



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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TESTIMONY OF TERRIEA "T" SMALLS, BUSINESS MANAGER
PLUMBERS LOCAL 5
IN SUPPORT WITH AMENDMENTS

HOUSE BILL 940 / SENATE BILL 596 – LARGE LOAD CUSTOMERS – ELECTRIC SYSTEM
INTERCONNECTION AND DEMAND RESPONSE PROGRAM

BEFORE THE SENATE EDUCATION, ENERGY, AND ENVIRONMENT COMMITTEE
AND THE HOUSE ENVIRONMENT AND TRANSPORTATION COMMITTEE

Dear Chair Feldman, Chair Korman, and Honorable Members of the Committees:

On behalf of Plumbers Local 5, I respectfully submit this testimony in support of House Bill 940 / Senate Bill 596, with amendments.

Plumbers Local 5 represents union plumbers who perform critical mechanical and piping work on large commercial and industrial projects across Maryland. Hyperscale data centers and other large-load industrial facilities are among the most significant sources of prevailing-wage construction work for our members and a growing driver of long-term economic development in the State.

We support thoughtful electric grid planning and policies that ensure reliability, affordability, and responsible growth. However, as currently drafted, House Bill 940 risks chilling large-load industrial development in Maryland, particularly data centers that are actively comparing Maryland to competing jurisdictions. Mandatory preconditions to interconnection, project-specific capacity procurement requirements, and duplicative demand response obligations introduce cost, timing, and regulatory uncertainty that can undermine project financing and delay or deter construction altogether.

When large-scale construction projects do not move forward, union construction jobs do not materialize—and the career pathways created through Maryland's high-caliber, state-registered apprenticeship programs, particularly for locally hired workers, fail to materialize as well.

Specifically, Plumbers Local 5 is concerned that the bill:

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- Requires large-load customers to procure or self-supply a fixed percentage of capacity as a condition of interconnection, rather than relying on established PJM and Public Service Commission reliability frameworks;
- Imposes undefined and geographically constrained “carbon-free” procurement requirements that limit feasible compliance options and introduce unnecessary project risk;
- Creates a Maryland-specific demand response program that may duplicate or conflict with existing PJM participation; and
- Front-loads study fees and compliance obligations at the earliest stages of project development, before interconnection certainty exists.

These provisions, taken together, place Maryland at a competitive disadvantage for large-load industrial investment and risk discouraging precisely the types of projects that support union labor, apprenticeship training, and long-term workforce development.

Plumbers Local 5 therefore urges the General Assembly to amend House Bill 940 / Senate Bill 596 to:

- Make capacity procurement and demand response participation voluntary or incentive-based rather than mandatory preconditions to interconnection;
- Clearly define eligible resources and allow compliance through regional PJM-qualified assets;
- Avoid duplicative regulatory structures that conflict with existing grid reliability programs; and
- Preserve predictable timelines and financing certainty for large-scale construction projects.

With these amendments, House Bill 940 / Senate Bill 596 can advance grid reliability while maintaining Maryland’s competitiveness for large-load development that delivers prevailing-wage construction jobs and meaningful apprenticeship opportunities for Maryland workers.

For these reasons, Plumbers Local 5 respectfully requests a favorable report with amendments.

Sincerely,

Terriea “T” Smalls
Business Manager / FST
Plumbers Local 5