

HWG Newsletter 12/2014

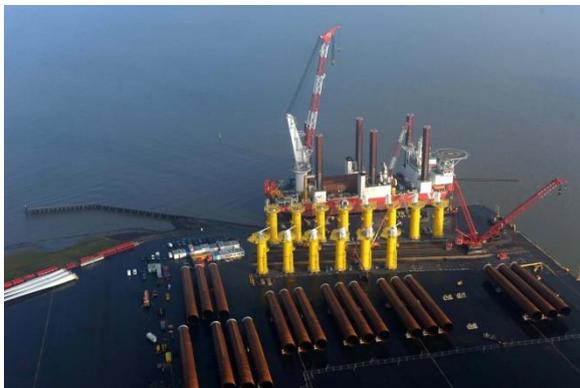
Dear readers,



The year is coming to an end, encouraging us all to reflect on the last twelve months. What have we accomplished so far, and what do we still want to achieve? This year, again, the analysis is positive: Cuxhaven is forging ahead.

As should be the case for a multipurpose port, different kinds of cargo played a key role in this success. In terms of ferry service, for example, cargo volumes were consolidated, and we estimate moderate growth of about five per cent in the automotive area. Because the terminals in these areas are operating at almost full capacity, significant growth in future will only be possible after the plans to expand cargo handling capacities are implemented. Bulk cargo handling is

also very important: supplying offshore wind farm construction sites and material procurement for renovating the Nordholz Airport surfaces kept the port busy.



Indeed, offshore wind was extremely valuable to Cuxhaven in general in 2014. After having already made a name for itself as a port for producing foundations and tower segments, this year Cuxhaven was able to successfully

establish itself throughout Germany and Europe as an installation and service port for offshore wind projects. I'd like to highlight, in particular, the outstanding Amrumbank West and Meerwind Süd/Ost projects. For the Amrumbank West wind farm, for example, foundation structures and cables for 80 turbines were handled, temporarily stored and shipped from the offshore base port. It was an impressive feat, accomplished thanks to the cooperation of the Cuxhaven Port Association (HWG) members.

Starting this year, Cuxhaven also has a key role in the provision- and disposal-concepts for the Siemens high-voltage direct-current (HVDC) transmission platforms, which convert the alternating current produced by wind turbines into direct current for low-loss transmission to the shore. Our port has excellent conditions for these kinds of projects, in no small part thanks to its location. Platforms in the North Sea can be reached easily and quickly without

long river navigation. Direct access to our quays and the ability to handle the transshipments immediately after the vessels dock are also ideal selling points. On top of that, we are proud to have a competent, efficient and varied maritime cluster, from shipping agency and customs services to cargo handling and safety training, which offers an extensive range of services related to offshore wind energy.

While we've been hard at work on the current projects, however, offshore wind farm investors over the last two years have experienced great uncertainty about what future offshore policy regulations may be, with particularly heated debates about electricity price limits, feed-in tariffs, grid connections and so on. As a result, no new projects have been approved, which led to low capacity utilization at production facilities and offshore terminals on the German coast of the North Sea, a consequence that is still being felt today.

With its amendment to the EEG (Renewable Energy Act), the German government has responded to long-standing demands and provided the reliable framework needed to expand offshore wind farms – for the next two to three years. This solution is temporary, however, because starting in 2019 new offshore wind farms will likely have to undergo tendering in a process whose structure and mechanisms today are completely unknown and still need to be discussed extensively. This could again lead to more reluctance from investors, resulting in a lack of projects and orders for manufacturers and ports.

More negative effects will come from the 40 per cent reduction in the offshore wind energy expansion target for 2030. Renowned research institutes have released studies showing that an 80 per cent share of renewable energy can be achieved by 2050 only with a large amount of consistently generated offshore wind energy, which is able to provide base load quality. Also, the potential for cost reductions can only be tapped with a full, reliable project pipeline. And there are, of course, many other good reasons for a significant expansion of offshore wind, such as the high reliability of power generation thanks to the relatively strong and constant winds out at sea, the reduction in dependence on imported fuels and, last but certainly not least, securing a spot as a technological leader, which would in turn ensure thousands of qualified jobs. Now that Germany has reduced its 2030 expansion target by 40 per cent, however, this young industry will instead be significantly slowed down. Here in Cuxhaven, we can see this first hand, not only in the production facilities, in the port and with maritime service providers, but also in downstream sectors such as gastronomy and retail. In light of this situation, we are joining together with other associations to call on the federal government to at least return to the previous expansion target of 25 GW by 2030.

In 2014, the offshore wind sector has nevertheless made significant progress and demonstrated its impressive potential, and the HWG network has played an important role in that. Offshore wind investors now know that in Cuxhaven they have at their disposal



capable partners and, thanks to support from the State of Lower Saxony, excellent infrastructure for their projects.

And that is exactly what we plan to continue working on next year. In February, a declaration of intent regarding the construction of Berth 4 in the Europakai port terminal laid the groundwork for further growth and additional jobs here. The next few months will see more discussion of the construction of this urgently needed new multipurpose berth.

Cuxhaven must fully utilize its potential, and in 2015 our Port Association will continue to dedicate itself to that goal. We look forward to working with you to continue the positive trends of the past and implement our plans for the future.

May we all enjoy much drive, determination and success in the coming year.

Yours,

Hans-Peter Zint

Cuxhaven upgrades multimodal connection

Two pieces of good news came from Cuxhaven this autumn concerning its connection to the railway network. DB Netz AG has completed a 1,000-metre passing track at Nordholz, which from now on makes it possible for one freight train per hour to travel the mostly single-track route between Cuxhaven and Bremerhaven during the day as well. As a result, the capacity for freight transport has nearly doubled.

