

# Interview: Jürgen Trittin, German Environment Minister

## Renewable energy and the ongoing nuclear debate

As Federal Minister for Environment, Nature Conservation and Nuclear Safety Mr. Trittin has been a key driver for the modernization of Germany's energy industry. Ralph Kappler from Halo Energy interviewed German Environment Minister Jürgen Trittin during his recent election campaign in Berlin.

**R.K.** Germany has been the growth engine of international renewable markets. The call for early elections comes somewhat unexpected and for the renewables industry at a crucial time. What is the current status of the German renewables industry and how much will its future development rely on continued Government support?

**Trittin:** At present a good 10 per cent of electricity consumed in Germany is generated from renewable energies. In 2004 the share of renewables in gross electricity consumption was 9.3 per cent, in 2003 it was 8 per cent. So the expansion of renewables is advancing rapidly. In 2004 renewable energies eased the greenhouse gas balance by approximately 70 million tonnes. There are now around 130,000 jobs in the renewable energies sector.

We can only continue to increase the share of renewables if the political and economic framework conditions remain stable. On their own, renewable energies such as wind power, biomass or photovoltaics cannot yet assert themselves against the old, written off power plants in a market which is dominated by oligopolies. But this is just a question of time.

**R.K.** Your predecessor and now conservative opposition leader (at the time of interview - Ed), Angela Merkel, portrays herself as much closer to nuclear industry

interests and shows little interest in feed in laws and continued renewable energy deployment. What is being done by your ministry and industry bodies to ensure continuity and predictable long term renewable energy investment climates in Germany beyond changing party politics?

**Trittin:** Our success in the field of renewable energies is a success of the method, of the feed in system: we have not only achieved an expansion of renewable energies in Germany which is respected worldwide, but one in which the costs per kilowatt hour are lower than in other countries, especially countries which have a different support system. Moreover: no other political instrument in Germany saves so many greenhouse gas emissions as the Renewable Energy Sources Act (EEG). That is why 16 countries in the EU have in the meantime developed a similar instrument. Investments in renewables are secure and calculable investments. In Germany, those who start operating an installation for the generation of renewable energies and feed the electricity into the grid under the EEG have guaranteed feed in payment rates for the next 20 years.

**R.K.** According to reports in the media, the nuclear industry has launched a comprehensive international campaign to re-brand atomic power as



*Jürgen Trittin (near left) aboard a solar boat during a recent pre-election campaign tour. Ralph Kappler, Halo Energy (centre)*

'green' and more reliable alternative than renewable energy sources in the fight against global warming. What is your response?

**Trittin:** In 2002 nuclear energy covered just barely 6.8 per cent of global energy needs. To increase this share significantly hundreds of new nuclear power plants would have to be built in addition to the 440 or so existing ones. Not only do I find this scenario unattractive, but also very unrealistic. It usually takes ten years or more before a nuclear power plant is planned, built and put into operation. To say nothing of its cost effectiveness. Nuclear power has never been able to hold its own on the free market, it was pulled up to the top by state subsidies and is still propped up by them today. Renewables, on the other hand, already supply us with electricity and contribute to climate protection. They are well on the way to becoming cost effective - and in this respect are much further along than nuclear power will ever be. So I cannot believe in the

much vaunted renaissance of nuclear power. Given the positive developments in renewable energies, such a renaissance is also completely superfluous.

**R.K.** Today, the CDU politician and nuclear advocate, Edmund Stoiber addressed an election audience in Hamburg, dismissing critics in the audience by saying: "We don't need you, we only need voters with common sense!" Why is it still regarded as reasonable to invest billions in risky nuclear and fossil fuel operations, while renewables are being presented as an uneconomic idea of environmentalists?

**Trittin:** That has nothing to do with common sense, but a great deal with ideology and even more with the politics of interest. Many energy politicians feel committed to the interests of the large energy companies - and these companies are concerned with defending their position as market dominators. They are certainly anything but delighted about the fact that every year they lose one percent of the market share because of the expansion of renewables. With regard to investment activities, there is a lot going on especially in renewables: in Germany, a turnover of 11.6 billion euro was achieved in the renewable energies sector in 2004.

