



**New Jersey Economic Development Authority**

**REQUEST FOR INFORMATION (“RFI”)  
REGARDING NEW JERSEY WIND PORT TENANT LEASING APPROACHES  
2020-RFI-OET-NJ WIND PORT LEASE RFI-110**

**1 INTENT/SUMMARY OF SCOPE**

The New Jersey Economic Development Authority (“Authority” or “NJEDA”), an independent Authority of the State of New Jersey, is seeking information from qualified entities (“Respondents”) regarding the potential leasing of certain parcels at the New Jersey Wind Port, being developed at Lower Alloways Creek, New Jersey (the “Port”).

[Announced<sup>1</sup>](#) by Governor Murphy in June this year, the 200-acre Port is set to become the first dedicated offshore wind (OSW) port in the United States, purpose-built to meet the OSW industry’s unique requirements for component assembly, staging and transportation.

The Port will be developed in phases, with Phase One starting construction in 2021 and reaching completion in mid-2023, and Phase Two targeted to reach completion in early 2026. Phase One will comprise two parcels: Parcel A (30 acres), an area purpose-built for marshalling and assembly; and Parcel G (25 acres), which can be used for component manufacturing or potentially as an additional storage or staging area.

Prior work confirmed a strong economic case for new hub-style port capacity and has enabled the Authority to identify a site and define key project parameters (e.g., scope of activities, development footprint and timeframe). The Authority has been working with its financial, legal and technical advisors to further refine development plans and to shape future leasing processes.

The Authority is now issuing a Request for Information (“RFI”) targeted at OSW developers and supply chain entities interested in potential use of the Port to service New Jersey and non-NJ wind projects. Specifically, the Authority is interested in receiving comments, questions, recommendations, facts, information, and responses relating to:

- Marshalling and/or manufacturing location decision drivers;
- Lease periods; and
- Acceptable lease terms.

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<sup>1</sup> <https://www.nj.gov/governor/news/news/562020/20200616b.shtml>

## 2 BACKGROUND

### 2.1 About NJEDA

The Authority serves as the State’s principal agency for driving economic growth. Through its Office of Economic Transformation (OET), it undertakes strategic development initiatives in priority sectors, including transport and logistics, clean energy (including offshore wind), advanced manufacturing, financial services and food and beverage, amongst others.

The Authority is committed to making New Jersey a national model for inclusive and sustainable economic development by focusing on key strategies to help build strong and dynamic communities, create good jobs for New Jersey residents, and provide pathways to a stronger and fairer economy. Through partnerships with a diverse range of stakeholders, the Authority creates and implements initiatives to enhance the economic vitality and quality of life in the State and strengthen New Jersey’s long-term economic competitiveness.

The Authority is leading the development of the New Jersey Wind Port on behalf of the State.

### 2.2 OSW Project Pipeline

Through the Clean Air Act of 2018 and Executive Order 92, Governor Murphy has set a target of 7.5 gigawatts (GW) of OSW generation by 2035 – making OSW a cornerstone of the State’s goal of 50 percent renewable energy by 2030 and a 100 percent clean energy economy by 2050. New Jersey’s target in-turn forms part of a 25 GW committed or planned pipeline of OSW projects up and down the US East Coast. New Jersey’s first solicitation, totaling 1.1 GW, was awarded by the New Jersey Board of Public Utilities (“NJBPU”) in June 2019.

NJBPU’s full schedule of awarded and future solicitations is included in Figure 1 below.

**Figure 1 – New Jersey’s proposed OSW solicitation schedule through 2035**

Solicitation	Capacity Target (MW)	Issue date	Submittal Date	Award Date	Estimated commercial operation date
1	1,100	Q3 2018	Q4 2018	Awarded June 2019	2024
2	1,200	Q3 2020	Q4 2020	Q2 2021	2027
3	1,200	Q3 2022	Q4 2022	Q2 2023	2029
4	1,200	Q2 2024	Q3 2024	Q1 2025	2031
5	1,400	Q2 2026	Q3 2026	Q1 2027	2033
6	1,400	Q1 2028	Q3 2028	Q1 2029	2035

Source: <https://www.nj.gov/governor/news/news/562020/20200228a.shtml>

### 2.3 About the New Jersey Wind Port

The Port is located in Lower Alloways Creek, New Jersey, on the eastern shores of the Delaware River in Southern New Jersey. The Port is free of vertical restrictions between it and the open ocean, permitting the full range of OSW marshalling activities.

