

Press release

Federal Network Agency publishes results of tendering

Giant leap forward for offshore wind energy: first subsidy-free projects add impetus to grid expansion

Berlin, 19 April 2017 – At the end of last week the Federal Network Agency published the results of the first tendering round bids for offshore wind energy. The substantially lower price ceiling of 6 cents per kilowatt hour reflects, above all, rapidly decreasing prices in the industry brought about by industrialisation and a steep learning curve. A large number of projects being put out to tender today are even expected to be implemented with no subsidy at all between 2021 and 2025; the lowest hammer price was 0 cents per kilowatt hour. This means that, as a result of the future expansion of offshore wind farms post-2020, electricity customers will barely need to continue to pay towards the subsidy for offshore wind farms as set out in the Renewable Energies Act. “Until recently, offshore wind energy was blamed for pushing up the price of the energy turnaround, but now it is the first renewable energy to manage without being subsidised”, according to Andreas Wellbrock, managing director of WAB e.V., who adds: “At this year’s WINDFORCE conference, being held in Bremerhaven from 9 to 11 May, we will taking a very close look at the results of tendering”.

The industry calls on the German government to remove the cap on the expansion goals for wind energy at sea, with effect from the forthcoming legislative period at the latest. The expansion cap of 15 gigawatts by 2030 was primarily introduced to better control the costs of the energy turnaround. The results we now have before us clearly show that offshore wind energy has the potential to become the foundation of an affordable energy turnaround. “The German government and the Federal Network Agency are clearly not keeping to their own timetables for reshaping the grid infrastructure, so we call on both to not only make up for lost ground but to also be the engine for continued expansion”, Wellbrock went on to say. What is now needed is for politicians to take bold and above all rapid measures to bring about a needs-based grid expansion and implementation of sector coupling so that the great opportunities that offshore wind energy provides are also made use of. “The German government now has to take the lead in order to find solutions and to put them into practice, in conjunction with individual states and grid operators”, Wellbrock explains and adds: “this proved successful with infrastructure projects undertaken for German reunification”.

The first tendering round was for a total output volume of 1,550 MW for offshore wind farms in Germany’s North and Baltic seas. This is to be implemented between 2021 and 2025, with grid connections for wind farms in the North Sea only being available from 2023. A total of 23 projects were entitled to take part in the tendering round. Unlike in other EU countries, where different businesses seek award of a project, the German government has introduced a transitional system in Germany in which different projects that have already been developed have competed against each other. This system represents a transition towards a central tendering model – the first tenders for which are planned for 2021 – and means that here in Germany different prices will apply within the tendering round. The German government has introduced a transitional system for offshore wind energy, unlike that for other forms of renewable energy, in order to do justice to the long periods of major pre-investment and planning involved in offshore wind farms. The transitional system is designed to avoid what are sometimes many years of costly development work from being completely devalued.

About WAB

WAB e.V. is the leading business network for wind energy in the north-west region and nationwide contact partner for the offshore wind energy in Germany. More than 350 businesses and institutes from all sectors of the wind energy industry, the maritime industry and research belong to the association.

Press contact

OWIA - Offshore Wind-Industrie-Allianz
Urs Wahl
Manager Public Affairs
Tel.: +49 (0) 174 242 0840
Email: urs.wahl@owia.de