

Kim Coble Executive Director March 7, 2024

2024 Board of Directors

SUPPORT: SB861 - Public Utilities - High-Energy-Use Facilities - Greenhouse Gas Emissions Reductions

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Dear Chair Feldman and Members of the Committee:

Maryland LCV supports SB861 - Public Utilities - High-Energy-Use Facilities - Greenhouse Gas Emissions Reductions, and thanks Senators Lewis Young and Watson for their leadership on this issue.

The exponential expansion of 'cloud' storage for both personal and business use has led to a similar growth in the development of remote storage facilities that offers opportunities for new jobs and economic development in abandoned or underutilized industrial areas, shopping malls, and warehouses. Currently, the majority of these facilities are smaller, but the trend towards large "hyperscale" warehouses present significant challenges for Maryland as it seeks to attract this new industry while pursuing its goals towards resource sustainability and reducing climate emissions. As the state attracts new technologies, it must also simultaneously consider the state's commitment to a 60% reduction in carbon emissions from baseline 2006 levels by the year 2031. In order to reach these goals all sectors of the economy must contribute.

While the General Assembly is simultaneously considering proposed legislation that would create an exemption for back-up generators, for critical infrastructure, includes data centers, SB861 seeks to ensure that new high-energy-use industries - including but not exclusive to data centers - contribute to the state's climate goals by requiring that they aggressively reduce their greenhouse gas emissions, ultimately to a net-zero level by 2040.

Maryland LCV urges a favorable report on this important legislation.