CAPABILITIES OVERVIEW · AUGUST 2026

Rebuilding the American Industrial Base, State by State

We bring the projects, the capital and the institutions an industry needs — and the jobs, local economic impact and tax revenue that follow.

Building Industries, Not Announcing Projects

Every service line in this document is instrumental to three outcomes. If an engagement does not move one of them, it is not worth commissioning.

01

Jobs that hold their wage

Production and trade employment measured against the regional wage, with a pathway into it for people already living in the county — not net in-migration counted as growth.

02

Local economic impact that compounds

Supplier tiers, contractors and services located in state rather than imported for the build — the difference between a facility in a county and an industry in a region.

03

Tax revenue that survives the abatement

Net fiscal position across the full life of the agreement, including infrastructure and ratepayer cost — the number a successor administration will be asked about.

OUR TEST

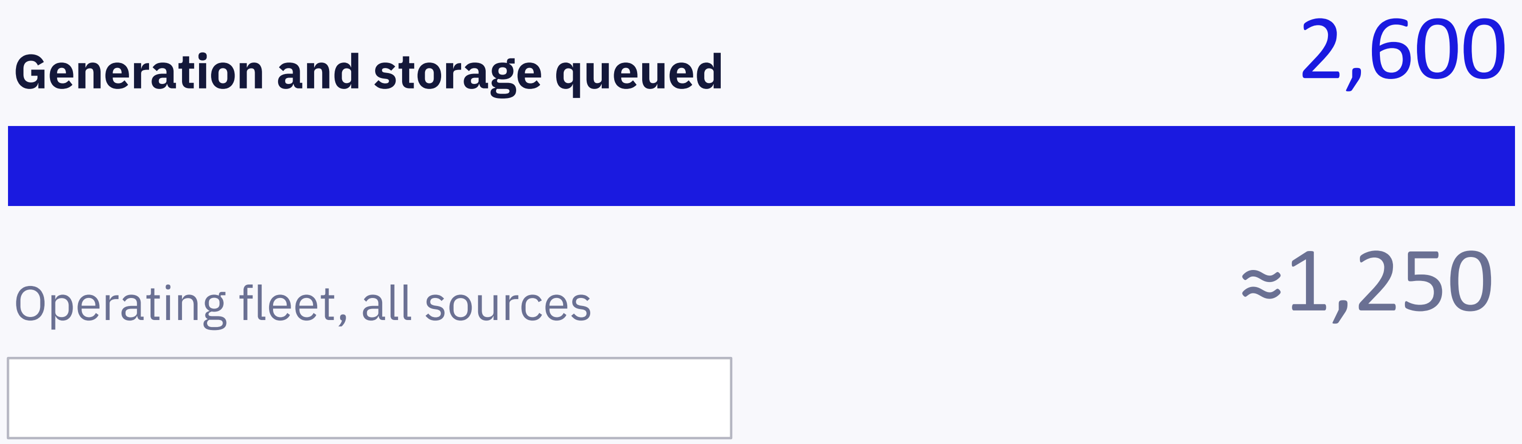
An industrial base is built by the projects that bring their supply chain, their training pipeline and their tax base with them. Recruiting facilities is easier; building industries is what compounds.

Power as the Binding Constraint

Interconnection position, not acreage, now determines which projects a state can credibly pursue.

