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PUBLIC SERVICE COMMISSION

December 30, 2021

Skipjack Offshore Energy, LLC and US *
Wind, Inc.'s Offshore Wind Applications * Case No. 9666
Under the Clean Energy Jobs Act of 2019 *
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NOTICE OF ERRATA TO ORDER NO. 90011

On December 17, 2021, the Commission issued Order No. 90011 in the above-captioned proceeding (*see* Maillog No. 238250). The Commission hereby gives notice that it is modifying Order No. 90011 by changing the required number of direct construction and operation and management jobs for each applicant that were inaccurately provided in the original Order. Accordingly, paragraphs 241, 244, and 252 in the Commission's Order No. 90011 issued on December 17, 2021 are stricken in their entirety and replaced with the following modified paragraphs. The substantive changes are highlighted in bold.

241. Regarding US Wind Bid 2, ICF found that the project would provide net economic benefits to the State. According to ICF's analysis, the construction and development phase of the project alone would produce 6,990 jobs (FTEs), **including 3,944 direct jobs, 1,293 indirect jobs, and 1,754 induced jobs.** The project would also add labor income of \$493.2 million, and \$729.7 million in value added output.³⁸³ Additionally, the operations and management phase of the project would result in 254 **total jobs, including 68 direct jobs, 121 indirect jobs, and 65 induced jobs.** The operations and management phase of the project would also add \$18.3 million in labor income, and \$39.3 million per year in value added output.³⁸⁴ Accounting for the costs of the project to ratepayers from ORECs, ICF calculated that the net ratepayer impact of the US Wind Bid 2 project would be \$56.4 million per year in 2018 dollars.³⁸⁵

³⁸³ ICF Report at 62-63.

³⁸⁴ *Id.* at 63-64.

³⁸⁵ *Id.* at 59-60; Sept. 9, 2021 Errata to ICF Report, Maillog No. 236985, at 1.

244. Skipjack also provided evidence of significant positive economic benefits from its projects. Through its Phase 2.1 project, Skipjack committed to in-State spending of \$400 million, which will provide projected net benefits to Maryland over the OREC period of approximately \$1.788 billion.³⁹⁷ Additionally, Skipjack's input-output analysis estimated that construction of Skipjack Phase 2.1 would contribute approximately \$309.7 million of value added to the Maryland economy, and that the value added from operations and maintenance over the 20-year contract term would total approximately \$351.1 million, for a combined total of \$660.8.³⁹⁸ In total, Skipjack Phase 2.1 is projected to create 2,951 jobs during construction, **including 1,300 direct jobs, 916 indirect jobs, and 735 induced jobs. Skipjack Phase 2.1 is also projected to create 130 annual jobs from operations, including 69 direct jobs, 31 indirect jobs, and 30 induced jobs.**³⁹⁹
252. The Commission similarly concludes that the OREC award should be conditioned on the achievement of in-State direct employment opportunities projected to occur as a result of the proposed offshore wind projects. It is firmly within the control of each Applicant to ensure the realization of direct jobs located in Maryland stemming from their respective offshore wind project; although, the Commission will permit some flexibility for these jobs to be created during various phases (*i.e.* development, construction, operations and maintenance, de-commissioning). The Applicants are directed to execute detailed tracking of the direct full-time equivalent positions created during each phase of their respective offshore wind project, and to report these results to the Commission as a condition of this OREC award. In particular, US Wind shall cause directly the creation of **3,944** direct development/construction period jobs, and **68** direct operations and management phase jobs. Skipjack shall cause directly the creation of **1,300** direct development/construction period jobs, and **69** direct operations and management phase jobs.

Furthermore, consistent with the modified paragraphs, the Commission also revises Appendices A and B in Order No. 90011 and replaces Condition 5.C in both Appendices with the following:

Appendix A:

- C. U.S. Wind, Inc. shall cause directly the creation of the following minimum level of new in-State jobs, measured in full-time equivalents (FTEs): **3,944** direct development/construction period jobs, and **68** direct operations and management phase jobs.

³⁹⁷ Skipjack Exhibit 10, Cain Direct at 4; Skipjack Exhibit 12C, Cain Rebuttal, Corrected Phase 2.1 Cost-Benefit Analysis at 8.

³⁹⁸ Skipjack Exhibit 12C, Cain Rebuttal, Corrected Phase 2.1 Cost-Benefit Analysis at 13.

³⁹⁹ *Id.* at 11-12.

Appendix B:

C: Skipjack Offshore Energy, LLC shall cause directly the creation of the following minimum level of new in-State jobs, measured in full-time equivalents: **1,300** direct development/construction period jobs, and **69** direct operations and management phase jobs.

By Direction of the Commission,

/s/ Andrew S. Johnston

Andrew S. Johnston
Executive Secretary

cc: Service List for Case No. 9666