

PCI Manual

On the procedures for the permit-granting processes for projects of common interest for the trans-European networks for energy



Danish Energy Agency

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Chapter 1: Introduction

1.1 Regulation (EU) 2022/869 of the European Parliament and of the Council

The purpose of this manual is to create an overview for project promoters of the permit-granting process for projects selected for the EU's PCI list in Denmark, hereinafter referred to as PCI projects.

In 2022, the European Parliament and the Council adopted Regulation (EU) 2022/869 of 30 May 2022 on guidelines for trans-European energy infrastructure etc. (hereinafter referred to as the TEN-E Regulation). The TEN-E Regulation can be found here:

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32022R0869&gid=1687785047057

The TEN-E Regulation aims to upgrade Europe's energy infrastructure and connect this to a continental energy grid, in particular to be able to integrate energy from renewable energy sources. To achieve that aim, the EU prepares lists of PCI projects that are limited to those projects that best contribute to the implementation of the EU's priority strategic objectives.

Chapter III and Annex VI of the TEN-E Regulation contain rules governing the permit-granting process for PCI projects (projects of common European interest) to help expedite and coordinate the processing of the necessary permits for PCI projects. The TEN-E Regulation also contains rules on public participation to ensure the highest possible standards of public participation and transparency in the permit-granting process for PCI projects (cf. Article 9(3) of the TEN-E Regulation).

According to the rules of the TEN-E Regulation, PCI projects must continue to have the same permits that apply to other infrastructure projects. However, there are rules on coordinating and expediting the permit-granting process between the approving authorities.

1.2 The competent authority in Denmark

Each country must appoint a competent authority to ensure progress in obtaining permits for PCI projects. It is the responsibility of the competent authority to monitor and coordinate the permit-granting process up to the issue of final permits for the project. The Danish Energy Agency is the primary point of contact for project promoters for PCI projects and can be contacted at:

Danish Energy Agency Carsten Niebuhrs Gade 43 DK-1577 Copenhagen V Tel.: +45 33926700 Email ens@ens.dk

To ensure a smooth permit-granting process, it is recommended that the project promoter for the PCI project contact the Danish Energy Agency in good time – preferably before the project reaches the necessary maturity.

In Denmark, permits for PCI projects are granted according to the collaborative scheme (read more about this in Article 8(3) of the TEN-E Regulation). As a result thereof, the acquisition of permits is coordinated by the Danish Energy Agency, which ensures that the individual permits are issued within the deadlines in the TEN-E Regulation. This scheme also means that the Danish Energy Agency does not have the authority to change or override decisions issued by other authorities. Furthermore, the concept for public participation must be organised in a collaboration between

project promoters, the Danish Energy Agency and the relevant environmental authority (read more about this in section 2.5).

The Danish permit-granting process for PCI projects is described in more detail below.

Chapter 2: Overall permit-granting process for PCI projects

This chapter describes the permit-granting process for PCI projects, based on the requirements of the TEN-E regulation. Prior to the permit-granting process, the project promoter has gone through a selection process to be considered for the EU's PCI list.

As a rule, the permit-granting process for PCI projects must last no more than 3.5 years. The process is divided into two stages, which are described below:

Stage 1: The procedure before submitting the application for transition to the statutory permitgranting process. At this stage, all relevant environmental reports must be conducted, e.g. the environmental impact assessment report, which constitutes an important part of the application material for obtaining the necessary permits for the project. Stage 1 should not last more than two years.

The stage of the procedure before submitting the PCI application formally begins once the Danish Energy Agency has acknowledged the notification from the project promoter in writing (see section 2.1). The process moves to stage 2 after the Danish Energy Agency has accepted the application from the project promoter (see section 2.7).

Stage 2: The statutory permit-granting process. At this stage, the necessary permits for the project are obtained, e.g. the environmental impact assessment. Stage 2 should not last more than 1.5 years from the Danish Energy Agency accepted the application for transition to the statutory permitgranting process.

The national permit-granting process for PCI projects is described in the summary in section 2.9.

2.1 Notifying the Danish Energy Agency of the project

The purpose of the project notification is, among other things, for the Danish Energy Agency to receive sufficient information to organise and coordinate the permit-granting processes in the countries involved, and within the deadlines specified in the TEN-E Regulation.

The rules for notification of projects follow from Article 10 of the TEN-E Regulation. Notification to the Danish Energy Agency must include a detailed description of the project. The description of the project must contain sufficient details for the Danish Energy Agency, possibly with contributions from relevant authorities, to decide whether the project is mature enough to begin the first stage of the permit-granting process.

The requirements for starting an environmental impact assessment is considered as sufficient details, and is a minimum requirement for the Danish Energy Agency to provide a list of relevant permits to the project promoter and form an overview of the project schedule.

The project promoter of a PCI project that crosses Danish territory must notify the Danish Energy Agency of the project in writing and, in collaboration with the Danish Energy Agency, ensure cooperation and effective communication with the national competent authority of the other Member State(s) concerned in accordance with Article 8(5–6) of the TEN-E Regulation. The Danish Energy Agency also encourages project promoters to inform the national competent authority in any other Member State concerned of the notification to the Danish Energy Agency and vice versa.

If the project is estimated to have a high probability of having negative impact for the environment in other Member States, the relevant information must be made available to the competent authority in the relevant Member States. This requirement is also covered by the Espoo Convention (Danish Executive Order No. 71 of 4 November 1999 on the Convention of 25 February 1991 on Environmental Impact Assessment in a Transboundary Context (Bekendtgørelse af konventionen af 25. februar 1991 om vurdering af virkningerne på miljøet på tværs af landegrænserne)).

The competent authority in the other Member State(s) will then communicate whether it or any other authority concerned wishes to participate in the relevant public consultations, cf. Article 9(6) of the TEN-E Regulation. The project notification must therefore include an assessment of whether there is a risk of the project having negative consequences for the environment in neighbouring Member States.

The final decision on whether the project is covered by the Espoo Convention will be made by the relevant authority, which in most cases will be the Danish Environmental Protection Agency. If the relevant authority is not the Danish Environmental Protection Agency, this authority has an obligation to send information about the project to the Danish Environmental Protection Agency.

2.2 Receipt of the notification

The Danish Energy Agency must either accept or reject the notification in writing no later than three months after receipt of the project notification. The notification may be rejected if the project is not deemed mature enough to start the first stage of the permit-granting process, which is the procedure before submitting the application. The Danish Energy Agency must justify any rejection of a notification, cf. Article 10(3) of the TEN-E Regulation. If the project notification is accepted, the date of the Danish Energy Agency's written acceptance will constitute the start date of the permit-granting process.

2.3 Determining which information must be submitted

After receipt of the notification, the Danish Energy Agency determines, in cooperation with the other relevant authorities and the project promoter, the scope, structure and level of detail of the information that the project promoter must submit as part of the applications for the permits relevant to the project, cf. Article 10(6)(a) of the TEN-E Regulation.

For those projects requiring the preparation of an environmental impact assessment report, municipal planning supplement and/or local plan, so-called "EIA projects", this is clarified in connection with the screening phase. The screening may take place before or after notification of the project to the Danish Energy Agency. The scope, structure and detail of the information submitted by the project promoter as part of the applications for the relevant permits will therefore not be communicated to the project promoter until the screening phase is completed.

For the types of reports and statements to be submitted as part of applications, the starting point is the checklists indicated in the chapters for the specific types of projects in chapters 3-10. The checklist should be seen as a gross list, where not all reports will be necessary for all projects.

2.4 Establishing a detailed schedule for the permit-granting process

In cooperation with the Danish Energy Agency and other relevant authorities, the project promoter prepares a detailed schedule for the permit-granting process, cf. Article 10(6)(b) of the TEN-E Regulation.

It follows from Annex VI of the TEN-E Regulation that the detailed schedule must indicate:

- a) The decisions and statements that need to be obtained
- b) The authorities, stakeholders and the public likely to be concerned
- c) The **individual stages of the procedure** and their duration
- d) **Major milestones** to be accomplished and their deadlines in view of the comprehensive decision to be taken
- e) The **resources** planned by the authorities and possible additional resource needs.

When the Danish Energy Agency accepts a project notification, the Danish Energy Agency will ask the project promoter to prepare a draft detailed schedule, if this was not included in the project notification. Where e) refers to resources, it is probably not possible for the project promoter or the authorities to come up with an exact proposal for the use of resources. However, the smooth implementation of the task requires the project promoter and the authorities to have an overview of named contacts linked to the project for the individual decisions.

In cooperation with the project promoter, the Danish Energy Agency will send a draft schedule for consultation with the relevant authorities. If amendments to the draft are proposed, the project promoter will be given the opportunity to comment on the proposed amendments. Based on this, the Danish Energy Agency approves the final detailed schedule and forwards it to the relevant authorities for information purposes. The detailed schedule will, as far as possible, be sent to the project promoter and the authorities concerned within three months after acceptance of the project notification. If there is a need to amend the schedule at a later date, the Danish Energy Agency will amend the schedule in cooperation with the project promoter and the authorities concerned.

For projects that cross the border to one or more other Member States, the Danish Energy Agency will contact the PCI-competent authorities with a view to aligning the schedules as far as possible. This will be done in accordance with Article 8(6) of the TEN-E Regulation.

2.5 Concept for public participation and involvement

Within an indicative period of three months after the Danish Energy Agency's receipt of the project notification, the project promoter must prepare a concept for public participation and submit this for approval to the competent authority, cf. Article 9(3) of the TEN-E Regulation. The concept for public participation must describe how the public will be consulted on the project. According to Article 9(4) of the TEN-E Regulation, the project promoter must also organise the implementation of at least one public pre-consultation before the project transitions to the second stage of the permit-granting process, the statutory permit-granting process. This is to ensure the best possible standards for public participation. In the case of EIA projects, the consultation could be carried out as part of the "idea consultation", also referred to as the first public phase (call for ideas and proposals). In this case, the consultation should be carried out in cooperation between the project promoter and the environmental authority.

For projects requiring environmental approval, the concept for public participation is sent to the relevant environmental authority with the involvement of the Danish Energy Agency. The environmental authority is the authority that grants permission in accordance with the rules of the Danish Environmental Assessment Act. This may be the Danish Environmental Protection Agency, the Danish Energy Agency or the local municipality. For projects not requiring an EIA, the concept for public participation will be approved by the Danish Energy Agency, and the consultation will be carried out in accordance with Article 9(4) of the TEN-E Regulation.

The authorities must request amendments to the concept or approve the concept within three months of receipt of the concept for public participation. The concept for public participation must be in Danish or English.

The purpose of the public consultation is to inform stakeholders of the project at an early stage and help identify the most suitable location or trajectory and the relevant issues to be addressed in the application. This is why the consultation must be carried out before the project trajectory has been established. The public consultation must also comply with the requirements in Annex VI(3)-(6) of the TEN-E Regulation. The project promoter must also prepare an information leaflet and a website about the project, and relevant stakeholders must be invited in writing to special meetings in connection with the consultation.

Cf. Annex VI(4) of the TEN-E Regulation, the concept for public participation must at least include information about:

a) Stakeholders concerned and addressed

Overview of all parties, authorities concerned and interest groups to be consulted as well as the methods intended to be used to involve these groups.

b) Measures envisaged

Brief description of the overall scope and principles of public participation, as well as tentative location and date for holding public meetings(s). This includes proposed locations and dates of special meetings.

c) Schedule

Schedule for all planned activities to be conducted in order to implement the concept for public participation.

d) Human resources allocated to various tasks.

An overview of named contacts linked to the respective tasks for the project promoter and relevant authorities, and any resource estimates.

When reviewing the concept for public participation, the Danish Energy Agency or the environmental authority will investigate whether the public consultation can meaningfully be held alongside other relevant consultations about the project. If the project promoter wishes to make significant changes to an approved concept for public participation, the project promoter must inform the Danish Energy Agency and, if applicable, the environmental authority involved. In such case, the authority involved will be able to request modifications, cf. Article 9(3) of the TEN-E Regulation.

2.6 Consultations in connection with environmental impact assessment

For PCI projects that require an EIA, at least two consultations need to be carried out, i.e. the concept consultation (call for ideas and proposals/first public stage) and the consultation on the environmental impact assessment report (second public phase), cf. section 35(3-4) of the Danish Environmental Assessment Act.

If one or more consultations that comply with the requirements of Article 9(4) and Annex VI have already been carried out prior to project notification, the environmental authority will take this into consideration when approving the concept for public participation. Involvement of the public may take place before notification. When approving the concept, the environmental authority will decide whether the overall involvement can be approved.

If the project crosses the borders of two or more Member States, the consultations in all Member States concerned must be held within a period of two months from the date of initiation of the first consultation, cf. Article 9(5) of the TEN-E Regulation.

After the public consultations are carried out, the project promoter must prepare a report summarising the results of activities conducted in connection with public participation, cf. Article 9(4)(2) of the TEN-E Regulation. The report must also contain the results of any public involvement that took place before the project notification was sent to the Danish Energy Agency. The report must be submitted to the Danish Energy Agency along with the final application for the permit-granting process to transition to the statutory permit-granting process (second stage). The Danish Energy Agency will forward the report to the relevant authorities. When processing the project permits, the authorities will take due account of the conclusions in the report.

2.7 Permit applications

When the project promoter has submitted the PCI project notification, cf. Article 10(1)(a) of the TEN-E Regulation, the Danish Energy Agency will then send a list of permits and environmental assessments that must be obtained for the specific project during the permit-granting process. Chapters 3-10 state which environmental assessments and permits are necessary for the individual project types.

When the project promoter has prepared relevant application material for the necessary permits in accordance with Danish legislation and associated environmental assessments, a brief application must be submitted to the Danish Energy Agency for the permit-granting process to transition to the statutory permit-granting process (second stage). As mentioned above, the application to the Danish Energy Agency must be attached to a report summarising the results of the public consultations. If necessary, the Danish Energy Agency will request new information on behalf of other authorities based on the application draft. However, details covered by the information that the Danish Energy Agency has requested after receipt of the project notification can only be requested at the start of the procedure before submitting the application (first stage); read this in section 2.3. When any missing information is submitted, the Danish Energy Agency must accept the processing of the application, cf. Article 10(6) of the TEN-E Regulation. After this, new information can only be requested if justified by new circumstances. The Danish Energy Agency's acceptance of the application marks the transition to the statutory permit-granting process.

