



CHESAPEAKE BAY FOUNDATION

*Environmental Protection and Restoration
Environmental Education*

Senate Bill 947

Maryland Co-Location Energy Innovation and Reliability Act

Date: March 6, 2025

To: Education, Energy, & Environment Committee

Position: **UNFAVORABLE**

From: Gussie Maguire,
MD Staff Scientist

Chesapeake Bay Foundation (CBF) **OPPOSES** Senate Bill 947, which would enable largely unregulated energy generation to take place at stations co-located with data centers. This bill would exempt these generating stations from state laws and regulations that govern retail electricity suppliers, from distribution fees, and from renewable energy portfolio standard obligations. Any extra energy generated by the facilities would be of no benefit to the surrounding communities, as the bill requires that these generators be entirely separate from the state's transmission system. Furthermore, the data centers would be required to have backup power generation capability. Under this bill, a data center could potentially be co-located with a fossil fuel burning power plant, with a backup collection of diesel generators.

Data centers can and should be held responsible for their disproportionate consumption of state resources, from energy to land to water. However, allowing them to operate outside of state regulations, avoiding stress on the electricity distribution system but simultaneously pumping harmful emissions into the atmosphere, must not be considered as a solution. In addition to the expensive consequences of greenhouse gas emissions and subsequent climate change, including property loss from sea level rise, saltwater intrusion, and inland flooding due to increased precipitation intensity, the state would also face increased nutrient contributions to the Chesapeake Bay and its tributaries in the form of nitrogen oxide emissions. Excess nutrients lead directly to dead zones, which harm the state's economically crucial fisheries and impact regional tourism and recreation.

The free rein this bill gifts to data centers and their associated power plants will come with extremely costly consequences for Maryland residents and the environment. **CBF urges the Committee's UNFAVORABLE report on SB 947.**

For more information, please contact Matt Stegman, Maryland Staff Attorney, at mstegman@cbf.org.

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The Chesapeake Bay Foundation (CBF) is a non-profit environmental education and advocacy organization dedicated to the restoration and protection of the Chesapeake Bay. With over 200,000 members and e-subscribers, including 71,000 in Maryland alone, CBF works to educate the public and to protect the interest of the Chesapeake and its resources.