



# The Danish Energy Agency invites comments on the Danish technology neutral tender in 2020

The Danish Energy Agency invites comments and questions on the draft conditions of the tender in 2020. In the technology neutral tender 2020, both wind turbines, solar PV, wave power plants and hydropower plants can compete to supply as much green electricity, as cost-effectively as possible.

I 2020, the third technology neutral tender will be held. In addition to wind turbines and solar PV, the tender will also include wave power plants and hydropower plants, following the climate agreement from June 2020. With

the climate agreement, the support scheme switches from using a fixed premium on top of the market price to a so-called "Contract for Difference" (CfD-model), where the state accepts a larger share of the long-term risk associated with the development of renewable energy.

The technology neutral tender in 2019 where wind turbines and solar PV compete for support, resulted in an average winning price premiums of 1.54 øre per kWh or approx. 2.1 EUR per MWh. This level of support was 32 pct. lower than the preceding year and 16 times lower than the price premium available in the previous aid scheme (known as "25-øren"), which expired in February 2018.

## Comments on the draft conditions of the tender

The Danish Energy Agency now invites interested parties to submit written comments and questions regarding the draft conditions of the tender for the technology neutral tender in 2020.

# Read the draft conditions of the technology neutral tender in 2020

Any comments and questions to the draft tender conditions must be sent to Jonas K. Sekamane (<a href="mailto:jsks@ens.dk">jsks@ens.dk</a>) and <a href="mailto:vindogsoludbud@ens.dk">vindogsoludbud@ens.dk</a> no later than Wednesday 26 August 2020 10 am. The Danish Energy Agency will publish comments, questions and answers at <a href="mailto:www.ens.dk/vindogsoludbud">www.ens.dk/vindogsoludbud</a> in September 2020.

# Climate agreement on the technology neutral tenders

On 22 June 2020, the Danish government, the Liberal Party of Denmark, the Danish People's Party, the Social Liberal Party, the Socialist People's Party, the Red-Green Alliance, the Conservative People's Party, Liberal Alliance and the Alternative agreed to continue the technology neutral tender in 2020 and 2021 using a CfD-model with a bid cap of 25 øre per kWh or approx. 34 EUR per MWh and payouts limited to 600M kr. or approx. 81M EUR. A corresponding amount of funding has been set aside for the technology neural tenders in 2020-2024.

### **Contacts**

Advisor Jonas K. Sekamane, +45 33 92 66 83, <u>isks@ens.dk</u>
Legal Advisor Gudny Sjøfn Olafsdottir, +45 33 92 78 39 <u>gsno@ens.dk</u>
Advisor Emil Axelsen, +45 33 92 77 01, <u>eax@ens.dk</u>

# Contacts

Ture Falbe-Hansen Head of Press (+45) 2513 7846 tfh@ens.dk