THE SERVICE OPERATION VESSEL CONCEPT

AND HOW CAN WE KEEP IMPROVING WINDFARM SERVICE COSTS?

ESVAGT AT A GLANCE

Established

1981

Revenue 2017

MDKK 867

925

Offshore employees

70

Onshore employees

Fleet / New

43 / 3

SOV fleet / New

4 / 3

Walk-to-Work gangway transfers

>55,000

Safe Transfer Boat transfers

>140,000

Rescued people

134

SAFETY IS AT OUR CORE

SAFETY STATISTICS 2014-2018YTD

	2014	2015	2016	2017	2018 YTD
Fatality			0		
LTI	0	2	0	3	2
RWC	6	3	1	2	1
MTC	1	0	5	1	0
FAC	5	41	68	56	27
Near Miss	N/A	N/A	82	95	100
Environmental events	N/A	N/A	28	62	42
N/C & Property Damage	1046	1057	915	761	770
Observations (Learning cards / HSE items)	10554	12573	10004	8269	7394

Total Recordable Cases (TRC)

N/A: Events included in HSE event

ESVAGT SOV

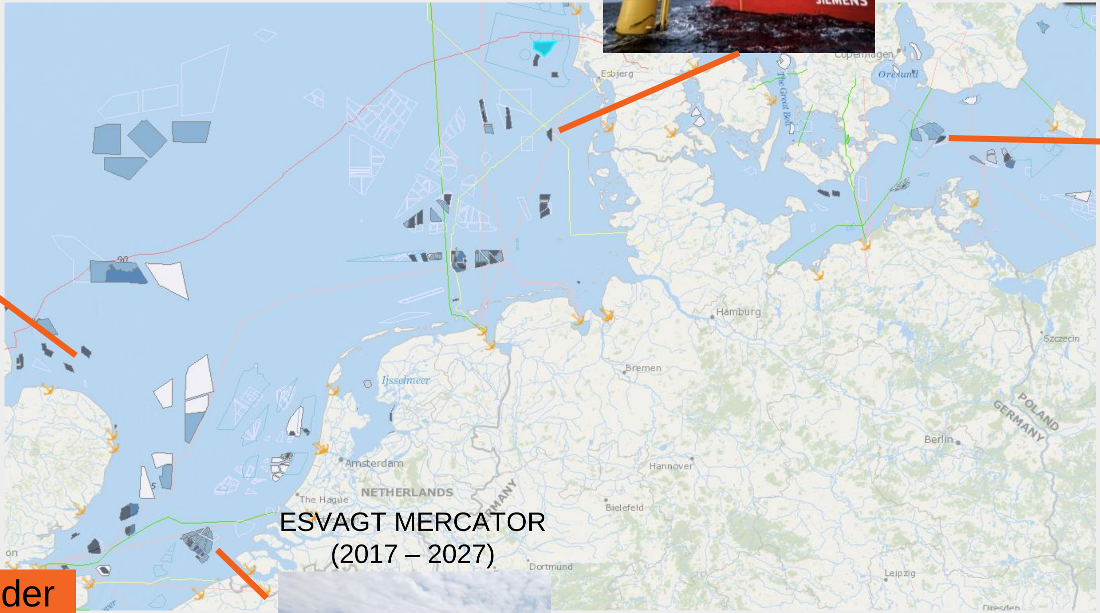
OFFSHORE WIND SOLUTIONS

ESVAGT FLEET OF SOV’S

ESVAGT FARADAY
(2015 – 2025)

ESVAGT FROUDE
(2015 - 2020)

ESVAGT NJORD
(2016 – 2021)



ESVAGT MERCATOR
(2017 – 2027)

