

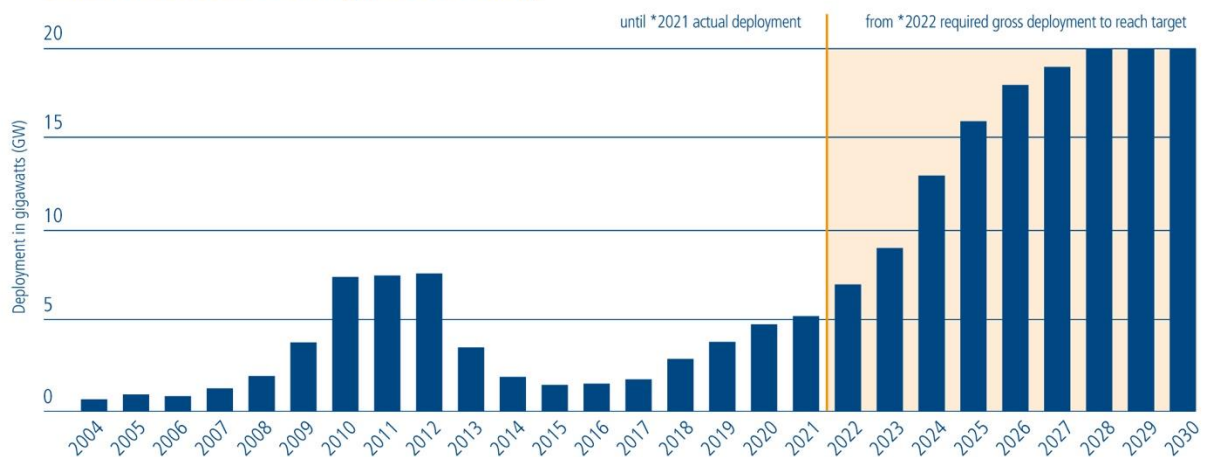
**Intersolar Europe
Intersolar Europe Conference
Munich, May 10–13, 2022**

TREND PAPER FOR INTERSOLAR EUROPE: THE PHOTOVOLTAICS MARKET IN GERMANY

Munich/Pforzheim, mid-February 2022: The new German government has boosted the speed of the energy transition. Its aim is to reach a total PV capacity of 200 gigawatts (GW) by 2030 – which is more than three times the current amount. The plan is to generate 80 percent of electricity from renewable sources of energy by 2030 and to decarbonize the entire electricity sector by 2035. These measures will strengthen Germany’s position as the most important photovoltaics market in Europe. Robert Habeck, Federal Minister for Economic Affairs and Climate Action and member of the Green Party, is set to launch a solar industry acceleration package as early as before Easter.

These plans are ambitious given that they entail adding 140 GW of photovoltaics by 2030, with currently around 60 GW installed. According to Habeck’s calculations, the annual deployment needs to be raised in intervals to 20 GW to meet the new target. For this year, the Federal Ministry for Economic Affairs and Climate Action is calculating with around 7 GW of newly installed photovoltaic installations, which would represent an increase of approx. 30 percent compared to 2021 (5.3 GW).

Annual Photovoltaics Development in Germany



Source: German Solar Association (BSW) and Federal Network Agency
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*2021 preliminary forecast BSW
*2022 estimate by German government

Unlocking photovoltaics and tenant power potential

The government hopes to clear all hurdles and barriers as soon as possible to get going with photovoltaics in Germany. They aim to revise the German Renewable Energy Sources Act (EEG) and to launch a solar industry acceleration package. Plans include significantly increasing tender volumes for photovoltaics and to create a legal framework which enshrines the principle that developing renewable energies “is of paramount public interest and underpins public security”. Habeck describes the solar industry acceleration package as a “comprehensive package of individual measures”.

Promoting tenant power projects

These measures include improvements to tenant power. High bureaucratic hurdles are one of the reasons why there are currently no more than 4,000 tenant power projects registered in Germany even though a study conducted by the German Federal Ministry for Economic Affairs back in 2017

confirmed the great potential of solar installations on tenement apartment buildings. According to this study, up to 370,000 buildings with 3.8 million apartments in Germany would be suitable candidates for tenant power models. In such a setup, solar power is generated by rooftop installations on apartment buildings – or neighboring buildings – and then used by the tenants of these buildings. Only the electricity which cannot be used or stored is fed into the grid, and no electricity is drawn from the grid unless the rooftop installation does not generate enough power.

