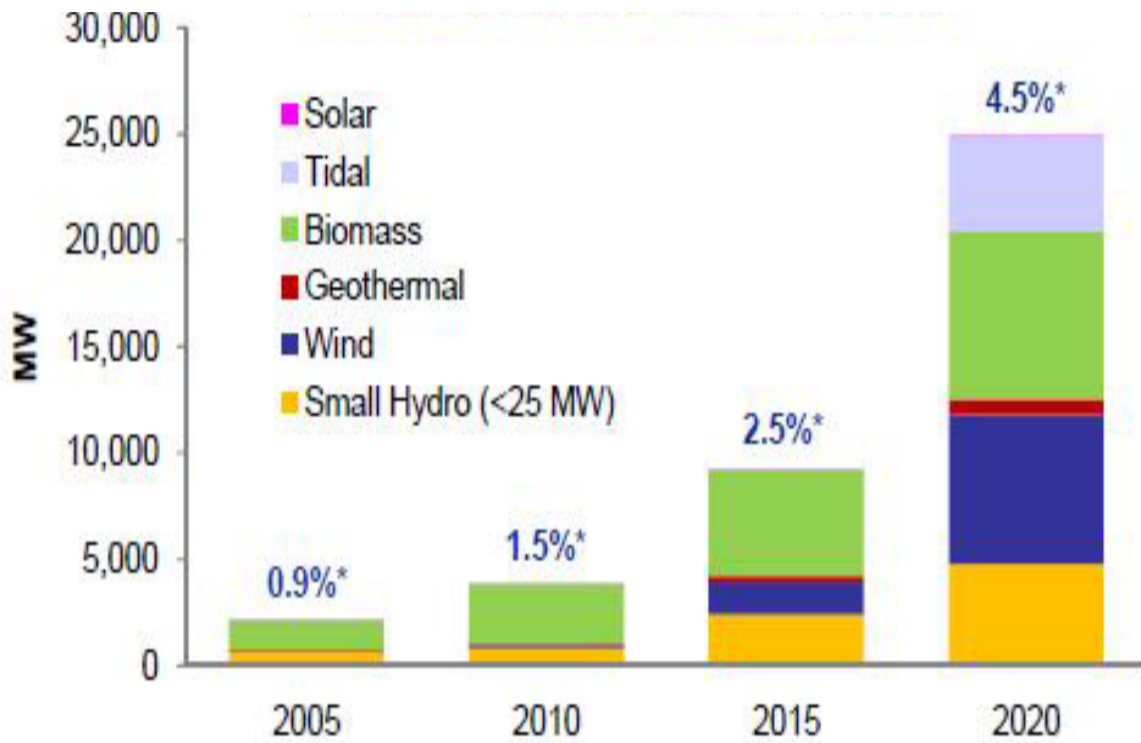


Waiting for wind of change

Russian quest for alternative energy



• The targets for Russia's renewable installed capacity seem to be rather modest. The Russian wind energy market is still in the egg, whereas the world market growing at the rate of 25% annually.

€50

billion – the volume of the world wind power market in 2009. The Russian market can only dream of such figures in the next few years.

NATALIA KARBASOVA

Wind energy market in Russia promises big deals for international investors. However, the country's huge wind potential hasn't been used on a large scale so far. The situation may change in 2010, after legislation on feed-in tariffs comes into force.

The wind energy market in Russia may have a turnover of €7-8 billion by 2015 (which amounts to around 4 gigawatt capacity) if its potential is exploited to the fullest, forecasts Head of the Russian Wind Energy Association Igor Bryzgunov. But until today, the wind power capacity of the country is limited due to the lack of tariff regulation: However, the unused potential is likely to turn into a promising perspective both for Russian and foreign investors this year already. Introduction of tariffs should boost the development of renewable energy. They

will regulate a price markup for renewable energy and compensate the costs of technological connection to electricity networks. When the feed-in tariffs come into force, the market may start developing at an increasingly fast pace, stresses Konstantin Dunaev, project development manager

“The market is attractive due to its future potential”

of Greta Energy Russia. Six companies are developing wind energy projects in Russia. In the next five years they plan to put several wind parks into operation, with total capacity of six thousand megawatt. Krasnodar Region which is hosting the Olympics 2014 is one of the most promising

areas for the development of wind energy projects. “The region is particularly suitable due to its wind potential, energy deficit and high level of economic development which has also been recognized by such international companies as Vestas and Siemens”, underlines Andreas Täuber. Thus, the Danish Vestas plans to invest around 1,5 billion euros into a 1000 megawatt project in the area. “At the moment the market is only attractive due to its future potential”, says Andreas Täuber, General Manager of the German “Commit Jug” company promoting “green” energy projects in the South of Russia. According to Täuber, it will still take some time until big projects will be implemented. Although German companies want to position themselves on the market already today, they have a clear idea that nothing will be done immediately.

www.rawi.ru/en
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• Stefan Gsänger: “All renewable energy sources will play a role in the future. But wind energy can become the cheapest one”.

“Russia has no more time to lose”

NATALIA KARBASOVA

Stefan Gsänger, Secretary General of World Wind Energy Association (WWEA) is sure Russia can become one of the world's leading markets in case it starts developing wind energy sources right away.

– Mr. Gsänger, how do you see the perspectives of the Russian wind energy market?

Well, each time I'm flying to Asia above the Siberia and see the endless forests, I can clearly imagine how bio energy could be used on these enormous spaces. Russia could retain its role of energy supplier for Europe and even extend it by using these resources. But first you need to find people, pioneers who will bring a little bit of idealism with them in order to be able to change things. Russia is just at the beginning.

– Could Russia compete with a developed German market, for instance?

Today, densely populated Germany exploits 26 thousand megawatt of wind energy - energy - and there is still a lot of untapped potential. It's clear that Russia, which is almost 50 times bigger, could easily exploit at least 50 times more wind energy which will account for 500 thousand megawatt. It would be no problem to

supply the whole Russia with this energy. The problem is, the Russian government has done almost nothing so far to support the development of the wind energy sector. Russia should follow the suit of other oil and gas producing countries like the United Arab Emirates which acknowledged that the future is not in oil or gas but in renewable energy and make up for lost time. Anyway, the longer Russia waits, the more it is possible that the wind energy market will be occupied by somebody else. – Sounds pessimistic. Is it possible for Russia to turn into a leading wind energy market at all?

I don't think Russia will take a leading position in the short- or middle-term perspective, that is, not in the next 5 years anyway. For instance, China needed 4-5 years to come to the top of world wind energy producers. In Russia, which isn't so centralized as China, this process will undoubtedly take longer – also because the leaders in wind technology have made further progress in the meantime. The longer you wait, the longer it will take to get to the top. But if Russia starts to improve things in the sector right away, the process could take 5-10 years.

www.wwindea.org

WIND ENERGY TO RULE THE WORLD



- Annual return on investment in wind energy sector is 7-8 %.
- Wind power could provide 25% of energy worldwide by 2020 (forecast of German Wind Energy Association)
- Of all alternative energy sources, wind energy has one of the biggest potentials