

JERA
NEX
BP



Oceanbeat

19. November 2025



Agenda



1. JERA Nex bp
2. Overview of the Oceanbeat projects
3. Situation at time of bid
4. Developments since bid
5. Current situation
6. Potential solutions

1. JERA Nex bp

Key information

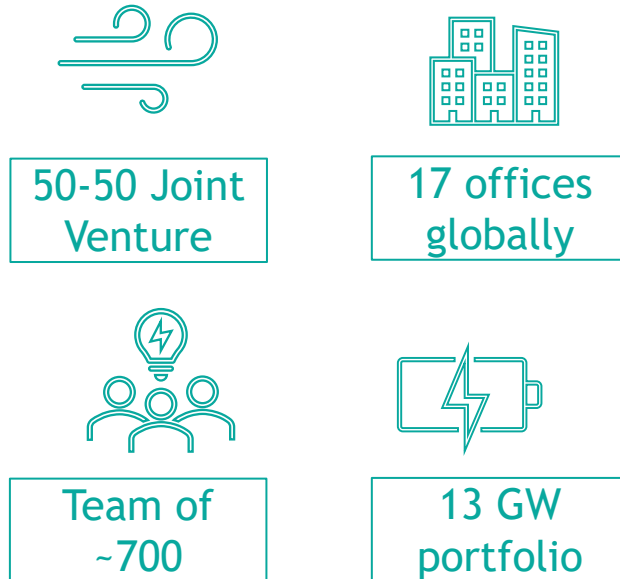


A new joint venture created in August 2025

JERA Nex bp is a **purpose-built** offshore wind company with the resources, capabilities and resilience to deliver offshore wind at scale.

