



State of New Jersey

DEPARTMENT OF ENVIRONMENTAL PROTECTION

OFFICE OF THE COMMISSIONER

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SHAWN M. LATOURETTE

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SHEILA Y. OLIVER

Lt. Governor

LETTER OF INTENT

between

NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION

and

OCEAN WIND LLC

This Letter of Intent, dated April 26, 2023, confirms the parties' intent to enter a Memorandum of Understanding concerning environmental mitigation measures pertaining to the construction, operation, and decommissioning of the proposed Ocean Wind 1 offshore wind energy facility.

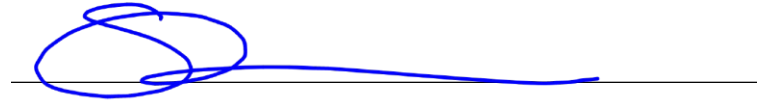
1. Ocean Wind LLC is proposing to construct and operate a commercial-scale offshore wind energy facility, Ocean Wind 1, off the coast of New Jersey within Lease Area OCS-A 0498 that would generate up to approximately 1,100 megawatts (MW) of electricity.
2. Pursuant to the federal Coastal Zone Management Act, 16 U.S.C. § 1451, et seq. ("CZMA"), the State of New Jersey has defined its coastal zone boundaries and developed policies to be utilized in evaluating projects within the designated coastal zone as set forth in New Jersey's Coastal Zone Management Rules, N.J.A.C. 7:7 (last amended Oct. 5, 2021) ("NJ CZM Rules"). These rules provide for the issuance of permits under three federally approved Coastal Zone Management Plan (CZMP) areas, which are subject to state regulation pursuant to New Jersey's Waterfront Development Law (N.J.S.A. 12:5-3), Coastal Wetland Act of 1970 (N.J.S.A. 13:9A), and Coastal Area Facility Review Act (N.J.S.A. 13:19), each of which are administered by the New Jersey Department of Environmental Protection ("NJDEP").
3. The NJ CZM Rules govern the State's review of federal consistency determinations pursuant to Section 307 of the CZMA, 16 U.S.C. §1456. The NJDEP serves as the lead State agency that implements or coordinates the State's federally approved CZMP, and federal consistency reviews are the responsibility of the NJDEP Division of Land Resource Protection.
4. In evaluating proposed activities regulated under the NJ CZM Rules, NJDEP expects that all regulated entities, including Ocean Wind 1, pursue development objectives responsibly, including assessing potential environmental impacts and avoiding, minimizing, and mitigating likely adverse effects upon natural resources, including fish, marine mammals, and their respective habitats.

5. Where necessary and appropriate, NJDEP routinely requires regulated entities to utilize means and methods of construction that avoid or minimize impacts upon natural resources and, where it appears that impacts may not be sufficiently avoided or minimized, that mitigation activities be undertaken to compensate for adverse impacts to natural resources.
6. In addition to avoidance, minimization, and mitigation measures otherwise required by NJDEP, Ocean Wind LLC has agreed to establish a Compensatory Mitigation Fund to compensate fishers for verifiable claims of negative impacts of a significant nature, including economic losses due to the construction, operation, or decommissioning of Ocean Wind 1. This agreement is in accordance with the Ocean Wind 1 Offshore Wind Farm Draft Environmental Impact Statement dated June 2022 (DEIS), Section 3.9.9 and Appendix H, wherein Ocean Wind LLC agreed to assist in establishing a regional Compensatory Mitigation Fund (Fund) and to contribute to said fund in accordance with anticipated Fisheries Mitigation Guidance (Guidance) from the Bureau of Ocean Energy Management (BOEM).
7. Since June 2021, NJDEP has led a multi-state compensatory mitigation initiative that includes the States of New Jersey, New York, Massachusetts, Connecticut, Rhode Island, New Hampshire, Maine, Delaware, Maryland, Virginia, and North Carolina to encourage and assist BOEM in developing a standardized fisheries compensation framework, which BOEM Guidance is near final, and in anticipation of which the aforementioned states have partnered to establish the Fund and select a regional administrator to manage the Fund.
8. In contributing to the Compensatory Mitigation Fund, Ocean Wind, LLC has agreed to:
 - a. Utilize the regional Fund administrator for purposes as outlined in paragraph 6 above that is currently being established by the 11 coastal states initiative as outlined in paragraph 7 above or utilize another method of administration as directed by NJDEP.
 - b. As outlined in the DEIS, continue to contribute to the established Navigational Safety Fund (hereafter referred to as the Navigational Enhancement and Training Program [NETP]) and Gear Claim program to address fisheries mitigation.
9. Additional discussion regarding terms of agreement between NJDEP and Ocean Wind LLC may be necessary pending the final provisions of the BOEM Guidance.
10. The NJDEP and Ocean Wind LLC hereby agree to enter a Memorandum of Understanding within sixty (60) days after the finalization of the BOEM Guidance, or thirty (30) days after BOEM's Record of Decision, whichever is sooner, to memorialize the above commitments.
11. The above timeframes may be extended by mutual written agreement of the parties.



By signature below, the NJDEP and Ocean Wind 1 mutually express their intent consistent with paragraphs 1 through 11 above.

NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION



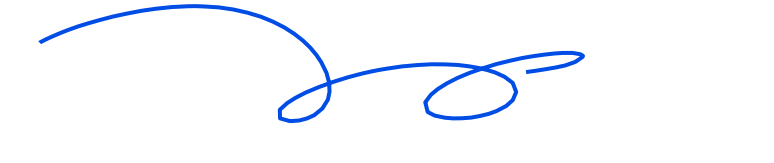
Name: Shawn M. LaTourette

Title: Commissioner

4 / 2 6 / 2 3

Date

OCEAN WIND LLC, by its agent, Orsted Wind Power North America LLC



Name: Katharine Perry, Permit Manager

Title: Authorized Person

4/26/2023

Date



Name: Matthew Kaplan, Project Development Director

Title: Authorized Person

4/26/2023

Date

