

Press Release

Bonn, 19 May 2017 Page 1 of 2

Results of first auction for onshore wind installations

Jochen Homann: "A pleasingly high level of competition"

The Bundesnetzagentur has today announced the results of the first auction for onshore wind energy.

"The first auction for onshore wind installations was successful. The pleasingly high level of competition made it possible to accept an average bid of 5.71 cents," said Jochen Homann, Bundesnetzagentur President.

Auction significantly oversubscribed

The Bundesnetzagentur has announced that within the context of an auction for onshore wind energy installations 70 bids totalling 807 megawatts (MW) have been accepted. Some 256 bids with a volume of 2,137 MW had been submitted. This auction was characterised by a different way of determining the accepted bid values for citizens' energy companies and those of other bidders, as well as by a limit being placed on the number of bids in what is referred to as the network expansion area.

The average bid amount was 5.71 ct/kWh and the highest bid accepted for outside the network expansion area was 5.78 ct/kWh. The highest bid price that could be accepted within the network expansion area was 5.58 ct/kWh.

Greater share of citizens' energy companies

With 71% of all bids submitted the citizens' energy companies showed a strong presence in this first round of auctions. Consequently, 93% of the bids (65) or 96% of the volume of bids were awarded to citizens' energy companies. The award price for the citizens' energy companies was determined by uniform price auction and reached 5.78 ct/kWh for bids accepted outside the network expansion area and 5.58 ct/kWh for bids accepted within the network expansion area. For all other bidders the bid accepted was that of the individual amounts bid (pay-as-bid auction).

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<u>pressoffice@bnetza.de</u> www.bundesnetzagentur.de Bonn, 19 May 2017 Page 2 of 2

The following additional special auction arrangements apply to citizens' energy companies: citizens' energy companies must comply with specific requirements of company form that must be set out in the form of a self-declaration. In addition, citizens' energy companies – unlike all other bidders – may submit bids for installations even before receiving approval under the Federal Immission Protection Act (Bundes-Immissionsschutzgesetz), which 95% of them did.

Finally, bids submitted by citizens' energy companies have an extra 24 months before they have to be implemented; giving them a 54-month implementation deadline following publication of the results instead of a 30-month implementation deadline. As a result, reliable statements on the speed of implementation, and thus on the related achievement of targets for the wind expansion path, can first be made at a later date.

Limits reached in the network expansion area

Bids can only be accepted up to a set limit of 258 MW in the network expansion area and this limit was reached. Therefore some bids could not be considered. A lottery had to be held for four bid awards which were at the network expansion limit.

Few disqualifications

The quality of bids in the first round of auctions was very high with only 12 bids having to be disqualified. A disqualification rate of less than 5% shows that those taking part understood the procedure and that it was possible to meet the bidding requirements.

Details of the successful bids have been published on the Bundesnetzagentur's website (in German) at

(www.bundesnetzagentur.de/windanlandausschreibungen17-1).