

Testimony in opposition to HB579

Certificate of Public Convenience and Necessity and Related Approvals - Definition of Generating Station (Critical Infrastructure Streamlining Act of 2024)

To: Hon. C.T. Wilson, Chair, Hon. Brian Crosby, Vice-chair and members of the House Economic Matters Committee

From: Jerry Kickenson

Date: February 20, 2024

I am writing in **opposition to House Bill 579, Certificate of Public Convenience and Necessity and Related Approvals - Definition of Generating Station (Critical Infrastructure Streamlining Act of 2024)**.

This bill will allow Maryland to add more data centers more easily by removing the requirement that the Public Service Commission (PSC) review all backup generator power facilities for these centers.

Privately funded and run data centers do not need any special exemptions! Data centers cause significant loss of tree canopy, increased impervious surface and stormwater runoff, significant water consumption, and significantly increased energy consumption. Environmental harms do not merit exemptions from PSC reviews. At a time when our regional transmission operator PJM is planning additional charges (perhaps as much as \$250 million per year) to Maryland ratepayers because we are rightly closing fossil fuel fired generating stations, we certainly should not be encouraging significant additional energy consumption beyond what the standard processes would normally call for.

In return for environmental harms and private corporate benefit, data centers offer limited public benefits. Once construction is complete, a large data center like those operated by Microsoft or Amazon employ only about 50 staff, with smaller centers only 5 - 30. And the trend is lower levels of permanent employment, as increased automation (which I personally worked on in my career in information technology) and artificial intelligence displace more jobs. Indirect employment for those few data center workers is consequently also small. After one time construction and equipment sales and use taxes (which in many cases Maryland will exempt data centers from under existing law), ongoing taxes (mostly property) are low or even zero in some counties and municipalities. Where is the rationale to offer more exemptions to data centers?

I respectfully urge you to reach an **unfavorable** report for HB579.

Respectfully yours,
Jerry Kickenson
1701 Ladd Street
Silver Spring, MD 20902