



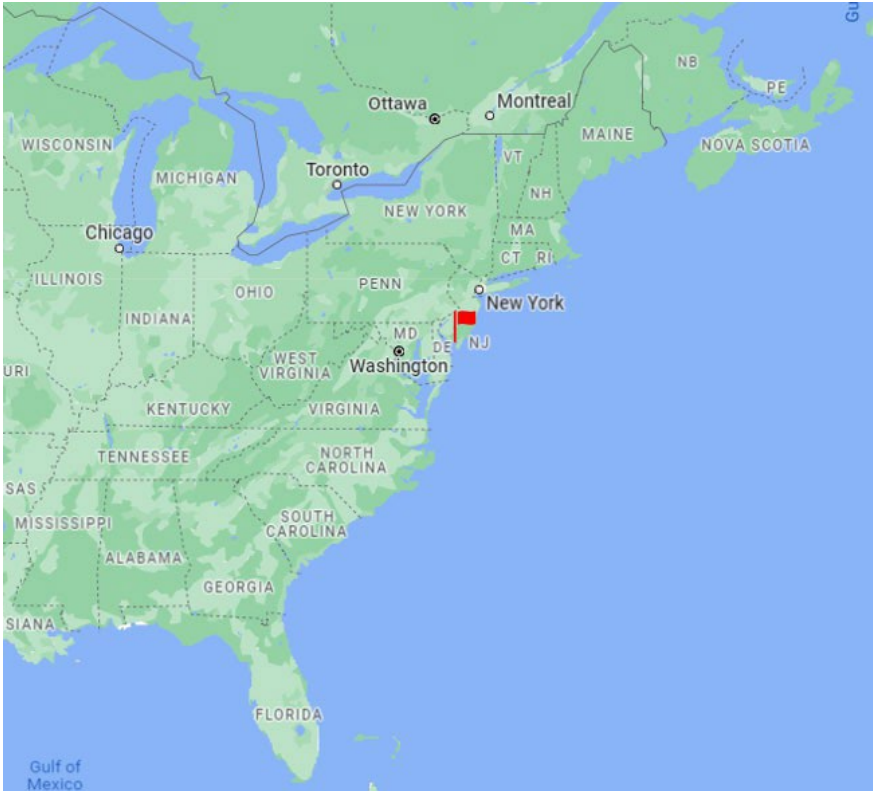
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
NEW JERSEY WIND PORT PROSPECTUS

SUMMARY

About the New Jersey Wind Port

The New Jersey Economic Development Authority (NJEDA), an independent authority of the State of New Jersey, is developing the New Jersey Wind Port (NJWP) on behalf of the State. The NJWP is the nation’s first greenfield wind port, being designed, built and operated exclusively for offshore wind marshalling and Tier 1 turbine component manufacturing.

Situated on the eastern shore of the Delaware River in Lower Alloways Creek, Salem County, the NJWP is located at the geographical center of the East Coast wind belt.



Free of vertical restrictions and with a developable footprint of over 220 acres, the NJWP is one of only a handful of East Coast ports with capacity to accommodate marshalling as well as Tier 1 turbine component manufacturing. This co-location enables offshore wind developers and manufacturers to lower costs through avoided double handling, to the benefit of the industry and in-turn energy ratepayers. In addition to supporting the delivery of New Jersey’s own 11 GW pipeline, the NJWP will serve wind projects across the Eastern Seaboard. At full scale it is anticipated that the NJWP will support the marshalling of two offshore wind projects concurrently and will house several Tier 1 turbine component manufacturers. NJEDA expects the NJWP to create up to 1,500 ongoing manufacturing, stevedoring and other port operations jobs.

Phased Development

The NJWP is being developed in phases. Phase 1 construction commenced in 2021 and is comprised of:

- An approximately 30–35-acre property and adjacent wharf infrastructure purpose-built for marshalling (i.e., wind turbine staging, final assembly, and transport) (Parcel A);
- A dredged access channel from the NJWP to the main Delaware River shipping channel, as well as berth pockets and a turning basin able to accommodate jack-up installation vessels and other turbine installation and delivery vessels;
- Two inland Tier 1 turbine component manufacturing Parcels (Parcels C and G), connected to the wharf via a heavy-haul road corridor purpose-built for moving components such as nacelles and towers;
- An approximately 25-acre confined disposal facility (CDF) for dredge material management (Parcel E);
- An approximately 4-acre property for general port administration and parking (Parcel D); and
- On-site utility infrastructure and grid connections.

