Still room for improvement

In the latest BWE service survey, manufacturers again scored "3+" for maintenance and repair. They need to improve considerably to completely convince operators and keep independent servicing companies at bay.

BY SASCHA RENTZING

The wind industry is currently experiencing somewhat mixed emotions. While the transition to an auction-based system is coming up against criticism, the BWE (German Wind Energy Association) is reporting the largest expansion of all times: turbines with a total rated capacity of 4,750 megawatts were installed in Germany in 2014 (2,998 MW in 2013). The high demand brought in record orders for the manufacturers. For example GE Wind Energy was able to multiply its installed wind capacity in Germany by a factor of seven, from 34 megawatts last year to 233 megawatts currently.

Although the new turbine business is booming, manufacturers still did a relatively good job with service and maintenance. With a score of 2.81, the turbine builders achieved a fully satisfactory result in the latest BWE service survey (2.73 in 2013). The good return rate of 3,542 evaluated turbines (3,357 in 2013), speaks for a high level of satisfaction among operators. But this consistency was not necessarily to be expected. Previously, during boom times, the manufacturers' service left something to be desired, which is why many operators often turned to the independent maintenance companies. This is clearly no longer the case; manufacturers have effectively improved their customer service.

"The independent providers have plugged any holes and boosted their staffing levels."

The real surprise here is the good performance of the "independents" in the BWE survey. With an overall score of 1.92 they have consolidated their good position after it seemed that many operators would turn their backs on them again last year (only 760 independently maintained turbines were evaluated in the 2013 survey, half as many as in 2012). However, the current survey doesn't show any lasting signs of a crisis. The 1,112 assessments, mostly good or very good, suggest a high level of satisfaction with the "independents" among operators.

This estimation is also shared by Angelo Bargel, spokesperson for the BWE forum for independent service companies: "The independent providers have plugged any holes and boosted their staffing levels." What is more, they have successfully competed with the manufacturers in the full service business too. "The companies have built up a lot of know-how and are now well placed to take over the maintenance of wind turbines after the warranty period," says Bargel. Full service is a growing trend, as it allows operators to offer the financing banks more security and better safeguard their investment.

Manufacturer

		Enercon		GE Energy		Nordex		Senvion		Siemens		Vestas		Ø
Overall score	**100 %**	**2.07**	(1.94)***	**2.78**	(2.49)***	**2.79**	(2.87)	**2.74**	(3.00)*	**3.10**	(2.86)	**3.40**	(3.24)	**2.81**
Underlying data. questionnaires		401	(404)	39	(48)	33	(33)	75	(46)	20	(25)	153	(133)	120.17
Number of turbines		2,062	(1,886)	230	(290)	135	(100)	252	(299)	100	(108)	763	(674)	590.33
Willingness to switch in per cent		1.84	(1.24)	0.00	(4.26)	21.88	(18.18)	13.70	(13.04)	20.00	(24.00)	18.75	(23.85)	12.70
Maintenance	33. 3 %	2.23	(2.09)***	2.55	(2.27)**	2.61	(2.80)	2.73	(2.94)	2.85	(2.55)	3.35	(3.00)***	2.72
Arrangement / keeping of maintenance appointments		2.12	(1.91)***	2.18	(1.96)*	2.45	(2.61)	2.74	(2.82)	2.75	(2.32)*	3.28	(2.98)**	2.59
Quality of the work		1.79	(1.69)**	2.21	(2.04)	2.48	(2.66)	2.42	(2.40)	2.50	(2.40)	2.91	(2.51)***	2.38
Feedback on maintenance (reports, logs)		2.39	(2.24)**	2.74	(2.06)***	2.45	(2.79)	3.07	(3.49)*	2.89	(2.28)**	3.62	(3.26)**	2.86
Satisfaction as regards value for money		2.59	(2.52)	3.05	(2.94)	3.06	(3.16)	2.71	(3.07)**	3.37	(3.20)	3.58	(3.24)***	3.06
Unscheduled repairs	33. 3 %	2.01	(1.93)*	2.62	(2.17)***	2.65	(2.76)	2.69	(3.11)***	2.79	(2.74)	3.21	(3.00)	2.66
Service team availability		1.76	(1.69)	2.08	(1.83)*	2.24	(2.55)	2.68	(3.41)***	2.30	(2.20)	2.85	(2.52)**	2.32
Speed of repairs - to essential parts		1.71	(1.65)	2.49	(1.98)***	2.66	(2.61)	2.59	(2.98)**	2.55	(2.52)	3.07	(2.65)***	2.51
Speed of repairs - to all other parts		1.83	(1.81)	2.92	(2.38)***	3.09	(2.94)	2.73	(3.17)**	3.00	(3.00)	3.36	(3.43)	2.82
Quality of the repairs		1.76	(1.71)	2.28	(2.10)*	2.39	(2.48)	2.28	(2.42)	2.55	(2.44)	2.91	(2.44)***	2.36
Feedback on repairs (reports, logs)		2.41	(2.25)**	2.82	(1.92)***	2.58	(2.85)	2.97	(3.52)**	2.95	(2.76)	3.40	(3.39)	2.85
Satisfaction as regards value for money		2.55	(2.50)	3.13	(2.79)**	3.03	(3.16)	2.89	(3.17)	3.35	(3.52)	3.72	(3.59)	3.11
Additional services	33. 3 %	1.99	(1.81)***	3.14	(3.03)	3.10	(3.06)	2.75	(2.97)	3.65	(3.31)	3.63	(3.72)	3.04
Complementary improvements (Updates etc.)		1.88	(1.65)***	3.17	(3.09)	3.14	(3.12)	2.68	(2.67)	3.74	(3.38)	3.46	(3.41)	3.01
Willingness to make gestures of goodwill		2.11	(1.98)***	3.08	(2.98)	3.03	(3.00)	2.79	(3.21)**	3.58	(3.22)	3.96	(4.07)	3.09

