

PUBLIC SERVICE COMMISSION OF MARYLAND

Offshore Wind Awardee Minority Business Enterprise and Community Benefit Agreement Compliance Report 2026

Submitted to the Maryland General Assembly
Annapolis, Maryland
Pursuant to the Clean Energy Jobs Act of 2019
§7-704.1 of Public Utilities Article,
Annotated Code of Maryland

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Table of Contents

I.	Introduction	1
II.	History of Offshore Wind in Maryland	2
III.	Minority Business Enterprise Goals	4
	a. Minority Business Enterprise Memorandum of Understanding	5
	b. Minority Business Enterprise Plans	5
	c. Minority Business Enterprise and Workforce Reporting	5
	d. Implementation of Minority Business Enterprise Goals	6
IV.	Community Benefit Agreement Implementation	6
V.	Conclusion	7

I. Introduction

The Clean Energy Jobs Act of 2019 (Senate Bill 516/House Bill 1158)¹ created a second application period (Round 2) for offshore wind renewable energy credits (OREC) in Maryland. The legislation also requires the Public Service Commission (Commission) to report on awardee compliance with the minority business enterprise (MBE) goals and community benefit agreement (CBA) requirements of the OREC awards. Specifically, §7-704.1 of the Public Utilities Article (PUA) requires the Commission to report on or before March 1 of each year to the Governor, Senate Finance Committee, and House Economic Matters Committee on:

- (i) compliance by applicants with the minority business enterprise participation goals under subsection (d)(4) of this section;² and
- (ii) with respect to the community benefit agreement under subsection (e)(1) of this section:
 - 1. the availability and use of opportunities for local businesses and small, minority, women-owned, and veteran-owned businesses;
 - 2. the success of efforts to promote career training opportunities in the construction industry for local residents, veterans, women, and minorities; and
 - 3. compliance with the minority workforce goal under subsection (e)(1)(i)5 of this section.³

¹ Act of Maryland 2019, Chapter 757 (Senate Bill 516).

² Subsection (d)(4) of § 7-704.1 requires the offshore wind project developers to make serious, good faith efforts to solicit and interview minority investors and contractors and subcontractors that are minority business enterprises (“MBEs”).

³ Subsection (e)(1)(i)(5) requires the use of “best efforts and effective outreach” to obtain, as a goal, the use of a workforce including minorities, to the extent practicable. The term “minority” as used in this statute refers to an individual who is a member of any of the groups listed in § 14-301(k) of the State Finance and Procurements Article.

As a condition of the Commission’s OREC approval orders discussed in more detail below, the awardees are required to file semi-annual compliance reports on their MBE goals, and to notify the Commission within 30 days of executing their CBAs. This report contains the information reported through November 2025 for US Wind.⁴

II. History of Offshore Wind in Maryland

In 2013, the General Assembly passed the Offshore Wind Energy Act⁵ establishing a carve-out for offshore wind energy under the State Renewable Portfolio Standard⁶ (RPS) and an application and review process (Round 1) at the Commission for offshore wind projects seeking ORECs. The Commission established Case No. 9431 to review applications.⁷ On May 11, 2017, the Commission issued Order No. 88192 approving US Wind, Inc. (US Wind) and Skipjack Offshore Energy, LLC (Skipjack) for ORECs. Table 1 illustrates the project capacities, ORECs awarded, ratepayer impacts, and MBE goals of the Round 1 projects.

Table 1: Round 1 Project Summary

	Skipjack	US Wind
Project Capacity	120 MW	248 MW
OREC Price (2012\$)	\$131.93	\$131.93
ORECs Amount	455,482	913,845
Total Residential Impacts (2012\$)	\$1.40 per month (combined Skipjack and US Wind)	
Total Non-Residential Impacts	1.4% annually (combined Skipjack and US Wind)	
MBE Goal	29%	15%

In 2019, the General Assembly passed the Clean Energy Jobs Act creating the Round 2 application and review process at the Commission for offshore wind projects seeking ORECs.⁸ In

⁴ Case No. 9666, Supplier Diversity Report, Maillog No. 324316 .

⁵ Acts of Maryland 2013, Chapter 3 (House Bill 226).

⁶ See PUA § 7-701 et seq.

⁷ *In the Matter of the Applications of U.S. Wind, Inc. and Skipjack Offshore Energy, LLC for a Proposed Offshore Wind Energy Project(s) Pursuant to the Maryland Offshore Wind Energy Act of 2013.*

⁸ Acts of Maryland 2019, Chapter 757 (HB-1158/SB-516).

2021, the Commission established Case No. 9666 to review Round 2 applications.⁹ On December 17, 2021, the Commission issued Order No. 90011 approving US Wind and Skipjack for additional ORECs. Table 2 illustrates the project capacities, ORECs awarded, ratepayer impacts, and MBE goals of the Round 2 projects.

