

Testimony for SB0116 Support for Data Center Impact Analysis and Report

Bill Sponsors: Senators Lewis Young and Ready
Committee: Economic Matters
Organization Submitting: Nature Forward
Person Submitting: Angie McCarthy, Maryland Conservation Advocate
Position: Favorable



I am submitting testimony on behalf of Nature Forward in support of the Data Center Impact Analysis and Report, with the inclusion of the energy demand issues from the previous version of the bill. Nature Forward (formerly Audubon Naturalist Society) is the oldest independent environmental organization protecting nature in the DC metro region, including Maryland's near counties of Montgomery and Prince Georges. Our mission is to inspire residents of Maryland and the Washington, DC, region to appreciate, understand, and protect their natural environment through outdoor experiences, education, and advocacy. We thank the Maryland legislators for the opportunity to provide testimony; we ask that you vote **FAVORABLE** on the Data Center Impact Analysis and Report without any of the proposed amendments that limit the scope of the study.

Nature Forward has been a fierce advocate for responsible, community driven data center development across the DMV. In our work with the counties of Maryland, the lack of data and clear information has come up repeatedly. The legislature and public need to understand data centers to ensure that Maryland gets the data center development we deserve. Nature Forward recognizes their importance in our society but also acknowledges the drastic energy, water, and land impacts they are having on our environment and communities.

While we strongly support this Data Center study, we are disappointed in the removal of the energy demand issues. The amendments on SB0116 that remove the Maryland Energy Administration from the implementation of this study will undermine the value and credibility to the final report for all interested parties, especially environmental and social justice proponents. We understand the fiscal challenges of this budget, along with the instability of the federal government's budget. However, ME A is a critical piece of the puzzle as we plan for the future, hopefully with more fiscal prudence. MEA's involvement is needed to ensure that other parties (Department of Education, University of Maryland Business School, Department of Legislative Services) use the most current and relevant indicators and measures when developing the study and report, to ensure the intent of all key considerations are fully addressed. Deleting Section (2) i, ii and iii (i.e. the role delineated for the MEA, to do an analysis of data



centers' role in energy requirements, consumption and impacts) removes *the* core reason for doing this study. Striking that from the report substantially reduces the value of this study to all interested parties—including, the state government, industry, and Maryland residents.

When we do not have the data we need, we remove the information out of the public process, and we get worse built data centers. This is an environmental justice issue, and we have the chance to do right by Marylanders with the results of this study bill.

There are many environmental and community justice issues we are concerned about that we hope this study bill will help shed light on.

1. In Louisa County, Virginia, an Amazon Web Services data center uses 620,000 gallons of water a day.¹ How is Maryland supposed to plan for hundreds of thousands of drinking water being routed to data center cooling when that impact is not even evaluated? The public deserves to understand data centers' needs for energy, sewer, water, and other public amenities. Those concerns are not addressed by simply looking at engineering data during planning processes.
2. There are significant concerns for the quality of data and overall transparency of the data center development process as it stands now.² Data center developments are shrouded in NDAs so both the public and local governments cannot make informed decisions on what happens in their communities. Business as usual cannot continue; we need clear, factual data to make informed decisions.
3. Data centers consume enormous amounts of energy and we need data to inform how we can best prepare for a stable, reliable grid. The energy demands of a single data center could power 50,000 homes. Data centers typically draw electricity produced by coal because renewable sources, like solar and wind, cannot keep up with their massive 24/7 energy needs. This is especially true in Maryland, where we consume five times more energy than we produce, meaning we are already at the whim of surrounding states' energy markets.³ Data centers' insatiable demand is keeping coal-powered plants that had been scheduled to go offline in business. They are driving new construction of habitat-disrupting transmission power lines and pushing Maryland farther away from achieving our climate goals of reducing emissions by 60% by 2031 and 100% by 2045.⁴ According to the US Department of Energy, data centers currently account for roughly 2% of the nation's total electricity use.⁵ The Washington Post estimates

¹ <https://www.louisacounty.gov/FAQ.aspx?QID=274>

² [Data centers' secrecy often keeps residents in the dark | News | princewilliamtimes.com](https://www.princetwilliamtimes.com/news/data-centers-secrecy-often-keeps-residents-in-the-dark)

³ <https://www.eia.gov/beta/states/states/md/analysis>

⁴ <https://mde.maryland.gov/programs/air/ClimateChange/MCCC/Pages/index.aspx>

⁵ <https://www.energy.gov/eere/buildings/data-centers-and-servers>



that by 2035, the data center industry in Virginia will need four times as much energy, enough to power 8.8 million homes.⁶ The JLARC Data Center Study in Virginia illustrates the need for a study bill when it comes to energy planning; without a study, Virginia could not begin to plan for a 183% increase in energy demand from unfettered data center development. This would mean that Virginia has to add new solar facilities at twice the rate they were added in 2024. New wind generation needed would exceed the potential capabilities of all proposed offshore wind sites. This is in addition to the large number of natural gas plants that would be required to be brought online.⁷ With the Maryland Data Center Impact Analysis and Report, we have the opportunity to plan for these renewable energy buildouts *before* we have our own Data Center Alley.⁸

4. Data centers can exacerbate health illnesses and conditions. In Maryland, the 2024 General Assembly passed legislation (HB579/SB474) that grants data centers unfettered use of diesel generators, meaning when a data center is built in Maryland, it will certainly use diesel generators. Diesel pollution increases the risk of lung cancer, cardiovascular disease, and worsening respiratory illnesses like asthma. However, it is currently unclear how often data centers run their diesel generators. Estimates have said that is only once per month, but what does that effect look like when we have tens of data centers testing their back-up generators?

Most importantly to everyday Marylanders, is that data centers' costs impact taxpayers. We do not know the true impact of data centers on ratepayers. The Maryland Office of the People's Counsel put out a report that found that electric bills in Maryland could increase by 2-24% depending on their area; this is coming at a cost-of-living crisis where so many Marylanders are already struggling to pay their bills.⁹

Nature Forward understands the utility of data centers. However, by not having the data that we need to not only keep developers accountable, but simply understand the industry's impact in Maryland, we open the door to the lowest common denominator developers. By allowing data center development without a study bill to give our communities a jumping off point to understand their impacts, we are inviting short term business in exchange for our health, ratepayer's wallets, and our environmental goals. We ask that you pass a FAVORABLE report on the Data Center Impact Analysis and Report without any of the proposed amendments that limit the scope of the study.

Angie McCarthy
Maryland Conservation Advocate
Nature Forward

⁶ <https://www.washingtonpost.com/business/interactive/2024/data-centers-internet-power-source-coal/>

⁷ <https://jlarc.virginia.gov/landing-2024-data-centers-in-virginia.asp>

⁸ <https://www.washingtonpost.com/technology/2024/09/17/data-center-workers-jobs/>

⁹ <https://www.utilitydive.com/news/pjm-capacity-auction-results-firstenergy-exelon-aep/725952/>