

January 25, 2024

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VIA ELECTRONIC FILING

Andrew S. Johnston, Executive Secretary
Maryland Public Service Commission
William Donald Schaefer Tower, 16th Floor
6 St. Paul Street
Baltimore, Maryland 21202

Re: Case Nos. 9629 and 9666 – Skipjack Offshore Energy, LLC

Dear Executive Secretary Johnston:

Pursuant to COMAR 20.61.06.18, Skipjack Offshore Energy, LLC (“Skipjack”) hereby submits this letter notifying the Maryland Public Service Commission (“Commission”) of a material change in the development of the Skipjack Wind Phase 1 and Phase 2.1 Projects (the “Skipjack Wind Projects”).¹ As the Commission is aware through Skipjack’s quarterly progress reports, Skipjack has been diligently pursuing the development of the Skipjack Wind Projects.² Unfortunately, over the past two years, economic and supply chain constraints have caused severe disruptions in the offshore wind industry, including unprecedented cost increases on offshore wind developers, which has caused numerous projects under development on the East Coast to undergo internal reviews, including the Skipjack Wind Projects.³

As a result of these disruptions, Skipjack has determined that it cannot continue the Skipjack Wind Projects pursuant to the existing Orders. Therefore, by this letter Skipjack hereby relinquishes its rights under PUA § 7-704.1(g)(2) and the OREC Orders to receive payments for ORECs according to the terms of those Orders.

However, Skipjack intends to continue to advance permitting for the Skipjack Wind Projects, including the continuation of the development of a revised Construction and Operations Plan, as it seeks to position the Skipjack Wind Projects for future procurement opportunities.

While Skipjack will no longer develop the Skipjack Wind Projects under the terms of the existing OREC Orders, Skipjack looks forward to working with all Maryland stakeholders,

¹ The Skipjack Projects were approved in Case No. 9431, Order No. 88192 (May 11, 2017), and Case No. 9666, Order No. 90011 (Dec. 17, 2021) (collectively, the “OREC Orders”).

² See, e.g., Case No. 9666, Skipjack Q3 2023 Quarterly Progress Report, ML No. 305969 (October 19, 2023).

³ Skipjack made the Commission aware of these issues through its prior application for a full exemption from the cost sharing mechanism under Md. Code, Pub. Util. (“PUA”) § 7-704.1(c)(8)(ii) (ML No. 304776).

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including the Commission, to identify alternatives to achieving the State's goals for developing offshore wind energy.

Please do not hesitate to contact me with any questions.

Respectfully submitted,

/s/ Christopher S. Gunderson

Christopher S. Gunderson
Counsel for Skipjack Offshore Energy, LLC

Cc: Parties of record, Case Nos. 9629 and 9666