

General statement of Applied Materials on ERGEG Public Consultation Paper

We at **Applied Materials** produce manufacturing equipment for the fabrication of solar photovoltaic (PV) cells, modules and energy-efficient glass. Located in 18 countries across the globe, we employ more than 13,000 people. Our nanomanufacturing technology is aimed at reducing the cost per watt of energy produced, to become more competitive with current electricity generation. We at Applied Materials believe that the climate and energy challenges we are facing can be tackled without reducing the quality of our everyday lives and that PV solar electricity has a vital role to play in meeting Europe's future energy demand.

The Photovoltaic industry in Europe, represented by the EPIA (European Photovoltaic Industry Association) predicts that Photovoltaics (PV) could produce up to 12% of the EU's electricity by 2020. Anything up to a 6% share will not require major changes in the use of electricity and grids. However, to reach 12%, and thereby make a significant contribution to a cleaner and more secure energy sector in Europe, more and more conditions will need to be met. These include vital changes at market, regulatory and utility level. We believe that grid connection and access must play a particularly important role in the middle-term (2015-2020), if the EU's 20-20-20 targets are to be reached. Most of the anticipated changes in the grid sector need to be accelerated if high growth is going to be realized. These changes will necessarily include the introduction of smart meters and smart grids with advanced storage equipment that will enable efficient and customized demand-side management of electricity fed into household appliances. This would be all the more necessary given that 12% cumulative PV installations. These technical requirements are ambitious - the real challenge will be to effect significant changes in the existing electricity system and at market and regulatory level, together with strong collaboration with other players in the energy sector, such as ERGEG.

As a leading and long-standing industry player with an active voice within EPIA, we have developed a sound understanding of the EU's solar markets and regulatory framework. We would therefore be delighted to contribute to any further ERGEG deliberations, and would be happy to discuss any of the above issues in more detail.

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APPLIED MATERIALS

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