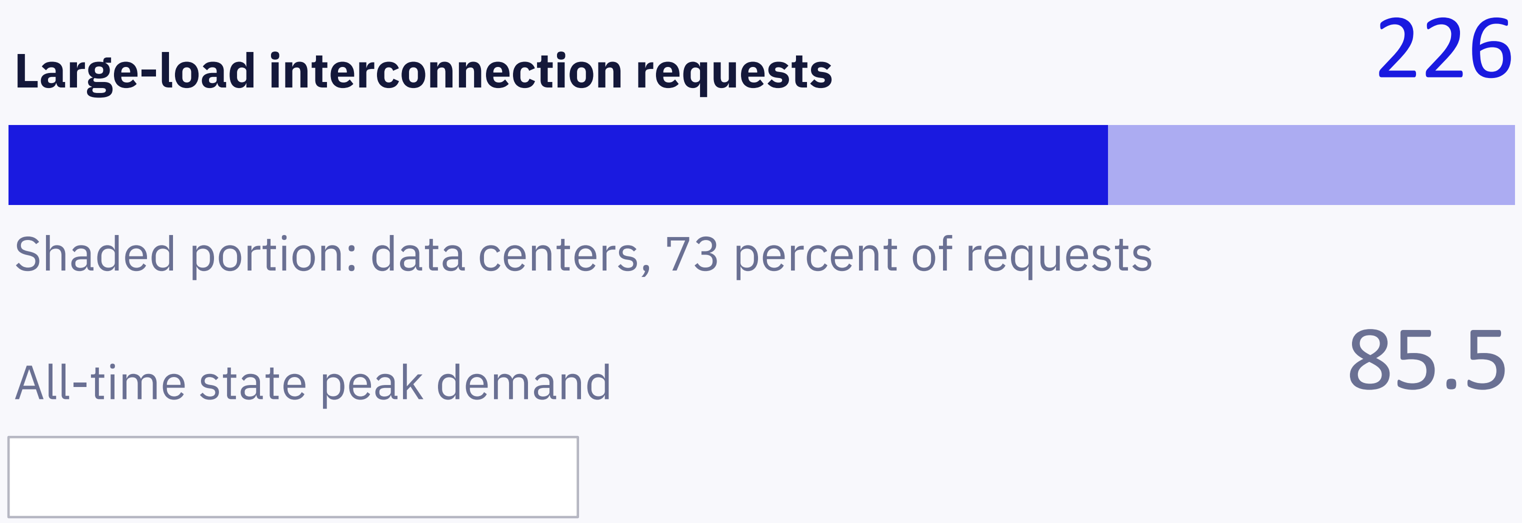
Three of the five factors advisors now rank above cost — power, site readiness, government responsiveness — are set by state action.

U.S. QUEUE AGAINST THE OPERATING FLEET · GW

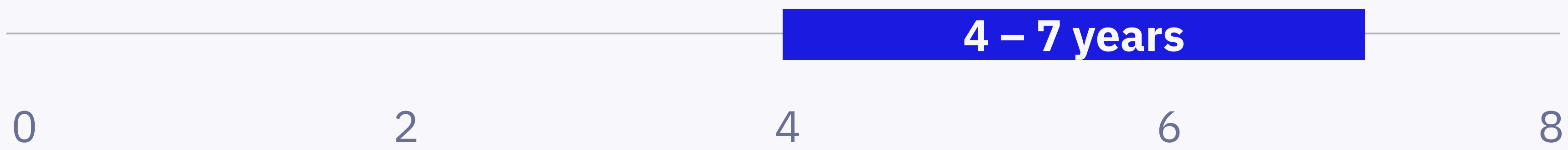


Early 2026. More than twice the installed fleet is waiting for a position in line.

ERCOT LARGE LOADS AGAINST ALL-TIME PEAK · GW



YEARS TO CONNECT A LARGE LOAD



INSTRUMENTS THE STATE CONTROLS

Large-load tariff design · bring-your-own-generation · energy service agreements · allocation of network upgrade cost

The queue is federal. These four are not.

IMPLICATION A state that cannot answer how many megawatts, at what date, and at whose cost is not in the running for the projects that define this cycle — regardless of what its incentive statute allows.

Sources: ERCOT large-load interconnection reporting, Nov 2025; Ascend Analytics, 2026; industry queue compilations.

The Federal Reset and a Closing Window

Opportunity Zones are now permanent law, with the map redrawn on the Governor's nomination — once every ten years.

