

# DAVID

## Making impact on the business of the future is more important than becoming number one

# MOLENAAR

It was just after his summer break holiday to Cuba, when we interviewed David Molenaar, Managing Director of Siemens Gamesa Renewable Energy BV (SGRE BV, The Netherlands branch of SGRE). “It’s like an open prison”, he jokes and describes how the country is so regulated that individual people are restricted in their freedom and lack incentive and support to develop themselves. In contrast to that, David Molenaar likes to see himself leading an organization that facilitates employees to develop themselves and the business as such. “It’s like organizing a festival: we provide security, facilities and offer different stages; you choose the podium that you want to give your performance!”

It characterizes the people-management style that David advocates when we talk about his personal career path and his view on how the offshore wind industry should undergo a transition in the decades to come.

After finishing high school he felt like the world was at his doorstep and he applied for several university programs. He enrolled in the Mechanical Engineering program at Delft University, where he finished his MSc-degree and later in 2003 defended his PhD thesis on ‘Cost effective design and operation of variable speed wind turbines.’ In parallel to his PhD work, he co-invented the Ampelmann system. He did this in an era, when wind energy was still niche. It however laid the basis for David’s career. After several engineering and sales roles in projects, David progressed through various leadership positions to become the MD of SGRE BV.

David believes offshore wind has enormous potential and an important role to play in the energy transition, but also believes it is too focused on short-term cost reductions. The development of larger turbines and turbines with higher wind speeds is evolving (too) quickly, preventing turbine manufacturers from learning about previous models which have not yet operated for the 20 years design life. Not taking the time to learn from this could result in unforeseen failures or incidents and therefore could impact companies like SGRE and other operating ventures. In addition, David also believes that the offshore wind industry should strive for a system-based approach which is interconnected to other segments like mobility, instead of the project by project basis in which current developments take place. This will require companies in the value

chain, like utility providers, to change their business models. Eventually the industry should act as a service provider to society with a long-term focus, especially with reduced subsidy schemes or no subsidies at all. The challenge for turbine manufacturers is to extend design life, provide 10-year upgrades and enable maintenance and large component replacement to become easier.

When asked whether a system-based approach would make the challenge too complex, David confirms that this is a challenge but there is a strong storyline to conquer criticism it is worth trying. In the three years he spent lecturing industry and key stakeholders, he experienced that it is possible to convince his audience and hopefully inspired them to make an impact.

According to David, the government should provide continuity and has the responsibility to set the target, to define the boundaries and provide data, such as soil characteristics and environmental data. This information should be openly available, across projects to prevent developers keeping such data to themselves. It then is up to the entrepreneurs to come up with the best solutions for developing wind farms. The current (2019) offshore wind tender is a good example of how it should be.

SGRE pro-actively works with governments, training institutes, universities and professional communities to make the transition happen. Continuous engagement and exploring the needs of future customers is crucial to make an impact on the business of the future. Despite his former ice-skating career on sub-national level, he is not so much focused on becoming number one but would



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be happy to be the number three in his league as long as a meaningful impact to the future is made. It is tough, but if you dare to speak up then hopefully one can inspire another to contribute and make an impact.

**Will the future be floating?**

The key question remains how SGRE's portfolio will make an impact on the future. Without giving away too much, David underlines again the importance to apply more of a design for lifetime extension and a design to re-use approach; develop products and services beyond a single lifetime of development. In a broader perspective, he mentions that there will be more focus on storage. "We are working on thermal storage to provide a second-life usage of existing gas fired power plants and their infrastructure by replacing the furnace by thermal stones and re-using the stream cycle, but also hydrogen and batteries".

For floating wind, David is reluctant to see it develop into a major sector as it is highly complex and more expensive, especially in the Dutch part of the North Sea. From a technical point of view, it is challenging as well. Therefore, he expects it to exist on a relatively small scale and only relevant in regions with access only to deeper waters, like Japan. Nonetheless, it is worth investing in as the industry can learn a lot from it, like turbine dynamic behavior. For turbines specifically, it is difficult to predict whether separate turbines will be developed for floating wind. On the one hand it is good to maximize standardization, but there will always be environmental conditions that require more bespoke solutions, like for typhoon prone areas. Overall, for turbines, David believes there is a limit to the size.

**David's message to next generation engineers**

When looking to the industry challenges ahead, David has a clear steer to next generation engineers. Don't focus solely on your technical skills, but make sure you develop your communication and leadership skills as well. Make sure you speak up and (dare to) share your views, questions and ideas.

This brings him to one of his major concerns, that actually keeps him awake at night. For safe operations in this cost competitive and fast-growing business environment, we are at risk being pennywise, pound-foolish. It is very important that we all remain vigilant and feel responsible beyond our individual accountabilities; so dare to speak up, challenge unsafe situations when you have an opposing view towards subject matters.

It is very much about behaviors, in addition to a good understanding of technical and economic subjects. Moreover, there are plenty of ways to develop people on these skills as well. Often problems originate from communication issues. It is not just about having a technical solution, but more so about working with people. In his generation, David recognizes a lack of focus on managing people and being a good team leader. There is a real shortage of good managers that can coach people, despite its importance. Technical people who have an interest in management should really work to develop themselves in this area.

Reflecting on his own career path, David does not regret any of the decisions he has made. One key take-away however is: dare to share. Don't be shy and dare to speak up!



David Molenaar