



NYSERDA 2023 Offshore Wind Solicitation ORECRFP23-1

Local Clean Energy For All



nationalgrid | RWE



Certain information in this Submission is non-public, proprietary, commercially sensitive, and/or financial information and has been redacted from the version of this Submission marked "PUBLIC". Community Offshore Wind has submitted a confidential version of this Submission, marked "CONFIDENTIAL", which includes the redacted information. Pursuant to 21 CRR-NY 501.6, the non-public, proprietary commercially sensitive and/or financial information contained in the version of the Submission marked "CONFIDENTIAL" should be designated as a trade secret, excepted from disclosure under paragraph(d) of subdivision two of Section 87 of the Public Officers Law or any other disclosure as set forth in the General Conditions of ORECRFP23-1 Request for Proposals issued November 30, 2023. Disclosure of such information would be extremely deleterious to the business and underlying proposal described in the Submission and would expose Community Offshore Wind to competitive disadvantage with respect to NYSERDA's solicitation.

1 Executive Summary

NYSERDA 2023 Offshore Wind Solicitation ORECRFP23-1

January 25, 2024



Executive Summary

Community Offshore Wind (COSW) applauds Governor Hochul and NYSERDA for their nation-leading efforts to advance offshore wind.

We stand ready to work alongside NYSERDA and the communities our project will serve to deliver on the promise of what the **offshore wind industry will bring to New York: new job opportunities, new economic development, and clean renewable power to the grid.** Our proposal, crafted to achieve these goals, offers three core value propositions:

1. Project Viability - A capable, trusted, and uniquely-experienced partner

Our project will be responsibly developed from the start, and a leading example of how offshore wind can coexist with, and uplift, communities.

COSW is a joint venture between RWE Offshore Renewables (RWE), the second-largest offshore wind developer globally, and National Grid Ventures (NGV), an international electric infrastructure company with a long-standing history serving New York customers.

Combining our parent companies' financial strength, global leadership in offshore wind and electric transmission, and deep roots in New York State, **COSW is truly global and uniquely local.** We have a dedicated and diverse team of 100+ employees with **extensive offshore wind expertise and local development and delivery experience.**

COSW has already laid the **groundwork for successful engagement** with local communities, suppliers, unions, environmental NGOs, tribal nations, fisheries, and other stakeholders to listen, learn, and garner **widespread support for our project. In Long Island Communities, in particular,** our team has made deep inroads and connections with engaged and concerned communities and stakeholders.

We understand how important it is to be responsive and community-oriented, especially considering recent challenges facing the offshore industry. Our approach is to work alongside, and in partnership with, communities.

Taken together, **COSW is a dependable partner NYSERDA can rely on** to deliver successful offshore wind projects for the benefit of all New Yorkers.

2. Impact - Near-term investments, long-term projects

We will make near term investments to enable long-term industry growth in New York.

We are committed to the upfront **delivery of the supply chain and workforce necessary for both our project and future projects.** Our proposal, which will bolster the state's offshore wind economy to the benefit of all New Yorkers, includes:

- **Funding for labor and workforce development and wraparound services** to create enduring and equitable opportunity across the industry.
- Targeted support to **maintain the momentum of critical supply chain facility development,** including **a tower facility** at the Port of Albany and use of **New York port infrastructure.**
- Industry-leading support for **fisheries and environmental enhancement and mitigation.**

In total, we expect to deliver **over \$1B in total Direct Incremental Economic Benefits over the lifetime of our Project,** including [REDACTED] in direct labor expenditures and nearly [REDACTED] in DACs and MWBE/SDVOB expenditures. [REDACTED]

3. Dependability - Reliable project commitments

COSW will follow through on our commitments to deliver offshore projects efficiently and reliably.