During the statutory permit-granting process, a number of permits must be issued for the project. Permits for the various project types are described in chapters 3-10. Initially, all permits for the project must initially be issued within 1.5 years of the Danish Energy Agency's acceptance of the application. The project promoter may choose to use the Danish Energy Agency as the sole point of contact during the statutory permit-granting process, so that all relevant applications are sent to the Agency, which forwards the applications to the relevant authorities. It is also possible to send the applications directly to the relevant authorities with the Danish Energy Agency copied in. The Danish Energy Agency must coordinate the permits and monitor the relevant decisions made within the deadlines.

2.8 Comprehensive decision

The Danish Energy Agency provides the project promoter with confirmation that the permit-granting process has been completed when all the necessary permits are issued. In accordance with the provisions of Chapter III of the TEN-E Regulation, the statutory permit-granting process ends with the competent authority issuing a comprehensive decision. As Denmark has opted for the collaborative scheme, cf. section 1.2, the Danish Energy Agency is not competent to issue decisions on behalf of other authorities. Therefore, the Danish Energy Agency does not issue one comprehensive decision for the PCI project in Denmark.

2.9 Schematic overview of the permit-granting process for PCI projects

Procedure before submitting the application	Project promoter	Competent authority
	Notification of the project to the Danish Energy Agency (section 2.1).	
No later than three months after notification		Receipt of notification or justified rejection (section 2.2).
	Draft of detailed schedule . ¹	
Within an indicative period of three months after receipt of notification	Draft of concept for public participation.	Final detailed schedule and establish the scope of documentation and the level of detail for information ² (sections 2.3 and 2.4).
No later than three months after receipt of the concept		Approval of concept for public participation (section 2.5).
	Creation of website, information leaflet and written invitations to meetings.	
	Holding at least one early public consultation (section 2.5).	
Before submitting the application material	Preparation of application material and report on environmental assessments.	
Where all relevant application material and associated environmental assessments have been prepared	Preparation of a report on public participation. Preparation of applications for the relevant decisions; these may be submitted at a later date in the process. A brief application is submitted to the Danish Energy Agency with a request to transition to the statutory permit-granting process.	
		Request more information if necessary.
	Submit more information if necessary.	
No later than three months after receipt of all information and no later than two years after receipt of notification		Acceptance of application to transition to the statutory permit-granting process.

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¹ It would be advantageous for the schedule to be submitted together with the project notification.

² If screening is to be carried out for all or parts of the project, the results of this will be waited for.

Statutory permit-granting process	Project promoter	Competent authority
		The Danish Energy Agency sets reasonable deadlines for individual decisions in cooperation with relevant authorities.
		The environmental authority coordinates the consultations for EIA projects so that the consultations are held together insofar as possible.
		Send relevant decisions to project promoter and monitor to ensure that the deadlines are met.
No later than 1.5 years after acceptance of the application		Confirmation that all necessary permits have been issued (section 2.8).

Chapter 3: Electricity transmission grids on shore or grids that comes ashore in Denmark

Energinet is the only transmission system operator in Denmark, and therefore in practice Energinet will always be the project promoter of an electricity transmission project that is wholly or partly built on shore in Denmark. This is different for offshore projects that do not come ashore in Denmark, where other project promoters may be relevant. The rules for this are described in chapter 4 on rules and processes in relation to offshore electricity transmission grids that do not come ashore in Denmark.

It is a condition of Energinet's investments in a project that they must obtain a permit from the Danish Minister of Climate, Energy and Utilities, cf. section 4 of the Danish Act on Energinet. Since this is a permit that the Minister issues by virtue of their ownership powers over Energinet, and the permit will not have to be granted to other transmission system operators that build transmission grids in Danish territory, the section 4 permit is not considered part of the permit-granting process in the TEN-E Regulation. Energinet can apply for the section 4 permit before or in parallel with the permit-granting process.

3.1 Relevant environmental assessments and decisions

This section indicates the environmental assessments and decisions that will typically be included in the permit-granting process. If further environmental assessments need to be carried out for a specific project or further decisions need to be obtained, this will be disclosed no later than in connection with the project promoter's involvement of the Danish Energy Agency in the preparation of the detailed schedule for the project.

The following environmental assessments and decisions are included in the first stage prior to submitting the application:

- Supplement to municipal plan, change of land use in local plan (responsibility of municipalities and in the event of a national planning directive (Danish Agency for Planning and Rural Development))
- Decision on environmental assessment requirements (Danish Environmental Protection Agency)
- Environmental impact assessment report
- Impact assessment of the project's effects on Natura 2000 areas (Danish Environmental Protection Agency).

Once the mentioned permits have been obtained, the Danish Energy Agency confirms that the project promoter has obtained the necessary permits for building the necessary infrastructure for executing the project. After completion of the permit-granting process, it may still be necessary to obtain permits that are not essential to the implementation of the project. This may include, for example, a permit from the Danish Safety Technology Authority for expropriation and exemptions for implementation of the desired trajectory.

Permits issued in the second stage of the statutory permit-granting process, where applicable:

- Environmental impact assessment (Danish Environmental Protection Agency)
- Adoption of necessary planning basis (relevant municipality/municipalities) and national planning directives (Danish Agency for Planning and Rural Development)
- Permit to establish submarine cables, if applicable (Danish Energy Agency).

For offshore projects that are intended to come ashore, the following must also be carried out or obtained:

- Offshore environmental impact assessment (Danish Energy Agency)
- Offshore preliminary investigation permit (Danish Energy Agency)
- Permit to work in Danish waters (Danish Energy Agency).

3.2 Scope of documentation and level of detail for information in the PCI application

Once the necessary environmental assessments are available, the project promoter may submit an application to the Danish Energy Agency to have the PCI project transitioned to the statutory permitgranting process. The Danish Energy Agency's acceptance of the application marks the transition to the statutory permit-granting process. The PCI application must include the following documentation:

- Environmental impact assessment report (if applicable)
- Impact assessment for Natura 2000 areas (if applicable)
- Proposal for municipal planning supplement and local plan (if applicable) and/or national planning directive
- Marine environmental impact assessment (if applicable)
- Public participation report.

The public participation report must summarise results of all activities conducted in connection with public involvement, including consultations carried out before the start of the permit-granting process and all consultations conducted during the procedure before submitting the application. The report must comply with the requirements set out in Article 9(4) of the TEN-E Regulation. The results from the second public phase must therefore not be included in this report, as this consultation takes place after the PCI application and public participation report is submitted to the Danish Energy Agency.

3.3 Workflow and recommended time frame

This section provides a recommended work flow and time frame for electricity transmission projects that come ashore in Denmark. The actual work flow of a project will be determined taking the specific circumstances into consideration. Therefore, the workflows may vary significantly from project to project.

The project promoter notifies the Danish Energy Agency of the project and includes a detailed description of the project, cf. Article 10(1)(a) of the TEN-E Regulation. In cooperation with other relevant authorities, the Danish Energy Agency will assess whether the project is mature enough to allow the permit-granting process to start. The Danish Energy Agency must either accept or reject the notification in writing no later than three months after receipt of the project notification. The notification may be rejected if the project is not deemed mature enough to start the first stage of the permit-granting process, which is the procedure before submitting the application. The Danish Energy Agency must justify any rejection of a notification.

If the project is considered sufficiently mature, the Danish Energy Agency will acknowledge the notification.

The Danish Energy Agency will ask the other relevant authorities to provide contributions for a statement of the scope of documentation and the level of detail of the information to be submitted as part of the application and for a detailed schedule for the permit-granting process.

If possible, the Danish Energy Agency will send a statement to the project promoter no later than three months after receipt of notification. The project promoter will prepare a detailed schedule in

cooperation with the Danish Energy Agency. However, if delimitations are to be established for the project, the statement and the detailed schedule should wait for these results.

The project promoter will apply for relevant permits and notify the municipal authority of the project insofar as the intended installation is listed in Appendix 1 or 2 of the Danish Environmental Assessment Act. The municipality will forward the notification to the Danish Environmental Protection Agency, which, as a rule, will handle the project. Once notified of the project, the Danish Environmental Protection Agency must decide whether an environmental assessment is required for the project and then inform Energinet of this decision, sending a copy to the Danish Energy Agency.

Within an indicative period of three months after receipt of notification, the project promoter will send a concept for public participation for approval. For electricity transmission projects that require an EIA, the concept for public participation is sent to the Danish Environmental Protection Agency with the involvement of the Danish Energy Agency. If the Danish Environmental Protection Agency does not require an environmental assessment for the project, the concept for public participation will be sent to the Danish Energy Agency. The competent authority must either request changes to the concept or approve the concept within three months.

After approval of the concept for public participation, the first public consultation will be carried out, cf. Article 9(4) of the TEN-E Regulation, if it has not already been carried out. No later than at this time, the project promoter will create a website with an up-to-date description of the project. An information leaflet will also be prepared regarding the project, and the project promoter must make sure that they call any information meeting(s) about the project in writing. As a rule, the public consultations will be carried out alongside the consultations required in accordance with the Danish Environmental Assessment Act. The concept consultation for the municipal planning supplement, local plan and national planning directive can also be carried out as part of the overall consultation if this is considered appropriate.

After the first round involving the public, the project promoter determines the content of the environmental impact assessment report in cooperation with the Danish Environmental Protection Agency. The report may include an assessment of the offshore part of the project. The project promoter must also prepare a report summarising the results of activities in connection with public participation in accordance with Article 9(4) of the TEN-E Regulation.

On the basis of the notes, the project promoter will prepare a draft of the environmental impact assessment report for the onshore part and the offshore part, respectively. If a local plan and municipal planning supplement need to be prepared for the project, the relevant municipalities must also prepare proposals for the planning basis. Proposals for the planning basis can be prepared and processed in parallel with the environmental impact assessment process.

Once the report on public participation and the relevant environmental assessments have been conducted, the project promoter may submit an application to the Danish Energy Agency in order to transition to the statutory permit-granting process. When the Danish Energy Agency receives the application, the Danish Energy Agency will consult the relevant authorities as to whether they have received sufficient information on the case for them to issue the relevant permits. The Danish Energy Agency will request additional information on behalf of the relevant authorities, if necessary. The Danish Energy Agency will then accept that the project promoter has provided the relevant information no later than three months after the application has been received. If there is sufficient information on the case, the Danish Energy Agency will accept the application as soon as possible.

As part of the statutory permit-granting process, the drafts/proposals for the environmental impact assessment report, impact assessment and planning basis will be sent to the respective authorities, who will check these and submit them for consultation as part of the second public phase. If deemed

appropriate, the environmental impact assessment, impact assessment for the offshore part, municipal planning supplement and local plan will be submitted for consultation at the same time as part of the second public phase. The relevant permits must be issued no later than 1.5 years after acceptance of the application by the Danish Energy Agency.

3.4 Relevant legislation

This section contains information on relevant legislation on which decisions and statements concerning electricity transmission networks on shore or that come ashore land in Denmark are based, including environmental legislation. This is not a complete list, as depending on the specific project, there may prove to be other rules that are also relevant, e.g. projects with a need for special statutory permits. This section is divided into three parts:

- a) Relevant legislation for main permits for onshore parts of projects,
- b) Relevant legislation for main permits for offshore parts of projects and
- c) An indicative list of other legislation that may be relevant to the projects.

3.4.1 Main permits for onshore parts of projects

- Danish Coastal Protection Act (Consolidated Act No. 705 of 29 May 2020)
- Danish Planning Act (Consolidated Act No. 1157 of 1 July 2020)
- Danish Executive Order on environmental assessment of plans, programmes and specific projects (Bekendtgørelse om miljøvurdering af planer og programmer og af konkrete projekter) (Executive Order No. 806 of 14 June 2023)
- Danish Environmental Assessment Act (Consolidated Act No. 4 of 3 February 2023)
- Danish Executive Order on habitats (Executive Order No. 1098 of 21 August 2023).

3.4.2 Main permits for offshore parts of projects

- Danish Coastal Protection Act (Consolidated Act No. 705 of 29 May 2020)
- Danish Act on Energinet (Consolidated Act No. 271 of 9 March 2023)
- Danish Executive Order on the protection of submarine cables and pipelines (Kabelbekendtgørelsen) (Executive Order No. 939 of 27 April 1992)
- Danish Executive Order on sailing safety in construction work and other activities etc. in Danish waters (Bekendtgørelse om sejladssikkerhed ved entreprenørarbejder og andre aktiviteter mv. i danske farvande) (Executive Order No. 1351 of 29 November 2013)
- Danish Executive Order on environmental assessment of plans, programmes and specific projects (Executive Order No. 806 of 14 June 2023).

3.4.3 Other relevant legislation depending on the specific project

- Danish Watercourse Act (Consolidated Act No. 1217 of 25 November 2019)
- Danish Nature Protection Act (Consolidated Act No. 1392 of 4 October 2022)
- Danish Water Supply Act (Consolidated Act No. 602 of 10 May 2022)
- Danish Museums Act (Consolidated Act No. 358 of 8 April 2014)
- Danish Fisheries Act (Consolidated Act No. 205 of 1 March 2023)
- Danish Forest Act (Consolidated Act No. 690 of 26 May 2023).

3.5 Contact information for authorities and key stakeholders

The competent authority under the TEN-E Regulation is:

• Danish Energy Agency, ens@ens.dk

Other relevant authorities:

The list contains the names of the authorities that may be relevant to PCI projects.