Phase 2 of the project, which is currently at an early design stage, will comprise:

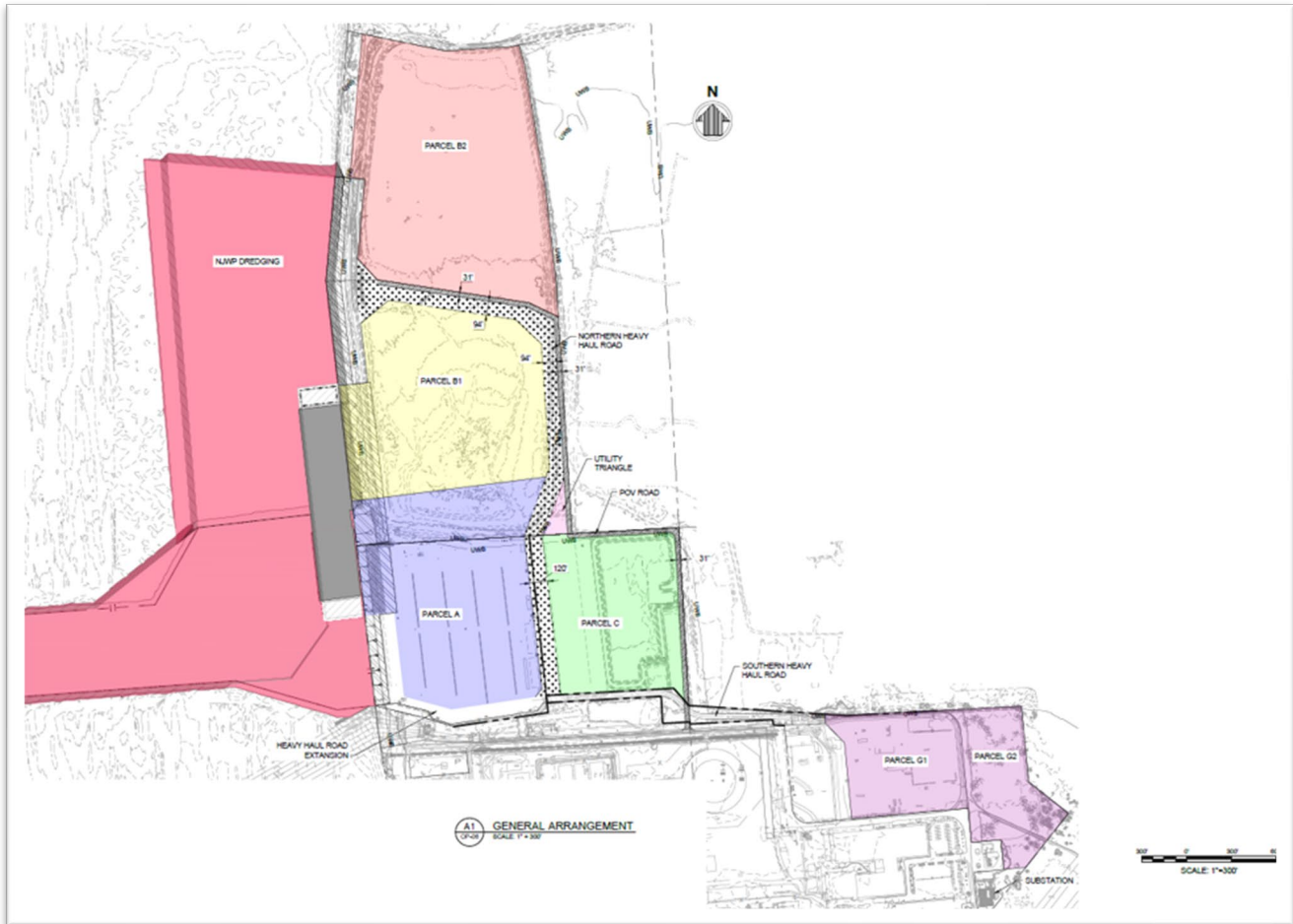
- An approximately 30-35-acre property and adjacent wharf infrastructure purpose-built for marshalling with dredged berth pockets (Parcel B1);
- An approximately 46-56-acre property purpose-built for Tier 1 turbine component manufacturing, as well as adjacent wharf infrastructure and dredged berth pocket (Parcel B2), with the potential to be further expanded;¹
- On-site utility infrastructure; and
- Heavy-haul road corridors connecting Parcels and shared wharves.