We offer NYSERDA proposals to deliver a 1.3 GW project, [REDACTED]

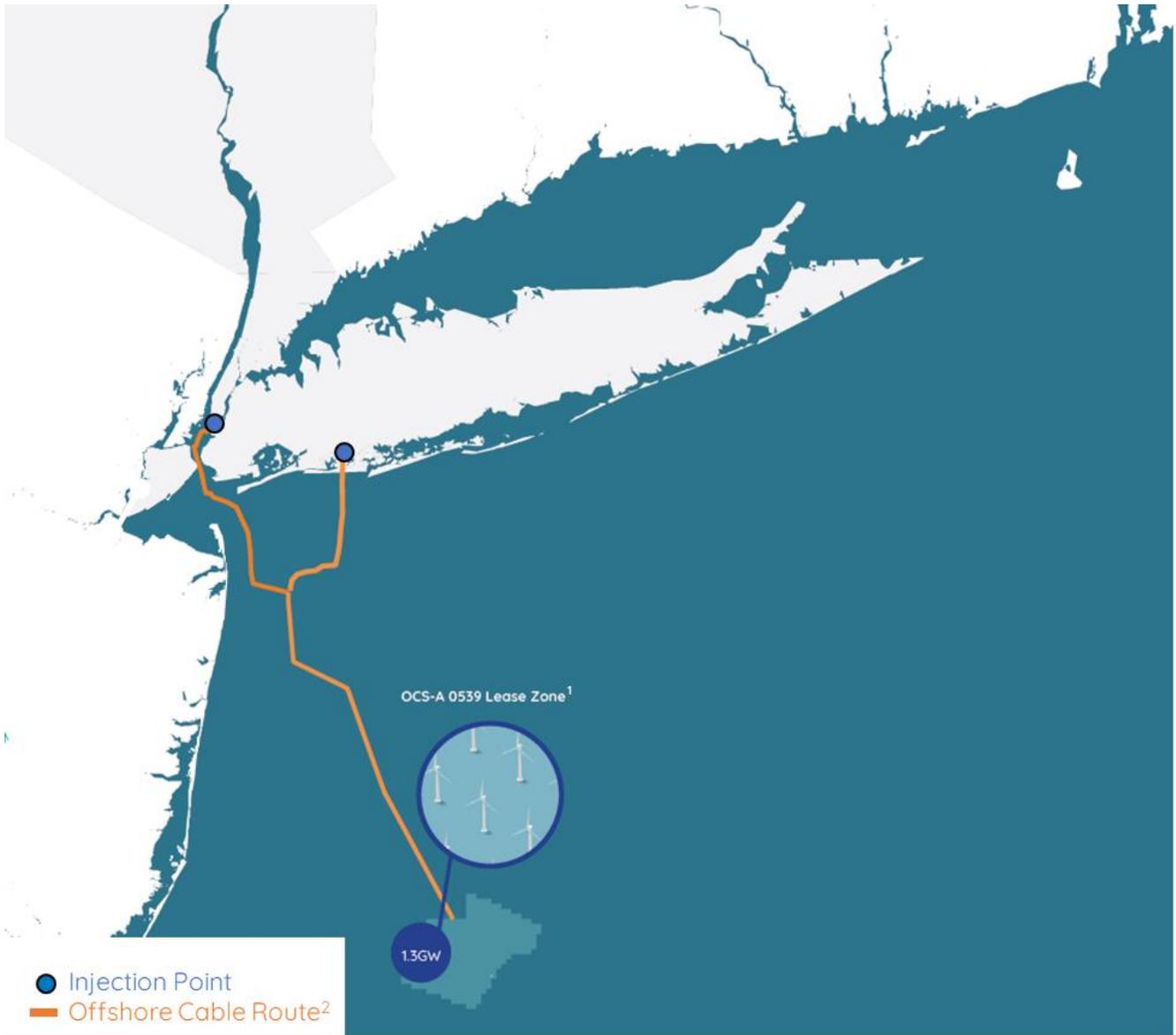
Our proposals **control for current macroeconomic risks and supply chain uncertainties** facing major infrastructure projects, both at home and abroad. Crucially, our **proposals are designed with the flexibility required to reliably ensure project delivery and long-term industry success.**

[REDACTED]

We firmly support NYSERDA's 9GW by 2035 target

[REDACTED]

to help decarbonize the grid in the increasingly urgent fight against climate change.