- Banedanmark, <u>banedanmark@bane.dk</u>
- Danish Emergency Management Agency, <u>brs@brs.dk</u>
- By og Havn, info@byoghavn.dk
- Danish Ministry of Defence Estate Agency, fes@mil.dk
- Danish Coastal Authority, kdi@kyst.dk
- Danish Environmental Protection Agency, <u>mst@mst.dk</u>
- Danish Agency for Culture and Palaces, <u>post@slks.dk</u>
- Danish Maritime Authority, <u>sfs@dma.dk</u>
- Danish Civil Aviation and Railway Authority, info@trafikstyrelsen.dk
- Danish Road Directorate, vd@vd.dk
- Danish Business Authority, <u>erst@erst.dk</u>
- Relevant municipalities (depending on the planned trajectory).

Key stakeholders:

The list contains the names of interest groups commonly consulted in connection with cable projects. For each specific project, consideration must also be given to whether other private stakeholders, such as neighbours of a new transformer substation or national parks, should be consulted.

- Danish Hunters' Association, post@jaegerne.dk
- Danish Society for Nature Conservation, dn@dn.dk
- BirdLife Denmark, dof@dof.dk
- Danish Forest Association, info@skovforeningen.dk
- Danish Water and Wastewater Association, danva@danva.dk
- Association of Danish Museums, info@dkmuseer.dk
- Danish Outdoor Council, fr@friluftsraadet.dk

The following interest groups are also relevant to offshore projects:

- Danish Fishers PO, mail@dkfisk.dk
- Danish Shipping, info@danishshipping.dk
- Danish Sportfishing Association, post@sportsfiskerforbundet.dk
- Danish Aguaculture, danskakvakultur@danskakvakultur.dk
- Danish Ports, danskehavne@danskehavne.dk

Chapter 4: Offshore electricity transmission grids that do not come ashore in Denmark

This section indicates the environmental assessments and decisions that will typically be included in the permit-granting process. If further environmental assessments need to be carried out for a specific project or further decisions need to be obtained, this will be disclosed in connection with the project promoter, in collaboration with the Danish Energy Agency, preparing the detailed schedule. Once the mentioned permits have been obtained, the Danish Energy Agency confirms that the project promoter has obtained the necessary permits for building the necessary infrastructure for executing the project. After completion of the permit-granting process, it may still be necessary to obtain permits that are not essential to the implementation of the project.

Environmental assessments and decisions in the procedure, cf. the Danish Act on Energinet or the Danish Electricity Supply Act, before submitting the application:

- Offshore impact assessment (Danish Energy Agency)
- Offshore preliminary investigation permit (Danish Energy Agency)
- Permit to work in Danish waters (Danish Energy Agency).

Permits issued in the statutory permit-granting process:

• Permit to establish submarine cables (Danish Energy Agency).

The permit-granting process will be coordinated with the permits and decisions made in the countries in which the transmission link comes ashore. Permits are not typically granted for work in Danish territory before a permit is available or imminent in the countries where the link comes ashore.

4.1 Scope of documentation and level of detail for information in the PCI application

Once the necessary environmental assessments and decisions in the procedure before submitting the application are available, the project promoter may submit an application to the Danish Energy Agency for the permit-granting process to move into the statutory permit-granting process stage. The Danish Energy Agency's acceptance of the application marks the transition to the statutory permit-granting process.

The following must be attached to the application:

- Offshore impact assessment
- Public participation report.

The public participation report must comply with the requirements of Article 9(4) of the TEN-E Regulation. The report must summarise results of all activities conducted in connection with public participation, including consultations carried out before the start of the permit-granting process and all consultations conducted during the procedure before submitting the application.

4.2 Description of workflow and indicative time frame

This section provides a recommended work flow and time frame for offshore electricity transmission projects that do not come ashore in Denmark. The actual work flow of a project will be determined taking the specific circumstances into consideration. Therefore, the work flows may vary from project to project.

The project promoter notifies the Danish Energy Agency of the project and includes a detailed description of the project (see section 2.1). Based on the description submitted, the Danish Energy

Agency assesses, after consultation with the relevant authorities in the countries where the link comes ashore, and whose territory the link may cross, whether the project is mature enough to allow the permit-granting process to begin. If the project is considered sufficiently mature, the Danish Energy Agency will acknowledge the notification. As soon as possible thereafter, and no later than within three months, the Danish Energy Agency will send a list of comments, if applicable. The project promoter sends the detailed schedule to the Danish Energy Agency.

Within an indicative period of three months after receipt of notification, the project promoter will send a concept for public participation for approval by the Danish Energy Agency (section 2.5). The Danish Energy Agency must either request amendments to the concept or approve the concept within three months.

After approval of the concept for public participation, public involvement will be implemented. No later than at this time, the project promoter will create an up-to-date website about the project. An information leaflet will also be prepared regarding the project, and an information meeting or information meetings about the project will be called in writing.

After the public stage, the comments collected will be summarised. The project promoter must then prepare a report on public participation in the permit-granting process. The project promoter also arranges for a competent company or professional to prepare an environmental impact assessment, cf. section 22b of the Danish Electricity Supply Act, of the project.

Once the project promoter has prepared the public participation report and the environmental impact assessment report, the project promoter can submit their application for the case to transition to the statutory permit-granting procedure of the Danish Energy Agency. Both reports are included with the application.

When the Danish Energy Agency receives the application, it is sent for consultation in the relevant Danish authorities. The Danish Energy Agency may request additional information on behalf of the other authorities. The Danish Energy Agency will then accept the application no later than three months after the project promoter has provided the relevant information. If there is sufficient information on the case, the Danish Energy Agency will accept the application as soon as possible.

The permit must be issued no later than 1.5 years after the Danish Energy Agency's acceptance of the application. The issuing of the permit to establish submarine cables marks the end of the permit-granting process. The Danish Energy Agency will send a joint decision confirming that all the necessary permits have been granted.

4.3 Relevant legislation

- Danish Museums Act (Consolidated Act No. 358 of 8 April 2014)
- Danish Continental Shelf Act (Consolidated Act No. 1189 of 21 September 2018)
- Danish Coastal Protection Act (Consolidated Act No. 705 of 29 May 2020)
- Danish Executive Order on the protection of submarine cables and pipelines (Executive Order No. 939 of 27 April 1992)
- Danish Executive Order on sailing safety in construction work and other activities etc. in Danish waters (Executive Order No. 1351 of 29 November 2013)
- Danish Executive Order on the administration of international nature conservation areas and
 the protection of certain species in connection with scientific investigations, preliminary
 investigations, exploration and extraction of hydrocarbons, storage in the subsoil, pipelines,
 etc. offshore (Bekendtgørelse om administration af internationale naturbeskyttelsesområder
 og beskyttelse af visse arter ved videnskabelige undersøgelser, forundersøgelser,

- efterforskning og indvinding af kulbrinter, lagring i undergrunden, rørledninger, m.v. offshore) (Executive Order No. 786 of 14 June 2023)
- Danish Executive Order on impact assessment concerning international nature protection areas and protection of certain species in projects for establishing etc. offshore power plants and electrical grids (Bekendtgørelse om konsekvensvurdering vedrørende internationale naturbeskyttelsesområder samt beskyttelse af visse arter ved projekter om etablering m.v. af elproduktionsanlæg og elforsyningsnet på havet) (Executive Order No. 803 of 14 May 2023).

4.4 Contact information for authorities and key stakeholders

The competent authority under the TEN-E Regulation is:

• Danish Energy Agency, ens@ens.dk

Other relevant authorities:

- Danish Maritime Authority, sfs@dma.dk
- Danish Environmental Protection Agency, mst@mst.dk
- Danish Coastal Authority, kdi@kyst.dk
- Danish Geodata Agency, <u>gst@gst.dk</u>
- Danish Agency for Culture and Palaces, <u>post@slks.dk</u>

The Danish Energy Agency will involve the authorities in the countries where the link will come ashore before the permit for Danish territory is granted. It is generally recommended that approval for laying cable in Danish territory only be applied for once the trajectory has been established in the countries where the cable starts and ends. Otherwise, the trajectory through Danish waters may change during the process, and the environmental impact assessment may become obsolete along the way. These are questions that will be considered in the Danish Energy Agency's assessment of the maturity of the project with regard to the acceptance of the project promoter's application.

Key stakeholders:

- Association of Danish Museums, <u>info@dkmuseer.dk</u>
- Danish Fishers Producent Organisation, <u>mail@dkfisk.dk</u>
- Danish Shipping, info@danishshipping.dk
- Danish Sportfishing Association, post@sportsfiskerforbundet.dk
- Danish Aquaculture, danskakvakultur@danskakvakultur.dk
- Danish Ports, danskehavne@danskehavne.dk

Chapter 5: Smart electricity grids

In Denmark, there are no special permit-granting processes for setting up and commissioning smart electricity grids at the distribution or transmission level. The project promoter must therefore observe the general rules for electricity companies, depending on the scope and nature of the project. In addition, there are a number of technical network requirements and requirements for electricity meters that may be relevant for the implementation of the project. Different authorities may also be involved in the environmental impact assessments, where duly required.

In the following section (distribution), you will see a brief introduction to the relevant rules for grid operations at distribution level, which may relate to smart electricity grid projects. There is an introduction to rules and processes for grid operations at transmission level in chapters 3 and 4.

5.1 Distribution

Grid operations at distribution level in Denmark must be licensed.³ It is the Danish Energy Agency that issues the licences and checks that the stipulated conditions are observed.

With the licence comes an exclusive right and obligation to conduct grid operations, i.e. owning, expanding and running distribution grids, grid connections, etc., in a defined geographical area. In the licensed area, the grid company must own the facilities associated with the licensed activities. In practice, licences are granted for a period of 20 years and are issued following e.g. an assessment of the company's ability to conduct grid operations, including whether the company has the necessary technical, financial and personnel capacity, whether the company safeguards consumer representation and whether the company is sufficiently separate from e.g. electricity generators and traders. The current licences will expire on 1 January 2026, at which time new licences will be issued.

Pursuant to the Danish Executive Order on grid connection (*Nettilslutningsbekendtgørelsen*), there is a requirement for the grid company to connect any generator or consumer in the grid area to the grid at their request.⁴ The grid company must designate a connection point and a voltage level with the lowest total costs.

Finally, grid companies' agreements are subject to the principle of market fairness, according to which the Danish Utility Regulator performs supervision. This means that agreements the grid company enters with others must be entered on terms that would normally be achievable if the transaction had been concluded between independent parties.⁵ This is supervised by the Danish Utility Regulator.

5.1.1 Relevant environmental assessments and decisions

It may be relevant to obtain an environmental impact assessment from the Danish Environmental Protection Agency before overhead lines or underground cables with voltages over 100 kV or associated station installations are established on shore.

If submarine cables are to be laid or a significant change is to be made to these in territorial waters, a permit for this must be granted by the Danish Energy Agency. This applies to cables of all voltage

³ Section 19 of Consolidated Act No. 984 of 12 May 2021 on electricity supply.

⁴ Section 3 of Danish Executive Order No. 1090 of 14 August 2023 on grid connection of wind turbines, photovoltaic power stations, wave farms and hydropower plants (Bekendtgørelse nr. 1090 af 14. august 2023 om nettilslutning af vindmøller, solcelleanlæg, bølgekraftanlæg og vandkraftværker).

⁵ Section 46 of Consolidated Act No. 984 of 12 May 2021 on electricity supply.

levels. These permits are described in sections 22 a and 22 b of the Danish Electricity Supply Act⁶ and in sections 4 a and 4 b of the Danish Act on Energinet.⁷ In the process of such cases, prior consultation with a number of authorities must take place before the permit can be granted.

Environmental permits for onshore cables, or permits for cables in territorial waters, often require consultation with a number of authorities before the permit can be granted.

In addition, there may be a need for the project to be included in the local plan applicable to the area where the grid expansion and associated construction work is taking place. If the municipality believes that a change should be made to the local plan (municipal planning supplement), an environmental assessment may need to be carried out for this purpose. It is recommended that the project promoter contact the relevant municipality in order to identify the planning process.

If further environmental assessments need to be carried out for a specific project or further decisions need to be obtained, this will be disclosed no later than the time at which the project promoter, in collaboration with the Danish Energy Agency, prepares the detailed schedule for the PCI project (see section 2.4). After completion of the permit-granting process, it may still be necessary to obtain permits that are not essential to the implementation of the project.

Environmental assessments and decisions that may be required in the procedure before submitting the application:

- Screening decision on the requirement for an EIA (Danish Environmental Protection Agency or Danish Energy Agency (for cables in territorial waters))
- Environmental impact assessment report
- Environmental assessment for municipal planning supplement and local plan (for relevant municipalities)

Permits that may need to be issued in the statutory permit-granting process:

- Environmental impact assessment (Danish Environmental Protection Agency) and/or impact assessment (Danish Energy Agency).
- Local plan and municipal planning supplement (relevant municipalities).

5.1.2 Scope of documentation and level of detail for information in the PCI application

The project promoter may submit an application to the Danish Energy Agency for the permit-granting process to transition to the statutory permit-granting process if the necessary environmental assessments and permits are available in the procedure before submitting the application. The Danish Energy Agency's acceptance of the application marks the transition to the statutory permit-granting process.

The following must be attached to the application:

- Environmental impact assessment report, if applicable
- Environmental assessment for municipal planning supplement and local plan, if applicable
- Public participation report.

The public participation report must comply with the requirements of Article 9(4) of the TEN-E Regulation. The report must summarise results of all activities conducted in connection with public participation, including consultations carried out before the start of the permit-granting process and

⁶ Consolidated Act No. 984 of 12 May 2021 on electricity supply.

⁷ Consolidated Act No. 271 of 9 March 2023 on Energinet.

all consultations conducted during the procedure before submitting the application (read more about this in section 2.5).

5.1.3 Description of workflow and indicative time frame

The project promoter notifies the Danish Energy Agency of the project and includes a detailed description of the project (see section 2.1).

Within an indicative period of three months after receipt of notification, the project promoter will send a concept for public participation for approval by the Danish Energy Agency. The Agency must either request amendments to the concept or approve the concept within three months.

After approval of the concept for public participation, the public phase will be implemented. No later than at this time, the project promoter will create an up-to-date website about the project. An information leaflet will also be prepared regarding the project, and an information meeting or information meetings about the project will be called in writing.

