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Appendices
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Date
Subject: Result permitting round offshore wind energy: IJmuiden Ver Sites Alpha & Beta (4 GW)

Dear Speaker,

I am pleased to inform your House about a new milestone for offshore wind energy. The largest permitting round for offshore wind farms in the Netherlands to date has been successful. With this letter, I inform your House of the outcome of the permit tender for the construction and operation of the offshore wind farms in IJmuiden Ver Wind Farm Sites Alpha and Beta. The construction of these wind farms represents another major step in increasing the energy independence and sustainability of the Netherlands. This concerns two wind farms with a capacity of at least 2 GW per wind farm. Combined, these wind farms account for approximately 14% of total current electricity consumption in the Netherlands.

The wind farms will also contribute to other social goals. For example, the wind farm in IJmuiden Ver Wind Farm Site Alpha (hereafter IJmuiden Ver Alpha) will contribute to the recovery and strengthening of North Sea nature. The wind farm in IJmuiden Ver Wind Farm Site Beta (hereafter IJmuiden Ver Beta) will contribute to the integration of the wind farm into the energy system and the prevention of transmission (transport) shortages on the onshore electricity grid. Both wind farms will also contribute to the goals of the International Responsible Business Conduct (IRBC) Agreement for Renewable Energy and contribute to steps towards a circular economy through transparency about their raw material consumption.

In this letter, I will first discuss the sites and tender procedures, after which I will then discuss the winning applications separately.

IJmuiden Ver Wind Farm Sites Alpha and Beta

Wind Farm Sites Alpha and Beta in the IJmuiden Ver Wind Farm Zone are located approximately 62 km off the coast and are connected to the offshore grid via two platforms with a direct current connection to shore. The electricity from IJmuiden Ver Alpha lands in Borssele and the electricity from IJmuiden Ver Beta lands at the Maasvlakte. The expected commissioning of these wind farms is in 2029.

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Both sites have been awarded following a comparative test with a financial bid.[1] When awarding permits for IJmuiden Ver Alpha, the emphasis was on the contribution of the wind farm to the ecosystem of the Dutch North Sea. This mainly concerns implementing measures to prevent or mitigate the negative effects of offshore wind farms on nature as much as possible, to strengthen or restore nature and to contribute to knowledge sharing and research. The location-specific properties of this site were taken into account, because it is located next to the Brown Bank Natura 2000 area.

When awarding permits for IJmuiden Ver Beta, the emphasis was on the integration of the wind farm into the energy system. In this way, parties were encouraged to make investments onshore that increase electricity demand or electricity storage capacity in certain places in the Netherlands, which can reduce transmission scarcity on the electricity grid. Investments in offshore solar energy were also stimulated. This relatively new technology is often complementary to offshore wind energy and can therefore ensure a stable supply profile and more efficient use of the offshore electricity transmission cable.

In addition, for both sites, applicants and their supply chains were encouraged to adhere to the principles of the IRBC Agreement for Renewable Energy and to provide insight into their raw material consumption, environmental impact and value retention (circularity), so that we can take steps towards a circular economy in the future.

Market conditions for offshore wind energy have changed in the past year. Development costs have increased due to higher interest rates and higher costs for personnel, materials and equipment. This has deteriorated the business case. I have noticed this in the number of requests I have received. Two permit applications were ranked for each site. I am pleased these parties are willing to build the offshore wind farms. To determine which parties will receive the permits, the Netherlands Enterprise Agency (RVO) – together with independent expert committees – assessed the submitted applications.

Result IJmuiden Ver Wind Farm Site Alpha: Noordzeker

Noordzeker (a consortium consisting of ABP, APG and SSE Renewables) was ranked highest in the assessment for IJmuiden Ver Alpha. I have therefore awarded the permit to this party.

In its application, Noordzeker has maximally guaranteed the certainty of realisation of the wind farm and the wind farm's contribution to energy supply. Both Noordzeker and its supply chain participate in the IRBC Agreement for Renewable Energy. No later than 18 months after the permit becomes irrevocable, Noordzeker will provide maximum transparency about raw material consumption, environmental impact and value retention of the offshore wind farm.

