



Questions and Answers on Wind Farm Sites Borssele III & IV SDE+ Offshore Wind Energy Category

Version: 19 September 2016

Note: In the event of any imperfections or errors or where various interpretations are possible, the Ministerial Order takes precedence.

This version dated 19 September 2016 replaces the previous version dated 12 September 2016.

Organisation		
No.	Question	Answer
1	Can a public limited company or a private limited company (an N.V. and a B.V. under Dutch law respectively) in the process of formation submit an application and is this possible without a Dutch Chamber of Commerce number?	The applicant enterprise can be a public limited company (N.V.) or a private limited company (B.V.) in the process of formation provided it is listed in the Trade Register. This means that a Chamber of Commerce number is compulsory. It is also compulsory to incorporate the public limited company (N.V.) or private limited company (B.V.) immediately after the possible award of a subsidy and permit (the deed of incorporation should be executed before a civil-law notary and the registration in the Trade Register must be complete).
2	Can an organisation participate in multiple consortia?	Applicants are permitted to submit one application for Site III, one application for Site IV and one combined application for Sites III and IV. An enterprise may participate in multiple consortia as these consortia constitute different applicants. (Article 4(2), Ministerial Order for Offshore Wind Energy 2016).
3	Can multiple subsidiaries of a parent company submit an application?	Every subsidiary of a parent company is an independent legal entity. All subsidiaries may therefore submit one application for Site III, one application for Site IV and one combined application for Sites III and IV. Contrary to the Ministerial Order for Offshore Wind Energy 2015, the Ministerial Order for Offshore Wind Energy 2016 stipulates that for the purpose of determining the applicant's equity, the equity of the relevant parent company can be taken into account for a maximum of two applicants. In order to include the equity of the parent company, consent must be granted by the parent company. If a parent company's equity is taken into account for more than two subsidy applicants, the equity of the parent company will be disregarded for all applications, in which the parent company's equity was included.
4	According to the Ministerial Order for Offshore Wind Energy 2016, when calculating the own assets of the applicant the own assets of its parent company can be included – provided that the parent company has consented to this in writing. Is there a template in which such consent can be granted? Are there any requirements that the declaration of consent needs to meet?	No template will be made available. There are no specific requirements regarding the format of the declaration, as long as it clearly reflects the parent company's consent and is signed by an authorised signatory.



Communication		
No.	Question	Answer
1	What information will the Netherlands Enterprise Agency (RVO.nl) publish about the ranking(s) and successful applicant(s)?	RVO.nl will only publish the tender amounts of the successful applicant(s) for Sites III and IV and not those of the other applicants. RVO.nl will retrospectively determine what information on the ranking(s) will be disclosed. NB: RVO.nl can be obliged to disclose information based on a court decision.
2	Will the investment amounts that must be recorded in the statement of income and expenditure be disclosed?	RVO.nl will not disclose the investment amounts stated in the statement of income and expenditure of its own accord. However, RVO.nl can be obliged to disclose the information based on a court decision.
3	How can stakeholders keep up to date with current information?	<p>It is your responsibility to keep up to date with the latest information. The latest information regarding the tender, subsidy and permit can be found on www.rvo.nl/sde.</p> <p>Via offshorewind.rvo.nl, you can find all the available data regarding the site investigations. Via www.mijnrvo.nl, you can find all information required for submitting your application.</p> <p>You are also welcome to subscribe to the Offshore Wind Energy newsletter, which provides information about meetings, examinations, etc. The newsletter does not have a regular publication schedule and does not provide a complete picture of current data. You can subscribe to the newsletter by sending an e-mail to woz@rvo.nl.</p> <p>The information can also be found on offshorewind.rvo.nl.</p>

Form		
No.	Question	Answer
1	In what language must applications be made?	The application form for both the SDE subsidy and the permit is only available in Dutch. The form must be filled in by the applicant in Dutch or English.
2	Is the application form also available in English?	The official application form is only available in Dutch. For reference purposes, an English version of the application form can be found in the Project & Site Description for Borssele Wind Farm Sites III and IV and on our website. However, the English translation of the application form is not an official document that can be used to submit an application.
3	Can RVO.nl confirm that no other information must be provided besides the application form and the appendices referred to in the application form?	Applicants must fill in the application form in full and submit it, together with all applicable appendices, to RVO.nl in Zwolle. No other information will be required.
4	In the application form, no IBAN or BIC code is requested from the applicant. Why is this?	RVO.nl will only request this information from the designated recipient(s) of the subsidy following award of the subsidy and permit.



