

Pilot tender for solar PV

www.ens.dk/en/solarPV

Agenda

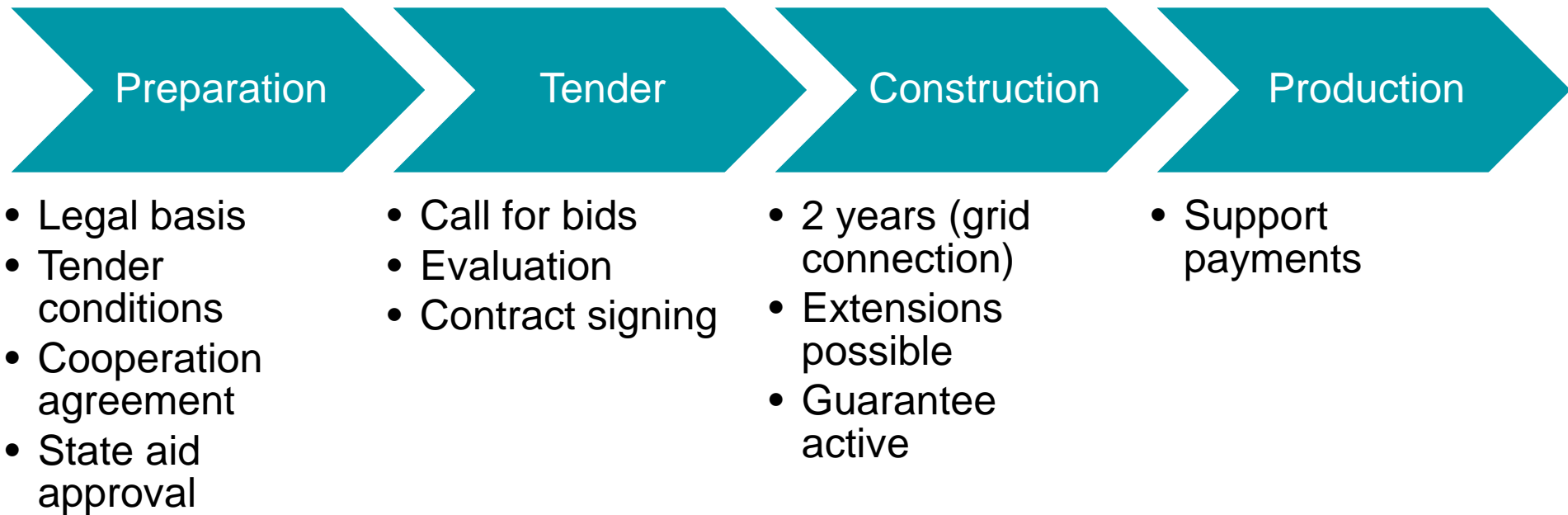
- 14.00 – 14.15 **Welcome and short introduction**
Morten Bæk, Director General of the Danish Energy Agency
- 14.15 – 15.00 **Presentation of the Danish PV tender**
Ellise Kiersten Jensen, Advisor
Rasmus Zink Sørensen, Special advisor
Dijana Dmitruk, Advisor
the Danish Energy Agency
- 15.00 – 15.30 **Grid connections of PV installations in Denmark**
Jan Rasmussen, Senior Consultant, the Danish Energy Association
- 15.30 – 15.45 **Registrations of installations and payment of price premium**
Louise Rønne Christensen, Head of Department, Energinet.dk
- 15.45 – 16.00 **Closing remarks and supplementing questions**
Jane Glindvad Kristensen, Head of Department, the Danish Energy Agency
- 16.00 – 16.30 **Networking opportunity with the Danish Energy Agency and Energinet.dk**

Danish PV tender

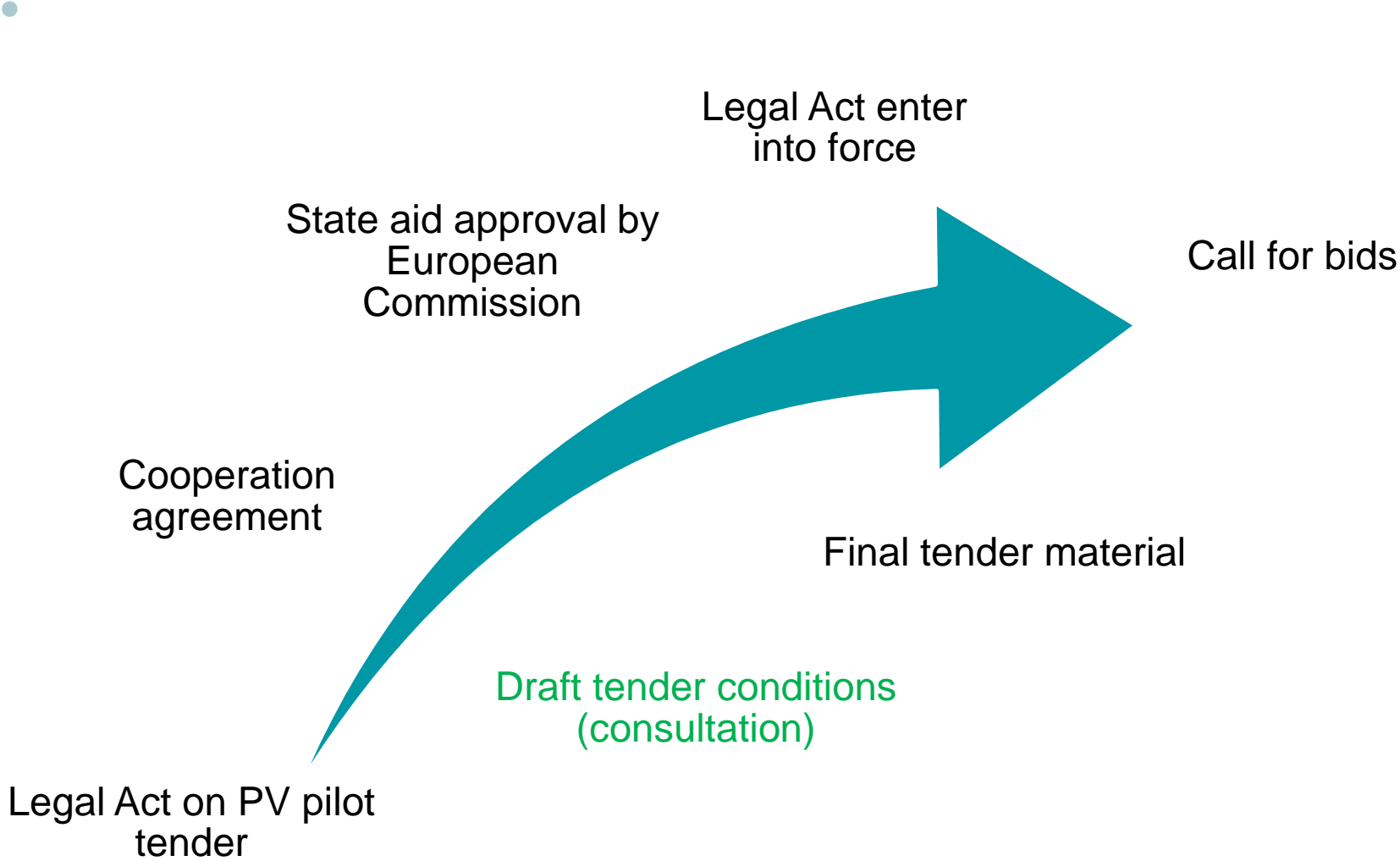
1. Timeline
2. Tender vs. existing framework
3. Size and location of bids
4. Award criterion and procedure
5. Price premiums
6. Obligation and penalty
7. Contracts
8. Cooperation with Germany

