



The Beatles of energy

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Hello everyone.

Let me just say again how great it is to be here today.

I've recently joined bp to lead its offshore wind business.

That's meant quite a bit of time working in London.

But it's always good to be back in Germany.

Especially here in Hamburg.

I lived here for 5 years.

And when I think about the city, I remember the great people.

The sense of humour.

And the ships coming and going.

Of course, when our industry thinks about Hamburg, it thinks of a centre of gravity for offshore wind.

Where some of our best suppliers, turbine producers and project developers are based today.

When my colleagues in the UK think of Hamburg, they think of something else.

They think of the Beatles.

Not the Sgt. Pepper, Yoko Ono Beatles with beards.

No.

They think of the fresh-faced, mop-haired Beatles in their formative years.

They think of the place where John, Paul and George met Ringo Starr.

They think of where the band created its first single.

And they think of John Lennon - who once said that "the Beatles may have been born in Liverpool, but we grew up in Hamburg."

Lennon knew the importance this city had on their success.

And this got me thinking about offshore wind.

In some ways, offshore wind is the Beatles of energy.

Hear me out!

Offshore wind is pioneering change.

It's shaking up its industry.

And after its formative years in Europe - and also in this city...

Offshore wind is now making its mark on the world.

Hamburg has done for offshore wind as it did for the Beatles.

And today, countries around the world are growing capacity at pace.

In fact, last year was a record for the industry.

A time when more than 20 GW of new offshore wind capacity was connected to the grid, worldwide.

And by the end of this year, Asia will likely be the world's largest offshore wind market...

But... while the global growth in offshore wind should be celebrated.

Together, we need to do more.

The world actually needs to double the rate of offshore wind build-out.

That's to have any hope of meeting the goals set out in the Paris climate agreement.

The good news is that it can be achieved.

But, just as the Beatles needed a great manager to fulfil their potential.

Offshore wind needs its own helping hand. That's where we all come in.

We can turn offshore wind's formative years into formidable ones.

And in turn, get it on track to help the world meet its climate targets.

I want to outline four ways we can do that. Our own fab four, if you like.

Four areas around planning, policy, people and perseverance.

Let's begin with plans.

The good news is that many are already in place.

Most of the world is now in concert on the need to scale up renewables.

And the energy crisis, caused in large part by Russia, has refocused efforts.

We've seen that in the US with the inflation reduction act.

Seeking to create important incentives for clean energy and equity-centred environmental investments.

We've seen it in Europe with increased public support

Paving the way for further investment in infrastructure needed to support the energy transition.

And we've seen it for example here in Germany this summer, with reforms of the Renewables Energy Act.

Pledging that wind and solar power will make up 80% of electricity production by 2030 – up from 42% today.

And a vow to expand Germany's offshore wind energy to 30 GW by 2030.

And up to 70 GW by 2045.

Businesses are also taking action.

For bp's part, we are very serious about offshore wind.

In fact, we aim to be a leader in the field.

That's why I wanted to join the company.

I see the potential for what we can achieve.

In 2020, bp entered the world's fastest-growing offshore wind market in the US.

Last year, we entered Europe's largest market in the UK.

And this year, we've strengthened our position in the UK while seeking new opportunities in other markets.

It means that in just 2 years we've gone from a pipeline of zero to an expected generation capacity of more than 10 GW, working with our partners.

By 2030, our ambition is to deliver 50 GW of renewable energy.

Centre stage to this effort will be wind energy projects.

While it is true that we don't have a big history in offshore wind.

We do have many things in our favour.

We have decades of experience executing large civil engineering projects.

Safely.

On time.

And on budget.

We know how to work in challenging offshore environments.

How to put together complex supply chains.

And work closely with local partners and governments.

Not just in a handful of locations.

All around the world.

Day in, day out.

365 days of the year.

Planning for offshore wind growth is important, of course.

But getting projects off the ground takes time.

Too long in many instances.

