

CCAN AF Data Center Registry Testimony .pdf

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TESTIMONY OF
BRITTANY BAKER
MARYLAND DIRECTOR

—
JAMIE DEMARCO
LOBBYIST

—
MIKE TIDWELL
EXECUTIVE DIRECTOR

SB992 - DATA CENTER REGISTRY
FAVORABLE
EDUCATION, ENERGY, AND ENVIRONMENT COMMITTEE
MARCH 12TH, 2026

Chair Feldman, Vice-Chair Kagan, and members of the EEE Committee,

On behalf of the Chesapeake Climate Action Network Action Fund, I urge a favorable report on SB992,

Senate Bill 992 establishes a regulatory framework for large load customers in Maryland, requiring them to register with the Public Service Commission. SB 992 will collect information from data centers looking to build in Maryland. This information will allow the State to better plan and prepare for data centers. It will also allow for improved load forecasts, which are currently overestimating demand from data centers that are shopping around, leading to an increase in capacity costs.

Under SB 992 Large load customers must register with the Commission before interconnecting with the electric system. The registration process, to be established by the PSC by January 1, 2027, requires customers to disclose similar interconnection requests in Maryland or the PJM region. This is intended to improve load forecasting, which is having an impact on capacity costs right now.

Additional information data centers will be required to disclose include:

- Intentions to build their own energy generation or use the distribution system.
- Details regarding on-site backup generation and monthly water usage, including the status of necessary water permits.
- Proof of site control through ownership or lease.

Financial and Infrastructure Obligations

The bill asks for documentation of financial commitments for the development of necessary transmission infrastructure. These include:

- Providing security on a dollar-per-megawatt basis.

- Financing transmission construction or paying for equipment and services in advance.
- Providing financial security to the State to ensure residential customers are held harmless for costs associated with new energy capacity procurement.

By addressing the issue of “phantom load” SB 992 can prevent Maryland from building out costly grid infrastructure that will never be used.

Additionally, SB 992 ensures that curtailment orders and costs from PJM assigned to an electric company serving large load customers are passed through only to those large load customers, protecting other utility customers from the impact. This means that if there is not enough power to go around, data centers would be turned off first, protecting residential customers who may need electricity for oxygen or other vital medical needs.

SB992 Testimony.pdf

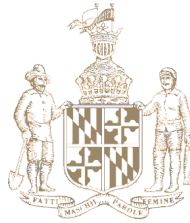
Uploaded by: Katie Fry Hester

Position: FAV

KATIE FRY HESTER
Legislative District 9
Howard and Montgomery Counties

Education, Energy, and
Environment Committee

Chair, Joint Committee on
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and Biotechnology



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony in Support of SB 992 - Public Utilities - Large Load Customers - Registration and Demand Response Program

March 10, 2026

Chair Feldman, Vice Chair Kagan, and members of the Education, Energy, and Environment Committee:

Thank you for your consideration of Senate Bill 992, which addresses the rapid growth of very large electricity customers, such as data centers, by taking three key steps.

First, the bill improves transparency by requiring large electricity customers to register key planning information about their projects with the Public Service Commission before interconnecting with the grid.

Currently, utilities and regulators have limited visibility into which large electricity users are planning to build in Maryland or what their expected demand will be. Developers often submit multiple interconnection requests across different locations while deciding where to ultimately build. Because system planners cannot always determine which projects will actually move forward, these speculative requests can inflate demand forecasts. When planners prepare for demand that may never materialize, it can contribute to higher capacity procurement and infrastructure planning costs that are ultimately borne by ratepayers.

Requiring early registration will provide regulators with better information about the timing, scale, and likelihood of large new electricity demand, allowing Maryland to plan infrastructure more accurately and avoid unnecessary costs.

Second, the bill ensures that costs associated with serving large new electricity loads are appropriately assigned to those customers rather than shifted onto other ratepayers.

Maryland participates in the PJM regional electricity market, where recent discussions have raised concerns about how costs associated with large new loads—such as capacity procurement obligations—may be allocated. In some cases, these costs could be spread across all customers in a transmission zone even when they are driven by a specific project.

SB 992 helps address this risk by ensuring that PJM curtailment obligations and certain capacity-related costs associated with large load customers can be passed through directly to the customer responsible for creating that demand. The bill also requires financial security from these customers to ensure Maryland ratepayers are held harmless.

Third, the bill updates state law to reflect the scale of new electricity demand by lowering the definition of a “large load customer” from 100 megawatts to 25 megawatts (technical amendments to come to ensure that this change is made in the Next Generation Energy Act Statute).

