



TESTIMONY FOR SB0596

Large Load Customers - Electric System Interconnection and Demand Response Program

Bill Sponsor: Senator Hester

Committee: Education, Energy, and the Environment

Organization Submitting: Maryland Legislative Coalition

Person Submitting: Cecilia Plante, co-chair

Position: FAVORABLE

I am submitting this testimony in favor of SB0596 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists, and our Coalition supports well over 30,000 members.

We are in a position where we need to protect our grid. New demands from data centers are putting the supply of electricity in peril. They are also making it much more expensive and households and businesses are concerned that they are going to get second place if there is too much demand.

This bill, if enacted, would put some guardrails around how data centers can connect to the grid and incentivize them for bringing their own power. It specifies -

- 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 to 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 ensure that current residents and businesses don't become the losers in the demand for electricity and will make data centers support their usage with clean energy.

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