



'Dutch subsidy system should reward shared ownership and creativity'

Greencells shifts focus to smaller solar projects

Developer and EPC company Greencells accounts for a global installed capacity of 2.1-gigawatt peak of solar panels. In the Netherlands, the German group realized an impressive 346 megawatt-peak, primarily as a construction partner in large onshore solar parks. At the moment, however, it is shifting its focus. Chief Executive Officer Andreas Hoffmann: "We are concentrating more and more on small projects featuring cooperation with local energy cooperatives and added value, for example in the form of dual use of space and restoration of nature. That is the future of solar farm development."

Greencells is a young company, only 12 years old. In the solar world, however, it is a dinosaur. The German company was formed from the merger of an installer of residential and commercial rooftop solar systems, and the company of Andreas Hoffmann, the current chief executive officer of Greencells. At the time, he had been active in the construction of utility-scale solar power plants for 2 years.

Huge thump
„With Greencells we were in the front row in an explosively growing market," recalls Hoffmann. At the time, the major solar panel manufacturers in Europe were working at full speed. Many of them were also developers of solar parks. We had the capacity

and the competencies to serve them optimally, partly because we had sufficient workers who we trained ourselves in our education center in Cluj, Romania. This is still a great asset, by the way. The demand was huge. That propelled our international growth - until we got a huge thump. In the years 2012-2013, the European solar panel industry decimated as a result of price pressure from China. With that, they also fell away as our clients. We went along the edge of the abyss, but also managed to get back on our feet."

Shake-out
Not everything is gold that shines in the solar market, partly due to the

volatility of the young market. Greencells experienced that a second time when about 5 years ago government support for solar energy projects was scaled down almost everywhere in Europe; in Germany, Spain, Greece, Italy, France... In some countries the subsidy rates dropped by double digit percents. This caused another huge shake-out in the market. Greencells once again had to hang on tight to survive. „Out of those market disruptions, today's Greencells was reborn as a highly vertically integrated company," says Hoffmann. „We are a project developer, EPC contractor and service provider in maintenance and monitoring. Greencells employs 300 people and is

active in 25 countries. We have hubs in Kuala Lumpur in Malaysia, Charlottesville in the United States, Abu Dhabi in the United Arab Emirates and Saarbrücken in Germany. In short, there is now a powerful organization, both large and broad. It can absorb blows when necessary, for example as a result of Brexit. At the same time, we apply the human measure and keep in mind what we are doing it for; making our planet sustainable."

Compliment
Greencells' total installed solar panel capacity in Europe stands at 1.6 gigawatt peak, in the Netherlands at 346 megawatt peak. In our country, the company is mainly active

In construction of solar energy systems on land, although it is also starting development activities here. Hoffmann therefore followed the recent political commission about „foreign investors who run off with Dutch subsidy money" with much attention and above all with astonishment. He believes the fact that there is so much interest in investing in Dutch solar energy projects should be seen as a compliment. „It underlines that the market is developing well and that the investment climate is interesting. The Netherlands should be pleased; after all, it is not a leader in the energy transition. An acceleration is needed and that requires capital. Whether this comes from the Netherlands or abroad, from commercial parties or institutional investors such as pension funds, makes no difference. Moreover, the realization of a renewable energy system does not stop at national borders. We all have to chip in. The open economy of the EU is an important asset in this."

Farmers and biodiversity
Greencells has so far completed 10 major projects in the Netherlands, including the two largest: solar park Midden-Groningen and solar park Stadskanaal. Big, bigger, biggest is however not the credo for the future. The focus of Greencells is changing. One of the reasons for this is to ensure public support for solar parks. „We are going to focus more on smaller projects in which we work together with local energy corporations and municipalities. Shared ownership is a good way of keeping the ball rolling, certainly in a country where space is a pressure factor. Moreover, it is simply fair to allow citizens to also benefit financially from developments in their neighborhood. It is therefore good that this requirement has been included in the Climate Agreement. But even apart from that, I see it as part of becoming a mature market. This also applies to the realization of large-scale solar energy systems without them coming at expense of other important topics. For example, a solar park can go hand in hand with agricultural activities. We have devised a concept for this, which includes

Greencells in numbers
Realized power pv
Worldwide: 2.1 gigawatt peak
Asia: 53 megawatt peak
America: 4 megawatt peak
Middle East/Africa: 430 megawatt peak
Europe: 1,616 megawatt peak
Realized pv capacity Netherlands
2019: 129 megawatt peak
2020: 217 megawatt peak
In the pipeline: 75 megawatt peak

the use of bifacial solar panels, pv-trackers and sufficient space between solar panels for farming. A solar park can also contribute perfectly to the restoration of biodiversity. For example, we are currently developing projects that include the sowing of wildflowers and grazing by sheep. We would like to roll out this type of concept in the Netherlands in the future. It is the future of development in our sector."

Missed opportunity
The Netherlands is and will remain an attractive market for Greencells. After all, besides Germany, it is the fastest European grower of solar energy. This is partly due to the SDE++ subsidy scheme, which is still favorable for the sector. But Hoffmann also gives a measured opinion in that regard. „Government support will remain necessary in the near future in order to expand pv on a large scale, which is true almost everywhere. In the Netherlands, large renewable energy projects are now assessed on CO2 emissions avoided. You could see that as a missed opportunity, because it encourages the installation of as many solar panels as possible. I think that it is precisely cooperation with local energy associations that should be rewarded. And that also applies to creativity, for example when it comes to fitting in with the landscape, dual use of land and restoration of nature. But of course this is also a task for the industry. Where financial models are under pressure due to additional requirements and new insights, there are also solutions such as hybrid designs, technical innovation, longer payback periods, and running a little less margin."