Parcel A is approximately 95 percent complete as of Q1 2024, and is targeted to achieve 100% completion in Q2 of 2024. The balance of Phase 1 (Parcels C, G, E and D) is currently targeted to come online over the course of 2025 through 2027. Phase 2 construction has begun as well, with a target completion date to be determined based on demand. Figure 1 further details each parcel.

In July 2021, NJEDA contracted with AECOM Tishman to undertake construction pursuant to a Construction Manager at Risk (CMAR) delivery method following a publicly advertised, competitive bid process. NJEDA's engineer of record on the project is Moffatt & Nichol (M&N). WSP USA is serving as owner's representative and AKRF as permitting advisor.

¹Based on current land owned by NJEDA, Parcel B2 has an approximate size of 46-56 acres. Should NJEDA be able to secure additional land to the immediate north, which is currently owned by the US Army Corp of Engineers (USACE), there is potential to increase Parcel B2 above its current size limit.

Figure 1 – NJWP Development Parcels



Note: Port layout is indicative. Final layout is subject to change dependent upon commercial targets and requirement.

Site Selection & Site Control

In 2019, the New Jersey Board of Public Utilities (NJBPUB) commissioned an assessment of the State's current port inventory and expansion opportunities as an input to the development of the State's Offshore Wind Strategic Plan (OWSP). This assessment, undertaken by Ramboll, included 38 in-state properties which were evaluated using the following screening criteria:

- Waterfront access
- Size of the property
- Depth of the existing berth
- Depth of the nearby navigational channel
- Air draft (i.e., bridge height limitations)
- Availability for future development as an offshore wind port

After a two-stage screening process, 13 properties were short-listed for further technical assessment, including analysis of the potential cost to redevelop/develop for offshore wind use. Of this short-list only two sites, Lower Alloways Creek and the Werner Generating Station (in South Amboy), were found to be free of vertical restrictions and therefore viable for marshalling using a conventional jack-up installation method. NJEDA commissioned McKinsey & Co. to further assess the economic and

financial viability of the two sites, with this assessment underpinning NJEDA's decision to site the NJWP at Lower Alloways Creek. Specific decision factors included:

- A larger developable acreage allowing for co-location of marshalling and manufacturing;
- A single landowner (PSEG) at the site versus multiple in the case of other sites;
- Site condition (greenfield site/no need for active remediation) and project readiness; and
- Distance from residential areas and associated reduced risk of community impact.

In September 2021, the Authority executed a Ground Lease with PSEG Nuclear for approximately 121 acres comprising Parcels A, C, G, D and E. In July 2022, the Authority purchased 110 acres of land from PSEG Nuclear which is contiguous to the northern edge of the leased premises, bringing the Port's total footprint to over 220 acres. Phase 2 (Parcels B1 and B2) will be sited on the Authority-owned property. The Authority has a road access easement agreement with PSEG Nuclear providing it and its subtenants with a right of egress/ingress to the leased and Authority-owned property.

All requisite permits have been secured for Parcel A's development. State permits for the balance of Phase 1 Parcels were issued June 1, 2023, and for Phase 2 on October 11, 2023. Federal permits for a portion of Phase 1 and for all of Phase 2 are pending, and the Authority is targeting attainment of the permits by the end of 2024.

Project Funding

NJEDA has secured \$637.6 million in state funding for the project to date. NJEDA is currently evaluating potential additional sources of funding and financing with a decision expected to be made later this year.