- 1) COSW lease area is ~64 miles from New York, as its closest point. Project does not have viewshed impacts on NY.
- 2) All cable routing is indicative, pending further, ongoing survey and community engagement

High Level Project Timeline



Contact: communityoffshorewind.com/contact | Resources: communityoffshorewind.com/about

1. Viability and Partnership- A capable, trusted, and uniquely experienced partner to NYSERDA

Our project will be responsibly developed from the start, and a leading example of how offshore wind can coexist with, and uplift, communities. **COSW believes in working alongside communities to develop our projects**, ensuring that all stakeholders have a voice in critical project decisions. **We know that partnership with stakeholders, governments, and ocean users is critical to the project's success.**

In offering this proposal, **we have drawn upon the full strength and expertise of our parent companies** as well as the support and goodwill COSW has built to develop projects that will **coexist with, and uplift, communities**, ensuring the continued growth and lasting impact of the offshore wind economy in New York. The unique qualities that enable COSW to stand apart as capable and trusted partner are as follows:

We have long-standing history, local expertise in New York

National Grid has **owned and operated competitive and regulated generation, transmission, and distribution in New York for over 20 years.** With the history of its operating companies dating back over 100 years, the company has a truly unique understanding of what it takes to develop and operate energy infrastructure in the state. Further, it has deep experience working with local communities as well as the technical know-how to deliver complex projects with minimal impact to stakeholders.

RWE has invested **over \$1B in New York's clean energy economy** in recent years, operates three renewable facilities in New York – Baron Winds, Cassadaga, and Munnsville – and has grown its NY-based workforce significantly through the acquisition of ConEd's Clean Energy Businesses last year.¹

Combined, **RWE and National Grid have extensive experience collaborating with governments on infrastructure projects and navigating US local, state, and federal permitting**, drawing upon the collective experience of hundreds of specialists who design, construct, and operate 25+ GW of renewable energy.

We have established real, lasting relationships and garnered support from key project stakeholders

Through early engagement with communities and stakeholders, we have **established COSW as a trusted partner and transparent developer that works to build up communities** and ensure that project development dovetails with the priorities of our local stakeholders. We believe the key to our broad-based support is our **dedication to advancing the energy transition alongside stakeholders and communities** with which we work. **They are essential partners in both the delivery of our Project and the realization of the broad-based and long-term economic benefits** of New York's offshore wind economy.

For this proposal, **COSW has already laid the groundwork for success**, and **we are committed to continuing to prioritize transparent and meaningful engagement** over our project lifetime. Specifically, our **local engagement builds off existing relationships with ocean users, community groups, engaged citizens, and local elected officials.** We work closely these groups and other community-based programs to **showcase the shared benefits of offshore wind** and to **ensure that local stakeholders are aware of the economic and career development opportunities** offshore wind will bring to their cities, towns, and neighborhoods.

COSW has also focused on **building partnerships that advance environmental and sustainability objectives.** We are the first offshore wind developer to sign a Cooperative Research and Development Agreement (CRADA) with the *NOAA Fisheries Northeast Fisheries Science Center*. This agreement will help to advance the shared goals of NOAA and COSW to monitor to fisheries and environmental impacts of our project and ensure that we are reaching our goal of net-positive impact on biodiversity above and below the water line. In addition, we have **engaged in extensive outreach across fisheries and environmental stakeholders**, and worked closely with several Environmental NGO's, including executing an MOU with *The Nature Conservancy* to support our commitment to lifetime monitoring.

¹ RWE completed the acquisition of Con Edison Clean Energy Businesses in March 2023, assuming its staff, operating portfolio, and pipeline.

We have unparalleled experience in offshore wind and subsea interconnectors

RWE operates the **world’s 2nd largest offshore wind fleet** with over ~6 GW of commissioned capacity and another 14+GW under development. *National Grid* operates a **combined capacity of more than 6 GW HVDC transmission**, including the world’s longest subsea interconnector (North Sea Link) and another 3+ GW of multi-purpose interconnectors for offshore wind under development.

COSW, a combined project team from RWE and National Grid, has a **dedicated and growing team of highly experienced employees** (100+ today) who have worked on some of the largest offshore wind and transmission projects in the world as well as with a wide range of New York stakeholders – local communities, suppliers, NYISO, labor unions, environmental NGOs, fisheries, and others. **COSW’s combined, in-house workforce brings deep knowledge and experience developing and delivering offshore wind**, including but not limited to:

- Optimizing cost of electricity
- Managing timely project delivery
- Partnering to build local supply chains
- Working with local stakeholders and communities
- Optimizing projects to co-exist with other users in sensitive environments, including fisheries
- Leveraging our parent companies’ robust in-house O&M capabilities

