
House Economic Matters Committee
Room 231
Lower House Office Building, 6 Bladen St.
Annapolis, Maryland 21401
RE: Support for HB 579

Dear Chair Wilson and Members of the Committee,

On behalf of Rowan Digital Infrastructure (Rowan), thank you for the opportunity to support HB 579 and provide our perspective on how this legislation could impact the feasibility of our project – and the industry as a whole – in the state of Maryland. As a hyperscale data center developer with an approved project in the state, we feel we have unique insights to offer on the administrative barriers this bipartisan bill seeks to address.

Rowan was established in November 2020 to support hyperscale data center users in meeting their infrastructure development needs sustainably. We are actively developing multiple, strategically located sites across the U.S. to host next-generation, mission critical, hyperscale data centers.

On January 20, 2024, Rowan received unanimous Planning Commission conditional approval for our 777,000 SF data center project in Frederick County, which will bolster statewide economic activity by \$125 million each year. This will directly generate \$7 million in annual tax revenues for Frederick County and an additional \$14 million for the State of Maryland.¹ But none of these community benefits for Marylanders will come to fruition – from our project or any future project from other developers – if this critical infrastructure does not have reliable power in the event of an emergency.

As critical infrastructure, data centers are necessary to the safety and wellbeing of families, businesses, schools, and communities across Maryland – just like hospitals, research centers, airports and government facilities. Rowan is committed to developing these vital facilities in a sustainable manner. We will be using low-carbon concrete and steel in our buildings, have set a goal to recycle at least 70% of non-hazardous construction material waste, will be employing an on-site Environmental Compliance Specialist during construction, and will only partner with hyperscale data center operators that aim to support their facilities with 100% renewable energy. But that is not doable without full assurance that these facilities will maintain power at all times.

The use of emergency backup generation is extremely rare; however, planning for these worst-case scenarios is necessary to ensure that these critical infrastructure facilities will remain online 24 hours a day, 7 days a week. Since 2018, FirstEnergy, which will serve our project in Frederick County, has only experienced one momentary outage on transmission lines that serve the site. Even during such outage scenarios, their ability to run is limited subject to permits issued by the Maryland Department of the Environment. HB 579 will provide a higher degree of regulatory certainty for digital infrastructure developers, such as Rowan, that want to locate and bring billions of dollars of investment to Maryland.

¹ Maryland Tech Council (Jan 2024), <https://mdtechcouncil.com/wp-content/uploads/2024/01/Rowan-Frederick-Economic-Impact-Study.pdf>



We appreciate Gov. Moore's leadership in bringing a diverse coalition of stakeholders throughout various industries and political parties to make progress on this important issue. We encourage this committee to join us in support of HB 579 and look forward to working with you to set a high standard for sustainable digital infrastructure in Maryland.

Sincerely,

Martin Romo

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