

Journeyman Pipe Fitters and Apprentices



Local Union No. 602

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AFFILIATED WITH AFL-CIO

Testimony of Chris Madello

Business Manager / Financial Secretary Treasurer, UA Steamfitters Local 602

Before the House Economic Matters Committee

In Opposition to HB900

Dear Chair Wilson and members of the House Economic Matters Committee:

On behalf of UA Steamfitters Local 602, our more than 6,031 Journeymen, Apprentices, and Helpers, and approximately 200 signatory contractors under the Mechanical Contractors Association of Metro Washington, I write today in strong opposition to HB 900, which threatens to divert billions in investment from Maryland, jeopardize job opportunities, and weaken the state's ability to leverage data center growth for clean and reliable energy expansion.

The Maryland Public Service Commission (PSC) already holds full authority to regulate electric service terms for all customers, including data centers. Legislating specific terms of service for a single class of customer sends a harmful signal to businesses, encouraging them to invest in states with a more stable regulatory framework instead. At a time when Maryland is competing for economic growth in the emerging data economy, HB 900 would actively discourage that investment.

The Critical Role of Data Centers in Workforce and Clean Energy Development

UA Steamfitters Local 602 is committed to supporting economic growth through high-quality jobs and investment in emerging industries, including data centers. These facilities do not operate in isolation; their demand for clean, reliable power has the potential to drive investment in infrastructure and energy generation that benefits all Marylanders.

Other states have already demonstrated this model:

- **Pennsylvania:** Microsoft's 20-year agreement with Constellation has enabled the relaunch of 835 megawatts of nuclear power at the Crane Clean Energy Center, directly supporting both data center operations and carbon-free generation.

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- Maryland's Opportunity: Upgrading Calvert Cliffs Nuclear Power Plant by 10% could produce more clean energy than all current wind and utility-scale solar in Maryland combined.

These types of private-sector investments require financial certainty, which long-term energy contracts with data centers provide. HB 900 disrupts this balance, undermining Maryland's ability to attract and retain such projects.

HB 900 Targets Grid-Connected Data Centers Unfairly

While much debate has centered around data centers operating behind the meter, HB 900 applies only to those connected to the power grid ("front of the meter").

- The PSC already regulates grid-connected customers, ensuring fair and transparent rates.
- The PJM regional grid operator supports this model, reinforcing its reliability and economic viability.
- HB 900 imposes additional restrictions, creating unnecessary uncertainty and deterrence for potential investors.

By legislating punitive terms for one customer class, HB 900 signals that Maryland is not a welcoming environment for data center investment, undermining the very industries that could drive the next wave of economic and energy development.

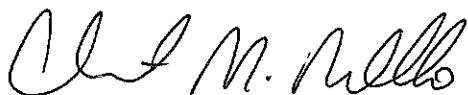
Conclusion: Maryland Should Encourage, Not Deter, Private Investment

Maryland stands at a crossroads: we can embrace the data economy, fostering both job creation and energy investments, or we can drive these opportunities to other states. HB 900 takes the latter approach, restricting Maryland's ability to attract capital, create jobs, and support clean energy development.

For these reasons, UA Steamfitters Local 602 urges an unfavorable report on HB 900.

Thank you for your time and consideration.

Sincerely,



Chris Madello
Business Manager / Financial Secretary Treasurer
UA Steamfitters Local 602