

DIRECTION

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Acciona acquires additional stake in Ontario wind farm



The Ripley Wind farm. (Courtesy: Acciona Energy)

Acciona Energy, a leading global operator of renewable energy projects, announced that Acciona Energy International (AEI), through its Canadian subsidiary, has acquired 50 percent of the 76 MW Ripley Wind Farm from Suncor Energy Inc. Suncor and Acciona built the Ripley Wind Farm as a joint venture in 2007. With the acquisition, AEI becomes the wind farm's sole owner and operator.

The Ripley Wind Farm is near the eastern shore of Lake Huron and generates enough electricity to power 24,000 homes. The facility has a 20-year power purchase agreement in place with the Independent Electricity System Operator.

Acciona operates wind energy projects across Canada, from the Lameque Wind Farm in New Brunswick to the Chin Chute and Magrath wind farms in Alberta. These wind farms represent a total of 181 MW of capacity, 141 MW of which will be owned by Acciona after the Ripley acquisition. The company also supplied construction and operations services for the 102 MW South Canoe wind farm, the largest wind project in Nova Scotia. ↵

Source: Acciona Energy

For more information, go to www.acciona.com

Maritime wind energy set to meet Massachusetts' renewable energy needs

The Canadian Wind Energy Association (CanWEA) commended Emera Inc. and several wind and hydro partners for their submission of a proposal in response to a call for tenders issued by Massachusetts utilities in an effort to supply the state with an additional 9.45 TWh of clean energy by 2022. The proposal includes plans to build seven new wind-energy production facilities, five in New Brunswick and two in Nova Scotia, for a total generating capacity of almost 1,200 MW.

The submission of these projects serves to further demonstrate the maturity and affordability of Canadian wind energy — which is well positioned to play a major role in the state's energy transition. Wind energy allows hydroelectricity producers to improve their offering in Massachusetts by granting them access to Class I Renewable Energy Credits. Given the Maritimes' excellent wind resource and the willingness of dozens of its communities to host wind farms, Maritime wind energy can be a cost-effective contributor to any proposal.

"Developing these projects required major investments from participating firms, which goes to show how seriously the process is being taken," said CanWEA Vice President Jean-François Nolet. "If these projects are contracted, New Brunswick, Nova Scotia, and host communities



Wind energy allows hydroelectricity producers to improve their offering in Massachusetts by granting them access to Class I Renewable Energy Credits. (Courtesy: CanWEA)

would see major benefits."

CanWEA extends congratulations to participating wind-energy developers — wishing them all the best in the next phase of the process — and acknowledges the close cooperation of Emera and other partners. Emera's submission is in addition to Hydro-Québec's submission that has multiple scenarios with options for wind energy. Together, these bids demonstrate

that Canadian wind energy can be part of the solution in Massachusetts' effort to reduce greenhouse gas emissions from its electricity consumption.

The proposals will now undergo evaluation, which will continue until January 2018. ↴

Source: CanWEA

For more information, go to www.canwea.ca

North Carolina wind moratorium signed into law

North Carolina Gov. Roy Cooper recently signed HB 589, a consensus stakeholder bill for the solar industry that also included an 18-month moratorium on the North Carolina Department of Environmental Quality issuing any permits for a wind-energy facility, a last minute addition from Senate Majority Leader Harry Brown (R-Onslow). In addition to the

moratorium, HB 589 also directs an outside consultant to study any impacts wind energy may have on the military and create maps showing those impacts.

"The passage of HB 589 with an 18-month wind moratorium is incredibly disappointing for the state of North Carolina," said Katharine Kollins, president of the Southeastern Wind Coalition. "This moratorium

jeopardizes hundreds of millions of dollars in private investments in some of the most rural communities in the state, which rarely have access to these kinds of projects. The fact that Sen. Brown needed to hijack an unrelated piece of solar legislation that enjoyed broad support from industry and utilities to continue his misguided attack on wind energy shows just how unpopular this policy is. Without further action from the state of North Carolina to support wind energy, this moratorium sends a strong signal to the wind industry that these projects are not welcome in the state.