The existing 100-megawatt threshold was established before the current wave of large electricity demand across the PJM region. Lowering the threshold ensures that Maryland regulators have visibility into a broader set of large projects that could meaningfully affect grid planning and ratepayer costs.

We are continuing to work with the Maryland Energy Administration, the Public Service Commission, the Office of People’s Counsel, and representatives of the data center industry on amendments to refine the bill and address stakeholder concerns, including ensuring that proprietary information submitted through the registration process is appropriately protected.

By improving transparency around large load development, ensuring appropriate cost allocation, and updating the definition of large electricity customers, SB 992 will help Maryland better plan for future electricity demand while protecting ratepayers.

For these reasons, I respectfully request a favorable report on SB 992.

Sincerely,

A handwritten signature in black ink that reads "Katie Fry Hester". The signature is written in a cursive, slightly slanted style.

Senator Katie Fry Hester
Howard and Montgomery Counties

SB992 Maryland LCV FAV- Public Utilities - Large L

Uploaded by: Kristen Harbeson

Position: FAV



**MARYLAND
LEAGUE OF
CONSERVATION
VOTERS**

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Kim Coble
Executive Director

March 12, 2026

Support: SB 992 - Public Utilities - Large Load Customers - Registration and Demand Response Program

Mr. Chair and Members of the Committee:

Maryland LCV supports the intent of SB 992, which requires large load customers, including data centers, to register with and disclose information to the Public Service Commission. This transparency will help the state more accurately plan for energy needs and avoid the problem of “phantom loads.” Phantom loads are where applicants pursue multiple substantively similar proposals within the PJM grid without the intent of bringing them all to completion, thereby requiring the state to plan for loads that will never occur. Phantom loads drive up costs at the PJM capacity market, which leads to higher energy bills for Marylanders. We thank Senator Hester for her continued leadership on this issue.

Across the country, large load customers are driving unprecedented increases in projected electricity demand. These projections are often speculative and uncertain, yet utilities must still plan and build infrastructure to meet them. This creates a serious risk of overbuilding generation and transmission, leaving Maryland households and small businesses to bear the costs if projected load does not materialize. SB 992 addresses this risk by requiring large load customers to contribute to the capacity needed to serve them and by ensuring that interconnection requests reflect credible, actionable projects.

As a member of the Marylanders for Data Center Reform Coalition, Maryland LCV encourages consideration of the proposed amendments, which have been previously submitted to the sponsors by the coalition. These amendments would clarify and strengthen the legislation.

Maryland LCV wants to **Power Maryland Forward, supporting energy affordability through deployment of solar and storage, defense against more fossil fuels and unchecked utility profits, while getting the most out of the electricity grid we have.** SB 992 represents a balanced, forward-looking approach to managing load growth, protecting ratepayers, and strengthening grid reliability. Maryland LCV urges a favorable report on this bill with the offered amendments.

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Testimony in support of SB0992 - Large Load Custom

Uploaded by: Richard KAP Kaplowitz

Position: FAV

SB0992_RichardKaplowitz_FAV
03/12/2026
Richard Keith Kaplowitz
Frederick, MD 21703

TESTIMONY ON SB#/0992 – FAVORABLE

Public Utilities - Large Load Customers - Registration and Demand Response Program

TO: Chair Feldman, Vice Chair Kagan and members of the Education, Energy, and the Environment Committee

FROM: Richard Keith Kaplowitz

My name is Richard K. Kaplowitz. I am a resident of District 3. I am submitting this testimony in support of SB#0992, Public Utilities - Large Load Customers - Registration and Demand Response Program

The Frederick NewsPost reported on March 6, 2026, *As data centers multiply, Maryland's power grid struggles to keep up*¹

Maryland ranks 13th in the U.S. for its residential electricity prices as of October 2025, according to the U.S. Energy Information Administration. Between October 2024 and October 2025, average residential electricity prices in the state rose about 18%.

That could just be the start. A 2024 U.S. Department of Energy report estimated data centers will consume about 7% to 12% of the country's electricity by 2028, up from 4.4% in 2023. Data centers' proportion of the regional electricity grid supplying power to Maryland and other nearby states will triple between 2024 and 2029, according to a report by the grid operator. As a result, the regional electricity grid estimated in another report that its peak energy load is estimated to grow 32 gigawatts from 2024 to 2030 — enough energy to power at least an estimated 24 million homes.

A sudden surge in power demand, supply issues and a long, bureaucratic approval process for bringing on new power has led to higher electricity prices in Maryland — costs only expected to increase.

