



RENEWABLE ENERGY SOURCES IN THE BALTICS

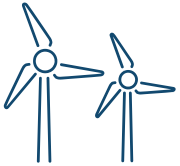
Tallinn – 29 September 2017

Martin Neubert, Chief strategy officer

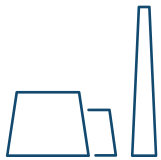
For questions and comments: Øyvind Vessia, yvess@dongenergy.dk

DONG
energy

DONG Energy – leading the energy transformation



Global #1 in offshore wind



Biomass - No coal from 2023

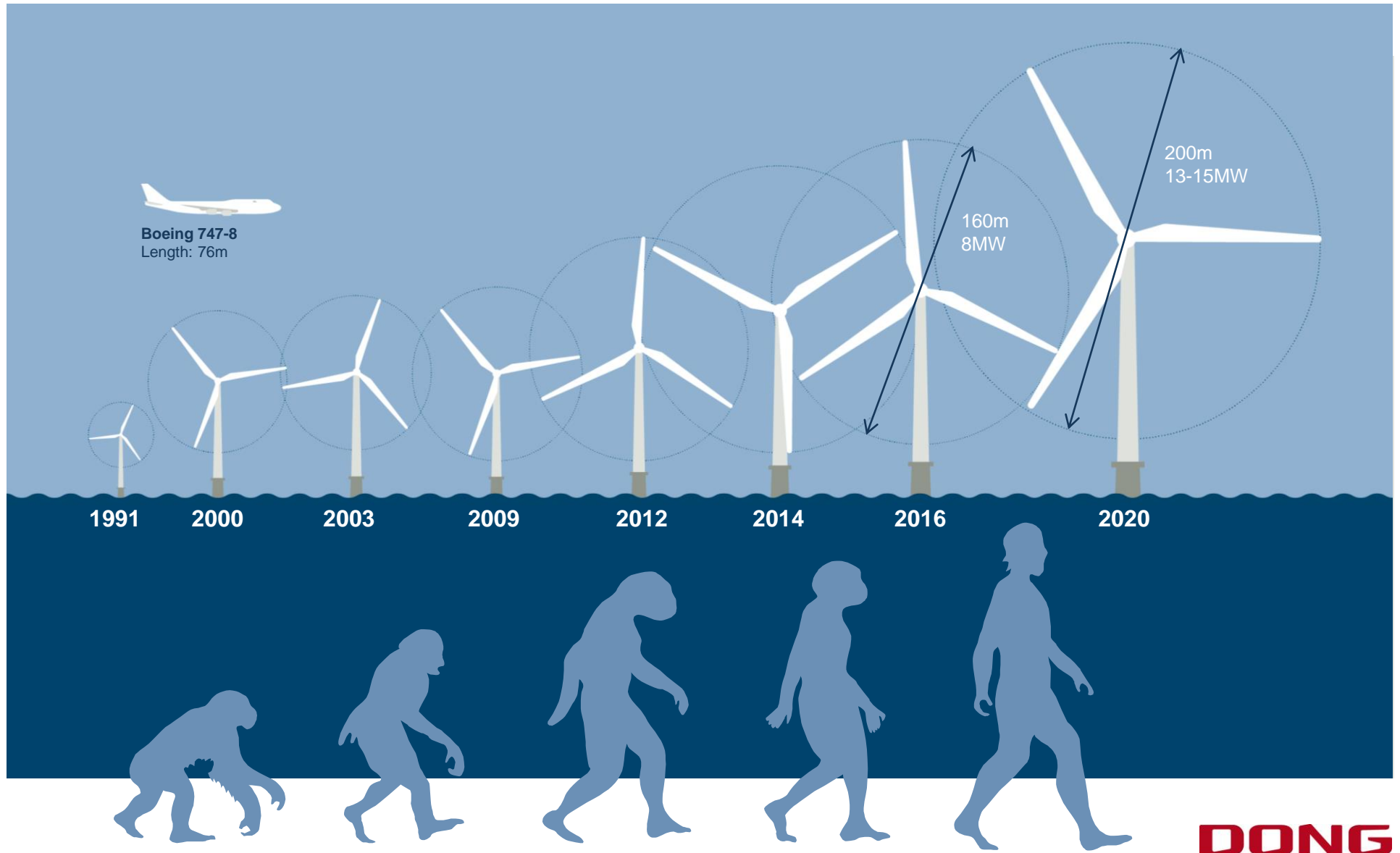


Smart Grid & Flexibility