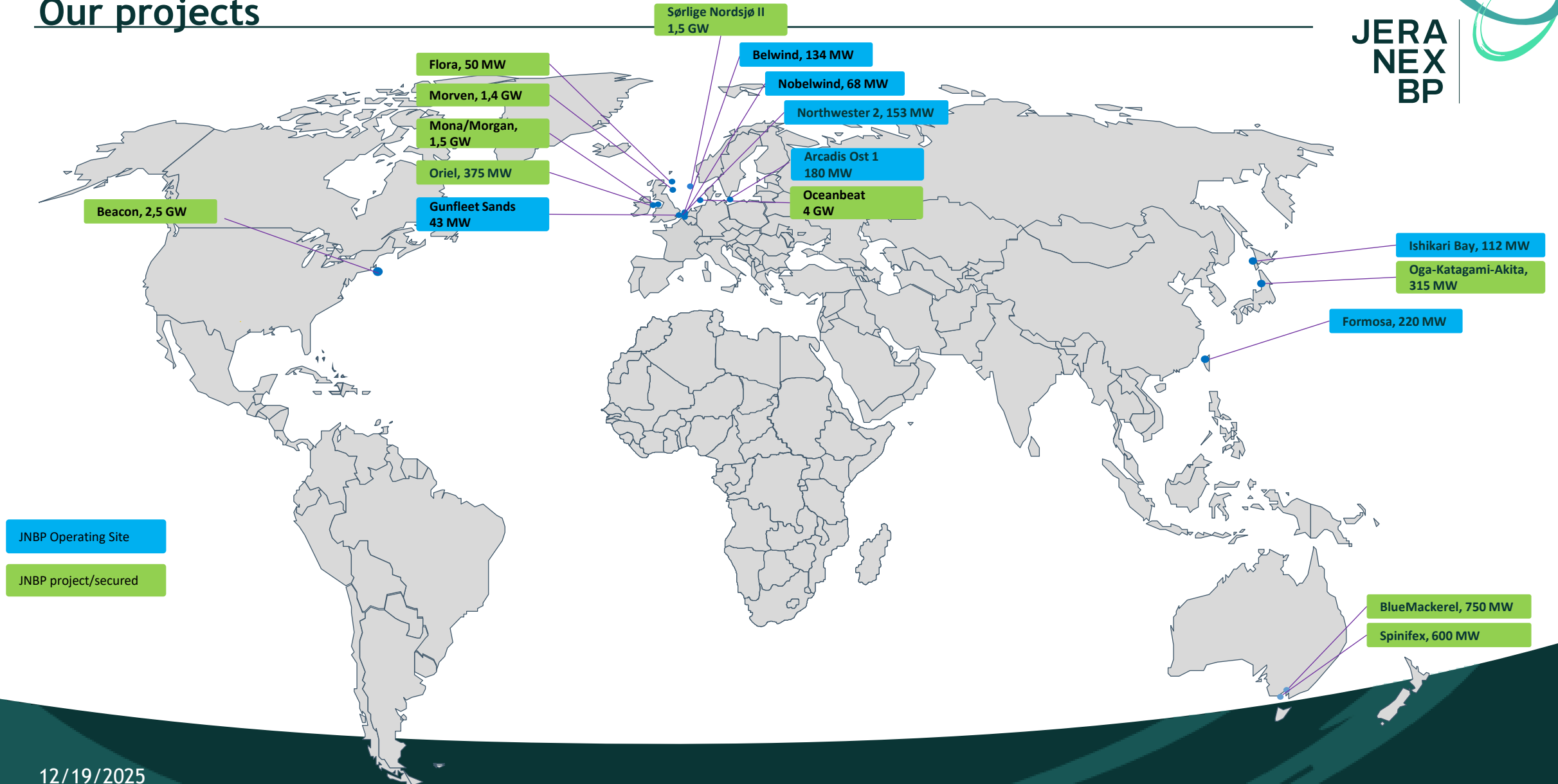
Combining the expertise in energy

With the backing of two of the world's leading energy companies - JERA and bp - our ambition is to safely deliver the abundant, clean, secure and affordable energy the world needs as part of a competitive and sustainable global industry.

