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Wind-Fuelled FUTURE

By 2020, it is predicted that 10 per cent of the world's electricity consumption will come from wind energy. Vestas Australian Wind Technology is well positioned to meet that ever-increasing demand.

Images by Joseph Feil

As a wholly owned subsidiary of the Danish company Vestas Wind Systems, Vestas Australian Wind Technology is turning wind into a mainstream energy solution. It is a serious contender in the market and has had considerable success thanks to its good sales and high level of customer service. Danny Nielsen heads the Australian and New Zealand operations as Managing Director and Chief Operations Officer, while also overseeing Vestas' work in the pan-Asia market.

Danny started his career as a diesel trainee, working for Volvo in Europe before switching into the renewable energy space. He was employed as a commissioning engineer across Europe, the US, China, Japan, and India before relocating to Australia. Danny joined Vestas in 1998 and worked

his way up through various roles, starting on the ground as a service technician and moving into several managerial positions. His successful development of the company's service functions combined with his knowledge of sales, business, and the industry led to his appointment as managing director. *The CEO Magazine* sat down with Danny to talk about leadership, how Vestas operates, and the future of wind power.

***The CEO Magazine:* Having been with Vestas for so many years, you have obviously seen the ins and outs of how the business works. How has that helped you in your leadership role today?**

Danny: Having worked in Vestas for 17 years, the interesting part for me is that I have grown along with the organisation. When I started at Vestas in 1998, we were

only at around 600 employees; since then, we have been up to almost 22,000 and are now down to 18,000 again. What has shaped me as a leader is coming from an organisation where you pretty much know everyone, to then going into quite a large matrix company where you have to achieve greater results and work with a lot of different cultures.

What do you believe are the key elements that make a successful leader?

I think it's the way that you surround yourself with your people. One of the things that I think makes you successful is that you have to always have the right strategy in place, but you also as a leader have to recognise your weak and your strong sides. You then have to make sure that you reinforce your strong side even more with the people you >

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leadership or management role is that you need to be both extremely competitive and persistent. One of the things I have always said is that you should never take no for an answer. There is always a way.

What gives Vestas its competitive edge in the market, or what is its point of difference?

We are a pure player in wind, so we don't have any distraction from other technologies; we are 100 per cent committed to wind and that's where all of our focus lies. When you compare that to some of our competitors, most of whom are looking into many other different technologies as well, we are competitive because of our absolute commitment to the wind industry.

The key values paramount in our business are integrity, innovation, and then of course the customer. The customer is always number one for us.

surround yourself with and make certain that you work on the efficiencies in your leadership style. You then make sure you have people on your team whose strengths are your weaknesses and make sure you learn from them.

One of the things that I think is very important for being in a

What have been the company's greatest achievements or proudest moments throughout its existence?

I think it has been to put renewable energy on the world map. Vestas has definitely been leading the transformation of wind energy from being what you might call a niche industry into a viable mainstream energy source. Every last utility, fund, and bank in the world looks at renewables now as being comparable to oil and gas.

Are there any significant projects Vestas has undertaken which are really quite remarkable or stand out as being major game-players in the wind energy market?

Yes. In Australia, one of our big game-changers has been the Macarthur wind project in south-west Victoria. Macarthur is a 420-MW project, so it was by far the largest wind energy project in Australia, as well as



adhere to what we call international design codes, but there will always be local design parameters that need to be incorporated into our products. Here in Australia, we have our in-house designers, and then we partner with companies that specialise in engineering, electrical infrastructure, transport, and design that are based in Australia, including Downer Group and Rex J Andrews.

Working with your key suppliers and partners like Downer Group and Rex J Andrews, how does Vestas develop and nurture strong relationships to ensure success?

For us, it's very important that we have suppliers we can rely on. Of course, cost and price are important, but delivery and quality are paramount in our business as well. We are selling our plans, and supplier security and confidentiality are so important. We work very closely with our

subcontractors and suppliers, especially in the project phase where we quite often engage our suppliers from 12 up to 18 months in advance of when we actually start to build on the site.

