

DIRECTION

THE FUTURE OF WIND



Vestas and MHI seek to accelerate their overall growth journey by integrating onshore and offshore platforms and leveraging Vestas' strengths in both segments. (Courtesy: MHI Vestas Offshore Wind)

Vestas, MHI strengthen partnership in sustainable energy

Vestas Wind Systems, a world leader in sustainable energy solutions, and Mitsubishi Heavy Industries, Ltd., a leading global manufacturing and engineering firm, have signed an agreement to expand their partnership in sustainable energy.

The strengthened partnership entails that Vestas will acquire MHI's shares in the MHI Vestas Offshore Wind (MVOW) joint venture and MHI will acquire 2.5 percent in Vestas and be nominated to a seat in Vestas' Board of Directors.

Through the strengthened partnership, Vestas makes an emphatic long-term move in offshore wind energy to become a leading player in offshore wind by 2025 and to expand the two companies' overall leadership in sustainable energy. A new offshore wind turbine platform will also be imminently introduced to improve efficiency and drive the levelized cost of energy further down. The companies also aim to meet customer needs across a wider range of the value chain and increase their global leadership in sustainable energy solutions. To that end and underlining the long-term goal of the agreement, Vestas and MHI will also plan for collaborating in green hydrogen as well as a joint venture in Japan to secure accelerated growth for onshore and offshore wind energy.

"Vestas is the leader in onshore wind, but to accelerate the energy transition and achieve our vision, we must play a larger role in offshore wind," said Henrik Andersen, group president and CEO of Vestas. "On behalf of all of Vestas, I'm therefore very excited that Mitsubishi Heavy Industries shares Vestas' vision to become a leading player in offshore wind energy in the long term and will strengthen our partnership by becoming a large shareholder and part of Vestas' Board of Directors. Offshore wind is key to creating a sustainable planet for future generations and offers unique growth, and with (this)

announcement, we underline that we want to be an integral part of both."

"We are very pleased to be able to expand our cooperation and collaboration with Vestas, now more than ever, under the backdrop of increasing need for cleaner and more economical energy worldwide," said Seiji Izumisawa, president and CEO of MHI. "We will continue to strengthen business cooperation by leveraging our respective strengths to support the growth of clean energy around the world, especially in Japan."

In Japan, the two companies will establish a joint venture for sales of onshore and offshore wind-power turbines, and Vestas will, as part of the collaboration, plan for establishing parts of its regional supply chain and production in Japan should market volume and cost-competitiveness allow.

The demand for offshore wind energy has accelerated in recent years and is expected to reach about 25 GW per year by 2030. This development is driven by a 67 percent decline in levelized cost of offshore wind energy since 2012 and growing applicability of offshore wind energy, which is mainly driven by high system value, proximity to load centers, better permitting, and public acceptance, as well as large-scale Power-to-X solutions, an area in which MHI has particular expertise and can contribute to across the value chain.

Through the agreement, the two companies seek to accelerate their overall growth journey by integrating onshore and offshore platforms and leveraging Vestas' strengths in both segments. Specifically, this entails a stronger integration between onshore and offshore technology and modular frameworks.

"On behalf of Vestas, I look forward to welcoming Kentaro Hosomi, CEO, Energy Systems, MHI, to our Board of Directors," Andersen said. "We hope to benefit from his visionary and strategic mindset as we seek to create a

more sustainable planet for future generations."

Vestas' planning of the expected integration of MVOW into the Vestas group will commence immediately and run until transaction closing, focusing on synergies in sales, technology, manufacturing footprint and procurement to sustain customer relationships, lower costs, and building a strong shared Vestas culture. Until transaction closing, the executive management of MVOW will consist of Johnny Thomsen, CEO of MVOW; Tatsuchi Honda, co-chief executive officer and chief financial officer of MVOW; Kentaro Hosomi, deputy chairman of MVOW and CEO, Energy Systems, MHI; and Andersen, chairman of MVOW and group president and CEO of Vestas.

On a stand-alone basis, MVOW is expected to report a consolidated revenue for 2020 of approximately 1.4 billion euros, with an EBIT margin of about 4 percent.

Closing of the transaction is expected to take place within either the fourth quarter of 2020 or the first quarter of 2021.

MORE INFO www.mhivestasoffshore.com

Deutsche WindGuard doubles volume of technical due diligence

In the first 10 months of 2020, Deutsche WindGuard evaluated more than 1,600 wind turbines with a total capacity of more than 3,800 MW in the course of technical due diligence projects. Several large volume orders from investors, energy utilities, and project developers brought entire wind-farm portfolios consisting of planned and operating projects in Germany, France, Turkey, and Taiwan into the focus of the experts from Varel.

Deutsche WindGuard has thus



At Deutsche WindGuard, practical inspections are part of the technical due diligence project review if desired. They help to ensure a realistic assessment of the current technical condition and the potential for continued operation of the wind turbines. (Courtesy: Siedentorp/Radiusmedia/Deutsche WindGuard)

more than doubled the volume of its technical due diligence services in comparison to the previous year.

