

1. Danish Tax, fiscal/ Governmental incentives that has promoted the Danish Wind energy development.

In Denmark there has throughout the years since the early 80ties been governmental support for renewable energy sources such as wind turbines in order to promote this clean energy source. This - together with the interest and support from the early wind turbine pioneers and idealistic and innovative grassroots has led to the largest wind turbine establishment in the world per capita and to a wind turbine industry supplying approx. 50% of the wind turbines world wide.

The scheme for support is changing these years due to a new reform on the electricity, heating and gas sector. The new rules for payment for electricity combined with insecurity for the rules to come - has led to stop for investment in wind turbines, so what will be described below is the situation as it has been in the 80 ties and the 90 ties, which has led to the wind turbine rush.

The stimulation for wind turbines has been based on tree legs ( See slide: Economic incentives for investors, and Ener lure phase II, p. 18, 19):

1) Investment subsidy: From 30 %, to 15%, to 10 % was given until 1989, where it was dropped, because the wind turbines were profitable without this subsidy.

2) Payment of electricity from wind turbines to the wind turbine owners has been based on fixed feed in tariffs and production subsidies till 2000): :

85 % of the local consumer electricity price ex. taxes etc. Varying from utility to utility:

approx: 0,23 - 0.33 DKK/kWh

Plus:

Production subsidy for RE: 0.17 DKK/kWh

Plus:

CO2 compensation for clean energy: 0,10 DKK/kWh

Total: 0,0,53 - 0,63 DKK/ kWh.

After 2000 new rules leading to a substantial lower payment, which again has led to a stop for establishment of wind turbines on land in Denmark. - (see slide)

3) The third leg is governmental support for:

Testing and approval schemes (test station for wind turbines since 1978).

R& D programmes

This has indeed supported industry since the early days.

(see slide)

In general it is a fact that wind energy has been very successful in countries with feed- in tariffs (Denmark, Germany and Spain) and not successful in countries with kind of green certificates. (see slides)

See also slides and [www.ecd.dk](http://www.ecd.dk)

See also: <http://www.windpower.dk/articles/wtmindk.htm>