

Press release

Community Offshore Wind Announces Agreement with New York Steel Suppliers, Vital to Job Creation for Local Communities

- Agreement with LJUNGSTRÖM, North Shore Steel, Riggs Distler, and Smulders to localize steel production for offshore wind industry in historically disadvantaged communities across New York State.
- Community Offshore Wind will acquire and revitalize a property in Orange County, New York to establish steel manufacturing hub in the City of Newburgh and New Windsor if their proposal is selected by New York State Energy Research & Development Authority (NYSERDA).
- Statewide Steel Manufacturing Hub will generate jobs for the City of Newburgh, New Windsor, Albany and Wellsville residents.
- Additional \$1.5 million will be provided to Orange County Community College (SUNY Orange) to develop a program that will provide Orange County residents with skills and education needed for manufacturing jobs.

New York, NY, March 27, 2023

Community Offshore Wind, a joint venture between RWE and National Grid, has come to an agreement with four unique steel fabricators and manufacturers to establish a statewide steel consortium in New York. The agreements will contribute toward increasing the production of domestic steel for offshore wind foundations.

Under these agreements, Community Offshore Wind will partner with LJUNGSTRÖM, North Shore Steel, Riggs Distler, and Smulders to localize secondary steel in historically disadvantaged communities across New York State. Contingent upon award from the New York State Energy Research and Development Authority (NYSERDA), Community Offshore Wind will play a pivotal role positioning the state as a regional offshore wind supply chain hub accessible to all developers. Combined, the facilities will support nearly 300 jobs in steel fabrication and processing.

"Bringing steel supply to New York opens up a world of opportunity, not only for the supply chain to set up shop in the state and support the wider regional offshore wind industry, but also for traditionally underserved communities to benefit from the energy transition first-hand," said **Doug Perkins, President and Project Director, Community Offshore Wind.** "We wanted to find



a creative solution for NYSERDA's call for action to increase the percentage of offshore wind components made in New York. That's why we focused on communities historically overlooked to participate in domestic steel production. These facilities can invigorate communities with good-paying jobs and support offshore wind projects along the East Coast."

If awarded, the joint venture will acquire and revitalize a property in Orange County, NY for permanent steel fabrication and processing, a distinct component offered to New York in their supply chain investment plan unlike any other developer. These new facilities will be occupied by North Shore Steel in the City of Newburgh and Riggs Distler in New Windsor. Investments in LJUNGSTRÖM's Wellsville facility and Smulders' Port of Coeymans facility will facilitate additional expansions and upgrades necessary to support secondary steel manufacturing and assembly. The joint venture is working with additional partners in the Port of Albany to support the manufacturing of smaller parts.

"This project would create good-paying manufacturing jobs and provide other benefits for disadvantaged Hudson Valley residents while leveraging local higher education such as SUNY Orange to teach much-needed skilled trades and more," said **Senator Rob Rolison.** "My office remains supportive and urges NYSERDA to approve the application as soon as possible."

"Community Offshore Wind has reached an agreement that not only drives workforce development in Orange County for years to come, but advances statewide climate priorities and moves New York's clean energy production forward," said **Senator James Skoufis**. "By bringing steel production back to the Hudson Valley, Orange County will serve as a critical link in the offshore wind supply chain. I urge NYSERDA to advance this highly beneficial application."

"Orange County is comprised of hard-working communities that will benefit from Community Offshore Wind's supply chain investment plan," said **Steven Neuhaus, Orange County Executive.** "The project plans to bring good-paying steel fabrication jobs which will be an asset to the County's economy. I support Community Offshore Wind and their intention to create jobs and create economic benefits throughout the state, particularly in Orange County."

"I am very excited about the prospect of seeing steel production in Orange County for the purpose of offshore wind foundations," said **Kevindaryán Luján, Orange County Legislator, Newburgh District 4.** "This project will bring much needed jobs, workforce development and investment to a region that desperately needs it. The partnership between SUNY Orange and Community Offshore Wind shows a long-term investment into our community. The City of Newburgh has struggled with the highest unemployment in the Hudson Valley, so I am glad to see that Community Offshore Wind has chosen us as their host for production."