This bill will require a certain large load customer to register with the Public Service Commission before interconnecting with the electric system; establish the requirements for the registration of a large load customer; require that a certain data center be eligible for and considered a "qualified data center" for a certain tax exemption under certain circumstances; require the Commission to take certain curtailment actions; and require the Commission to establish a Demand Response Program for large load customers.

Maryland needs stronger controls over the effects of data centers on electricity infrastructure.

I respectfully urge this committee to return a favorable report and pass SB0992.

¹ https://www.fredericknewspost.com/news/continuing_coverage/data_centers/as-data-centers-multiply-marylands-power-grid-struggles-to-keep-up/article_d54ecff4-b259-5535-97a2-bef190ca196f.html

SB0992 - OPC Testimony.pdf

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Position: FAV

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CHIEF OPERATING OFFICER

BILL NO.: Senate Bill 0992 – Public Utilities - Large Load Customers -
Registration and Demand Response Program

COMMITTEE: Education, Energy, and the Environment

HEARING DATE: March 12, 2026 (EEE)

SPONSOR: Senators Hester, Feldman, Lewis Young, Sydnor, Love,
Hettleman, Ready, and Folden

POSITION: Favorable

The Office of People's Counsel (OPC) respectfully offers the following comments in support of Senate Bill 0992, Public Utilities - Large Load Customers - Registration and Demand Response Program, which proposes protections against the anticipated costs resulting from adding large load customers like data centers to the grid. Specifically, SB 0992 would require added transparency that is needed to more accurately forecast data center load growth in Maryland and help to mitigate the impact of data center load growth on residential customers.

Large load customers like data centers have city-sized energy demands that can grow quickly. They are unprecedented in both scale and timing. For example, PJM projects that the Dominion zone in Virginia will add about as much new electric demand from data centers by 2030 as the total electric demand that Maryland has built up over more than a century.¹ The electric demands required to support data centers are driving up wholesale market supply costs for Maryland customers in three main areas:

¹ The entire load for Baltimore Gas & Electric (BGE) is roughly 6,500 megawatts. The new demand in Virginia as of spring 2025 was 10,000 megawatts. See Jeff Morgan, [MD could get hit with \\$800 million energy bill due to VA data center needs](#), WMAR 2 News (April 30, 2025). PJM's most recent annual load forecast projects data center loads in the Dominion zone in Virginia (the eastern part of the state) to increase by 10,135 MW by 2030. [2026 PJM Load Forecast Report](#), Table B-9 (Jan. 14, 2026).

Capacity market costs: PJM operates a periodic capacity market auction under which power plant owners make advance commitments to provide power to meet reliability requirements. The power demands of data centers are driving substantial increases in the need for supply, driving up capacity market prices. [According to the independent market monitor \(“IMM”\) for PJM](#), data center load growth is “the primary reason for recent and expected capacity market conditions” within PJM, raising the price in the last three auctions by \$23 billion.

Transmission costs: The anticipated addition of massive new electric needs associated with the construction of data centers is driving a large expansion of PJM’s transmission system. Maryland customers see transmission costs on the supply side of their bill. Between 2024 and 2026 alone, PJM has advanced almost \$24 billion in new transmission infrastructure for regional upgrades primarily driven by data center growth, mainly in Northern Virginia and Pennsylvania.² Over \$2 billion—plus billions more in recovery for the utility’s return as the initial investments are recovered in future decades—will be paid by Maryland customers.³ Marylanders also are paying tens of millions in local transmission projects for data centers.

Energy market costs: Energy costs change hour-by-hour, which makes the impact of data centers harder to quantify, but data centers are most certainly driving higher energy costs for Maryland customers. [An analysis by Bloomberg](#), for example, found that between 2020 and 2025 energy prices grew significantly more near “data center hot spots,” including Baltimore, where they more than doubled. Energy prices comprise the largest part of wholesale costs that show up as part of the supply portion of a residential customer bill. (Wholesale costs include transmission and capacity costs as well.) Energy prices in PJM grew almost 50% from January 2025 to September 2025 compared to the same period last year.⁴

PJM’s recently released [2026 forecast](#) provides important context for where the anticipated load growth is projected to occur. According to that report—based in part on information from the utilities—PJM forecasts only modest load growth in Maryland

² RTEP 2023, Regional Transmission Expansion Plan, p. 1 (March 7, 2024); Transmission Expansion Advisory Committee (TEAC) Recommendations to the PJM Board, PJM Staff White Paper (Feb. 2025), p. 1; Transmission Expansion Advisory Committee (TEAC), Reliability Analysis Update, 2025 RTEP Cost Summary, p. 61 (Jan. 6, 2026); Transmission Expansion Advisory Committee (TEAC) Recommendations to the PJM Board (February 2026).