“I am particularly pleased that we were able to convince both national and international players of our service quality,” said Leif Rehfeldt, head of Business Development, looking back on the successful year. Deutsche WindGuard has experienced experts and up-to-date know-how available for all aspects of a technical review — from securing areas to approvals and site certificates, contracts, finances, and insurances to the assessment of energy yields and lifetime extension potential.

In order to evaluate the condition of the existing wind turbines realistically, Deutsche WindGuard also conducted local inspections as part of the above-mentioned reviews. One of the main tasks was to assess the existing turbines’ potential for continued operation. The customers were especially interested in the profitability of a continued operation, taking into account the current technical condition and anticipated repair requirements.

“Our many years of experience in the field of project reviews, combined with the knowledge gained from practical inspections and lifetime assessments from one single source convinced our customers,” said Niels Erdmann, head of Technical Due Diligence Projects at Deutsche WindGuard.

As one of the most comprehensive service providers in the wind-energy industry, Deutsche WindGuard is ideally positioned for the technical inspection and evaluation of investments — from individual wind farms to entire project portfolios or pipelines, onshore and offshore — and offers clients a solid basis for their investment decisions.

“I am looking forward to accompanying our customers in further exciting projects,” Rehfeldt said.

He said he is convinced of the company’s continuous success in the field of technical due diligence. The total volume of all due diligence projects reviewed by Deutsche WindGuard to date amounts to more than 17.3 GW.

MORE INFO www.windguard.com

WRISE welcomes four industry leaders to board of directors

Women of Renewable Industries and Sustainable Energy (WRISE) recently announced that Becky Diffen, Lan Adair Sasa, Daniela Toleva, and Yoomin Hong have joined the organization’s board of directors. These new board members represent the renewable industry at-large and bring new perspectives and expertise to support the growing programs now offered across the full spectrum of renewable energy.

“Our work to build a strong diversified workforce and support a robust renewable energy economy has never been more important,” said Kristen Graf, executive director of WRISE. “Renewable energy has a role to play in the pending economic recovery, but in order to be successful, we need a wide variety of great minds, ideas, talents, and voices at the table. These new voices joining our team will keep this important work moving with their fresh and innovative ideas.”

Joining WRISE’s Board of Directors:

▼ **Becky Diffen:** partner at Norton Rose Fulbright.

▼ **Yoomin Hong:** managing director, head of North America Renewables Investment Banking, Goldman Sachs.

▼ **Lan Adair Sasa:** vice president, Re-



Yoomin Hong



Becky Diffen



Lan Adair Sasa



Daniela Toleva

newable Energy Investments, U.S. Bank.

▼ **Daniela Toleva:** vice president, Renewable Power Group, BlackRock.

The organization continues to grow and offer programs focused and adapted for a virtual environment. Hundreds of members recently signed up for the 2020 Peer Group Mentoring program and Fellowship programs focused on emerging renewable leaders took place online. Annual in-person events hosted in coordination with leading industry events such as CLEANPOWER and North American Smart Energy Week have transitioned to successful virtual networking events and planning for the 2021 Virtual Leadership Forum that will be February 15-18 is underway.

MORE INFO wrisenergy.org/about-wrise/leadership/board

International policy adviser to work with IceWind USA

IceWind USA, the North American sales and development arm of Iceland's site-installed vertical axis wind turbine company, has engaged noted international business and policy adviser Robert William Gerber to work with its team on maximizing turbine business development with governmental, military, and industrial customers.

Gerber spent more than a decade with the U.S. State Department serving at U.S. Embassies in Kabul, Paris, and Washington, D.C. His most recent posting was as the Political and Economic Counselor at the U.S. Embassy in Reykjavik, Iceland. There he managed a five-person unit that produced high-value policy recommendations and implemented strategic initiatives to strengthen cooperation in areas of Arctic security, renewable energy, science, and U.S.-Iceland trade. While there, he also assumed the role of Acting Deputy Chief of Mission at the embassy.

“When Robert agreed to work with



Robert William Gerber.
(Courtesy: IceWind USA)

us an adviser, we couldn't have been more thrilled,” said IceWind USA President Daryl Losaw. “Robert brings a wealth of government, military, and industrial contacts, as well as a deep understanding of our Icelandic roots, and how to best bring Icelandic and American companies together for maximum success.”

Gerber is also looking forward to bringing IceWind's turbines to American customers

“In Iceland I saw the amazing applications these turbines are capable of and I'm excited to apply my experience in commercial advocacy and knowledge of government affairs to expand the footprint of this sustainable, renewable energy technology across North American and worldwide,” he said.

IceWind launched their residential Freya turbines for pre-order earlier this year, and are launching their commercial Njord turbines in the fourth quarter 2020. The Njord commercial models are ideal for many applications — powering telecommunications towers, electricity for outdoor advertising (lighting, mechanical features), replacing generators used at construction sites and other remote offices, and more. The beauty of IceWind's products is how sustainable and hardy they are in challenging conditions. Unlike the diesel generators currently used in these applications, they never need refueling, rarely need maintenance, and have no carbon footprint. ✎

MORE INFO www.icewindusa.com



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