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Our reference
DGKE-DRE / 22543312

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Subject Tender result: the Offshore Wind Energy Permit for Hollandse Kust
(west) Site VII

Dear Madam Speaker,

This letter is to inform the House about the outcome of the tender for the construction and operation of an offshore wind farm in Site VII of the Hollandse Kust (west) Wind Farm Zone. The construction of this wind farm signifies another major step in making the Netherlands more sustainable. The wind farm built on this site will produce sufficient electricity to meet the estimated needs of one million households each year and will bring about the further integration of wind farms into the Dutch energy system with a range of innovations and investments. These include onshore electrolyzers totalling 600 MW, e-boilers for district heating and industrial applications, batteries and offshore solar energy.

Hollandse Kust (west) Site VII - system integration

Site VII of the Hollandse Kust (west) Wind Farm Zone is located more than fifty kilometres off the coast, accommodates a capacity of over 700 megawatts and is due to become operational in 2026. The permit for Site VII was granted using a comparative assessment procedure with a financial bid, as detailed in the Wind Farm Site Decision for Hollandse Kust (west) Wind Farm Zone, Site VII (Government Gazette 2022, no. 7093). The tender process for this site focuses on the integration of the wind farm into the energy system. This is the first offshore wind farm tender to involve a comparative assessment with a financial bid. The bidding period closed in mid-May. The call for this tender generated considerable interest, with seven parties or consortia submitting applications.

Result: Oranje Wind Power II C.V.

To determine which party or consortium would be granted the permit, the Netherlands Enterprise Agency (RVO) – together with an independent expert committee – assessed the applications received. Oranje Wind Power II C.V. (a subsidiary of RWE AG) accumulated the highest number of points and was therefore granted the permit.

Oranje Wind Power II C.V. achieved the maximum score on several criteria: the amount of the financial offer, certainty of completion and the contribution of the wind farm to energy supply. In addition to the financial bid of 50 million euros, this is the first time the cost of the environmental impact assessments and site

studies – totalling 13.5 million euros – will be borne by the party to which the permit is granted.

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In addition to producing electricity, the Government challenged parties participating in this permit tender to come up with new solutions for achieving system integration. Oranje Wind Power II C.V. scored higher than all other applicants for the criterion 'Contribution to the integration of the wind farm into the Dutch energy system' and this was instrumental in the award of the permit. Its application includes a range of investments and innovations, both onshore and offshore. For example, electricity generation will be adapted to meet the flexible demand of onshore installations: 600 MW of electrolyzers (production of green hydrogen), 225 MW of e-boilers for district heating and industrial applications, 100 MW of batteries with a total storage capacity of 400 MWh and 30 MW for 'smart charging' electric transport. In addition, Oranje Wind Power II C.V. is investing in a number of innovative solutions to optimise the integration of offshore wind energy into the Dutch energy system: very short-term wind yield forecasts using Lidar (laser radar), an 'intelligent underwater battery' of 250 kW with a storage capacity of 500 kWh, a 2.5 MW 'ocean battery' (an underwater battery operating on water pressure) with a storage capacity of 3 MWh, and a 5 MW floating offshore solar park combined with a storage system of compressed air and hydrogen production. The winning party will also develop several onshore innovations, such as a 10 MW second-hand battery system with a total storage capacity of 10 MWh.

Lessons learned from this wind farm will be widely shared with a view to optimising future construction of offshore wind farms and their integration into the Dutch energy system.

Result for Hollandse Kust (west) Site VI

The independent expert committee is working hard to be able to announce the result of the tender for Site VI of Hollandse Kust (west) as soon as possible. I expect to announce the result no later than 15 December. This wind farm is still expected to become operational no later than 2026.

R.A.A. Jetten
Minister for Climate and Energy Policy