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Minister of Energy



FPS Economy, S.M.E.s, Self-employed and Energy



Consultation template

19/01/2022

This document should be used to react to the public consultation on the offshore wind tender for the Princess Elisabeth Zone.

Any reaction should be sent by mail to offshore.energy@economie.fgov.be on the 18th of February 2022 at the latest.

Associated Company / association: Febeliec VZW/ASBL

Name contact person: Peter Claes

Contact details: febeliec@febeliec.be – 0496 59 36 20

Confidentiality

Please note that your answer can be used to redact the regulation concerning the tender mechanism. If need be, your answer can be used in an anonymized way.

The personal data collected will only be used for the purposes of the present consultation. More information on the processing of your personal data can be found in our privacy policy: <https://economie.fgov.be/en/privacy-statement>.

Should your reply be anonymized for publication or sharing with others than mentioned above

- No
- Please motivate.

Febeliec's answer does not contain any confidential information.

Does your reply contain any confidential information

- No
- If yes, please indicate which parts of this reply should be treated as confidential and explain the reasoning as well as the possible harm. Confidential parts of your reply should also be indicated as such in the text below.

Tender timing

What is your feedback on the timing of the tender?

No comments

Support mechanisms

Which support mechanism would you prefer and for which reasons

- 2-sided CfD / Zero bid / Other (please specify)

After over 30 years of experience with offshore wind in Europe, Febeliec is of the opinion that this technology has reached a sufficient maturity level to make it possible to build new offshore wind parks without net subsidies..

Whatever mechanism is chosen, it should aim for a minimum cost for society (avoiding possible windfall profits) combined with a maximum of financial security for the investor .

Although a well-designed 2-sided CfD can also comply with these objectives, a Zero Bid is less complicated by avoiding increased complexity during the tender process and less administrative burden during operation of the wind farm,

Whatever support mechanism is put in place, Febeliec insists on the need for a commitment to build to be taken by the winners of the auction.

Please share your reflections on the concept and implementation modalities of a 2-sided CfD

- strike price,
- indexation,
- electricity reference price,
- price difference – injected energy
- impact in case of negative electricity prices,
- price difference – Maximum amount of support on a yearly basis,
- Duration,

- The “reference price” should take into account all effective revenues from the sales of electricity (and capacity in case of CRM or balancing)
- The “strike price” should be capped by the LCOE
- No support is to be given when injecting during hours of negative electricity market prices (day-ahead market as the reference).

Please share your reflections on the concept of Zero bid

A Zero Bid:

- is less complicated by avoiding increased complexity during the tender process and less administrative burden during operation of the wind farm,
- avoids subsidy payments
- gives incentives to the windfarm operator during its operation by following closer the market signals, leading to less network issues, reducing system cost and market distorting effects, especially during negative prices

Pre-Qualification criteria

Please share your comments on the different pre-qualification criteria as well as general remarks or suggestions for complementary criteria

- General comments

No general comments

- Technical capabilities

No comments

- Financial capabilities

No comments

- Citizen participation

Febeliec is not opposed to citizen participation, but does not support imposed quota nor fines for the share of participation, as this will add to the cost of the project.

- Minimum installed capacity

No comments

- Other legal criteria

No comments

Selection criteria

Please reflect on the general scoring system

Febeliec proposes to drastically reduce the number of criteria and to prioritize cost efficiency.

Please share your comments on the different selection criteria as well as general remarks or suggestions for complementary criteria

- General comments

- Strike price in case of 2-sided CfD

To be capped by the LCOE of each individual project. To be awarded at least 70% of the point in each case.

- Energy production

No comment

- Citizen participation

Citizen participation is seen as positive. However, it should be ensured that the overall complexity and the administrative burden is not too high.

- Local benefits to society

Not supported as a selection criterion by Febeliec

- Sustainability

Not supported as a selection criterion by Febeliec

- Nature preservation

Not supported as a selection criterion by Febeliec

- Innovation and system integration

System integration should be considered as a criterion in each case

Additional input

Please share any additional remarks or reflections you might have regarding the tendering procedure or the Princess Elisabeth Zone.

No comments