

# Energy and industry: two sides of the same coin?

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# Solar energy: a key ally for a climate neutral chemical industry

- Solar is **one of the cheapest electricity sources**: USD 5ct/kWh in 2019 according to IRENA.
- **Europe has a large untapped potential**: Europe could technically and cost-efficiently deploy at least 7,7 TW of solar by 2050 (SolarPower Europe 100% Renewable Europe study).
- **Solar-based hydrogen** will be a competitive and climate-neutral fuel & feedstock for industry: RES H2 will see cost decline by 30% by 2030 (IEA), and reach cost parity in next decade (IRENA)



\*: H1 2019 average national price for medium size industrial consumers (without taxes).  
 \*\*: H1 2019 average national price for wholesale baseload electricity.  
 Source: European Commission (2019); Eurostat (2019); Vartiainen et al. (2019).

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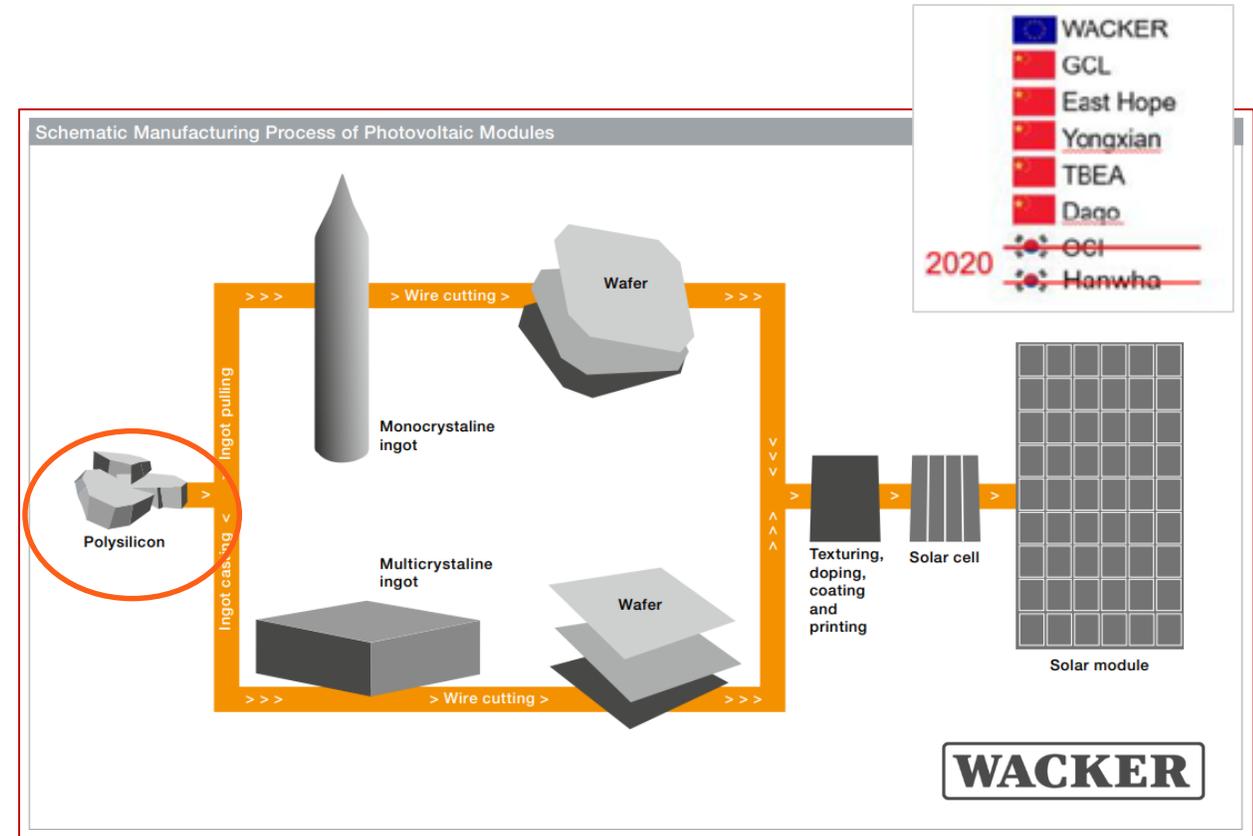
**PV Levelised Cost of Electricity (LCOE )** in six European locations compared to current industrial and wholesale electricity prices, 2019-2050

# Creating synergy: A competitive chemical industry, at the first step of the solar PV value chain

The polysilicon industry is **the first step of the solar PV industrial value chain**.