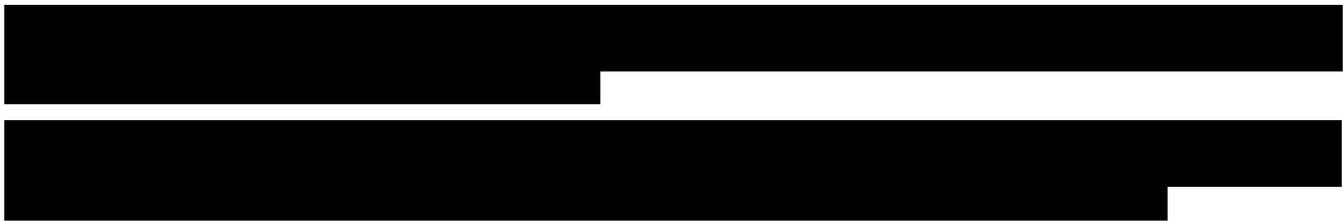
We will draw upon the significant financial strengths of our two parent companies

COSW is a joint venture between RWE and NGV formed for the sole purpose of developing the Bureau of Ocean Energy Management (BOEM) Lease Area OCS-A-0539. The strength of our parent companies (see Table 1-1) enables COSW to offer stronger assurances that we can deliver our projects as promised.

Table 1-1: Key strengths of Community Offshore Wind parent companies

Parent company	RWE	National Grid
Market Capitalization	\$30B	\$50B
Credit rating (Moody’s)	Baa2 (stable)	Baa2 (stable)
Global workforce	~19,000	~30,000
Global Renewable capacity (gross)	18 GW	~1 GW
OSW capacity (operation / pipeline)	6 GW / 14 GW	-
HVDC Capacity (operation / pipeline)	-	6 GW / 1 GW

We are committed to New York’s offshore wind industry and partnership with NYSERDA



2. Impact - Near term investments, long-term growth

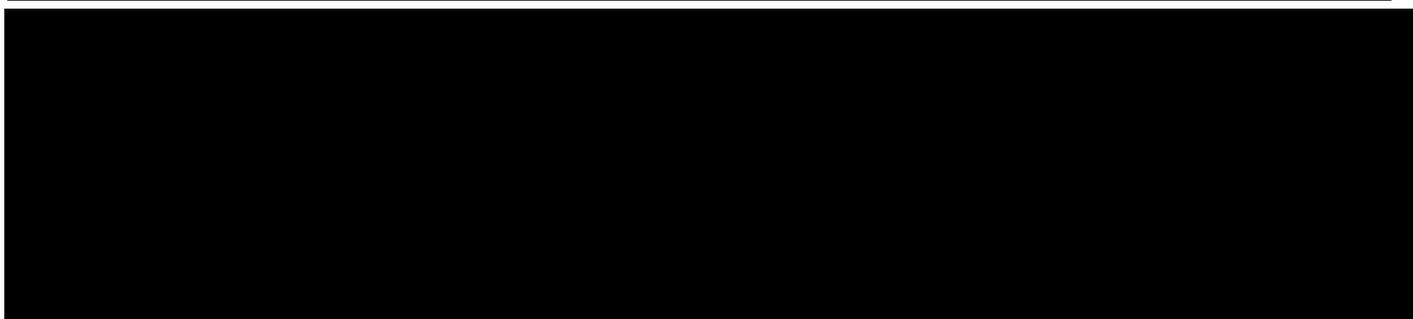
We will make near term investments to enable long-term industry growth in New York. COSW will **work alongside the communities we serve to deliver positive impacts**, whether through jobs, economic benefits—**including unique opportunities to restore lost tax revenue for Long Island communities**, or investments in building supply chains and lifting up underserved communities.

We are committed to ensuring that New Yorkers realize the benefits of offshore wind. At this critical juncture in the US offshore wind industry, however, credible, achievable solutions are necessary to **avoid past pitfalls** and **rebuild positive sentiment for offshore wind by delivering on this industry’s promise.** In developing our economic and community benefits plans, along with the fisheries and environmental mitigation plans, we focused on impactful solutions directly within our control, aware that **reliability is a critical component to instill credibility and long-term confidence in the offshore wind industry.**

Our proposed investments, designed to work in synergy with our engagements in NY3, **target the near-term building blocks— addressing workforce pipeline development, filling gaps in local OSW supply chains, and delivering benefits to communities and stakeholders most impacted by offshore wind.** These efforts will support our project but also the continued success of our partners and the broader industry.