After the public stage, the comments submitted will be summarised. The project promoter must then prepare a report on public participation in the permit-granting process of the Danish Energy Agency.

5.2 Relevant legislation

The relevant legislation for grid companies in Denmark consists primarily of the following:

- Danish Electricity Supply Act (Consolidated Act No. 984 of 12 May 2021)
- Danish Act on Energinet (Consolidated Act No. 271 of 9 March 2023).
- Danish Executive Order on the management of grid company operations (Bekendtgørelse om varetagelse af netvirksomhedsaktiviteter) (Executive Order No. 1048 of 27 June 2022).
- Danish Executive Order on revenue frameworks for grid companies (Bekendtgørelse om indtægtsrammer for netvirksomheder) (Executive Order No. 444 of 27 April 2023).
- Danish Executive Order on grid connection of wind turbines, photovoltaic power stations, wave farms and hydropower plants (Executive Order No. 1090 of 14 August 2023).
- Danish Executive Order on the rate of return for grid companies' forward-looking returns basis (Bekendtgørelse om forrentningssats for netvirksomheders fremadrettede forrentningsgrundlag) (Executive Order No. 1595 of 18 December 2017).
- Danish Environmental Assessment Act (Consolidated Act No. 4 of 3 January 2023).
- Danish Executive Order on environmental assessment of plans, programmes and specific projects (Executive Order No. 806 of 14 June 2023).

EU legislation

- Directive (EU) 2019/944 of the European Parliament and of the Council on common rules for the internal market for electricity (Electricity Directive)
- Council Regulation (EU) 2022/2577 of 22 December 2022 laying down a framework to accelerate the deployment of renewable energy
- Directive (EU) 2018/2001 of the European Parliament and of the Council on the promotion of the use of energy from renewable sources (recast) (Renewable Energy Directive)
- Commission Regulation (EU) 2016/631 of 14 April 2016 establishing a network code on requirements for grid connection of generators
- Commission Regulation (EU) 2016/1388 of 17 August 2016 establishing a Network Code on Demand Connection
- Network Code on Cybersecurity aspects of cross-border electricity flows draft 2022

Although there are no separate permit-granting processes for smart electrical systems in Denmark, there are a number of technical regulations and rules that may be relevant to the project promoter:

- Danish Electrical Safety Act (Consolidated Act No. 26 of 10 January 2019 on safety of electrical systems, electrical installations and electrical equipment).
- Danish Executive Order on the use of meters for metering consumption of water, gas, electricity or heat (Bekendtgørelse om anvendelse af måleinstrumenter til måling af forbrug af vand, gas, el eller varme) (Executive Order No. 582 of 28 May 2018).
- Danish Executive Order on remote electricity meters and the metering of electricity in final consumption (Bekendtgørelse om fjernaflæste elmålere og måling af elektricitet i slutforbruget) (Executive Order No. 477 of 10 May 2023).
- Danish Executive Order on energy information (*Energioplysningsbekendtgørelsen*) (Executive Order No. 734 of 23 May 2022).

The Danish Safety Technology Authority has also compiled a list of references to heavy current rules here:

https://www.sik.dk/erhverv/elinstallationer-og-elanlaeg/love-og-regler/tidligere-regelsaet-paa-elomraadet-arkiv/staerkstroemsbekendtgoerelsen

In addition, it is important that the project promoter complies with the applicable GDPR obligations pursuant to:

- the Danish Data Protection Act (Act no. 502 of 23 May 2018)
- Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).

5.3 Contact information for authorities and key stakeholders

The competent authority under the TEN-E Regulation is:

Danish Energy Agency, ens@ens.dk

Other relevant authorities:

- Danish Safety Technology Authority, sik@sik.dk
- Danish Agency for Data Supply and Infrastructure, sdfi@sdfi.dk
- Danish Environmental Protection Agency, mst@mst.dk
- Danish Agency for Planning and Rural Development (Copenhagen), plst@plst.dk
- Banedanmark, <u>banedanmark@bane.dk</u>
- Danish Coastal Authority, kdi@kyst.dk
- Danish Maritime Authority, sfs@dma.dk
- Danish Business Authority, <u>erst@erst.dk</u>

Chapter 6: Energy storage facilities

This chapter describes the rules and process for energy storage facilities. Annex II, item 1(c) of the TEN-E Regulation defines the energy storage facility as a system "(...) used for storing energy on a permanent or temporary basis in above-ground or underground infrastructure or geological sites, provided they are directly connected to high-voltage transmission lines and distribution lines designed for a voltage of 110 kV or more". For an energy storage project to be on the PCI list, the project must, according to Annex IV(1)(b) of the TEN-E Regulation, comply with the requirement that "the project provides at least 225 MW installed capacity and has a storage capacity that allows a net annual electricity generation of 250 GW-hours/year".

Energy storage and energy storage installations are governed by Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU, Article 2(59–60), which are fully implemented in Danish legislation, including the Danish Electricity Supply Act. Section 5(16) of the Danish Electricity Supply Act defines energy storage as: "In the electricity system, postponing the final use of electricity to a later time than when it was produced, or converting electrical energy into a form of energy that can be stored, the storage of such energy and the subsequent reconversion of such energy into electrical energy or use as another energy carrier". An energy storage installation is defined in section 5(15) of the Danish Electricity Supply Act as: "In the electricity system, an installation where energy storage takes place". There is a more detailed technical definition in Energinet's technical regulation 3.3.1 for electrical energy storage installations.

If an onshore energy storage installation over 25 MW has the function of a power station and affects the electrical system in the same way as a power station, the energy storage installation may, after a specific assessment, be covered by the Danish Energy Agency's regulation and associated permitgranting process for power stations, cf. section 10(1) and (11) of the Danish Electricity Supply Act, and sections 11 and 13 of the Danish Executive Order on electricity generation (Elproduktionsbekendtgørelsen). If an energy storage installation is to be connected to the public grid, the energy storage installation is not required to comply with the Requirements for Generators, cf. Commission Regulation (EU) 2016/631 of 14 April 2016 establishing a network code on requirements for grid connection of generators, hereinafter referred to as "RfG", Article 3(2)(d). The RfG are in the process of revision, for which it is planned that larger energy storage installations will be covered by the RfG and must therefore comply with the set requirements. An energy storage installation is not required to satisfy the requirements of the Demand Connection Code, cf. Commission Regulation (EU) 2016/1388 of 17 August 2016 establishing a Network Code on Demand Connection, hereinafter referred to as "DCC", Article 3(2)(b). Pursuant to section 7(1) of the Danish Executive Order on system liability (Systemansvarsbekendtgørelsen), Energinet has prepared regulations for the use of the public distribution grid, including the aforementioned technical regulation 3.3.1 for electrical energy storage installations. An energy storage installation must follow the stipulated requirements in the above regulation to be connected to the public grid.

6.1 Relevant environmental assessments and decisions

This section indicates the environmental assessments and decisions that will typically be included in the permit-granting process. As mentioned earlier, an energy storage installation may be covered by the Danish Energy Agency's permit-granting process for onshore power stations over 25 MW. If, according to the Danish Energy Agency's specific assessment, an energy storage installation is deemed to function as a power station, a permit for establishment and a permit/licence for electricity generation is required pursuant to sections 10(1) and 11(1) of the Danish Electricity Supply Act. A permit or licence for electricity generation is conditional on the company having the necessary technical and financial capacity to conduct the activity requiring a permit or licence, cf. sections

10(3) and 11(3) of the Danish Electricity Supply Act. If an energy storage installation is installed when establishing a new power station over 25 MW or is later added to an existing power station over 25 MW, a corresponding permit must be obtained from the Danish Energy Agency, cf. section 11(1) of the Danish Electricity Supply Act.

When an application is submitted for an establishment permit or a significant change to an existing power station, the application must contain a technical description of the installation, cf. sections 12(1), 17(1), 28(1) and 31(1) of the Danish Executive Order on electricity generation, where the provisions state that information must be provided on "any expected connection of a separate or combined energy storage installation, including indication of the energy storage installation's usable energy storage capacity in kWh". The Danish Energy Agency deems the addition of an energy storage installation to be a significant change to a power station, and the energy storage installation is included in the Danish Energy Agency's assessment of the technical capacity of the power station.

Various permits for an energy storage installation can be seen below:

Environmental assessments and decisions in the procedure before submitting the application:

- Screening decision on section 25 permit (Danish Environmental Protection Agency)
- Environmental impact assessment report (project promoter and Danish Environmental Protection Agency)
- Impact assessment of the project's effects on Natura 2000 areas (Danish Environmental Protection Agency)
- Environmental assessment for municipal planning supplement and local plan (relevant municipalities).

Decisions issued in the statutory permit-granting process, where applicable:

- Decision on environmental assessment (Danish Environmental Protection Agency)
- Environmental impact assessment report (Danish Environmental Protection Agency)
- Adoption of necessary planning basis (relevant municipalities)
- Permit to establish a power station over 25 MW (Danish Energy Agency)
- Permit/licence for onshore electricity generation at a 25 MW power station (Danish Energy Agency)
- Permit for significant changes to an existing power station over 25 MW (Danish Energy Agency).
- Permit to use Danish subsoil (Danish Minister for Energy, Utilities and Climate)
- Licence to conduct storage operations (Danish Minister for Energy, Utilities and Climate)
- Decision on approval to establish and conduct natural gas storage operations (Danish Ministry of Environment).

6.2 Scope of documentation and level of detail for information in the PCI applications

The section below addresses the applications in the statutory permit-granting process for the establishment of a power station, electricity generation from a power station and significant changes to an existing power station. An energy storage installation may have the function of a power station and may affect the electrical system in the same way as a power station and may therefore, after a specific assessment, be covered by the Danish Energy Agency's regulation and associated permit-granting process for power stations. For applications in connection with the use of Danish subsoil, please refer to chapter 8 of the previous PCI manual for 2018 on the rules and processes for underground storage of natural gas.

This section contains a description of both the documentation and the level of detail for information in the applications (establishment, electricity generation and significant changes) for renewable energy installations and fuel-based power and combined heat and power stations. The specific application process and the level of detail of information for a project will be determined taking into consideration the specific circumstances. As a result, the application process may vary from project to project. This section refers to power stations that may have functional links to an energy storage installation depending on the nature, performance and impact of the electrical system of the energy storage installation. After a specific assessment, the energy storage installation will be covered by the term power station in the sections below.

Information that must always be attached to an application to establish or make a significant change to a power station:

- Information about the installation
- Statement from Energinet regarding grid connection
- Environmental impact assessment report if available.

Information that must always be attached to an application on electricity generation from a power station:

- Annual report for the most recent financial year for the company, if possible
- Organisational chart for the company
- 10-year budget with key financial figures for the company
- Documentation that there is a person responsible for operations approved by the Danish Safety Technology Authority
- Documentation to provide access to personnel with sufficient experience and expertise to service the installation.

6.2.1 Renewable power stations

The Danish Energy Agency decides on permits to establish new photovoltaic power stations, wind farms and other renewable power stations, cf. section 11 of the Danish Executive Order on electricity generation. An energy storage installation may have the nature of a renewable power station depending on the function, performance and impact of the energy storage installation on the electrical system. When establishing a renewable power station, the application is sent to the Danish Energy Agency with the necessary information attached. When establishing a power station, the application must contain a technical description of the installation, cf. section 12(1) of the Danish Executive Order on electricity generation. You can find a more in-depth list of the information that must be included in the application in section 12(1)(1-22) of the Executive Order on electricity generation. Here, attention should be drawn to subsection 1(12) of the provision: "any expected connection of a separate or combined energy storage installation, including an indication of the energy storage installation's usable energy storage capacity in kWh." The application must include a statement of opinion from Energinet regarding the connection to the collective grid, cf. section 12(3) of the Executive Order on electricity generation. A current assessment of the effects of the installation on the environment (environmental impact report) must be submitted with the application, cf. section 12(4) of the Executive Order on electricity generation.

The Danish Energy Agency decides whether to permit electricity production from installations exceeding 25 MW on shore, cf. section 13(1) of the Executive Order on electricity generation. A permit for electricity production is conditional on the company having the necessary technical and financial capacity, cf. section 13(2) of the Executive Order on electricity generation. An energy storage installation may have the nature of a power station if the energy storage installation

functions as a power station and affects the electrical system in the same way as a power station. For electricity production from a power station, please submit an application to the Danish Energy Agency with the necessary information attached. In any application for a permit to produce electricity, the application must contain the relevant information for use in the Danish Energy Agency's assessment of financial and technical capacity. A more in-depth list of the information that must be included in the application can be found in sections 14(2)(1–4) and section 15(2)(1–2) of the Executive Order on electricity generation. More information on electricity production permits is available in the Danish Energy Agency's external practice note for onshore electricity production permits. This requires a specific assessment of the power station, including the function of the installation, its nature, performance and effect on the electrical system, and the additional circumstances of the case, in order for the Danish Energy Agency to be able to assess whether it requires an electricity production permit or electricity production licence.

In the case of a permit for a significant change, the Danish Energy Agency decides whether to permit significant changes to existing photovoltaic, wind turbine and other fuel-free power plants, cf. section 27 of the Executive Order on electricity generation. If there is a significant change at a renewable power station, the application should be sent to the Danish Energy Agency with the necessary information attached. When applying for a significant change, the application must contain various items of information, including the technical description of the installation, cf. section 28(1) of the Executive Order on electricity generation. A more in-depth list of the information that must be included in the application can be found in section 18(1)(1–14) of the Executive Order on electricity generation. Here, attention should be drawn to subsection 1(13) of the provision: "any expected connection of a separate or combined energy storage installation, including an indication of the energy storage installation's usable energy storage capacity in kWh." The application must be accompanied by a statement of opinion from Energinet, cf. section 28(3) of the Executive Order on electricity generation. The application must also include any current environmental impact report, cf. section 28(4) of the Executive Order on electricity generation.