³ See e.g., Md. Off. of People’s Couns., *Protest and Comments before Federal Energy Regulation Commission* Docket No. ER24-843 and Md. Off. of People’s Counsel’s press release: [PJM proposal would unlawfully saddle Maryland customers with nearly \\$800 million for out-of-state data center growth, OPC tells federal regulators](#).

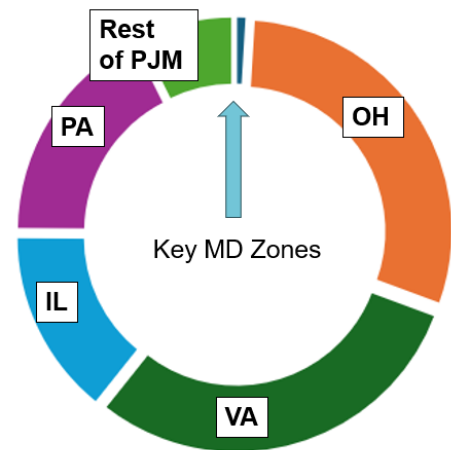
⁴ Monitoring Analytics LLC, *Annual and monthly wholesale cost components data*, https://www.monitoringanalytics.com/data/pjm_cost.shtml.

through 2045. As this figure demonstrates, almost all of the projected growth in demand from data centers is occurring outside of Maryland.

If Maryland customers are not responsible for the monumental projections of increased energy demand, then Maryland customers should not bear the costs necessary to meet that rising demand. This principle of “cost causation” is a fundamental tenet of public utility regulation and core to the legal standard that utility rates be “just and reasonable.”⁵

SB 0992 would help protect existing Maryland customers from the potentially huge costs associated with data centers in four important ways. *First*, SB 0992 would require “large load customers”—defined in the bill as any commercial or industrial customer with a monthly aggregate demand of at least 25 megawatts (MWs) and a load factor exceeding 80%⁶—to register with the Public Service Commission (PSC). As part of the proposed registration process, a large load customer would be required to disclose to the PSC information about anticipated energy and water usage and “substantially similar” applications for interconnection in other areas; demonstrate site control; and provide a financial commitment for the development of transmission infrastructure that is needed to serve the large load customer. SB 0992 would also require a large load customer to provide the regional grid operator, PJM Interconnection LLC, with information similarly necessary to improve forecasting of data center load growth. *Second*, SB 0992 would require that large load customers bear the brunt of any curtailment ordered by PJM by requiring an electric company that serves one or more large load customers to pass through to those customers—and not other existing customers—any order to curtail electricity usage. *Third*, SB 0992 would require large load customers to pay for new capacity that must be procured as a result of the interconnection of large load customers. *Fourth*, SB 0992 would incentivize data centers to participate in a demand response program established by the PSC by conditioning receipt of an existing sales and use tax exemption for qualifying data centers⁷ on

2030 PJM Large Load Adjustments



Source: PJM's 2026 load forecast ...

⁵ Md. Code Ann., Pub. Util. Art. (PUA) § 4-201 (“[A] public service company shall charge just and reasonable rates for the regulated services that it renders.”).

⁶ The definitions of “load factor” and “aggregate demand” are not yet final under Maryland law and are currently under discussion before the Public Service Commission in Public Conference 72. Additionally, the threshold of “large load customer” in Public Utilities Article (PUA) § 4-212(a)(3)(i) is 100 MW—significantly higher than the 25 MW threshold in this bill—and would likely only capture the largest data centers. OPC supports reducing that threshold to 25 MW—as separately proposed in HB 1532—to match the definition of “large load customer” in this bill.

⁷ See Md. Code Ann., Tax Gen. Art. § 11-239.

participation. Demand-response participation is key to ensure real-time supply and demand balancing to accommodate large loads, maintain grid integrity, and protect other customers.

OPC understands that the sponsors are working on amendments to further protect existing customers from potential risks associated with PJM capacity markets and the anticipated “backstop auction” for capacity to meet the demand of data center load. OPC recommends two specific amendments, which we have suggested to the sponsors.

The first is to amend section (f)(1)(iii) to include a requirement that a new large load customer take on a financial commitment to pay for capacity resources procured in any PJM market as a result of the new load being used to create the PJM forecast. The bill has a provision, 7-321 (f)(1)(2), that addresses a PJM procurement of new capacity resources because of the new large load customer. The proposed amendment would address PJM procurement of capacity for new large load customers in PJM’s routine capacity markets. If the new large load comes online as scheduled, then the amendment would not put an additional burden on the large load customer. But if the new large load customer does not come online as expected, the customers in the zone where the new large load customer was planned would otherwise be responsible for the additional capacity procured because of the new customer. The financial commitment required by this amendment would protect other customers from those higher costs.