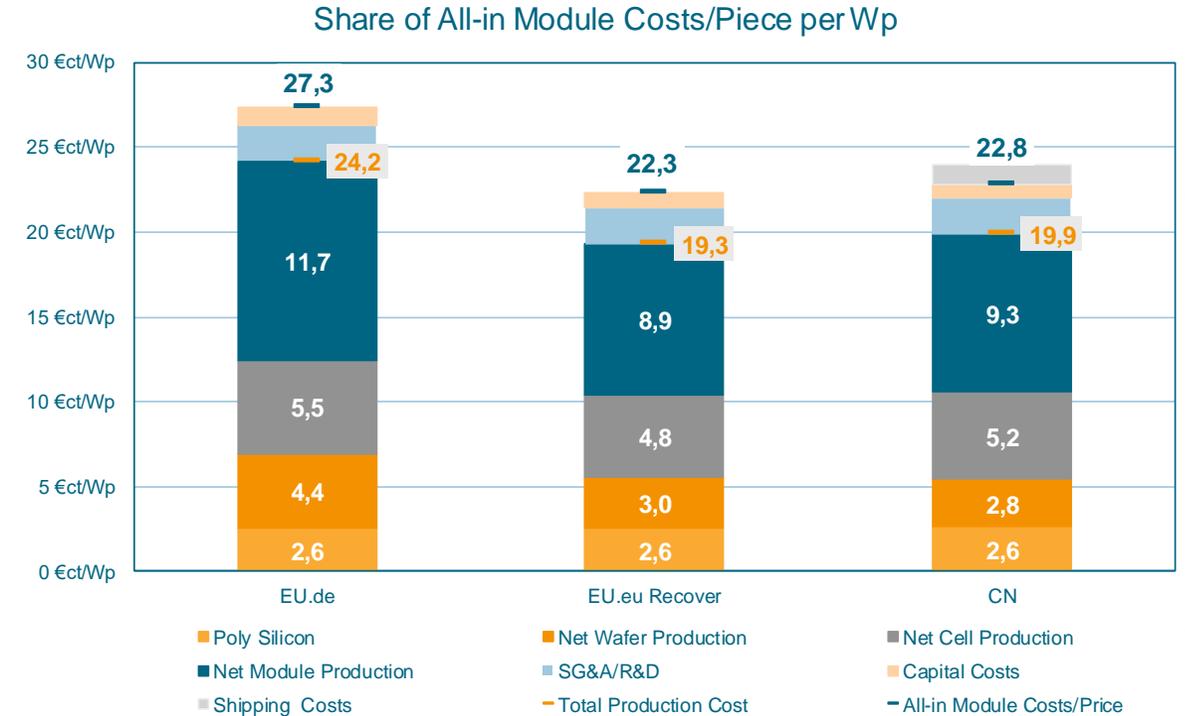
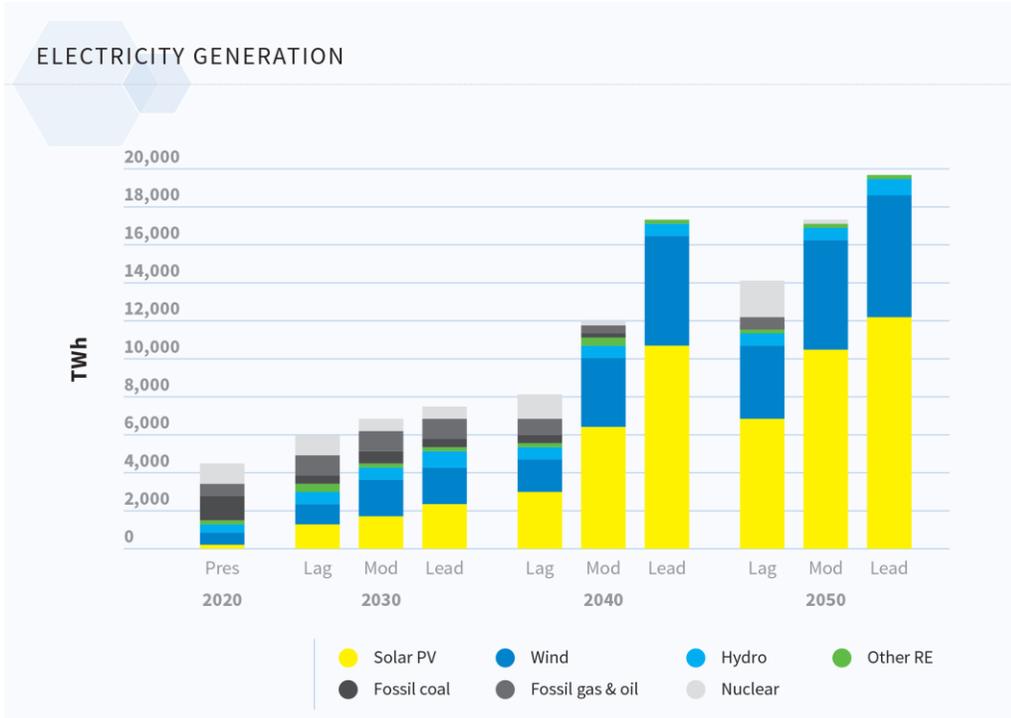
WACKER is the only European manufacturer of **hyperpure polysilicon** in a global market that is heavily under pressure by Chinese dominance.

**By coupling industrial demand with domestic production**, the EU solar industry & PV manufacturing can profit from a growing market and a more cost-competitive solar value chain.



**Polysilicon is the key raw material for manufacturing solar cells.** The production process is very power-intensive, which makes electricity costs a significant competitiveness factor. Source: WACKER Polysilicon

# Developing the solar value chain in the EU is strategic and competitive.



**The industry enters a new phase of investment: 10 projects in the Accelerator, including 5 Gigafactories.**



# “We will need a more strategic approach to renewable energy industries”

A New Industrial Strategy for Europe, European Commission, March 10<sup>th</sup>, 2020

**Europe needs a comprehensive industrial policy for the solar PV industry that combines the synergies across sectors.**

- ✓ Boost the internal market: **Increase EU 2030 CO2 target to at least 55% and adopt more ambitious 2030 renewable energy targets**
- ✓ Ensure a **representation of the PV industry in the Industry Forum and in the Clean Hydrogen Alliance**
- ✓ Identify solar as **one of the Strategic European Investment policy window** in the new InvestEU
- ✓ Create a **top-runner programme on solar manufacturing** (facilitated access to infrastructure and to finance, State guarantees, etc.)



**Thank you for your attention.**