

HOUSE BILL 1082

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By: **Delegate R. Long**

Introduced and read first time: February 10, 2026

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Large Load Customers – Data Centers and Rate Schedule Requirements**

3 FOR the purpose of applying certain rate schedule requirements for large load customers
4 to certain data centers; modifying the date by which certain electric companies must
5 submit to the Public Service Commission for approval certain rate schedules for large
6 load customers; and generally relating to data centers and large load customers.

7 BY repealing and reenacting, with amendments,

8 Article – Public Utilities

9 Section 4–212

10 Annotated Code of Maryland

11 (2025 Replacement Volume and 2025 Supplement)

12 BY repealing and reenacting, without amendments,

13 Article – Tax – General

14 Section 11–239(a)(1) and (2)

15 Annotated Code of Maryland

16 (2022 Replacement Volume and 2025 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

18 That the Laws of Maryland read as follows:

19 **Article – Public Utilities**

20 4–212.

21 (a) (1) In this section the following words have the meanings indicated.

22 (2) “Contract capacity” means the amount of monthly peak load
23 requirements:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) that is mutually agreed to by an electric company and a large
2 load customer for each month remaining in a contract term after the load ramp period has
3 ended; and

4 (ii) for which:

5 1. the electric company agrees to provide all of the
6 components of retail electric service subject to the terms and conditions in its tariffs; and

7 2. the large load customer agrees to purchase service at that
8 load level for the stated term of the contract and under the same terms and conditions as
9 those stated in the contract.

10 **(3) “DATA CENTER” HAS THE MEANING STATED IN § 11-239 OF THE**
11 **TAX – GENERAL ARTICLE.**

12 **[(3)] (4)** “Large load customer” means a commercial or industrial
13 customer for retail electric service that:

14 (i) 1. has or is projected to have an aggregate monthly demand
15 of at least 100 megawatts; and

16 **[(ii)] 2.** has or is projected to have a load factor of over 80%; **OR**

17 **(II) IS A DATA CENTER.**

18 **[(4)] (5)** “Load ramp period” means the period of time from
19 commencement of service until a large load customer’s billing calculation is based on the
20 full contract capacity.

21 (b) It is the intent of the General Assembly that residential retail electric
22 customers in the State should not bear the financial risks associated with large load
23 customers interconnecting to the electric system serving the State.

24 (c) (1) (i) On or before **[September 1, 2026] JANUARY 1, 2027**, each
25 investor-owned electric company and each electric cooperative shall submit to the
26 Commission for approval a specific rate schedule for large load customers that accomplishes
27 the intent of subsection (b) of this section.

28 (ii) Each municipal electric utility that receives an application for
29 retail electric service from a large load customer shall submit to the Commission for
30 approval a specific rate schedule for large load customers.

31 (2) (i) **[Service] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF**
32 **THIS PARAGRAPH, SERVICE** under a specific rate schedule shall be available to large load
33 customers that will use, within the initial contract term:

1 1. a monthly maximum demand of more than 100 megawatts
2 at a single location; or

3 2. an aggregated contract capacity in the electric company's
4 service territory of more than 100 megawatts.

5 **(II) SERVICE UNDER A SPECIFIC RATE SCHEDULE SHALL BE**
6 **AVAILABLE TO A DATA CENTER REGARDLESS OF THE MONTHLY MAXIMUM DEMAND**
7 **OR THE AGGREGATED CONTRACT CAPACITY OF THE DATA CENTER WITHIN THE**
8 **INITIAL CONTRACT TERM.**

9 **[(ii)] (III)** Except as provided in subparagraph **[(iii)] (IV)** of this
10 paragraph, large load customers that qualify for a specific rate schedule after the effective
11 date of that schedule:

12 1. shall take service under the specific rate schedule; and

13 2. may not be allowed to take service under any other
14 existing schedule.

15 **[(iii)] (IV)** A specific rate schedule does not apply to the facility of an
16 existing large load customer that has signed a service agreement before the effective date
17 of the schedule if:

18 1. the large load customer's existing load does not expand by
19 more than 25 megawatts at that facility under the existing service agreement; or

20 2. the large load customer **IS NOT A DATA CENTER AND** does
21 not sign a new service agreement to expand the facility's load by more than 25 megawatts
22 above the contract capacity of the existing service agreement.

23 (d) In making a determination on whether to approve a specific rate schedule
24 submitted under subsection (c) of this section, the Commission shall consider whether the
25 rate schedule:

26 (1) requires a large load customer to cover the just and reasonable costs
27 associated with any electric transmission or distribution system buildout required to:

28 (i) interconnect the large load customer to the electric system
29 serving the State; or

30 (ii) serve the large load customer;

31 (2) protects residential retail electric customers from the financial risks
32 associated with large load customers through the use of:

- 1 (i) load ramp periods;
- 2 (ii) minimum billing demand for electric distribution and
3 transmission service that is a high percentage of a large load customer's contract capacity;
- 4 (iii) long-term contractual commitments and exit fees;
- 5 (iv) guarantee or collateral requirements; and
- 6 (v) penalties and reimbursement requirements for the large load
7 customer if the large load customer delays or cancels a project after the electric company
8 has begun buildout to accommodate the large load customer; and
- 9 (3) sufficiently ensures that the allocation of costs to large load customers
10 under the schedule does not result in customers that are not large load customers
11 unreasonably subsidizing the costs of large load customers under the schedule.
- 12 (e) Before signing a contract for service under a specific rate schedule submitted
13 under subsection (c) of this section, a large load customer under the schedule is required
14 to:
- 15 (1) submit a request for a load study to determine the necessary contract
16 capacity for the large load customer and pay any applicable fees associated with the study;
- 17 (2) designate a specific site where the large load customer's project will be
18 constructed and served by the electric company;
- 19 (3) own or have the exclusive right to use the land designated in item (2) of
20 this subsection for the project; and
- 21 (4) meet any other requirements specified under the rate schedule.
- 22 (f) (1) On or before ~~[June]~~ **OCTOBER** 1, 2026, the Commission shall adopt
23 regulations to carry out this section.
- 24 (2) The regulations shall:
- 25 (i) establish minimum notice requirements and deadlines related to
26 load study requests and contract terminations and adjustments;
- 27 (ii) if considered necessary by the Commission, specify common
28 forms of acceptable collateral to satisfy the requirements of this section; and
- 29 (iii) establish deadlines related to completion of load studies and
30 payment of fees.

1 **Article – Tax – General**

2 11–239.

3 (a) (1) In this section the following words have the meanings indicated.

4 (2) “Data center” means a building or group of buildings used to house
5 computer systems, computer storage equipment, and associated infrastructure that
6 businesses or other organizations use to organize, process, store, and disseminate large
7 amounts of data.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
9 1, 2026.