Timeline

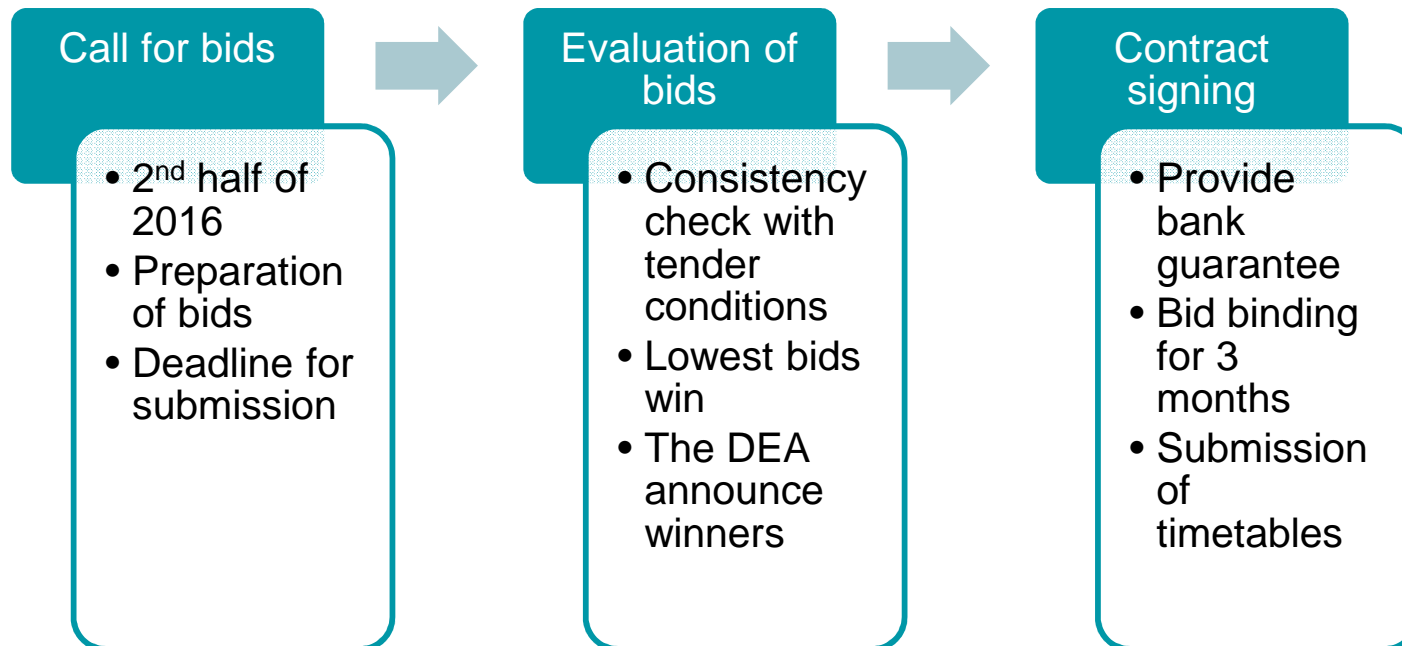
Tendering phases



Preparation phase



Tendering phase



Tender vs. existing framework

Tender vs. existing framework

Existing framework:

- Feed in tarif set by law
- Energinet.dk responsible for trading
- Energinet.dk responsible for balancing
- Self consumption possible
- No support for installations above 500 kW

- Only installations in DK

Draft tender conditions:

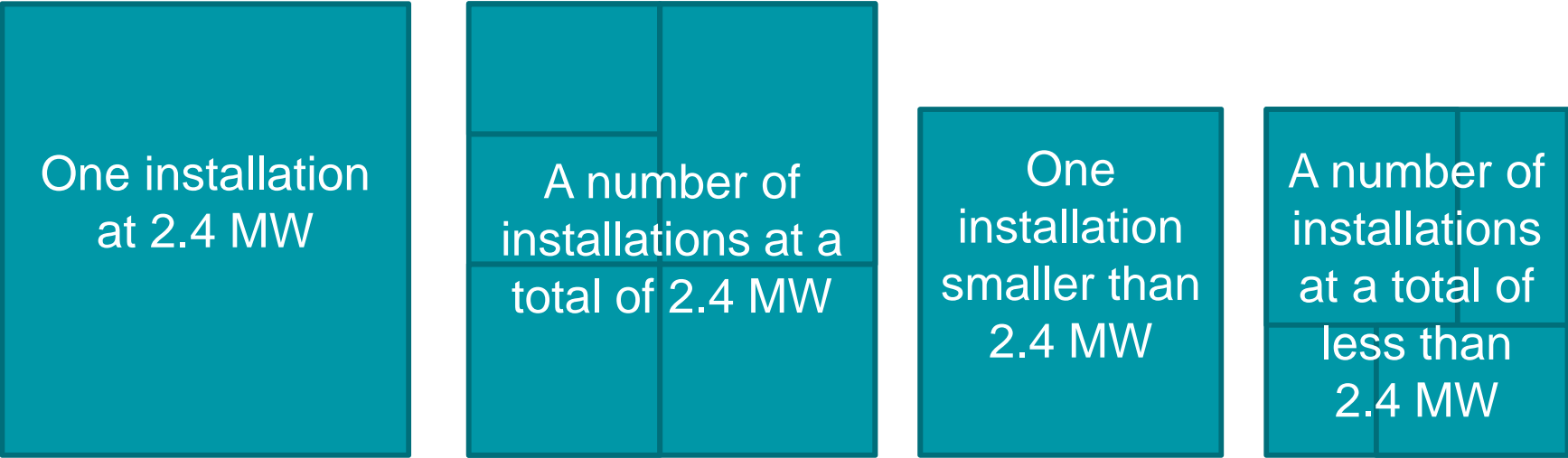
- Fixed premium based on bids
- Owner responsible for trading
- Owner responsible for balancing
- No self consumption
- No support for installations above 2.4 MW

- Partial opening for installations in DE

Size and location of bids

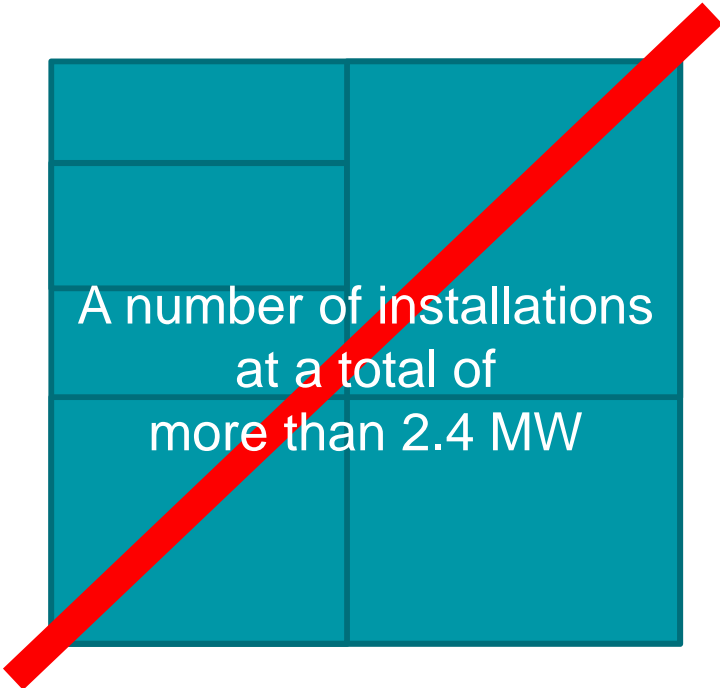
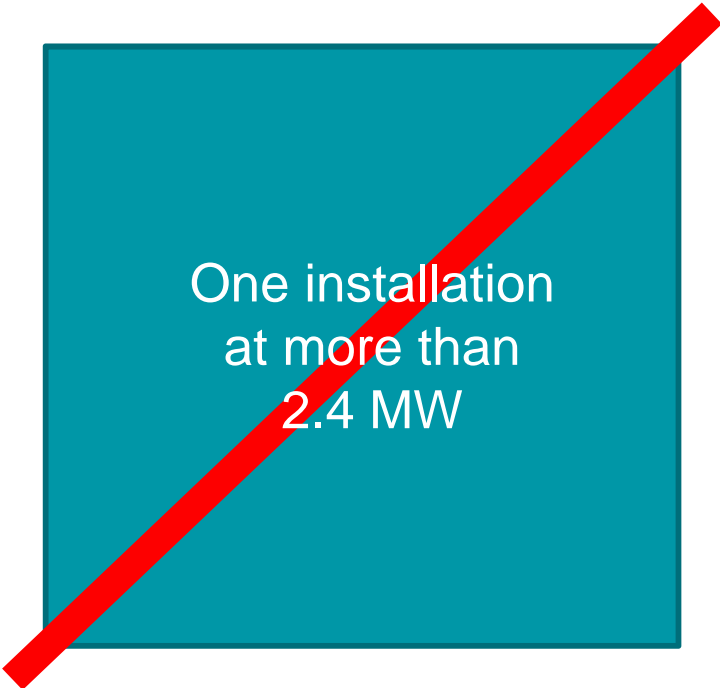
Size of bids