6.2.2 Fuel-based power and combined heat and power stations

The Danish Energy Agency decides on permits to set up new power stations and combined heat and power stations, cf. section 16 of the Executive Order on electricity generation. When setting up a fuel-based power and combined heat and power stations, the application is sent to the Danish Energy Agency with the necessary information attached. On set-up, the application must contain a technical description of the installation. You can find more in-depth information on the details that must be included in the application in section 17 of the Executive Order on electricity generation. Here, attention should be drawn to subsection 1(20) of the provision: "any expected connection of a separate or combined energy storage installation, including an indication of the energy storage installation's usable energy storage capacity in kWh." A statement of opinion from Energinet must be submitted with the application regarding the connection to the collective grid, cf. section 17(3) of the Executive Order on electricity generation. A current assessment of the effects of the installation on the environment (environmental impact report) must be submitted with the application, cf. section 17(4) of the Executive Order on electricity generation.

Electricity production from installations with a capacity of more than 25 MW on shore can only be carried out by companies that have obtained a licence from the Ministry of the Environment and Energy, cf. section 10(1) of the Danish Electricity Supply Act. This authority has been delegated to the Danish Energy Agency. A permit for electricity production is conditional on the company having the necessary technical and financial capacity, cf. section 10(3) of the Danish Electricity Supply Act.

An energy storage installation may have the nature of a power station if the energy storage installation functions as a power station and affects the electrical system in the same way as a power station. For electrical production from a power station, please submit an application to the Danish Energy Agency with the necessary information attached. In any application for a permit to produce electricity, the application must contain the relevant information for the Danish Energy Agency's assessment of financial and technical capacity. More information on electricity production licences is available in the Danish Energy Agency's external practice note for onshore electricity production licences. This requires a specific assessment of the power station, including the function of the installation, its nature, performance and effect on the electrical system, and the additional circumstances of the case, in order for the Danish Energy Agency to be able to assess whether it requires an electricity production permit or electricity production licence.

The Danish Energy Agency decides on permits for significant changes to existing power stations and combined heat and power stations, cf. section 30 of the Executive Order on electricity generation. When making material changes to a fuel-based power and combined heat and power stations, the application is sent to the Danish Energy Agency with the necessary information attached. The application must contain a technical description of the installation, cf. section 31(1) of the Executive Order on electricity generation. You can find more in-depth information on the details that must be included in the application in section 31 of the Executive Order on electricity generation. Here, attention should be drawn to subsection 1(21) of the provision: "any expected connection of a separate or combined energy storage installation, including an indication of the energy storage installation's usable energy storage capacity in kWh." A statement of opinion from Energinet must be submitted with the application regarding the connection to the collective grid, cf. section 31(3) of the Executive Order on electricity generation. A current assessment of the effects of the installation on the environment (environmental impact report) must be submitted with the application, cf. section 31(4) of the Executive Order on electricity generation.

If the energy storage installation changes the heating capacity of the combined heat and power station, the application must include attached material from the affected district heating company, which will provide an account of circumstances relating to the disposal of the installation's heat production, cf. section 31(5) of the Executive Order on electricity generation. Based on the submitted material, the Danish Energy Agency will then reach a decision on a permit to make a significant change to the existing power station and combined heat and power station, cf. section 30 of the Executive Order on electricity generation.

There may be other applications and processes that are not taken into account in the general schematic in the above section.

6.3 Description of workflow and indicative time frame

This section provides an indicative workflow and time frame for energy storage installations in Denmark. The actual workflow of a project will be determined considering the specific circumstances. Therefore, the workflows may vary from project to project.

Project promoters notify the Danish Energy Agency of their PCI projects and submit a detailed description of the project in accordance with Article 10(1)(a) of the TEN-E Regulation. Based on the description submitted, the Danish Energy Agency, in collaboration with other relevant authorities,

assesses whether the project is mature enough to allow the permit-granting process to start. The Danish Energy Agency must either accept or reject the notification in writing no later than three months after receipt of the project notification. Projects may be rejected if they are not deemed mature enough to start the first stage of the permit-granting process, the procedure before submitting the application. The Danish Energy Agency must justify any rejection of a notification. If the project is considered sufficiently mature, the Danish Energy Agency will acknowledge the notification. The Danish Energy Agency will ask the other relevant authorities for contributions to the statement of the scope of documentation and level of detail for the information to be submitted as part of the application, and for a detailed schedule of the permit-granting process. The Danish Energy Agency will then send the statement and detailed schedule to the project promoter as soon as possible and within a period of no more than three months.

If the project promoter has not already applied for the relevant permits and decisions, the project promoter will apply for the permits and decisions. The first stage of the permit-granting process, the procedure before submitting the application, ends with the project promoter's receipt of these permits or applications.

Once the necessary environmental assessments and decisions in the procedure before submitting the application are available, the project promoter may submit an application to the Danish Energy Agency for the permit-granting process to move into the statutory permit-granting process stage. The Danish Energy Agency's acceptance of the application marks the transition to the statutory permit-granting process. When the Danish Energy Agency receives the application for establishment, electricity production or a significant change, the Danish Energy Agency will assess whether full information about the case has been provided, based on the material submitted. Once the application has been acknowledged to provide full information, the Danish Energy Agency will start processing the submitted application. The project promoter can submit the application to the Danish Energy Agency without all the information required under sections 12, 17, 28 and 31 of the Executive Order on electricity generation or further provisions, and then send this required information at a later point. The issue of permits and/or the licence for electricity production, or the rejection of applications for establishment, electricity production or a significant change, marks the end of the permit-granting process.

6.4 Relevant legislation

- The Danish Electricity Supply Act (Consolidated Act No. 984 of 12 May 2021)
- Executive Order on electricity generation (Executive Order No. 1363 of 29 September 2022)
- Executive Order on enterprises with system responsibility and use of the electricity transmission grid, etc., pursuant to the Danish Electricity Supply Act (Bekendtgørelse om systemansvarlig virksomhed og anvendelse af eltransmissionsnettet m.v. i medfør af lov om elforsyning) (Executive Order No. 589 of 24 May 2023)
- The Danish Heat Supply Act (Consolidated Act No. 2068 of 16 November 2021)
- Consolidated Act on the Use of Denmark's Subsoil (Consolidated Act No. 1533 of 16 December 2019)
- Consolidated Act on the Promotion of Renewable Energy (Consolidated Act No. 1791 of 2 September 2021)
- Executive Order on grid connection of wind turbines, photovoltaic power stations, wave farms and hydropower plants pursuant to the Danish Renewable Energy Act (Executive Order No. 1090 of 14 August 2023).

The municipalities/Danish Environmental Protection Agency

- Danish Planning Act (Consolidated Act No. 1157 of 1 July 2020)
- Danish Environmental Assessment Act (Consolidated Act No. 4 of 3 January 2023)
- Danish Executive Order on environmental assessment of plans, programmes and specific projects (Executive Order No. 806 of 10 June 2023)
- Danish Environmental Targets Act (Consolidated Act No. 692 of 26 May 2023)
- Danish Executive Order on the designation and administration of international nature protection areas and the protection of certain species (Bekendtgørelse om udpegning og administration af internationale naturbeskyttelsesområder samt beskyttelse af visse arter) (Executive Order No. 1098 of 21 August 2023)
- Danish Environmental Protection Act (Consolidated Act No. 5 of 3 January 2023)
- Danish Water Planning Act (Consolidated Act No. 126 of 26 January 2017).

6.5 Contact details for authorities and important stakeholders

The competent authority under the TEN-E Regulation is:

Danish Energy Agency, ens@ens.dk

Other relevant authorities:

The list contains the names of the authorities that may be relevant to PCI projects.

- Danish Emergency Management Agency, <u>brs@brs.dk</u>
- Danish Environmental Protection Agency, mst@mst.dk
- NaturErhvervsstyrelse (Now the Danish Agricultural Agency (mail@lbst.dk) and the Danish Fisheries Agency (mail@naturerhverv.dk), mail@naturerhverv.dk)
- Danish Civil Aviation and Railway Authority, info@trafikstyrelsen.dk
- Danish Road Directorate, vd@vd.dk
- Danish Business Authority, erst@erst.dk
- Relevant municipalities.

Chapter 7: Smart Gas Systems

Smart gas systems are a new type of PCI project within the TEN-E Regulation relating to methane gas. The term used in the Regulation is "smart gas grids".

They are projects that utilise innovative and digital solutions cost-effectively to integrate and promote various low carbon and renewable gas. This means cross-border projects aimed at replacing natural fossil gas with low carbon or renewable methane gases in the interconnected European Gas System. In this regard, it is also relevant whether the projects are ready for a possible conversion to hydrogen.

It is not only physical infrastructure projects, such as reverse flow facilities; in particular, it may also be digital infrastructure for integrating low carbon and renewable gases.

Typically, a cross-border project will be situated at transmission level, which is directly connected to the neighbouring countries. However, the category is not limited to transmission level. What is important is the cross-border effect of the project.

If a project is situated at transmission level, it will be designed by Energinet, as the only gas transmission system operator in the country with full ownership of the gas transmission system in Denmark.

The same applies in the case of a gas storage project. Here, the project will be designed by Gas Storage Denmark, a wholly-owned subsidiary of Energinet. Gas Storage Denmark has full ownership of the Danish gas storage facilities.

In the case of a distribution-level project, it will be designed by Evida, as the only gas distribution system operator in the country with full ownership of the gas distribution systems in Denmark.

Neither the permits for Energinet under the Danish Act on Energinet, nor those for Evida under either the Danish Heat Supply Act or the Danish Gas Supply Act, are considered to be part of the permitgranting process covered by the TEN-E Regulation.

Approval is not required from the Ministry of Climate, Energy and Utilities for project owners other than Energinet. As far as Energinet is concerned, the registration of a project as a potential PCI candidate is covered by the requirement for a permit from the Ministry of Climate, Energy and Utilities. This is stipulated in Executive Order No. 1047 of 28 May 2021 on enterprises with system responsibility and use of the gas system (Bekendtgørelse om systemansvarlig virksomhed og anvendelse af gassystemet). According to Article 15(1) no. 3 of this Executive Order, Energinet must obtain a permit from the Ministry of Climate, Energy and Utilities in order to register PCI projects with the European Commission.

Regardless of the process for registration of a PCI project and any permits under the Danish Act on Energinet, Danish Heat Supply Act or Danish Gas Supply Act, all other relevant permits must also be obtained for the project. This is done independently of registering a candidate for a PCI project with the European Commission.

7.1 Relevant environmental assessments and decisions

Environmental assessments and decisions are often crucial to a project. This is, therefore, an essential part of the permit-granting process. The list below is not exhaustive. In particular, there may be projects where not all permits are relevant. There may also be cases where additional permits apply. If so, this will be disclosed no later than in the detailed schedule for the permit-granting process. The project promoter will draw up the detailed schedule in collaboration with the

Danish Energy Agency and other relevant authorities. See chapter 2.4 for more details on establishing a detailed schedule for the permit-granting process.

Environmental assessments and decisions in the procedure before submitting the PCI application, if necessary:

- Environmental assessment of planning basis
- Environmental impact assessment of the project
- Impact assessment of the project's effects on Natura 2000 areas

Permits and approvals issued in the statutory permit-granting process, if necessary:

- Adoption of planning basis (municipality) or National Plan Directive (Danish Agency for Planning and Rural Development)
- Environmental Impact Assessment Report (municipality or Danish Environmental Protection Agency)
- Environmental approval, including any approval by the authorities of risk activities (municipality or Danish Environmental Protection Agency)
- Building and construction permits (municipality)
- Permit for use of Denmark's subsoil (Danish Energy Agency)
- Permit for laying offshore pipelines for transporting hydrocarbons (Danish Energy Agency)
- Approval of establishment and operation of storage activities as a listed activity (Danish Ministry of the Environment)
- Licence to operate storage activities (Danish Energy Agency)
- Permit under the Executive Order on emergency preparedness for the gas system (Bekendtgørelsen om beredskab for gassystemet) (Danish Energy Agency)
- Permit under the Executive Order on IT preparedness for the gas system (Bekendtgørelsen om it-beredskab for gassystemet) (Danish Energy Agency).

Further information on official processing can be found in the Danish Environmental Protection Agency's guidelines on environmental approval: https://miljogodkendelsesvejledningen.dk.

7.2 Scope of documentation and level of detail for information in the PCI application

Once the necessary environmental assessments have been prepared, an application can be submitted for the project to transition to the statutory permit-granting process. This is done by the project promoter submitting an application to the Danish Energy Agency for the permit-granting process to be transitioned to the statutory permit-granting process. The statutory permit-granting process is initiated when the Danish Energy Agency accepts the application to use the statutory permit-granting process. (More details on this can be found in chapter 2.)

The following must be attached to the application to use the statutory permit-granting process:

- Environmental impact assessment report (if applicable)
- Impact assessments for Natura 2000 areas (if applicable)
- Proposal for a municipal planning supplement and local plan (if applicable)
- Marine environmental impact assessment (if applicable)
- Public participation report.

The concept for public participation report must comply with the requirements of Article 9(4) of the TEN-E Regulation. The report must summarise the results of all activities carried out in connection with public participation. This includes consultations conducted before the start of the permit-

granting process and all consultations conducted before submitting the application. This means that the results from the second public phase are not included in this report, as this consultation takes place after the PCI application, including a public participation report, has been forwarded to the Danish Energy Agency.

7.3 Description of workflow and recommended time frame

The project promoter will notify the Danish Energy Agency of the project. A detailed description of the project must be attached, cf. Article 10(3) of the TEN-E Regulation. On the basis of the attached information, the Danish Energy Agency will assess whether the project is mature enough for the permit-granting process to start. The Danish Energy Agency's assessment takes place in collaboration with other relevant authorities. The Danish Energy Agency must either acknowledge or reject the notification in writing no later than three months after receipt of the notification. Projects may be rejected if they are not deemed mature enough to start the first stage of the permit-granting process, the procedure before submitting the application. The Danish Energy Agency must justify any rejection of a notification.

If the project is considered sufficiently mature, the Danish Energy Agency will acknowledge the notification.

