

THE FUTURE OF PUBLIC ENTERPRISES

The German "Energiewende" and its consequences for Stadtwerke



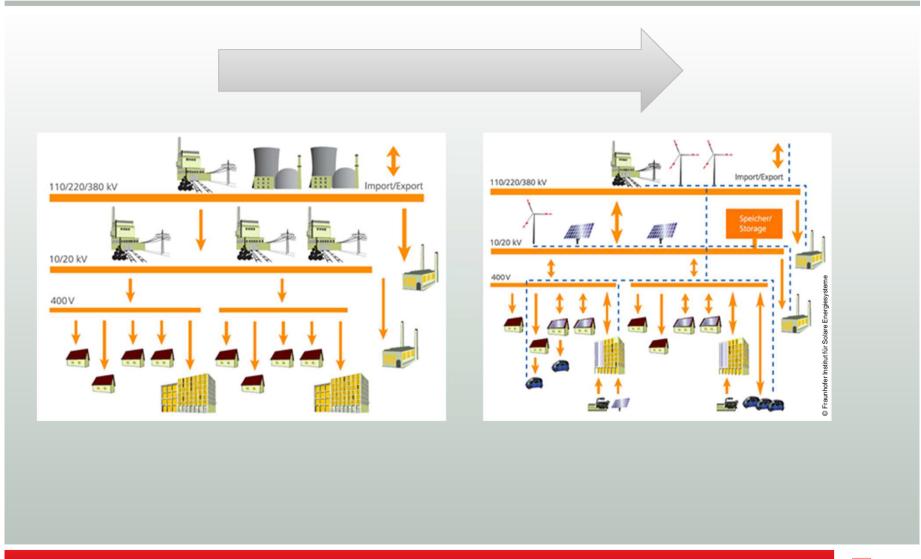
THE END OF THE NUCLEAR AGE IN GERMANY

Germany 2020:

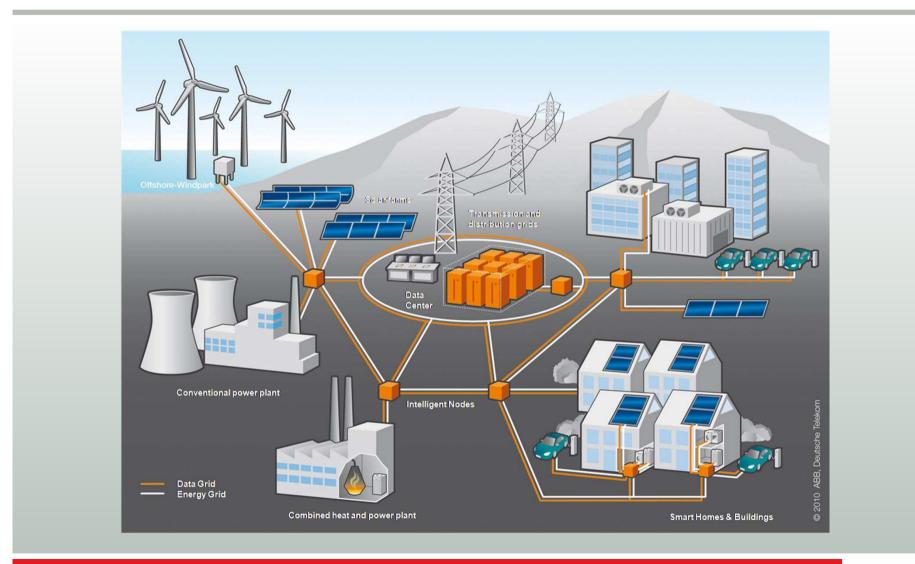
- Greenhouse gas emissions 40% lower than 1990; 35% of the gross electricity consumption from renewables; heat demand in buildings is to be reduced by 20% (as compared to 2008).
- No nuclear plants running by 2022
- Consumers' awareness of climate issues has risen.
- Consequences are higher shares of renewables and more customer generation in the energy system.