In addition, in early December Niedersachsen Ports completed the upgrade of Cuxhaven railhead track 71 around the former fish shipping station. Within a short construction period, the track was enlarged by about 280 metres, which means that trains can now be formed with a usable length of up to 700 metres.

With this buffer stop track, Cuxhaven's railway station now has tracks for three block trains. Previously, the track was used as a shunting, train forming and siding track. However, sleepers and superstructure fixtures in the eastern section were in urgent need of rehabilitation. Here, 220 metres were renewed in order to ensure the safety of railway traffic.

"Upgrading track 71 now allows us to form block trains in the port," explains Holger Banik of Niedersachsen Ports. Other track and route sections in and around Cuxhaven have also been renewed because of an expected increase in railway traffic in the coming years (for more information see HWG Newsletter 11/2014).

Cuxhaven is conveniently located at the intersection of maritime traffic in the North and Baltic Seas and is a major logistics hub for RORO traffic as well as the handling of general cargo, steel products, project cargo and cars. Especially with regard to installing and supplying wind farms off the coast, Cuxhaven has established itself as an offshore base port since 2007, thereby securing a market segment geared toward the future.

Helgoland vessel runs on LNG

A new ferry transports people and goods in an environmentally friendly way



In the coming year, ferry traffic between Cuxhaven and Helgoland will include a new, environmentally friendly ferry from shipping company Cassen Eils. This 83 metre long and 12.6 metre wide vessel, whose buoyant hull is currently being towed from Stettin to the Fassmer shipyard in Werne, can transport 1,060 passengers and has additional space for cargo. Ten ten-foot containers

or two twenty-foot containers and six ten-foot containers as well as mixed cargo can be shipped. The vessel boasts its own loading crane with a boom reach of 12.5 metres, which can lift up to 10 tonnes.

The 30 million euro project is co-funded by EU grants from the European Commission's TEN-T programme to support the construction and expansion of transport infrastructure in the European Union. Bomin Linde has invested a total of 4.175 million euros for the pilot development of an LNG propulsion system, for which Bomin Linde, an LNG specialist, and parent company AG EMS signed a supply contract on 8 December. The new vessel saves approximately 1.2 million litres of marine diesel per year. The shift to the alternative fuel can be doubly beneficial, since its use reduces nitric oxide and CO₂ emissions and the costs for LNG are about a quarter lower.

By the time the vessel is completed, port operator Niedersachsen Ports intends to have adapted port regulations in order to ensure proper conditions for the supply and refuelling of LNG vessels.

Starting in July 2015, the Helgoland ferry will operate daily between Cuxhaven and Helgoland. On Saturdays, the voyage begins at the St. Pauli Landungsbrücken in Hamburg, while the return journey from Cuxhaven will be by train.

A major project for Cuxhaven

Offshore wind farm Meerwind Süd/Ost completed, handling via Cuxhaven



With a large ceremony in Bremerhaven in early October, operating company WindMW celebrated the completion of the new Meerwind Süd/Ost wind farm (including foundations, turbines and grid connection). The 80 wind turbines' foundation elements from AMBAU were mostly manufactured in Cuxhaven and shipped via the offshore base port.

The 1.2 billion euro wind farm is located 15 nautical miles off Helgoland. It is the first major offshore project funded solely with private investments. During the inauguration ceremony, WindMW managing director Jens Assheuer mentioned the Cuxhaven port, with its deepwater berths and local manufacturer AMBAU, as a key factor for Meerwind's success.

The granite for the turbines' scour protection also came from Cuxhaven. Half of it – 250,000 tonnes total – was handled in Cuxhaven. HWG member MIBAU delivered the other half directly from a quarry in Norway. Protection against scour prevents the monopiles from being flushed out by currents on the seabed.

“In addition to the granite, a total of some 85,000 tonnes of steel was handled in Cuxhaven. Completing the project was a great achievement for the port and helped us demonstrate our logistical expertise and our well-functioning network of local companies,” says Hans-Peter Zint, chairman of the Cuxhaven Port Business Community (HWG).

Cuxhaven also caters to tourist visits to the offshore wind farm. Since the summer of 2014, transport shipping company Seetouristik has been arranging trips to the wind farm on board the catamaran Halunder Jet from Cuxhaven and Helgoland.

The HWG introduces itself: Profile of Michael Habben truck & trailer



Key information

Company name:	Michael Habben truck & trailer
Year of establishment:	1995
Industry:	Commercial vehicles, repairs, maintenance, service, sales
Location:	Cuxhaven
Portfolio:	11,000m ² total, 1,200m ² roofed temporary storage, 980m ² workshop and testing facility, fenced premises, open spaces monitored and secured.

Interview with owner Michael Habben

Question 1 – How would you describe your company?

Market and customer-oriented, forward-looking, flexible, ready for service, innovative.

Question 2 – Why are you a member of the HWG?

The HWG covers a broad range of information and encourages relationships within the community. It represents the port industry in business and politics – both nationally and internationally. The HWG therefore ensures that Cuxhaven makes a name for itself as a top port and opens its doors to all commercial enterprises.

Question 3 – What do you personally wish for your company?

A consistently high level of utilization for services, equal weighting in logistics and trade at fair prices, and faster transport connections to the port metropolis of Hamburg.

For further information on the company, see their website: www.michael-habben.de

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