Allowed



Size of bids

Not allowed



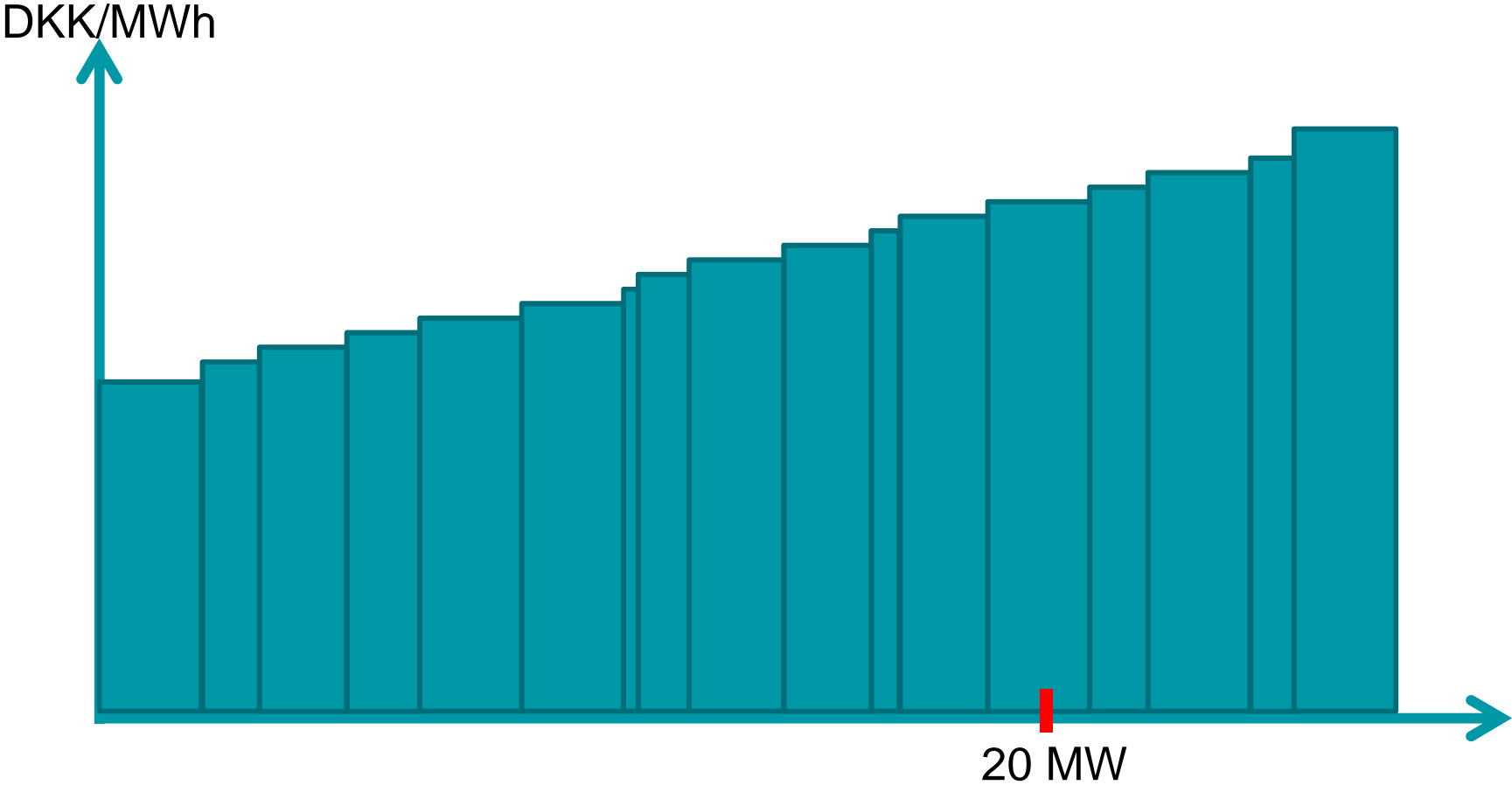
Location of installations

- No limitations in the current draft tender conditions
- Not clarified if limitations in national German PV tenders will apply to German locations in the Danish tender
- Planning approval is not required at the time of the bid
- Location of each installation must be specified in the bid
- Locations cannot be changed after the bid has been submitted