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5	In the event of a combined application for Sites III and IV, must a separate tender amount be filled in for every site?	Yes. On the application form for combined applications for Sites III and IV, a separate tender amount be filled in for each site.
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SDE subsidy		
No.	Question	Answer
1	Will a provision be included in the decision to award a subsidy that can correct the basic amount in connection with the proceeds stemming from the system of tradable greenhouse gas emission allowances?	No. No provision on this matter will be included in the subsidy decision.
2	Is the SDE subsidy exempt from VAT throughout the entire term?	The SDE subsidy is exempt from VAT.
3	Is it correct that the basic price of electricity has been set at €0.03 per kWh?	The basic electricity price has been set at €0.03 per kWh and published in the Ministerial Order for Offshore Wind Energy 2016.
4	If a wind farm's production declines, will the advance payments be adjusted?	If, based on the actual production achieved, a wind farm's production declines to such an extent that the advance funding looks like it will be higher than the total payable annual subsidy, the advance funding will be temporarily or permanently reduced or discontinued.
5	Is electricity produced prior to the official completion of a wind farm eligible for a subsidy?	Yes. Electricity produced prior to the official full completion of a wind farm may be eligible for the SDE subsidy. The effective date of the subsidy period can be divided across a maximum of five different start dates, provided that the subsidy period always begins on the first day of the month in question and that all start dates must be at least two months apart. This means that electricity produced prior to the official completion of a wind farm may also be eligible for the SDE subsidy.
6	In the future, is it possible that the profile costs and imbalance costs for each wind farm will be individually determined, for example, by providing insight into production and availability data?	The profile costs and imbalance costs are determined every year by ECN. The policy is to determine the profile costs and imbalance costs for all wind farms in the Dutch section of the North Sea on an annual basis. The costs will therefore not be determined for individual wind farms.
7	Will the winning tender amount be adjusted for inflation during the construction and operating phase?	No, the winning tender amount will not be adjusted for inflation.
8	Is it correct that the provisional adjustment amount will be determined for the period from October to September and that the definitive adjustment amount will be determined for the period from January to December?	The provisional adjustment amount will be determined for the 12 months prior to the publication of the provisional adjustment amount. As this is published in October, the provisional adjustment amount will be determined for the period from October until September. The definitive adjustment amount will be determined for the period from January to December.
9	How will payment of the SDE+ subsidy be made?	From the moment that Guarantees of Origin have been issued for the electricity generated and the start date of the subsidy submitted by the applicant has passed, a monthly advance payment will be made amounting to 80% of one-twelfth of the subsidisable annual production multiplied by the subsidy amount. Start dates for subsidies always fall on the first day of a particular month. In principle, RVO.nl will pay the advances during the first week of the relevant month. In April of the following year, the actual production figure and a definitive adjustment amount will be determined. Once



these figures have been determined, any remaining subsidy for the previous year will be paid over the course of the subsequent months. If too much has been paid in advance, no more advances will be paid until the excess funds have been settled.