Construction will occur in two phases beginning in 2021. Phase One, targeted for completion by mid-2023, will include construction of two parcels which will be connected via a heavy haul road. Figures 2 and 3 outline further details on Parcel A and G, as well as overall project phasing.

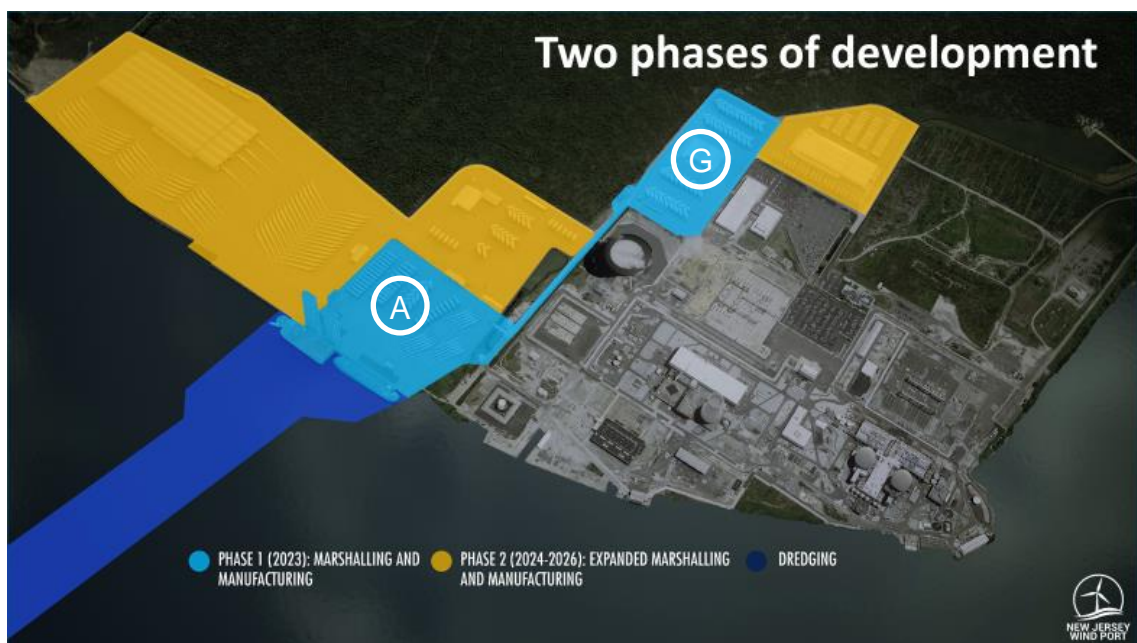
Pre-construction work including design has commenced on both parcels A and G. Permitting is already underway for Parcel A and will be followed shortly by efforts on Parcel G.

Phase Two, which is expected to reach completion in early 2026, will add an additional 150+ acres for expanded manufacturing (and potentially additional marshalling).

**Figure 2 – Phase One parcel details**

Map Area	Land area (Acres)	Construction completion	Zoning Information	Intended use
A	30	Mid-2023	Industrial District (I)	Marshalling and assembly space Manufacturing or as additional staging space to support marshalling at Parcel A (prior to manufacturing build out)
G	25			

**Figure 3 – New Jersey Wind Port development sequencing**



The Authority intends to lease the 200-acre port area on a long-term basis from Public Service Enterprise Group (“PSEG”), a publicly traded diversified energy company headquartered in New Jersey, which operates the adjacent Hope Creek Nuclear Generation Station. The Authority will, in-turn, sublease parcels to OSW industry tenants. PSEG and the Authority are collaborating in respect of port permitting and design and are presently negotiating lease terms.