"North Shore Steel is excited to be part of a team of companies working diligently to support offshore wind development in New York state," said **Byron Cooper, President & CEO, North Shore Steel.** "Our secondary steel supply chain plan will create well-paying jobs, bolster economic activity in a disadvantaged community, and significantly improve New York state's



ability to drive towards its ambitious renewable energy goals."

"We are proud to be part of this agreement that expands the potential for economic success for local secondary steel businesses in Orange County, New York and creates opportunity for historically disadvantaged communities," said **Stephen Zemaitatis Jr., President & CEO, Riggs Distler.** "For Riggs Distler and the Centuri family of companies, this is a commitment to supporting development of innovative and efficient methods of clean energy, while investing in the long-term prosperity of future generations by building the local supply chain needed to support the offshore wind industry in the Northeast."

"Localizing secondary steel production for offshore wind foundations in historically disadvantaged communities across New York is a powerful tool for economic and social equity," said **Dirk Kassen, Business Development Manager, Smulders Group.** "Our plans to deliver long-term, well-paying jobs in areas that have been historically neglected allow us to create a more sustainable, inclusive future for all. The long-lasting impact of this collaboration will be felt for generations to come, as it paves the way for a cleaner energy sector as well as a much-needed revival for New York State manufacturing. By investing in offshore wind, New York State is demonstrating its commitment to a greener future and setting an example and precedent for other states to follow."

"We are a 100-year-old company that had its roots deeply embedded into the fossil fuel industry, but have recently planted a new seed, so to speak, into fabricating secondary steel for the US Offshore Wind market," said **Jude Auman, Business Development Manager, LJUNGSTRÖM.** "This new opportunity has not only transformed our business, but the community around us here in Wellsville, NY. Offshore Wind has provided us with the opportunity to nearly double our multi-generational, highly skilled workforce, with even more to come. The partnership allows us to offer well-paying careers in our disadvantaged county and establishes LJUNGSTRÖM as a premier community staple in Wellsville, NY."

Without Community Offshore Wind's steel consortium, and investment in a new Orange County facility, some key components of offshore wind foundations would potentially need to be procured from overseas or from the existing US supply chain, which is limited to temporary facilities rather than permanent locations.

Investing in the local workforce

Consistent with their commitment to lift up the communities it serves, the joint venture will provide \$1.5 million into Orange County Community College (SUNY Orange) to develop a program for Orange County residents to access education and skills needed for high-quality jobs in the manufacturing industry. This program will not only support Community Offshore Wind's project, but the entire manufacturing industry in Orange County and beyond. It will also solve for labor shortages in the manufacturing industry.

"The College is always looking for collaborations and projects that align with our strategic plan,



and that allow us to strengthen the region's economic future by teaching and training for a brighter tomorrow," said **Dr. Kristine Young, SUNY Orange President.** "Expanding access to workforce training programs, and particularly advanced manufacturing, is important to the Mid-Hudson, and SUNY Orange is excited about the opportunities our partnership with Community Offshore Wind will create for us to connect local workers with education, training and jobs."

"The Hudson Valley Building Trades believes Community Offshore Wind's commitments for the Orange County area will bring high-road, union jobs to our community," said **Todd Diorio**, **President of the Hudson Valley Building and Construction Trades Council.** "This is a generational opportunity for organized labor to be a key player in ensuring the clean energy industry leads to family-sustaining jobs."

