Increasing wind energy investments in the Energy Community

Viktoriya Kerelska
Public Affairs Advisor, WindEurope
The state of Europe’s wind industry
Decades of growth

- Onshore (GW)
- Offshore (GW)
- Wind penetration (%)
Power across the continent

146GW
Fully competitive

European LCOE (€/MWh)

- Solar
- Natural Gas
- Nuclear
- Coal
- Onshore wind
- Offshore wind
- 2016 strike prices

Source: Wind Europe
Economic output

- €26bn invested in 2015
- €150bn invested since 2010
- €72+bn 2015 turnover
- 330,000+ jobs

Source: Paul Langrock; Wind Europe
Wind deployment in the Energy Community
Ambitious RES targets

Energy Community Renewable Energy 2020 Targets

- Albania
- Bosnia and Herzegovina
- Kosovo*
- FYR of Macedonia
- Moldova
- Montenegro
- Serbia
- Ukraine

Source: EUROSTAT
1.1 GW pipeline of wind projects

Modest deployment due to:

- Administrative barriers
- Changing support schemes
- Grid connection quotas
Administrative barriers
Average lead times for onshore wind

- Total lead time:
  - Lowest: 22.6
  - Average: 54.8
  - Highest: 76

- Administrative lead time:
  - Lowest: 18.06
  - Average: 42.32
  - Highest: 58.03

- Grid access lead time:
  - Lowest: 2.01
  - Average: 25.83
  - Highest: 46.61

Note: Lead times are expressed in months
Source: EWEA, WindBarriers, 2010
# Recommendations

<table>
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<tr>
<th>Administrative procedures</th>
<th>Grid access procedures</th>
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<td>• Set deadlines for the administrative process</td>
<td>• Develop grid infrastructure through international cooperation</td>
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<td>• Set one-stop-shop</td>
<td>• Provide transparency on the characteristics of the grid and the realistic timelines for connection</td>
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<td>• Provide clear requirements for the EIA</td>
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<td>• Ensure early citizen’s involvement</td>
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**Background**

**2014-2020 State Aid Guidelines**

- EC reference when assessing the compatibility of national support mechanisms with internal market rules
- EC considers tenders to be the best system to ensure cost-effective deployment of renewables
- Tenders will be a reference model for all RES starting in 2017
Tendering experience in [ ]

Past/existing

Upcoming
Mixed results

Netherlands
Borssele 1&2
€72,7/MWh

Spain
500 MW auction
€0/MWh

Auction design is crucial for outcome!
Recommendations

• Organise regular auction rounds

• Ensure coordination between different administrative levels

• Prioritise technology-specific tenders

• Set up adequate prequalification criteria

• Calibrate penalties
Next year, the Wind Industry will be meeting in Amsterdam

28 - 30 November 2017
Amsterdam RAI Exhibition and Convention Centre

WindEurope Conference & Exhibition 2017
28-30 November Amsterdam
windeurope.org/confex2017
Thank you!

Viktoriya Kerelska
Public Affairs Advisor
vke@windeurope.org
+32 2 213 1845