This is where policy can help - my second point today. Page Break

The world doesn't have the luxury of waiting years for offshore wind projects to start producing energy.

So, we need governments to get behind wind.

They can create efficient permitting processes and effective tender designs.

They can simplify grid build outs and legislation.

And they can reduce bureaucracy for the licensing and construction of renewable plants and grids.

Here we see that the German government has promised to do just that.

With a plan to decentralize and centralize tenders.

And a hope that this will ease the burden on the government to manage the consenting for all sites.

We wait with interest to see how effective this new format is.

Current cost developments, especially high inflation is also a challenge to industry – and the world – right now.

At a time when margins are squeezed, I would argue there is also a need to think about how to invest and to increase supply chain capacity.

Greater offshore wind build out is only possible if returns are also achievable across the supply chain.

Auction tariffs should be indexed to reflect this.

So, planning is important.

And so too is policy.

Having the right people in place is also vital – my third point.

It will take a team effort to further accelerate the growth of offshore wind.

And like the Beatles, at bp we get by with a little help from our friends.

Great people in wind like EnBW in the UK.

And thyssenkrupp Steel and Daimler looking to decarbonise heavy industry and mobility here in Germany.

And it is not just companies.

We enjoy great relations within countries.

And I can tell you first-hand, the great affection bp has for its business and history in Germany.

It's Germany where we operate Europe's second largest refinery system.

And our Lingen refinery where we hope to soon produce green hydrogen.

It's Germany where we are the market leader in energy lubricants.

Through our Castrol heritage brand.

It's Germany where we are the leading network of petrol stations.

And have a growing network of EV ultra-fast charging stations.

And it's Germany where 4,000 of our employees work.

And where they call home.

And we will have more employees based here soon, in this very city.

I can announce today that we plan to open a dedicated offshore wind office right here in Hamburg.

We're excited by this – and will have more to say soon.

It's all part of our commitment to offshore wind.

To Germany.

And this great city.

As you have heard, we have many different businesses here.

As we do in many countries around the world.

Why am I mentioning this... I truly think we can do even more when we integrate our businesses.

Offer customers a range of energy solutions, rather than just one.

Much like the Beatles.

Individually they were great.

But they could do so much more together.

The same is true with energy.

Especially when you use offshore wind as a catalyst.

Let me give you two examples.

The first is our successful bid with EnBW earlier this year.

Together we are developing a huge offshore wind project off the coast of Scotland.

But that's just one part of the story.

Connected to this we plan to expand electric vehicle charging in the country.

And produce green hydrogen too.

Creating many jobs in the process.

We plan to do similar in the Netherlands.

There bp has bid for two offshore wind permits.

With a focus on creating an integrated energy system.

What could that look like?

It would mean taking the electrons from its wind offshore.

Using it to produce green hydrogen.

And then taking that hydrogen and using it for sustainable aviation fuels.

And for heavy-duty transport.

We would plan to also take this wind-to-wheel concept directly to Dutch motorists.

Using the electricity generated offshore to power our EV charging hubs.

This type of project is what we mean when we talk about bp transitioning to become an integrated energy company.

It's about bringing a range of solutions to customers.

That's the future shape of energy.

More offshore wind.

And combining offshore wind with other low carbon energy to create more solutions.

So, let me just conclude with one more thing needed...Perseverance.

Throughout history, energy transitions have taken time.

Whether its wood to coal.

Coal to oil.

Or oil to gas.

And the same is true as we seek to further scale up renewables.

And while there's no straight line to success.

Together we have the potential to grow the offshore wind that the world needs.

We need the right plans in place – a blueprint we can rely on to keep us on track.

We need the right policies – to speed up permitting and stop bad bureaucracy.

And we need the right people to come together – in partnerships and alliances that get the best out of offshore wind.

And I think back to John Lennon's quote about how the fab four grew up here.

Learned their expertise.

Went on to become a global success.

Let's take inspiration from that story.

From history.

And propel offshore wind – the Beatles of energy – to even greater heights.

Thanks for listening.