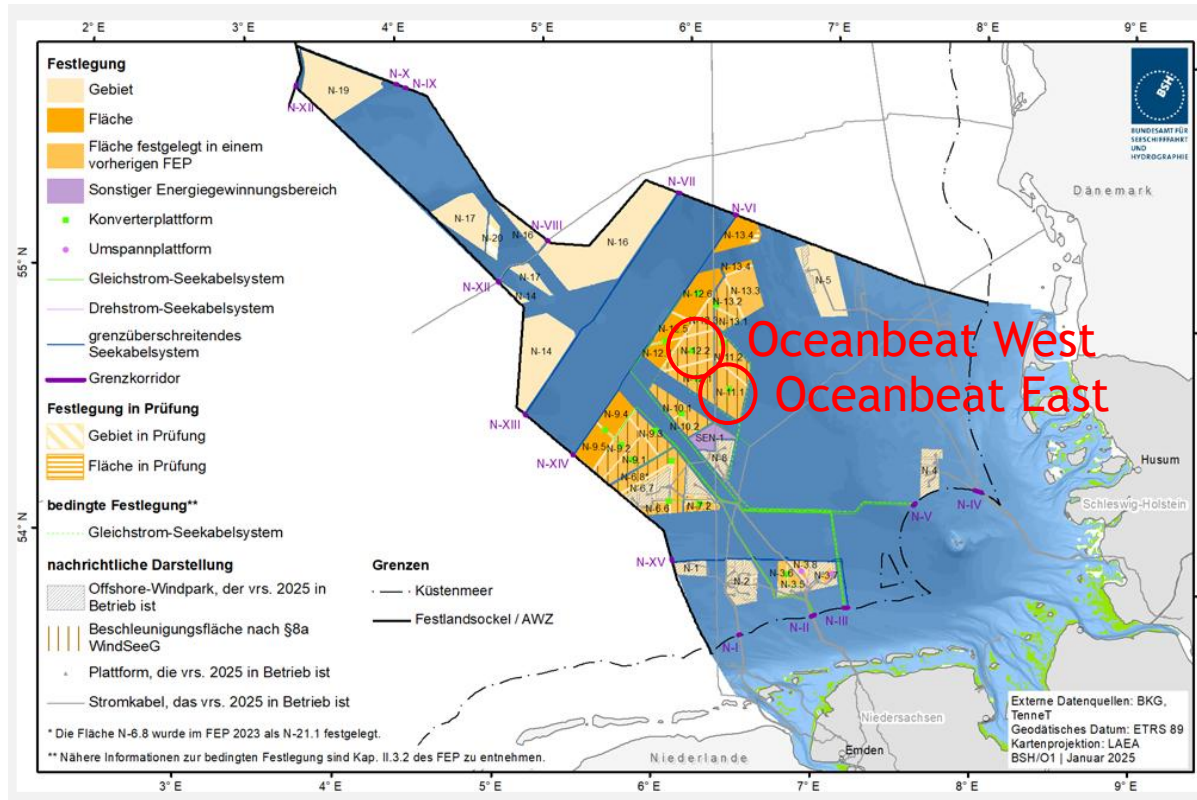


1. JERA Nex bp

Our projects



2. Overview of the Oceanbeat projects



Festlegung Nordsee FEP 2025

2 sites, each 2GW	N12.2 (OB West) & N11.1 (OB East)
Bid date	June 2023
Award date	July 2023
Original grid connection dates by TSO (FEP 2023)	Site N12.2 Q4 2030 (TenneT) Site N11.1 Q3 2030 (50Hertz)
Original full load hours (FEP 2023)	3500 per site
Studies & permits prepared by State	No
Ownership	100% JERA Nex bp
Bid Fees	Site N12.2 €3.12bn - 10% already paid Site N11.1 €3.66bn - 10% already paid
Distance to shore	up to 152km
WTG Size	
# of Locations	

3. Situation at time of bid

Commitments were made at a time when there was:

- Strong political support and commitment to offshore wind expansion targets by the prior government:
 - Early 2023 targets increased from 20GW to 30GW by 2030, 40GW by 2035 from 2040 and at least 70GW by 2045
- Commitment of TSOs to timely erect grid connections:
 - Documented in [Offshore Agreement November 2022](#)
- Reliable timeframe for developers in FEP and auctions:
 - FEP 2023 was published on 20 January 2023 stating grid connection dates and full load hours
- Our bid was made based on legitimate expectations created by the above

3. Situation at time of bid

We are a responsible developer eager to develop the project and have made substantial investment to date:



- Payment of bid bonds for both projects on time as per legal obligation (€400m)
- Payment of 10% of second bid components for both projects on time as per legal obligation (ca. €700m)

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4. Developments since bid

Since bid unforeseeable and uncontrollable factors have impacted the projects

Global inflation, supply chain disruptions and increased interest rates

Underlying project costs have risen significantly due to global inflation triggered in part by the war in Ukraine, offshore wind supply chain issues and increased interest rates.

Inflation

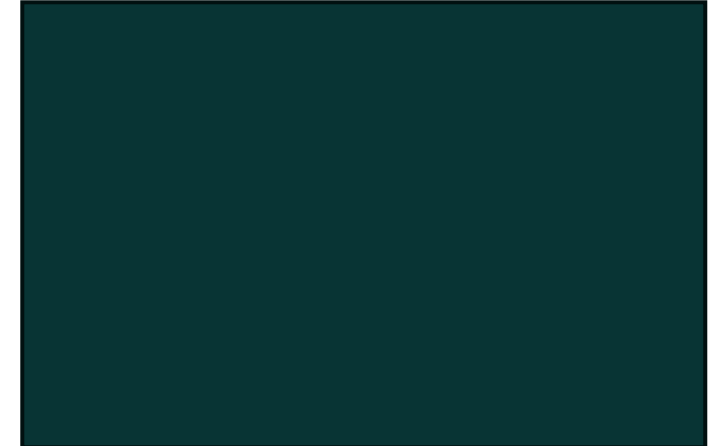
Higher than expected inflation has negatively impacting project costs.

German CPI has increased by 10.8%*
from 2022-2025. Industry specific
metrics have also increased.

Supply Chain



Interest Rates



These factors have impacted the offshore wind industry globally and are responsible for the wave of project cancellations in 2023-24.

*Source: [Germany Consumer Price Index \(CPI\)](#)

