

Press release

Expansion of offshore wind energy on schedule in the first half of 2019 - urgent demand to increase the expansion targets

- A total of 1,351 turbines with 6,658 MW connected to the grid | 42 turbines with 252 MW new in the grid | 679 MW under construction
- Increase in electricity generation from offshore wind of around 30 percent compared with the prior-year period
- Legal anchoring of expansion volume to at least 20 GW by 2030 and to at least 30 GW by 2035, thereby creating a long-term framework for the future
- Allocation of special contribution of up to 2 GW necessary

Berlin, 17 July 2019 - On behalf of the German wind industry associations, Deutsche Wind-Guard today published the expansion figures for offshore wind energy in the first half of 2019 for Germany. With an increase of 252 MW and 42 turbines, the industry is still on track. A total of 1,351 offshore wind turbines with 6,658 MW are currently connected to the grid. In the first half of 2019, renewable energies accounted for 47.6 percent of power generation¹; compared to the first six months of the previous year, offshore wind recorded an increase of around 30 percent.

The industry representatives of BWE, BWO, Stiftung OFFSHORE-WINDENERGIE, VDMA Power Systems and WAB comment on the half-year figures as follows: "The offshore-industry is delivering as expected, and - as we have announced - it has increasingly developed towards a foundation of the energy transition. Offshore wind power is very reliable and competitive."

The industry representatives went on to explain: "The positive development of the value chain over the past few years will be considerably disrupted by a thread break that has now occurred. The 7.7 GW cap by 2020 has almost been reached. For the years thereafter, the framework conditions are lacking to be able to implement projects. In order to maintain Germany's technological leadership as a wind industry location, not to further jeopardize value creation and to ensure the achievement of the climate protection targets by 2030, the industry now needs reliable, long-term framework conditions. This involves raising the expansion targets and launching a special tender before the end of the year, including the converter capacities that are still available."

¹ Fraunhofer ISE - https://www.energy-charts.de/ren_share_de.htm?source=ren-share&period=mon-thly&year=2019

Raise expansion targets and implement network optimization measures

The expansion targets must be raised to at least 20 GW of installed offshore capacity by 2030 and at least 30 GW by 2035 in the German parts of the North Sea and Baltic Sea. The <u>grid study</u> published in June by WP&More Consulting and the law firm GGSC shows that the expansion of renewable energies in Germany does not have to be slowed down due to delayed grid expansion. In addition, the German government should give priority to the expansion of large transmission grids - as provided for in the Electricity Grids Action Plan - and at the same time promote Power-to-X solutions.

Strengthening technological leadership and investments in German locations

A reliable framework and ambitious expansion targets are necessary, so that investments in German locations are worthwhile again and jobs are secured. A gap in the expansion, as it threatens from 2020, is not acceptable in terms of industrial policy. "Germany should once again take a leading position. Therefore, the announced special invitation to tender needs to be implemented promptly," explain the industry representatives. A higher production volume of the manufacturers increases the competitiveness of the German locations, secures the perspective of the companies across the entire value chain and enables the realisation of the export potential on the growing world market. The special contribution from offshore wind energy written down in the coalition agreement must be implemented now. With a contribution of up to 2 GW, the free converter capacities can be used to their economic potential. Concrete legislative steps must be taken immediately after the summer break.

The importance of the wind industry in Germany in international comparison must be increased again, because innovations are the central unique selling point of the European wind industry. An efficient research landscape and pre-competitive cooperation are crucial for European manufacturers and suppliers. The associations declare: "We very much welcome the decision of the Bundestag for the test field in the Baltic Sea for the plants of the following generations." The enormous potential of offshore wind power for achieving the climate targets should also be raised at the pan-European level, as the plans for the construction of wind power distribution hubs in the North Sea make clear.

High expectations for the Climate Cabinet of the Federal Government

The establishment of the Climate Cabinet underlines the need for action in the sense of an efficient climate policy. "We welcome the fact that the Climate Cabinet has set itself the task of implementing the cross-departmental measures of the Climate Protection Plan 2050. To achieve the climate targets, binding targets for the individual sectors and the necessary legal regulations are indispensable," industry representatives agree and add: "We expect quick decisions and measures to limit the damage caused by the expansion gap and the rapid increase in the expansion paths for wind energy. Otherwise, we will not meet our climate targets!"

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

In the analysis of Deutsche WindGuard, the development figures for offshore wind energy have been collected separately from those for onshore wind energy since 2012. The clients are the Bundesverband Wind-Energie (BWE), the Bundesverband der Windparkbetreiber Offshore e.V., the Stiftung Offshore-Windenergie, VDMA Power Systems and WAB e.V.

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 Bundesverband der Windparkbetreiber Offshore e.V.

The Association of German offshore wind farm operators (BWO) is the national organisation for all businesses that develop, construct and operate offshore wind farms in Germany. This allows us to combine forces to achieve a successful energy transition in Germany and Europe. Founded in early 2015 as AGOW (offshore wind working group), BWO currently has 17 members.

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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