Procedure before submitting the application

The Danish Energy Agency determines the scope of documentation and the level of detail for the information to be submitted as part of the application. This takes place in conjunction with other relevant authorities and follows Article 10(6)(a) of the TEN-E Regulation. For example, it will clarify whether the project requires an EIA, whether it requires the preparation of a municipal planning supplement and/or a local plan, and whether the project is covered by the Danish Executive Order on risk (Risikobekendtgørelsen).

In collaboration with the Danish Energy Agency and other relevant authorities, the project promoter prepares a detailed schedule for the permit-granting process, cf. Article 10(6)(b) of the TEN-E Regulation. Documentation requirements and the detailed schedule must be established and sent to the project promoter no later than six months after notification.

Within an indicative period of three months after receipt of notification, the project promoter will send a concept for public participation to the Danish Energy Agency for approval, cf. Article 9(3) of the TEN-E Regulation and Annex 6. The Danish Energy Agency must either request changes to the concept or approve it within three months after receipt of the concept.

Once the concept has been approved, the first public phase will be implemented, cf. Article 9(4) and Annex 6(3) and (5) of the TEN-E Regulation. No later than at this time, the project promoter will create a website for the project, which will be updated regularly, cf. Article 9(7) and Annex 6(6) of the TEN-E Regulation. An information leaflet will be prepared regarding the project, and an information meeting about the project will be called in writing.

As a starting point, the first public phase will be conducted in such a way that the consultation under the TEN-E Regulation and the concept consultation (convening of ideas and proposals/first public phase) under section 35 of the Danish Environmental Assessment Act will be conducted together.

If the project requires an EIA, the environmental assessment authority (the Danish Environmental Protection Agency or the municipality) will prepare a scoping note after the first public consultation.

Based on the scoping note, the project promoter will prepare a draft environmental impact assessment. At the same time, other application material will be prepared, including an application for environmental approval, notification of risk activities and internal emergency plan.

The municipality will also prepare a proposal for a municipal planning supplement and local plan, if this is relevant to the project. Proposals for the planning basis and any environmental assessment can be prepared and processed here in parallel with the environmental impact assessment process. However, the planning process is often initiated before the first public phase.

Proposals for environmental impact assessment are sent to the environmental assessment authority which, following its own review of the report, will send it for consultation as part of the second public phase, along with a draft environmental approval. If deemed appropriate, a municipal planning supplement, local plan and, where applicable, environmental assessment will be sent for consultation at the same time as part of the second public phase.

Transition to the statutory permit-granting process

Applications for transition to the statutory permit-granting process are submitted to the Danish Energy Agency. Applications for individual relevant decisions can be submitted either directly to the professional authority or through the Danish Energy Agency. When the Danish Energy Agency receives the application, it will consult the relevant authorities as to whether sufficient information has been provided about the case to allow each authority to handle the case with a view to issuing the relevant permits. The Danish Energy Agency will request additional information on behalf of the relevant authorities, if necessary. The Danish Energy Agency will then accept the application as soon as possible and no later than three months after full information about the case has been provided. The case will then be transferred to the statutory permit-granting process, cf. Article 10(6) of the TEN-E Regulation.

The statutory permit-granting process must be completed no later than 1.5 years after the Danish Energy Agency's acceptance of the application. The Danish Energy Agency will prepare reasonable deadlines for each decision, in collaboration with the relevant authorities.

See also chapter 2 on the permit-granting process for PCI projects in general.

7.4 Relevant legislation

The following is an incomplete list as, depending on the specific project, there may be other rules that are also relevant. This section is divided into two parts:

- a) relevant legislation for principal permits for projects
- b) an indicative list of other legislation that may be relevant to the projects.

7.4.1 Relevant legislation for project permits

- Danish Act on Energinet (Consolidated Act No. 271 of 9 March 2023)
- Danish Gas Supply Act (Consolidated Act No. 1100 of 16 August 2023)
- Danish Heat Supply Act (Consolidated Act No. 2068 of 16 November 2021)
- Danish Planning Act (Consolidated Act No. 1157 of 1 July 2020)
- Danish Environmental Assessment Act (Consolidated Act No. 4 of 3 January 2023)
- Danish Executive Order on habitats (Executive Order No. 1098 of 21 August 2023)
- Danish Executive Order on safety provisions for natural gas installations and biogas installations pursuant to the Danish Working Environment Act (Bekendtgørelse om

sikkerhedsbestemmelser for naturgasanlæg og bionaturgasanlæg efter lov om arbejdsmiljø) (Executive Order No. 1988 of 9 December 2020).

7.4.2 Other relevant legislation, depending on the specific project

- Danish Continental Shelf Act (Consolidated Act No. 1189 of 21 September 2018)
- Danish Act on the Use of Denmark's Subsoil (Consolidated Act No. 1533 of 26 December 2019)
- Danish Forest Act (Consolidated Act No. 690 of 26 May 2023)
- Danish Watercourse Act (Consolidated Act No. 1217 of 25 November 2019)
- Danish Nature Protection Act (Consolidated Act No. 1392 of 4 October 2022)
- Danish Water Supply Act (Consolidated Act No. 602 of 10 May 2022)
- Danish Fisheries Act (Consolidated Act No. 205 of 1 March 2023)
- Danish Museums Act (Consolidated Act No. 258 of 8 April 2014)
- Danish Executive Order on approval (Executive Order No. 1083 of 9 August 2023).

7.5 Contact details for authorities and important stakeholders

The competent authority under the TEN-E Regulation is:

Danish Energy Agency, ens@ens.dk

Other relevant authorities:

- Danish Working Environment Authority, at@at.dk
- Banedanmark, <u>banedanmark@bane.dk</u>
- Danish Emergency Management Agency, <u>brs@brs.dk</u>
- By og Havn, info@byoghavn.dk
- Danish Ministry of Defence Estate Agency, fes@mil.dk
- Danish Coastal Authority, kdi@kyst.dk
- Danish Agricultural Agency, mail@lbst.dk
- Danish Environmental Protection Agency, mst@mst.dk
- Danish Agency for Planning and Rural Development, plast@plst.dk
- Danish Agency for Culture and Palaces, post@slks.dk
- Danish Agency for Water and Nature Management, svana@svana.dk
- Danish Maritime Authority, sfs@dma.dk
- Danish Civil Aviation and Railway Authority, info@trafikstyrelsen.dk
- Danish Road Directorate, vd@vd.dk
- Relevant municipalities (depending on the planned trajectory).

Key stakeholders:

Interest groups normally consulted in infrastructure projects:

- Danish Hunters' Association, post@jaegerne.dk
- Danish Society for Nature Conservation, dn@dn.dk
- BirdLife Denmark, dof@dof.dk
- Danish Forest Association, info@skovforeningen.dk
- Danish Water and Wastewater Association, danya@danya.dk
- Association of Danish Museums, info@dkmuseer.dk
- Danish Outdoor Council, fr@friluftsraadet.dk

Chapter 8: Hydrogen and storage

Hydrogen infrastructure is a new type of PCI project in the TEN-E Regulation.

It is projects with a cross-border effect. Under the TEN-E Regulation, this may be a start-up project or full or partial conversion of the existing methane/natural gas infrastructure.

This could involve:

- Pipelines for transporting hydrogen, mainly at high pressure
- Storage facilities
- Terminals for receipt, storage or gasification of hydrogen
- Equipment or facilities essential for safety and efficient operation as well as reverse flow capacity, including compressor stations
- This also includes equipment or facilities that enable the use of hydrogen or hydrogen-based fuels in the transport sector and PCI projects within the TEN-E Regulation for the transport's field of application.

In addition to the cross-border effect of the project, it is also relevant how the project will help ensure a transparent and non-discriminatory market for hydrogen.

Although the TEN-E Regulation states that PCI projects will primarily transport hydrogen at high pressure, there is currently no clear EU definition of hydrogen transmission (transmission is usually at high pressure) and hydrogen distribution (distribution is usually at low pressure). However, the Danish national regulation of hydrogen includes such a distinction between hydrogen transmission and hydrogen distribution. The political agreement: 1. delaftale om ejerskab og drift af fremtidens danske, rørbundne brintinfrastruktur, provides a national direction for the infrastructure. Accordingly, Energinet will be responsible for connecting the cross-border infrastructure to a Danish receiving point, offshore pipes, and cross-border hydrogen pipes cross country to a hydrogen storage facility. Evida will be in charge of connecting domestic hydrogen producers and consumers and can then connect these to the interconnected hydrogen system. However, the upcoming regulation of the gas and hydrogen package is expected to provide more clarity. This is currently under negotiation. However, the cross-border effect of the project itself remains crucial for any PCI project, rather than discussions about transmission/distribution or the wording in the TEN-E Regulation with high pressure pipes.

Projects at transmission level will be designed by Energinet, as the only hydrogen transmission system operator in the country with imminent full ownership of the hydrogen transmission system in Denmark.

There is still no political decision with regard to ownership of hydrogen storage projects. Gas Storage Denmark, a wholly-owned subsidiary of Energinet, is currently working on hydrogen storage projects. Gas Storage Denmark has full ownership of the current Danish methane/natural gas storage facilities. They will play a role in hydrogen storage.

Distribution-level projects will be designed by Evida, as the only hydrogen distribution company in the country with expected full ownership of the gas distribution systems in Denmark.

Neither the permits for Energinet under the Danish Act on Energinet, nor those for Evida under the Danish Gas Supply Act, are considered to be part of the permit-granting process covered by the TEN-E Regulation.

As far as Energinet is concerned, registration of a project as a potential PCI candidate is expected to be covered by the requirement for a permit from the Ministry of Climate, Energy and Utilities. This is expected to be stipulated in a forthcoming update to Executive Order No. 1047 of 28 May 2021 on

enterprises with system responsibility and use of the gas system. With regard to Energinet's previous gas projects (methane/natural gas), section 15(1)(3) of the Executive Order stipulates that Energinet must obtain a permit from the Ministry of Climate, Energy and Utilities to register PCI projects with the European Commission. There is not expected to be a requirement for approval from the Ministry of Climate, Energy and Utilities for project owners other than Energinet either.

Regardless of the process for registration of a PCI project, and regardless of any permits under the Danish Act on Energinet or the Danish Gas Supply Act, all other relevant permits must also be obtained for the project. This is done independently of registering a candidate for a PCI project with the European Commission.

8.1 Relevant environmental assessments and decisions

Environmental assessments and decisions are often crucial to a project. This is, therefore, an essential part of the permit-granting process. The list below is not exhaustive. In particular, there may be projects where not all permits are relevant. There may also be cases where additional permits apply. If so, this will be disclosed no later than in the detailed schedule for the permit-granting process. As a competent authority, the Danish Energy Agency prepares the detailed schedule in collaboration with other authorities involved and the project promoter. See chapter 2.4 for more details on establishing a detailed schedule for the permit-granting process.

Environmental assessments and decisions in the procedure before submitting the PCI application, if necessary:

- Environmental assessment of planning basis
- Environmental impact assessment of the project
- Impact assessment of the project's effects on Natura 2000 areas.

Permits and approvals issued in the statutory permit-granting process, if necessary:

- Adoption of planning basis (municipality) or National Plan Directive (Danish Agency for Planning and Rural Development)
- Environmental Impact Assessment (municipality or Danish Environmental Protection Agency)
- Environmental approval, including any approval by the authorities of risk activities (municipality or Danish Environmental Protection Agency)
- Building and construction permits (municipality)
- Permit for use of Denmark's subsoil (Danish Energy Agency)
- Permit for laying offshore pipelines for transporting hydrocarbons (Danish Energy Agency)
- Approval of establishment and operation of storage activities as a listed activity (Danish Ministry of the Environment)
- Licence to operate storage activities (Danish Energy Agency)
- Permit following preparedness for hydrogen infrastructure (in preparation).

Further information on official processing can be found in the Danish Environmental Protection Agency's guidelines on environmental approval: https://miljogodkendelsesvejledningen.dk.

8.2 Scope of documentation and level of detail for information in the PCI Application

Once the necessary environmental assessments have been prepared, an application can be submitted for the project to transition to the statutory permit-granting process. This is done by the project promoter submitting an application to the Danish Energy Agency for the permit-granting process to be transitioned to the statutory permit-granting process. The statutory permit-granting

process is initiated when the Danish Energy Agency accepts the application to use the statutory permit-granting process. (More details on this can be found in chapter 2.)

The following must be attached to the application to use the statutory permit-granting process:

- Environmental impact assessment report (if applicable)
- Impact assessments for Natura 2000 areas (if applicable)
- Proposal for a municipal planning supplement and local plan (if applicable)
- Marine environmental impact assessment (if applicable)
- Public participation report.

The public participation report must satisfy the requirements of Article 9(4) of the TEN-E Regulation. The report must summarise results of all activities conducted in connection with public involvement, including consultations carried out before the start of the permit-granting process and all consultations conducted before submitting the application. This means that the results from the second public phase are not included in this report, as this consultation takes place after the PCI application, including a public participation report, has been forwarded to the Danish Energy Agency.

8.3 Description of workflow and recommended time frame

The project promoter will notify the Danish Energy Agency of the project. A detailed description of the project must be attached, cf. Article 10(3) of the TEN-E Regulation. On the basis of the attached information, the Danish Energy Agency will assess whether the project is mature enough for the permit-granting process to start. The Danish Energy Agency's assessment takes place in collaboration with other relevant authorities. The Danish Energy Agency must either acknowledge or reject the notification in writing no later than three months after receipt of the notification. Projects may be rejected if they are not deemed mature enough to start the first stage of the permit-granting process, the procedure before submitting the application. The Danish Energy Agency must justify any rejection of a notification.

If the project is considered sufficiently mature, the Danish Energy Agency will acknowledge the notification.

Procedure before submitting the application

The Danish Energy Agency determines the scope of documentation and the level of detail for the information to be submitted as part of the application. This takes place in conjunction with other relevant authorities and follows Article 10(6)(a) of the TEN-E Regulation. For example, it will clarify whether the project requires an EIA, whether it requires the preparation of a municipal planning supplement and/or a local plan, and whether the project is covered by the Danish Executive Order on risk.

