THE ROLE OF CITIZEN PARTICIPATION IN THE FINANCING OF WIND FARMS IN GERMANY

Nils Boenigk, Deputy Director
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RENEWABLE ENERGIES AGENCY
renewables-in-germany.com

THE GERMAN AGENCY FOR RENEWABLE ENERGY: AN AGENCY COMMITTED TOWARDS THE FEDERAL GOVERNMENT AND THE RENEWABLE ENERGY INDUSTRY

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AGENTUR FÜR ERNEUERBARE ENERGIEN

FEDERAL MINISTRIES

Bundesministerium für Wirtschaft und Energie

Bundesministerium für Ernährung und Landwirtschaft

INDUSTRY ASSOCIATIONS

MORE THAN 100 COMPANIES

ENERCON ENERGIE FÜR DIE WELT
DKB Deutsche Kreditbank AG
CLEAN ENERGY SOURCING
IBC
Schmack
VIESMANN Group
OSTWIND An Energie gewinnen.
SMA
WKN AG
naturstrom ENERGIE MIT ZUKUNFT
WIND
energiequelle

FOUNDING FATHERS

Bundesumweltminister a.D. und Ex-UNEP-Direktor Prof. Dr. Klaus Töpfer; Bundesumweltminister a.D. Jürgen Trittin

HOW WE WORK

OUR MISSION

- strengthen public support for Renewable Energies in the power, heat and transport sectors
- communicate the advantages and opportunities of Renewable Energies while debunking myths and misconceptions about them
- work throughout Germany on a cross-party and cross-society basis
- provide advocacy for a swift transition to 100 % Renewables

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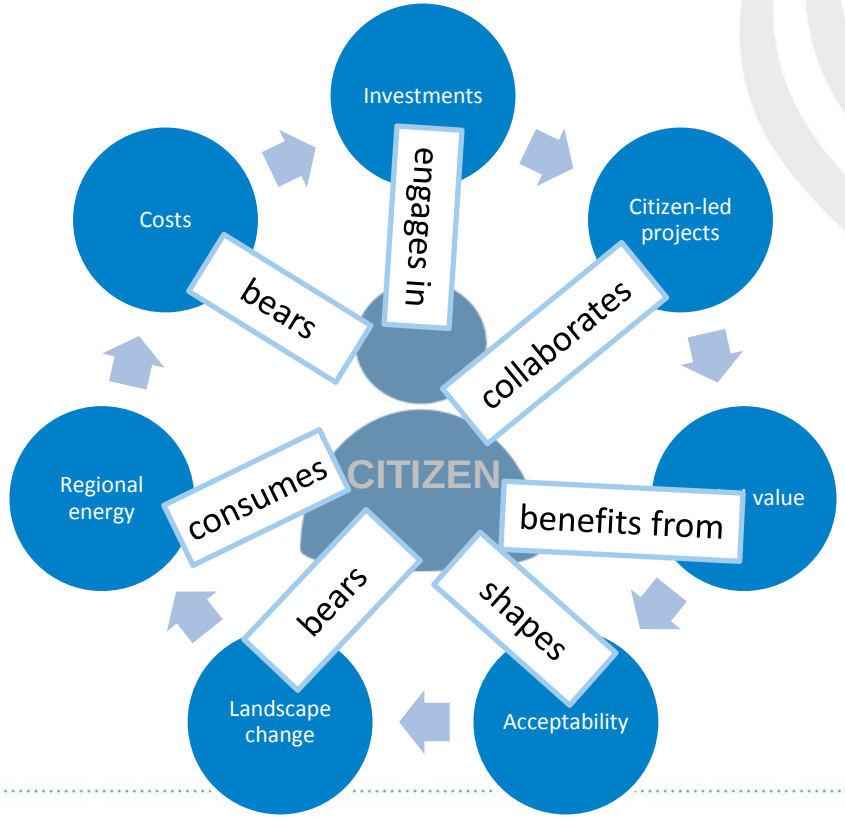
100 PROZENT ERNEUERBARE ENERGIEN

