

SB 0596 FAV

Committee: Education, Energy, and the Environment

Greetings,

I am submitting this testimony in favor of **SB 0596**.

It is urgent that Maryland protect our grid. The supply of electricity is in peril due to the new demands from data centers. This makes it much more expensive for households and businesses.

It makes sense to put some guardrails around how data centers can connect to the grid and incentivize them for bringing their own power. **SB 0596** specifies the following:

- a voluntary demand response program for large load customers to support peak energy use reductions that would be managed by the Public Service Commission. Demand response must use battery storage, flexible load, or other non-emitting sources (not generators).
- the Maryland Energy Administration will gather information from all Maryland generators to determine which have surplus interconnection potential and the amount of that potential to deploy additional resources at that site without impacting the existing infrastructure.
- all large load customers seeking to interconnect in Maryland to provide capacity for 25% of load with either behind the meter storage, capacity purchase of new grid connection battery storage or new carbon-free asset.
- a priority path in utility study, interconnection, and permitting for any large load customer that provides capacity for 100% of load with either behind the meter storage, capacity purchase of new grid connection battery storage or new carbon-free asset, or demand response; and pays prevailing wages.
- a community benefit fee paid by the large load customers of \$100,000 per MW served in order to be studied and considered for interconnection. This fee ensures that all load studied is credible and likely to come on line. Funds in the community benefit account will be used for energy assistance and energy efficiency upgrades through the low income Empower program.

These requirements will make data centers support their usage with clean energy. It will also protect current residents and businesses so that they don't become the losers in the demand for electricity and.

I strongly support this bill and recommend a **FAVORABLE** report in committee.