

The Transition to Tendering – Perspective from the Manufacturing Industry

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Berlin, 12.11.2015

Lessons from Denmark – Agora Event 2:
Towards a Renewable Future - Energy
Scenarios, the Grid and Support Schemes



The background of the slide is a photograph of an offshore wind farm. The top half shows a bright sun in a clear blue sky with some lens flare. The bottom half shows a worker in a yellow hard hat and dark clothing on a white platform, looking out over the ocean where several wind turbines are visible in the distance.

AGENDA

- 1 **VDMA Power Systems**
- 2 **Tendering in Europe**
- 3 **The Transition to Tendering in Germany**
- 4 **Offshore Wind Energy Tendering**
- 5 **Perspective from the Manufacturing Industry**

1. VDMA Power Systems

Part of German Engineering Federation

Trade Association of Power System manufacturers

Information Platform for communication of sector related themes with customers, politics and media

Representation of Interests for manufacturers from the sectors

- » Thermal Turbines,
- » Engine Power Plants
- » Hydro Power Plants
- » **Wind Turbines**



Fachverband Power Systems



1. VDMA Power Systems Wind Energy

Representation of interests in the field of energy policy for the manufacturers of wind turbines in Germany and Europe

Coordination and representation of the Offshore Wind Industry for manufactures of turbines, grids and foundations

Coordination of international activities of members in the European Wind Energy Association EWEA and beyond

Steady market observation of the key regions in Europe, America and Asia with manufacturers and suppliers

Positioning on grid issues in coordination with manufacturers of other power systems

Establishment of a shared Wind Industry Safety Culture of manufacturers of wind turbines and subcontractors

Coordination of fair activities, public relations and statistics of the wind industry in Germany

Coordination of research activities of the German wind industry



1. VDMA Power Systems

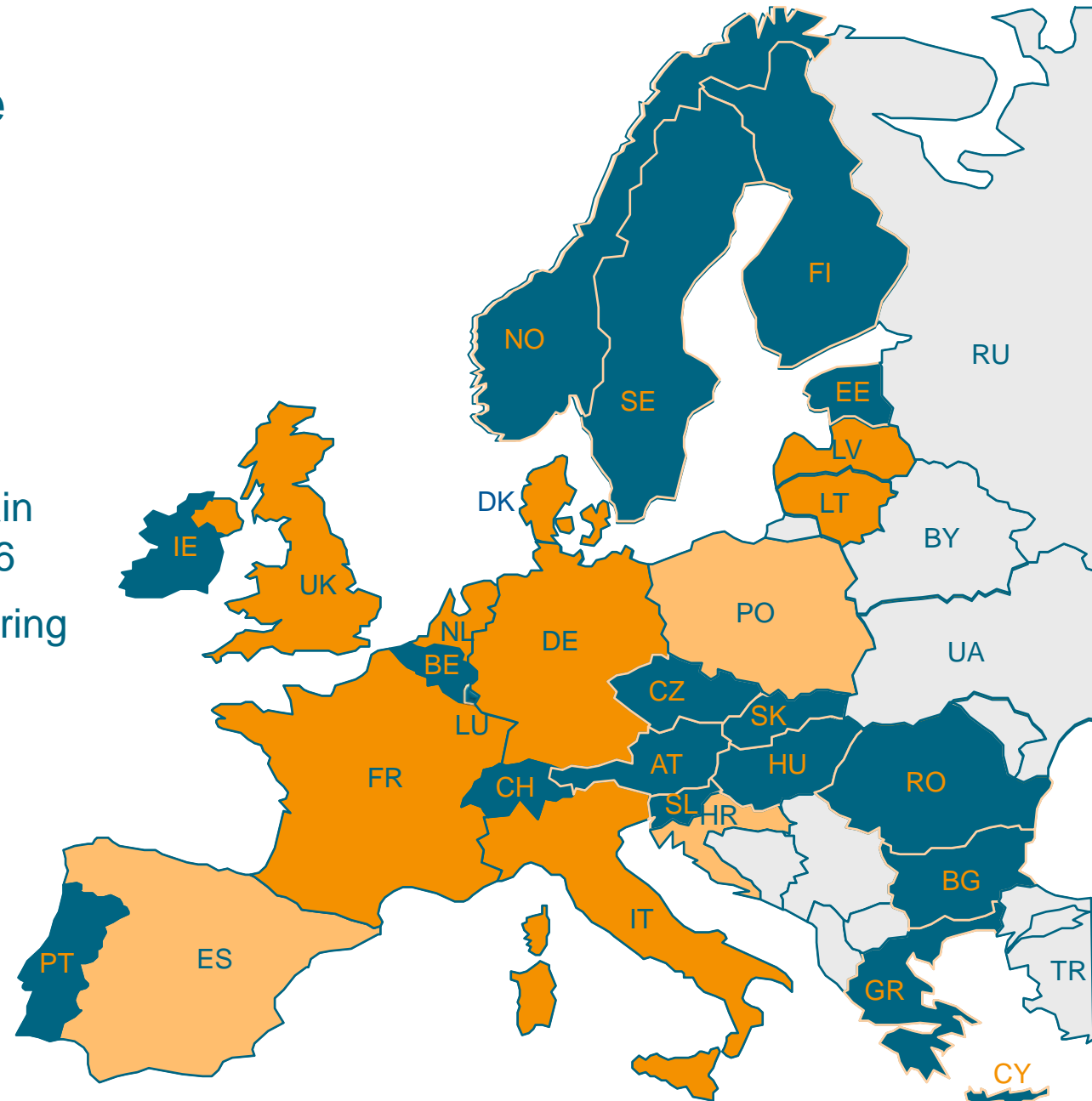
Organigramm: Steering Committee Wind Turbines