**R.K.** The overall unemployment figures in Germany are dramatically high. The renewables industry on the other hand created over new 130 000 jobs in a flat market environment. Why do renewables then continue to have such a poor reputation in influential business and mainstream media, and consequently among sections of the wider public?

**Trittin:** A survey in April found that 87 per cent of the German public want greater support for renewables, or to maintain support at the current level. Only 4 per cent want less support or none at all. Renewable energies are a growing competitor for traditional large power supply companies. The growth of renewables takes around one percentage point of the electricity market from these market participants each year - and hence reduces their turnover and profits. This is of course no cause for joy for those who ruled the roost before, and they have certainly set their PR departments to work.

We try first and foremost to convince through facts. And the facts speak for themselves - and for our policies.

**R.K.** The International Energy Agency predicts that energy finance opportunities are significant, with expected worldwide energy sector investments of approximately \$16,000 billion until 2030. Most investments still go into fossil fuel and nuclear technologies. What should be done by policy makers and the renewables industry alike to secure appropriate investments from these significant capital flows?

**Trittin:** Stable political framework conditions are crucial. We have such framework conditions in Germany. For the time being we cannot do without fossil energy sources and it makes a lot of sense to use fossil energies more efficiently than before. To be specific: it makes sense to replace old inefficient coal-fired power plants with, for example, highly efficient gas-steam power plants. At the same time, it must be clear in Germany and other countries that we must continue along the road towards renewable energies. Besides an effective legal framework, clear objectives are also very important. In Germany we have therefore set a target for the renewables' share in electricity consumption for 2020. By then it should stand at at least 20 per cent. If we want to achieve this, the expansion of renewables must be continued consistently and further investments must be made.

The renewable energy industry also has to compete. Technical optimisation, cost reductions and other quality improvements will pave the way for renewables. Only then is a high share of renewables in energy consumption technically and economically feasible. For in the long term renewable energies too must pay off. I am confident that they will.

**R.K.** What are the main challenges and opportunities for the German and international renewable energy industry?

**Trittin:** Through energy saving, greater energy efficiency and the expansion of renewables, we have the opportunity to reduce carbon emissions in the energy sector to 20 per cent by the middle of the century. This takes into account the fact

that by around 2020 we will have phased out nuclear power and that the share of renewables in total energy consumption will rise to around 50 per cent by 2050. To achieve this the individual branches of renewables must become competitive. This will happen in wind energy sooner than in photovoltaics, for instance. In Germany, annual degressive payment rates provide an instrument which supports the further technological development of the individual branches. In the field of wind energy it is clear that further development is leading to even better integration into the electricity supply system. I expect wind energy to be competitive in around 10 years.

**R.K.** As a green politician and Energy Minister you have been a key driver for the modernization of the German energy industry. Where do you see the German and international renewables industry in ten years time?

**Trittin:** For 2020, we set ourselves the goal of increasing the share of renewable energies in electricity consumption to at least 20 per cent. But other sectors too, such as heating and cooling and transport, will show a considerable rise in the renewables share. At the same time, the costs for installations will fall significantly over the next 10 years. Especially in wind energy I expect that the costs per kilowatt hour produced will soon fall below the costs of conventional energy sources. From that point on every new wind turbine will contribute to reducing electricity costs. I also expect that our current success model will continue to be copied. More countries will become convinced that the road of renewable energies is the right direction to take. The EU is pursuing clear and ambitious goals, and countries like China and Brazil are also very active in the expansion of renewable energies. For the German branch of renewables I see both opportunity and risk: On the one hand, major export opportunities will open up, on the other, companies in other countries may become dangerous competitors if we relax our efforts. The competition doesn't sleep.

**R.K.** Minister, thank you for your time during this interview.