



Rijksdienst voor Ondernemend  
Nederland



# Outline of Borssele Wind Farm Site V (Innovation Site)

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# Overview

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*Status: concept. Subject to change. The final ministerial order will be leading.*



# Goals of the innovation site

Reasons the government has to offer this possibility:

- Possibility for companies with an establishment in the Netherlands to test/demonstrate (nearly) fully developed technologies (show case)
- Contribution to the cost reduction of offshore wind farms
- Contribution to the Dutch economy: market expansion and (export) potential for Dutch companies;
- Knowledge building in The Netherlands: involvement of Dutch SME's and knowledge institutes.

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## Basic idea

- Demonstration of new technologies is more expensive than standard rollout.
- Subsidy for the additional investment costs of site V compared to site III.
- Reason: advance funding. Raising the SDE+ base amount means funding after production has started.
- The operation phase will commence as soon as the installation is commissioned.
- Tender, ranking based on 4 qualitative criteria instead of price
- 1 winner
- Mirror developments at the regular Borssele sites as much as possible, deviating from it when necessary.

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# Subsidy

- Investment subsidy and exploitation subsidy
- 1 combined application for the subsidy and the wind permit
- 2 positions, nominal capacity for the site at least 12 MW and at most 20 MW
- Per turbine nominal capacity of min. 6 MW and max. 10 MW
- The ministry investigates whether more MW/turbine is possible if environmental impact  $\leq 10$  MW, procedure to be elaborated.
- Investment subsidy: 45% of the extra costs relative to site III
- Medium-sized enterprises +10%, small-sized: + 20%
- Exploitation subsidy: in accordance with SDE+ regime (15 yrs+1)
- Base amount SDE+: fixed amount = winner site III

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## Example investment subsidy

Investment costs innovation site 20 MW	€ 70.000.000
Regular investment costs for 20MW (based on Borssele site III*)	€ 50.000.000
Extra costs	€ 20.000.000
Subsidy large undertaking (45% of 20 mln)	€ 9.000.000
Subsidy medium-sized undertaking (55% of 20 mln)	€ 11.000.000
Subsidy small undertaking (65% of 20 mln)	€ 13.000.000
* reference amount/MW to be based on ECN advice	

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# Grounds for refusal

- Implausible that site will be commissioned within 4 years after definite permit.
- Implausible that the project plan:
  - Is feasible
  - Is technically/financially/economically feasible
- Fewer than 3 points per ranking criterion (out of 5)
- Equity <10% of the total investment costs
- Equity <20%: no declaration of intent from a financier for the remaining part of that 20%
- The wind farm does not comply with the site decision
- An outstanding recovery order against the applicant (claim)
- The applicant is an enterprise in difficulty

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# Ranking

- Committee of independent experts
- Four criteria, each score 3 or more points (scale of 1-5 points)
  1. Contribution to the cost reduction of offshore wind farms
  2. Contribution to the Dutch economy
  3. Innovation: degree of innovation relative to international state of the art and strengthening of the Dutch knowledge position
  4. Quality of the project (approach/method, risk handling, feasibility, participating parties, effectiveness/efficiency of resource deployment)
- Each criterion counts equally
- Highest score wins, 1 winner
- More than 1 highest score: lowest investment subsidy wins

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# Conditions

- Execution agreement with the Ministry within 2 weeks from award of the contract
- Bank guarantee of € 600.000 within 4 weeks from award
- 2nd bank guarantee of € 2.200.000 within 12 months from award
- The wind farm should be commissioned within 4 years after the decision to award the grant
- Payment of investment subsidy ceases when electricity production starts (condition of the GBER)
- Final report

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# Planning

Milestone	Date
Public internet consultation	end of 2016
Publication of ministerial order in Staatscourant and Staatsblad	1 August 2017
Tender open	1 October 2017
Feedback on project ideas by committee of experts	November 2017
Closing date tender	January 2018
Decision	April 2018
Start of production	From 31 August 2020 (Platform Beta from Tennet ready)

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## More information

<http://offshorewind.rvo.nl>



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