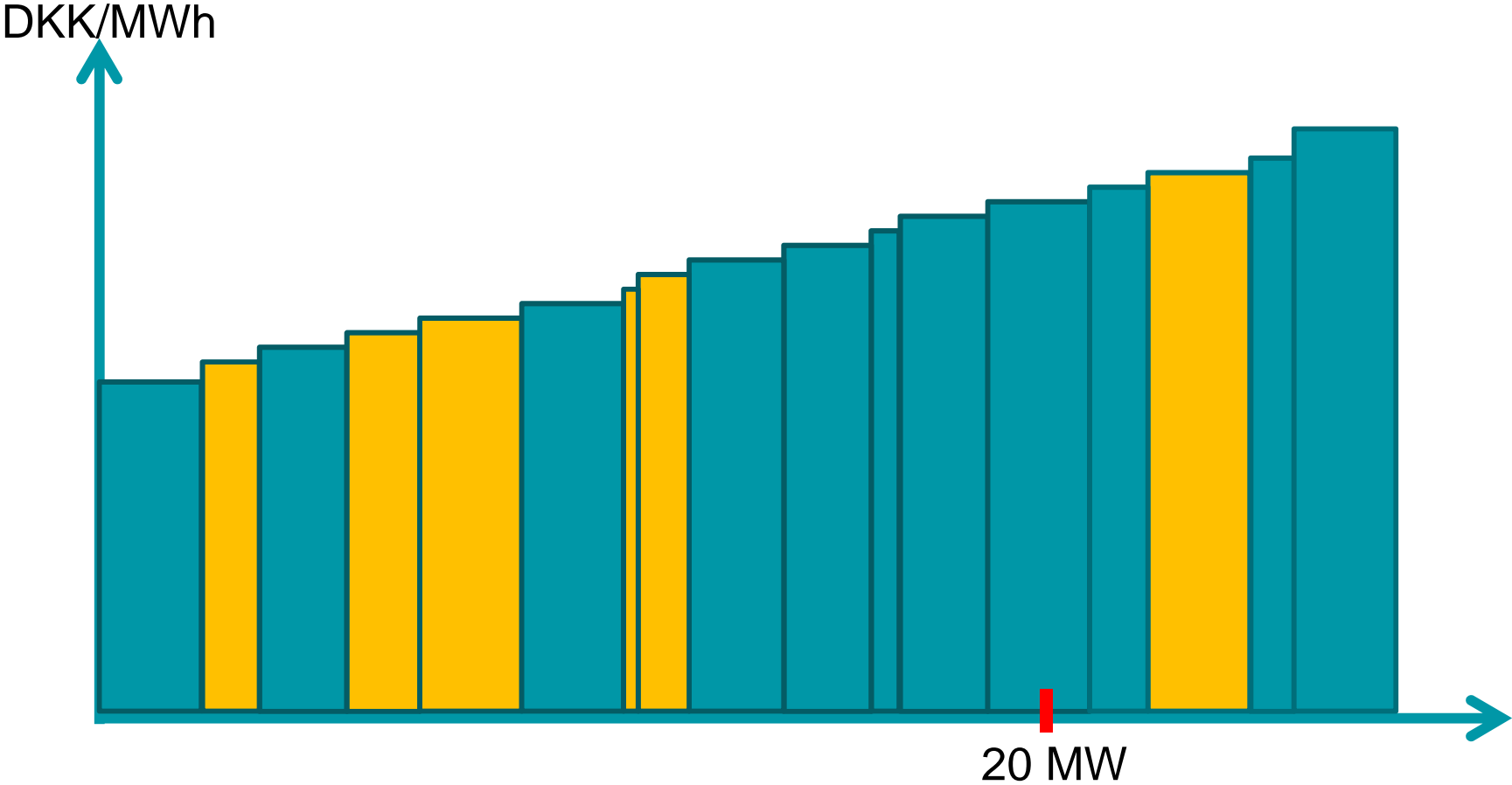


Award criterion and procedure

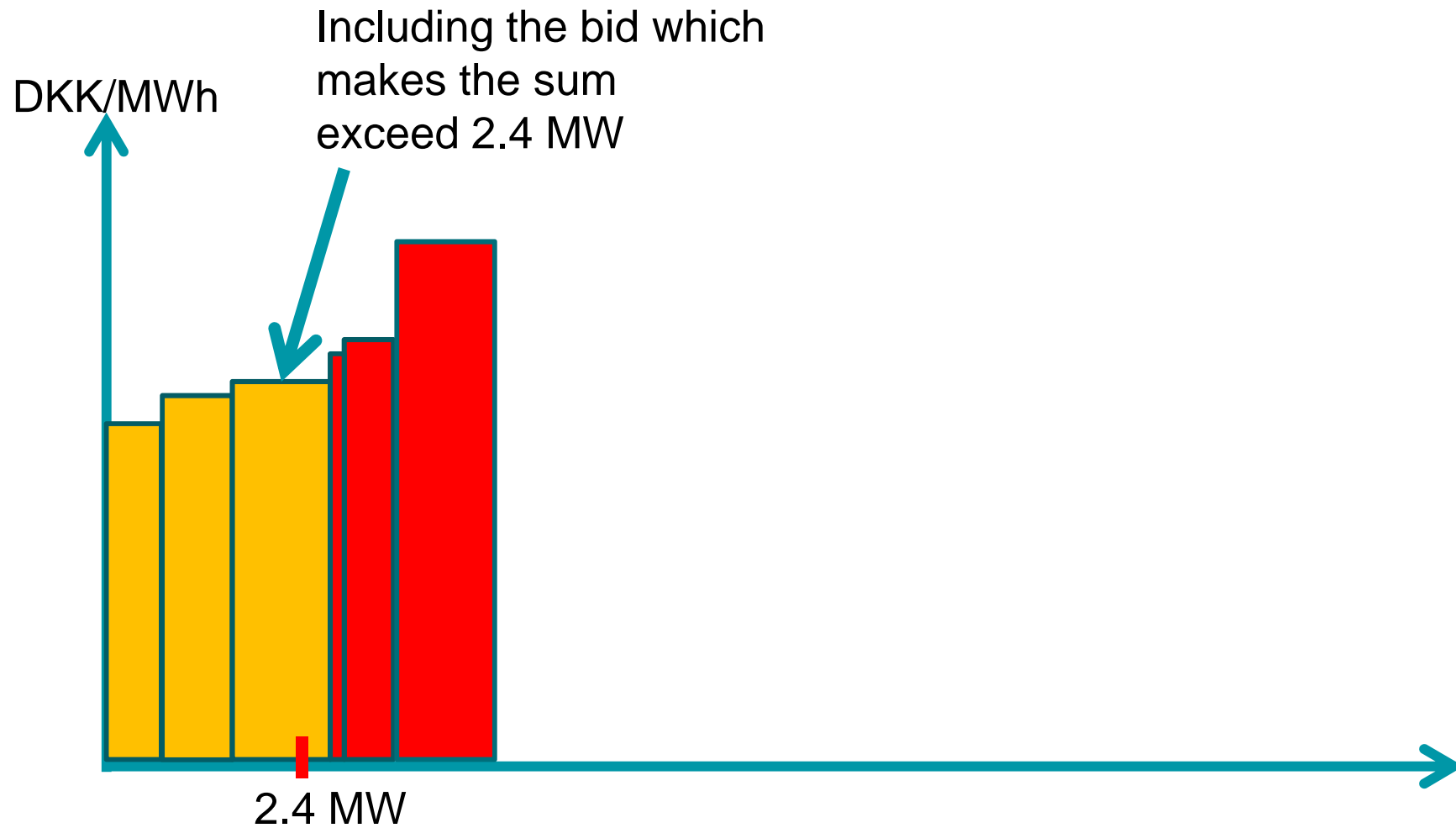
Hypothetical bidding curve



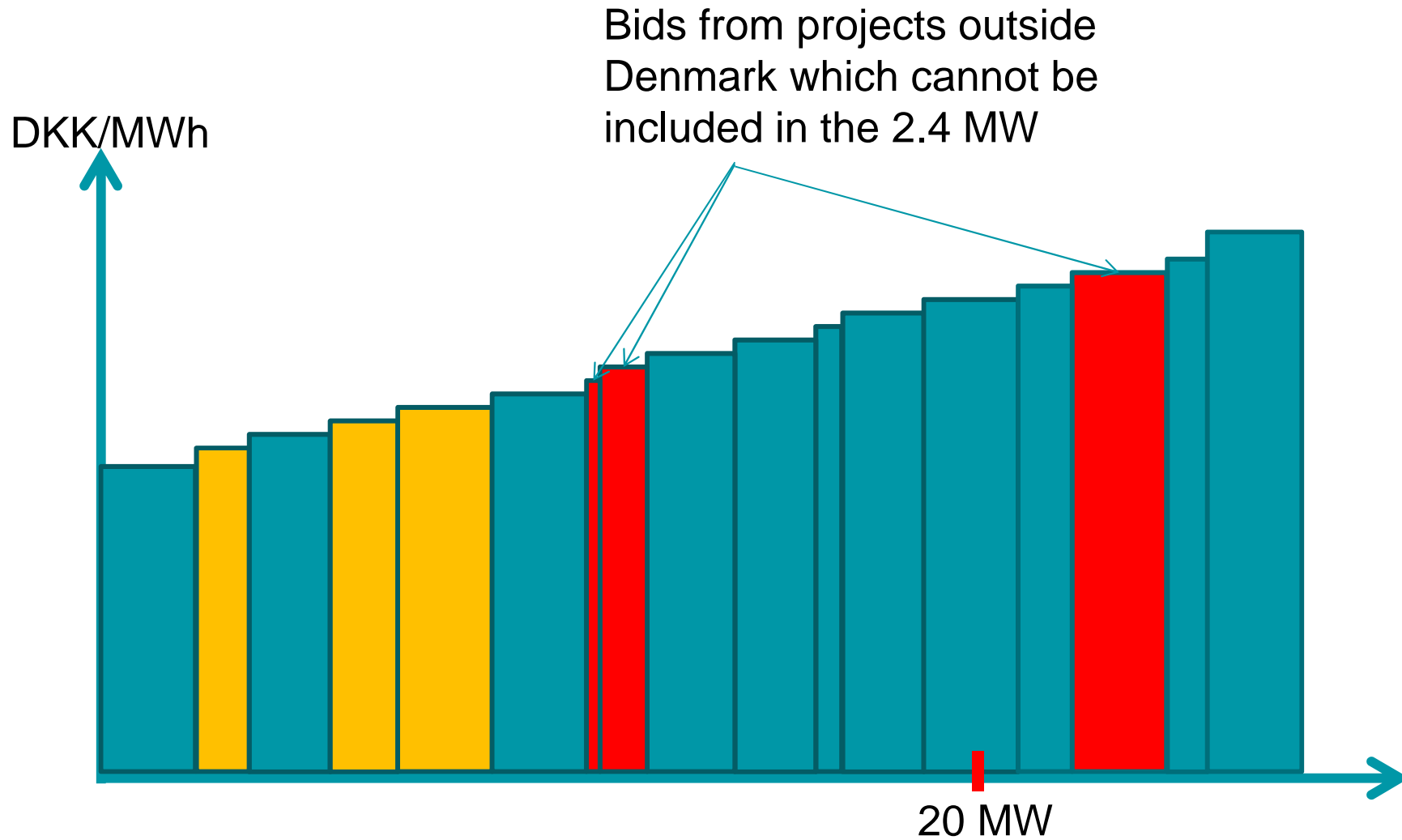
Bids from projects outside Denmark



