

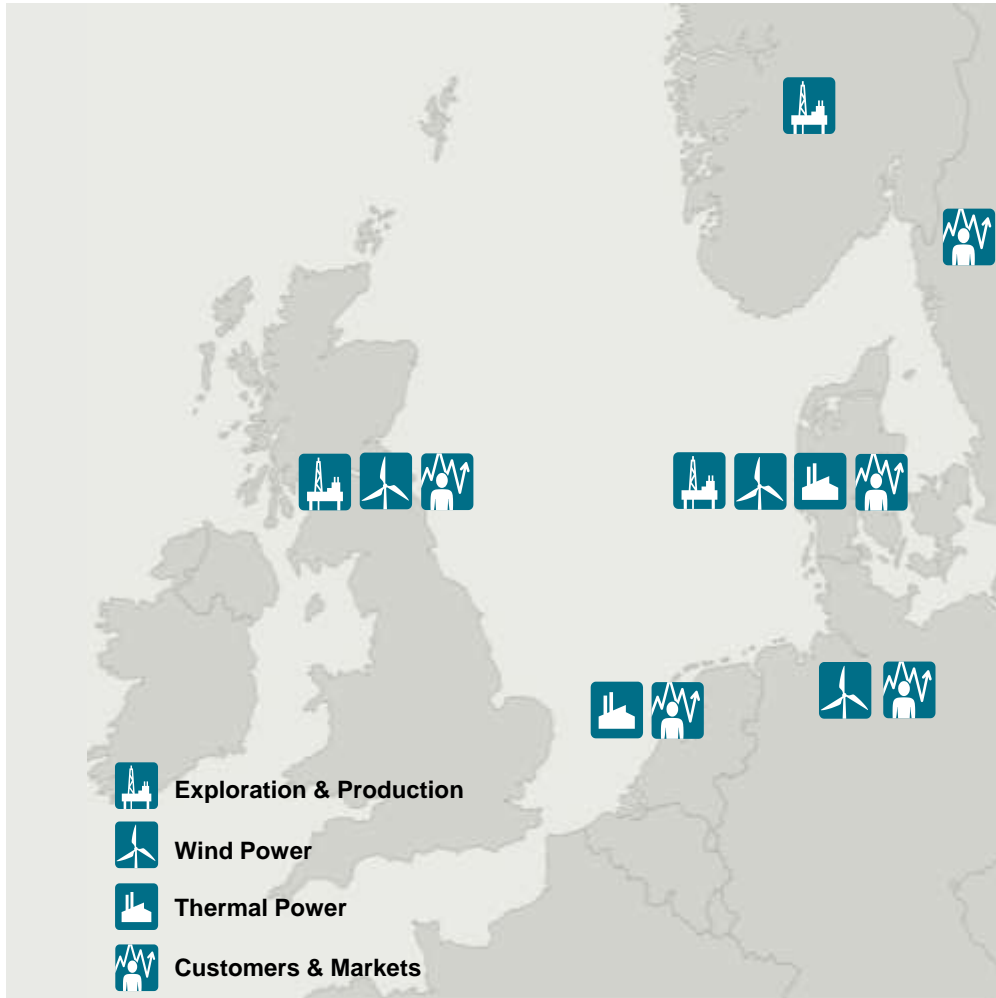


# DONG ENERGY

New Jersey Renewable Energy Task Force Meeting  
May 19<sup>th</sup> 2016

**DONG**  
energy

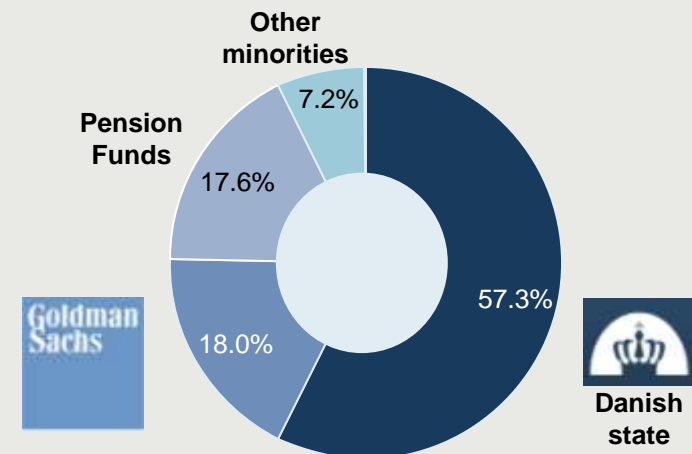
# DONG Energy is one of the leading energy groups in Northern Europe



## CORE BUSINESS

- Leading European integrated energy company
- Oil & Gas exploration and production
- Offshore wind power
- Bioenergy and thermal power
- Electricity retail and distribution (Denmark)
- 6,700 employees
- Headquartered in Denmark