2. Tendering in Europe

Overview

- » 8 states with tendering systems
- » Polen, Croatia and Spain are tendering from 2016
- » 18 states without tendering systems (yet)



2. Tendering in Europe

EWEA Draft Position Paper Tender Systems in Offshore Wind

- » Considerations
- » Centralised or decentralised allocation
- » Pre-Qualification Criteria and Penalties
- » Technology-specific tenders

Design options for wind energy tenders

[November] 2015



DRAFT

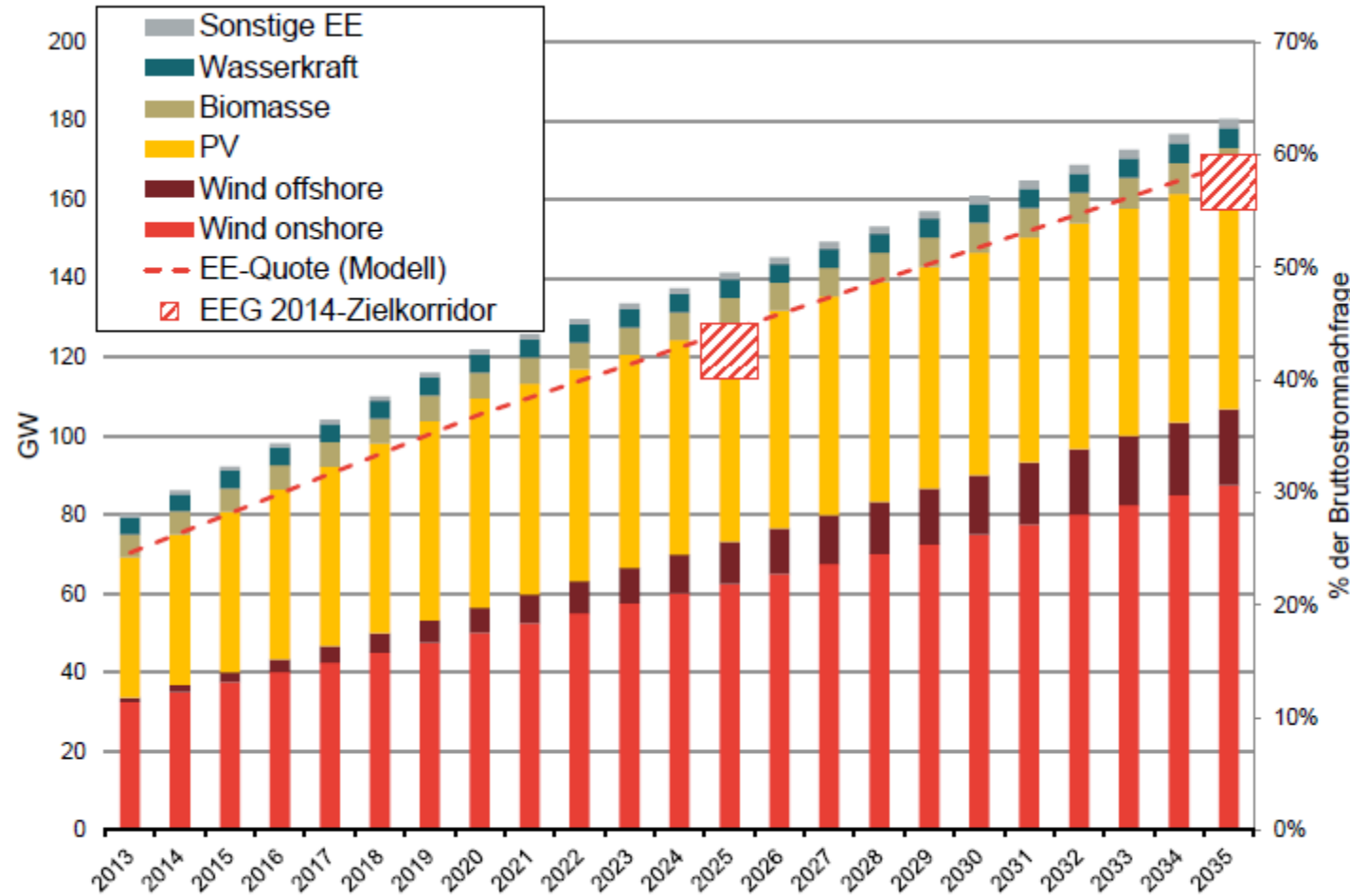


Quelle EWEA

3. The Transition to Tendering in Germany Reasons for Tendering in Germany

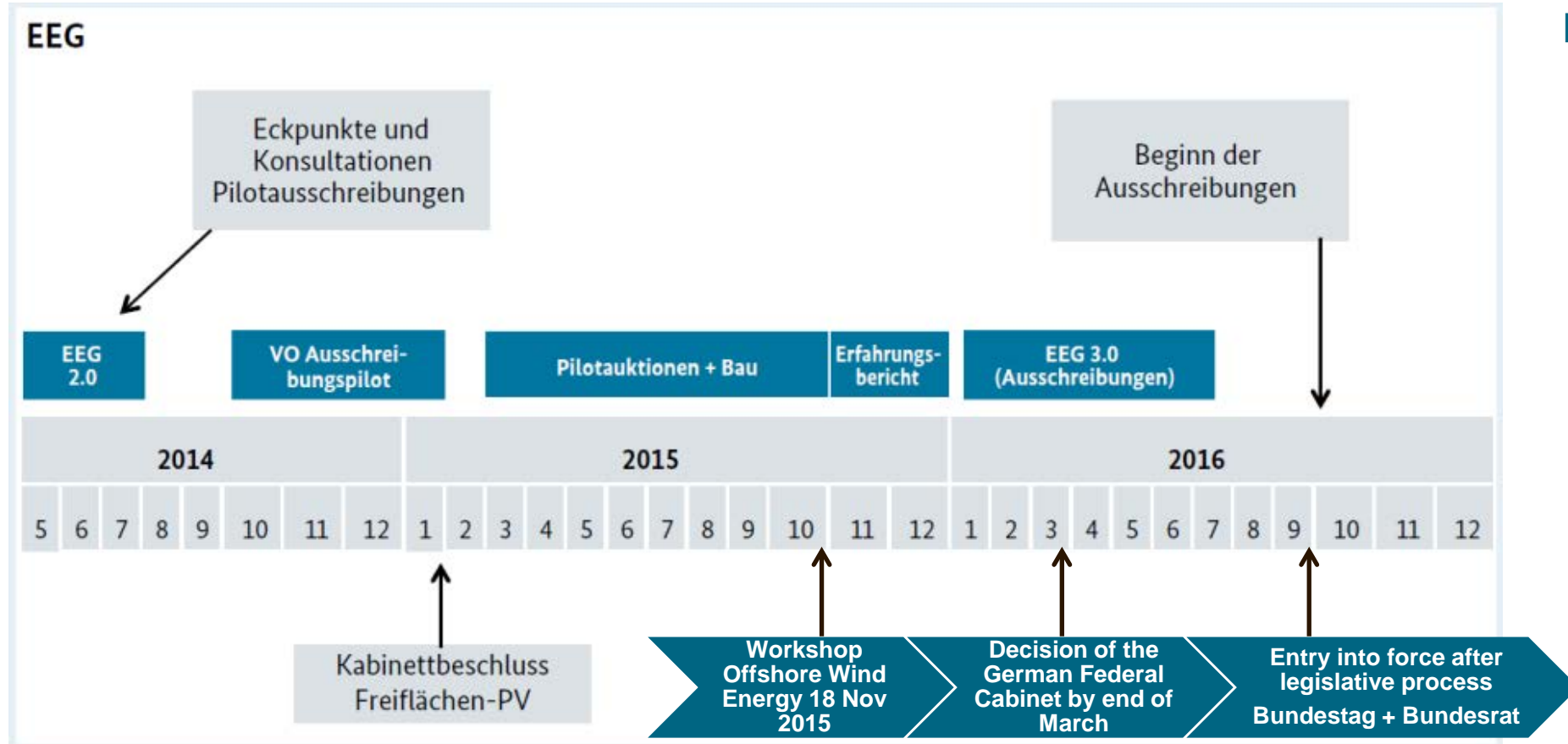
EEG 2014 gives calculable EE-Expansion

- » Identified expansion and tendering system with quantity control makes planning easier
- » Cost degression, growing availability, grid expansion and regionalisation deliver more system integration



Quelle: Frontier

3. The Transition to Tendering in Germany Timeline for the system change



Migration