In total, we expect our proposals to generate **over \$1B in Direct Incremental Economic Benefits, with meaningful impacts on disadvantaged communities,** small, minority- and women-owned business enterprises “MWBEs”, service-disabled veteran-owned businesses “SDVOBs.” The economic benefits our proposals will contribute to New York are summarized in Table 1-2.

Table 1-2: Total Incremental Economic Benefits

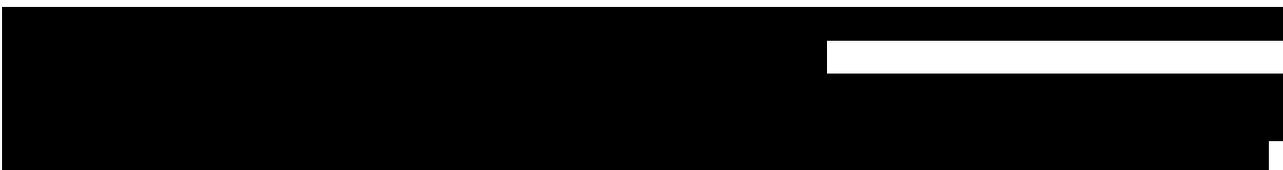


Details on how we will tackle gaps in the local OSW supply chain, address key workforce needs, and deliver benefits to communities and stakeholders most impacted by the project are summarized as follows:

We will support the continued growth of New York’s offshore wind economy

Since acquiring our lease area, we have **committed to helping New York establish itself as an offshore wind industry hub.** To make this happen, we have focused our efforts on bringing Tier 1 component manufacturing and assembly and marshalling capabilities, developing new complementary supply chain facilities across the states, and working to prepare existing New York businesses – including MWBEs and SDVOBs – for contracting and subcontracting opportunities.

COSW is committed to **building on our successful NY3 award to provide significant, incremental economic benefits to New York,** with a specific focus on local jobs and benefits that accrue to DACs. By making early investments in the offshore wind industry at the ground floor, we are **contributing to the success of the overall industry and future projects** that will benefit the state. Our proposed supply chain investments and associated economic impacts are as follows:

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We will invest in local workforce development and job creation

At Community Offshore Wind, we are committed to leading this once-in-a-generation opportunity to create an equitable, diverse, and highly skilled clean energy economy in New York.

Our commitment to facilitating a ‘Just Transition’ to the clean energy economy is at the heart of our project. To ensure the growing offshore wind economy benefits local communities, businesses, and other stakeholders equitably, we prioritize workforce development and training initiatives that provide pathways to sustainable and equitable career opportunities, including the following initiatives:

- **Engagement with labor to develop the next generation of skilled offshore wind workers** – We have secured an **MoU for a Project Labor Agreement (PLA) with the New York State Building and Construction Trades Council (NYSBCTC)** and [REDACTED]. These efforts will ensure workers have pathways to successful careers in offshore wind, and we will encourage suppliers and contractors to use unionized labor.
- **Targeted workforce training and support to accelerate clean energy employment and family-sustaining jobs** – To support a just and equitable energy transition and make sure community members have the resources to complete training, we will invest [REDACTED] in **industrywide training, development and service programs, with targeted allocations to individuals belonging to under-resourced and MWBE/SDVOB categories.**
- **Direct community investments** - We will invest [REDACTED] in a **community benefit funds for public improvement opportunities for those communities directly impacted by the project’s development.** These investments will be guided by local community input in how to support them best in the broader transition to clean energy. Initiatives may include funding for energy efficiency and electrification programs, food access programs, parks and open space and other benefits.

We will avoid, minimize, or mitigate impacts on fisheries and environment

Fishing plays an important and historic role in local communities, and we will work hand in hand with local fisheries to ensure coexistence and shared use of the ocean resource and to generate support for offshore wind. Our Fisheries Mitigation Plan was directly informed by our engagement with more than 300 members of commercial and recreational fishing and designed with a team of in-house fisheries experts with long-term professional experience. The plan commits up to [REDACTED] across the following activities:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

In addition, we comply with all mandatory financial and technical support for regional monitoring of wildlife and fish and invertebrates that support economically important fisheries as well as required fisheries compensation (pending BOEM guidance).