The second amendment addresses utility reporting of new large load customers to PJM, which is used in PJM’s load forecast and is the basis for PJM’s routine capacity markets and the backstop procurement called for by the White House and the Governors of the PJM states, including Governor Moore.⁸ Once utilities report projected new load from large load customers and PJM accepts that projection, the additional load is included with the load of existing customers to create the demand component of the market. Under current PJM rules, all customers in the zone where the new load is projected will be responsible for the capacity procured for that zone. If the new large load customer does not come online, the rest of the customers in the zone will be responsible for paying for the capacity procured for the zone, including the capacity procured for the new large load customer who did not come online.

In response to the White House and PJM Governors request, PJM is planning to conduct a “backstop” capacity auction in September of this year. This will add an additional obligation on customers to the obligations they already have under PJM’s usual capacity auction. While PJM has not made an official proposal on how much

⁸ [Statement of Principles Regarding PJM \(January 16, 2026\)](#).

capacity the backstop auction will procure and how the costs and risks of the procurement will be allocated, the documents published by PJM staff indicate that the procurement will likely be based on a PJM forecast of additional data center load and that the costs will be allocated to PJM zones based, in some manner, on the forecast of data center load in that zone.⁹ The 2026 PJM Load Forecast includes projections of new large load customer demand growth in the Baltimore Gas and Electric, Potomac Electric Power Company, and Allegheny Power Systems (which includes Potomac Edison) zones starting in small amounts and ramping up until the mid-2030s.¹⁰ These projections are based on information provided to PJM by local utilities. Based on PJM stakeholder discussions, in the process leading up to the backstop procurement this September, there may be an opportunity for either the local utilities or the Public Service Commission to request changes to the large load forecasts. The second amendment would require that local utilities *only* report potential large load additions to PJM if the new large load customer has a financial commitment in place to pay for any capacity procured because of its demand whether or not the new large load customer actually comes online. This requirement would protect existing customers from paying additional capacity costs for new large load customers who do not come online as forecasted.

OPC appreciates the opportunity to work with sponsors on these amendments to ensure residential customers do not end up paying costs associated with data center specific procurements.

Recommendation: OPC requests a favorable Committee report on SB 0992 with the anticipated sponsor amendments described above.

⁹ [Reliability Backstop Procurement Stakeholder Survey Summary & Status Update, PJM Reliability Backstop Procurement Workshop](#) (Mar. 5, 2026).

¹⁰ [2026 PJM Load Forecast Report](#), Table B-9 (Jan. 14, 2026).

Bloom Energy - SB992 - Testimony.pdf

Uploaded by: Brian Noonan

Position: FWA

**TESTIMONY OF BLOOM ENERGY
IN SUPPORT OF SENATE BILL 992**

Public Utilities – Large Load Customers – Registration and Demand Response Program
with the BYOP Large Load Amendment
Senate Committee on Education, Energy, and the Environment

March 12, 2026

Members of the Maryland Senate Education, Energy, and the Environment Committee
Maryland General Assembly
Annapolis, Maryland 21401

RE: Testimony Pertaining to SB 992 – **SUPPORT WITH AMENDMENT**

Dear Chair and Members of the Committee:

Bloom Energy appreciates the General Assembly’s focus on grid planning and ratepayer cost protections; as such, we testify in support of SB 992 and respectfully urge the committee to adopt the “Bring You Own Power” Large Load Amendment. We strongly support the Legislature’s efforts to address the cost and reliability issues posed by large loads, and highlight the importance of this amendment to avoid unintended consequences of interactions with existing state programs.

SB 992 sets a strong foundation

SB 992 takes important steps towards ensuring responsible development in Maryland of facilities with large electricity demand. By establishing a registry to arm the Public Service Commission with critical data to fully understand the broader implications of these loads, and by ensuring that only those meeting thoughtful standards are eligible for tax exemption, the bill would set a framework for protecting grid stability, ratepayer and taxpayer costs, and existing environmental obligations. Such a foundation would allow growth of critical sectors without compromising other public policy objectives or placing undue risk on ratepayers.

Critically, on-site power, often referred to as “behind-the-meter” power, meets the objectives of SB 992 while ensuring that providing power to the large load will have no ratepayer impacts. When facilities provide their own power, as envisioned in Section (E)(3)I, and do not rely on the local utility for any power, ratepayers are entirely isolated from costs associated with the provision of energy.