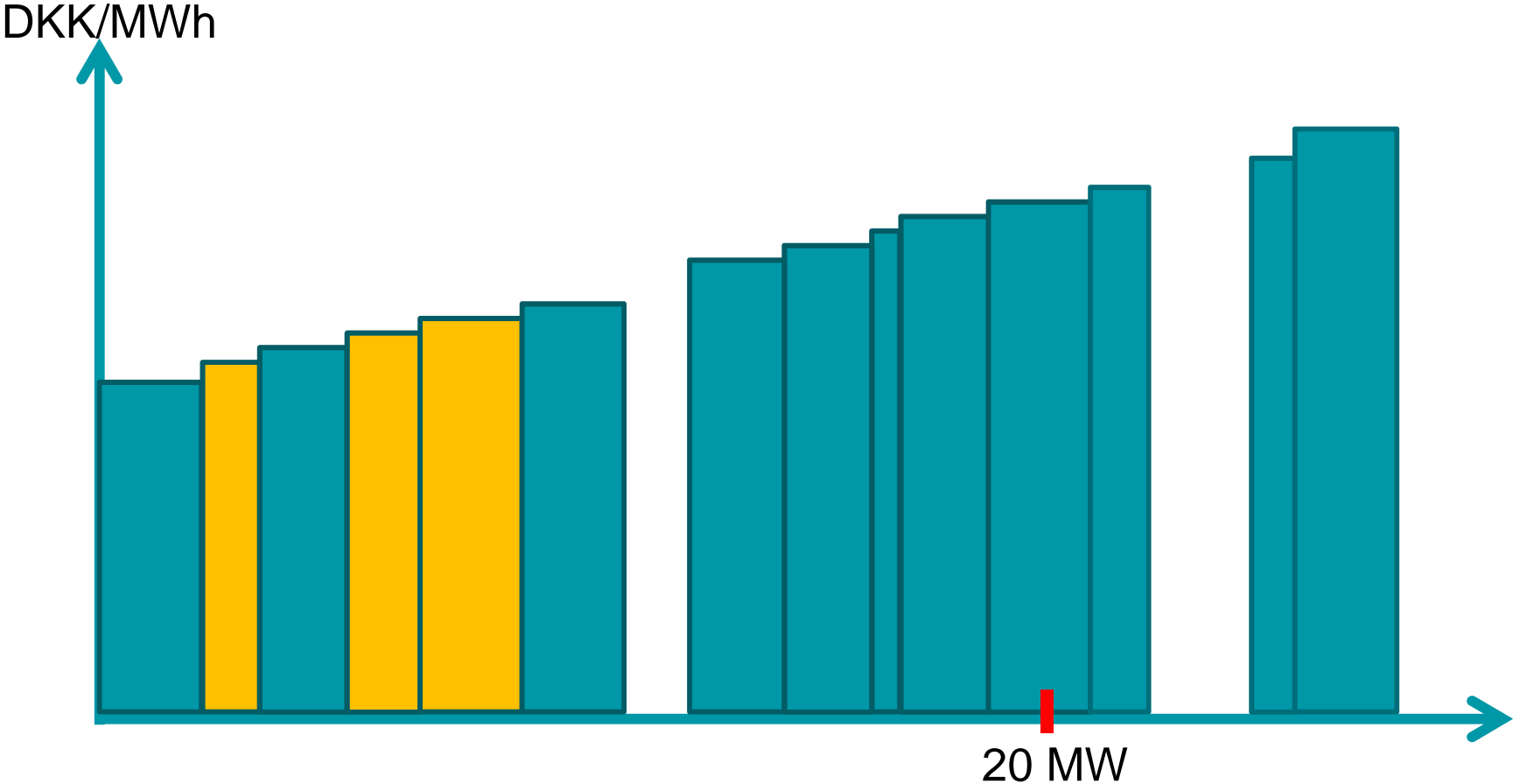
Effect of the 2.4 MW limit for projects outside Denmark



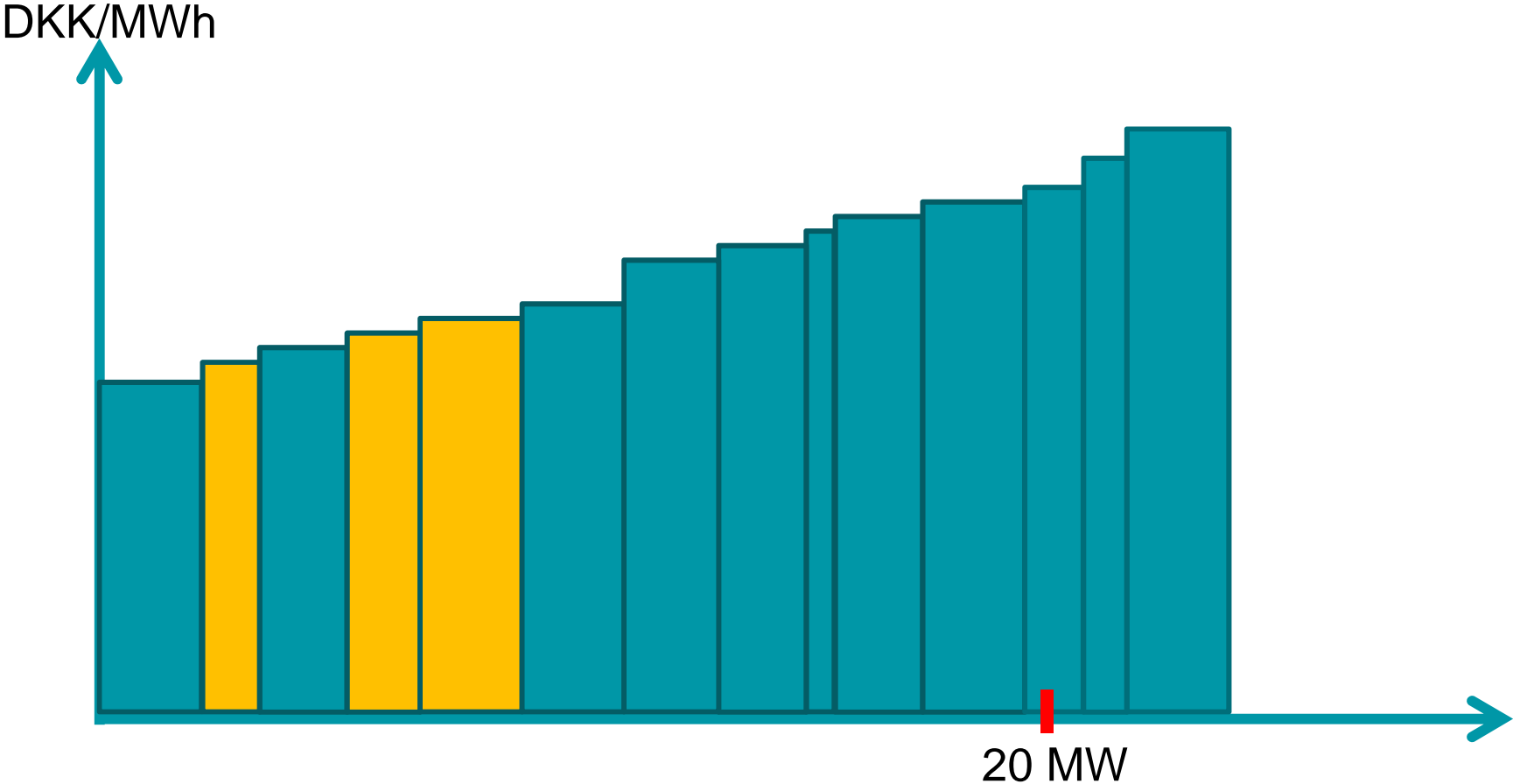
Effect of the 2.4 MW limit for projects outside Denmark



