



Ørsted acquires Deepwater Wind and creates leading US offshore wind platform

Two Companies' Combined Offshore Wind Assets and Organizations Could Deliver Clean Energy to Seven States on East Coast

BOSTON, Ma. (October 8, 2018) -- Ørsted has entered into an agreement with the D.E. Shaw Group to acquire a 100% equity interest in Rhode Island-based Deepwater Wind at a purchase price of USD 510 million. The two companies' offshore wind assets and organizations will be merged into the leading US offshore wind platform with the most comprehensive geographic coverage and the largest pipeline of development capacity.

Deepwater Wind, the leading US offshore wind developer, has built an attractive and geographically diverse portfolio of projects along the US East Coast. Deepwater Wind's portfolio has a total potential capacity of approx. 3.3GW comprising:

- Block Island (30MW), the only operational offshore wind farm in the US
- Three offshore wind development projects in Rhode Island, Connecticut, Maryland and New York totaling 810MW of capacity with long-term revenue contracts in place or pending finalization.
- Approximately 2.5GW of offshore wind development potential across three well-sited BOEM lease areas in Massachusetts and Delaware. Of these 2.5GW, 1.2GW is developed through an equal joint venture with PSEG, a leading New Jersey utility.

Ørsted's current US offshore wind portfolio has a total capacity of approx. 5.5GW comprising:

- Development rights for up to 2GW at the Bay State Wind site off the coast of Massachusetts owned in a joint venture with Eversource.
- Development rights for up to 3.5GW at the Ocean Wind site off the coast of New Jersey.
- In Virginia, Ørsted will be constructing two 6MW wind turbine positions for phase one of Dominion Energy's Coastal Virginia Offshore Wind Project. Ørsted has exclusive rights with Dominion Energy to discuss the potential development of up to 2GW of offshore wind capacity.

With the combined organization and asset portfolio, Ørsted will be able to deliver clean energy to the seven states on the US East Coast that have already committed to build more than 10GW of offshore wind capacity by 2030.

Martin Neubert, CEO of Offshore Wind at Ørsted, says: "With this transaction we're creating the number one offshore wind platform in North America, merging the best of two worlds: Deepwater Wind's longstanding expertise in originating, developing and permitting offshore wind projects in the US, and Ørsted's unparalleled track-record in engineering, constructing, and operating large-scale offshore wind farms. Today's announcement consolidates Ørsted's position as the global market leader in offshore wind with a strong foothold across Europe, North America and Asia-Pacific."



“D.E. Shaw & Co. has been a dedicated owner of Deepwater Wind with a vision to pioneer offshore wind in the US and being at the innovative forefront of technology investment. We are excited to continue this journey and take the industry to the next level.”

Thomas Brostrøm, CEO of Ørsted US Offshore Wind and President of Ørsted North America, says: “Deepwater Wind has done a fantastic job as a first-mover in US offshore wind, and I look forward to joining and integrating the two US organizations. We have exciting times ahead of us delivering large-scale clean energy projects to households and businesses along the Eastern Seaboard. Ørsted will maintain a strong presence in Massachusetts and Rhode Island and will, of course honor the local commitments associated with Deepwater Wind’s projects along the East Coast.”

Bryan R. Martin, Managing Director of D. E. Shaw & Co., says: “I am deeply grateful to the many people who have made Deepwater Wind so successful and I’m excited to see what the largest and most innovative offshore wind company in the US can do when it’s merged with the largest and most successful offshore wind company in the world. I’m truly proud that offshore wind’s global leader can now author the next chapter for Deepwater Wind. Together - they’ll continue to make history.”

Jeffrey Grybowski, CEO of Deepwater Wind, says: “Ørsted is one of the world’s great clean energy companies and real pioneers in the offshore wind sector. We could not be more pleased with this combination, which will bring together two great teams to realize an enormous clean energy resource for coastal populations in the US.”

After closing of the transaction, the name of the new organization will be Ørsted US Offshore Wind. The new organization will be represented by a local management team headed by Ørsted US Offshore Wind CEO Thomas Brostrøm, Co-CEO Jeff Grybowski, President and CFO David Hang both from the Deepwater Wind team, and COO Claus Bøjle Møller from the Ørsted team.

The transaction is subject to clearance by the US competition authorities and is expected to close by end of 2018.