We have a very close relationship with them in both the bidding phase and the design-and-construct phase, and it doesn't stop there. I like to think this is a little bit like a marriage, because our partnership with these companies is for the long term. So they are with us when we build and construct, but they are also with us in the maintenance period when we rely on their services to keep the sites operating for the 20 to 25 years they are going to be there. The majority of our relationships are absolutely developed for the long term.

How does the business invest in its staff with regard to training and development?

We probably have one of the most rigorous training programs >

being the biggest wind farm in the Southern Hemisphere.

Do operations in other parts of the world differ from Australia, or does Vestas apply a similar model to each?

We always have to adapt to the local markets. Our products do



Excellence in Renewables



CPP and CATCON are pleased to have been awarded the Civil and Electrical works for Coonooer Bridge Wind Farm project by Vestas Australian Wind Technology Pty Ltd.

CPP and CATCON have an unrivalled portfolio of completed projects in the renewable energy sector. We have successfully partnered or individually been involved with the Balance of Plant (BoP) works of 24 windfarms, totalling greater than 1000 turbines installed in Australia collectively.

CPP and CATCON have demonstrated evidence of partnering successfully under a consortium model working together on major projects to deliver Civil and Electrical works.

The consortium team looks forward to ensuring a successful project outcome for our client Vestas.



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available for our employees. If you look at our field personnel, quite often before we let them loose in the field, they have to undergo two courses that vary from one to two months in length. What we normally say, before they are fully skilled up in the trade of turbines, is that it quite often takes 12 months before they are fully capable. We put quite a heavy investment into our training program.

We have absolutely seen benefits from our investment in training. What we have seen is that it's a dual trade: our type of business has hydraulics, electrical, and mechanical stuff, and the people we get in become multiskilled in those areas. They work with people from all of these different backgrounds, so the feedback we get is that the skill set we are giving them is hard to obtain in any other industry.

Throughout your time leading the Vestas operations in Australia, New Zealand, and Asia, what have been the biggest challenges that you have faced and how have you worked to overcome them?

The biggest challenge I see has always been the political



environment. How we have overcome that is by bringing together quite a diverse range of people and ideas. We get them to think outside of the box and to come up with innovative solutions to some of the problems that we have seen in the market. That has included specific site designs in Australia, and also using the Australian knowledge base that we have built up for projects in the Philippines, Korea, and in the rest of Asia.

Where do you see the renewable energy industry heading in the future, and what role do you believe Vestas will play in that?

I don't see the renewable industry as a niche energy source anymore; we are mainstream. I think you will see wind taking up a much broader part of the energy sector in the future. We, of course, expect Vestas to play a very big part in that.

There are always new projects in the works, but our vision is that we

will keep driving cost out of the industry. We want to drive down the levelised cost of wind energy so it can become cheaper than every other mainstream energy source. That's definitely a vision for us going forward.

During your time with Vestas, you have obviously seen the business grow and change a lot. What have been some of the biggest changes that you have experienced?

Some of the biggest changes I have experienced within the company have been the big fluctuations and reliance on the policies around the world. So what you have seen in the industry is that we have gone from playing on very few and large markets to actually becoming pretty much a global player where, I think, last year we were present and did sales in over 36 countries. I wouldn't say that takes the risk out of the business, but it makes the fluctuations

smooth over much better. If you have a downturn in one market, then you can compensate in a new and emerging market going forward. That's very important overall for the entire industry.

What role does technology play within Vestas?

Vestas is a technology company, so of course it is very important for us. Part of our vision is to find new technologies to drive down costs while also making sure that we stay focused on not going too far into the technology, and keeping it so that we have a reliable product. We have to keep the customers happy in terms of productivity and also reliability going forward.

We have about 1,000 people in research and development working all over the world. What we normally do here in Australia is we lead the way in what we call 'grid codes'. So we actually feed a lot of the grid codes in because of the strength of the requirement in the

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Australian electricity market. Quite a lot of the models coming out of Australia feed into a global perspective and then into the technology platform. •



"At Downer, it's the trusted relationships we continue to build with our customers like Vestas that allow us to create and sustain our modern environment and deliver shared success." - Sergio Cinerari, Chief Executive Officer, Downer Infrastructure Services

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