This document · August 2026

OPEN NOW · 90 DAYS

1 July 2026
Governors' 90-day nomination window opens

End Sept 2026
Nominations close · 30 September 2026

1 Jan 2027
New designations take effect for ten years

End 2028
Current map sunsets after a two-year overlap

70% ~~was 80%~~

Low-income community threshold falls to 70 percent of median family income, and the contiguous-tract exception is gone — an estimated fifth of today's zones become ineligible.

30% vs 10% standard

Basis step-up for rural qualified opportunity funds, with the substantial-improvement test halved in rural areas.

Perm. no sunset

Housing and new markets credits permanently expanded; 100 percent bonus depreciation restored — materially better rural manufacturing pro formas.

Sources: One Big Beautiful Bill Act; IRS Rev. Proc. 2026-14 and Notice 2025-50; Economic Innovation Group; Senate Finance Committee, 2025.

Five Exposures We See Repeatedly

None of these is a failure of effort. Each is a structural mismatch between how the program was built and how the market now buys.

01 MANDATE II	**Power answers that lag the RFI**	Utility and ISO timelines are discovered during diligence rather than established before marketing, so the state's answer arrives after the shortlist is set.
02 MANDATE II	**Sites marketed ahead of their due diligence**	Acreage is listed without control, geotechnical work, wetlands delineation, or a costed utility path — which reads to an advisor as schedule risk, not opportunity.
03 MANDATE III	**Incentive statutes written for a prior economy**	Job-count formulas underwrite capital-intensive, low-headcount projects poorly, and rarely price ratepayer or infrastructure impact into the award.
04 MANDATE III	**No standing community-benefit position**	Terms are negotiated project by project under deadline pressure, producing inconsistent outcomes and giving opponents a legitimate procedural argument.
05 MANDATE IV	**Federal capture left to the calendar**	Nomination and application windows are met rather than worked, so the state takes the default allocation instead of the one it could have argued for.

SECTION I

Who we are

Former principals working only for the public side of the table — and open about who pays us on every project.

The Gap in the Advisory Market

States are well served on analysis and on transactions. The gap sits between them, where the work is political as well as technical.

STRATEGY CONSULTANCIES

Rigorous market and cluster analysis, delivered as a plan. Rarely present when the plan meets a legislature, a utility commission, or a hostile county hearing.

SITE SELECTION AND TAX FIRMS

Deep transactional capability, but their client is usually the company. Their incentive is to maximize the award, not to defend it afterward.

APPLIED AMERICA

Principals who have run the agency and staffed the Governor. We assemble the project, take a partner's position in it, and stay through the hearing, the vote and the ribbon.

OUR POSITION

Our fee comes from the sponsor's underwriting economics at close, disclosed to the state in writing before any introduction. We do not negotiate the state's incentive award and we do not price the state's side of the deal.

Applied America

The applied practice of the Center for Economics & Foreign Affairs — research capability paired with people who have executed.

The Center's analytical work on trade, energy and industrial policy sits behind every engagement. Applied America exists to convert that work into decisions a Governor can announce and an EDO can deliver.

We staff engagements with principals, not with pyramids. The person who scopes the work is the person in the room at the county hearing.

HOW WE DIFFER IN PRACTICE

- Paid at financial close from the sponsor’s underwriting economics — never from the state’s budget or its incentive award.
- Not a lobbying firm. We do not register to influence the bodies we brief.
- Deliverables you can publish, defend in an audit and hand to a successor.
- Work sequenced to your session calendar and announcement cycle.

PLAINLY STATED

The practice is new. The principals are not — the work described here is work we have done inside government and in advisory practice. We would rather offer references and ten days of pre-work on your own portfolio than a client list we have not yet earned.

How We Are Paid, and What We Sign Up To

We engage on projects of $100 million and above. The state does not carry our fee — we are paid out of the project, at close, alongside the parties whose money is at risk.