Wind report and wind turbines		
No.	Question	Answer
1	Can the applicant personally draw up a wind report and subsequently have it approved by an independent party?	No. The wind report must be compiled by an independent party, not by the applicant.
2	Wind turbines with boosters are available. How does a booster affect the capacity of the wind turbine and the wind farm?	In order to determine the capacity of wind turbines and wind farms, the nominal capacity as defined in Article 1 of the Ministerial Order for Offshore Wind Energy 2016 applies.
3	With what certification must wind turbines comply?	Article 6.16d of the Water Decree stipulates that a certificate must be issued by an independent expert no later than eight weeks prior to the start of the construction period, stating that the design of the wind turbines and other installations that form part of the wind farm comply with the requirements set out in Article 6.16g(1) of the Water Decree. Applicants who make use of a type of wind turbine that has already been certified for offshore wind energy need not provide any further information. Applicants who wish to make use of a type of wind turbine that has not yet been certified for offshore wind energy must provide information demonstrating that the applicant can plausibly provide the above certification from an independent expert no later than eight weeks prior to the start of the construction period.
4	Does RVO.nl publish a list of parties approved by RVO.nl to prepare the wind report?	No. RVO.nl does not publish a list of parties that have been approved to prepare wind reports.
5	What capacity curve must be used for the calculation of the P50 in the wind report?	The wind report must be prepared by an independent party with expertise in the field of wind-energy yield calculations. This party will use the capacity curve determined by a certification institution. If this is not available, the supplier of the wind turbine can make a capacity curve available.
6	When determining the P50 for Site III or IV, the Belgian wind farms that came into operation on 1 July 2016 must be taken into account. Is a capacity curve available for these wind farms?	No. On RVO.nl's website, you can find the information from the Belgian wind farms that needs to be taken into account, including the turbine type. The capacity curves will not be made available.
7	The Ministerial Order for Offshore Wind Energy 2016 stipulated that when calculating the P50 value for the wind farm's net annual electricity production, you must take into account the availability, wake effects, electricity losses, own consumption, environmental effects on the wind turbine, turbine yield and curtailment losses. What is meant by environmental effects and curtailment losses?	The environmental effects on the wind turbine are limitations stemming from regulations in the site decision relating to environmental and ecological factors, such as noise pollution, safety, disturbance caused by wind turbine flicker shadow, flora and fauna. As these factors are expected to be negligible for offshore wind energy, you can set these at zero. These instructions will also be explained in this way on the application form. Curtailment losses are incurred if TenneT must curtail the transport capacity of the export cables as a result of the cables becoming too hot. TenneT guarantees a transport capacity of 330MW for Site III and 350MW for Site IV. The maximum flexible transport capacity for Site III is 360MW and 380MW for Site IV. If you use this area for transplanting, you must take curtailment losses into account. TenneT



		has published a number of studies on this matter on its website. NB: If you make use of transplanting and your turbines are equipped with a power booster that does not fall under the definition of nominal capacity, you must ensure that the maximum transport capacities remain at 360MW for Site III and 380MW for Site IV.
8 New	The developer of an innovative wind turbine that has not yet been certified is initially taking a conservative power curve as starting-point. However, according to the manufacturer, it is very probable that the power curve will improve (become steeper) during the development process. Which power curve can be used for the P50?	The most probable power curve of the turbine developer can be used. After all, the key factor is the determination of the net P50 value, i.e. where there is a 50% chance of that level of production being achieved. If a power curve is estimated too conservatively by the turbine developer, the party preparing the wind report may use the most probable power curve for the calculation of the net P50 value.
9 New	When an applicant chooses a non-certified wind turbine, must he also demonstrate convincingly in annex 11 that the foundations and infield cables will meet the requirements set out in Article 6.16d(1)(c) of the Water Decree within the specified time frame?	Yes. In such a case, he must demonstrate convincingly that he will have a declaration of an independent expert showing that the turbines, foundations and infield cables will meet the requirements set out in Article 6.16d(1)(c) of the Water Decree by no later than eight weeks before the start of the construction period.

Terms		
No.	Question	Answer
1	What is meant by the 'obligation to start the construction of a wind farm within four years of the date on which the permit becomes irrevocable'?	The start of construction means the beginning of offshore construction, e.g. the laying of the first foundations.
2	Can the wind farm be immediately dismantled once the SDE subsidy has been determined?	No. The site decisions for Sites III and IV stipulate that dismantling can only begin in year 25 following the issue of the permit, and must be completed by year 30. As the SDE subsidy is paid over a period of 15 to 16 years, you therefore cannot dismantle the wind farm immediately after the SDE subsidy has been determined.
3	Article 14(1)(d) of the Offshore Wind Energy Act stipulates that a permit can only be granted if, based on the application, it has been made sufficiently plausible that the construction and operation of the wind farm can commence within four years of the date on which the permit becomes irrevocable. Does this four-year term relate to the construction and operation, or only to the fact that construction must start within four years?	In the application, you must make it sufficiently plausible that construction and operation can begin within four years of the date on which the permit becomes irrevocable. The start of operations means the first supply of electricity to the power grid by the wind farm. Once the successful applicant(s) has/have been informed of the decision(s), it can of course happen that the schedules may be delayed for various reasons. Needless to say, this has no effect on the assessment of the application.
4	Until what date can the start date for the SDE subsidy be adjusted?	At the subsidy recipient's request, the beginning of the subsidy period can be changed a maximum of three times, provided that the request is submitted no later than the date on which the production installation is put into operation, and that the date is not outside the term stipulated in Article 61(1) of the Stimulation of Sustainable Energy Production Decision.
5	The start date for the SDE can be changed three times. What does this mean if there are five different start dates?	For every site, you can submit a maximum of three requests to change all of the various start dates.