Onsite Power in Maryland is currently at a disadvantage compared to grid power

Unfortunately, the State’s Building Energy Performance Standards (BEPS) penalize onsite power while exempting grid power from facility emissions calculations. Under the current BEPS program, any onsite power otherwise enabled by SB 992 would be penalized, even if that on-site power source were cleaner than the local electric grid. This effectively limits the bill’s ability to encourage new on-site power, forcing large loads to rely on dirtier grid power with long lead times, negative community impacts, and ratepayer exposure.

The proposed amendment offers a simple fix. As drafted, the amendment states that facilities that deploy onsite power systems that demonstrate (using longstanding EPA data and

methodologies) a reduction in greenhouse gas emissions compared to the local grid's marginal emissions rate shall exclude the power system's emissions from BEPS. Importantly, this would not apply to systems that are dirtier than the grid. For clarity, we point out that currently **BEPS excludes all grid power emission sources** no matter how dirty and **penalizes all onsite power emission sources** no matter how clean.

Conclusion

Bloom Energy supports SB 992 with the BYOP Large Load amendment. The bill would set important standards for responsible large load development, and the amendment would ensure that the onsite power systems envisioned under the bill are not made inviable by a penalty that favors grid power. We respectfully note that SB 992 would not have its intended effect without this amendment.

Thank you for the opportunity to provide testimony. Please do not hesitate to contact us if we can be helpful to the committee as you continue to grapple with these important issues.

Sincerely,

/s/Jordan Garfinkle

Jordan Garfinkle
Director, Policy and Government Affairs
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BAS Final Testimony_SB992_Support With Amendment 3

Uploaded by: Brian Sailer

Position: FWA

**TESTIMONY IN SUPPORT OF
SENATE BILL 992
Public Utilities – Large Load Customers – Registration and Demand Response Program
with the BYOP Large Load Amendment
Senate Committee on Education, Energy, and the Environment**

March 12, 2026

Members of the Maryland Senate Education, Energy, and the Environment Committee
Maryland State Senate
Annapolis, Maryland 21401

RE: Written Testimony in **SUPPORT** of Senate Bill 00992 with Amendment (Senator Hester)

Chairman Ferguson, Vice Chair Kagan, and Members of the Committee:

I submit this testimony in strong support of Senate Bill 992, sponsored by Senator Hester, and urge the Committee to adopt the BYOP Large Load Amendment. Together, the bill and the amendment provide a sound, balanced framework for managing the unprecedented growth in large load demand in Maryland - without burdening existing ratepayers.

SB 992: A Necessary Foundation for Large Load Accountability

SB 992 establishes a long-overdue registration process for large load customers - commercial or industrial customers with monthly demand of 25 megawatts or more and load factors exceeding 80%. The bill ensures that data centers and other high-demand industrial users disclose critical information to the Public Service Commission before interconnecting with the electric system, including their energy sourcing plans, water usage, financial commitments to transmission infrastructure, and backup generation capacity.

Critically, the bill's cost-passthrough provisions in Section 7-321(F) ensure that any curtailment orders or financial obligations arising from a large load customer's interconnection fall on that customer - not on residential and small commercial ratepayers. This is the right policy. Maryland ratepayers should not be asked to subsidize the grid costs created by some of the largest electricity consumers in the world.

Uniquely, SB 992 amends the Tax-General Article to create a second pathway to qualified data center status for the sales and use tax exemption — one that doesn't require the traditional investment thresholds (\$2M–\$5M) and job creation minimums, but instead requires PSC registration, demand response program participation, and either 100% behind-the-meter generation or 100% renewable energy procurement within PJM territory. This is a significant policy innovation. It essentially uses an existing tax expenditure as leverage to drive compliance with the new regulatory framework.

The Amendment: Unlocking Islanded, Behind-the-Meter Power with Zero Ratepayer Impact

The BYOP (Bring Your Own Power) Amendment makes a targeted but transformative improvement to the bill. It clarifies that a behind-the-meter generating facility that powers a large load customer - is exempt from Building Energy Performance Standards emissions calculations, provided the facility emits less carbon dioxide per megawatt-hour than the regional grid's non-baseload output rate as measured by EPA's eGRID database.

This is a critical and compelling solution. A behind-the-meter facility by definition draws nothing from the grid. It imposes no transmission costs, creates no capacity obligations, triggers no curtailment exposure, and requires no ratepayer backstop. It is the cleanest possible outcome for Maryland's electric system: large loads served by dedicated, lower-emitting on-site generation, fully insulated from the grid.

