



**SB 861: High-Energy-Use Facilities - Greenhouse Gas Emissions Reductions**

**Position: SUPPORT**

**Date: March 7, 2024**

**Contact: Steve Black, Sugarloaf Alliance**

Sugarloaf Alliance requests a **FAVORABLE** report on SB 861: High-Energy-Use Facilities - Greenhouse Gas Emissions Reductions, from the Education, Energy, and Environment Committee.

The GHG emission reduction requirement in SB 861 will ensure that this new and important industry is in synch with Maryland's statewide climate policy goals. The disclosures required by the bill will ensure public accountability and further the State's environmental justice aspirations.

We are not against data center development. Just like the printing press, the telephone, and indoor plumbing, the modern data center provides a valuable service. And just like those earlier major industrial developments, data centers come with a host of impacts that must be mitigated.

Data centers consume enormous amounts of power. Even a modest size facility uses the same power as thousands of homes. In Virginia, the data center industry accounted for more than 20% of Dominion Energy's 2022 sales.<sup>1</sup> According to PJM, the regional grid operator, data center power requirements could cause Virginia's electrical demand to double by 2040.<sup>2</sup>

New data centers in Maryland could, without appropriate regulation, eclipse all our climate goals. In Frederick County alone the Quantum Loophole project at full buildout is expected to draw 3 to 5 gigawatts of power. This is the equivalent of adding 2 to 4 more Baltimores to Maryland's power consumption. Under current policy only a fraction of this new energy will be provided by renewable sources.

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<sup>1</sup> [https://s2.q4cdn.com/510812146/files/doc\\_financials/2022/q4/2023-02-08-DE-IR-4Q-2022-earnings-call-slides-vTC-Final.pdf](https://s2.q4cdn.com/510812146/files/doc_financials/2022/q4/2023-02-08-DE-IR-4Q-2022-earnings-call-slides-vTC-Final.pdf)

<sup>2</sup> Fanger, Ella. "The Dirty Energy Fueling Amazon's Data Gold Rush" *The Nation*. 2/22/2024.



## SUGARLOAF ALLIANCE

A study prepared by the Frederick County Division of Energy & Environment shows that emissions from even the first half of the Quantum project will eclipse all of the county's GHG emission reduction efforts of the last 19 years.<sup>3</sup> Just 2 gigawatts of new power demand will add 2.8 million metric tons of CO2 equivalent to the atmosphere...the impact of 500,000 to 600,000 new homes.

The amount of electrical power needed by data centers will dwarf that used by most other industries and existing households. Without urgently needed, common sense legislation like SB 861, every data center development in Maryland will move the state backwards in its critical climate and environmental goals and efforts.

We respectfully request a **FAVORABLE** report from this Committee on SB 861.

Respectfully submitted,

Steve Black  
President  
Sugarloaf Alliance

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<sup>3</sup> <https://frederickcountymd.gov/DocumentCenter/View/348061/August-2-DEE-Deck>