

Danish Energy
Agency

October 2020



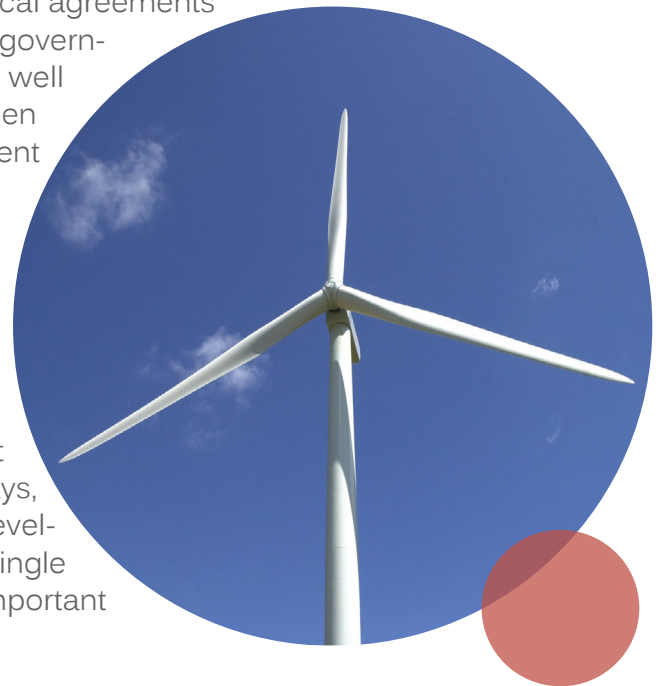
The Danish
Energy Agency as a
one-stop-shop
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Introduction

In Denmark, offshore wind targets are settled in political agreements supported by a majority in the Parliament, which the government then commits to realize. Long term planning as well as a stable and supportive policy framework have been fundamental to the successful large-scale development of offshore wind power.

The consenting process for the development of offshore wind projects is a critical element prepared by the involved regulatory authorities. This requires thorough planning and coordination amongst authorities in order to reduce risks to developers and investors. In Denmark, a streamlined and transparent process contributes to reduce uncertainties and delays, which can otherwise be major disincentives in the development of offshore wind projects. The concept of a single point of access – a so-called one-stop-shop - is an important organisational setup mitigating this regulatory risk.



The legal mandate

The Danish Act on the Promotion of Renewable Energy defines the rules and competences within the Danish Energy Agency (DEA) as well as the requirements and procedures for issuing licences for developing offshore wind power. The DEA has the mandate to both plan and issue permits for offshore wind projects in the territorial sea and in the exclusive economic zone in which references to relevant legislation and conditions from other authorities are made.

The concept

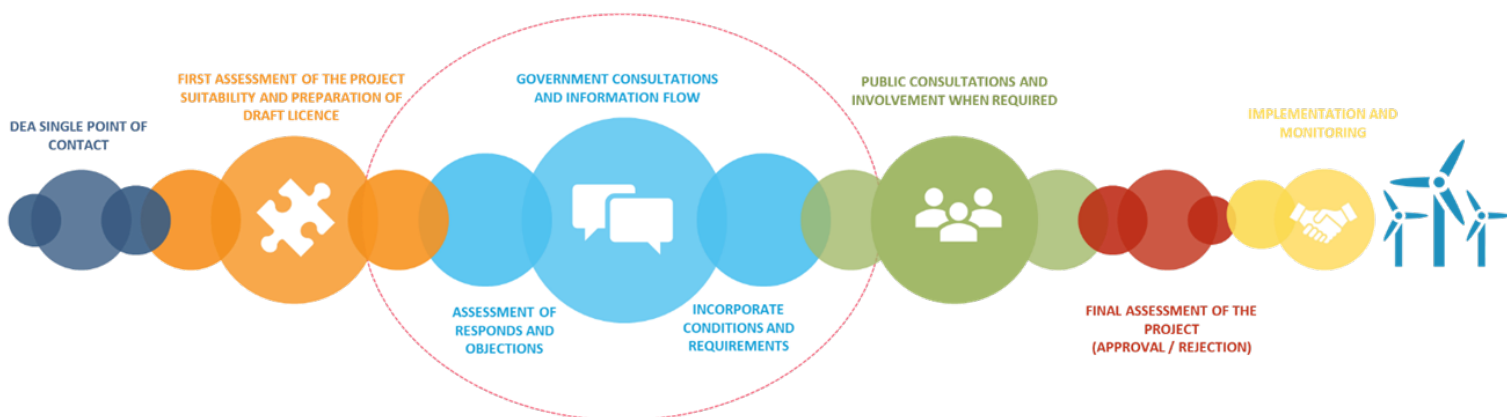
The fact that the DEA serves as a one-stop-shop is not a new concept and stems from the DEA being the single point of contact consenting oil and gas licenses in the North Sea. A One-stop-shop ensures a smooth and administratively lean process in consenting the development of offshore wind farms incl. their decommissioning. When an offshore wind farm passes through the consenting process, the licenses and permits required for the development of the wind farm will be prepared and granted by the DEA through an iterative process involving contributions from the relevant authorities. Once the concession has been given, the DEA continues to operate as a single point of contact for the owner of the project, which receives the needed assistance on issues related to the granted licences and procedures, etc. This reduces the risk of unforeseen regulatory barriers in the project development phases.

