



4th German-Norwegian Energy Conference
Changing Energy Markets


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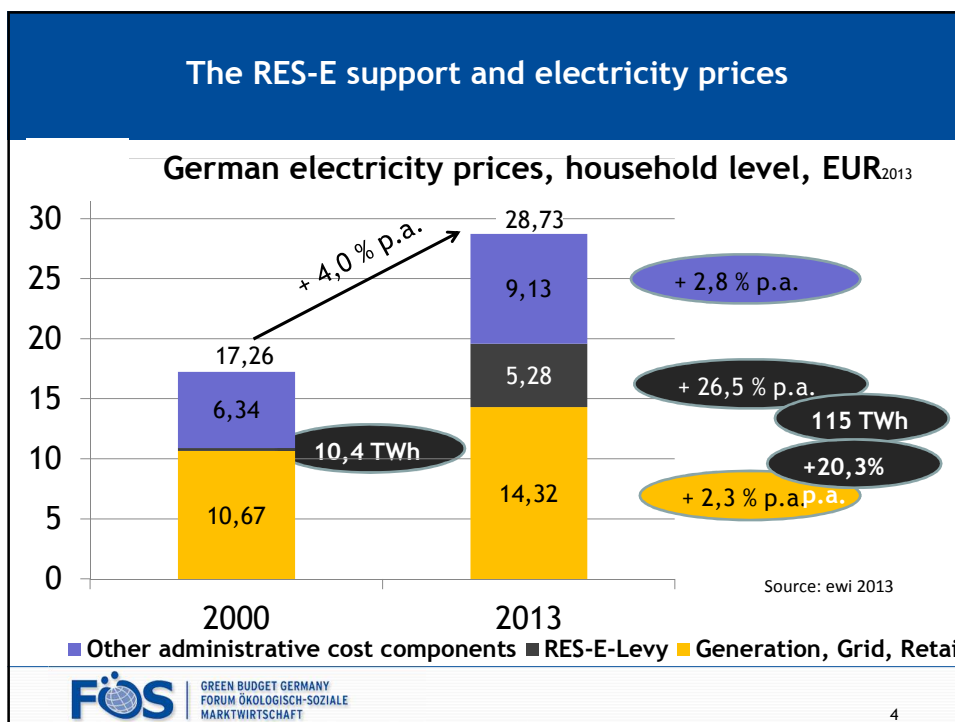
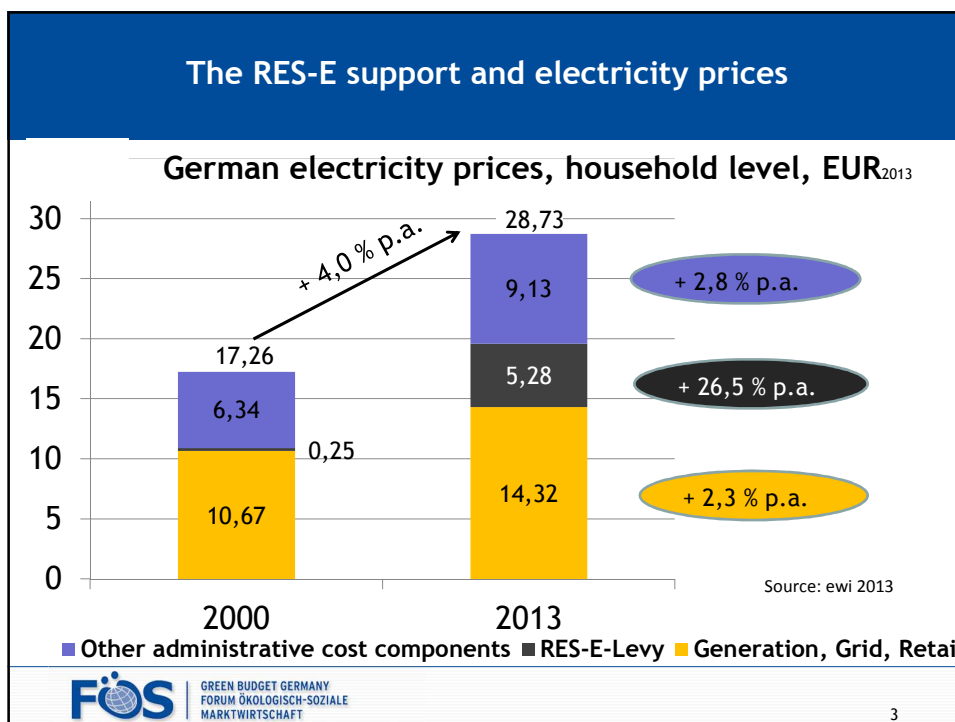
**1. Green Budget Germany/Europe (GBG/GBE) -
 Forum Ökologisch-Soziale Marktwirtschaft (FÖS)**