2013 values in brackets. Significant changes are marked with *.
Level of significance: 1%***, 5%**, 10%*

More service engineers wanted

So all is well in the service market then? Not quite. The manufacturers' service overall has levelled off with a score of "3+", but the individual company assessments show that the customer service in some areas has significant room for improvement. This even applies to top-of-the-class Enercon, which slipped from a 1.94 to a 2.07 in the current BWE rankings. "Enercon often lags behind by about a quarter when it comes to servicing," explains Ulf Winkler, spokesperson of the BWE forum for Enercon operators. The reason for the delays are apparently staffing shortages, as service engineers are pulled away to work on new installations.

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>
> Kai Froböse,
> Managing Director Senvion GmbH

Enercon itself is said to be "not particularly happy" about the fall in their score, but doesn't see it as too critical a development. They have identified the areas that they need to improve on in 2015. "On the one hand, we see potential for improvement with respect to maintenance services, which many operators focus on as a visible part of the service offering. We have reworked our concept here," says Enercon service boss Volker Kendziorra. On the other hand, the skills shortage will be addressed: "We have already set the necessary wheels in motion. It is our goal to get a '1' before the decimal point again in the next servicing survey," says Kendziorra.

The Aurich company's closest rival in the latest BWE survey is Senvion, which jumped from fourth to second place with a 2.74 in the service ranking. The year before, the Hamburg company had to settle for a 3.0, as the customer service had suffered under the company restructuring that was commenced in 2013. Operators complained of shortcomings in all major service areas – quality, speed and good will. Now things seem to have improved. Senvion has even increased by nearly a whole point when it comes to the availability of its service team. "We have done our homework in 2014," says Kai Froböse, managing director of Senvion GmbH, which is responsible for the German market. Among other things, the regional concept has been strengthened and new service personnel hired.

Where Senvion is gaining popularity, GE Wind Energy seems to be losing it. The company dropped from a 2.49 to 2.78, slipping from second to third place in the BWE survey. Service boss Uli Schulze Südhoff believes the reason for this