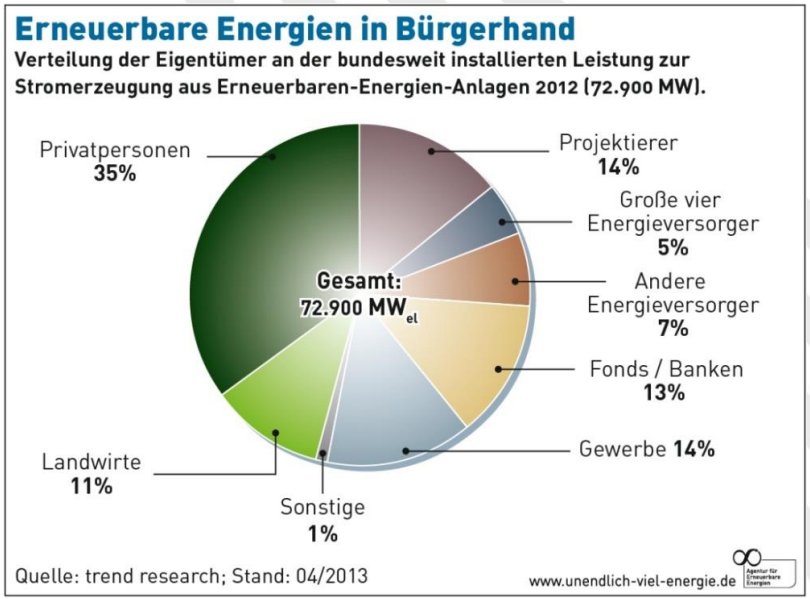
NO TRANSITION WITHOUT STAKEHOLDER DIVERSITY OR CITIZEN INCLUSION



* Also valid for small companies

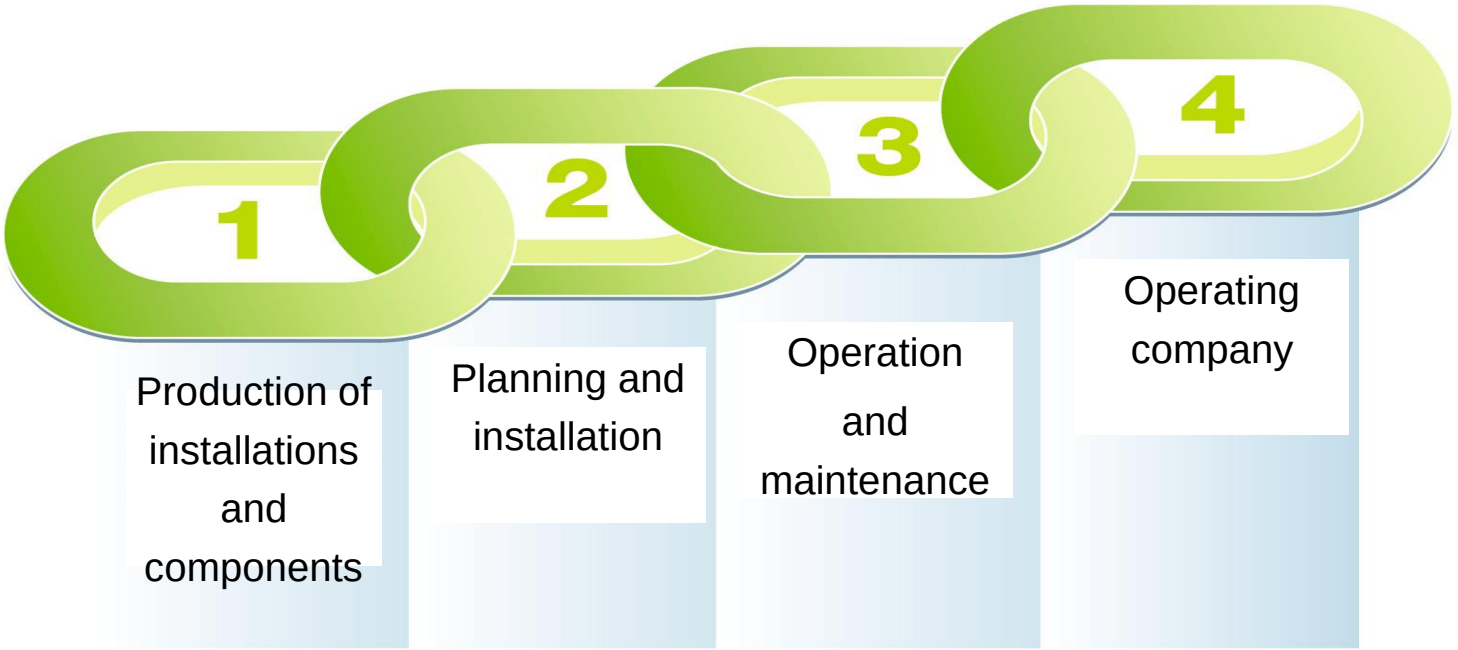
WHY CITIZEN PARTICIPATION?