Table 2: Round 2 Project Summary

	Skipjack	US Wind
Project Capacity	846 MW	808.5 MW
OREC Price(2012\$)	\$71.61	\$54.17
ORECs Amount	3,279,207	2,513,752
Total Residential Impacts (2018\$)	\$0.88 per month (combined Skipjack and US Wind)	
Total Non-Residential Impacts	0.9% annually (combined Skipjack and US Wind)	
MBE Goal	29%	15%

Following the approval by the Commission of ORECs during the Round 2 solicitation in 2021, both offshore wind project developers subsequently filed notices with the Commission which delayed by several years the estimated commercial operation date (COD) of both offshore wind projects awarded in Round 1. On February 25, 2021, Skipjack reported a new COD for its revised offshore wind project schedule as being the second quarter of 2026, and on April 13, 2022, US Wind reported an updated COD of its offshore wind project schedule of December 2026.¹⁰

On January 25, 2024, Skipjack withdrew from both OREC orders, and no longer has awarded ORECs with the State.¹¹ To address the loss of awarded projects, the General Assembly passed House Bill 1296 (HB 1296) requiring the Commission to open a revised Round 2 proceeding in 2024.¹² On May 10, 2024, the Commission repurposed Case No. 9666 to review revised Round 2 applications. On January 24, 2025, the Commission issued Order No. 91496 approving US Wind’s

⁹ *Skipjack Offshore Energy, LLC and US Wind, Inc.’s Offshore Wind Applications under the Clean Energy Jobs Act of 2019.*

¹⁰ Case No. 9628, US Wind, Inc. Proposed Offshore Wind Project-Project Marwin - Updated Estimated Project Commercial Operation Date, Maillog No. 240177, and Case No. 9629, Skipjack Offshore Energy, LLC, Updated Estimated Operation Date, Maillog No. 233931. The offshore wind project applications approved in the 2020 Round 2 application period under the Clean Energy Jobs Act have CODs of 2026.

¹¹ Case Nos. 9629 and 9666, Skipjack Offshore Energy, LLC, Notice of Withdrawal from OREC Orders, Maillog No. 307274.

¹² Acts of Maryland 2024, Chapter 431 (House Bill 1296).

revised Maryland Offshore Wind (MarWin) and Momentum Wind projects. This OREC award replaces and supersedes the initial Round 1 and Round 2 approvals from the Commission. Table 3 illustrates the project capacities, ORECs awarded, ratepayer impacts, and MBE goals of the Revised Round 2 projects.

Table 3: Revised Round 2 Project Summary

US Wind				
Phase	1	2	3	4
Name	MarWin	MarWin Expansion	Momentum Wind 1	Momentum Wind 2
Project Capacity	405 MW	435 MW	435 MW	435 MW
OREC Price ¹³	\$110.07	\$101.29	\$91.32	\$91.32
OREC Amount	1,680,191	1,762,215	1,762,215	1,762,215
Total Residential Impacts	\$1.50 per month (Phases 1 and 2 combined) (2012\$)		\$0.88 per month (Phases 3 and 4 combined) (2018\$)	
Total Non-Residential Impacts	1.5% annually (Phase 1 and 2 combined)		0.9% annually (Phase 3 and 4 combined)	
MBE Goal	15%			

US Wind has received all federal, state, and local permit approvals, with the most significant being final approval of the Construction and Operations Plan on September 5, 2024, by the U.S. Department of the Interior, Bureau of Ocean Energy Management (BOEM).¹⁴ US Wind anticipated that it would begin construction in 2025. Until construction begins however, the majority of the anticipated expenditures associated with the projects, contracting, and employment will not occur. Therefore, while US Wind is currently meeting the minority employment and MBE contracting goals during this pre-construction period of limited contracting and hiring activity, a more complete assessment of the success of the offshore wind project programs in achieving these goals can only occur once the actual construction phase of the projects begin.

¹³ The OREC prices for Phases 1 and 2 are in 2012 dollars and Phases 3 and 4 are in 2018 dollars.

¹⁴ The Federal Register notice of the decision is available at 89 FR 73121. A copy of the decision is available at: BOEM's website at <https://www.boem.gov/renewable-energy/state-activities/maryland-offshore-wind> (last visited Feb. 23, 2026).

