

Southeastern Offshore Wind

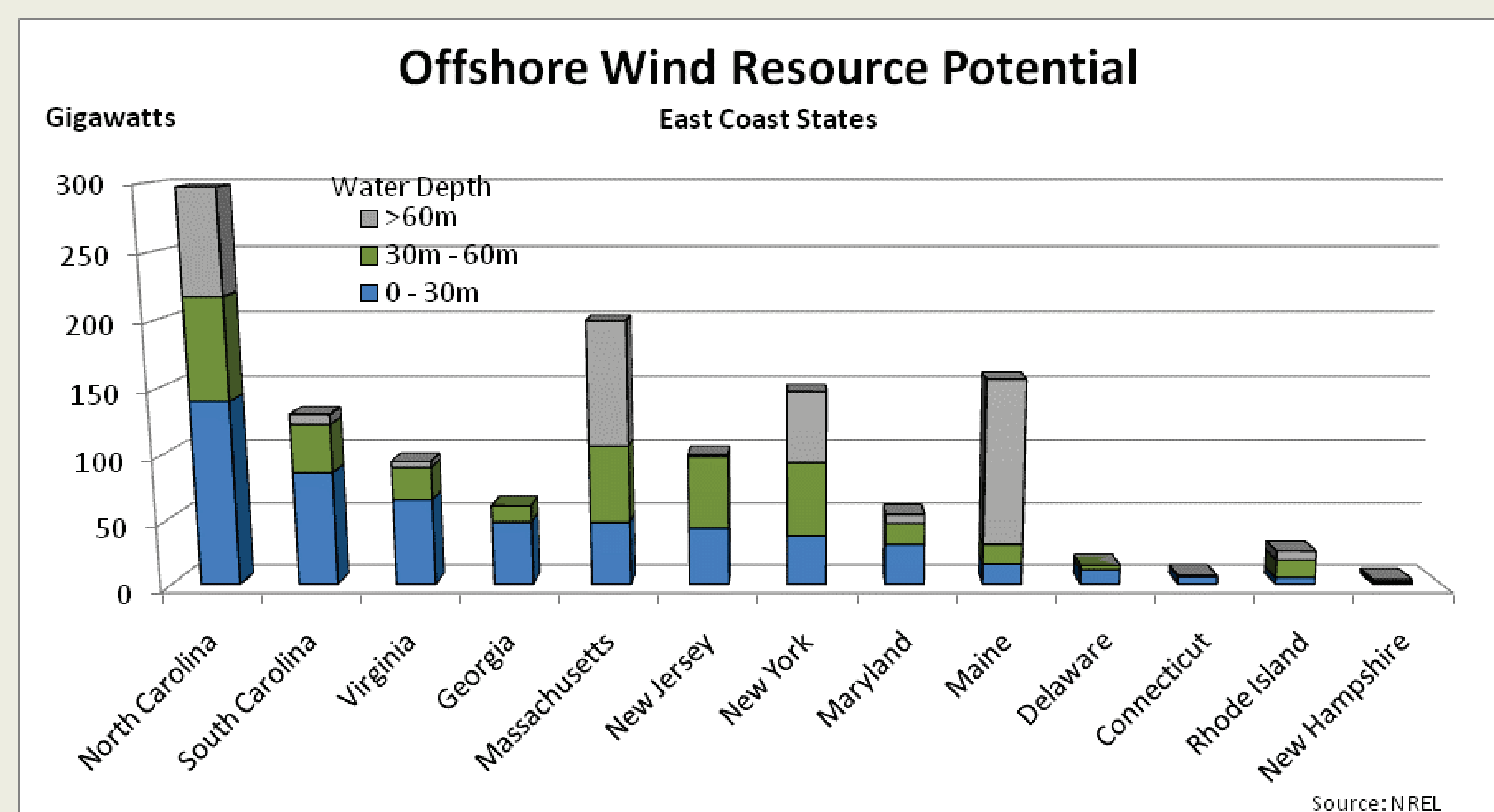
Accepting and Building on our Differences

The offshore wind industry in the United States will grow from the efforts and assets of all Eastern states. The Southeastern coastal states have the potential to become major contributors to the U.S. offshore wind industry based on their outstanding resource, but a closer look reveals many distinct characteristics that will shape this region's role in the industry.

RESOURCE

A shallow water resource farther from shore allows commercially proven technology to be sited at more broadly accepted distances:

- **VA, NC, SC & GA:**
 - 63% of the total shallow water offshore wind resource on the East Coast
 - 82% of the shallow water resource more than 12 miles offshore
- **NC:**
 - #1 East Coast offshore wind resource potential

