

German wind lobby hails policy, utilities uneasy

More fiddling!

Yahoo News (Reuters)
November 14, 2005

German wind power lobby BWE said on Monday support for renewable energy in the new coalition deal would unleash huge investments but conventional producers said they were disappointed the status quo was left unaltered.

BWE said that the unhindered expansion of wind power which accounts for the bulk of alternative energy also derived from solar, biomass, hydro and geothermal sources may attract investments of 110 billion euros by 2020–2030.

"The ongoing expansion of renewable energy has been secured," a spokesman for the Berlin-based group told Reuters.

"The big energy utilities' hopes of a return to a conservative policy have been shattered.

"Now they have to adjust and start investing more into modern, decentralized energy sources."

The coalition agreement unveiled on Saturday reaffirmed earlier statements that existing renewable legislation will be left unchanged up until a mandatory review in 2008.

The huge overall package paves the way for a grand coalition of Christian (CDU) and Social Democrats (SPD).

The SPD enforced pledges to expand renewables to a share of at least 20 percent of the overall energy requirement by 2020 although the CDU had only wanted to commit itself to an already realistic rate of 12.5 percent by 2010.

The SPD also secured control of the environment ministry which will be headed by Sigmar Gabriel, former premier of Lower Saxony state, a leading wind power producer.

A spokeswoman for the VDEW power industry association whose members predominantly represent conventional thermal power stations said: "Unfortunately, there has not been a change to the present (SPD/Green Party-led) policy. We'll see if the coalition has the power to implement changes later on."

VDEW had lobbied strongly to change the renewable energy funding law (EEG) in favor of an efficiency-based quota system.

But the coalition deal means blanket support for the new technologies will continue to be borne by consumers who pay three times the market price of thermal power for green energy.

Thanks to the push, wind power capacity has grown to 17,000 megawatt onshore (MW), making Germany the world leader.

BWE said the 110 billion euros envisaged investments in new and old onshore turbines of 60,000 MW and 25,000 MW of offshore capacity in the North and Baltic Seas, which