The processes

The DEA coordinates the preparation of these licenses and permits with the relevant authorities, which provide the DEA with their respective and relevant regulatory input. In this process, the DEA conveys relevant project specific knowledge to the other authorities in order to mitigate confi-

cting interests.

Consenting takes into account a multitude of interests related to e.g. economic attractiveness of the wind farm, local community, protection of the natural environment, marine cultural heritage, safety at sea, resource extraction, defence issues, visual impact, etc. The coordination and communication with a large number of authorities is often a challenging part of consenting an offshore wind farm and grid connection. The one-stop shop significantly reduces the regulatory risk and ease communication, since the developer does not have to approach all relevant authorities to get the individual permits required for the development of the offshore wind farm. After consultation, the DEA conveys relevant and trustworthy knowledge about the wind farms in the process hence mitigates potential conflicts up front. The flow chart below resumes the roles of the DEA to secure planning, developing, commissioning, operating and decommissioning an offshore wind farm.



Flow of involved authorities and the number of steps during the procedure.



Consenting the development and construction of offshore wind projects in Denmark requires three steps adapted to the maturity of the project. In the following three steps, the DEA coordinates and grants all licenses according to the one-stop-shop principles.

1) **Permission for preliminary investigations.**

Once the project owner has submitted a project description and a plan of activities to carry out on the offshore site, the DEA seeks approval to grant the license for preliminary investigations from relevant authorities in a coordinated procedure.

Based on the license for preliminary investigations, the project owner carries out the investigations that serve as input to authorities in the collation of the construction license.

2) **License to construct an offshore wind power project.** Once the developer has finalised the preliminary investigations and acquired sufficient information on the site, the developer submits an application to construct the project. The detailed project application is then circulated by the DEA to the relevant involved authorities in order to seek approval to grant the license to construct the offshore wind farm in a coordinated procedure.

3) Before the commissioning of the wind farm is completed and before the first kWh is produced and delivered to the collective grid, the developer must apply for the **License to produce electricity from the offshore wind power project**. The application must demonstrate that the projects has complied with all the requirements listed in the license to construct and as described in the detailed project plan. The DEA and the relevant authorities must approve the detailed documentation provided by the developer, for compliance with the conditions in the construction license. Once the documentation can be approved the license to produce electricity will be granted. The license is granted by the DEA for 25 years with potential extension upon agreement. Improved lifetime of technology has led the Danish authorities to consider granting this license for 30 years as a new standard.

