

## HOUSE BILL 900 - ELECTRICITY - DATA CENTERS - RATE SCHEDULE AND REQUIREMENTS -

## BEFORE THE HOUSE ECONOMIC MATTERS COMMITTEE OPPOSE

Chair Wilson and Members of the House Economic Matters Committee.

On behalf of the Mechanical Contractors Association of Metropolitan Washington and the nearly 200 union signatory contractors we represent, I write to express strong opposition to HB 900. This bill threatens to drive critical economic investment away from Maryland, endangering good-paying jobs and undermining our state's ability to position itself as a leader in clean energy infrastructure and advanced data center development.

MCAMW proudly represents 200 construction contractors, approximately 10,000 workers, and 1,500 apprentices. Our organization contributes significantly to the region's economy, generating nearly \$2 billion in annual revenue and approximately \$500 million in state, federal, and local taxes each year.

## Data Centers: A Key Driver of Investment and Workforce Growth

Our contractors and the skilled union tradespeople they employ play a vital role in supporting Maryland's economy, ensuring the construction and maintenance of essential infrastructure, including data centers. These facilities not only provide direct economic benefits but also stimulate broader investments in energy infrastructure that can strengthen Maryland's power grid and promote cleaner energy solutions.

States that have embraced data center investment have seen these benefits firsthand:

- Pennsylvania: Microsoft's long-term agreement with Constellation enabled the restart of 835 megawatts of nuclear power at the Crane Clean Energy Center, ensuring a stable, carbon-free energy supply while supporting data center operations.
- Maryland's Potential: Increasing output at the Calvert Cliffs Nuclear Power Plant by just 10% could generate more clean energy than all current wind and utilityscale solar in the state combined—growth that data center investment can help drive.

HB 900 disrupts the economic balance necessary to secure these private investments by creating unnecessary regulatory burdens and deterring long-term energy



agreements that ensure financial predictability for both businesses and energy providers.

## **HB 900 Unfairly Targets Grid-Connected Data Centers**

While much of the policy debate has focused on "behind-the-meter" data centers, HB 900 would impose new, restrictive regulations specifically on those connected to the power grid. This sends the wrong message to industries considering Maryland as a destination for investment.

- The Maryland Public Service Commission (PSC) already regulates all electricity customers, ensuring fair and transparent rates.
- Regional grid operator PJM supports the existing model, reinforcing its reliability and economic sustainability.
- HB 900 singles out one class of customers, imposing new hurdles that make Maryland a less attractive location for data center expansion.

By disrupting the existing regulatory framework, this bill threatens Maryland's competitiveness at a time when other states are actively working to attract these high-value investments.

In conclusion, Maryland has a choice: embrace the industries that will define our economic future or risk losing them to neighboring states. HB 900 sends a clear message that Maryland is not a stable or welcoming environment for data center investment, pushing job opportunities and clean energy advancements elsewhere.

For these reasons, the Mechanical Contractors Association of Metropolitan Washington urges an unfavorable report on HB 900.

Sincerely,

Thomas Bello

**Executive Vice President** 

Mechanical Contractors Association of Metropolitan Washington