

Country profile –Denmark

Country: Denmark												
Support schemes	Electricity and heat production			Consumption				Transport		Supply and others		
	RES	Fossil	Nuclear	RES	Fossil	Electricity	Heat	Biofuels	Fossil	RES	Fossil	El./heat
1. Direct subsidies												
Direct on-budget subsidies	5			6				6				
Feed-in tariffs												
Feed-in premiums	4											
Adjustment Aids												
Inherited liabilities												
Induced transfers												
Others	2											
2. Fiscal measures												
Energy Tax Allowance		9										
Energy Tax Exemptions	7			7	8	8	14	12, 7	16, 15	7		
Other Tax Deductions		10									11	
Earmarked refunds of taxes												
3. Transfer of risk to government												
Adjustment Aids												
Inherited liabilities												
Others		12										
4. Other financial measures												
Adjustment Aids												
Other Tax Deductions												
Others	3											
5. Non-fiscal measures												
Quota obligations								13				
Priority Grid Access	1											
Others												

No.	Datasource	Description
1	RES-LEGAL	In Denmark, access of electricity from renewable energy sources to the grid is mainly governed by the general legislation on energy and shall be granted according to the principle of non-discrimination. Electricity from renewable sources is subject to special provisions only with regard to the use of the grid, in which renewable energy shall be given priority. The grid users are not entitled to the expansion of the grid.
2	RES-LEGAL	Loan (Loan guarantees for local initiatives for the construction of wind-energy plants - Energinet.dk provides guarantees for loans taken out by local associations of wind plant owners and other local initiative groups to finance feasibility studies prior to the construction of wind-energy plants (§ 21 VE-Lov). If a given wind energy project is not completed, the guarantee paid out need not be repaid unless the project was fully or partly transferred to a third party (§ 21 par. 4 VE-Lov).
3	RES-LEGAL	Net-Metering - The Regulation on Net-metering authorises the exemption of certain plant operators from paying Public Service Obligation (PSO) or part of it. Electricity producers using all or part of the electricity produced for their own needs are completely or partially exempt from paying Public Service Obligation on this electricity. The Public Service Obligation is a charge levied to support renewable energy (§ 1 BEK 1068/2012).
4	RES-LEGAL	Premium tariff (Law on the Promotion of Renewable Energy) - Denmark promotes renewable electricity generation through a premium tariff. Plant operators receive a variable bonus on top of the market price. The sum of the bonus and the market price shall not exceed a certain

5	RES-LEGAL	<p>statutory maximum, which depends on the date of connection of a given plant and the source of energy used (§§ 36-48 VE-Lov). In certain cases, plant operators are granted a guaranteed bonus on top of the market price. In such cases the maximum is not defined by law.</p> <p>Subsidy (The ForskVE-programme - Funds for small renewable energy technologies) - Energinet.dk provides funding to promote the deployment of small electricity generation installations using renewable energy sources or technologies deemed to be of strategic importance by the competent ministry, including PV-installations, wave power plants and special installations using biogas and biomass as electricity source (§ 49 par. 1 VE-Lov in conjunction with § 1 BEK 692/2012). Subsidies are provided for small electricity generation installations using renewable energy sources that are deemed to be of strategic importance by the competent ministry. This includes PV-installations, wave power plants and special installations using biogas and biomass as electricity source (§ 1 BEK 692/2012). Eligible installations have to be connected to the grid (§49 par. 3 VE-Lov). Only installations which are believed to be able to produce electricity on a regular basis are eligible (§ 2 BEK 692/2012).</p>
6	RES-LEGAL	<p>Price-based mechanisms (Premium tariff for biogas) - Denmark supports use of biogas for heating purposes through a direct premium tariff for gigajoule of used biogas (§ 43 d VE-Lov).</p>
7	RES-LEGAL	<p>Tax regulation mechanism - In Denmark, different taxes are levied on the production, processing, possession, receipt and dispatch of fossil fuels for heating purposes, for example the energy tax on mineral oil products, taxes on coal, lignite and coke or the carbon dioxide tax on certain energy products. Renewable energy sources are exempt from these taxes, as they are not classed as taxable in the specific regulations.</p>
8	Ernst&Young	<p>Tax regulation mechanism- In Denmark, several exemptions exist on excise duties levied on manufactured or imported goods (energy tax, carbon dioxide tax and sulfur tax), f.e. electricity use for oil and gas drilling and refining</p>
9	Ernst&Young	<p>Tax regulation mechanism - Hydrocarbon tax is only levied on extraordinarily profitable oilfield production, due to tax relief measures (capital uplift)</p>
10	Ernst&Young	<p>Tax regulation mechanism - Tax refunds when closure of hydrocarbon business</p>
11	Ernst&Young	<p>Tax regulation mechanism - Dividends are exempted from taxation under certain conditions, f.e. those related to disposal of portfolio shares.</p>
12	Ernst&Young	<p>Product ion Sharing Contract - In 2012 Danish state's oil and gas company (Nordsøfonden) entered the Dansk Undergrunds Consortium (DUC) with a 20% share. DUC was founded in 1962 when A.P. Møller was awarded a 50-year Sole Concession to explore and produce oil in Denmark.</p>
13	RES-LEGAL	<p>Biofuel quota (Act on Sustainable Biofuels) - The Act on Sustainable Biofuels obliges importers and producers of petrol and diesel to meet a defined quota of biofuels (§ 3 par. 1 Act 674/2011). Obligated fuel suppliers may pass on this obligation to other companies (§ 3 par. 4 Act 674/2011).</p>
14	OECDTADFFSS	<p>Reduced Energy Duty for CHP Generation. Customers of district heating pay a reduced energy duty for heat delivered from a combined generation of electricity and district heating plant.</p>
15	OECDTADFFSS	<p>Reduced Energy Duty for Diesel. Excise duty on Diesel used as motor</p>

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OECDTADFFSS

fuel is lower than the excise duty on gasoline.

Energy Duty Exemption for Ferries. Fuels used in ferries are exempt from energy-duty. No data available.