Press release

Standstill in energy policy must come to an end - German government´s 65 percent target can only be achieved with more offshore wind energy - Current projects up to 2020 are progressing according to plan

- **Five new offshore wind farms with a capacity of 1,944 MW are under construction in the first half of the year 2018**
- **Rapid implementation of additional tenders with at least 1.5 GW offshore wind capacity is required**
- **Expansion of volume to at least 20 GW by 2030 urgently needed to achieve government goals**
- **Advancing grid expansion, better use of existing grid and accelerating sector coupling and electrification**

Berlin, 19 July 2018 -The German government has set the goal of covering 65 percent of the country's power generation from renewable energies by 2030. From an offshore wind industry perspective, the German government is doing too little to achieve this goal. No concrete steps have been taken since the formation of government in March 2018. As stipulated in the coalition agreement, additional tenders for offshore wind energy and an increase in the offshore expansion paths are needed as soon as possible, alongside a rapid increase of the expansion paths for all renewables. The 65 percent target must be credibly supported by a quantity structure for the expansion. "The standstill in energy policy of the recent months must be stopped. We call on the Federal Government to decide on the special contribution for offshore wind energy immediately after the summer break. Otherwise, the self-defined climate targets cannot be achieved," explained the industry representatives. "The industry also agrees with the transmission system operators on this point."

The offshore industry is performing

The expansion of offshore wind energy is currently proceeding according to plan until 2020. At the end of the first half of the year 2018, a total of 1,169 turbines with an output capacity of 5,387 MW are feeding into the grid. Five projects with an output capacity of 1,944 MW are under construction. Of these, offshore wind turbines with an output of up to 1,000 MW are expected to be connected to the grid by the end of the year.

The share of offshore wind energy in total power generation increased from 2.7 to 2.9 percent (9.4 billion kWh - BDEW figures). The share of all renewable energies in power generation was ahead of lignite and hard coal for the first time in the first half year of 2018.

Increased expansion targets and additional tenders are indispensable to achieve the climate targets

From the industry's perspective, the German government must act now if it takes the 65 percent target seriously. This is also in line with recent decisions at European level that renewable energies

should account for 32 percent of the EU's total energy consumption by 2030. To this end, the expansion targets must be raised across all renewable technologies. An expansion of at least 20 GW is required for offshore wind energy in Germany by 2030. At least 30 GW of offshore capacity must be installed by 2035. The existing expansion target of 15 GW by 2030 does not meet the Federal Government's new targets.

The additional calls for tenders for renewable energies decided in the coalition agreement and originally planned before the summer must also be implemented. In the case of offshore wind energy, the course should be set quickly to introduce additional tenders in 2019 and 2020. This should include a total volume of at least 1.5 GW in the North Sea and Baltic Sea. These should be feasible through the use of free grid connection capacities.

In addition, a higher expansion volume in the offshore wind industry is of great importance for employment security and value creation in Germany. Manufacturers, suppliers, operators and investors need a clear industrial policy perspective and investment security. Currently, more than 27,000 employees are working in the industry – their companies need investment security as soon as possible. "Otherwise, further investments and jobs in the wind energy sector will be endangered, as a recent industry survey conducted by IG Metall Küste shows," said the industry representatives. A sustainably stable domestic market is the prerequisite for the increasing export activities of the offshore wind industry.

Further progress in network expansion and optimisation as well as sector coupling

In addition to the expansion of renewable energies, the success of the energy transition in Germany depends largely on grid expansion and progress in sector coupling. The Federal Government should therefore give priority to the expansion of the large transmission grids and embody the many existing proposals for grid optimisation in law. For example, recent studies by the German Energy Agency dena and AGORA Energiewende have shown that a faster expansion of renewable energies is effectively possible through technical optimisation of the grid. Furthermore, regulatory hurdles for further coupling of the sectors should be removed as soon as possible. This includes the possibility of making electricity from offshore wind energy directly applicable for the various Power-to-X applications.

About the annual figures “Status of offshore wind energy expansion in Germany”

In the analysis of Deutsche WindGuard, the expansion figures for offshore wind energy have been collected separately from those for 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 Envi-

ronment, 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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