- » Plants having a permission until 31 Dec 2016 starting construction until 31.12.2018 will be built according to old regulations
- » Beginning of 2017 start of tendering possible
- » Initial volume unclear

Quelle: BMWi & VDMA

4. Offshore Wind Energy Tendering BMW-Eckpunkte (Corner Stones) – tendering design

Offshore Wind Energy Tendering

- » Target model: centrally organized tender
 - Pre-development by central government agency
- » Transitional model 2021-2023
 - First tender in transitional model max 2,400 MW for 3 years
 - Reduction of surplus by expansion target of 6,500 MW in 2020 in the transitional model



4. Offshore Wind Energy Tendering BMWi-Eckpunkte – time schedule of the core model

Abbildung 3: Übersicht zum groben zeitlichen Ablauf des zentralen Modells

Jahr	2016	2017				2018				2019				2020				2021				2022				2023				2024				2025			
Quartal	4.	1.	2.	3.	4.	1.	2.	3.	4.	1.	2.	3.	4.	1.	2.	3.	4.	1.	2.	3.	4.	1.	2.	3.	4.	1.	2.	3.	4.	1.	2.	3.	4.				
Flächenauswahl																																					
Flächenentwicklung																																					
Ausschreibung																																					
Genehmigungsphase OWP																																					
Bauvorbereitung OWP																																					
Inbetriebnahmephase OWP																																					
Netzanschluss (Vergabevorbereitung)																																					
Netzanschluss (Beauftragung bis Inbetriebnahme)																																					
Netzanschluss Ostsee bzw. beschleunigter Netzanschluss																																					



5. Perspective from the Manufacturing Industry

Positions of VDMA Power Systems on the BMWi-Eckpunkte

Key Positions of VDMA PS on Offshore Wind Energy Tendering

- » Flexibility when exceeding the expansion target for the year 2020 – no reduction in transition process
- » Allow innovation and cost reduction by multiple tendering
- » Synchronize grid connection and expansion
- » Introduce prototyping regulation
- » Ensure project planning
- » Compensate project costs adequately
- » Coordinate design criteria