01

Paid by the sponsor, at close

Our fee is a share of the underwriting economics, paid by the sponsor or developer when the project reaches financial close — not from your budget, and not out of the incentive award. If the project does not close, the state has paid nothing.

02

A partner's position, not a vendor's

We come into the projects we assemble as a partner rather than an adviser. Our return depends on the project performing after the ribbon — the same test the state is judged on, on the same timetable.

03

The community holds a seat

We work the consent process with the county before a project becomes contested, and we place local leaders on the project's board. The people who carry the impact get a standing vote, not a comment period.

DISCLOSURE

Every economic interest we hold is put to the state in writing before an introduction is made. We do not negotiate the award we would benefit from, and we do not price the state's side of the deal.

I · OPERATING PRINCIPLE

An incentive package that cannot survive an audit, a hearing, and a change of administration was never a win. It was a deferred liability with a press release attached.

We test every recommendation against three questions: does it hold up in the fiscal note, does it hold up in front of a county commission, and does it hold up when someone else is Governor.

CONFLICTS

Our compensation sits with the sponsor, not with your budget — and it is disclosed to you in writing before we bring anyone to the table. We do not negotiate the award we would benefit from.

SECTION II

What we do

Five mandates, the counterparties each one requires, and the capital structure they have to satisfy.

Six Things We Bring to the Table

Advisory work is how we earn the right to be in the room. These six are what we are actually for.

01

Projects

Named companies at a defined stage, in sectors where we hold a thesis, matched to states whose power, sites and labor actually fit the requirement.

02

Investment

Equity, debt and tax credit stacked into a structure that closes — industrial private equity, family offices, rural opportunity funds and federal credit.

03

Financial institutions

Commercial and investment banks, institutional investors, insurers and bond counsel — the parties who price the project rather than admire it.

04

Professional counterparties

Legal and tax counsel, engineering and EPC firms, and industrial development companies who build and own the shell so the state does not have to.

05

Research institutions

University and national laboratory partners for the process work, testbeds and technician curriculum that anchor an industry rather than a single plant.

06

Teams

Operators, not analysts: plant start-up and commissioning leadership, training program builders, and interim EDO leadership when a seat is open.

THE STANDARD

If a year of work has not produced a company, a dollar of outside capital or a person on your bench, the engagement has not earned renewal.

Five Sector Theses

Where we think the American industrial base gets rebuilt in this cycle — and therefore where we originate.

NO.	SECTOR	WHY IT MOVES NOW	STATE PREREQUISITE
01	Grid and electrical equipment	Transformers, switchgear and cable are on multi-year lead times; the queue cannot clear without domestic capacity.	Skilled trades, rail-served industrial land
02	Defense and munitions supply tiers	Sustained procurement is pushing primes to qualify second and third-tier suppliers away from concentrated locations.	Machining base, security clearance workforce
03	Critical minerals and battery materials	Processing and refining, not extraction, is the bottleneck — and the step most states have no permitting pathway for.	Water, wastewater, air permitting capacity
04	Pharmaceutical ingredients and fill-finish	Onshoring pressure on essential medicines favors mid-size sites near a university clinical base.	Clean-room labor, research partner
05	Semiconductor packaging and supply tier	Fab announcements are landed; the substrate, chemical and equipment tiers around them are still unplaced.	Firm power, technician pipeline

Live pipeline detail — companies, stage and requirement — is shared under a mutual non-disclosure agreement, not in a capabilities document.

What It Takes to Assemble a Project

Six stages, and the counterparties each one requires. A project stalls at the first stage where a seat is empty.