Port Operations

NJEDA intends to contract with a third-party facilities manager and port operator to perform certain of the above landlord functions via a publicly advertised, competitive bid process. The precise allocation of operational responsibilities between NJEDA and tenants will be resolved through negotiations with prospective tenants following the submission and scoring of non-binding offers. However, NJEDA anticipates that its responsibilities will closely align with its role as a port landlord and asset owner with tenant responsibilities reflecting their direct control of component movement into/out of and around the Port. Anticipated NJEDA responsibilities include, but are not limited to:

- Coordination of berth and common infrastructure (e.g., heavy haul roads) use between tenants/subtenants;
- Maintenance dredging to preserve the access channel and berths;
- Maintenance of core assets including the wharf and adjacent heavy lift areas, heavy-haul and access roads, as well as other common areas;
- Power, water and sewer hook-up provision;
- Supervision of common areas to ensure operability; and
- Maintenance of perimeter fencing and security systems for common areas.

PARCEL SPECIFICATIONS & AVAILABILITY

At full scale, it is anticipated that the NJWP will support the marshalling of two wind projects concurrently and house multiple Tier 1 component manufacturers. Figure 2 below details the intended use, anticipated development timing as of 1Q 2024, and technical specifications for each operational parcel.

Additional information about the NJWP is available at: <https://www.nj.gov/windport/>

Figure 2 – Parcel Specifications

Parcel	Intended Use	Acres	Specifications (per designs/ concepts)*	Development Status		
				Permits	Design	Construction
A	Marshalling	30 - 35 ¹	Minimum 1,080 linear feet wharf, plus 265 linear feet area (1 breasting dolphin and 2 mooring dolphins) to comprise delivery and install berths. Bearing > 6,000 psf. floor loading capacity. Backlands ground bearing capacity > 3,000 psf.	State and Federal permits lodged.	100% Complete.	95% complete), main sub-station (construction ~40% complete), first phase of duct bank scope commenced.
B1	Marshalling	30 - 35	Minimum 1,080 linear feet wharf comprising delivery and install berths. Bearing > 6,000 psf. floor loading capacity. Backlands ground bearing capacity > 3,000 psf.	State permits in full, Federal permit pending for portion of parcel, application being submitted for dredging with Corps.	60% Complete (wharf terminal package).	Earthwork Stage 1 commenced in Q4 2023.
G	Manufacturing	23	Backlands > 3,000 psf. ground bearing capacity.	Full State permits for earthwork and site work. Expanding state permit for useable sewage service area permitting (DEP).	30% complete.	Construction anticipated to commence in Q4 2024.
C	Manufacturing	20	Backlands > 3,000 psf. ground bearing capacity.	Full State permits for earthwork and site work received. Portion of C pending Federal permits (expected by Q4 2024).	30% complete.	Earthwork underway, commenced in 2023.
B2	Manufacturing	46-56 ²	Backlands > 3000 psf. ground bearing capacity. ³	State permits in full, Federal permit pending for portion of parcel, application being submitted for dredging with Corps.	Feasibility study 15% complete.	Construction of earthworks is anticipated to begin on/after Q1 2026.
East to West Access Roadway	Common Area	N/A	Heavy-haul road reequipments.	Permits received.	100% complete.	Phase 1 commenced in 2024. Phase 2 slated for 2025

Note: Except for Parcel, A, technical specifications are indicative only with designs currently at an early stage.

¹Parcel A's leasable acreage shall be ~30 acres prior to April 2025, after which ~35 can be available.

² Based on current land owned by NJEDA, Parcel B2 has an approximate size of 46-56 acres. Should NJEDA be able to secure additional land to the immediate north, which is currently owned by the US Army Corp of Engineers (USACE), there is potential to increase Parcel B2 above its current size limit.

³NJEDA will finalize wharf specifications for Parcel B2 after the receipt of non-binding offers for that Parcel and in consultation with the successful lessee.

FUTURE TENANT SELECTION

Indicative Process & Timing

As the New Jersey Board of Public Utilities' (NJBPU's) continues to issue offshore wind solicitations, NJEDA continues to initiate subsequent rounds of tenant selection for the Port. To date, this process has comprised the issuance of three notices to lease/sublease inviting non-binding offers for specific acreages at NJWP. NJEDA anticipates issuing further notices for marshalling and/or manufacturing tenants consistent with market conditions and/or in alignment with NJBPU's solicitation award schedule.

NJEDA's issuance of these Notices is independent of the NJBPU solicitations, and non-binding offers submitted in response are subject to a stand-alone evaluation and scoring process run by NJEDA with approval by its Board.