## Ownership Structure



# DONG Energy Wind Power



WIND  
POWER

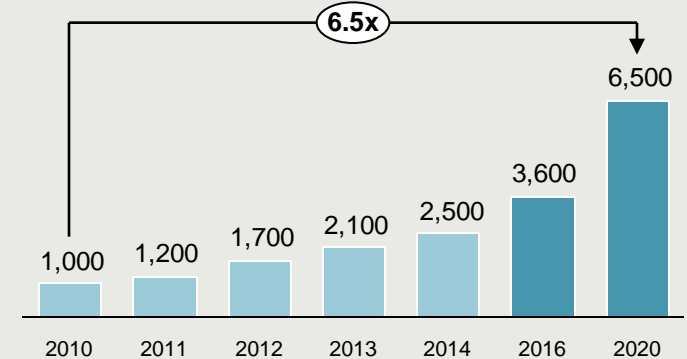
## CORE BUSINESS

- Development, construction and operation of offshore wind
- Approx. **2,350 employees dedicated to offshore wind**
- **Over 20 years** of experience

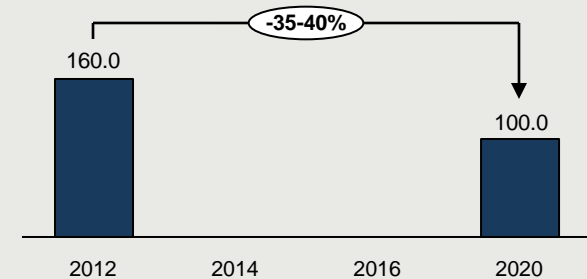
## MARKET POSITION

- **Global market-leader**
- Has constructed **over 26%** of global offshore wind capacity
- **17 projects** under operation (3GW)
- **5 projects** under construction (3.3GW)
- **11 projects** under development (>5GW)
- **On track** to meet 2020 target of 6.5GW installed

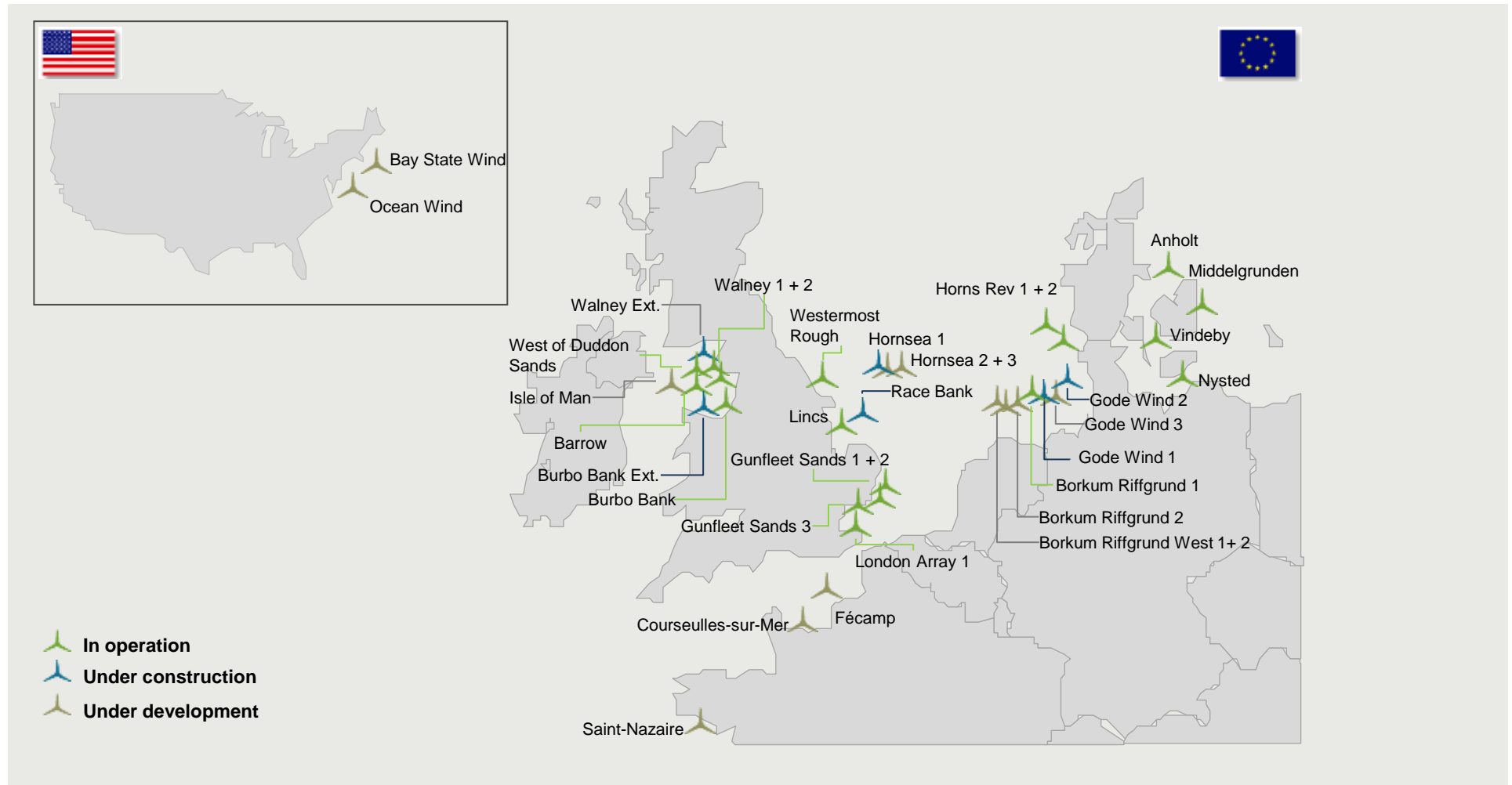
## DONG Energy Installed Pipeline Capacity MW