	STAGE 01	STAGE 02	STAGE 03	STAGE 04	STAGE 05	STAGE 06
	Origination and fit	**Feasibility and site**	**Capital structure**	**Approvals and agreements**	**Build and commission**	**Operate and expand**
WHO MUST BE AT THE TABLE	Company decision-maker Sector adviser EDO leadership	Engineering firm Utility planner Environmental counsel Landowner	Commercial bank Investment bank Institutional investor Tax and bond counsel	State and local government Utility commission County board Legal counsel	EPC contractor Development company Trades and apprenticeship partners	University or national lab Community college Supplier tiers Logistics providers

OUR ROLE ACROSS ALL SIX

We convene the seats the state does not hold, and we stay through the handoffs — which is where projects are actually lost.

Feedstock to Market: Where the Value Is Captured

Recruiting the conversion plant captures one node. An industrial base is built by holding the nodes on either side of it.

	NODE 01 **Feedstock and inputs**	NODE 02 **Inbound logistics**	NODE 03 **Conversion and manufacturing**	NODE 04 **Output and offtake**	NODE 05 **Distribution and market access**
WHAT THE STATE MUST SUPPLY	Extraction or processing permits Water rights Agricultural or recycled input base	Rail service Port and inland terminal access Highway capacity and truck parking	Firm power at scale Certified site Air and wastewater permits Trained operators	Anchor purchaser or utility offtake Qualification and testing capacity Export support	Warehousing land Cold or hazardous storage Customs and foreign trade zone status
WHERE WE WORK	Input security analysis and upstream supplier recruitment	Logistics gap costing and infrastructure funding capture	The recruitment and incentive work most EDOs already do	Offtake introductions, research partners and qualification pathways	Downstream and distribution recruitment against the anchor

WHERE THE VALUE CONCENTRATES

Relative intensity, drawn from our engagements — not a forecast

	Jobs per acre	Supplier density
01 Feedstock and inputs	■■□	■■■
02 Inbound logistics	■□□	■■□
03 Conversion	■■□	■□□
04 Output and offtake	■■■	■■■
05 Distribution	■■■	■■□

Deciding What to Compete For, and Proving You Can Deliver It

Three mandates that set the target, retire the delivery risk, and price the deal. Most states buy one or two.

DECIDE	PROVE	PRICE	FUND	CLOSE

I

Industrial Strategy

What to compete for, and which nodes of the chain to hold.

- Competitive position, honestly stated
- Sector theses matched to real assets
- Supply chain node targeting
- Sequencing against your calendar

Twelve to sixteen weeks · Publishable strategy, costed prerequisite list, two-year sequencing plan

II

Deliverability

Power and sites, answered in writing before marketing.

- Deliverable-capacity map by substation and date
- Large-load tariff position
- Site portfolio triage
- Readiness capital and diligence packages

Sixteen weeks · Capacity map, tariff position paper, graded site inventory, diligence packages

III

Terms

Incentives and large-load conditions that survive scrutiny.

- Statute and program review
- Award structure and clawbacks
- Standing large-load conditions
- Community benefit formula

Eight to twelve weeks · Program redesign memorandum, award template, conditions framework, net-benefit model

Funding the Project, and Carrying It Through

Two mandates that put money beside the project rather than inside your budget, and hold the process together when it is contested.

DECIDE	PROVE	PRICE	FUND	CLOSE

IV Capital

Money beside the project, and federal windows worked rather than met.

Sources and uses per project
A stack built before the ask, with the gap named.

Opportunity Zone nomination
Tracts chosen around real pipelines and the rural benefit — a once-in-ten-years decision.

Institutional introductions
Banks, investors, insurers and bond counsel, at the stage each can act.

Application and reporting discipline
A calendar with owners, and evidence ready before each window.

Four weeks for the nomination; ongoing on the federal calendar · Nomination package, sources-and-uses models, capital introductions, federal capture calendar

V Execution

Live projects, and the ones that become contested — now normal, not exceptional.

Response management
Responses drafted to what advisers score, on one deadline and one message.

Approval choreography
Every consent mapped to a date and an owner.

Opposition and consent process
Who objects, on what grounds, with what standing — and a sound disclosure sequence.