The “Energiewende” is a societal choice. Its achievement is driven by society



LOCAL ADDED VALUE

The value-added chain of Renewable Energy sources



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„CITIZEN PARTICIPATION AS DEFINED IN EEG 2017“ (I)

Legal definition „Bürgerenergiegesellschaft“

- Min. **1 year primary residence** in urban district or administrative district of the installation
- Min. **10 natural individuals**
- **≥ 51% voting rights to natural individuals** residing in the region
- **No Shareholder with more than 10%** voting rights

„CITIZEN PARTICIPATION AS DEFINED IN EEG 2017“ (II)

Facilitations:

- Project can be submitted before insuance of BImSchG-author.
- Reduced guarantee-requirements
- Longer deadline for installation completion (+ 24 Months)
- Uniform price

RESULTS OF PUBLIC TENDERING

1st round: 01 May 2017	2nd round: 01 August 2017
70 offers, 807 MW in total	67 offers, 1 013 MW in total
65 citizen, 776 MW in total	60 citizen, 962 MW in total
Highest bid: 5,78 ct/kWh	Highest bid: 4,29 ct/kWh
Average volume-weighted bid: 5,71 ct/kWh	Average volume-weighted bid: 4,28 ct/kWh
Highest bid in the « network expansion area »: 5,58 ct/kWh	Maximum ration in network expansion area not reached
Lower bid in the « network expansion area »: 5,25 ct/kWh	

- More than 95% offers accepted were citizen projects
- Majority of these citizen projects are developed by only 2 stakeholders (developers)
- Majority of bids from projects in east Germany (BWE: 63%)

RESULTS OF INDUSTRY INTERVIEWS: NEW CONFIGURATION

Project developer initiatives:

- quiet participation(= non-voting shares)
- in part, employees of the project developing company (local),

in part existing participation platforms (local)

“Bürgerenergie” companies:

- small group, „100%clean“
- later transfer to a “real” Bürgerenergie company

Source: *Entwicklung und Umsetzung eines Monitoringsystems zur Analyse der Akteursstruktur bei Freiflächen-Photovoltaik und der Windenergie an Land, im Auftrag des Umweltbundesamts* (FKZ 37EV161370)

RESULTS OF INDUSTRY INTERVIEWS: MOTIVATION (I)

Uniform Pricing:

- Price difference available
- however, less successful as planned

Securing the project pipeline:

- earlier bid = safety
- secure capacity

Quelle: Entwicklung und Umsetzung eines Monitoringsystems zur Analyse der Akteursstruktur bei Freiflächen-Photovoltaik und der Windenergie an Land, im Auftrag des Umweltbundesamts (FKZ 37EV161370)

RESULTS OF INDUSTRY INTERVIEWS: MOTIVATION (II)

Spekulation auf günstigere Rahmenbedingungen:

- cheaper/ more efficient installations
- also mensioned: falling rental costs

First round with higher prices:

- Expectation of significally lower prices in the coming rounds (from 3. round)

Source: Entwicklung und Umsetzung eines Monitoringsystems zur Analyse der Akteursstruktur bei Freiflächen-Photovoltaik und der Windenergie an Land, im Auftrag des Umweltbundesamts (FKZ 37EV161370)

CRITICS TO THE REQUIREMENTS AND DESIGN APPLYING TO CITIZEN ENERGY PROJECTS

- Regional distribution
- Gamble on price decrease for installations, rents etc.
- Stakeholder diversity target not reached
- Drop of wind development from 2019/20

WHAT IS COMING NEXT?

- **Subsequent improvements of the EEG**
- **If those projects completed, the achievement rate will be visible in 3,5 to 4 years**
- **New federal government**

THANK YOU FOR YOUR ATTENTION.

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