For more information about any current Notices, see <https://www.njeda.gov/bidding/#REOPP>.

Anticipated Evaluation Criteria

Consistent with preceding tenant selection processes for Parcels at the NJWP, NJEDA evaluates offers to lease/sublease on the basis of four (4) criteria noting that final evaluation criteria will be included with each notice when issued:

- Job creation, which includes, amongst other factors:
 - o The number and quality of jobs;
 - o The likelihood of the Offeror's ability to meet its job targets, including a demonstrable pipeline of work that proposed use of the premises would support.
 - o The strength of an Offeror's commitment and certainty of its plans for scaling operations and jobs over the longer-term.
 - o The extent to which an Offeror's intended use aligns with the State's broader OSW job plan, as well as the State's objectives for the NJWP as a marshalling and manufacturing hub, and its broader local content and workforce development goals.
- Highest net cash return to NJEDA. In scoring the net cash return NJEDA will also consider:
 - o The risk allocation amongst NJEDA and the prospective tenant;
 - o Commercial conditions attached to an offer; and
 - o Potential costs to NJEDA in meeting an Offeror's technical requirements.
- The Offeror's relative capacity to meet the financial obligations of the proposed sublease(s). For manufacturing tenants, this also includes demonstration that the tenant has a demonstrable order book and sufficient capital to make the investment in a new facility.
- State, county, and local tax generation that the Offeror is expected to generate over the course of its proposed sublease term at the NJWP. NJEDA will determine tax generation based principally on a party's proposed job and capital expenditure estimates. Scoring of job creation for marshalling offers (relative to previous selection rounds) will include jobs that an offeror commits to create elsewhere in the State (i.e., jobs additional to those created at the NJWP directly), to the extent those jobs pertain to the same wind farm development that an offeror intends the NJWP to support.

Pricing & Lease/Sublease Tenor

Figure 3 details the commercial status of each parcel.

For marshalling leases/subleases, NJEDA intends to limit lease length to the length of time required to marshal a single project inclusive of reasonable buffer for unanticipated delays (e.g., 2-3 years) in order to preserve capacity for future wind development projects.

For manufacturing, NJEDA will seek long-term lease commitments. A 10-year minimum lease commitment will apply. Longer lease commitments will be preferred.

Exhibits A and B of this document provide detail on pricing for marshalling and manufacturing leases/subleases.

Figure 3 – Parcel Commercial Status

Parcel	Use	Commercial Activity Status	Lease Solicitation Pricing Policy
A	Marshalling	Offers to sublease are currently being sought for the period 7/1/24 through 12/31/33. NJEDA anticipates issuing a further notice for lease following the conclusion of the NJBPU's fourth wind solicitation. The leasing window, which can overlap with the current notice period, will be determined at that point based on the outcome of the current notice to lease/sublease and the timing needs of NJ4 awardees. Further to a 2021 Notice to lease property at the Port, NJEDA is in negotiations with a prospective tenant for a lease on Parcel A for an approximately 2-year sublease commencing 2027.	Mandatory base rent price floor will apply.
B1	Marshaling	Offers to sublease are currently being sought for the period 01/01/27 through 12/31/33. NJEDA anticipates issuing a further notice for lease following the conclusion of the NJBPU's fourth wind solicitation. The leasing window will be determined at that point based on the outcome of the current notice to lease/sublease and the timing needs of NJ4 awardees.	Mandatory base rent price floor will apply.
B2	Manufacturing	NJEDA anticipates issuing a notice to sublease in coming months and expects offers from Tier 1 manufacturers tied to NJBPU's third wind solicitation. Should that process not result in an executed sublease NJEDA will reissue the notice. NJEDA does not anticipate leasing all manufacturing parcels through its upcoming notice.	Indicative base rent price guidance.
G	Manufacturing	NJEDA anticipates issuing a notice to sublease in coming months and expects offers from Tier 1 manufacturers tied to NJBPU's third wind solicitation. Should that process not result in an executed sublease NJEDA will reissue the notice. NJEDA does not anticipate leasing all manufacturing parcels through its upcoming notice.	Indicative base rent price guidance.
C	Manufacturing	NJEDA anticipates issuing a notice to sublease in coming months and expects offers from Tier 1 manufacturers tied to NJBPU's third wind solicitation. Should that process not result in an executed sublease NJEDA will reissue the notice. NJEDA does not anticipate leasing all manufacturing parcels through its upcoming notice.	Indicative base rent price guidance.
D	No plans to lease at this time - parcel intended to be used for parking and administration.		
E	No plans to lease at this time - parcel use intended for dredge material management.		