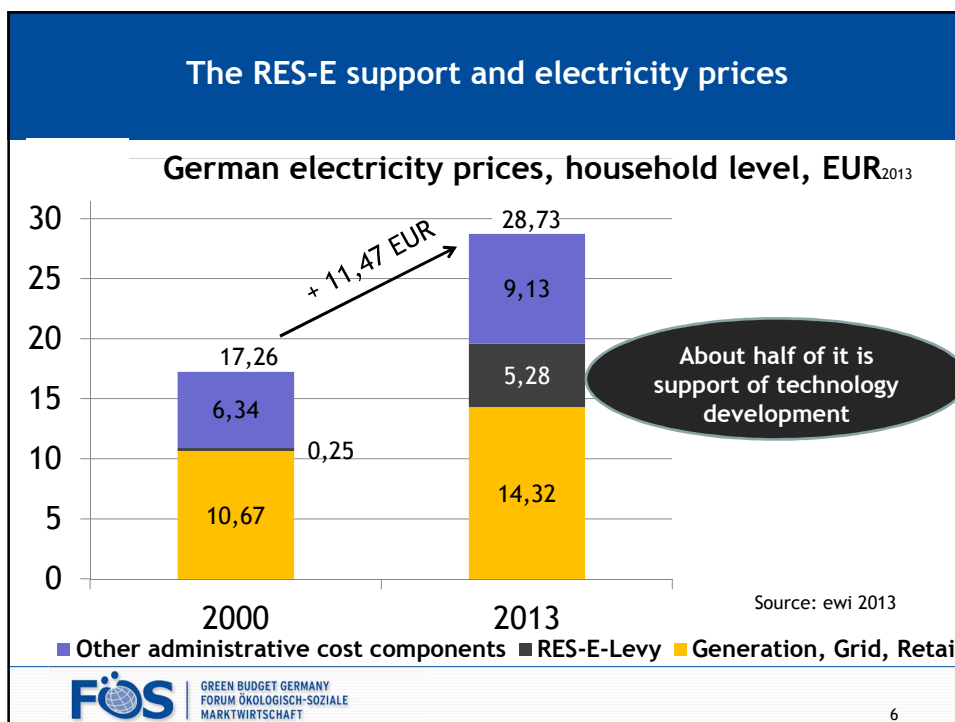
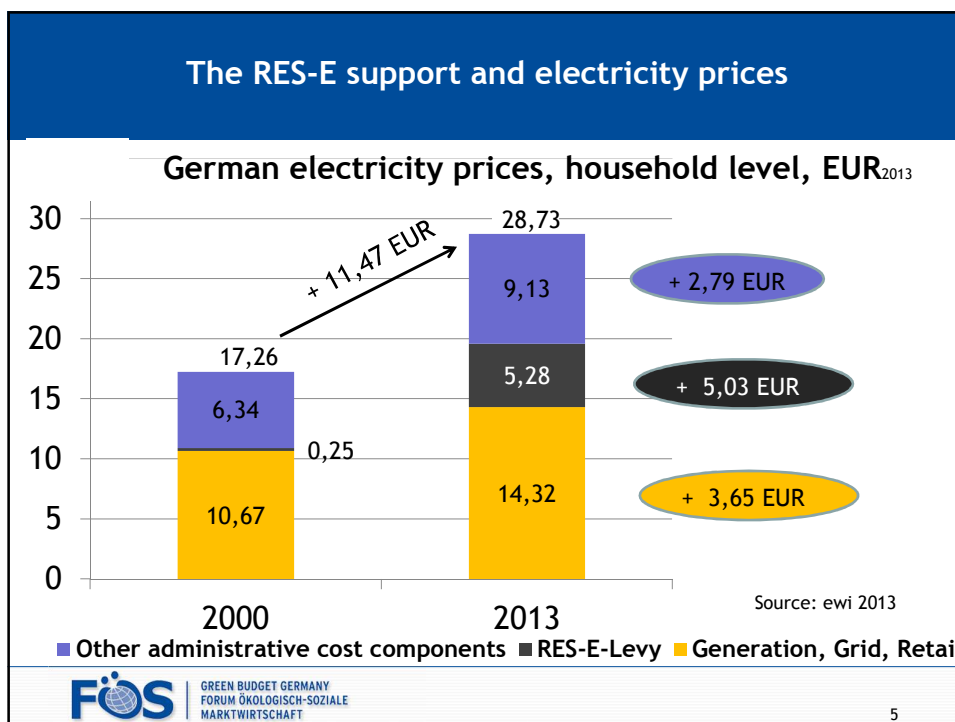
- **Non-Profit Non-Governmental Organization**
 - founded in 1994, now 10 employees and some interns
 - >90% of funding through studies, lobbying, conference organisations, trainings
 → hence depending on 3rd party financing
- **Fields of expertise**
 - Environmental Fiscal/Tax Reform: Taxes/Charges on energy and resources
 - Cutting of environmentally harmful subsidies
 - Energy
- **Main activities**
 - Studies (on ETR/EFR and environmentally harmful subsidies) and Conferences and Trainings
 - Projects for the German Environment Protection Agency (UBA), European Climate Foundation, Greenpeace, WWF
 - GBG is internationally very active...



