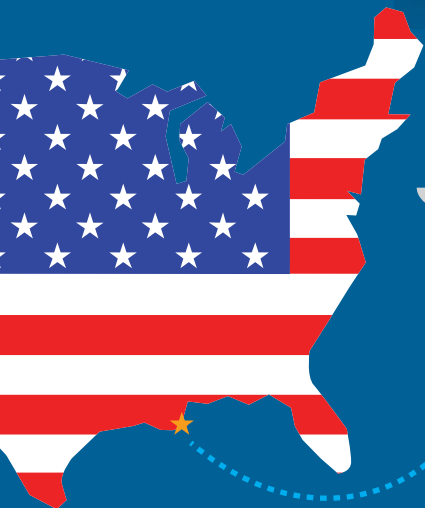


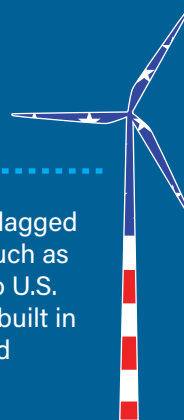
OFFSHORE WIND AND THE JONES ACT



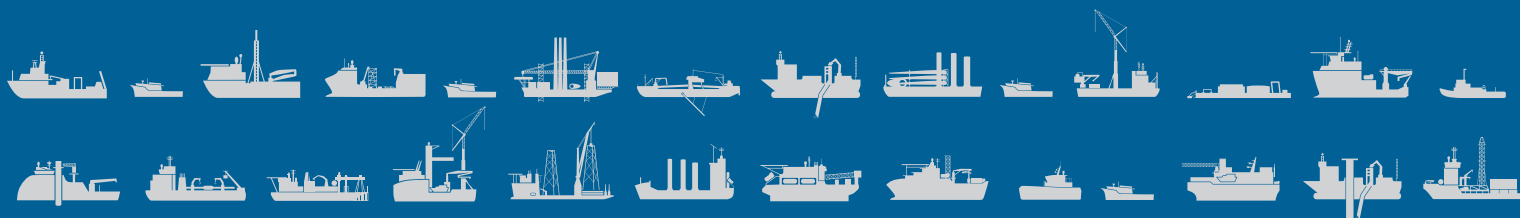
Customs and Border Protection's long-standing interpretation of the Jones Act requires U.S.-flagged vessels for transporting merchandise but does not require U.S.-flagged vessels for construction activities.



■ The Jones Act requires that U.S.-flagged vessels transport merchandise, such as wind turbine blades, between two U.S. "points." U.S.-flagged vessels are built in the U.S., registered in the U.S., and primarily crewed by Americans.



■ U.S. "points" are considered to include U.S. ports, offshore wind turbines, and jack-up installation vessels fixed to the sea floor. A wind turbine component loaded in the U.S. — one point — and transported to an offshore wind project — a second point — must be done on a U.S.-flagged vessel.



Offshore wind project development and operations will rely on at least **27** vessels per project.

■ When an offshore wind turbine component is loaded in a U.S. port onto a U.S.-flagged feeder vessel, the U.S.-flagged vessel will **transport** the merchandise to the foreign installation vessel. To perform installation, the installation vessel will lift the merchandise from the Jones Act vessel to install it on the turbine foundation.

■ Foreign installation vessels can transit from turbine to turbine to do **construction** activities.



■ There are currently no U.S.-flagged heavy-lift installation vessels that can construct a 14 MW turbine. Approximately 2 of these very specialized vessels exist today, and they are both foreign-flagged. However, Dominion Energy is leading a consortium to invest \$500 million to build the first U.S.-flagged offshore wind heavy-lift installation vessel in Brownsville, Texas.

■ The U.S. offshore wind industry has already contracted with numerous U.S.-flagged vessels, including survey vessels, lift boats, offshore supply vessels, crew transfer vessels, and more. The offshore wind industry is creating a brand new market for U.S.-flagged vessels and looks forward to continuing to contract with the Jones Act fleet.

The Offshore Wind Industry looks forward to continuing to contract with the Jones Act fleet.