Plus 3 SOVs under construction and 1 option

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WHY SOV CONCEPT

DRIVEN BY LONGER DISTANCES AND LARGER TURBINES

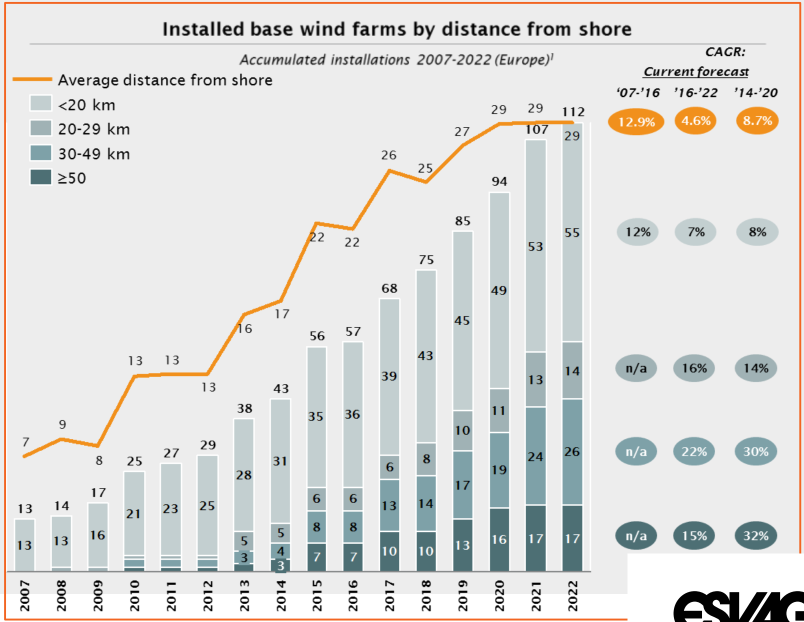
Benefits of an SOV vs. CTV

- Higher efficiency = fewer technicians required
- More productive employees
- Faster trouble shooting
- Less weather dependent
- More comfort
- Teamwork
- Multiple transfer models

…..But the vessel CAPEX and OPEX are higher than a CTV

Key Drivers of decision making;

- Distance from shore
- Value of uptime



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PRESSURE ON THE COSTS

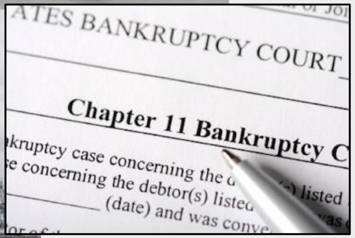
LOWER/NO SUBSIDIES AND THE NEED TO REDUCE COSTS IN VALUE CHAIN

First Wave

- ✓ Higher workability
- ✓ More efficient technical solutions
- ✓ Lower cost options
- ✓ Smaller assets / design to need
- ✓ Further developing speed of transfer

…And a lot of

- Not all industries have good experience with abrupt changes and pressure on value chain
- The Offshore Wind Industry should focus on sustainable reductions from the outset

