

„Beyond the Energiewende?“

by Axel Berg, chair EUROSOLAR German Section

It has been a turbulent year for the Energiewende. From challenges, such as the retail power price discussions and Germany's coal comeback, to the recent reforms of Germany's Renewable Energy Sources Act (EEG), the Energiewende currently finds itself in a phase of continuing confusion. More needs to be done to achieve greater energy efficiency. Calls for a smarter electricity infrastructure, the need for more flexible and clean backup power, and the transformation of the German energy transition into a European one will drive the discussions in 2015.

But 2014 has also marked some important Energiewende achievements. Electricity prices for industry continued to fall down to 3 Eurocent per kW/h, while the consumers pay 30 Cent. Germany's grid is stable, the one kilometer world's longest superconductor was put into operation, and new high-voltage grids are being planned while the first 5 MW battery-storage has started its work.

Germany's success story was the Renewable Energy Act, called EEG, which guaranteed full-cost compensation to cover the investments, guaranteed for 20 years, but the rates dropped down for newly installed systems each year - to put price pressure on manufacturers. The feed-in tariffs differ in the actual costs of the specific system size and technology type. This ruling, initiated by Hermann Scheer, came just in time, in 2000.

Several amendments and changes in law caused the EEG to grow larger and larger. Hermann hated the bureaucracy and the complicated administration. In 2000 the first EEG was a three-pager, understandable for every child. In 2009 more than 50 pages. It was the grand coalition between conservatives and socialdemocrats, with the Greens no longer in power. A rising number of ruling parliamentarians felt that the policy should somehow be changed to bring renewables „closer to the market“. But there never existed an open market in a group of 4 companies who shared this „market“, run by cartell.

The main changes in the 2009 EEG reflected this false policy. Producers have been at first encouraged and now they are increasingly forced to sell directly to the power exchange or to a broker instead of receiving fixed feed-in tariffs.

After two years of very professional desinformation campaigns against renewables in German print and tv-media the even grander coalition of conservatives and socialdemocrats took over the government in 2013. 80% of the parliamentarians are members. So finally the parliament has lost its impact. In other countries - like in Hungary with a more than 60% majority we Germans would say: Look they have a democratic problem. In the meantime our democratic problem has become even worse.

Unfortunately both big government parties are siding with the Big Four companies. And the political fighting line lies between centralised and decentralised systems.

Germany never showed real continuity in its energy politics. But now the current government brakes sharply the German energy transition.

- The right to feed in first in the grid the renewable current before the fossil produced current jams the public grid will fall.
- Instead we'll get a system with call of proposals. In UK f.e. the renewables are booming since this year because they installed a feed-in system now what we will end. We'll get guaranteed capacities, up to 80 GW - for coal plants.
- And self suppliers have to pay a fee if they are still connected to the grid.

In the meantime we have hundreds of pages of the EEG and comparative regulations. All this happens because the government wants more market what shall make it cheaper for the consumers. But the decentralised renewables are the cheapest of all forms of current-production. In reality we realise a last-minute-maneuvre to prevent the losses of the big companies who are sitting on stranded investments in coal plants as nobody needs them any more.

Our government acts like a wrong-way driver. The whole world is booming and we brake. The big problems of the transition of heating and cooling and the transition of our fossil fuel runned mobile system is not yet a big government issue. Not as long as we sell our Mercedes, BMW and Porsches.

Bad for Germany in long term. Because we'll loose our first mover advantage we worked out in the last 15 years to produce the best renewable technologies.

But not so bad for the rest of the world. The point of no return is reached already. In Germany. Everywhere. The technology is not more expensive any more than to build a coal-plant or a nuclear plant. But no fuel costs. No emissions. And new jobs. And value creating at home and not in the Near East or in Russia.

Yes. German politics is paradox. And even worse: We Germans have the bad habit to discredit our own country.

Anyway Germany had a developpement up to 8 GW newly installed renewable technologies - yearly. That was great. Only the Danish and the other Scandinaviens are always better than we are.

In the moment we are discussing a road user charge. But we do not discuss it out of the ecological view, to help the public transporting systems, trains and so on. No. The Germans want the foreigners to pay when they drive through Germany because we Germans have to pay in foreign countries as well. Crazy debates are normal for us.

Did you know that in the German feed-in law EEG there was a clause - from the early beginning - saying that coal gas (the gas what comes out of a digging hole. In former time it has been burned at place) - so that coal gas is a renewable energy in the sense of the law? If we would not have had this paradox we would not have gotten a parliamentarian majority for the EEG in coal-country Germany.

Finally, I am optimistic for Germany and for Europe. Europeans invented most of social models and types: democracy, feudalism, fashism, social democracy or Euro communism. As well as nuclear plants and renewable technologies.

We Europeans made our peace between our societies and our states and governments. In the opposite to the USA, where taxes, regulation etc. are nearly dirty words. We Europeans have not been taken so heavy by the Vodoo-economics in the last capitalism-banking-crisis.

If you see it in this way we had already bigger problems to solve. The German citizens collectively are pro Energiewende. Even our politicians cannot ignore the spirit of the age, in german we call it „Zeitgeist“ on a long term.

We are on a good way. In the meantime we have the proof that a 100% renewable world is technically and financially feasible. The remaining obstacles we'll conquer and overcome. Truth comes with the time.