

APPENDIX 6

Offered Rate and Contracted Quantity

Contract on subsidy for negative emissions carbon capture, transport, and storage

Instructions for tenderers

This Appendix constitutes General Requirements in its entirety, cf. Tender specifications, paragraph 6.

1: Introduction

The tenderer shall complete and submit this Appendix as a part of the tenderer's offer.

Appendix 6, Offered Rate and Contracted Quantity, contains the Offered Rate and the Contracted Quantity.

The tenderer shall fill in the required information in the blanks in the following pages in accordance with the instructions below.

Capitalised terms used in this Appendix shall have the meaning ascribed in Appendix 2, Definitions.

This guidance text will be deleted by the DEA in connection with conclusion of the Contract.

2: Offered Rate

In the blank for "Offered Rate", the tenderer must provide the Offered Rate per tonne of biogenic or atmospheric CO₂ captured and permanently, geologically stored.

The Offered Rate shall be stated as a fixed amount in DKK pr tonne of CO₂ excluding VAT and with a maximum of two decimal places. The Offered Rate shall be provided in 2023-prices.

The Subsidy will be based on the Offered Rate with annual adjustments to reflect inflation, cf. Appendix 5, Subsidy and economy scheme.

The tenderer can only provide one Offered Rate, which will be used for calculation of the Subsidy for 2025-Quantity, if offered by the tenderer, and for the calculation of the Subsidy for the Annual Quantity.

The tenderer must be aware of the total available annual subsidy under the NECCS fund, see section 4 below regarding Available annual subsidy.

3: Contracted Quantity

In the blanks under the section "Contracted Quantity", the tenderer shall specify the 2025-Quantity and the Annual Quantity.

The Annual Quantity

The Annual Quantity is the quantity of CO₂ that the tenderer will be obliged to capture and permanently, geologically store, every calendar year from 2026 until (and including) 2032 in accordance with the Contract.

The Annual Quantity shall be stated in tonnes of CO₂ and shall be a quantity above 0 tonnes of CO₂ applicable for each of the abovementioned calendar years. Reference is also made to section 4 below regarding Available annual subsidy.

The tenderer shall offer a fixed Annual Quantity.

The tenderer also has the option to offer a “Minimum Annual Quantity” if the tenderer wishes the option to enter into a Contract with a quantity less than the specified Annual Quantity in the event that the tenderer’s offer is a marginal offer (which is a compliant offer with the highest number of points after the offers that can be fully accommodated within the available annual funds, but with an annual subsidy (i.e. Offered Rate x Annual Quantity) that exceeds the remaining available annual funds). Reference is made to Appendix A, The evaluation of offers, paragraph 2.6.

If the blank under section “Minimum Annual Quantity” is left blank, no Minimum Annual Quantity will be regarded as offered – meaning that the tenderer can only be awarded a contract provided that the contract can be accommodated within the total available annual subsidy under the NECCS fund.

The 2025-Quantity

The 2025-Quantity is the quantity of CO₂ which the tenderer will be obliged to capture and permanently, geologically store, in the period from start of operating until (and including) 31 December 2025 in accordance with the Contract – if the tenderer chooses to offer such quantity. The tenderer is not obliged to offer any 2025-Quantity.

If the blank under the section “2025-Quantity” is left blank, no 2025-Quantity will be regarded as offered.

The 2025-Quantity can be any quantity above 0 tonnes CO₂, and up to the quantity of the Annual Quantity (meaning the 2025-Quantity cannot exceed the Annual Quantity). Reference is also made to section 4 below regarding Available annual subsidy.

The 2025-Quantity is a sub-criterion in the evaluation of the offers, cf. Appendix A, The evaluation of offers.

4: Available annual subsidy

The annual subsidy allocated under a Contract (Allocated Annual Subsidy) is calculated on the basis of the Subsidy Rate applicable for a given year and the Annual Quantity, respectively and if applicable, the 2025-Quantity. The Allocated Annual Subsidy of a contract and/or more contracts collectively cannot exceed the total available annual subsidy under the NECCS fund.

Thus, the tenderer shall be aware that the Annual Quantity and the 2025-Quantity, if offered, together with the Offered Rate shall be set at a level ensuring that the Subsidy under the Contract would not exceed the total available annual funds for each year under the NECCS fund which for the period 2025-2032 (both years included) is DKK 319,900,000 (in 2023-prices).

This means that with regard to 2025-Quantity

The Allocated Annual Subsidy for 2025 – based on the 2025-Quantity times the Offered Rate – shall be equal to or less than DKK 319,900,000 (in 2023-prices).

If the tenderer offers a 2025-Quantity and an Offered Rate that results in an amount that exceeds the abovementioned amount, the DEA will consider the offer regarding 2025-Quantities not valid, meaning that the tenderer's offer is not considered non-compliant due to this, but is considered to not contain an offer regarding 2025-Quantity.

This means that with regard to Annual Quantity

The Allocated Annual Subsidy for each year of 2026-2032 – based on the Annual Quantity times the Offered Rate – shall be equal to or less than DKK 319,900,000 (in 2023-prices).

If the tenderer offers an Annual Quantity and an Offered Rate that results in an amount that exceed the abovementioned amount, the DEA will consider the offer non-compliant and will reject the offer.

1. Offered Rate

_____ DKK per tonne CO₂ (excluding VAT) (2023-prices).

2. Contracted Quantity

2025-Quantity

_____ tonnes of CO₂.

Annual Quantity

_____ tonnes of CO₂.

Minimum Annual Quantity

_____ tonnes of CO₂.

[Note, if the tenderer is awarded a contract encompassing the Annual Quantity as specified above, the “Minimum Annual Quantity” will be deleted by the DEA in connection with conclusion of the Contract. in the final appendix to the Contract. If the tenderer is awarded a contract encompassing a reduced annual quantity (i.e., a quantity less than the Annual Quantity as specified above, but equal to or above the Minimum Annual Quantity) this reduced annual quantity will be inserted as “Annual Quantity” in the final appendix to the Contract and the “Minimum Annual Quantity” will be deleted in the final appendix to the Contract.]