Independent companies

		Availon	DWTS	Enertrag	NTES	PSM	WindMax	Ø
Overall score	**100 %**	**2.14** (2.60)***	**2.29** (2.01)**	**1.95** (2.29)*	**1.68** (1.43)*	**1.59** (1.60)	**1.88** (1.53)**	**1.92**
Underlying data. questionnaires		29 (22)	53 (74)	38 (21)	13 (16)	30 (30)	11 (13)	29.00
Number of turbines		242 (126)	259 (335)	419 (106)	57 (36)	113 (118)	22 (39)	185.33
Willingness to switch in per cent		0.00 (22.73)***	6.12 (0.00)**	5.41 (9.52)	7.69 (0.00)	0.00 (3.33)	0.00 (0.00)	3.20
Maintenance	33. 3 %	2.09 (2.33)*	2.07 (1.84)**	1.80 (2.16)**	1.63 (1.36)*	1.41 (1.66)***	1.82 (1.56)*	1.80
Arrangement / keeping of maintenance appointments		2.07 (2.68)**	2.15 (1.79)**	1.46 (2.05)***	2.00 (1.81)	1.17 (1.73)***	2.00 (1.54)**	1.81
Quality of the work		2.03 (2.18)	1.85 (1.77)	1.63 (2.30)***	1.54 (1.31)	1.24 (1.75)***	1.64 (1.46)	1.66
Feedback on maintenance (reports, logs)		2.00 (2.18)	1.92 (1.69)*	2.13 (2.20)	1.62 (1.19)*	1.21 (1.10)	2.00 (1.69)	1.81
Satisfaction as regards value for money		2.28 (2.24)	2.37 (2.04)**	1.95 (2.10)	1.17 (1.12)	2.00 (2.03)	1.64 (1.54)	1.90
Unscheduled repairs	33. 3 %	1.99 (2.30)**	2.02 (1.83)**	1.94 (2.04)	1.56 (1.31)*	1.32 (1.63)***	1.85 (1.50)**	1.78
Service team availability		1.86 (1.86)	1.70 (1.53)*	1.54 (1.68)	1.38 (1.19)	1.14 (1.27)	1.73 (1.46)	1.56
Speed of repairs - to essential parts		1.86 (2.55)***	1.94 (1.69)**	2.03 (2.21)	1.38 (1.25)	1.14 (1.60)***	1.82 (1.50)*	1.69
Speed of repairs - to all other parts		2.03 (2.64)**	2.10 (2.15)	2.22 (2.00)	1.77 (2.00)	1.21 (1.87)***	2.09 (1.67)**	1.90
Quality of the repairs		1.90 (2.36)**	1.92 (1.77)	1.61 (2.25)***	1.54 (1.25)*	1.24 (1.87)***	1.55 (1.17)**	1.63
Feedback on repairs (reports, logs)		2.00 (2.00)	2.00 (1.74)**	2.25 (2.05)	1.85 (1.12)**	1.17 (1.17)	2.18 (1.67)**	1.91
Satisfaction as regards value for money		2.31 (2.38)	2.48 (2.07)***	1.97 (2.05)	1.33 (1.06)*	2.00 (2.00)	1.73 (1.33)**	1.97
Additional services	33. 3 %	2.35 (3.16)***	2.62 (2.24)***	2.13 (2.63)*	1.85 (1.62)	2.03 (1.52)***	2.05 (1.62)**	2.17
Complementary improvements (Updates etc.)		2.36 (3.35)***	2.52 (2.32)*	2.37 (3.05)**	2.20 (2.06)	2.00 (1.90)*	2.10 (1.64)**	2.26
Willingness to make gestures of goodwill		2.33 (3.00)**	2.71 (2.18)***	1.91 (2.00)	1.54 (1.19)*	2.07 (1.13)***	2.00 (1.67)	2.09

2013 values in brackets. Significant changes are marked with *.
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is the company's rapid growth. In 2014, GE erected turbines with a capacity of 233 megawatts in 2014; in 2013, it was just 34 megawatts. "Over the last year, we concentrated on new installations throughout Germany. This demanded additional capacities, which we could also have done with for ongoing servicing operations," explains Schulze Südhoff. But the problems have now been resolved. "We expect to have a good balance between new and existing installations again this year."

Nordex was just behind GE Wind Energy in the BWE survey with a score of 2.79. The Hamburg turbine manufacturer is not unhappy with its performance, as unlike most of the other manufacturers it was able to make gains in the areas of responsiveness and quality. Business is also booming at Nordex and, according to German head Jörg Hempel, Nordex has grown by 64 per cent in 2014 – it has installed 170 new turbines in Germany, 67 more than in 2013. "We are not flying blind, and have not neglected our maintenance service," Hempel explains.

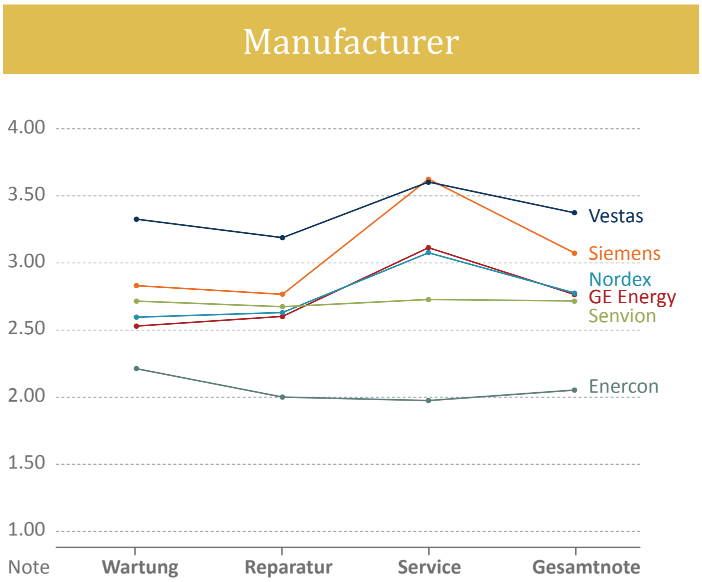
"The turbines go like a racehorse when they get the wind at their backs."