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RES-E-tariff is no indicator for RES-E-costs! (I)

Calculation of the feed-in levy

- Entire feed-in payments minus entire revenue for renewable electricity

Expanding effects

- About one quarter of electricity used does not pay the feed-in levy, or only a tiny share (electricity intensive industry, conv. power plants, ...)
- RES-E expansion is lowering the price on the gross markets (about 1 Ct/kWh)
 - This should be subtracted from the levy
 - But in fact it increases the levy



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RES-E-tariff is no indicator for RES-E-costs! (II)

What does the feed-in payments stand for?

- Entire costs for an renewable installation
- Financed in 8 to 20 years

What does the revenue on the gross market / EEX stand for?

- Incremental / operation costs of
- old, written off conventional installations
- without consideration of state aids (430 billion EUR from 1970-2013)
- without consideration of external costs

→ Wrong indicators lead to wrong reforms!



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Possible levy-development with a future extension of RES-E

Increase of RES-E levy with additional wind power plants onshore that equals 5% of German electricity consumption

- 0,2 Ct/kWh

Increase of RES-E levy with cost efficient extension of RES-E share from 25 to 50% of German electricity consumption

- Less than 2 Ct/kWh
- Including 7 GW wind offshore (29 TWh)

These numbers would be smaller if

- Electricity price would increase
 - due to increasing CO₂-prices
 - due to reduction of conventional excess-capacities
 - prices of fossil energy would increase
- Privileges would be reduced



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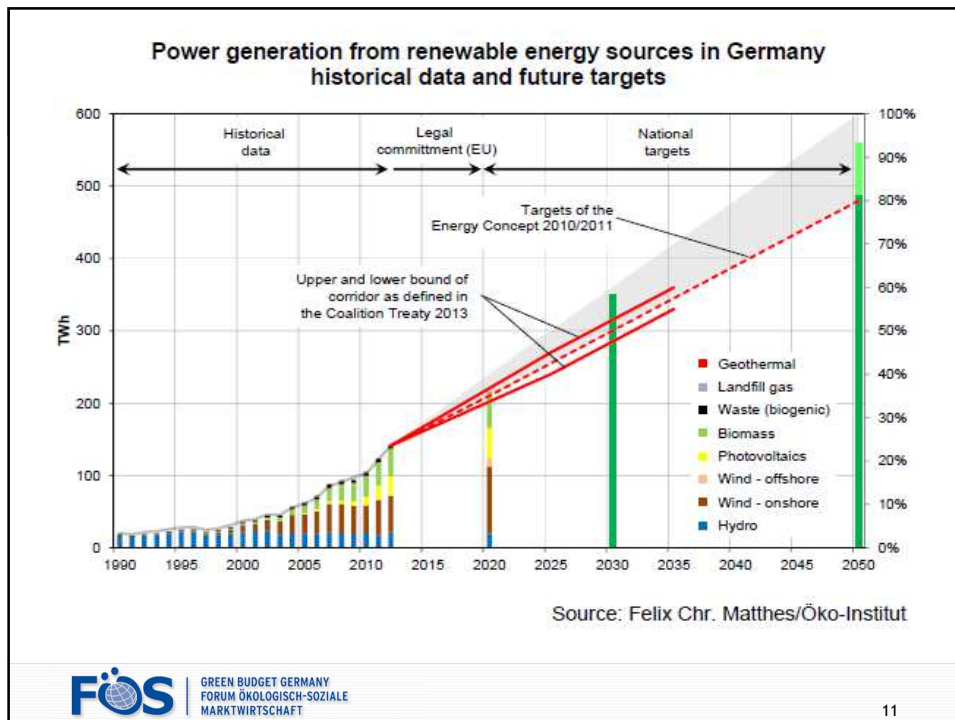
By the way: the benefits of German RES policy in 2012

- Costs for solar power (photovoltaic) decreased by 80% in 12 years
 - ➔ most effective global climate protection measure
 - ➔ most effective global development aid measure
- 2012: reduced gross electricity costs by 4,9 Billion EUR (entire levy: 14,1 Billion EUR)
- 380.000 jobs (RES)
- minus 100 Million tons of GHG-emissions (RES-E)
- saved costs for import of energy sources:
 - 10 Billion EUR RES
 - 4 Billion EUR RES-E



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Thank you for your attention!

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