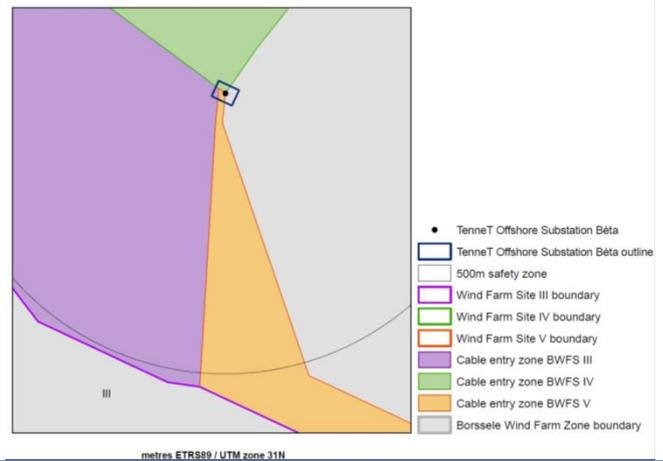


Operating model		
No.	Question	Answer
1	What is the minimum value that the project yield must satisfy?	No prior minimum project-yield value has been prescribed. Ultimately, the financial feasibility will be comprehensively assessed.
2	Completion of the operating model provided by RVO.nl is compulsory. Can you use your own model? And if different yields are given, which should I use in the application form?	The calculation model provided by RVO.nl has been fully explained and serves as the guiding principle. In addition to this calculation model, applicants can also submit an operating calculation in accordance with their own model. This must be done using the same input data as for the calculation model provided by RVO.nl, and the calculations in the applicant's model must be explained. If the models differ, this means that the yields can also differ. RVO.nl focuses mainly on the plausibility of the input data and understands that different models can also result in different yields.
3	Is it permitted to fill in a lower production level per year in the operating model in order to make use of the 16th SDE subsidy year?	It is permitted to divide the P50 value in the wind report across 16 SDE subsidy years. You can indicate this in the operating model.
4	Must interest costs accrued during the construction also be included in the specification of investment costs?	The operating model automatically calculates the interest costs accrued during the construction period, so these costs do not need to be included in the investment costs (otherwise they would be duplicated). However, any costs involved in securing loans do need to be included in the investment costs.
5 New	Which version of the operating model has to be used?	New versions of the operating models, dated 19 September 2016, can be found on www.mijnrvo.nl . These models have to be used for the application. In the version of 2 September 2016 an error has occurred in the calculation whereby the IRR is incorrect.

Wind Farm Site Decision		
No.	Question	Answer
1	In the event that the infield cables connecting the wind turbines to TenneT's Beta platform are not exactly straight, how many coordinates would be used in order to indicate the correct route?	If a cable is not in a straight line, it is not necessary to supply an extensive series of coordinates. It must be made clear that the infield cables remain within the boundaries of the site. You must therefore select the coordinates and the number of coordinates to ensure that the straight lines between the coordinates remain fully within the site.
2	When was the amendment decision for Wind Farm Sites III and IV published?	The amendment decision for Wind Farm Sites III and IV was published in the Government Gazette on 2 September. You can also find it online under 'officiële bekendmakingen' (official announcements): https://www.officielebekendmakingen.nl/stcrt-2016-45387.html
3	Wind Farm Site Decision III includes the following provisions: <i>'Wind Farm Site III is designated as the location for a wind farm with a total installed capacity between 322 MW (minimum) and 360 MW (maximum). The coordinates of the boundaries of Wind Farm Site III are presented in regulation 2, section 1 of this Decision.'</i> Is 'maximum' to be understood as 'up to and	Yes. An installed capacity of 360 MW for Wind Farm Site III still meets the requirements of Wind Farm Site Decision III.



	including'? Does an installed capacity of 360 MW for Wind Farm Site III meet the requirements of Wind Farm Site Decision III?	
4 New	Is overplanting also possible at Innovation Site V?	Overplanting at Site V is not possible. However, TenneT guarantees a purchase capacity of 20 MW for Site V at all times.
5 New	In the amendment decision for Borssele Wind Farm Sites III, IV and V the coordinates are indicated in UTM only and no longer in degrees. Should the coordinates used in the application form also be indicated in UTM only?	The coordinates must be indicated in UTM.
6 New	The connection area for Site III is not contiguous with the coordinates of the Bèta platform. How should it be made clear that the route of the grid connection to the Bèta platform is within the prescribed coordinates?	Regulation 2, section 2 of the Site Decisions for Sites III and IV stipulates that the route of the grid connection to the Bèta platform must be within the prescribed coordinates. The Bèta platform is of a size such that it is accessible to all sites via the prescribed connection areas (see illustration). Therefore, all you need do is ensure that the route of the grid connection ends at a point within the prescribed area near the Bèta platform.