Independent full service

Siemens and Vestas, on the other hand, are far from a good score. The Vestas service in particular is lagging behind and the Danes only achieved a 3.4 in the BWE survey. "The turbines go like a racehorse when they get the wind at their backs. But when problems occur, there's no willingness to change anything," was one evaluation of the Vestas service. But the company's decline in the ratings is not only due to the lack of good will. The quality of the work carried out is now only average. This should be noted, because despite all the criticism for the Vestas service, operators were always full of praise for the technicians previously.

The independent service providers could take advantage of the manufacturers' shortcomings here. The two maintenance companies Availon and Deutsche Windtechnik have already successfully established themselves in the full service business – both talk of an increasing demand for their full-service agreements. In general, operators used to call on them after five or ten years, but now it's increasingly straight after the two-year warranty period. "The operators know that they are no longer

Manufacturer grades in the 2014 service survey



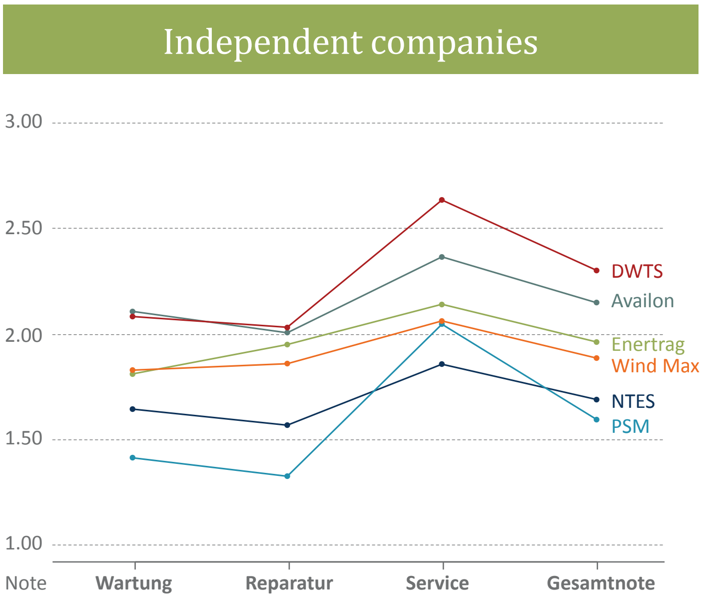


Photo: Roland Horn

dependent on the manufacturers," says BWE expert Winkler on the development.

The good scores for Availon and Deutsche Windtechnik speak for the trust that has been established in independent servicing. In the BWE survey, they achieved a 2.14 and 2.29, putting them on a par with the leading manufacturer Enercon. However, the examples of Enertrag and PSM show that full service is not a must and that customers may also be satisfied with good basic maintenance. Both these companies scored a "1" before the decimal point, even though they don't offer full service. "We deliberately decided against it, because it requires operators to remain passive. With our service, the customer is involved in the decisions: what is the repair concept, and which components are fitted on the turbine if a replacement is needed? That is appreciated," says Enertrag service boss Johannes Heidkamp.

If you take the announcements of the individual companies and the development forecasts for the German wind market as a basis, there is only one conclusion that can be drawn right now: operators can look forward to a good year for service. According to Angelo Bargel, spokesperson for the BWE independents forum, the service market has stabilised after several years when many dissatisfied operators switched their maintenance providers. Overall, customers should benefit further from strong competition among providers. For manufacturers, the servicing sector has evolved into a lucrative mainstay of their business. They are therefore investing heavily so as not to allow the independent providers too big a slice of the pie.

The latter, on the other hand, are expanding their offering and trying to exploit weaknesses in the manufacturers' service through customer proximity, quality and speed. Both camps have announced further improvements and even more service personnel for the coming year. Because the increase in Germany's wind capacity will slow somewhat in 2015 according to forecasts, there is also the chance that the companies will be able to implement their service programmes without hindrance and with full staff deployment. The upcoming BWE service survey therefore promises even better scores. ■