Closing and handover
Terms, compliance calendar and monitoring documented before handover.

Project-length, or a standing retainer across the pipeline · Embedded project management through announcement, stakeholder assessment, closing file

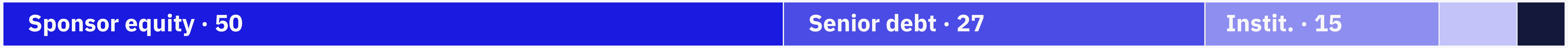
THE RATIO

Two to eight percent of a project’s cost comes from the state. That slice decides whether the rest of it arrives.

Which is why the argument is never the size of the incentive. It is whether the state can retire risk on a schedule the private ninety percent can underwrite.

How a Project Actually Gets Funded

Indicative structure for a project of $100 million and above — the scale at which we engage. The state's contribution is the smallest line, and the one under the most scrutiny.



Indicative midpoints, percent of total project cost

Federal tax credit · 5 **State and local · 3**

SOURCE	INDICATIVE SHARE	WHAT IT FUNDS	RISK POSITION
Corporate balance sheet or sponsor equity	40 – 60%	Plant, equipment and process technology	First loss
Senior commercial debt	20 – 35%	Construction and long-lived assets	Secured
Institutional and infrastructure capital	10 – 25%	Shell, land and utility infrastructure — often owned by a development company and leased back	Contracted return
Federal tax credit and depreciation	5 – 15%	Effective basis reduction; monetized through the tax equity market	Structural
State and local participation	2 – 8%	Site readiness, rail or road access, training capacity — not the plant itself	Performance-contingent

WHERE THE STATE SHOULD SIT

In the infrastructure line, not the equity line. Funding readiness is durable and reusable; funding the plant is neither.

WHAT WE DO HERE

Build the sources-and-uses before the ask, name the gap, and bring the parties who can close it.

NOTE

Ranges are indicative of structures we have seen, not a forecast, and are confirmed against live mandates before any project ask.

SECTION III

What we deliver

Pre-work on your own portfolio, an illustrative engagement, and what the first ninety days produce.

Three Findings, Prepared Before We Meet You

We do not arrive asking what your problems are. Ten days of work from public records, at our cost, on the three things an advisor will test first.

01 Deliverable power, site by site

How many of your marketed sites have a documented path to the megawatts a large load asks for, at a date, and how many the state you most often lose to can publish. Method and sources travel with the finding.

02 Site control and undisclosed constraints

Which listed sites lack recorded control, and which carry title, wetlands or geotechnical constraints the marketing package does not mention. An advisor who checks will find these before you do.

03 Federal capture left on the calendar

Whether the Opportunity Zone nomination is filed, what share of current tracts fails the new seventy percent threshold, and which windows inside the year are still unworked.

Prepared for each state from public records before a first meeting. The findings are yours to keep whether or not the conversation continues.