3. Dependability – Reliable project commitments

COSW will follow through on our commitments to deliver offshore projects efficiently and reliably. We firmly support NYSERDA’s ambitious climate change targets and share the sense of urgency to find workable solutions to deliver on New York’s emissions reductions and offshore wind targets.

[REDACTED] are confident in the future of this industry and the leadership of New York State. We want to partner with NYSERDA to [REDACTED] help keep its clean energy portfolio on track to meeting critical climate change goals.

We acknowledge uncertainty in the market and have taken steps to mitigate key project risks

To gauge market capacity and estimate project costs, we draw on RWE's world-class track record of developing 18 GW of offshore wind, National Grid's deep experience in New York transmission interconnection and European subsea cables, [REDACTED]

We have a robust plan and will deliver our project on time

Our team of expert project schedulers leveraged past offshore wind project experience and critical insights from US suppliers and vendors to design our project plan. We expect our commercial operation date (COD) in 2031, making both **our NY3 project and this proposed project key steppingstones to meeting New York's 9GW by 2035 Climate Act target**. Figure 1-1 highlights the main steps in our project schedule.

Figure 1-1: Overall Project Schedule

To avoid critical construction challenges, we identified viable onshore **cable routes and landfalls with the least expected disruption to local communities**. Where some disruption is unavoidable, we will use efficient equipment, smart construction practices, and coordinated approaches, in partnership with communities, to minimize impacts. To mitigate supply chain bottlenecks, we are working to secure scarce HVDC and other critical equipment manufacturing capacity and have maintained flexibility in our procurement strategy.

Recognizing the urgency of decarbonization, we are **willing to work with NYSERDA to optimize delivery of its offshore wind portfolio**, balancing local facility output with the need to **bring projects online as soon as feasible**.

We focus on reliability, provide NYSERDA flexibility to optimize its portfolio

[Redacted]

We pride ourselves on being a developer that makes promises we can keep and then follow through, even in the face of tough challenges. We are confident our pricing reflects a thorough and balanced accounting of key risks and **remain steadfast in our commitment to being a reliable partner that NYSERDA can trust to deliver the project —and to have lasting customer value—**at the pricing we offer.

[Redacted]

COSW DEI Statement

Community Offshore Wind's parent companies, RWE and National Grid, prioritize diversity, equity, and inclusion (DE&I) and recognize the critical role they play in enhancing the value we can provide to our customers, employees, and stakeholders. Both companies are active in supporting diversity, equity and inclusion across internal and external networks and have earned international awards and recognition for their successful practices. Supporting an inclusive and diverse workforce is embedded in the practices, values, and missions of both RWE and National Grid.

In its 2020 Charter, National Grid committed to several diversity, equity and inclusion goals related to its workforce, including achieving 50% diversity in senior leadership and 50% diversity in all talent programs by 2025. Moreover, a 50% diversity target was set for the group executive committee, ensuring pay practices do not show bias with public reporting on recruitment, promotion, progression, and leaver rates by gender and ethnicity/race. Prompted by these overarching objectives, National Grid Ventures made several diversity, equity and inclusion commitments including improving gender and racial diversity across the organization. This was done by assessing baselines and setting aggressive targets to increase the percent of diversity hires, females in management positions, racial and ethnic diversity in management, and reduce the percent of voluntary attrition of women and ethnic and racial minorities.

RWE brings a similar culture and commitment to diversity in the workplace. The firm's success is driven by the development of unbiased processes for attracting and selecting diverse talent, proactive succession planning for diverse leadership, and the creation of measurable goals. The latter includes increasing the share of women in management positions to 30% by 2030.

These practices, values, and missions extend to and are fully embedded within Community Offshore Wind and extend to officers, directors, managers, and project team members. From our conception, we worked to foster a welcoming, respectful, and inclusive workplace that reflects the principles, goals, and aspiration of our parent companies. We strive to create a diverse and inclusive culture and workforce that is representative of the communities in which we operate. We treat everyone fairly and equally, without discrimination on the grounds of race, age, role, gender, gender identity, color, religion, country of origin, sexual orientation, marital status, dependents, disability, social class, or political views. This includes consideration for recruitment, promotion, reward and benefits, training, or retirement.