“As we move forward, we will continue to educate the citizens and elected officials in North Carolina on the effectiveness of the current Department of Defense permitting process, which ensures no wind project that interferes with military operations will ever be constructed. We will also look for North Carolina to take decisive action to demonstrate to the industry that, despite this moratorium, North Carolina is open for business.”

North Carolina currently has one operating wind farm, the 208 MW Amazon Wind Farm U.S. East project in Perquimans and Pasquotank counties that was developed by Avangrid Renewables. This project would be unaffected by the moratorium. However, proposed projects by Apex Clean Energy, a 300 MW project in Chowan and Perquimans Counties, and RES America, a 130 MW project in Tyrrell County, would be prohibited from obtaining permits under the moratorium. ↴

Source: Southeastern Wind Coalition

For more information, go to www.sewind.org



The DTU Risø Campus is on the Risø peninsula about 40 kilometers west of Copenhagen, Denmark. (Courtesy: Moog)

Moog picked for testing wind-turbine blades

The Industrial Group of Moog Inc., a motion-control product, solution, and services provider, has signed a contract with the Technical University of Denmark (DTU) to make Moog the prime supplier of

test equipment and services for the university’s large-scale test facility.

The test facility at DTU’s Risø Campus will conduct static and dynamic tests of wind-turbine blades. The facility will have



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three test stands capable of delivering static deflection testing and dynamic (directly coupled and mass resonant excitation) testing of wind-turbine blades measuring 45 meters, 25 meters, and 15 meters long, and the flexibility to test other large structures.

The Moog system is an integral part of DTU's plan to establish a unique research facility that meets the highest international standards and will enable DTU to develop and provide advanced testing methods and research about the

strength and fatigue of large structures when exposed to complex loading.

Moog will supply a test system including hydraulic actuation (i.e., winches, linear actuators, and mass resonant excitation units), closed-loop servo control, hydraulic power and distribution pipe work system, project management, design and modeling, installation, and commissioning services backed with long-term service and support.

"We chose Moog as our equipment provider because its engineer-

ing and sales teams were very diligent throughout the tender process to deliver the best technical solution within budget," said Dr. Kim Branner, senior research scientist and head of the structural design and testing team for DTU Wind Energy.

Moog expects the system to be operating in the fourth quarter of 2017. ↵

Source: Moog

For more information, go to www.moog.com

Siemens Gamesa speeds up its integration process

At the end of July, Siemens Gamesa Renewable Energy released its third-quarter of fiscal year 2017 results¹ (from April to June 2017).

During this period, the company has accelerated its integration program. The announced synergies of 230 million euros are now the 'minimum,' and the company expects to realize these synergies in year three, one year earlier than previously announced.

"We are highly satisfied with the progress to date in integrating the two companies," said Markus Tacke, CEO of Siemens Gamesa. "Things are progressing at a rapid rate; our company is ready to compete and lead in a growing and challenging market."

Regarding the financial performance, in the third quarter of fiscal year 2017, Siemens Gamesa Renewable Energy's revenues amounted to 2.693 million euros, down 7 percent year-on-year, while underlying EBIT³ came to 211 million euros (-21 percent) with the margin at 7.8 percent. These results were affected by specific onshore market conditions, including the temporary suspension of the Indian market. Stripping the impact of India, revenues were up 1.6 percent with a strong 8.6 percent growth in underlying EBIT margin.