"Through partnering with Community Offshore Wind, Orange County is poised to play a leading role in growing the clean energy economy in New York," said Maureen Halahan, President & CEO, Orange County Partnership. "Community Offshore Wind's supply chain investment plan will create good-paying steel fabrication jobs in Orange County, invest in workforce development, and ultimately position the county and region to reap the long-term benefits of the emerging offshore wind sector. The proposed New York Steel Manufacturing Hub in Orange County will be a driver of job creation and innovation for years to come. We at the Orange County Partnership fully support Community Offshore Wind and the tremendous economic and community benefits their project will deliver."

Community Offshore Wind has strong roots in the state of New York and a commitment to localizing the supply chain: National Grid and its legacy companies have operated in New York state for over 125 years and now serve the needs of more than 20 million people throughout the Northeast. RWE is one of the leading offshore wind companies globally and has around 8,000 MW of onshore wind, solar, and battery storage capacity in the U.S., including three operational onshore wind projects in New York.

The joint venture of RWE and National Grid successfully secured a site for offshore wind in 2022 in the New York Bight auction with the potential to host a total of about 3GW installed capacity. Community Offshore Wind aims to reestablish New York as an energy manufacturing hub that shifts the supply chain from global to local while prioritizing disadvantaged communities, local content, and union labor.

NYSERDA is expected to announce the winning clean energy suppliers in spring 2023.

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About Community Offshore Wind

RWE and National Grid Ventures, will bring clean energy to the Northeastern US in a joint venture called Community Offshore Wind. They will develop offshore wind on the largest parcel in the New York Bight with the potential to host 3 gigawatts (GW) of capacity, which is enough to power more than one million US homes and businesses. The project is expected to be in operation by the end of 2030. Community Offshore Wind is dedicated to investing in communities by bringing clean energy jobs to the region and growing the local economy. They will deliver sustainable energy safely, reliably, and efficiently to the communities they serve.

RWE

RWE is leading the way to a green energy world. With an extensive investment and growth strategy, the company will expand its powerful, green generation capacity to more than 50 gigawatts internationally by 2030. RWE is investing more than €50 billion gross for this purpose in this decade. The portfolio is based on offshore and onshore wind, solar, hydro plants, hydrogen, batteries, biomass, and gas. RWE Supply & Trading provides tailored energy solutions for large customers. RWE has locations in the attractive markets of Europe, North America, and the Asia-Pacific region. The company wants to phase out coal by 2030. RWE employs around 19,000 people worldwide and has a clear target: to get to net zero by 2040. On its way there, the company has set itself ambitious targets for all activities that cause greenhouse gas emissions. The Science Based Targets initiative has confirmed that these emission reduction targets are in line with the Paris Agreement. Very much in the spirit of the company's purpose: Our energy for a sustainable life

About National Grid Ventures

National Grid is an electricity, natural gas, and clean energy delivery company serving more than 20 million people throughout our networks in New York and Massachusetts. National Grid is focused on building a path to a more affordable, reliable clean energy future through our <u>fossil-free vision</u>. National Grid Ventures (NGV) is the non-regulated division of National Grid plc, one of the largest investor-owned energy companies in the world. NGV operates outside of National Grid's core regulated businesses in the US and UK where it develops, operates and invests in energy projects, technologies and partnerships to accelerate the development of a clean energy future. NGV's diverse portfolio of low carbon and renewable energy businesses across the UK, Europe and US includes subsea electricity interconnectors, wind and solar power, and battery storage. For more information, visit https://www.nationalgrid.com/national-grid-ventures.

Forward-looking statements

This press release contains forward-looking statements. These statements reflect the current views, expectations and assumptions of management, and are based on information currently available to management. Forward-looking statements do not guarantee the occurrence of future results and developments and are subject to known and unknown risks and uncertainties. Actual future results and developments may deviate materially from the expectations and assumptions expressed in this document due to various factors. These factors primarily include changes in the general economic and competitive environment. Furthermore, developments on financial markets and changes in currency exchange rates as well as changes in national and international laws, in particular in respect of fiscal regulation, and other factors influence the company's future results and developments. Neither the company nor any of its affiliates undertakes to update the statements contained in this press release.