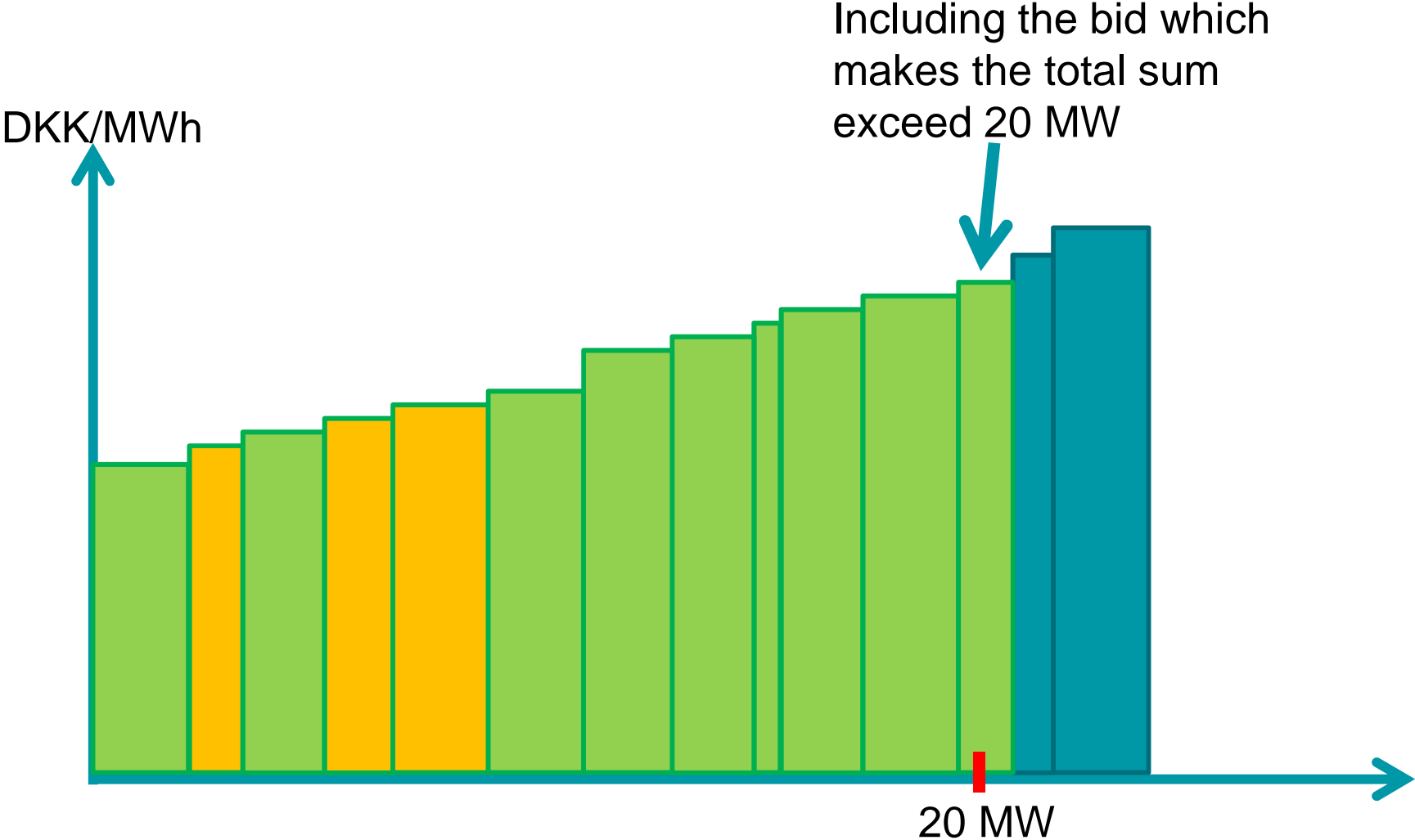
Effect of the 2.4 MW limit for projects outside Denmark



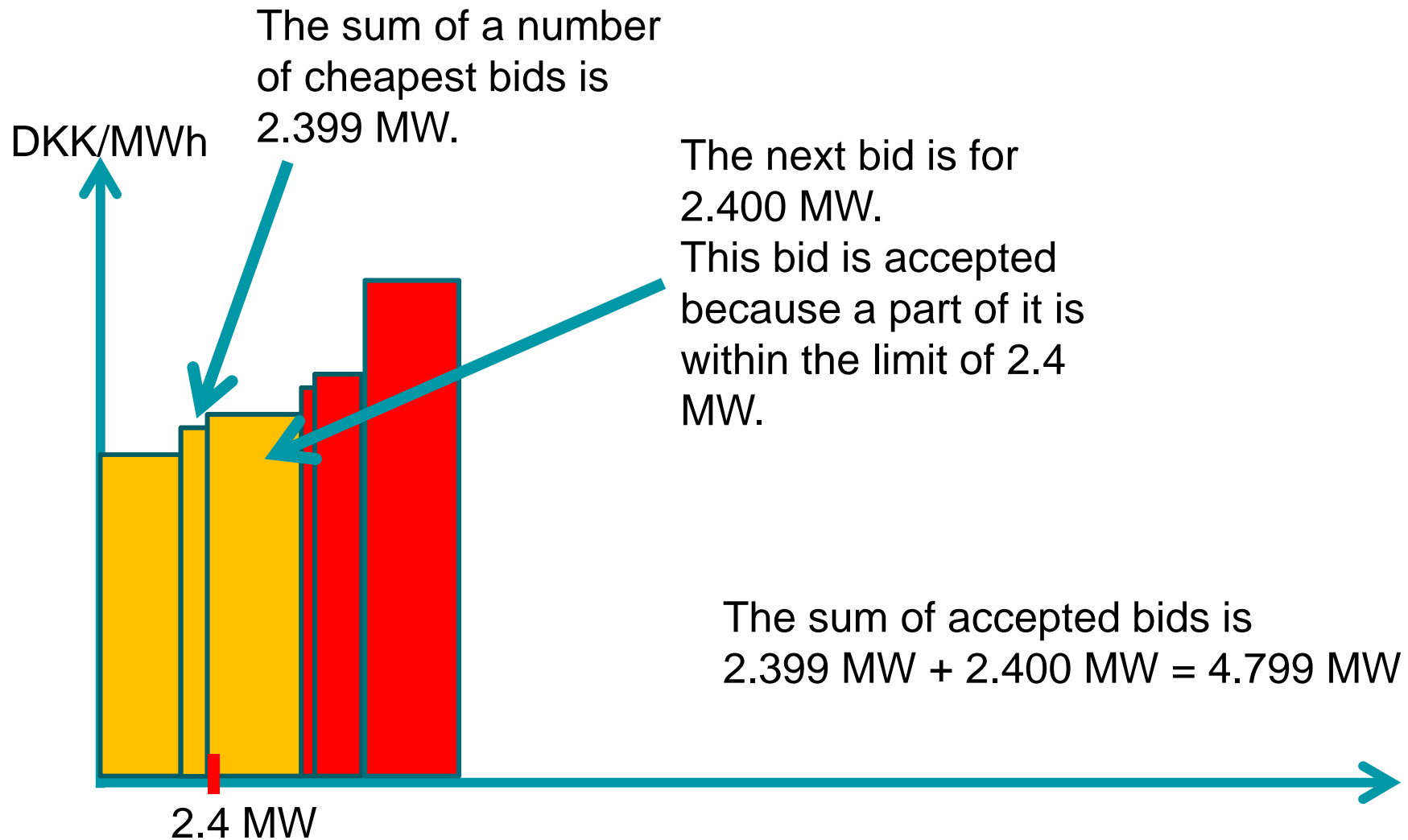
Hypothetical bidding curve after removing bids for projects outside Denmark in excess of 2.4 MW.