## DONG Energy Cost Reduction Target EUR/MWh (real 2012)

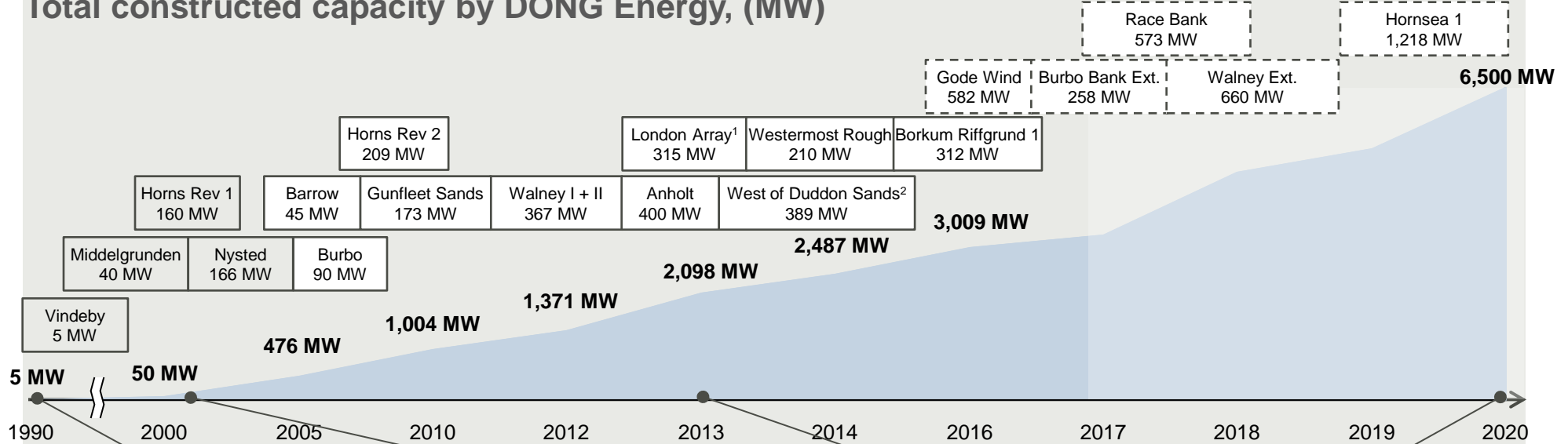


# DONG Energy is the global leader in offshore wind with a unique pipeline of future projects



# DONG Energy is building on +20years of offshore wind experience

## Total constructed capacity by DONG Energy, (MW)



### Examples

<p><b>Vindeby</b></p> <p>First offshore wind farm in the world</p>  <p>5 MW</p>	<p><b>Horns Rev 1</b></p> <p>First large scale offshore wind farm in the world</p>  <p>160 MW</p>	<p><b>London Array</b></p> <p>The largest operational offshore wind farm in the world</p>  <p>630 MW</p>	<p><b>Hornsea 1</b></p> <p>The world's largest offshore wind farm once constructed</p>  <p>1,218 MW</p>
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Note 1: London Array was constructed by a consortium owning the wind farm. DONG Energy was a 50% owner during construction

Note 2: West of Duddon Sands is structured as an unincorporated joint venture. The construction of the wind farm was led by DONG Energy

# Why Offshore Wind?

<b>Reason</b>	<b>Beneficial to New Jersey?</b>	<b>Description</b>
Can be deployed on a large scale..	✓	<ul style="list-style-type: none"><li>• Can be deployed at a large scale providing:<ul style="list-style-type: none"><li>• Greater economies of scale</li><li>• More efficient development (\$/MW)</li><li>• Faster deployment of capacity</li></ul></li></ul>
Reliable and increasingly so..	✓	<ul style="list-style-type: none"><li>• Capacity factors of close to 50% in Denmark and UK</li><li>• Future capacity factors of above 50%</li></ul>
Costs are falling, and fast..	✓	<ul style="list-style-type: none"><li>• DONG Energy's target of €100/MWh<sup>1</sup> (approx. \$110/MWh) for projects taking final decision in 2020</li><li>• Recent auction prices were 27% and 32% lower than previous projects in UK and DK</li></ul>
Jobs are created..	✓	<ul style="list-style-type: none"><li>• A typical DONG Energy project will create up to:<ul style="list-style-type: none"><li>• 1,000 jobs during construction</li><li>• 100 jobs during 25 year operation phase</li></ul></li></ul>

1) Euro 2012 (real)

# Introducing Ocean Wind...



- +1,000MW potential capacity
- Could power up to 500,000 homes
- 10 nautical miles from shore
- Connecting into New Jersey
- Water depths 60-100 feet