Financing		
No.	Question	Answer
1	Compliance with the requirement that the applicant possesses capital amounting to at least 10% of the total investment costs can be demonstrated via the parent company's financial statements. Can this also be demonstrated via the financial statements of the parent company's parent company? (grandparent company)	Yes. Applicants can also use the financial statements of the parent company's parent company to demonstrate that the scale of its equity is greater than or equal to 10% of the total investment costs. However, the restrictions described in the answer to question 3 under Organisation also apply here.
2	In a group of companies comprising multiple legal entities, consolidated financial statements often are prepared at group level. Can these financial statements be used to comply with the requirement that the applicant must possess equity of at least 10% of the total investment costs?	Consolidated financial statements for multiple legal entities can be used to demonstrate compliance with the requirement that the applicant must have equity of at least 10% of the total investment costs at its disposal. However, the restrictions described in the answer to question 3 under Organisation also apply here.



3	In the event that the application's financial plan was based on 20% equity, is it permitted to deviate from this figure at a later date?	In the financial plan, you must indicate how you propose to finance the wind farm. You may deviate from the plan at a later stage.
4	For applicants that make use of an SPV (Special Purpose Vehicle): Can every parent company of every participant in this SPV count towards the requirement that the applicant must have equity of at least 10% of the total investment costs at its disposal?	If an SPV is used, the parent company of every participant in this SPV can count towards the requirement that the applicant must have equity of at least 10% of the total investment costs at its disposal. However, the limitations stipulated for question 3 under Organisation also apply here.
5	What conditions can financiers include in the letter of intent?	<p>In principle, it is not permitted to include conditions in the letter of intent that result in it being excessively non-committal. However, a number of conditional statements can be used. The following are examples of such statements:</p> <p><i>The financing package of [name of bidder] is subject to the following conditions:</i></p> <ul style="list-style-type: none"> • <i>approval is granted by the [name of the body of the financier authorised to grant approval (e.g. relevant loans committee)] of [name of financier];</i> • <i>satisfactory due diligence report;</i> • <i>completion of all financing/loan documents relating to the legal relationship between [name of bidder] and [name of financier].</i> <p><i>This declaration of support will be exclusively issued for the benefit of [__name of bidder__] and no other legal/other entity is entitled to rely on or derive rights from this declaration.</i></p> <p><i>To avoid any misunderstanding, this declaration does not constitute an unconditional or irrevocable commitment or a legally binding obligation – by [whatever name] – to provide financing.</i></p>
6	Do minimum credit ratings apply to financiers?	No minimum credit ratings have been set for financiers.
7	Do requirements apply to the financial statements demonstrating that there is sufficient equity?	Requirements apply to the financial statements. You must send the most recently adopted financial statements, and they must not be more than three years old. A more detailed explanation of these requirements can be found in Appendix 4 of the application form.
8 New	May multiple entities within a group use their equity as parent company for a subsidiary's application?	Within a group comprising multiple entities, multiple entities may use their equity as parent company for a subsidiary on the condition that proof of the equity can be provided via the financial statements for that entity. The restrictions described in the answer to question 3 under Organisation also apply here.
9 New	May a copy of the signed declaration of consent in respect of the parent company's equity be provided, or must an original, signed copy be provided?	A copy of the signed declaration of consent may be provided. In case of doubt, RVO.nl may request the original.

Bank guarantees and implementation agreements

No.	Question	Answer
1	Can the bank guarantee be divided into multiple sections to enable different collaboration partners to submit their own share of the bank guarantee?	No. The bank guarantee cannot be split up into multiple sections.
2	Can a bank guarantee be provided in the form of a	No. The bank guarantee can only be issued by a bank for which the