The amendment's Rule of Construction provisions are equally important. They make explicit that nothing in the bill requires an on-site generating facility to interconnect with the grid, subjects behind-the-meter generation to public utility regulation, or limits a building owner's right to meet energy needs through private generation. These clarifications provide the regulatory certainty that large load customers need to commit capital to in-state facilities, and they do so in a way that poses no risk to other ratepayers.

Conclusion

Maryland has an opportunity to lead the nation in responsibly managing the large load growth driven by data centers and advanced manufacturing — growing the tax base and creating jobs while promoting cleaner power, protecting the grid and holding ratepayers harmless. SB 992, with the BYOP Large Load Amendment, achieves that balance. I urge the Committee's favorable report.

Respectfully submitted,

Brian Sailer
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SB 992 - MoCo (GA 26) FWA.pdf

Uploaded by: Garrett Fitzgerald

Position: FWA



Montgomery County

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SB 992

DATE: March 12, 2026

SPONSOR: Senator Hester

ASSIGNED TO: Education, Energy, and the Environment

CONTACT PERSON: Garrett Fitzgerald (garrett.fitzgerald@montgomerycountymd.gov)

POSITION: Favorable with Amendments

Public Utilities - Large Load Customers - Registration and Demand Response Program

Montgomery County appreciates the leadership of the bill sponsors to introduce this important legislation to help guide the future of data center development in Maryland. Senate Bill 992 directs the Public Service Commission to establish a registration process for data centers, enhances ratepayer protections, creates a demand response program, and updates state tax incentives available to data centers.

The County supports the proposed data center registration process and financial commitments which should enable better planning for energy demand and other impacts.

The County also strongly supports the monetary and reliability ratepayer protections created by this legislation. For example, the bill directs that any financial obligations of an electric company to procure new energy capacity for a new large load customer must be passed on to that customer rather than existing ratepayers. Similarly, if an order is received from the regional transmission organization, PJM, to curtail energy use, that order is to be passed only to the large load customers. These are important provisions that protect current ratepayers from the cost and growing demand for energy.

Montgomery County would prefer two amendments to this important legislation. First, the bill should remove rather than expand opportunities for the data center industry to receive tax incentives from the State. Second, language should be included in 7-1008 (F) of the bill, which starts on page 7, line 16, to prohibit the use of diesel generators to maintain typical power demand during participation in a demand response event called under the voluntary Demand Response Program created by the bill. While the County supports efforts to save money and reduce grid impacts from data centers, these facilities should rely on technologies that can adjust energy use as opposed to using off-grid resources that create other negative impacts.

With the requested amendments, Montgomery County encourages the Education, Energy, and the Environment Committee to issue a favorable report on Senate Bill 992.

SB992_mdsierraclub_FWA-12Mar2026.pdf

Uploaded by: Josh Tulkin

Position: FWA



P.O. Box 278
Riverdale, MD 20738

Committee: Education, Energy and the Environment

Testimony on: SB992 - “Large Load Customers- Registration and Demand Response Program”

Position: Favorable with Amendments

Hearing Date: March 12, 2026

Overview

The Maryland Chapter of the Sierra Club urges a favorable report on SB922, and offers supportive amendments. This bill would improve transparency about data centers that may be developed in Maryland, strengthens eligibility requirements for a tax break related to data centers, and reduces data center-related strain on the grid. This bill constitutes an important step in the right direction toward limiting the impacts of data centers on the energy grid and Maryland ratepayers.

What the bill does

The bill as written would do the following:

- Require all data centers that wish to locate in the state to complete a large load registration to include impacts on transmission capacity and upgrades needed
- Strengthen the eligibility requirements to qualify for the data center sales and use and personal property tax incentives
- Create new requirements that data centers must bring their own power OR agree to purchase 100% clean energy within PJM’s territory AND participate in the Demand Response (Data Center Clean Capacity) Program

Taken together, these measures would help address several key challenges that Maryland currently faces related to the development of data centers. It would increase transparency about proposed large loads and their potential grid impacts and thus facilitate more holistic planning across the state. It would also set in place some basic requirements that would limit data center impact to the grid, and help ensure that centers that receive tax breaks take appropriate steps to mitigate their impacts. Overall, this bill presents an important step in moving past the status quo treatment of data centers, which is largely reactive.

Amendments

The Sierra Club suggests that the Committee adopt all of the amendments proposed by the Maryland Coalition for Data Center Reform. Below, we have highlighted some of those amendments that we are particularly supportive of, and included several additional amendments:

Page 4

(8) Establish a Procedure to Allow the Commission to Access Any Information

Add that the Commission will share “general information” about the transmission planning analysis without releasing who the applicant is.