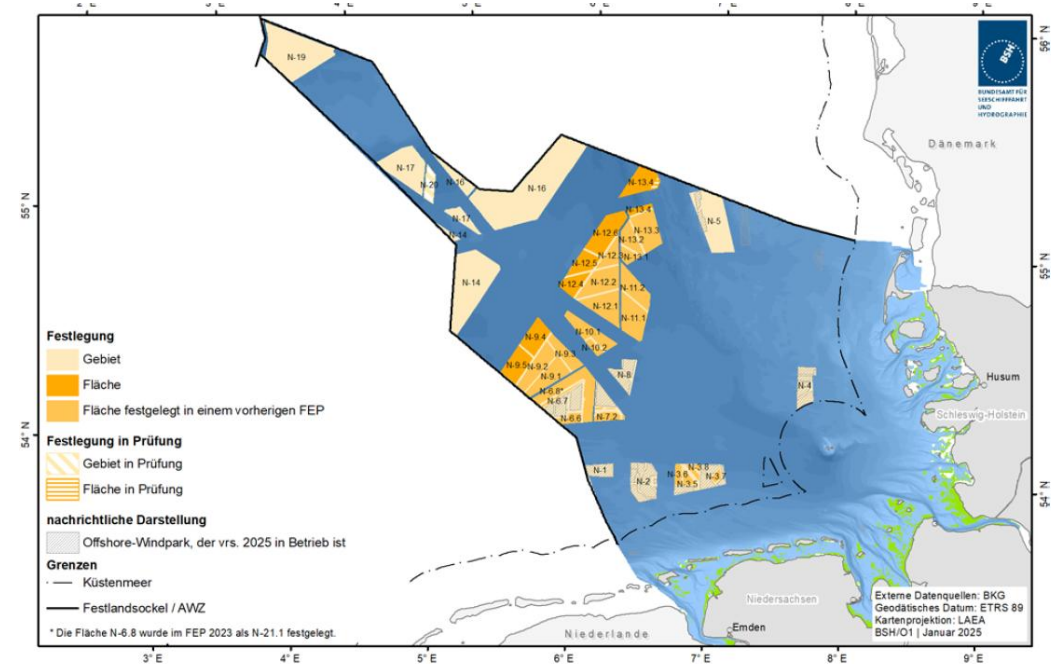
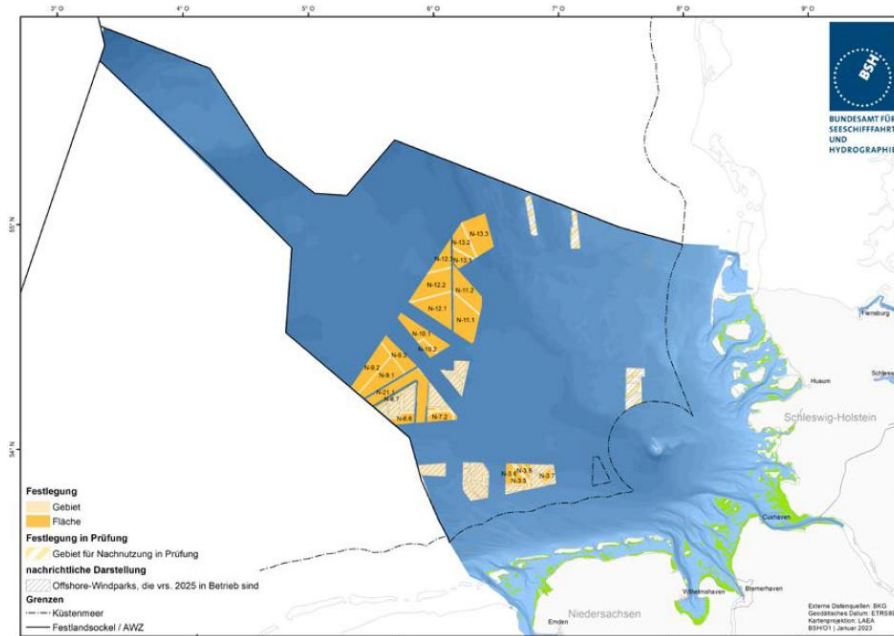
4. Developments since bid

Since bid unforeseeable and uncontrollable factors have impacted the projects

Wake effects due to additional sites cause reduction of full load hours

- 2800 full load hours instead of 3500 at time of bid, cut electricity generation where it matters most

FEP 2023 vs FEP 2025 identified sites



4. Developments since bid

Unforeseeable and uncontrollable factors have impacted the projects



Grid delays



Direct effects on project:

Financing/Market effects:

Loss of confidence:



