

## **“THOR” Offshore Wind Farm - Status**

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### **Background – and pre-investigations 2019-21**

As part of the Danish Energy Agreement in June 2018, all political parties agreed to the decision to build three new offshore wind farms in Denmark before 2030.

In February 2019, the parties to the Energy Agreement decided that the first of the three offshore wind farms should be located in the North Sea west of Nissum Fjord, and at a distance of min. 20 km from the shore. The new wind farm is named “Thor” after Thorsminde, the nearest village on the shore of Jutland. The offshore wind farm will have a capacity of min. 800 MW and max. 1,000 MW.

On 27 June 2019 the Danish Energy Agency granted Energinet, the Danish TSO – transmissions systems operator - a licence for pre-investigation concerning the Thor offshore wind farm. The licence is valid from 1 July 2019 to 1 April 2021.

The DEA has also determined that the pre-investigations will not have a significant impact on the environment and do not require an environmental impact assessment (EIA). The main project itself does require environmental assessment and will consequently undergo environmental assessment in the near future, including hearings with citizens and stakeholders.

The licence for pre-investigation does not allow for the establishment of wind turbines per se. Moreover, it has not been decided whether wind turbines can be established in the area.

Energinet will spend approximately DKK 180 million on the pre-investigation, costs that are later to be reimbursed to Energinet by the company that wins the tender to establish the wind farm and produce electricity.

### **The tender for Thor**

Tenders for the Thor offshore wind farm, like previous offshore wind farms in Denmark, must be offered according to the tendering procedure “negotiated tender”. In tenders with negotiation, participants will have been able to influence the terms of the tender, so that, for example, the best possible risk sharing is ensured.

Thor must have a minimum power of 800 MW, but is offered with farm size flexibility so that the winner of the tender has the opportunity to establish up to 1,000 MW in total.

The grid connection to the mainland will be exposed to competition and become a part of the project. Previously, Energinet was responsible for the establishment and operation of the transformer platform and export cables and Energinet financed the costs over tariffs. This task is now transferred to the winner of the tender as part of the overall project and is thus financed as part of the total costs for the offshore wind farm.

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Energinet will continue to be responsible for establishing and operating the onshore grid connection from the coastal station to the transmission grid. The winner of the tender must pay Energinet's costs for establishing the grid connection (the latter though being subject to approval by the European Commission).

The Thor offshore wind farm will be connected to the grid between 2024 and 2017.

## **Future offshore wind farms**

As for the second and third offshore wind farm envisaged in the June 2018 political agreement, it was agreed that in 2021 and 2023, respectively, the second and third offshore wind farms of at least 800 MW each will be offered. If technically and financially possible, larger wind parks may be built.

The agreement further states that decisions on further offshore wind farms are based on the general assumptions that the wind farms can be established without the need for financial support for establishment and operation and that offshore wind based on technology and price development is considered to be an attractive route to increasing the renewable energy share in Denmark.

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For questions or comments to this newsletter or energy and offshore in general, please contact Bo Sandroos on +45 4088 5422 or [bos@wsko.dk](mailto:bos@wsko.dk).

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