Making power grids tear-resistant

Düsseldorf, 02. September 2025 – Not only is Germany's population ageing, but its electricity grids are also getting older: on average, they are likely to be over 40 years old soon. This is driving up energy costs and jeopardising the energy transition. "Extensive modernisation investments are inevitable in order to ensure security of supply and achieve the goals of the energy transition", says Patrick Lemcke-Braselmann, Co-CEO of aream Group SE.

Germany's electricity grids are facing enormous challenges. Growing demand from e-mobility and heat pumps, as well as the ongoing electrification of industry, is driving electricity consumption steadily upwards. At the same time, the share of decentralised renewable energy is growing: photovoltaics and wind power are increasingly creating new load cases and fluctuating feed-in levels. At the same time, a large part of this energy, which is produced in the north, has to reach the industrial centres in the south.

As a result, the grid has to perform more and more. The problem is that many of the electricity pylons and control systems that carry the energy supply today are already considerably outdated and will only be able to meet future requirements to a limited extent. Some of the equipment in the medium-voltage grid, in particular cables, switchgear and transformers, dates back to the 1960s to 1980s. According to studies, around 30 to 50 percent of the infrastructure is considered obsolete. A third of the components have already exceeded their typical service life of around 35 years.

Although a high average age does not necessarily mean unreliable operation – German grids are still among the most reliable in the world - "ageing does lead to increasing maintenance costs and higher risk of failure", explains Lemcke-Braselmann. The German electricity grid is already becoming increasingly congested: the cost of dealing with bottlenecks rose from 1.3 billion euros to over three billion euros between 2019 and 2023.

According to studies, total costs of 650 billion euros are expected by 2045, of which around 320 billion euros will be for the transmission grid alone and around 323 billion euros for the distribution grids. "Germany can only achieve its climate targets, security of supply and cost-effective electricity if the electricity grid is renewed and expanded in an intelligent and cost-efficient manner – also in conjunction with storage facilities. This is the only way to significantly undercut the forecast costs and at the same time increase geopolitical independence", says Lemcke-Braselmann. This requires clear framework conditions and faster approval procedures. In addition, sufficient skilled workers and raw materials are needed to drive forward the expansion of the grid. "Action must be taken now", says Lemcke-Braselmann.

About the aream Group

aream Group, founded in 2005, is an investment and asset manager for institutional investors and industrial clients with a focus on sustainable infrastructure in the renewable energy sector. With its three divisions Fund and Asset Management, Project Development and Operation Management, aream covers the entire value chain for renewable energy investments. With a transaction volume of more than 2.5 billion euros, aream is one of the leading asset managers in this market, and its own portfolio of plants generates around 40 million euros worth of green electricity per year. Since 2008, aream has produced more than one billion

kWh of green electricity. As part of the growth strategy, several solar and wind parks are to be realized or acquired in the coming years. Through its own project development alone, aream currently has a long development pipeline with great potential. Further information: www.aream.de.

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