[1] Government Gazette 2023, No. 34855 and 35858.

Noordzeker has made a financial offer of over €1 million per year, which it will pay annually for the entire 40-year permit period. In addition, the costs of environmental impact assessments and site characterisation studies, amounting to approximately €20 million, will be borne by the party awarded the permit.

Measures that contribute to nature in the North Sea carried the most weight in the assessment. This was also reflected in the application of Noordzeker. The aim of Noordzeker is to limit the ecological footprint of the wind farm and increase biodiversity, both during construction and operation of the wind farm. For example, with the designs of the wind turbines and wind farm Noordzeker contributes to a reduction of bird collision. Furthermore, Noordzeker takes measures that will substantially reduce the disturbance of marine mammals during the construction and operational phase. In addition, Noordzeker will take several other measures, such as the installation of various artificial reefs at more than 75% of the turbines. These artificial reefs strengthen the living environment for fish and other organisms that live on or around the seabed of the North Sea ('benthos').
Additionally, Noordzeker will build a living laboratory to show how wind farms can help combat climate change and contribute to the recovery of the ecosystem in the North Sea. To this end, this party works together Naturalis, a Dutch research institute in the field of biodiversity. Noordzeker will announce more details about other investments, innovations and research programmes no later than 6 months after the permit has become irrevocable.

Result IJmuiden Ver Wind Farm Site Beta: Zeevonk II

Zeevonk II (a joint venture between Vattenfall and Copenhagen Infrastructure Partners (CIP)) was ranked highest in the assessment of IJmuiden Ver Beta. I have therefore awarded the permit to this party.

In its application, Zeevonk II has maximally guaranteed the certainty of realisation of the wind farm and the wind farm's contribution to the energy supply. Both Zeevonk II and its supply chain participate in the IRBC Agreement for Renewable Energy. No later than 18 months after the permit becomes irrevocable, Zeevonk II will provide maximum transparency about raw material consumption, environmental impact and value retention of the offshore wind farm.

Zeevonk II has made a financial offer of €20 million per year, which Zeevonk II will pay annually for the entire 40-year permit period. In addition, the costs of environmental impact assessments and site characterisation studies, amounting to approximately €20 million, will be borne by the party awarded the permit.

Measures that contribute to the integration of the wind farm into the energy system carried the most weight in the assessment. This was also reflected in the application of Zeevonk II. Zeevonk II focuses on the energy system of the future by realising new technologies on a large scale. For example, Zeevonk II will build an electrolyser with a capacity of 1 GW in the port of Rotterdam. Because the electricity from the wind farm comes ashore on the Maasvlakte and the electrolyser is built nearby, a large part of the electricity will not have to enter the

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electricity grid first. This will prevent additional load on the electricity grid. The green hydrogen produced will contribute to making our industry and transport more sustainable.

Zeevonk II will also build an offshore solar park with a capacity of 50 MWp within the wind farm. This solar park will contribute to more efficient use of the offshore electricity transmission cable. This is a major step in the scaling up of offshore solar energy, as the largest offshore solar park to date in the Netherlands – scheduled for commissioning in 2027 – will have a capacity of 5 MWp.

Guaranteeing security of supply and national security

Since 1 January 2024, the Bureau for Investment Screening (*Bureau Toetsing Investeringen*, BTI) conducts a 'risk assessment' when awarding permits for offshore wind farms or changing control over already licensed wind farms. BTI has assessed the ownership structure of both parties for possible risks to national security and security of supply. These screenings show that from the perspective of security of supply and national security, there are no objections to granting the permits to these parties.

Finally

I informed your House last month about how I want to design the next tender procedures for the wind farms in IJmuiden Ver Wind Farm Site Gamma and Nederwiek Wind Farm Site I.[2] The lessons from the tenders for IJmuiden Ver Alpha and IJmuiden Ver Beta will be incorporated in these design of these tenders.

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

[2] Parliamentary Paper 33561, No. 62.