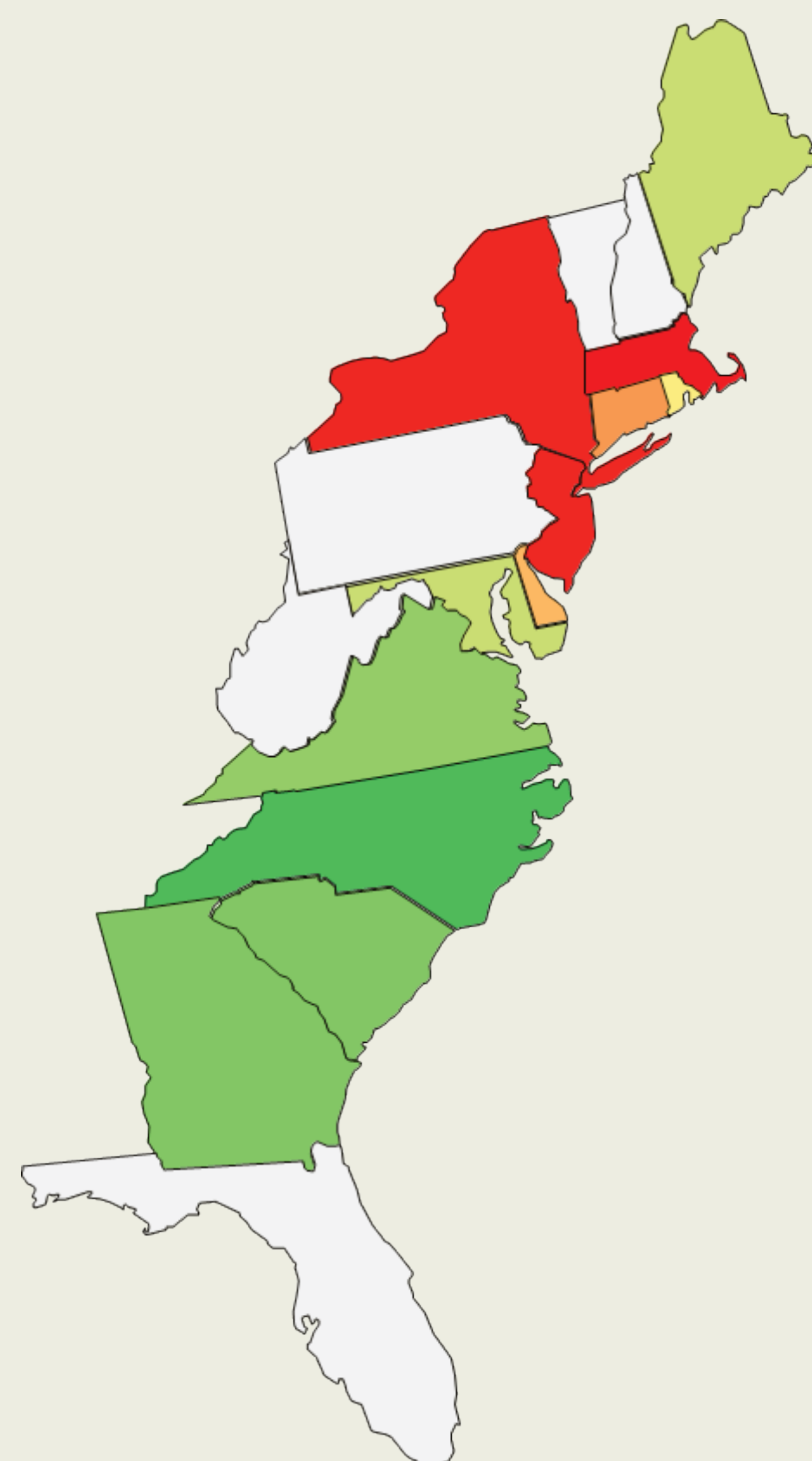


SUPPLY CHAIN

Extensive onshore wind manufacturing provides a base on which to build the offshore wind supply chain:

- Over 60 wind industry manufacturing facilities from Virginia to Florida
- The U.S. Energy Information Administration estimates that Virginia, North Carolina, South Carolina and Georgia will have the lowest offshore wind construction costs on the East Coast
 - Based on 400 MW wind farm with \$5,975/kW capital cost (2010\$)

Offshore Wind Construction Cost vs. EIA Benchmark Estimate



NC	-9.3%
GA	-7.0%
SC	-6.5%
VA	-5.7%
ME	-2.6%
MD	-2.1%
RI	+0.8%
DE	+3.1%
CT	+5.7%
NY	+12.7%
NJ	+12.7%
MA	+13.2%

Data Source: EIA

PORTS

Several ports in the Southeast, each with their own strengths, are well suited for offshore wind manufacturing, construction and ongoing O&M activities:

Virginia

- Hampton Roads—50' channels, 3rd largest port on the East Coast, 2.5 hours to open sea

North Carolina

- Morehead City—45' channel, no vertical restrictions, ~3 miles to open ocean, expansion capable
- Wilmington—readily available berths, storage areas for containers/cargo

South Carolina

- Charleston—one of the top 10 seaports in dollars generated, 45' harbor channel and dockside, 47' entrance channel, virtually no air draft restrictions

Georgia

- Savannah—number one export port on the East Coast, 5 deepwater berths, 73 acres of open storage, additional laydown space available
- Brunswick—improved infrastructure, expanded capacity to accommodate new business

Florida

- Jacksonville—excellent railroad/highway connections, four seaport terminals, 40' channel

BUREAU OF OCEAN ENERGY MANAGEMENT STATE TASK FORCES

BOEM State Task Forces are underway in three of the Southeastern states:

Virginia

- Call for Information and Nominations released February 2012
 - 19 whole and 13 partial OCS lease blocks (133 nm²)
 - Eight nominations of interest received

North Carolina

- Plans for a Call to go out late 2012
- Nearly 500 lease blocks still under consideration

South Carolina

- First state task force meeting held in March 2012

Additionally, the existing (and rapidly growing) population in the region provides a large electricity market that is capable of creating the demand necessary for offshore wind developments. When considered together, these and the other many strengths of the Southeast create a solid platform for the region's involvement in the growth of the U.S. offshore wind industry.