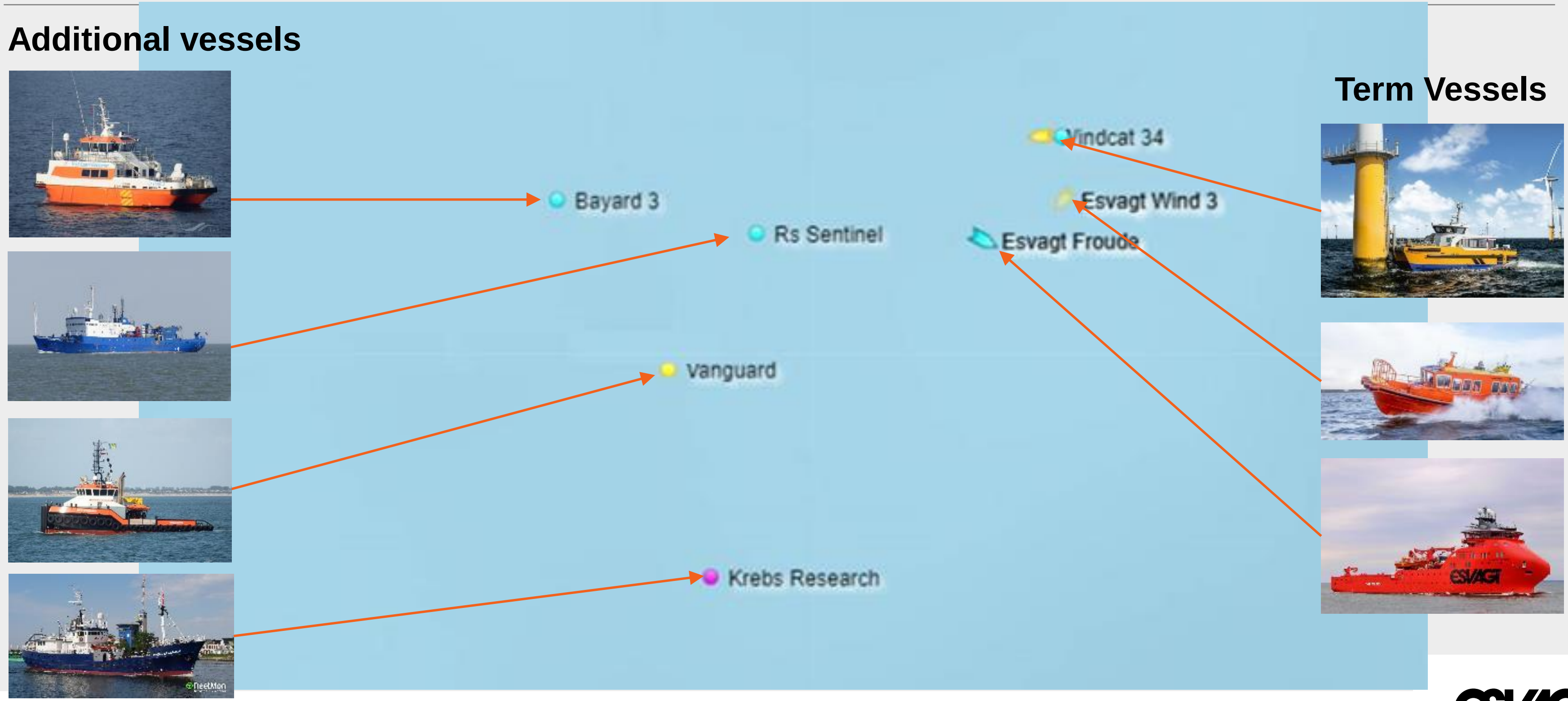


SECOND WAVE FOCUSED ON OPTIMISING?

SOV WITH CAPACITY – YET 5 OTHER VESSELS OPERATING

Additional vessels

Term Vessels



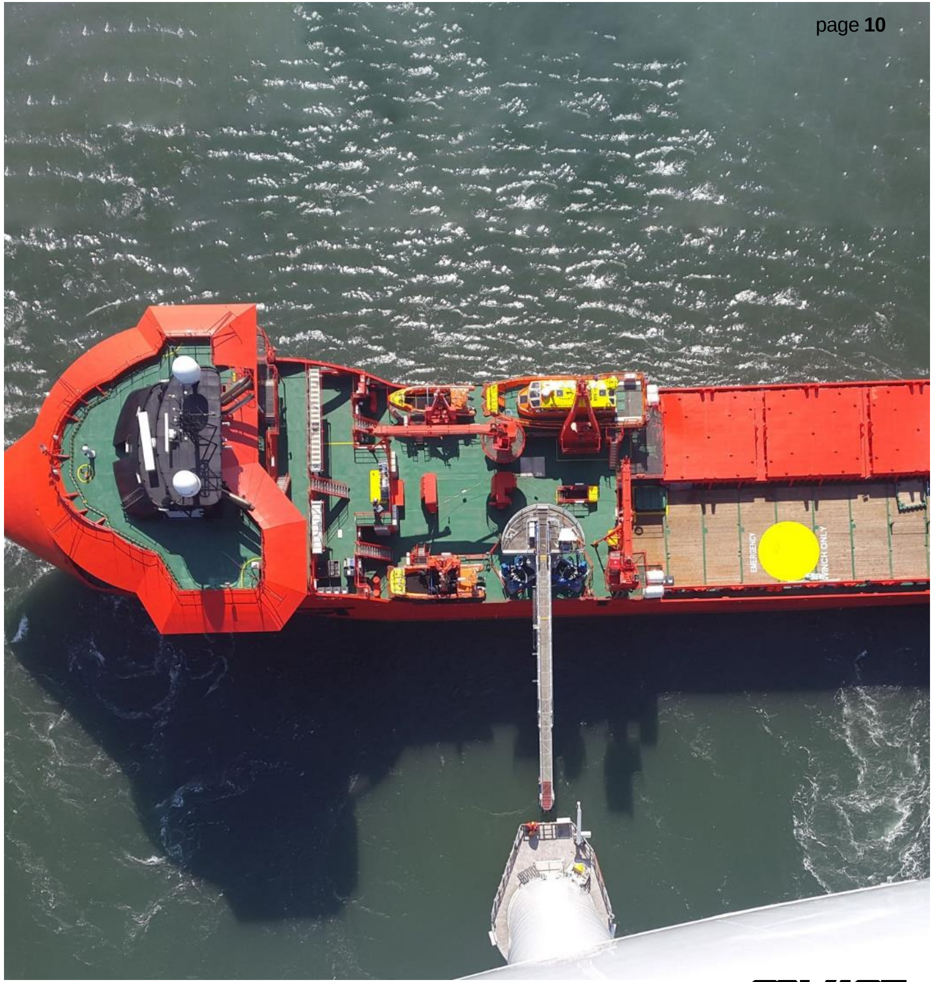
THE NEXT STEPS OF ”SMART” REDUCTIONS?

THINKING HARD INSIDE AND OUTSIDE THE BOX

- More of….
  - Develop the technical solutions
  - Optimise logistics
  - Explore smart commercial models

- Maybe start….
  - Synergies amongst the players in value chain
  - Collaboration/services across windfarms
  - Outsourcing and bundling of non-core activities

THAT YOU



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