



NEWS RELEASE

for more information please contact Luisa Colasimone
T: +32 2 546 1981 M: +32 485 145 411 www.ewea.org

Wind energy: helping to build European energy independence

Brussels, 26th May 2005 – European energy imports are predicted to rise from 50% today to 70% by 2030. Wind energy is one of Europe's largest indigenous energy resources and it can help to build European energy independence, according to the EWEA, the European Wind Energy Association.

Already today, wind power installed in Europe is saving over 50 million tonnes of CO₂ every year. On current trends, wind energy can save more than 100 million tonnes of CO₂ p.a. across Europe by 2010, delivering more than 30% of the EU's total Kyoto Protocol obligation and generating power equivalent to the needs of 34 million European households.

"Wind power has no resource constraints; the fuel is free, endless. Wind power stations can be constructed and can deliver power far quicker than other conventional sources, with no import dependence and no fuel price risk. In terms of carbon delivery, wind energy is outperforming many other proposed solutions", said Corin Millais, EWEA CEO.

"It is a widely stated truism that there is no silver bullet in the quest for climate solutions. However some bullets pack a deadlier punch", said Millais. *"Wind energy is an advanced technology which can cut carbon and help to meet growing electricity demand. Wind power is one of the few energy supply technologies that has the maturity, clout and global muscle to deliver deep cuts in CO₂. The competition for climate change solutions - like the earth's climate - is hotting up. Wind energy needs to remain at the forefront of technical and policy innovations".*

The key role of renewable energies like wind power in tackling climate change is acknowledged. The recent European Environment Agency (EEA) assessment on greenhouse gas emission trends in Europe, for example, concluded that *"the promotion of renewable energy has the greatest impact on emissions in most EU Member States for both implemented and planned policies"* (1). The International Energy Agency, IEA, estimates that the EU will need to build 766GW of power stations by 2030 in order to cover new demand and for replacement of older generation. The investment choices made now will determine the level of emissions of carbon dioxide for many decades.

Emissions trading on the other hand won't be a short term boost for wind energy. The price of a CO₂ allowance is unlikely to ever reflect the external costs associated with pollution and emissions of conventional power. Because allowances are allocated for free to existing polluters, most carbon based electricity is not covered. The cost of an emission allowance applies to the marginal unit of electricity, raising the market price for all kWh produced. So fossil power producers will receive the higher price for each

kWh they produce but costs for emitting CO₂ will only apply to the very small share of kWh that does not benefit from free allocation. It is estimated that this could result in profits for power generators of €11-12 billion per year. Auctioning all carbon credits is the only fair market way to allocate costs. Precisely how the ETS will impact on the business strategies of all utilities remains to be seen over the next few years.——

Notes to Editors:

(1) *Greenhouse gas emissions trends and projections in Europe 2004*, European Environment Agency, 2004.

According to EEA analysis, *“the largest emissions savings for the EU-15 are projected to be from renewable energy policies, followed by the landfill directive”*.