



Federal Ministry  
for Economic Affairs  
and Energy

# Renewables Cross-Borders-Auction between Denmark and Germany

an example for regional cooperation

*15. Würzburger Gespräche zum Umweltenergierecht  
14 June 2016*

*Fabian Joas*

*on behalf of German Federal Ministry for Economic Affairs and Energy*

# Background and Goals

---

- State aid decision of 2014 -> Ensuring EU-compatibility of Germany EEG
- Politically difficult topic
- Regional integration of the Energiewende
- Creating a “win-win-situation”
- Opening should be voluntary and limited

# The EEG 2014 Sets out Three Preconditions

---

- Germany and the partner country must conclude a cooperation agreement
- Principle of reciprocity
- Electricity market effect or ‘physical’ import

# Process

---

- First of its kind
- Intensive exchange between German and Danish ministries, agencies, regulators and TSOs
- Not an easy process but manageable

# Mutually-Opened-Auctions

---

- Each country carries out its own auction and opens for bid from the partner country
- Each country is free to design the auction itself  
-> Auction design
- Local investment conditions (e.g. taxes and levies) are not aligned

# Joint Auction

---

- Joint auction procedure
- Joint bidding
- Allows for joint auction without the need for a new joint financing mechanism by “piecing together support schemes”



Federal Ministry  
for Economic Affairs  
and Energy

# Selected Design Elements

# Prequalification

---

- Rules in German PV-auction have to be adapted
- Solution: No material prequalification but higher financial prequalification



# Market Premium

---

- Fixed market premium in Danish auction
- Sliding market premium in German auction

# Site Restrictions for RES

---

- Very strict rules in Germany where PV-plants can be build
- Less strict rules in Denmark
- Different rules in different countries should be accepted
- Each country decides for itself

# Target Accounting of Cross-Border Installations

---

- Accounting to national renewables targets (as defined in EU Directive 2009/28/EC).
- The principle holds:  
The renewable energy generated is counted towards the target of the country that funds the installation.

# Signing of Agreement in Summer 2016

---



**Agreement**

**between**

**THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY**

**and**

**THE GOVERNMENT OF THE KINGDOM OF DENMARK**



Federal Ministry  
for Economic Affairs  
and Energy



---

# Pilot Opening Auction For Ground-Mounted PV To Bidders From Other EU Member States

---

*Concept-Note*



Federal Ministry  
for Economic Affairs  
and Energy



Thank you!