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SUPPORT – House Bill 0270
HB 0270 – Data Center Impact Analysis and Report
Economic Matters Committee
Thursday, January 23, 2025

Potomac Edison, a subsidiary of FirstEnergy Corp., serves approximately 285,000 customers in all or parts of seven Maryland counties (Allegany, Carroll, Frederick, Garrett, Howard, Montgomery, and Washington). FirstEnergy is dedicated to safety, reliability, and operational excellence. Its ten electric distribution companies form one of the nation's largest investor-owned electric systems, serving customers in Ohio, Pennsylvania, New Jersey, New York, West Virginia, and Maryland.

Favorable

Potomac Edison / FirstEnergy supports House Bill 0270 – *Data Center Impact Analysis and Report*. This bill would require the Department of the Environment, the Maryland Energy Administration, and the University of Maryland School of Business, in coordination with Legislative Services, to conduct an analysis of the likely environmental, energy, and economic impacts of data center development in the State.

Potomac Edison / FirstEnergy requests a Favorable report on HB-270 for the following reasons:

House Bill 0270 represents a proactive and comprehensive approach to understanding the multifaceted impacts of data center development within the State of Maryland -- and we are supportive of this strategic initiative. The attraction of jobs and investment into Potomac Edison's service territory has always been an important part of our company's mission, and we believe data centers will create good paying jobs and result in increased capital investments into the state.

From an energy perspective, understanding the substantial energy demands of data centers and their effects on the current and future energy supply is vital. The analysis from this report will help inform infrastructure planning and ensure that the growth of the data center industry aligns with Maryland's commitments to greenhouse gas emissions reduction and clean energy targets.

The environmental assessment in HB-270 will help provide critical insights into how data centers may affect natural resources, including air and water quality, and the state's capacity to achieve its environmental objectives. Identifying available technologies to help mitigate potential environmental impacts is essential for sustainable development.

Economically, the evaluation of potential impacts on state and local revenues, expenditures, and job creation associated with data center construction and operation will help guide policymakers in making informed decisions that balance economic growth with fiscal responsibility. Growing the economy and attracting high-wage jobs and investment could certainly help plug some of the budgetary holes the state is currently facing.

Potomac Edison / FirstEnergy supports the *Data Center Impact Analysis and Report* bill. This forward-thinking measure will help equip Maryland with the necessary data to foster the responsible and sustainable development of jobs and investment from data centers into our service territory.

For the above reasons, Potomac Edison / FirstEnergy respectfully request a Favorable vote on HB-270.