Winning bids



Explaining the maximum of 4.799 MW



Price premiums

Fixed premium

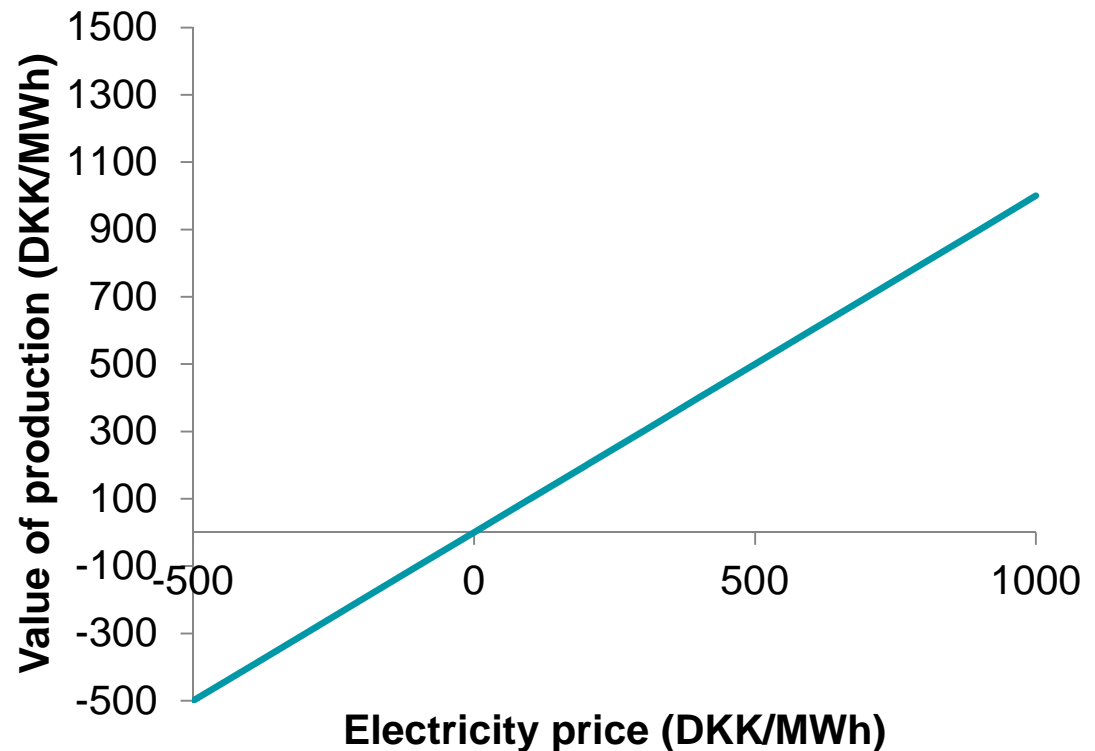
The draft tender conditions concern a fixed premium.

The premium is a fixed amount for electricity produced when the price of electricity is positive.

No premium is paid for electricity produced when the price of electricity is zero or negative.

Day ahead prices in the price zone where the installation is connected to the grid will apply.

Example: Without premium



Fixed premium

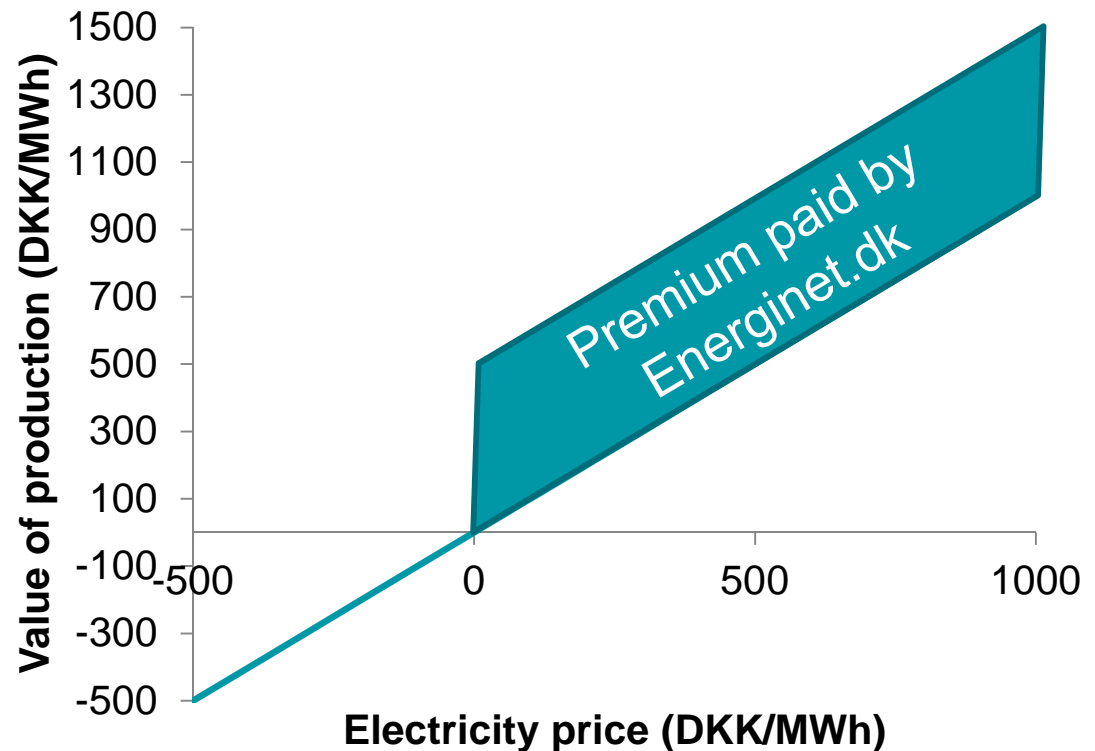
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The premium is a fixed amount for electricity produced when the price of electricity is positive.

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Example: A fixed premium of 500 DKK/MWh