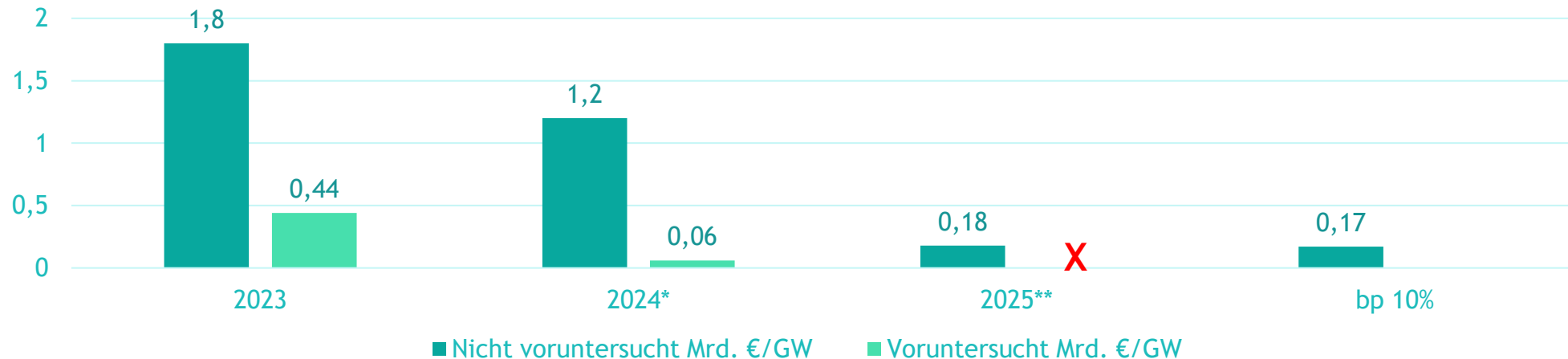
4. Developments since bid

Since bid unforeseeable and uncontrollable factors have impacted the projects



Deteriorating auction results due to poorer market conditions

Offshore Auction Results in Germany since 2023



*Results for 2024 not published by BNetzA. Estimate based on RWE press release on auction results.

** 2025 with 20% (effective approx. 10%) overplanting, auction for predeveloped sites failed.

- Auction results have fallen by approx. 90% since 2023
- bp has already paid as much per GW for its areas as was bid for non-pre-examined areas in 2025
- Any form of reduction in the bid component for successful bidders from 2023 would, as things stand, reflect the delays and risks of the projects in line with market conditions

5. Current situation

Oceanbeat East (OBE - N-11.1)

Expected grid connection date (GCD) of 50Hz in FEP, auction documents

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Delay in grid connection through no fault of our own by 27 months (04/2024)

- Such a massive grid delay (27 months) is first of its kind
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- Regulatory Framework needs flexibility (MS 1 postponement from 19.04.25 to 19.04.2027)

Impact project development

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5. Current situation

Oceanbeat West (OBW - N-12.2)

Current situation for N-12.2 (Oceanbeat West)

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03/25 2025: ASG/Marine - BSH-Process

- Additional delay of grid connection through no fault of its own with an indicated period of 9-12 months (see TSO-report)
- Another (legal) uncertainty related to grid connection date: rigid milestone regime and procurement processes do not synchronize

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6. Potential solutions

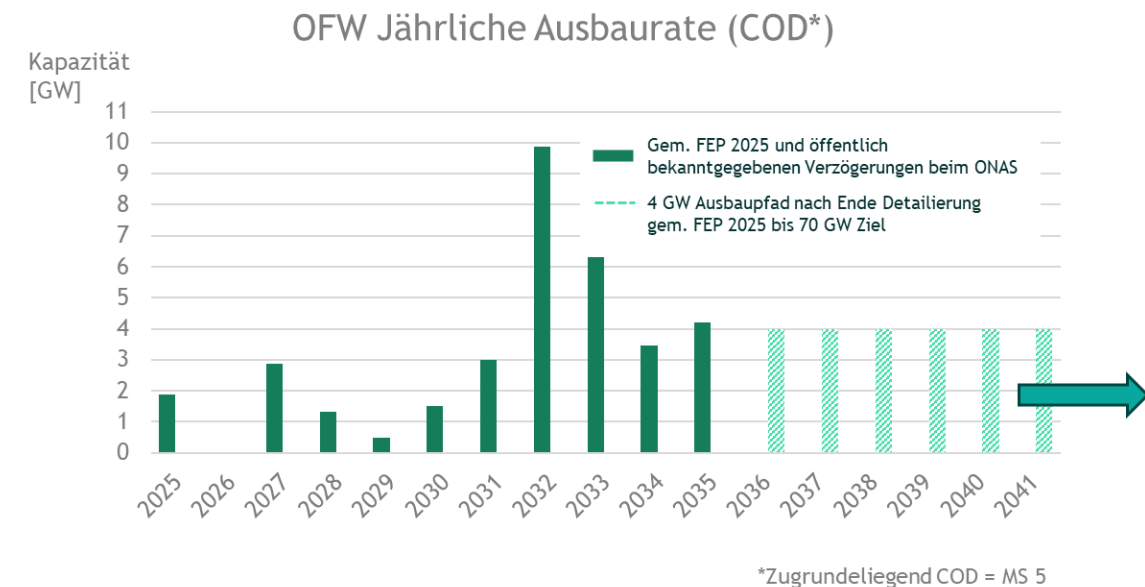
Ongoing progression of short-term measures (e.g. RED III process)