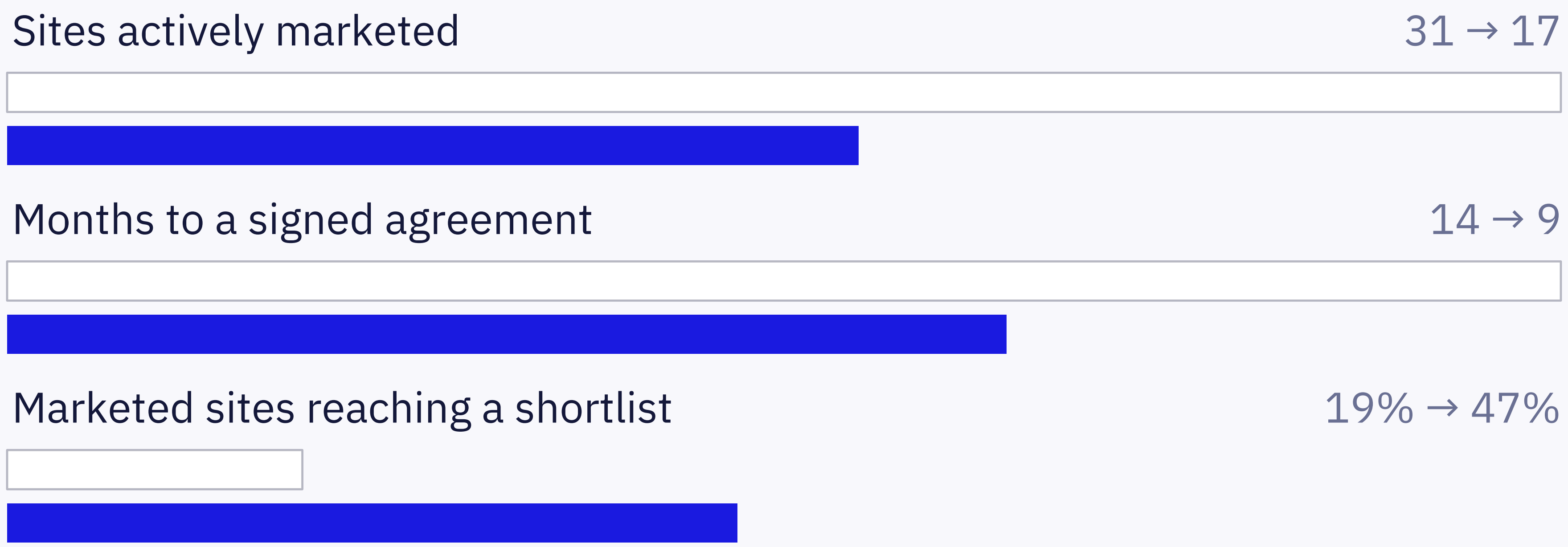
A Site Portfolio That Was Not Winning

Constructed composite. Thirty-one marketed sites, steady advisor traffic, few shortlists, and no clear reason why.

THIRTY-ONE LISTED SITES, GRADED

BEFORE AND AFTER THE TRIAGE

ILLUSTRATIVE



Outline bar: before. Solid bar: after. Figures illustrative of engagements of this type.

SITUATION

Inventory listed by acreage. Control and diligence status inconsistent, utility paths uncosted, and every local partner insisting their site is ready.

ACTION

Readiness capital concentrated on eleven sites with dated milestones. Diligence packages built for the six. A published, defensible rationale for the fourteen — the hardest conversation in the engagement.

RESULT SOUGHT

Fewer sites marketed, more shortlists reached, and an inventory the state can stand behind when an advisor tests one claim against another.

THE LESSON

A portfolio the state cannot defend site by site costs more credibility than the marginal sites can ever return. Removing a site is an act of strategy.

How We Engage

Four phases. Each ends in a decision point at which the state can stop.

01

Diagnostic

Two weeks

We arrive having already graded your site portfolio and read your last three awards, at our cost. It ends in a written scope, or in a recommendation that you do not need us.

02

Mandate

Eight to sixteen weeks

One or two service lines, a named principal accountable throughout, and deliverables you can publish and defend without editing.

03

Execution support

As required

We stay through the legislative session, the rate case, the hearing or the announcement — whichever is the real test of the recommendation.