FUNDAMENTAL CHANGES IN THE ENERGY SYSTEM



NEW PLAYERS IN THE MARKET



THE NEW ROLE OF STADTWERKE

- Mastery of more complex network control and security issues
- Customer Agents for new projects such as the energy management of whole areas and groups of buildings
- The coordination of cooperation projects
- Consultants for energy efficiency
- Risk capital manager for innovative technologies
- Possibly less revenue
- Change agents for more sustainability



A REGIONAL APPROACH

- Services of General Interest "don't care" about city boundaries: More regional cooperation is needed
- European Institutions still act ignoring the particularities of SGIs providers. A "New Thinking" is necessary in the context of the European policies.
- This "New Thinking" process is the "mission" of the Cologne Network of Services of General Interest
- It consists of high representatives of the City, Utilities, the Social and Financial Sectors in the metropolitan area ("ownership process")

THE COLOGNE NETWORK OF SGI

- "New Thinking" process is the "mission" of the Cologne network of Services of General Interest
- Founded in June 2012 by high representatives of the City of Cologne, the municipal SGI providers of Cologne, the University as well as the welfare and charity institutions of the City and completed by the regional Association Region Köln/Bonn and the regional trade unions

THE COLOGNE NETWORK OF SGI

- The Charter of the "Excellence Label" for SGIs signed up in January 2013
- Commitment of the members to work in a concrete and cooperative way in order to further guarantee the attractiveness of the City of Cologne and its metropolitan area - with focus on the services for the citizens and aiming at taking influence in the European legal decision making process









On 21 June 2012 high-level representatives of the City of Cologne, the municipal group of companies - Stadtwerke Köln Konzern, the University of Cologne, the colleges of higher education of Cologne, the City charities and the association for the Region Cologne/Bonn launched a Network of Services of General Interest, based on the principles stated in the following Charler:

Charter of the Excellence Label "Services of General Interest of the metropolitan area of Cologne"

- In the interest of citizens and the regional economy, providers of Services of General Interest of the City
 and the metropolitan area of Cologne have started a partnership in order to optimize their collaboration
 on the basis of an integrative approach, implying the exchange of knowledge and experience, the use of
 available syneroies or the sharing of competences.
- The signers of this Charter are willing to build their collaboration on a solid basis consisting in the
 identification of concrete courses of action -, to extend this collaboration to further major stakeholders
 and to intervene conjointly and in the common interest of the Metropolitan area, in order to gain
 influence, particularly at European Level.
- The sustainable development of metropolitan areas requires a dose interconnection between their
 political, economic, scientific and cultural functions. The attractiveness and the future expansion of a
 metropolitan area rely to a large extent on the interplay of these functions.
- Providers of Services of General Interest play an essential role in delivering high quality services to the
 citizens and the users, not only in the field of network services and infrastructures such as energy,
 water, local transport, waste management, telecommunications, ports, housing, bathing and sports
 facilities, etc but also in the framework of social, cultural, health care and education as well as
 administrative services.
- The constitution of the partnership aims at achieving collaboration for the benefit of all and to increase
 the attractiveness and the weight of the metropolitan area within the European multi-level system
 through an Excellence Label "Services of General Interest of the metropolitan area of Cologne".

Cologne, January 18th, 2013

Jürgen Roters

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Dr. Reimar Molitor

Geschäftsführender Vorstand der Region Köln/Bonn e. V.

THE COLOGNE NETWORK OF SGI

In February 2014 the network agreed on a list of requirements towards the European Institutions:

- The Municipalities should play an active role in the European decision making. They should be consulted. A national action addressed to the Government will also take place.
- The quality and the social added value of services provided by municipal companies should be appreciated. Special attention should be paid to market access measures: tendering processes should not only be cost-oriented but also integrate a commitment to quality and social responsibility in the provision of services to the citizens.
- Special focus should be laid on regional and local needs, meaning no "one fits all" ruling, but rules allowing tailor-made decisions



GOALS

- Establishment of a communication system between all levels
- Municipalities should define their needs towards the EU
- Municipalities should start bottom-up action to raise
 EU's awareness of their needs
- Municipalities/counties should act together as metropolitan areas
- Co-operation between metropolitan areas from various Member-States
- Buildup of mutual trust between the European and the local levels



Thank you for your attention!