Postpone 2026 auctions except N-10.2 to avoid further failures

- No supply-chain downturn visible
- Peak-shaving and stabilisation for supply chain through constant build-out and FIDs

Changes to WindSeeG (for awarded and future projects)

- Milestone flexibility incl. adaptation of penalties and curtailment
- Initial permit period of 35 years and option to extend to 40 years
- Spread of fee payments over project lifetime
- Start of fee payments one year after CoD (revenues vs. costs)



6. Potential solutions

Ongoing progression of mid-term measures (EnWG-, EEG-, WindSeeG-, FEP-update)



Optimize spatial planning and reduce wake effects during FEP-Update

- Change in order of site allocation and consequently of auction sequence, i.e. identify auction sites according to highest full load hours and min. LCoE to increase net capacity factor for each site and make them more attractive to every investor

Reform auction design for offshore wind incl.

- Strengthening the PPA market, i.e. increase flexibility on demand side through incentivising industry to decarbonise (e.g. through temporary industry electricity price with requirement to re-invest in renewables to incentivise demand)
- Update electricity market design to further integrate Offshore Wind into the market

Help offshore projects to attract capital and to sell green electricity

- New Government to strongly emphasize its commitment to renewables
- KfW program for offshore wind to be reintroduced (higher capital investment due to bigger projects)
- Eliminate grid delay risk from developer as this is TSO sphere (grid delay risks are threatening project finance opportunities)

6. Potential solutions

Even with these measures further support is required



Projects need strong signals to enable continued development as they are uneconomic and unable to attract the investment necessary to support their construction

The following combination of measures would allow the project to progress:

- Offset of remaining bid fee (e.g. counter payment, EnWG-update on new delay situations)
- Further optimize spatial planning and auction sequence, focus on N-14 to N-19 first
- OBE grid delay compensation closing the regulatory gap in accordance with EnWG
- In case a CfD is offered for future sites our projects would become even less attractive. This would require the ability to opt-in to a CfD too

Appendix

Ausgleichsmaßnahmen N-12.2 – (1 von 2)

- Ausgleichszahlungen

Aktuell bevorzugte Variante: Zahlungsfreiheit im Idealfall über 15 Jahre, danach Start Zahlung der 90% Gebotskomponente über die Projektlaufzeit

	Einmalige Ausgleichszahlung	Gleichmäßige Reduzierung der Jahreszahlungen	Zahlungsfreie Jahre + Streckung
Kurzbeschreibung	Sofortzahlung der Ausgleichsmaßnahme in einer Summe	Fixer Abschlag der Jahreszahlungen über 35 Jahre	Erste Jahre zahlungsfrei bis Ausgleichsmaßnahme erreicht, Streckung des Restbetrags auf verlängerte Projektlaufzeit (35 Jahre gesamt)
Auswirkungen Offshore-Umlage	Keine	Niedrig	Niedrig
Absolute Kosten	Basisszenario, absolute Summe	Etwas höher im Vergleich zum Basisszenario	Geringfügig höher im Vergleich zum Basisszenario
Inflationsausgleich notwendig	Nein	Ja	Ja, aber geringer, da Ausgleich schneller verrechnet wird
Haushaltswirksam	Wahrscheinlich, abhängig von genauer Ausgestaltung	Nein	Nein
Begründung/Sicht des Projekts	Reduziert den Kreditbedarf und Zins- und Inflationseffekte.	Kaum Auswirkungen bei Projektbeginn, kein direkter Einfluss auf Finanzierung	Kreditsumme verringert sich und die Zahlungen stehen im besseren Einklang mit den Erträgen

Ausgleichsmaßnahmen N-12.2 (2 von 2)