	parent company guarantee?	branch in question is established in a European Union Member State. The bank guarantee must be based on the model published in the Ministerial Order for Offshore Wind Energy 2016.
3	When will the bank guarantee be returned?	A €10 million bank guarantee must be provided within four weeks of the issuing of the SDE subsidy decision. This must be exchanged within 12 months for a €35 million bank guarantee. The €35 million bank guarantee will be returned after the subsidy recipient has put the production installation into operation. The term 'put into operation' used in the context of returning the bank guarantee, refers to the date on which evidence is submitted of the first electricity supplies. This means that once RVO.nl has received proof that Guarantees of Origin have been issued for the electricity provided, the bank guarantee and accompanying letter will be returned to the bank and a copy of this letter will be sent to the applicant.
4	When must the signed implementation agreement and the bank guarantee be submitted?	The subsidy will be awarded under the condition precedent that within two weeks of the decision to award a subsidy, an implementation agreement is entered into between the Dutch State and the subsidy recipient in accordance with the agreement included in the appendix to the Ministerial Order. In addition, the subsidy will be awarded under the condition precedent that within four weeks of the date of the decision to award a subsidy, the subsidy recipient provides proof that a bank guarantee, as referred to in Article 2(1), of the agreement included in the appendix, has been issued to RVO.nl in Zwolle. These conditions precedent will be explicitly stated in the decision, along with the exact dates.
5	Two bank guarantees are stipulated in the Ministerial Order for Offshore Wind Energy 2016. The first is for a total of €10 million and the second for €35 million. Does the second bank guarantee replace the first or is it in addition to it, resulting in a total of €45 million in bank guarantees?	The second bank guarantee replaces the first bank guarantee.
6	Imagine that an SDE decision is reversed by a court decision, and at that moment, the second bank guarantee of €35 million has been provided. Will the bank guarantee be returned?	If the award of the subsidy is reversed in appeal proceedings, RVO.nl will return the €35 million bank guarantee to the bank with a copy to the applicant.
7	Was it a conscious decision to include a suspension provision with regard to the obligatory project completion period of five years following the award of the subsidy, in the event that the site decision later becomes irrevocable, and not to include a suspension provision with regard to the obligation to provide a second bank guarantee of €35 million?	It was a conscious decision not to include a suspension provision with regard to the provision of the second bank guarantee of €35 million.

Process and procedures

No.	Question	Answer
1	If, as result of a change to the site decision stemming from appeal proceedings, the winner of the tender requests withdrawal of the subsidy and permit, does the next highest tendering party in	If the winner of the tender withdraws following a change to the site decision, the next highest tendering party in the rankings does not automatically become eligible for the subsidy and permit. In this case, the Minister of Economic Affairs will decide whether a new call



	the rankings become eligible for the subsidy and permit or will a new tendering process be initiated for the site in question?	for tenders must be issued.
2	How is the assessment of the applications and the rankings determined by RVO.nl?	All fully completed applications will be assessed and only those that comply with all the applicable conditions will be ranked.
3	Will the applications only be assessed by RVO.nl staff, or will experts in the field of offshore wind energy be specifically hired?	The applications will be assessed by RVO.nl staff and experts with specific knowledge of offshore wind energy.

Other		
No.	Question	Answer
1	Do the permit and the subsidy qualify as a 'public works work concession, meaning that the tendering obligations stemming from the 2012 Public Procurement Act apply to both the Minister of Economic Affairs and the successful tenderer?	No. The Ministerial Order for Offshore Wind Energy 2016 is a subsidy scheme and is not subject to the 2012 Public Procurement Act. The permit is also not subject to the 2012 Public Procurement Act.
2	Must the successful tenderer(s) pay a fee for using the sites?	No. Borssele Wind Farm Sites III and IV are outside the 12-mile zone, so the successful tenderer(s) is/are not required to pay a fee for using the sites.
3	Must the successful tenderer(s) pay a fee for the examinations of the relevant site(s)?	No. The successful tenderer(s) does/do not have to bear the costs of the site examinations.
4	What date of completion should be selected for TenneT's Bèta Platform?	The date of completion for the Bèta Platform stipulated in the Assessment Framework is 31 August 2020. You should schedule your first power supply date after 31 August 2020. Note however that under the Offshore Wind Energy Act, the building activities must commence and the wind farm must be completed within a period of four years after the permit becomes irrevocable. This means you should schedule a date in between those two dates.
5	Until when will data from the metocean measurement campaign in the Borssele Wind Farm Zone be available?	The RVO has decided to continue the metocean measurement campaign until it is known who has won Wind Farm Sites III and IV. After that, the RVO will enter consultations with all winners of the four wind farm sites about ending the campaign or, if applicable, about taking over the buoy.
6 New	How can we prevent Dong Energy having more information regarding connection to the grid compared with the other tender participants?	TenneT will post new information regarding connection to the grid, available to everyone, on its website.