



Joint press release

Bonn, 28. November 2018

Energy Monitoring Report 2018 published by the Bundesnetzagentur and the Bundeskartellamt

Jochen Homann: *"Installed renewable energy capacity is greater than conventional energy capacity for the first time"*

Andreas Mundt: *"The market concentration in conventional electricity generation declined further overall, but we still need to keep a close eye on developments"*

The Bundesnetzagentur and the Bundeskartellamt have today published their joint annual monitoring report on developments in the German electricity and gas markets.

Electricity generation and wholesale markets still in transition

"Renewable energy continues to expand. In 2017, there was more installed generating capacity from renewable than from conventional energy sources for the first time. The proportion of electricity generated from renewables continues to grow as well, reaching 36% of consumption last year," said Jochen Homann, Bundesnetzagentur President.

Germany's total installed generating capacity increased by 5.8 GW to 217.6 GW, with 105.1 GW accounted for by conventional energy sources and 112.5 GW by renewables.

At 601.4 TWh, the level of electricity generation was the same as in 2016, with a disproportionate decrease in generation from non-renewable energy sources, particularly from hard coal-fired power plants. Renewable energies accounted for a total of 204.8 TWh. A large proportion (78%) of renewable energy is now sold directly on the market. Congestion led to 3% of renewable electricity being curtailed.

"The market concentration in conventional electricity generation declined again in 2017," explained Andreas Mundt, Bundeskartellamt President. *"In particular, the combined market share of the largest electricity producers was down again on previous years. While that is a good thing for competition, it is still important for us to keep an eye on the market situation in Germany. The upcoming end to the use of nuclear power, the ongoing expansion of renewables and perhaps the redispatching markets are just a few of the many factors that could affect the future assessment of the state of competition."*

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Focus on retail markets and consumers

As with generation, the retail electricity and gas markets also showed a positive competitive development in 2017. *"More competition means more choice for consumers and consequently cost benefits,"* said Mr Mundt. *"The market share of the largest electricity suppliers for standard load profile and interval metered customers was down again on the previous year and, as for the two largest retail gas markets, was still considerably below the threshold where we presume a dominant position in the market."*

As at 1 April 2018, the average electricity price for household customers was stable, at 29.88 ct/kWh (2017: 29.86 ct/kWh). The price stabilisation was partly due to the fact that network charges fell and surcharges were flat. *"Average network charges for household customers fell in 2018 for the first time since 2011 and were down by almost 2% year-on-year,"* pointed out Mr Homann. *"Competition plays an important role in how households can cope with rising electricity prices. People can often save a lot of money by changing electricity supplier. It is therefore difficult to understand why the switching rate for electricity customers stayed the same in 2017 and for gas contracts actually fell slightly,"* said Mr Homann and added, *"The proportion of households on default supply contracts is falling steadily but still makes up around 28% of electricity customers."*

Price comparison sites, which allow customers to compare electricity and gas tariffs and act as intermediaries, have become very important. *"Nearly a quarter of household energy supply contracts are now concluded via comparison sites, so it is vital for consumers to be able to trust their reliability, objectivity and transparency,"* stressed Mr Mundt. In October 2017, therefore, the Bundeskartellamt's new Decision Division for Consumer Protection launched an inquiry into the comparison site sector, which includes those sites in the energy sector and aims to uncover and provide further detail about possible breaches of consumer protection law.

The number of households whose electricity supply was disconnected at the request of suppliers rose by about 13,600, while for gas the figure remained relatively stable with just a small increase of about 200 households.

The latest report and additional information are available at www.bundesnetzagentur.de/berichte.



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The Bundesnetzagentur is an authority under the responsibility of the Federal Ministry for Economic Affairs and Energy. Its core tasks include supervising the energy, telecommunications, postal and railway markets.

As part of its mandate, the Bundesnetzagentur ensures that as many undertakings as possible can use the infrastructure in these sectors so that consumers benefit from competition and favourable prices.

The authority employs over 2,900 people at its headquarters in Bonn, its other main sites in Mainz and Saarbrücken, and at its 46 regional offices.