- No-Regret-Maßnahmen

Laufzeitverlängerung auf 35 Jahre	Weitere Flexibilisierung der Verlängerung (mehrfach möglich, keine fixe Jahresbeschränkung, § 69 Abs. 7 WindSeeG)	Verminderung von Abschattungseffekten durch optimierte Ausschreibungen (Anpassung FEP)	Flexibilisierung der Meilensteine	KfW-Unterstützung bei Finanzierung
	Steigert Perspektive für Weiternutzung und Repowering, genaue Summe aufgrund des Zeithorizonts unklar	Verbessert Auslastung der bestehenden und geplanten Infrastruktur	Senkung des Risikos eines kompletten oder teilweisen Projektverlusts, stärkt Bankenvertrauen	Erhöht Marktvertrauen
Keine Haushaltswirksamkeit	Keine Haushaltswirksamkeit	Keine Haushaltswirksamkeit	Keine Haushaltswirksamkeit	Keine direkte Haushaltswirksamkeit
Hoher volkswirtschaftlicher Nutzen, auch für Konverterplattform und Netzanbindung	Hoher volkswirtschaftlicher Nutzen, auch für Konverterplattform und Netzanbindung	Hoher volkswirtschaftlicher Nutzen auch für Konverterplattform und Netzanbindung	Reduziert das Risiko für versunkene Kosten bei Entwickeln und ÜNB	Zinseinnahmen für die KfW
Senkt Strompreis und Offshore-Umlage	Senkt Strompreis und Offshore-Umlage	Einsparungen bei Netzkosten höher als Beiträge zur Stromkostensenkungskomponente	Positive Auswirkungen auf Offshore-Umlage, wenn Parks voll gebaut werden	Keine Auswirkung auf den Strompreis
No regret In NL sind es von Beginn an 40 Jahre	No regret DK hat gerade von 25 Jahren um weitere 25 auf 50 Jahre verlängert	No regret	No regret Erhöht die Realisierungschancen, trägt zu angemessener Risikoverteilung bei	No regret and win - win

Flexibilisierung von Meilensteinen

- Anpassung an geänderte Bedingungen

- Maximal unfaire Risikoverteilung zwischen ÜNB und Entwicklern - zu Lasten der Entwickler
- Entwicklern drohen harte Maßnahmen bis zum Projektentzug, während Netzbetreiber sich von allen Kosten und Risiken freihalten können
- Vorschläge für Neuregelungen – **no regret**:
 - Mehr zeitliche Flexibilität bei der Erreichung von bzw. zwischen den Meilensteinen (MS)
 - MS 1 orientiert sich am Netzanschlussdatum
 - Verlängerung der Frist für MS 5 von 6 auf mindestens 12 Monate
 - Genehmigungsdauer von 35 Jahren zählt ab 12 Monate nach dem Eingang des Nachweises nach § 81 Absatz 2 Nummer 5, WindSeeG
 - Entkoppelung der 90% Gebotskomponente vom MS 4 (§ 59 Abs. 2 WindSeeG), stattdessen soll sie frühestens nach dem ersten vollen Produktionskalenderjahr fällig werden, damit der Zahlung auch Erlöse gegenüberstehen. Im Idealfall startet die Zahlung erst nach vollem Produktionskalenderjahr 15, verteilt auf mindestens 20 Jahre
 - Anpassung des Pönalensystems, der Möglichkeiten zum Projektentzug als auch Anpassungen zur Rückgabe von Projekten
 - Gemeinsames Meilensteinsystem für Entwickler und ÜNB etablieren und im Detail synchronisieren

Pathway to improve investment conditions

1) Yield-optimised expansion

- Reduction of wake effects for awarded and future sites - adjustment of tender sequence
- Reduction of density

2) Increase demand instead of subsidies

- Sustainable business models are based on real demand
- Incentives for increased demand are solution-oriented rather than subsidies
- A merchant based offshore wind market is granting system-utility and long-term acceptance

3) Update of regulatory framework for awarded and future sites

- Adjust completion time to project sizes to minimize risk
- Extension of lifetime to initially 35 years increases economic efficiency
- Full compensation from day 1 grid delay

4) Reform of auction design

- Take time to develop a robust system based on optimised build-out, strengthening market mechanisms
- No retroactive deterioration of business cases of awarded and subsidy-free sites by introducing subsidies for future sites
- Grid connections provided by experienced TSOs
- No obligatory overplanting w/o compensation based on economically cost-benefit analysis