

Favorable with Amendments  
Economic Matters Committee  
2/20/2025

### **House Bill 900 – Electricity – Data Centers – Rate Schedule and Requirements**

Baltimore Gas and Electric Company (BGE) supports with amendments *House Bill 900 – Electricity – Data Centers – Rate Schedule and Requirements*. House Bill 900 requires each electric company to submit to the Public Service Commission (PSC) for approval of a specific rate schedule for data centers that includes certain required provisions, including minimum durations for certain contracts, financial responsibilities, and fees.

BGE's current rate schedules for non-residential customers are not industry-specific; rather, they are determined by industry agnostic metrics, including the kilowatt (kW) demand level, voltage requirements, and other characteristics. As they generally interconnect at transmission level voltages and have large demands, most data centers would currently fall under BGE's Schedule T rate schedule, which is for customers using 1,500 kW or more and where service is supplied at 115 kV or greater. While BGE supports establishing a new rate schedule intended for certain large users, such as data centers, BGE recommends maintaining continuity with the Company's current classifications. In addition, BGE requests amendments to offer protections from other large energy users whose development mirror the opportunities and risks of data center development. These industries might include customers engaging in cryptocurrency, hydrogen production, indoor agriculture and other high usage applications.

House Bill 900 specifies financial obligations of the data center customer that would serve to protect a utility's existing customers if the data center did not maintain or achieve the demand level utility infrastructure was constructed to serve. While BGE generally supports the requirements specified in the bill, some technical amendments are recommended.

One requirement in the bill as written would prohibit data centers from having load ramps that exceed beyond four years. Given the size and scale of data center projects, they often have load ramps beyond four (4) years, so amending this duration to a minimum of five (5) years may enhance Maryland's economic competitiveness.

Another financial safeguard requires a data center to reimburse the electric company for 100% of the buildout costs if the project is cancelled or delayed more than 12 months before the target date. BGE respectfully requests an amendment to specify that the electric company is fully able to use appropriate risk-mitigation measures, such as Construction In Aid of Construction (CIAC)

BGE, headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.3 million electric customers and more than 700,000 natural gas customers in central Maryland. The company's approximately 3,400 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship and community assistance. BGE is a subsidiary of Exelon Corporation (NYSE: EXC), the nation's largest energy delivery company.



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## Position Statement

payments, letters of credit, or deposits, as these requirements are in place today to protect the financial interests of BGE's customer base.

Finally, 2,500 kw is relatively low threshold for policies applying to large customers. BGE recommends that the committee consider load-levels that align with the definition of large load customers in other legislative vehicles presently before the body.

BGE requests your support for inclusion of the proposed amendments and a favorable report for House Bill 900 to provide equitable billing classifications for the diverse customer segments we support.

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