivery to industry must be eliminated. "Real impetus is needed for the energy transition 4.0 to ensure emission-free supply to all industry sectors," state the associations. "The broad introduction of a CO2 price could also be a good solution here."

2017 figures at a glance:

Expansion	OWTGs with grid feed-in	1,250 MW
Cumulative total on 31 December 2017	OWTGs with grid feed-in	5,387 MW
	Installed OWTGs with grid feed-in	0.0 MW

About the annual figures "Status of offshore wind energy expansion in Germany"
In the analysis of German WindGuard, the expansion figures for offshore wind energy are determined separately from those of onshore wind energy since 2012. Clients are VMDA Power Systems, Bundesverband Wind Energie, German Offshore Wind Energy Foundation (Stiftung Offshore-Windenergie), Windenergie Agentur WAB and Offshore Wind Energy Working Group (AGOW).

About AGOW
AGOW (Offshore Wind Energy Working Group) represents all companies that plan, build or operate wind farms in Germany. Thereby, AGOW bundles strength and know-how for a successful transition to renewable energies in Germany and Europe. Currently, AGOW has 17 member companies.

About Bundesverband Windenergie e.V.
BWE, a member of Bundesverband Erneuerbare Energie [German Renewable Energy Federation (BEE)] with more than 20,000 members, represents the entire industry. Members of BWE include the mechanical engineering industry's suppliers and manufacturers; project developers; specialist jurists; the financial sector; companies from the fields of logistics, construction, service/maintenance and storage technology; electricity traders; network operators; and energy suppliers. As a result, BWE is the primary contact for politics and business, science and the media.

About Stiftung OFFSHORE-WINDENERGIE
The German Offshore Wind Energy Foundation (Stiftung der deutschen Wirtschaft zur Nutzung und Erforschung der Windenergie auf See) was founded in 2005 on the initiative of the Federal Ministry of the Environment, Nature Conservation and Nuclear Safety (BMU). The foundation's objective is to ensure the integration of offshore wind energy in the future energy mix of Germany and Europe and to promote its expansion in the interest of environmental and climate protection.

About VDMA Power Systems
VDMA Power Systems is a division of the non-profit German Engineering Federation (VDMA). The association represents the interests of manufacturers of wind turbines and hydroelectric plants, fuel cells, gas/steam turbines and plants and engine systems at home and abroad. VDMA Power Systems serves them all as an information and communication platform for all industry issues, such as energy policy, energy policy, legislation, market analyses, trade fairs, standardisation, and press and public relations.

About WAB
WAB is the network of the onshore wind energy in Germany´s northwest region and serves as a nationwide contact for the offshore wind industry. Since 2002, more than 350 German companies and institutes have become members of WAB.

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