Siemens Gamesa key figures April-June 2017² (vs. Apr.-Jun. 2016):

FIGURES IN EUROS

- Revenues: 2.693 million (-7%)
- Sales: 1.950 MW (-25%)
- Underlying EBIT³: 211 million (-21%)
- Underlying EBIT margin: 7.8% (-1.3%)
- Underlying net profit: 135 million
- Net cash: 236 million

COMMERCIAL ACTIVITY AND PROFITABILITY

In the third quarter, revenue from the sale of wind turbines decreased by 9 percent to 2.393 million euros, reflecting lower sales volumes of 1.950 MW (-25 percent), as a result of temporary market conditions in the onshore business, as well as normal business volatility in the offshore market. In India, the market shut down pending a revamp of the auction system, which is expecting to normalize by the first quarter of fiscal year 2018.

Overall, the company expects an improvement in the renewable energy sector. Demand prospects remain positive; emerging markets continue to play a particularly important role, and the renewal of auctions is reactivating mature markets — for example, Southern Europe — and activating new markets such as Argentina and Russia. Excluding China, the global market demand for installations is expected to increase by 8 percent from 36 GW in 2017 to 45 GW in 2020.

Siemens Gamesa continues to lead the offshore segment having installed 10 GW, nearly 70 percent of the global offshore fleet and anticipates strong growth of more than 24 percent annually in offshore installations until 2020. The medium term prospects remain positive with an agreement reached this quarter with Dong for the construction of the Borssele 1 and 2 wind farms, involving 94 turbines (756 MW) to be commissioned by the end of 2020.

The O&M service revenue expanded by 8 percent to 300 million euros with an underlying margin of 16.7 percent. The fleet under maintenance continued to grow, reaching 54 GW worldwide (+13 percent).

In this specific market context, Siemens Gamesa obtained 135 million euros of underlying net profit between April and June, equivalent to 0.2 euros per share. Underlying EBIT³ declined 21 percent to 211 million euros while the underlying EBIT margin was constant at 7.8 percent. These figures were also affected by the disruption in business activity in India, which is expected to normalize by the first quarter of fiscal year 2018.

The company continues to strengthen its balance sheet and ended the quarter with a net cash position of 236 million euros.

NEW ONSHORE CEO

Ricardo Chocarro was named CEO of the company's onshore business. For the past 18 years, Chocarro has held responsibilities at former Gamesa and since 2013 has served as CEO of the Europe, Middle East, and Africa (EMEA) business.

"I am honored to be appointed for this responsibility," Chocarro said. "We already play an important role in the global onshore renewable energy marketplace. I am convinced that we are prepared to lead the sector and take advantage of future growth."

Chocarro has replaced Xabier Etxeberria, who leaves the company after five years of success and a major contribution to its development. Etxeberria has decided to pursue a new professional challenge.

"It has been a tremendous honor working for this great company during the last five years," Etxeberria said.

MOVING FORWARD

The integration process is confirming the company's huge potential thanks to its bigger scale and global reach: a presence in more than 90 countries, an installed base of 75 GW, and a strong order

book of 21 billion euros. Siemens Gamesa CEO Markus Tacke said the company has "a very strong global presence, underpinned by solid relationships with customers around the world, a global supply chain, and a broad manufacturing footprint. We have some of the most reliable and efficient products in the industry."

All integration efforts are on track. The company is reorganizing departments; taking first steps about product portfolio, supply chain, and manufacturing footprint. In this sense, Siemens Gamesa agreed to integrate Adwen within the group's broader offshore operations, which will allow it to better serve its customers and maximize business opportunities.

The company will announce its new strategic plan on November 15 at a Capital Markets Day. At that time, Siemens Gamesa will provide the product portfolio, the financial targets for fiscal years 2018-2020, as well as a global sales plan and a model for the future supply chain footprint.

REFERENCES

1. Siemens Gamesa's financial year runs to the end of September.
2. Financial data are non-audited pro-forma, based on legacy business reported information including standalone, normalization and scope adjustments for Siemens Wind Power operations, amounting to 29 million euros. Adwen is fully consolidated.
3. Data exclude integration costs for 36 million euros and PPA for 124 million euros at EBIT level and 87 million euros at net income level (net of taxes) ↘

Source: Siemens Gamesa

For more information, go to www.siemens.com

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