

# Production Subsidies for Renewable Electricity in Denmark

- **Onshore Wind Turbines:** Subsidy to market price, +25 øre/kWh, limited to 20.000 full-load hours
- **Offshore Wind Turbines:** Fixed tariff based on settlement price in tender or 25 øre/kWh subsidy
- **Biomass CHP:** Subsidy to market price, +15 øre/kWh.
- **Solar PVs:** Net settlement □, + subsidy to market price 100-120 øre/kWh

# Planning of Offshore Wind Turbines

- The Danish Energy Agency (DEA) is the planning authority – responsible for planning and erection
- Maps – in conjunction with other authorities – suitable future sites for offshore wind sites
- Handles all approvals and licences
- Arranges consultation with other relevant stakeholders
- Involves other relevant authorities

# Tendering Procedures - A Government Tender Procedure

- The DEA announces a tender for a project of a specific size to realize a political decision as part of the development of renewable energy
- Typically the DEA invites applicants to submit a quotation for the price at which the bidders are willing to produce electricity
- The system operator Energinet.dk undertakes the EIA and preliminary geotechnical and geophysical surveys.
- The winner of the tender pays Energinet.dk for the costs of these surveys
- Prices resulting from tenders (fixed price for 4000 full-load hours in 12,5 years):
  - Rødsand II (app. 200 MW): 62,9 øre/kWh (under construction)
  - Horns Rev II (209 MW): 51,8 øre/kWh (2009)