



PLUMBERS LOCAL UNION NO. 5

UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF THE PLUMBING AND PIPE FITTING INDUSTRY OF THE UNITED STATES AND CANADA, AFL-CIO

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HOUSE ECONOMIC MATTERS COMMITTEE & SENATE EDUCATION, ENERGY, AND THE ENVIRONMENT COMMITTEE

SB937 / HB1035 SUPPORT WITH AMENDMENTS

Chair Feldman, Chair Wilson, and Members of the Committees,

On behalf of UA Plumbers & Gasfitters Local 5, representing over 1,900 skilled members and 400 apprentices, I submit this testimony as Support with Amendments to SB937 / HB1035. UA Plumbers & Gasfitters Local 5 is dedicated to representing the expert tradespeople who develop and sustain vital energy and water infrastructure throughout the Washington, D.C. region. Our members are integral to key projects like power plants, data centers, and industrial facilities, ensuring the dependable and safe distribution of energy resources. By driving job creation, boosting revenue, and supporting Maryland's economic expansion, our industry plays a crucial role in shaping the state's future.

Concerns Regarding Data Center Energy Restrictions

A key concern in this legislation is the restriction on behind-the-meter (BTM) energy configurations for data centers. This limitation lacks urgent justification, especially as FERC and other regulatory bodies continue to evaluate the issue. Testimony at the FERC Colocation Technical Conference by Maryland Senator Katie Fry Hester inaccurately suggested a consensus for Maryland, potentially influencing FERC and Public Service Commission reports while disregarding diverse perspectives within the Maryland General Assembly.

UA Plumbers & Gasfitters Local 5, through the Mid Atlantic Pipe Trades Association (UA), along with IBEW Local 26, the Ironworkers District Council of the Mid-Atlantic States, and our attorney Roger Manno, are actively engaged in two FERC proceedings on this matter. The outcome of these cases has significant implications for thousands of union workers in the data center sector. Given ongoing regulatory discussions, Maryland should avoid premature legislative action. We recommend eliminating the BTM restriction entirely and allowing federal resolution before making state-level decisions.

Ensuring a Viable Nuclear Energy Procurement Model

We support Maryland's commitment to nuclear energy expansion but believe SB937 / HB1035 requires refinement for a robust and practical procurement process. The proposed OREC-like framework, modeled after offshore wind, lacks the stability needed for long-term nuclear investment.

Our partnership with Constellation has highlighted the need for structured nuclear policy that ensures economic feasibility and long-term viability. While we support Senator Brooks' Decarbonization Infrastructure Solutions Act (SB716), which elevates nuclear energy to Tier 1 of the Renewable Portfolio Standard (RPS), we urge continued stakeholder discussions to refine SB937 / HB1035. Additionally, we strongly endorse Constellation's proposed amendment to establish a state-level financial safeguard should federal Production Tax Credits (PTCs) be reduced or eliminated. This measure would protect Maryland's existing nuclear assets, including Calvert Cliffs, and provide stability for future investments.

Opposition to a Narrow Utility Ownership Study

Another concern is the bill's inclusion of a restrictive study focused solely on utility-owned generation. This narrow approach fails to provide a comprehensive evaluation of Maryland's procurement options. Instead of limiting the study to a single model, Maryland should conduct a broad, data-driven assessment of various procurement structures to determine the most effective and cost-efficient path forward.


The Hester/Crosby bill presents a more balanced approach by analyzing multiple procurement strategies. We strongly urge the removal of the narrow utility ownership study language in favor of a more inclusive and thorough examination of Maryland's energy future.

Conclusion

Maryland stands at a critical juncture in shaping its energy future. SB937 / HB1035 presents a major opportunity, but necessary amendments must ensure energy reliability, economic efficiency, and strong labor protections. By incorporating Constellation's amendments and removing unnecessary data center restrictions, Maryland can establish a forward-thinking energy policy that benefits both workers and consumers.

We urge the committees to adopt these amendments to support Maryland's workforce and secure a sustainable energy future.

Thank you for your time and consideration.



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