Mandatory photovoltaics for commercial new builds and more space for PV Power Plants

The government also aims to review mandatory tender processes for large rooftop installations, which currently pose a considerable obstacle when it comes to increasing the number of commercial roof-mounted photovoltaic systems. Photovoltaics is likely to become mandatory for all new commercial buildings, and government plans envisage using all suitable roof surfaces on private new builds for solar installations. Meanwhile, the process of realizing grid connections and obtaining certifications is to be accelerated. In addition, more areas are to be made available for constructing PV Power Plants, taking into consideration environmental protection aspects. Germany's new government also plans to involve local and neighboring authorities more when it comes to value creation for PV Power Plants on existing sites and to make participation obligatory for new installations. This is to foster acceptance of large ground-mounted PV installations.

Reducing electricity prices and advancing the hydrogen strategy

Habeck also emphasized that the new German government plans to lower electricity prices to create a framework for more renewable power at competitive prices. This aims to make heat pumps and e-mobility more attractive and to promote sector coupling. The EEG levy is to be partially funded from the federal budget as early as this summer (at the latest by January 1, 2023), effectively lowering electricity prices for consumers.

Another ambitious project of the new government is revising the national hydrogen strategy in 2022 to double the production of hydrogen generated from renewable sources of energy, including photovoltaics and wind energy, compared to previous plans. The government wants to set up additional incentive programs to achieve this.

50 percent renewable heat

Another focal point is climate-neutral heat supply, with 50 percent to be generated from renewable sources of energy by 2030, for example by using heat pumps and decarbonizing heat networks. In this context, the government and minister Habeck aim to increase existing funding for efficient heat networks and to create a legal and financial framework for carbon contracts for difference, making them a vital tool for promoting climate-neutral industry production.

A boost for PV-related business models

Habeck would like to launch legislative packages aimed at implementing the measures as early as Easter and the summer of this year as part of an immediate climate protection program. Overall, this will further strengthen the economic viability of solar power generation in various areas of application and give an added boost to new photovoltaics-related business models. These may be long-term power purchase agreements (PPAs) or citizen participation models for photovoltaic systems as promoted by many municipal utilities in recent times.

"The new German government appears to have recognized that solar energy is crucial to unlocking a solution for the climate crisis. The industry has high expectations for them and hopes for a rapid solar energy roll out in Germany," says Carsten Körnig, CEO of the German Solar Association (BSW-Solar).

The industry meets at Intersolar Europe 2022

On May 11–13, 2022, Intersolar Europe, as part of the innovation hub The smarter E Europe, will take to the stage right on cue: "The new German government is ambitious when it comes to climate and environmental protection. As a result, the solar industry and the entire new energy world are getting the attention they deserve," says Horst Dufner, Head of The smarter E Europe. The organizers of the world's leading exhibition for the solar industry can feel how dynamic the market has become – over 90 percent of the exhibition space at The smarter E Europe 2022 has already been booked. The Intersolar Europe Conference will take place at the ICM Munich on May 10 and 11, 2022, and will also focus on dynamic developments in the German and international PV market.

In good company: PV market leaders at Intersolar Europe 2022

The leading PV companies working in cell and module production will once again be flocking to Intersolar Europe in Munich to rub shoulders with all the major industry players. The [exhibitor list](#) provides an overview of the exhibitors.

Intersolar Europe Conference – German and European PV market:

- May 10, 2022, from 11:30am to 1:00pm, room 14 A: A Solar Deal for Europe – Strategies & Trends to Decarbonize the Continent with Solar Power
- May 10, 2022, from 2:30pm to 4:00pm, room 14 A: European PV Markets 1: Everything Investors Need to Know About Europe's Largest Solar Markets
- May 10, 2022, from 4:30pm to 6:00pm, room 14 A: European PV Markets 2: A Close Look into Europe's Emerging Solar Stars
- May 11, 2022, from 9:00am to 10:30am, room 14 A: European Solar Manufacturing 1: Learning from the Success of Europe's Balance of Systems (BOS) Manufacturers
- May 11, 2022, from 11:00am to 12:30pm, room 14 A: European Solar Manufacturing 2: Establishing a Silicon Supply Chain in Europe
- May 11, 2022, from 2:00pm to 3:30pm, room 14 A: High Level Industry Forum: The European Solar Strategy – Discussing Europe's PV Sector Plans from a Business and Geo-Political Perspective

For more information, please visit:

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