

**The International Wind Power Industry
Supply Chain Assessment
2010-2013
Significant increase in supply capacity**

The supply chain to the international wind power industry has expanded significantly during the past two to three years. The result is that, just two years after the supply chain was stretched for several key components, including gearboxes, bearings and high quality castings, the wind turbine industry and its suppliers will be able to meet an annual demand of **58 GW per year by 2013**. This dramatic turnaround in the supply capacity now available to the international wind industry is certain to lead to fierce competition. There will also be an increased focus on quality improvement and cost reduction. This will directly benefit the end-users - wind power project owners and ultimately the kWh price for electricity.

These are the main findings of a new report, ***Supply Chain Assessment 2010-2013***, just published by **BTM Consult ApS**.

The report includes data collected from more than 400 companies worldwide. Most of these have provided information both about their present production capacity and their best estimates for three to five years ahead.

The main reasons for the increase in supply capacity coming on line now are:

- Established suppliers to the industry ramped up their production facilities after the period of constraint, which peaked in 2006-2007. This capacity is now in place and ready to produce.
- At the same time a large number of new suppliers have entered the market, particularly in China and the US, the two fastest growing wind power markets in the world.

Building on previous Supply Chain Assessments published by BTM Consult (in 2006 and 2008) this updated analysis also includes wind turbine **towers** and the very **large key components** demanded by those building multi-MW wind turbines for **offshore applications**.

The key components examined are: ***blades, gearboxes, generators, bearings, power converters, power transformers and towers***.

Key materials examined are: quality **castings** for hubs, mainframes etc. and **forged** (and roller-forged) **materials** used for bearing rings, main shafts, gear items and tower flanges.

In spite of the large overall potential recorded in this report the actual available supply may in practice be smaller. This is due to a very uneven global geographical distribution of the manufacturing sites (with implications for transportation logistics) and the lack of high enough quality products available from many of the new entrants to the supply chain.

Increasing political awareness of both **security of supply** concerns and the **global warming** issue, alongside the consistently high level of oil prices, should result in a continuing high demand for wind power equipment in all parts of the world. Wind power has entered the mainstream of electricity generation technologies.

The report ***International Wind Energy Development – Supply Chain Assessment 2010-2013, January 2010*** is released **on January 29**.

For further information contact:

BTM Consult ApS, I.C.Christensens Allé 1, DK 6900 Ringkøbing, Denmark – www.btm.dk

Phone: **+45 97 32 52 99** Senior Consultants/Partners: *Per Krogsgaard or Birger T. Madsen*