

Kim Coble Executive Director February 20, 2025

## SUPPORT: HB900 - Electricity - Data Centers - Rate Schedule and Requirements

## 2025 Board of Directors

Patrick Miller, Chair The Hon. Nancy Kopp, Treasurer Kimberly Armstrong Caroline Baker Joe Gill Lynn Heller Charles Hernick The Hon. Steve Lafferty Bonnie L. Norman Chair Wilson and Members of the Committee:

Maryland LCV supports HB900: Electricity - Data Centers - Rate Schedule and Requirements, and we thank Chairman Wilson for his leadership on this issue. We believe that this bill is essential for ensuring our state's economic and climate future, taking a direct approach to addressing the potential disproportionate impact to ratepayers from the data center industry which is an emerging, and challenging, industry.

The rapid expansion of the data center industry in Virginia has given a boost to their local economies, however it has also provided a strain on their energy sector (and the energy capacity of the region, including Maryland). The dramatic increase in energy demand has not been coupled with a similar increase in energy supply, leading to a sharp hike in consumer electric bills that will only continue unless measures are taken to curtail this trend. Over the past year, several states, including Georgia, Ohio, North Carolina, Indiana, and Virginia have taken steps to shift the cost from ratepayers to the data centers which are responsible for the infrastructure. Maryland should follow their examples.

Maryland LCV understands the importance of industries that support public health and safety, including the jobs they create and the expansion of technology hubs which provide safe and reliable storage of data. We also remain committed to goals of climate emissions reduction, community engagement, and environmental justice.

As Maryland seeks to attract this emerging industry to our state, we have the opportunity to take a more responsible approach by balancing the needs of a strong economy for the State with the needs of the individual economies of Maryland households.

Maryland LCV urges a favorable report on this important bill.