... We have said farewell to oil and gas

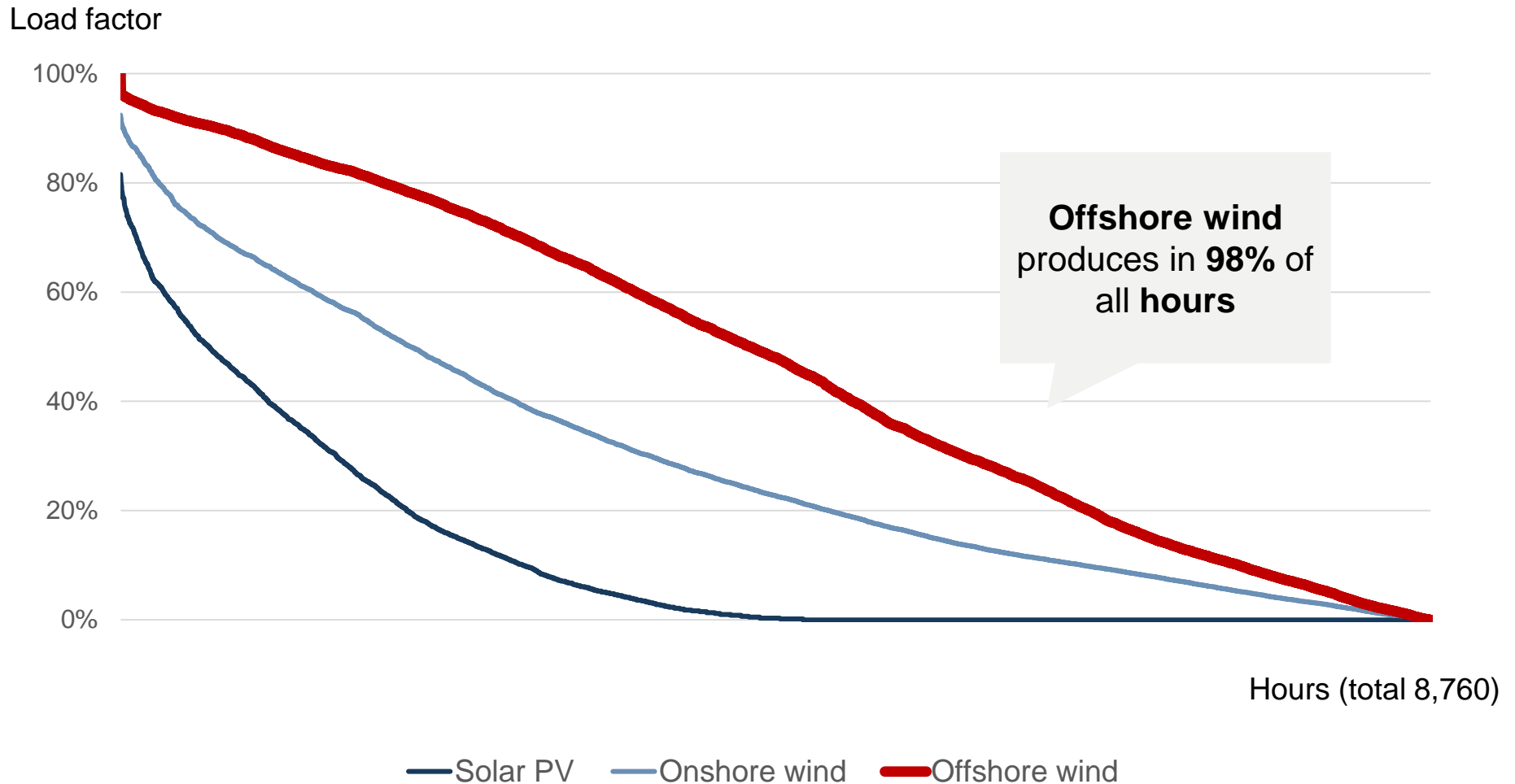


It is all about scale



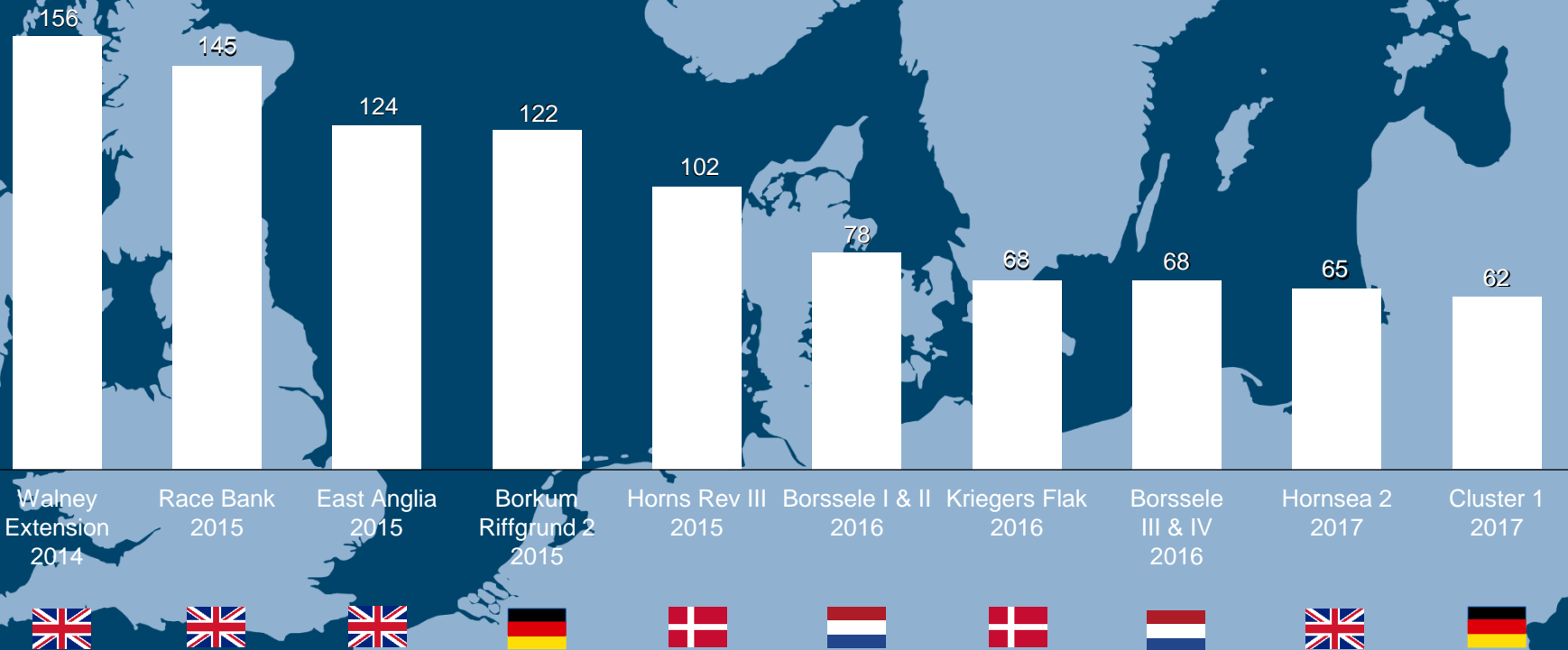
An Offshore wind farm is a reliable, large scale power plant

