

Horns Rev 3 offshore wind farm is being put out to tender

Press Release from the Ministry of Climate, Energy and Building

The Energy Agency has today published the contract notice for the upcoming 400 MW Horns Rev 3 offshore wind-farm. The park, which will be able to supply the needs of some 400,000 households, is the first to be constructed as a result of the Energy Agreement of 2012. To enhance the competitiveness for bidding on the project, the only criterion in selecting the winner will be price.

The tender notice can be found at www.ens.dk/offshorewind.

As part of the energy agreement of 2012 it was decided that power capacity at sea needed to be more than doubled by 2020. The other parks in the Energy Agreement, the 600 MW 'Krieger's Flak' in the Baltic and the combined total of 450 MW of coastal parks, will be put out to tender during 2014. Finally, pilot wind turbines with the capacity to produce 50 MW will be established at sea. All political parties, with the exception of the Liberal Alliance, are behind this energy agreement. This intensified expansion at sea has created strong interest in the Danish projects amongst both Danish and foreign companies.

"The contract notice for Horns Rev 3 marks an important milestone in our efforts to create more competition to build Danish offshore wind farms and attract new capital for the green transition in Denmark. Today's announcement is the result of an intensive dialogue with the market to create the right framework conditions in Denmark. We have managed to find solutions that we believe will ensure serious bidders and more competition in the Danish market," says Climate, Energy and Building Minister Martin Lidegaard.

The contract notice sets out the main principles of bidding and outlines the requirements necessary to become prequalified in order to participate in the tender, which will be conducted as a negotiated procedure. The

prequalification ensures that only those who tender and are able to undertake the task, both financially and technically, can participate in the tendering procedure.

The requirements for prequalification are customised to create more competition and bring new players and financial institutions to the Danish market. Among other things, there are now more relaxed requirements for financial and economic capacity in comparison to the last bidding process undertaken for an offshore wind farm in Denmark at Anholt in 2010. There is also an assurance that those prequalified are fit to handle the task. The technical requirements ensure the necessary experience in the installation and operation of offshore wind farms.

"The prequalification is an important part of a new procurement model that involves both a considerable amount of technical dialogue and subsequent negotiations with the bidders. It is an important departure from the last bid for the Anholt offshore wind farm in 2010 where we ended up receiving only one offer. Instead of sitting behind closed doors this time, we have chosen to implement some of the most open and transparent procurement measures the industry has ever seen. It has secured a massive interest in the Danish projects," says Climate, Energy and Building Minister Martin Lidegaard.

The rest of the tender specifications will be published in early 2014 and will include among other things additional economic conditions for the establishment and operation of the park as well as a draft concession agreement. The deadline for applying for prequalification is the 23rd April 2014.

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New offshore wind tenders

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