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Stop feeding renewable energy beast, urges E•ON

German energy giant's chief says technologies such as wind and solar are no longer in their infancy so must not be given special treatment



By Emily Gosden,

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European governments must stop handing generous subsidies to green energy technologies, the head of energy giant E.On has warned.

Johannes Teysen said that renewable power sources, such as wind and solar, were no longer in their infancy, so to continue to hand them special treatment had a distortive effect.



Mr Teysen claimed the only people blocking debate about ending financial aid for renewables were those who "just want to harvest subsidies without accountability".

Speaking in London at the annual conference of Eurelectric, the European electricity industry body of which he is president, Mr Teysen said: "10 years ago renewables were in an immature state and needed to be nurtured.

"Today they are the biggest animal in the zoo and if you continue to treat them as imbeciles and feed them baby nutrition you will just get a sick big cat."

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Mr Teysen has argued that Europe must scrap all “green levies” that are used to subsidise renewables. He has said he supports such technologies but that the funding model is wrong and Europe should instead install a proper carbon price to drive the market to find the most cost-effective ways of going green.

E.ON, like most European utilities, is losing money from its gas-fired power plants as expansion of renewable energy and cheap coal prices mean they are only called upon to run for short periods of time. It has already mothballed some plants and experts warn more closures could leave Europe at risk of power cuts at times of peak demand when the sun doesn’t shine or the wind doesn’t blow.

In the UK, the Conservative party has pledged to end subsidies for onshore wind power if it wins the next election. However, it appears committed to offshore wind, which is a newer technology but still significantly more expensive.

The Government has already announced it is closing a subsidy scheme for large-scale solar farms two years early and take-up exceeded expectations.

Mr Teysen also warned that the energy industry must do more to attract employees at a time when some companies were seeing “whole management teams leaving” and it was “difficult to attract young people to this industry”. “We have been under fire for years and years,” he said. “We need to rebuild confidence.”