In collaboration with the project promoter and relevant authorities, the Danish Energy Agency prepares a detailed schedule for the permit-granting process, cf. Article 10(6)(b) of the TEN-E Regulation. Documentation requirements and the detailed schedule must be established and sent to the project promoter no later than six months after notification.

Within an indicative period of three months after receipt of notification, the project promoter will send a concept for public participation to the Danish Energy Agency for approval, cf. Article 9(3) of the TEN-E Regulation and Annex 6. The Danish Energy Agency must either request changes to the concept or approve it within three months after receipt of the concept.

Once the concept has been approved, the first public phase will be implemented, cf. Article 9(4) and Annex 6(3) and (5) of the TEN-E Regulation. No later than at this time, the project promoter will create a website for the project, which will be updated regularly, cf. Article 9(7) and Annex 6(6) of the TEN-E Regulation. An information leaflet will be prepared regarding the project, and an information meeting about the project will be called in writing.

As a starting point, the first public phase will be conducted in such a way that the consultation under the TEN-E Regulation and the concept consultation (convening of ideas and proposals/first public phase) under section 35 of the Danish Environmental Assessment Act will be conducted together.

If the project requires an EIA, the environmental assessment authority (the Danish Environmental Protection Agency or the municipality) will prepare a demarcation note following the first public phase of the demarcation of the content of the environmental impact assessment.

On the basis of the demarcation note, the project promoter will prepare a draft environmental impact assessment. At the same time, other application material will be prepared, including an application for environmental approval, notification of risk activities and internal emergency plan.

The municipality will also prepare a proposal for a municipal planning supplement and local plan, if this is relevant to the project. Proposals for the planning basis and any environmental assessment can be prepared and processed here in parallel with the environmental impact assessment process. However, the planning process is often initiated before the first public phase.

Proposals for environmental impact assessment are sent to the environmental assessment authority which, following its own review of the report, will send it for consultation as part of the second public phase, along with a draft environmental approval. If deemed appropriate, a municipal planning supplement, local plan and, where applicable, environmental assessment will be sent for consultation at the same time as part of the second public phase.

Transition to the statutory permit-granting process

Applications for transition to the statutory permit-granting process are submitted to the Danish Energy Agency. Applications for individual relevant decisions can be submitted either directly to the professional authority or through the Danish Energy Agency. When the Danish Energy Agency receives the application, it will consult the relevant authorities as to whether sufficient information has been provided about the case to allow each authority to handle the case with a view to issuing the relevant permits. The Danish Energy Agency will request additional information on behalf of the relevant authorities, if necessary. The Danish Energy Agency will then accept the application as soon as possible and no later than three months after full information about the case has been provided. The case will then be transferred to the statutory permit-granting process, cf. Article 10(6) of the TEN-E Regulation.

The statutory permit-granting process must be completed no later than 1.5 years after the Danish Energy Agency's acceptance of the application. The Danish Energy Agency will prepare reasonable deadlines for each decision, in collaboration with the relevant authorities.

See also chapter 2 on the permit-granting process for PCI projects in general.

8.4 Relevant legislation

The following is an incomplete list as, depending on the specific project, there may be other rules that are also relevant.

This section is divided into two parts:

- a) relevant legislation for principal permits for projects
- b) an indicative list of other legislation that may be relevant to the projects.

8.4.1 Permits and legislation for projects

- Danish Act on Energinet (Consolidated Act No. 271 of 9 March 2023)
- Danish Gas Supply Act (Consolidated Act No. 1100 of 16 August 2023)
- Danish Heat Supply Act (Consolidated Act No. 2068 of 16 November 2021)
- Danish Planning Act (Consolidated Act No. 1157 of 1 July 2020)
- Danish Environmental Assessment Act (Consolidated Act No. 4 of 3 January 2023)
- Danish Executive Order on habitats (Executive Order No. 1098 of 21 August 2023)
- Danish Executive Order on safety provisions for natural gas installations and biogas installations pursuant to the Danish Working Environment Act (Executive Order No. 1988 of 9 December 2020).

8.4.2 Other relevant legislation, depending on the specific project

- Danish Continental Shelf Act (Consolidated Act No. 1189 of 21 September 2018)
- Danish Subsoil Act (Consolidated Act No. 1533 of 26 December 2019)
- Danish Forest Act (Consolidated Act No. 690 of 26 May 2023)
- Danish Watercourse Act (Consolidated Act No. 1217 of 25 November 2019)
- Danish Nature Protection Act (Consolidated Act No. 1392 of 4 October 2022)
- Danish Water Supply Act (Consolidated Act No. 602 of 10 May 2022)
- Danish Fisheries Act (Consolidated Act No. 205 of 1 March 2023)
- Danish Museums Act (Consolidated Act No. 258 of 8 April 2014)
- Danish Executive Order on approval (Executive Order No. 1083 of 9 August 2023).

8.5 Contact details of authorities and important stakeholders

The competent authority under the TEN-E Regulation is:

Danish Energy Agency, ens@ens.dk

Other relevant authorities:

- Danish Working Environment Authority, at@at.dk
- Banedanmark, banedanmark@bane.dk
- Danish Emergency Management Agency, brs@brs.dk
- By og Havn, info@byoghavn.dk
- Danish Ministry of Defence Estate Agency, fes@mil.dk
- Danish Coastal Authority, kdi@kyst.dk
- Danish Agricultural Agency, <u>mail@lbst.dk</u>
- Danish Environmental Protection Agency, <u>mst@mst.dk</u>
- Danish Agency for Planning and Rural Development, plast@plst.dk
- Danish Safety Technology Authority, sik@sik.dk
- Danish Agency for Culture and Palaces, post@slks.dk
- Danish Agency for Water and Nature Management, svana@svana.dk
- Danish Maritime Authority, <u>sfs@dma.dk</u>
- Danish Civil Aviation and Railway Authority, info@trafikstyrelsen.dk
- Danish Road Directorate, vd@vd.dk
- Relevant municipalities (depending on the planned trajectory).

Key stakeholders:

Interest groups normally consulted in infrastructure projects:

- Danish Hunters' Association, post@jaegerne.dk
- Danish Society for Nature Conservation, dn@dn.dk
- BirdLife Denmark, dof@dof.dk
- Danish Forest Association, info@skovforeningen.dk
- Danish Water and Wastewater Association, danva@danva.dk
- Danske Beredskaber, post@danskeberedskaber.dk
- Association of Danish Museums, <u>info@dkmuseer.dk</u>
- Danish Outdoor Council, <u>fr@friluftsraadet.dk</u>

Chapter 9: Carbon Dioxide (CO₂)

 CO_2 storage and the transport of CO_2 are new in Denmark, and there is therefore no experience of the regulatory processes for permits to set up pipelines, intermediate stations for processing CO_2 or storage locations.

The establishment and operation of dedicated pipelines for the transport of carbon dioxide directly to storage facilities requires a permit under section 23(u) of the Danish Subsoil Act. Under the Danish Subsoil Act, this permit replaces, in whole or in part, an environmental impact assessment under section 25 of the Danish Environmental Assessment Act.

A new bill is currently being prepared with regard to the establishment and operation of dedicated pipelines for the transport of carbon dioxide to intermediate storage. In connection with this, the idea is that the Danish Environmental Assessment Act will cover all CO₂ transported through pipelines.

Environmental impact assessments are required to have been carried out for installations for liquefaction, buffer storage and carbon dioxide conversion under section 25 of the Danish Environmental Assessment Act, which is being replaced in whole or in part by approval under section 23(d)(2) of the Danish Subsoil Act.

To a certain extent, the project promoter may submit parallel applications for an environmental impact assessment and permit under the Danish Subsoil Act.

9.1 Relevant environmental assessments and decisions

This section indicates the environmental assessments and decisions that will typically be included in the permit-granting process. If further environmental assessments need to be carried out for a specific project or further decisions need to be obtained, this will be disclosed no later than the time at which the project promoter, in collaboration with the Danish Energy Agency, prepares the detailed schedule. Once all permits for the specific project have been obtained, the Danish Energy Agency will confirm that the project promoter has obtained the necessary permits for realising the requisite infrastructure of the project. After completion of the permit-granting process, it may still be necessary to obtain permits that are not essential to the implementation of the project.

Environmental assessments and decisions in the procedure before submitting the application:

- Screening decision if no EIA is required after screening onshore (Danish Environmental Protection Agency)
- Screening decision if no EIA is required after screening offshore (Danish Energy Agency)
- Decision if an EIA is required onshore after screening (Danish Environmental Protection Agency)
- Decision if an EIA is required offshore after screening (Danish Energy Agency)
- Environmental Impact Assessment Report (to the relevant authority for onshore and offshore respectively)
- Environmental assessment for municipal planning supplement and local plans as well as other authority areas (relevant municipality/municipalities)
- Materiality and impact assessments under the EU's Habitats Directive (if applicable) (permitgranting authority)
- Building and construction permits (if applicable) (municipality)
- Permit to utilize the subsoil (Danish Energy Agency)
- Environmental approval for listed activity (if applicable) (municipality or Danish Environmental Protection Agency).

Permits issued in the statutory permit-granting process for dedicated pipelines directly to storage facilities from more than one source, and those expected for dedicated pipelines to intermediate storage facilities used for the transport of carbon dioxide from more than one source:

- Permit for the establishment and operation of pipeline systems for use in the transport and storage of CO₂
- * Environmental impact assessment onshore (Danish Environmental Protection Agency)
- * Impact assessment offshore (Danish Energy Agency)
- Onshore, local plan and municipal planning supplement under the Danish Planning Act, any
 permit under the Danish Environmental Protection Act (section 19 or section 42), any
 exemptions under the Danish Nature Protection Act and any building permits (relevant
 municipality/municipalities)
- Offshore, any discharge permits (Danish Environmental Protection Agency).

*Note: In accordance with Chapter 5 of Executive Order No. 806 of 14 June 2023 on environmental assessment of plans, programmes and specific projects, environmental authorities must use a common or coordinated procedure or a combination of these if a project requires an assessment under the Danish Environmental Assessment Act and an assessment according to one of five other Executive Orders on the environment, including the Danish Executive Order on offshore impact assessment (Offshorekonsekvensvurderingsbekendtgørelsen), which is relevant for CO₂ storage.

9.2 Scope of documentation and level of detail of information in the PCI Application

Once the necessary environmental assessments and decisions in the procedure before submitting the application are available, the project promoter may submit an application to the Danish Energy Agency for the permit-granting process to move into the statutory permit-granting process in accordance with Article 10 in respect of the TEN-E Regulation. The Danish Energy Agency's acceptance of the application marks the transition to the statutory permit-granting process.

The following must be attached to the application:

- Environmental impact assessment report
- Environmental assessment for municipal planning supplement and local plan
- Public participation report.

The report on public participation must comply with the requirements of Article 9(4) of the TEN-E Regulation. The report must summarise the results of all activities conducted in connection with public participation, including consultations carried out before the start of the permit-granting process and all consultations conducted during the procedure before submitting the application.

Content of applications for storage permits in accordance with the Danish Subsoil Act (following prior exclusive licence for exploration) in accordance with Chapter 3 of the CCS Executive Order:

- Environmental impact assessment report
- General information about the company, name and address
- Statement of financial capacity
- Description of technical capacity
- Characterisation of the CO₂ storage facility and storage complex
- Plan for development, expansion, operation and injection; expected sources and transport methods; information on the composition of the CO₂ streams and technical descriptions of the installations.
- Risk assessment of the expected safety of the storage facility and description of measures to prevent major irregularities.
- Monitoring plan

- Plan for remedial measures
- Provisional follow-up plan
- Plan for shutdown and decommissioning.

In accordance with section 20 and Annex 7 of the Consolidated Act No. 4 of 3 January 2023 on the assessment of the effects of certain public and private facilities on the environment (lovbekendtgørelse om vurdering af visse offentlige og private anlægs virkning på miljøet), applications for an environmental impact assessment under the Danish Environmental Assessment Act must typically contain:

- Description of the physical design of the installation project description
- Possible alternatives to the desired installation or the way in which it is performed.
- Current environmental condition
- Effects of the installation on the surrounding environment
- Measures which may prevent or reduce significant adverse effects on the environment
- A non-technical summary.

9.3 Description of workflow and indicative time frame

Project promoters notify the Danish Energy Agency of their PCI projects and submit a detailed description of the project in accordance with Article 10(1)(a) of the TEN-E Regulation. Based on the description submitted, the Danish Energy Agency, in collaboration with other relevant authorities, assesses whether the project is mature enough to allow the permit-granting process to start.

The Danish Energy Agency's assessment takes place in collaboration with other relevant authorities. The Danish Energy Agency must either acknowledge or reject the notification in writing no later than three months after receipt of the notification. Projects may be rejected if they are not deemed mature enough to start the first stage of the permit-granting process, the procedure before submitting the application. The Danish Energy Agency must justify any rejection of a notification.

If the project is considered sufficiently mature, the Danish Energy Agency will acknowledge the notification.

Procedure before submitting the application

The legal framework for establishing and operating pipelines for the transport of carbon dioxide to intermediate storage is currently being prepared. It is expected that the framework of the process for applications to install pipelines to intermediate storage will be the continuation of existing legislation and under the same conditions as the other application processes for transportation through pipeline directly to storage.

The Danish Energy Agency determines the scope of documentation and the level of detail for the information to be submitted as part of the application. This takes place in conjunction with other relevant authorities and follows Article 10(6)(a) of the TEN-E Regulation. For example, it will be clarified whether the project requires an EIA, or whether it requires the preparation of a municipal planning supplement and/or a local plan.

In collaboration with the Danish Energy Agency and other relevant authorities, the project promoter prepares a detailed schedule for the permit-granting process, cf. Article 10(6)(b) of the TEN-E Regulation. Documentation requirements and the detailed schedule must be established and sent to the project promoter no later than six months after notification.

Within an indicative period of three months after receipt of notification (see above), the project promoter will send a concept for the public sector's participation for approval by the Danish Energy

Agency, cf. Article 9(3) and Annex 6 of the TEN-E Regulation. The Danish Energy Agency must either request changes to the concept or approve it within three months after receipt of the concept.