Further information on the New Jersey Wind Port is available on the project’s website: <https://www.nj.gov/windport/>

### **3 ELIGIBILITY CRITERIA**

The RFI is seeking responses from entities interested in the potential use of Parcel A and Parcel G for OSW marshalling, assembly, manufacturing (in the case of Parcel G) and related activities. Qualified entities do not need to be located within New Jersey in order to provide a response.

### **4 RFI RESPONSE QUESTIONS**

In submitting responses to this RFI, Respondents are encouraged to answer any questions they consider relevant and to the best of their ability. Respondents do not need to answer all questions for their response to be considered. Answers are understood to be preliminary and non-binding. Respondents are free to go beyond the scope of the questions and/or structure responses as necessary to increase clarity and efficiency of responses. Respondents should also feel free to submit additional or alternate information as deemed necessary and appropriate.

For ease, questions are listed in the following categories:

- A. Firm Overview and Interest;
- B. Solicitation Process; and
- C. Commercial Issues.

#### **A Firm Overview and Interest**

1. Please briefly describe your firm and the activities you perform in the OSW sector, including any existing or future projects currently in your US pipeline.
2. In which capacity would your firm be interested in using the New Jersey Wind Port?
3. Please identify whether you are interested in Parcel A, Parcel G, or both Parcels.
4. Please identify the name and schedule for any OSW projects you would potentially service out of either parcel.

#### **B Solicitation Process**

1. The Authority is considering when and how parcels A and G can be brought to market in order to best support OSW industry needs. Please provide feedback on the following potential approach and the extent to which you believe it fits with OSW industry needs:

- Parcel A (30 acres) (marshalling) being leased for an initial period of no less than 12 (twelve) months and no more than 24 (twenty-four) months, starting in mid-2023; and
- Parcel G (25 acres) being leased from mid-2023 for manufacturing on a long-term basis;

*or*

- Parcel G (25 acres) being leased for temporary marshalling related activities (e.g. laydown or storage) for an initial period of no less than 12 (twelve) months and no more than 24 (twenty-four) months;
- For all lease periods beyond 2025 (for all Phase One and Phase Two parcels with the possible exception of Parcel G if it already has a long-term manufacturing tenant), the Authority is considering deferring its tenant selection process until after the award of current and forthcoming OSW project solicitations in New Jersey and New York. This tenant selection process would likely commence in Quarter 3 of 2021.

## **C Commercial Issues**

1. Please comment on the degree of (lease period) flexibility that would be required under a short-term (e.g. <24 months) lease period for a marshalling site? What contractual mechanisms have you seen work well in managing potential delays and lease extensions?
2. It is understood in the case of marshalling that port owners/operators can schedule buffers (i.e. 3-month blocks) between lease periods in order to minimize risks of project delays impacting on back-to-back tenancies – combined with potential financial incentives/disincentives (e.g. rent multipliers or financial penalties) for over-staying.
  - Are you supportive of buffers and, if so, how long do you think buffers need to be?
  - If you think rent multipliers or other financial incentives/disincentives are appropriate, how should these be sized?
  - Are there alternative mechanisms that the Authority should consider in order to ensure that premises are vacated on time?
3. Please comment on the potential uses for Parcel G either as a short-term space to support (Parcel A) marshalling activities or as a long-term manufacturing site.
  - If utilized as a manufacturing site, please describe the preferred lease term length and any other factors that might increase the attractiveness of this site to OSW component manufacturers.
4. To aid industry in preparing bids (or commitments that could be included in other entities' bids) for forthcoming OSW project solicitations, we are considering providing the below information through a public project prospectus and/or confidential information packet if a party signs a non-disclosure agreement (NDA) with the Authority. This will likely comprise:
  - Technical information such as parcel plot sizes, design drawings, permitting information, proposed upland and quay weight bearing capacity, size and number of berths, channel depth, utility information and road infrastructure;

- An overview of the proposed port operating model and indicative port services rate sheet;
- An overview of the proposed process and timing/schedule for selecting tenants; and
- Proposed minimum terms (including minimum price) for the anticipated lease agreements.