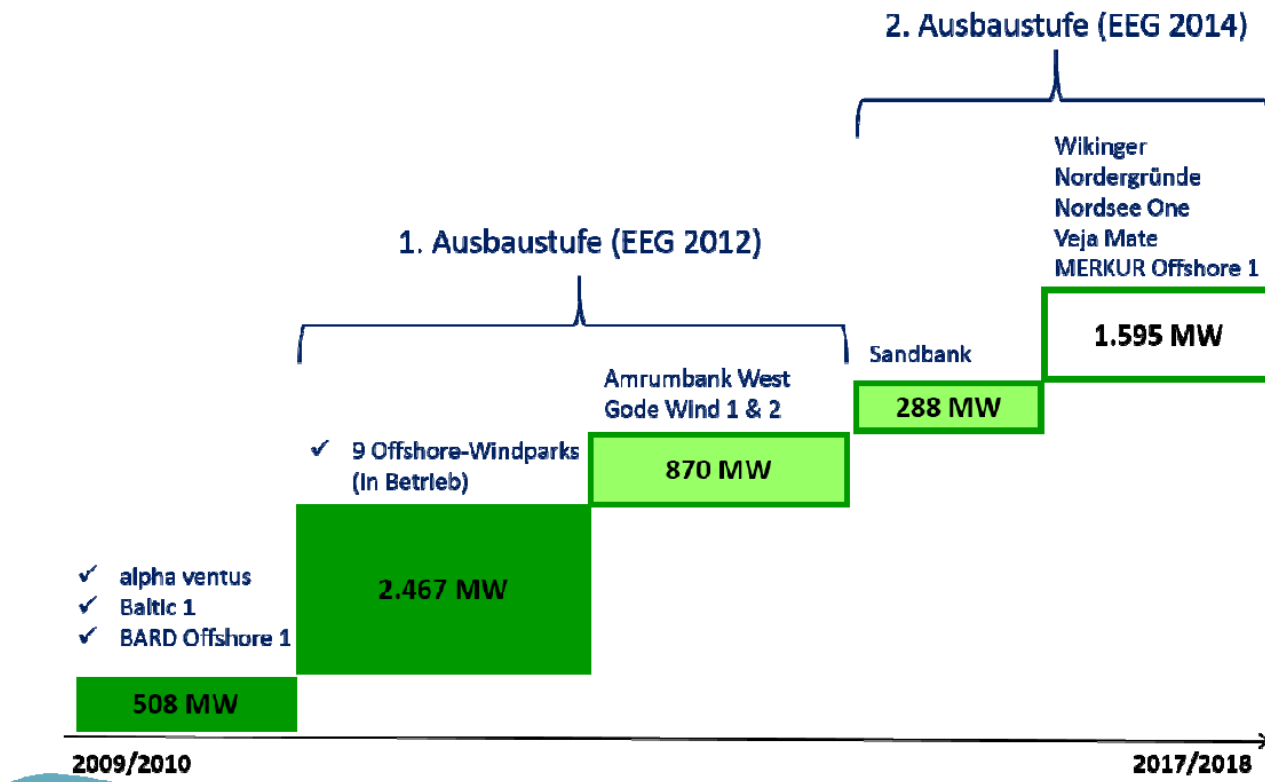


5. Perspective from the Manufacturing Industry

Secure continuous Offshore expansion

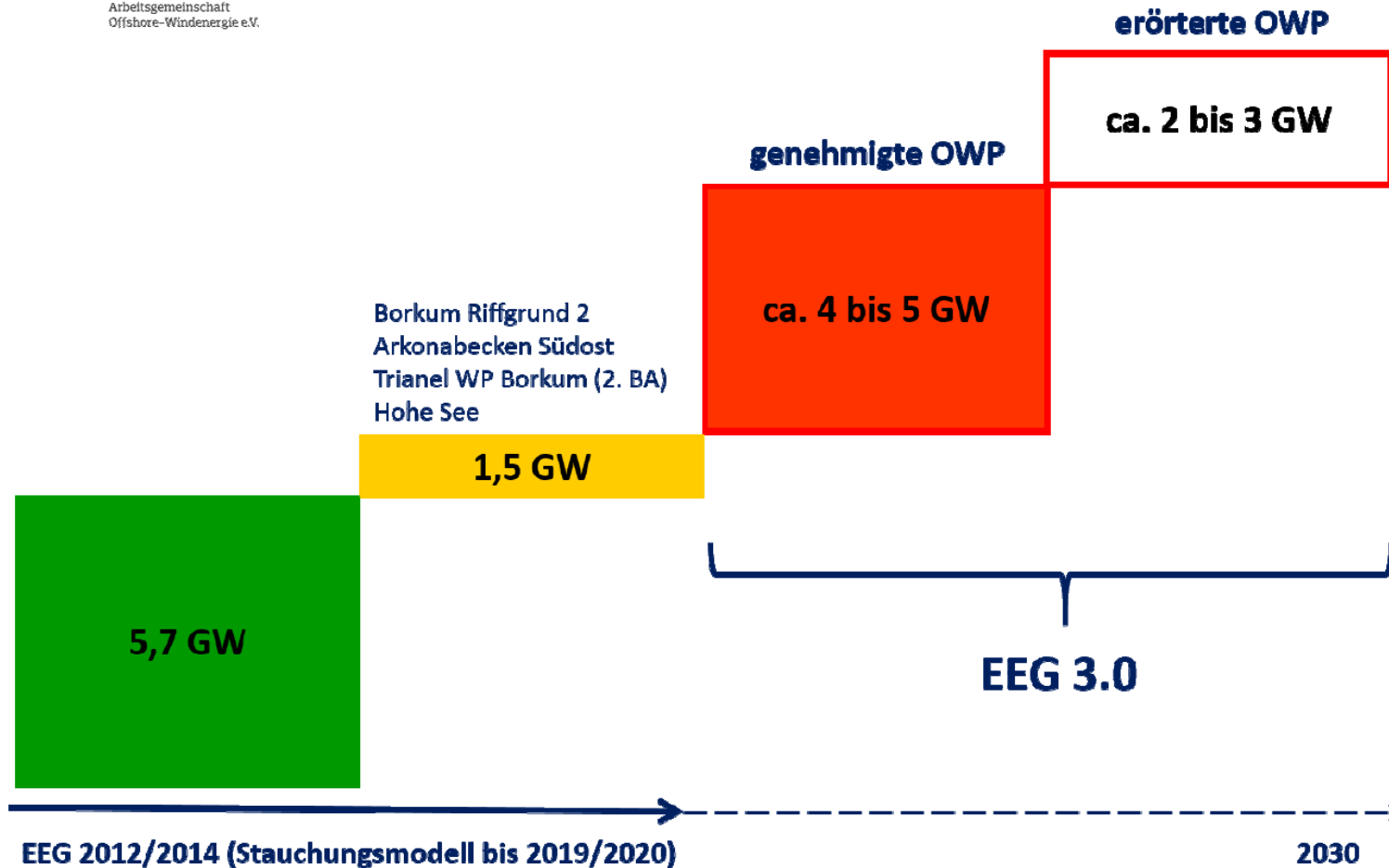
AGOW
 Arbeitsgemeinschaft
 Offshore-Windenergie e.V.

5,7 GW unter drei EEG-Novellierungen realisiert



5. Perspective from the Manufacturing Industry Flexibility with expansion target – No reduction in transition model

AGOW
Arbeitsgemeinschaft
Offshore-Windenergie e.V.



5. Perspective from the Manufacturing Industry

Introduce prototyping regulation/ Ensure project planning

- **Introduce prototyping regulation**
 - The proposal of VDMA Power Systems with regard to the prototyping regulation must be implemented even for Offshore plants.
 - Clearly defined prototype- and testsites have to be implemented On- and Offshore apart from tenders.
- **Ensure project planning**
 - Project planning has to be effected in the core model in time and sufficiently. A distinct temporal forerun has to be ensured.
 - Adequate personal resources are to be maintained at the competent authorities (current suggestion BSH/BNetzA) when changing to a central tendering model.

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Source: Siemens