



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

March 6th, 2025

The Maryland State Senate Education, Energy, and the Environment Committee
The Honorable Brian J. Feldman
2 West Miller Senate Building
Annapolis, Maryland 21401

Re: Senate Bill 955: *Overhead Transmission Lines - Eminent Domain*

Dear Chairman Feldman and Members of the Committee,

In my testimony on SB952, I described the anguish and fury being expressed by thousands of Maryland families about the proposed 70-mile electrical transmission line. I specifically described the scenes at two public meetings that occurred last summer during the week immediately preceding Labor Day. Many more public meetings have been held in connection with the proposed transmission line, and it would be hard to overstate what happened at these meetings. Screaming, yelling, incipient physical altercations. These folks are facing the destruction of their lives and livelihoods, and to say they are upset would be the understatement of the year.

SB955 is designed to in some small measure ameliorate the damage that will be inflicted on the affected property owners if the PSC should decide to approve the pending application of PSEG for a certificate of convenience and necessity.

Before I describe the three components of SB955, permit me to explain why the fury of the residents along the 70-mile length of the proposed transmission line is specially pronounced.

As of last November, Loudoun County, Virginia, which lies just on the south side of the Potomac River from the proposed terminus of the new transmission line in Point of Rocks, Maryland was home to about 200 data centers, more than any other community on earth. That represents over a 230% increase in data centers in Loudoun County in the past five years. And in the pipeline are so many more data centers that by the time they are completed, the number of data centers in Loudoun County will have doubled to over 400 data centers. As a consequence, Loudoun County currently hosts 65% of the world's internet traffic.

Each data center uses as much electricity as a small city. That means that Loudoun County is glomming up unimaginably massive amounts of electricity. Although the local utility in Loudoun County, Dominion Energy, is required by Virginia law to provide power to every customer it serves, it has failed in its assigned task. The Loudoun County data centers desperately need a vast amount of power, but Dominion can't provide it to them.

That's where the proposed 70-mile transmission line across Maryland comes in. The proposed new transmission line would take electricity generated at the Peach Bottom Nuclear Power Plant just over the Pennsylvania line and transmit it from the northeast corner of Baltimore County across northern Baltimore County into northern Carroll County and then southwest across Carroll County into eastern Frederick County, terminating in Point of Rocks on the Potomac River. Why Point of Rocks? Well, there is an existing transmission line starting at Point of Rocks which crosses the Potomac River and then goes directly to the heart of Loudoun County where all those data centers are located. PSEG claims that Maryland will benefit from the proposed new line, but note that the proposed line does not go to a part of Maryland where electricity is in demand. The line doesn't go to or anywhere near Baltimore City, central Maryland or the Washington, D. C. area counties. Rather, it goes to a tiny town named Point of Rocks which just happens to be at the end of a transmission line going directly to the center of the Loudoun County data center complex. So none of the electricity delivered to Point of Rocks by the proposed new line will be used in Maryland. It will all be delivered to Loudoun County, Virginia. The new transmission line will therefore be the equivalent of a 70-mile extension cord, delivering electricity from Pennsylvania to Point of Rocks and then into Loudoun County, Virginia.

All of the benefits of the proposed new transmission line will occur in Virginia. The vast data center complex being developed in Loudoun County, Virginia will generate innumerable jobs and collateral economic development, but in Virginia, not in Maryland. These employees will pay Virginia income taxes and property taxes. The data center owners are anticipated to pay \$895 million in real and personal property taxes to Loudoun County in FY2025, a county in which the entire operating budget in FY2025 is anticipated to be only \$949 million. So local tax rates will be very low in Loudoun County while the economy of Loudoun County will grow robustly. By contrast, Maryland will suffer all of the deleterious consequences associated with the new transmission line and will derive no benefits from it at all.

That is why the residents of Maryland whose property will be taken away from them if the transmission line is approved are so upset. It would be one thing if the new line were delivering electricity that they need and that would improve their standard of living. But the new line will only bring them misery and destroy their lives while enhancing the economy of Loudoun County, a place where the local utility is defying Virginia law and not generating the electricity needed to run the data centers. Our Maryland residents correctly apprehend that they are being sold down the river by PJM and PSEG in order to make the residents of another state prosperous. They are most profoundly upset.

Senate Bill 955 is intended to help them out and to help out all those in the future whose homes and properties are in the path of transmission lines as yet unannounced. It has three components.

First, much of the land that will be the subject of eminent domain has been voluntarily placed into permanent conservation easements and preservation easements by its owners in order to assure that it will remain forever protected against development. These owners movingly foresee that the proposed transmission line will result in the clear cutting of forests, the destruction of ground cover and the elimination of wildlife. The Chesapeake Legal Alliance and Blue Water

Baltimore have issued a letter stating that the line will impact nearly 100 rivers and streams, 30 riparian wetlands and 70 other federally identified wetlands. To lose these vital permanently protected lands would be heart rending, and the perverse fact is that our eminent domain laws actually encourage PSEG to route the new transmission line through these protected lands because they have no development value and consequently can be acquired cheaply, far more cheaply than nearby land that could be developed.

SB955 prohibits a developer of a new electrical transmission line from exercising a right of condemnation to acquire property encumbered by a conservation easement. In this case, PSEG would have to route its proposed transmission line around these lands of paramount environmental importance.

Second, while Maryland law currently provides for compensation to a property owner whose land is the subject of an eminent domain proceeding, it offers no protection at all for adjacent property owners whose land is adversely impacted by the new use of the acquired land. In this case, how about a next door neighbor whose home is just 50 feet away from the property line of the land being acquired and who will literally be living in the shadow of a giant steel tower bearing cables conducting massive amounts of electricity across the landscape? Imagine the depreciation in the value of that neighboring property once that tower looms over the house and the children are forced to play their games in the shadow of the industrial tower?

SB955 provides that an owner of land located within 500 feet of the property taken by eminent domain for an overhead transmission line will be able to bring an action against the party exercising eminent domain to recover the diminished value of the nearby property. This seems only fair and right.

Third and finally, let me pose to you a hypothetical. The land subject to eminent domain is reliably appraised as being worth \$100,000. But PSEG knows that if the landowner goes to court, the attorneys fees and expert witness fees that he or she will incur will be at least \$25,000, more if there are appeals. So PSEG will be able to offer the landowner an \$80,000 settlement, knowing that the \$80,000 amount would be more than the landowner would end up with after paying the attorneys fees and witness fees. So the land is worth \$100,000, but the land owner either ends up with 80,000 or less if the landowner goes to court. That's just not right.

Therefore, the third component of SB955 provides that in the case of an eminent domain action due to the construction of an overhead transmission line, if the final ruling in a condemnation proceeding is that the fair market value of the property is greater than the party bringing the eminent domain action had alleged in the condemnation proceeding that the property was worth, the defendant will not only recover the fair market value of the property as determined by the court but in addition will be awarded reasonable attorneys fees and reasonable expert witness fees.

I appreciate the Committee's consideration of Senate Bill 955 and will be happy to answer any questions the Committee may have.