FURTHER INFORMATION & SITE VISITS

Any additional questions regarding NJWP technical specifications and parcel availability should be submitted via the NJBPU Solicitation Website.

**EXHIBIT A –
MINIMUM BASE RENT FOR MARSHALLING LEASES OF PARCELS A & B1**

<u>Rent per Twelve (12) Months</u>	
Per acre (ac)	<p>\$650,000</p> <p>Note – NJEDA’s rent floor is expressed in 2024 US dollars (i.e., indexed to January 1, 2024). The floor shall be escalated annually beginning January 1, 2024, up to the commencement of the lease/sublease term, at the higher of (i) the growth of the relevant CPI (as defined below) or (ii) five percent (5%). Escalation shall be pro-rated as applicable.</p> <p>From the commencement of the lease/sublease term the rent shall be escalated at the higher of (i) the growth of the relevant CPI or (ii) five percent (5%).</p> <p>The reference CPI shall be the United States Department of Labor, Bureau of Labor Statistics "Consumer Price Index" for Urban Wage Earners and Clerical Workers (CPI-W; Series ID: CWURS12BSA0) published for Consumer Price Index, Philadelphia-Camden-Wilmington.</p>

Base Rent refers to the **mandatory minimum acceptable rent** (i.e., the price floor) excluding costs such as utilities, property taxes, repair costs and other expenses that are customarily passed through to an industrial tenant by a landlord under a triple net lease that NJEDA will be willing to accept further to a future Notice to Lease/Sublease for Parcels A and B1.

The Base Rent amount reflects a fully developed parcel including wharf infrastructure, dredging and ground strengthened uplands necessary to support marshalling activities.

The Base Rent has been calculated based on the capital costs NJEDA has incurred and expects to incur in developing to the specifications required for offshore wind marshalling, and the special-purpose nature of the NJWP (which enables developers and their manufacturing partners to derive cost savings from co-location), as well as dredge maintenance during a lease/sublease term.

A floor price ensures a level playing field for parties interested in marshalling a project at the NJWP.

**EXHIBIT B –
INDICATIVE BASE RENT FOR MANUFACTURING LEASES OF PARCELS (G, C and B2)**

<u>Rent per Twelve (12) Months</u>	
Per acre (ac)	\$230,000 Note – NJEDA’s rent floor is expressed in 2024 US dollars (i.e., indexed to January 1, 2024). The floor shall be escalated annually beginning January 1, 2024, up to the commencement of the lease/sublease term. The escalation rate will be negotiated with tenants further to a notice to lease/sublease process.

Base Rent refers to the lease price excluding costs such as utilities, property taxes, repair costs and other expenses, that are customarily passed through to an industrial tenant by a landlord under a triple net lease.

The Base Rent amount assumes a fully developed parcel including wharf infrastructure, dredging and ground strengthened uplands necessary to support Tier 1 component manufacturing inbound/outbound use but excludes any manufacturing facility foundations or building/shell.

NJEDA is providing indicative rent in recognition of the fact that there are limited U.S. data points for the leasing of property purpose-built for offshore wind component manufacturing that is co-located with offshore wind marshalling and, relatedly, in response to industry feedback that indicative rent guidance would be helpful in understanding NJEDA’s rent assumptions. The indicative Base Rent is calculated based on an assessment of relevant industrial and commercial property lease benchmarks, the capital costs NJEDA expects to incur in developing to the specifications required for offshore wind component manufacturing, and the special-purpose nature of the NJWP (which enables manufacturers to derive cost savings from co-location).

The indicative base rent is a **guide only**. NJEDA provides no assurances that an offer for an amount equal to or exceeding the price guidance, submitted further to the future issuance of a Notice to lease by NJEDA, will be successful.

Interested parties are encouraged to review available New Jersey tax credits including the Offshore Wind Tax Credit Program: <https://www.njeda.com/offshorewindtaxcredit/>