III. Minority Business Enterprise Goals

As a condition of Order No. 91496, US Wind is required to file semi-annual MBE compliance reports with the Commission. Included in the semi-annual reports are status updates on the various statutorily required MBE requirements and goals for US Wind. In 2025, US Wind filed its semi-annual reports on May 8, 2025, and November 13, 2025.¹⁵ The most up-to-date information the Commission has received from US Wind is summarized below.

a. Minority Business Enterprise MOUs

US Wind was required to sign Memorandum of Understanding (MOU) with the Commission related to opportunities for MBE participation, minority investors, and workforce diversity within 90 days of Order Nos. 88192 and 90011. US Wind in coordination with the Commission's Consumer Affairs Division (CAD) developed and executed a MOU which was filed with the Commission by CAD on August 14, 2017.¹⁶ The MOU signed during Round 1 satisfied Round 2 MBE requirements and goals, and the subsequently Revised Round 2 requirements. US Wind reports that it did not seek to raise MBE-affiliated venture capital or engage new MBE investors during 2025.¹⁷

b. Minority Business Enterprise Plans

US Wind was required to coordinate with the Governor's Office of Small, Minority & Women Business Affairs (GOSBA), and Maryland Office of the Attorney General (OAG) on MBE goals and plans, within six months of Order Nos. 88192 and 90011 and file the coordinated plans with the Commission. US Wind filed its Round 2 MBE plan on June 17, 2022.¹⁸ The Round 2 MBE plan continues to satisfy the Revised Round 2 requirements.

¹⁵ Case No. 9666, Supplier Diversity Report, Maillog Nos. 324316 and 318704.

¹⁶ Case No. 9431, US Wind Memorandum of Understanding Maillog No. 216490.

¹⁷ Case No. 9666, Quarterly Report for the Reporting Period May 2024 through November 2024, Maillog No. 313478. US Wind has not noted raising venture capital or financing for the Project since this report.

¹⁸ Case No. 9666, Supplier Diversity Business Development and Local Content Policy, Maillog No. 241145.

As discussed in Section II, US Wind is in the pre-construction phase of development which is reflected in the current level of contractor and subcontractor employment. US Wind requires prime contractors to create opportunities for MBE certified subcontractors, and has identified, engaged with, and entered into contractual arrangements with MBE-owned firms. On a confidential basis US Wind reports its levels of spending with diverse suppliers in the required semi-annual reports filed with the Commission.

c. Minority Business Enterprise and Workforce Reporting

Order No. 88192 required US Wind to coordinate with the Director of CAD to develop MBE reporting templates and workforce diversity reporting templates within 90 days of Order No. 88192 and to use those templates in the semi-annual MBE reports. Order No. 90011 required US Wind to review the templates created for Round 1 with the Director of CAD, and to update if necessary for Round 2. US Wind coordinated with CAD to develop templates during Round 1, and subsequently reviewed them with the Director of CAD to make appropriate changes for Round 2. The templates developed in coordination with CAD for Round 2 continue to satisfy the Revised Round 2 requirements.

d. Implementation of Minority Business Enterprise Goals

US Wind is required to make serious, good faith efforts to implement its MBE goals as conditions of Order No. 91496. As of the most recent semi-annual report, US Wind reports progress towards achieving its MBE goals.¹⁹ US Wind requires its general contractors to support the state's interest in expanding procurement opportunities for contractors and vendors who are MBEs, as that term is defined in § 14-301 of the State Finance and Procurement Article. Moreover, the Company represents that it has enhanced the MBE-related language in its contractual documents by adding definitions of "good faith efforts." General contractors must submit supporting documentation showing their efforts to achieve the Company's goals, including records of outreach to MBEs, written justifications when goals cannot be met, and MBE participation plans. US Wind's efforts to implement MBE goals include having a MBE Program

¹⁹ Case No. 9666, Supplier Diversity Report, Maillog No. 324316.

Compliance Manager and Outreach Team to assist contractors in meeting the Company's MBE goals, and as part of its outreach and workforce development efforts, meeting with state and local government agencies, participating in workshops, conferences, and meetings with MBEs, and collaborating with organizations and industry partners that demonstrate a similar commitment to advancing MBE objectives. The Company reports that 31 MBEs are currently providing services to US Wind, an increase of 3 from the previous report, and that it continues to engage with hundreds of additional MBE firms. US Wind further reports that it is developing both small business incubator and MBE incubator programs which are currently in the review phase of implementation. Finally, US Wind reports that it has reached agreements with three unions.

IV. Community Benefit Agreement Implementation²⁰

CBA's were a new requirement for Round 2 awardees and carried over to the Revised Round 2 approval. US Wind is required to notify the Commission within 30 days of executing its CBA's. US Wind is still working to finalize its CBA's, and has not signed a CBA.

V. Conclusion

The Commission appreciates the opportunity to provide the General Assembly with a status update on the compliance of US Wind with the MBE goals, and CBA requirements of its OREC awards. US Wind is working towards meeting the State's goals and will continue providing updates to the Commission on a semi-annual basis. The Commission will continue to monitor the progress of US Wind as its projects complete their permitting and move into the construction phase.

²⁰ Case No. 9666, Supplier Diversity Report, Maillog Nos. 324316 and 318704.