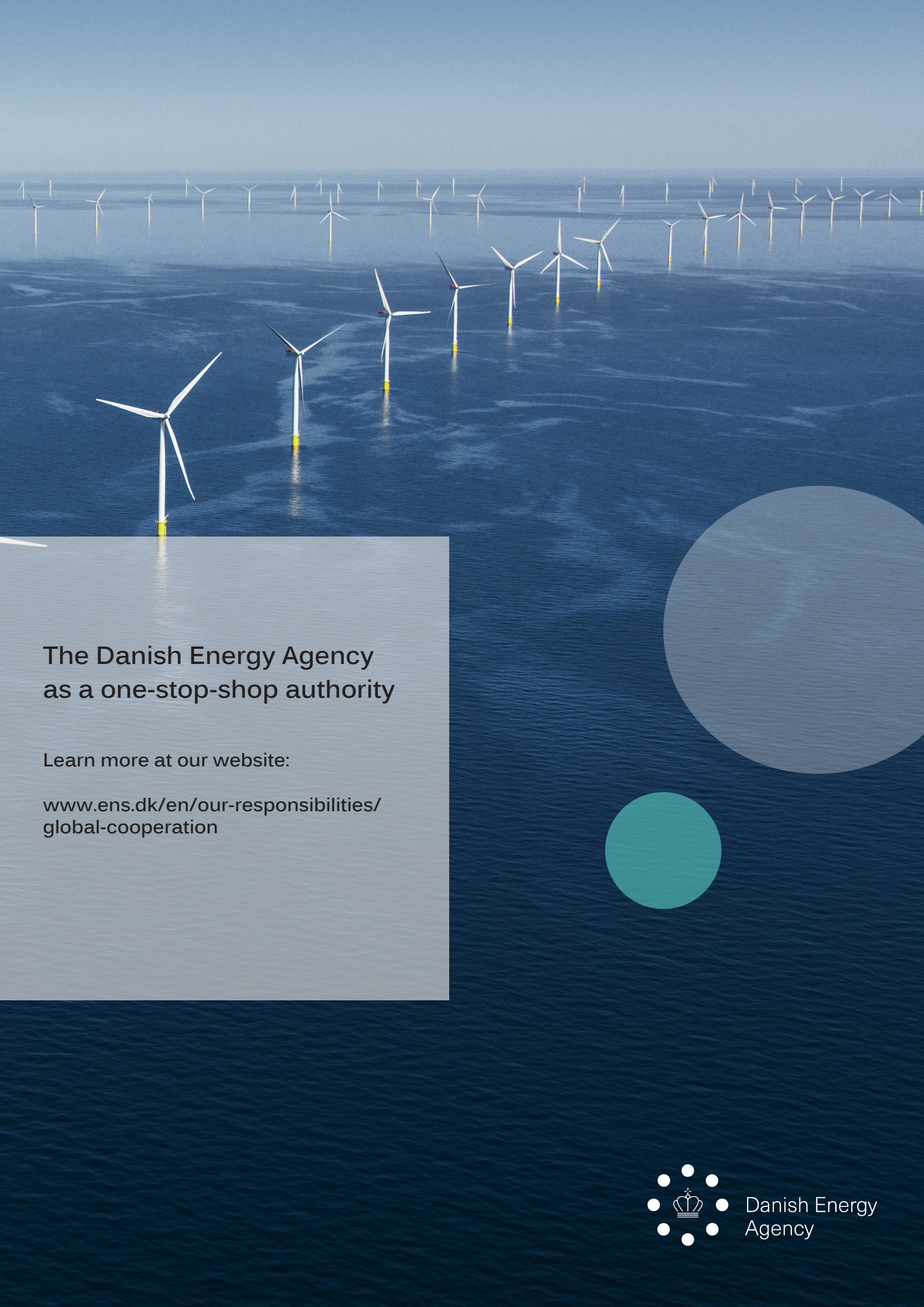
A similar procedure is carried out when permission to decommission the project is to be granted.

The relevant authorities in the Danish context are:

- The **Transmission System Operator (TSO)** Energinet is responsible for the planning and operation of the electricity infrastructure in Denmark and acts as an independent transmission and system operator.
- The **Ministry of Environment** manages the overall rules for environmental concerns.
- The **Maritime Authority** regulates safety at sea along with being responsible for coordinating Denmark's first maritime spatial plan. The plan will enter into force 2021 aiming to develop a national framework for the many uses of Denmark's sea area, i.a. offshore energy extraction, shipping, fishing, aquaculture, seabed mining and environmental protection towards 2030.
- The **Ministry of Defence** controls the military zones and the air force and naval concerns.
- The **Coastal Authority** regulates coastal matters e.g. the placement of harbours and piers and the coastal protection belt.
- The **Working Environment Authority** regulates and controls the working environment and the safety of workers.
- The **Transport Authority** has responsibility of both safety on roads and commercial air traffic.
- The **Agency for Culture** holds the overall responsibility for the cultural heritage at sea and the archaeological excavations undertaken.

Furthermore, the relevant municipalities are involved when the grid connection on-shore is planned and consented.

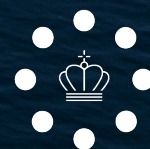




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Learn more at our website:

[www.ens.dk/en/our-responsibilities/
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