Offshore wind, duration curve, Denmark, 2015



Offshore wind shows rapidly declining costs for society

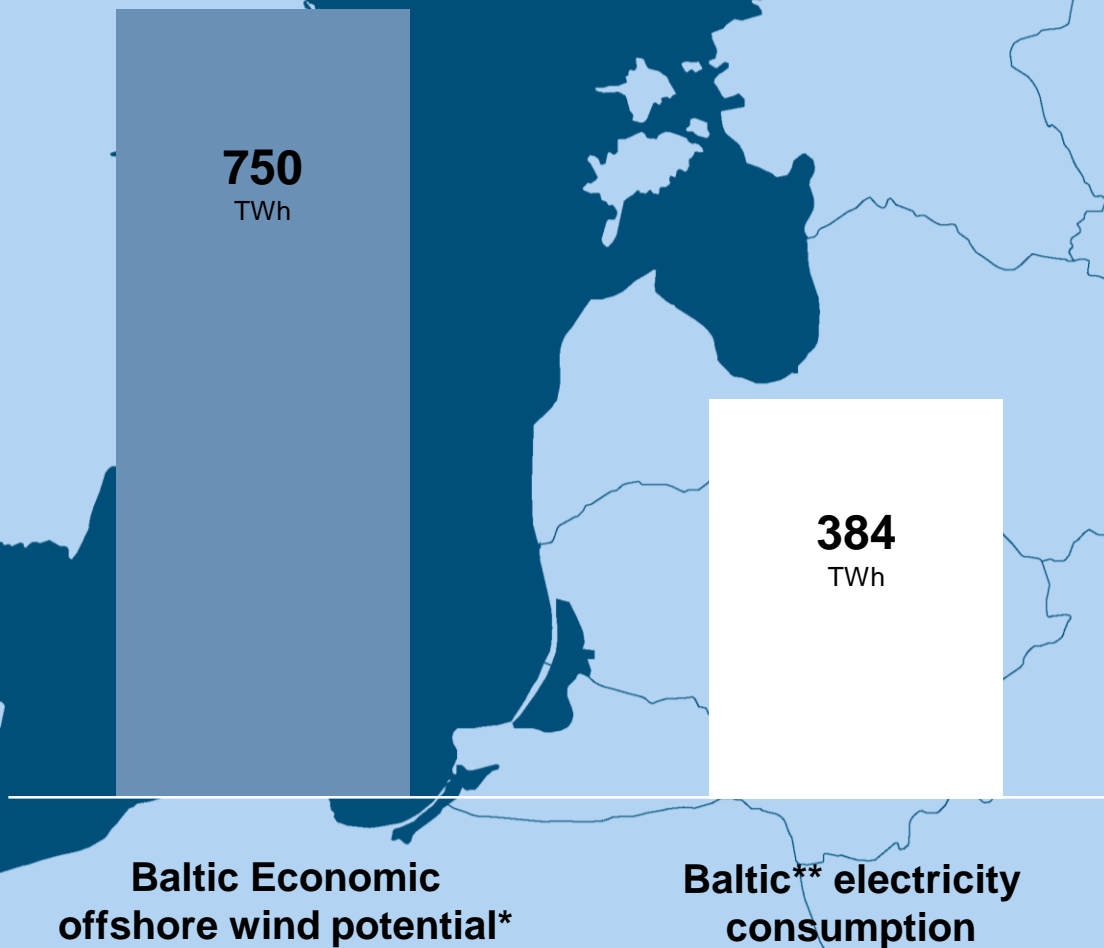
Levelised costs for society of electricity, incl. transmission costs
EUR/MWh¹, 2016-prices, bid announcement year.



Sources: DECC; Danish Energy Agency, Energinet.dk; NEV

1. Levelised revenue (price) of electricity over the lifetime of the project used as proxy for the levelised costs to society. It consists of a subsidy element for the first years and a market income for the whole lifetime. Discount rate of 3,5% used to reflect society's discount rate. Market income based on country specific public wholesale market price projections at the time of contracting where available else an average of 5 analytics is used. For comparability across projects a generic scope adjustment (incl. transmission and extra project development costs) have been applied. Due to the specific transmission set up in Germany cost estimates from the Offshore Netzentwicklungsplan 2017 have been applied.

Large economic offshore wind potential in the Baltic sea



*LCOE OF LESS THAN 65 €/MWH IN 2030, INCLUDING TRANSMISSION. SOURCE: "UPSIDE" SCENARIO OF BVG ASSOCIATES REPORT FOR WIND EUROPE: "UNLEASHING THE POTENTIAL OF EUROPE'S OFFSHORE WIND POTENTIAL"

**EUROSTAT 2015: DENMARK, ESTONIA, LATVIA, LITHUANIA, POLAND, FINLAND AND SWEDEN

**An offshore turbine a day
turns subsidies away**