Once the concept has been approved, the first public phase will be implemented, cf. Article 9(4) and Annex 6(3) and (5) of the TEN-E Regulation. No later than at this time, the project promoter will create a website for the project, which will be updated regularly, cf. Article 9(7) and Annex 6(6) of the TEN-E Regulation. An information leaflet will be prepared regarding the project, and an information meeting about the project will be called in writing.

Where there is a requirement for an EIA onshore, the environmental assessment authority (municipality or Danish Environmental Protection Agency) will draw up, after the first public phase, a demarcation note showing the demarcation of the content of the environmental impact assessment.

If an EIA is required for projects in the marine area, the environmental assessment authority (The Danish Energy Authority) will only issue a statement of opinion on demarcation by the request of the applicant, cf. section 23(3) of the Danish Environmental Assessment Act.

If the project requires an EIA and the authority issues a statement of opinion on demarcation, the first public phase will be conducted in such a way that the consultation under the TEN-E Regulation and the concept consultation (convening of ideas and proposals/first public phase) under section 35 of the Danish Environmental Assessment Act will be conducted together.

On the basis of the demarcation note, the project promoter will prepare a draft environmental impact assessment. At the same time, other application material will be prepared, including an application for environmental permit, notification of risk activities and an internal emergency plan.

The municipality will also prepare a proposal for a municipal planning supplement and local plan, if this is relevant to the project. Proposals for the planning basis and any environmental assessment can be prepared and processed here in parallel with the environmental impact assessment process.

The environmental impact assessment will be sent to the environmental assessment authority, which will send it for consultation as part of the second public phase, along with a draft environmental impact approval following a review and approval of the report.

The time frame for notification of an environmental impact assessment under section 25 of the Environmental Assessment Act depends on the content of the specific project and is also related to the necessary assessments and public consultation on possible environmental impacts (the environmental impact assessment process) of a specific project. The time frame for the environmental impact assessment process is estimated to be a minimum of 12 months.

An environmental impact assessment for CO_2 storage will be replaced in whole or in part by approvals under section 23(d)(2) of the Danish Subsoil Act.

The project promoter must also produce a public participation report for the permit-granting process.

Transition to the statutory permit-granting process

Applications for transition to the statutory permit-granting process are submitted to the Danish Energy Agency. Applications for individual relevant decisions can be submitted either directly to the professional authority or through the Danish Energy Agency.

When the Danish Energy Agency receives the application, it will consult the relevant authorities as to whether sufficient information has been provided about the case to allow each authority to handle the case with a view to issuing the relevant permits. The Danish Energy Agency will request

additional information on behalf of the relevant authorities, if necessary. The Danish Energy Agency will then accept the application as soon as possible and no later than three months after full information about the case has been provided. The case will then be transferred to the statutory permit-granting process, cf. Article 10(6) of the TEN-E Regulation.

The statutory permit-granting process must be completed no later than 1.5 years after the Danish Energy Agency's approval of the application. The Danish Energy Agency will prepare reasonable deadlines for each decision, in collaboration with the relevant authorities.

See also chapter 2 on the permit-granting process for PCI projects in general.

In accordance with the Danish Subsoil Act, prior to storage or other use of the subsoil and associated measures, a plan must be devised for this activity, including the organisation of the operation and any installations as well as a plan for remedial measures in the event of any seepage or major irregularity involving a risk of seepage from the storage complex. This must be approved by the Ministry of Climate, Energy and Utilities.

9.4 Relevant legislation

- Consolidated Act No. 1533 of 16 December 2019 on the Use of Denmark's Subsoil
- Danish Environmental Protection Act (Consolidated Act No. 5 of 3 January 2023).
- Danish Executive Order on approval (Executive Order No. 1083 of 9 August 2023).
- Danish Planning Act (Consolidated Act No. 1157 of 1 July 2020)
- Danish Building Act (Consolidated Act No. 1178 of 23 September 2016)
- Danish Nature Protection Act (Consolidated Act No. 1392 of 4 October 2022)
- Danish Executive Order on environmental assessment of plans, programmes and specific projects (Executive Order No. 806 of 14 June 2023)
- Danish Executive Order on habitats (Executive Order No. 2091 of 12 November 2021)
- Danish Executive Order on offshore impact assessments concerning international nature protection areas and protection of certain species in the case of preliminary investigations, exploration and extraction of hydrocarbons, storage in the subsoil, pipelines, etc. as amended by Executive Order No. 1433 of 25 June 2021 amending the Executive Order on offshore impact assessment concerning international nature protection areas and protection of certain species in the case of preliminary investigations, exploration and extraction of hydrocarbons, storage in the subsoil, pipelines, etc. (Executive Order No. 434 of 2 May 2017).

9.5 Contact details for authorities and important stakeholders

The competent authority under the TEN-E Regulation is:

• Danish Energy Agency, ens@ens.dk

Other relevant authorities:

- Danish Environmental Protection Agency, mst@mst.dk
- Relevant municipalities
- Danish Working Environment Authority, at@at.dk
- Danish Emergency Management Agency, brs@brs.dk
- Danish Safety Technology Authority, sik@sik.dk

Key stakeholders:

The list contains the names of interest groups commonly consulted in connection with CO_2 storage projects. For each specific project, consideration must also be given to whether other private stakeholders, such as neighbours of a new CO_2 storage location or pipeline, should be consulted.

- Danish Hunters' Association, <u>post@jaegerne.dk</u>
- Danish Society for Nature Conservation, <u>DN@dn.dk</u>
- BirdLife Denmark, <u>dof@dof.dk</u>
- Danish Forest Association, <u>info@skovforeningen.dk</u>
- Danish Water and Wastewater Association, danva@danva.dk
- Association of Danish Museums, <u>info@dkmuseer.dk</u>
- Danish Outdoor Council, <u>fr@friluftsraadet.dk</u>
- DCE Danish Centre for Environment and Energy, Aarhus University, dce@au.dk
- GEUS, <u>geus@geus.dk</u>
- Dansk Offshore, <u>info@danskoffshore.dk</u>
- Greenpeace Denmark, info.dk@greenpeace.org
- NOAH Friends of the Earth Denmark, noah@noah.dk
- WWF World Wide Fund for Nature, wwf@wwf.dk
- Danish Anglers' Association, post@sportsfiskerforbundet.dk

Chapter 10: Electrolysis installations

Electrolysis installations for hydrogen production are industrial installations that can vary significantly in design and production capacity. As a result, the approvals and permits required for each installation will differ.

10.1 Relevant environmental assessments and decisions

This section indicates the environmental assessments and decisions that will often be included in the permit-granting process. There may be specific projects where not all the specified permits are relevant. If additional permits are required, this will be disclosed no later than in the detailed schedule for the permit-granting process that the Danish Energy Agency will prepare in collaboration with other affected authorities and the project promoter. See chapter 2.4 for more details on establishing a detailed schedule for the permit-granting process.

Environmental assessments and decisions in the procedure before submitting the PCI application, if necessary:

- Environmental assessment of planning basis
- Environmental impact assessment report
- Impact assessment of the project's effects on Natura 2000 areas.

Permits and approvals issued in the statutory permit-granting process, if necessary:

- Adoption of planning basis (municipality)
- Environmental impact assessment (Danish Environmental Protection Agency or municipality)
- Environmental approval, including any acceptance by the authorities of risk activities (Danish Environmental Protection Agency or the municipality)
- Permit for the extraction of groundwater or surface water (municipality)
- Permit for the discharge of wastewater or connection permits to wastewater treatment plants (Danish Environmental Protection Agency or municipality)
- Building and construction permits (municipality)
- Permit under the Danish Emergency Management Act (municipal emergency response)
- Grid connection agreement with Energinet or grid company.

The municipality is the authority for environmental impact assessment, environmental approval and wastewater and discharge permits if only hydrogen production by electrolysis is involved. If it also includes activities that are marked with an "s" in Annex 1 or 2 of the Executive Order on approval, the Danish Environmental Protection Agency will be the authority for such permits. This applies, for example, to installations that carry out both hydrogen production and re-conversion of hydrogen to, for example, methanol or ammonia. However, it is always the municipality that grants permits for the connection of wastewater to facilities belonging to wastewater supply companies (covered by section 2(1) of the Danish Act on the organisation and economic conditions of the water sector). This applies regardless of whether the environmental approval is granted by the municipality or by the Danish Environmental Protection Agency.

For further information on the processing by authorities for the establishment of PtX installations on shore, see the Danish Energy Agency's guidelines: https://veprojekter.dk/anlaeg/ptxanleag and the Danish Environmental Protection Agency's guidelines on environmental approval:

https://miljogodkendelsesvejledningen.dk.

10.2 Description of work flow and indicative time frame

This section provides an indicative work flow and time frame for energy PCI electrolysis projects on shore in Denmark.

The project promoter notifies the Danish Energy Agency of the project and includes a detailed description of the project, cf. Article 10(3) of the TEN-E Regulation. Based on the description submitted, the Danish Energy Agency, in collaboration with other relevant authorities, assesses whether the project is mature enough to allow the permit-granting process to start. The Danish Energy Agency must either accept or reject the notification in writing no later than three months after receipt of the project notification. Projects may be rejected if they are not deemed mature enough to start the first stage of the permit-granting process, the procedure before submitting the application. The Danish Energy Agency must justify any rejection of a notification.

If the project is considered sufficiently mature, the Danish Energy Agency will acknowledge the notification.

Procedure before submitting the application

Together with other relevant authorities, the Danish Energy Agency will determine the scope of documentation and the level of detail for the information that must be submitted as part of the application, cf. Article 10(6)(a) of the TEN-E Regulation. For example, it will clarify whether the project requires an EIA, whether it requires the preparation of a municipal planning supplement and/or a local plan, and whether the project is covered by the Danish Executive Order on risk.

In collaboration with the project promoter and relevant authorities, the Danish Energy Agency prepares a detailed schedule for the permit-granting process, cf. Article 10(6)(b) of the TEN-E Regulation. Documentation requirements and the detailed schedule must be established and sent to the project promoter no later than six months after notification.

Within an indicative period of three months after receipt of notification, the project promoter will send a concept for public participation to the Danish Energy Agency for approval, cf. Article 9(3) of the TEN-E Regulation and Annex 6. The Danish Energy Agency must either request changes to the concept or approve it within three months after receipt of the concept.

Once the concept has been approved, the first public phase will be implemented, cf. Article 9(4) and Annex 6(3) and (5) of the TEN-E Regulation. No later than at this time, the project promoter will create a website for the project, which will be updated regularly, cf. Article 9(7) and Annex 6(6) of the TEN-E Regulation. An information leaflet will be prepared regarding the project, and an information meeting about the project will be called in writing.

As a starting point, the first public phase will be conducted in such a way that the consultation under the TEN-E Regulation and the concept consultation (convening of ideas and proposals/first public phase) under section 35 of the Danish Environmental Assessment Act will be conducted together.

If the project requires an EIA, the environmental assessment authority (the Danish Environmental Protection Agency or the municipality) will prepare a demarcation note following the first public phase of the demarcation of the content of the environmental impact assessment.

On the basis of the demarcation note, the project promoter will prepare a draft environmental impact assessment. At the same time, other application material will be prepared, including an application for environmental approval, notification of risk activities and internal emergency plan.

The municipality will also prepare a proposal for a municipal planning supplement and local plan, if this is relevant to the project. Proposals for the planning basis and any environmental assessment can be prepared and processed here in parallel with the environmental impact assessment process. However, the planning process is often initiated before the first public phase.

Proposals for environmental impact assessment are sent to the environmental assessment authority which, following its own review of the report, will send it for consultation as part of the second public phase, along with a draft environmental approval. If deemed appropriate, a municipal planning supplement, local plan and, where applicable, environmental assessment will be sent for consultation at the same time as part of the second public phase.

Transition to the statutory permit-granting process

Applications for transition to the statutory permit-granting process are submitted to the Danish Energy Agency. Applications for individual relevant decisions can be submitted either directly to the professional authority or through the Danish Energy Agency. When the Danish Energy Agency receives the application, it will consult the relevant authorities as to whether sufficient information has been provided about the case to allow each authority to handle the case with a view to issuing the relevant permits. The Danish Energy Agency will request additional information on behalf of the relevant authorities, if necessary. The Danish Energy Agency will then accept the application as soon as possible and no later than three months after full information about the case has been provided. The case will then be transferred to the statutory permit-granting process, cf. Article 10(6) of the TEN-E Regulation.

The statutory permit-granting process must be completed no later than 1.5 years after the Danish Energy Agency's acceptance of the application. The Danish Energy Agency will prepare reasonable deadlines for each decision, in collaboration with the relevant authorities.

See also chapter 2 on the permit-granting process for PCI projects in general.

10.3 Relevant legislation

- Danish Environmental Assessment Act (Consolidated Act No. 4 of 3 March 2023)
- Danish Planning Act (Consolidated Act No. 1157 of 1 July 2020)
- Danish Environmental Protection Act (Consolidated Act No. 5 of 3 January 2023)
- Danish Executive Order on approval (Executive Order No. 1083 of 9 August 2023)
- Danish Executive Order on risk (Executive Order No. 372 of 25 April 2016)
- Danish Emergency Management Act (Consolidated Act No. 314 of 3 April 2017)
- Danish Gas Safety Act (Act no. 61 of 30 January 2018)
- Danish Electricity Supply Act (Consolidated Act No. 984 of 12 May 2021)
- Danish Water Supply Act (Consolidated Act No. 602 of 10 May 2022)

10.4 Contact details for authorities and important stakeholders

- Danish Environmental Protection Agency, <u>mst@mst.dk</u>
- Danish Working Environment Authority, at@at.dk
- Danish Safety Technology Authority, sik@sik.dk
- Danish Emergency Management Agency, <u>brs@brs.dk</u>
- Energinet, info@energinet.dk
- Danish Agency for Planning and Rural Development, plst@plst.dk
- Danish Civil Aviation and Railway Authority, info@trafikstyrelsen.dk
- Relevant municipality
- Municipal emergency response
- Police
- The local grid company.