Please provide feedback on whether the above is sufficient for industry to factor-in use of the Port into OSW solicitation bids, or whether you would require additional information in order to make an informed choice.

5. Please provide a list and supporting details where appropriate of any specific lease agreement terms/conditions that industry regards as being "must haves" from a commercial and/or legal perspective to prepare an offer for Parcel A and/or Parcel G. The following are examples of terms and conditions the Authority is considering including:
  - Minimum/maximum lease periods;
  - Degree of flexibility on lease periods due to unforeseen delays;
  - Damages including for delays or for breaches of the lease agreement terms;
  - Berth sharing and related operational requirements;
  - Rent payment terms;
  - Access rights;
  - Maintenance commitments; and
  - Other.
  
6. Do you have any concerns, or other feedback, that has not been specifically raised in the above questions?

## **5 QUESTIONS AND ANSWERS (From Respondents to the Authority)**

There will be no formal question and answer period for this RFI.

## **6 RESPONSE DETAILS**

All RFI responses must be submitted in writing no later than **03:00pm ET, on Monday, August 3, 2020** via e-mail to: [WindPortLeaseRFI@njeda.com](mailto:WindPortLeaseRFI@njeda.com).

The subject line of the e-mail should state: "RFI Response - 2020-RFI -Wind Port Lease RFI-110".

## **7 FOLLOW-UP QUESTIONS / ADDITIONAL INFORMATION**

Respondents may be asked to provide additional information to allow the Authority to better understand the responses.

## **8 PROPRIETARY AND/OR CONFIDENTIAL INFORMATION**

The Authority reserves the right to copy any information provided by the Respondents. The Authority reserves the right to use ideas that are provided by Respondents, applicants, stakeholders, or vendors. By submitting a Response, the submitter represents that such copying or use of information will not violate any copyrights, licenses, or other agreements with respect to information submitted or product solutions demonstrated, if applicable. Responses must clearly be marked for any information the Respondent deems Proprietary and/or Confidential.

## **9 DISCLAIMER / NO OBLIGATION**

This RFI is not a request for qualifications or offers. It may or may not result in further action.

This RFI is issued solely as a means of gathering information in order to better understand tenant requirements and potential NJEDA activities to assist in meeting such requirements. Interested parties responding to this RFI do so at their own expense. There will be no monetary compensation from the Authority for the time and effort spent in preparing the response to this RFI. All expenses incurred are the sole responsibility of the Respondent.

Should the Authority decide to move forward and either issue an RFQ/P or announce a program/product related to this RFI, Respondents need not have submitted a response to this RFI in order to be eligible to respond to the RFQ/P or apply for the product/program. Should an RFQ/P be issued, responding to this RFI will not affect scoring or consideration for that process.

The Authority is under no obligation to contact Respondents to this RFI.

## **10 NEW JERSEY OPEN PUBLIC RECORDS ACT**

Respondents should be aware that responses to this RFI are subject to the "New Jersey Open Public Records Act" (N.J.S.A. 47:1A-1 et seq.), as amended and including all applicable regulations and policies and applicable case law, including the New Jersey Right-to-Know law. All information submitted in response to the RFI is considered public information, notwithstanding any disclaimers to the contrary, except as may be exempted from public disclosure by OPRA and the common law.

Any proprietary and/or confidential information submitted in response to this RFI will be redacted by the Authority. A person or entity submitting a response to this RFI may designate specific information as not subject to disclosure pursuant to the exceptions to OPRA found at N.J.S.A. 47:1A-1.1, when such person or entity has a good faith legal and/or factual basis for such assertion (i.e., information that may be included in another ongoing public procurement or solicitation). The Authority reserves the right to make the determination as to what is proprietary or confidential and will advise the person or entity accordingly. The Authority will not honor any attempt to designate the entirety of a submission as proprietary, confidential and/or to claim copyright protection for the entire submission. In the event of any challenge to the Respondent's

assertion of confidentiality with which the Authority does not concur, the Respondent shall be solely responsible for defending its designation.