This announcement does not change our EBITDA guidance for 2018, but increases the CAPEX guidance from 16-18 billion to DKK 23-25 billion. The CAPEX guidance includes the acquisition price of Deepwater Wind, early CAPEX commitments for the US offshore and onshore wind portfolio in Q4 2018, as well as increased spending in the remaining portfolio due to timing.

About Deepwater Wind

- Headquartered in Providence, Rhode Island, and with site offices in Annapolis, Maryland; Block Island, Rhode Island; Long Island, New York; and New Bedford, Massachusetts, Deepwater Wind is the leading US developer of offshore wind projects.
- Founded in 2007 and led by an experienced management team, Deepwater Wind delivered Block Island, the first-ever offshore wind farm in the US and has built-up a portfolio of 810MW of development stage assets with long-term revenue contracts awarded, with a further approx. 2.5GW potential capacity.

In operation:

- Block Island, America's first offshore wind farm, comprises five General Electric 6MW turbines with a total capacity of 30MW. The Block Island wind farm, located 3 miles from Block Island, Rhode Island, came into operation in December 2016.

Development projects with revenue contracts awarded or under negotiation:

- Revolution Wind (600MW): located within Deepwater Wind's northern Massachusetts-Rhode Island BOEM lease area, Revolution Wind will interconnect into southern New England where it will deliver power to Rhode Island (400MW) and Connecticut (200MW). Subject to permitting, securing power purchase agreements and final investment decision, Revolution Wind is expected to be commissioned in 2023. The Revolution Wind lease area is located more than 15 miles south of the Rhode Island coast.
- Skipjack (120MW): located more than 19 miles from Ocean City, Maryland, Skipjack will interconnect into the Delmarva peninsula where it will deliver power to the residents of Maryland under the 20-year OREC order which was issued by the Maryland Public Service commission in 2017. Subject to permitting, further development, and final investment decision, Skipjack is expected to be commissioned by the end of 2022.
- Southfork (90MW): located 35 miles east of Long Island, Southfork will interconnect into eastern Long Island where it will deliver power to households under a long-term power purchase agreement with the Long Island Power Authority. Subject to permitting, further development, and final investment decision, Southfork is expected to be commissioned by the end of 2022.

Future development:

- Garden State Offshore Energy: a 50-50 joint venture with PSEG, a leading New Jersey utility and power generation company, holds the rights to a BOEM lease off the coast of Delaware and New Jersey with the potential for approx. 1.2GW of offshore wind.
- New England lease areas: Deepwater Wind holds the rights to two BOEM lease areas off the coast of New England which contain the potential for a further 1.3GW with close proximity to the growth markets in the North East.

About Ørsted in the US

Ørsted entered the US in 2015 and sees the US renewables market as an attractive, strategic growth opportunity.

- Ørsted currently has development rights for the up to 2GW Bay State Wind site off the coast of Massachusetts, and for the up to 3.5GW Ocean Wind site off the coast of New Jersey.
- Bay State Wind is located 25 miles off the Massachusetts South Coast, and 15 miles off the coast of Martha's Vineyard. The project is a 50-50 joint venture between Ørsted and Eversource. Ocean Wind is in the early stages of development and will be located approx. 10 miles off the coast of Atlantic City.



- In Virginia, Ørsted will be constructing two 6MW wind turbine positions for phase one of Dominion Energy's Coastal Virginia Offshore Wind Project. The two companies have signed a memorandum of understanding giving Ørsted exclusive rights to discuss potential development of up to 2GW of offshore wind capacity.
- Ørsted [recently acquired Lincoln Clean Energy](#), a leading US developer of onshore wind farms.
- In addition, Ørsted is active in battery storage and solar development and last year established an office in Austin, Texas, to lead those efforts.

About Ørsted

As the world's leading developer of offshore wind farms, Ørsted has installed 5.1GW offshore wind capacity in Europe and has a further 3.8GW under construction. It is Ørsted's ambition to have installed a total offshore wind capacity of 11-12GW worldwide by 2025.

The Ørsted vision is a world that runs entirely on green energy. Ørsted develops, constructs and operates offshore wind farms, bioenergy plants and innovative waste-to-energy solutions and provides smart energy products to its customers. Headquartered in Denmark, Ørsted employs 5,700 people. Ørsted's shares are listed on Nasdaq Copenhagen (Orsted). In 2017, the group's revenue was DKK 59.5 billion (EUR 8.0 billion). For more information on Ørsted, visit <https://orsted.com/> or follow us on Facebook, LinkedIn, Instagram and Twitter.

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