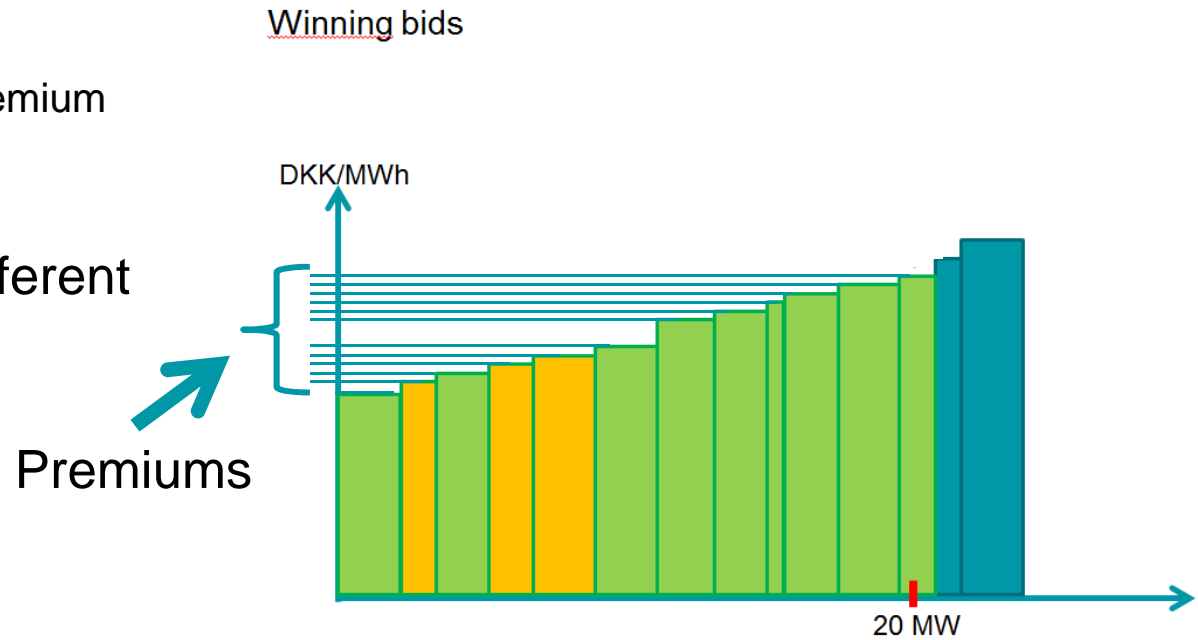


Pay as bid

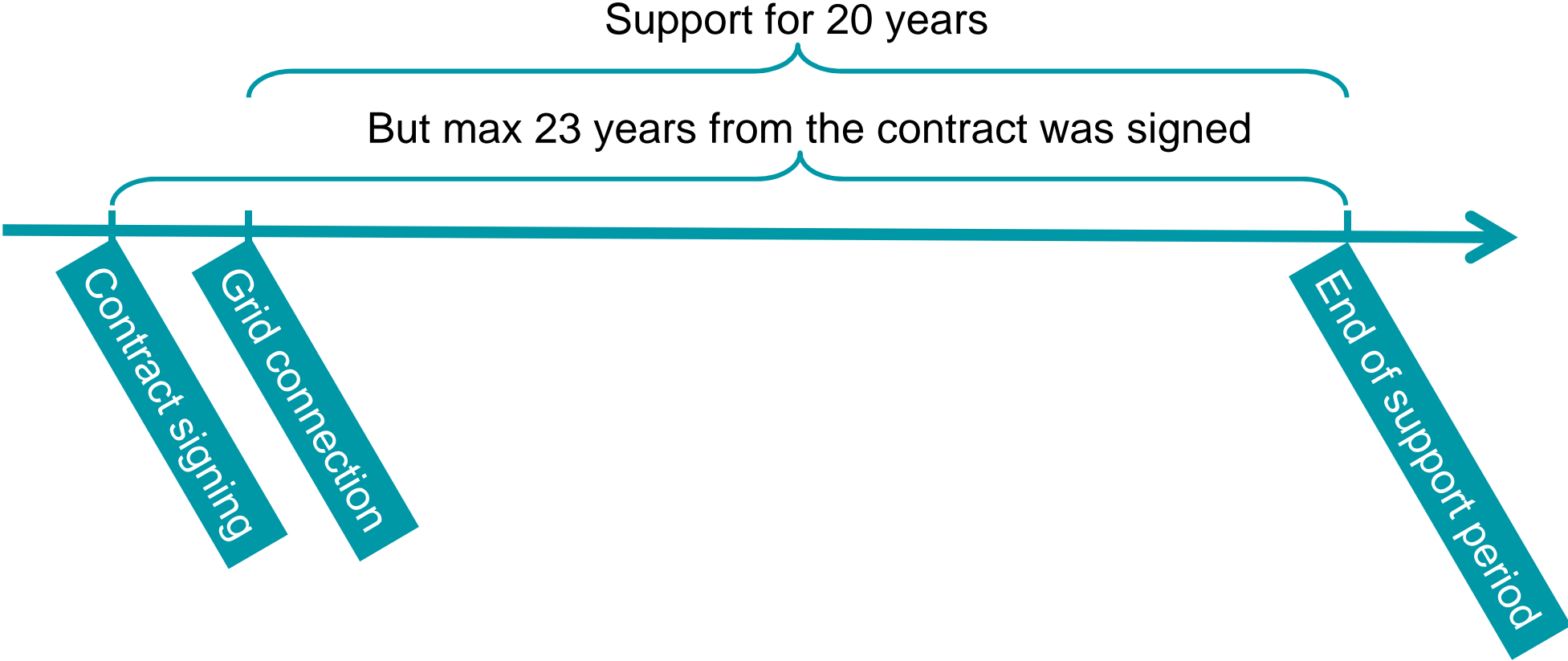
The draft tender conditions use the pay as bid principle to determine the premium for each installation.

Each winning project will receive the premium asked for in the bid.

This is likely to result in a number of **different** premiums to the winners.



Support period



Obligation and penalty

Obligation to construct

A winning tenderer enters a contract with an obligation to construct and obtain grid connection of the installations included in the bid.

2 year time limit for grid connection with possibility of extensions.

Causes for extending the time limit:

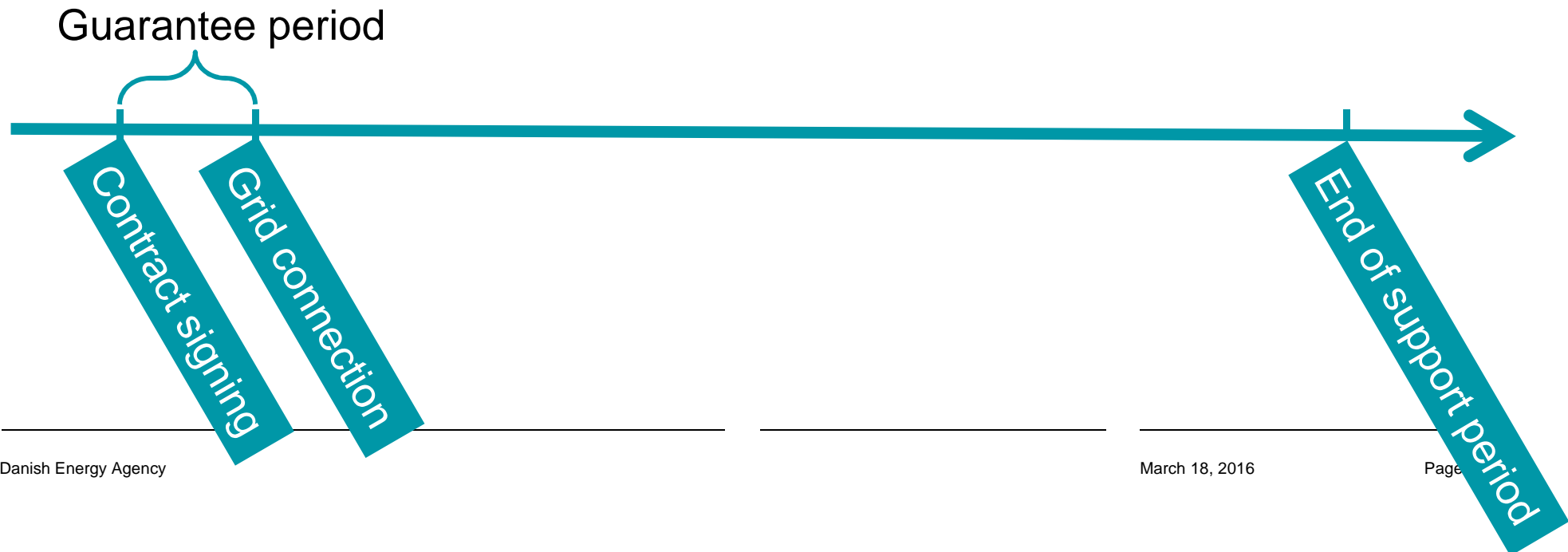
- Circumstances relating to the Danish Energy Agency.
- Circumstances arising for which the successful tenderer is without fault and over which the successful tenderer has no control, for example war, extraordinary natural events, fire, strikes, lockout or malicious damage.
- Public orders or bans which are not caused by circumstances attributable to the successful tenderer.
- Decisions by a board of appeal to stay proceedings on account of an appeal regarding regulations about planning of land use.

Penalty for non compliance

Penalty of 180 DKK per kW covered by the contract, which is not connected to the grid before the time limit.

Guarantee obligation will lapse when 95 % of the capacity has been connected.

Financial guarantee covering the maximum penalty.



Contracts

Contracts

Contracts to be concluded with the winners in the tender

Rights and obligations for the duration of the support period will follow from the contracts

Non-negotiable

Partial opening

Requirements for the opening (the Act on the Pilot Tender for Solar PV)

- EEA member state
- Direct electrical connection to Denmark
- Cooperation agreement

Cooperation with Germany on the mutual opening of solar PV tenders

- Cooperation agreement currently under negotiation
- Statistical transfers
- For more information on the German opening: www.erneuerbare-energien.de/EE/Navigation/DE/Recht-Politik/EEG-Ausschreibungen/Oeffnung-PV-Ausschreibungen/Oeffnung-PV-Ausschreibungen.html
- The final content of the tendering conditions, e.g. the type of price premium and other design elements, will reflect relevant considerations necessary for Denmark to enter into a cooperation agreement with the EEA country in question

Content of a bid

Content of a bid

Price

- DKK/MWh

Description of the tenderer

- Name of the tenderer
- CPR no. (personal registration no.)/CVR no. (central business registration no.)
- Telephone no.
- Email
- Ranking of the bid, if the tenderer submits several bids with the same price premium

Description of the installation(s)

- Address of each installation
- Name of each installation
- Installed capacity of each installation and all the installations together.
- Coordinates of the location(s)

Declarations

- Commitment to construct installations
- No unpaid debt due to public authorities in DK
- Compliance with any requirements to repay illegal or incompatible state aid
- No other state aid for the same installations