04

Handover

Built in

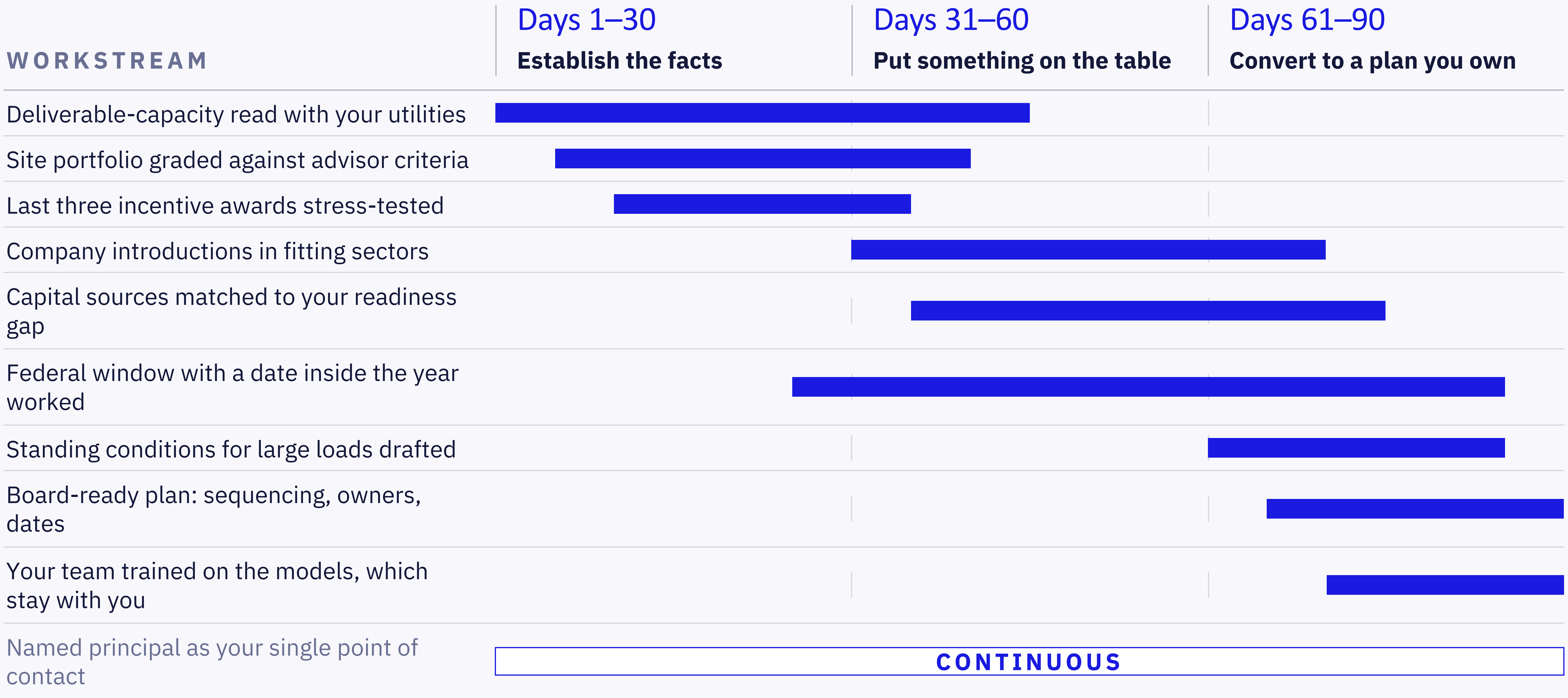
Your team owns the method, the models and the files. The measure of the engagement is whether you need us less next year.

ON FEES

Deliberately not in this document. Fees follow scope, and scope follows the diagnostic. The diagnostic is offered subject to your procurement rules, and its findings are yours — we publish nothing about your state without written consent.

The First Ninety Days

What we will have done for you by the end of the first quarter, whichever service lines you choose.



COMMITMENT If by day ninety there is no company introduction and no outside capital identified, you may terminate without further fee. We would rather carry that risk than argue about value later.

THE MEASURE

A year from now this is either a company on the ground, capital that came from outside your budget, and a person on your bench — or it is a document.

We would rather be measured on the first three than commended on the last one.

Two weeks, at our cost, to tell you where you stand

The Opportunity Zone nomination window closes on 30 September 2026. That is the one item on this list with a date attached.

01 How many megawatts can you deliver, where, and by what date?

02 Which of your sites would survive an advisor's diligence this quarter?

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