

Rijksvastgoedbedrijf Ministerie van Binnenlandse Zaken en Koninkrijksrelaties

Offshore Wind Farm Sites

Land allocation agreements

Piet Kleine

Sustainable Energy Adviser Leasing and Valuation Division



HKZ Wind Farm Site III and Site IV

Partly outside the 12 nautical mile zone EEZ (Exclusive Economic Zone)
Partly inside the 12 nautical mile zone Territorial sea



Inside the 12 nautical mile zone

Full State ownership

Responsible ministries:

Under public law – Ministry of Infrastructure and Water Management (Directorate-General for Public Works and Water Management)

Under private law – Ministry of the Interior and Kingdom Relations (Central Government Real Estate Agency)



Principle applied by Central Government Real Estate Agency

Pursuant to European regulations

Public

guaranteed by issuance via tender

Transparent

guaranteed by publication via tender

In line with market

guaranteed by performance of valuation

via certified valuer

Framework: State Immovable Property (Management) Regulation (*Regeling beheer onroerende zaken Rijk*) 2017



Award of land contract

winner of EZK tender = > exclusive land contract (wind permit holder)

Contract consists of 3 components

- 1. Preliminary agreement
- 2. Deed of Superficies
- 3. Lease for cables and pipelines



Basis for the contracts drafted

- Offshore Wind Energy Act (Wet windenergie op zee, Wwoz)
 - Wind Farm Site Decisions HKZ III and IV
 - Wind permit

Ensuing rights and obligations applying in full to land purchase agreements



Preliminary agreement

Conclusion: within 1 month of award

End date: 4 years after the permit becomes irrevocable



Deed of Superficies

- Conclusion: within 1 year after the permit becomes irrevocable
- End date: 30 years after the permit is issued
- The State Property and Development Agency (RVOB)'s General Conditions pertaining to a Right of Superficies for Wind Turbines 2012 apply



Lease

- Conclusion: at the same time as the Deed of Superficies
- End date: at the same time as the Deed of Superficies
- The State Property Service's General Lease Conditions for Unbuilt Immovable Property 2008 apply



Guiding principle for general land fee

Complex value

(value determined for the entire wind farm)

- Allocation based on percentage
 (inside and outside the 12 nautical mile zone)
- A land fee only applies within the 12 nautical mile zone (Site III 70.94%, Site IV 68.02%) Correction % on 23/01/2019
- Fixed determination of number of MW per site and full-load hours

(350 MW and 4,000 full-load hours)



Land fee type

a. Reservation fee

During construction and decommissioning period

b. Right of Superficies fee

During production period

c. Rent for cables and pipelines

Lump sum



Reservation fee for construction period

- Fixed amount per MW
- Basic assumption of 350 MW per site
- Allocation based on aforementioned complex value
- From the issuance of the permit to the start of the production period
- Fee will be refunded if permit is not irrevocable
- Amount to be specified



Reservation fee for decommissioning period

- Same amount as for construction period, but indexed
- Indexation start date is the date of the Deed for the Right of Superficies
- Basic assumption of 350 MW per site
- Allocation based on complex value
- From the end of the production period to the end date of the Deed of Superficies
- Amount to be specified



Right of Superficies fee

- During production period as stated in the Deed of Superficies
 - 1. From the 4th year after the permit becomes <u>irrevocable</u> up to and including the 29th year after the permit is <u>awarded</u>
 - 2. Annual indexation via the CPI index, for the first time in the 5th year
- Basic assumptions for fee (€ per MWh per year)
 - 1. 350 MW per site and 4,000 full-load hours
 - 2. Allocation based on complex value
- Amount to be specified



Rent for cables and pipelines

- Lump sum per site
 - 1. Amount per m² of restricted strip
 - 2. Restricted strip set at a width of 0.30 m
 - 3. Fixed total length of infield cabling based on Ecofys report
 - Site III 60 km
 - Site IV 70 km
 - 4. Allocation based on complex value



Other

- Transfer
 - 1. In accordance with the requirements set out in the wind permit
 - 2. Only with the State's permission
- Termination
 - 1. If no longer in possession of the wind permit
 - 2. Public interest (6-month notice period)
- End of contract
 - 1. Delivery in accordance with the requirements set out in the wind permit