(E) ELIGIBLE FOR Eligible for the Tax Credit Program

- Add language that states that for any data center development that is qualified for or is currently using the previous tax incentive program, the development must meet the new requirements in order to renew the tax incentive once the current term expires.
- Add a date for when the benefit will end. For example, after the 10 year consecutive benefit period.

(1)(I) Provides Enough Behind-The-Meter Energy Generation

- Add language that all data centers cannot use fossil-based backup power to qualify as having enough behind-the-meter power.

(1)(II) Agrees to Purchase 100% Renewable Energy

- Change renewable energy to “clean energy”.
- Include language that states that generation must be from new (less than 2yr old) carbon-free sources to include geothermal, battery, solar, and wind located in PJM’s interconnection service territory. Or renewable, but excluding biogas and biomass

Page 6

(A)(3) Demand Response

- We want to ensure that this language includes and embraces the full bill language and requirements in SB596/HB940 to include the incentives for data centers that bring backup battery storage and carbon free to interconnect quickly, requirements that 25% of the capacity load is carbon free, and a community benefit fund for low-income households.
- We would recommend that the Demand Response section be improved by also allowing demand response program participation to include participation in PJM’s wholesale demand response programs, particularly the emergency demand response programs that participate in PJM’s capacity market.

Page 7

(G) (1) Virtual Power Plants

- Add language that includes other VPP operators to read “electric companies, data center VPPs, or other independent VPP operators”
- Revise the language of “shall factor in” to “shall factor in large load customer participation in”. Otherwise, it is unclear what “factor in” means. Why would the existence of a VPP run by a utility impact the performance of large load customers who do not participate.

Conclusion

SB992 presents a productive step forward in Maryland’s approach to managing the development of data centers within the State. It would increase transparency, facilitate planning, and set some basic guardrails for data centers interconnecting to the grid. In total, it presents a significant

improvement to Maryland's current approach to managing data centers. The Sierra Club recommends a favorable report and offers supportive amendments for the Committee's consideration.

Matt Sehrsweeney
Climate Campaign Representative
matt.sehrsweeney@mdsierra.org

David Kathan
Clean Energy Team
dkathan@gmail.com

Josh Tulkin
Chapter Director
Josh.Tulkin@MDSierra.org

SB992 - Public Utilities - Large Load Customers -

Uploaded by: Karl Held

Position: FWA



CLIMATE COALITION
Montgomery County, MD

Testimony on: SB0992 - Public Utilities - Large Load Customers - Registration and Demand Response Program
Committee: Education, Energy and the Environment
Organization: Climate Coalition Montgomery County
Submitting: Karl Held
Position: Favorable with Amendments
Hearing Date: March 12, 2026

Dear Chair Feldman and Committee Members:

Thank you for allowing our testimony today in support of SB0992 –Public Utilities - Large Load Customers - Registration and Demand Response Programs. The Climate Coalition Montgomery County, a group of 20 local organizations, whose mission is to lead action on climate change, advance a sustainable and just economy, and build resilience **urges you to vote favorably on SB0992 with amendments.** We hope we can work together to add some important environmental protection adjustments to the bill.

Our current electrical regulatory system was built on the principle of gradual and universal growth. Data centers break this paradigm; they are not gradual or universal. They also are local and massive. One hyper-scale data center can use the power of 640,000 homes and be constructed in 3 years. Imagine the electrical demand of the City of Baltimore being added to the grid in three years. Right now, the estimated 3GW needed to power all the currently proposed data centers at the Alcoa site in Fredrick is nearly equal to the electricity used by all Maryland households. Clearly, the old electric system paradigm is truly broken by data centers.

Another typical parameter of electricity use is variability; however, data center electric load is constant. While this makes predicting electrical use easier, it consistently adds demand during “peak” periods. This pattern increases the need for more generation and reserve capacity for the grid to handle “peak” demand periods. These factors increase ratepayer cost.¹

Unfortunately, no Maryland agency tracks and manages large load customers as they request power from a utility or start using electricity from the grid. So basically, the Public Service Commission (PSC) and ratepayers are being blindsided by data center build out.

Electricity costs in some data center-dense areas like Virginia have surged by over 250% in just five years. In the PJM region — the world’s largest power market — capacity auction prices spiked 800% in 2024, in large part due to data center growth. That year, consumers across seven PJM states paid \$4.3 billion more in electricity costs to cover deployment of new transmission infrastructure to serve data centers.^{2,3,4}

To help lower the ratepayer impact of data centers in Maryland, a first step is to create a process whereby large load customers must first register their electricity requirements with the PSC before they are permitted to interconnect. This will help the state plan for significant electric load growth, while understanding the impact on ratepayers.⁵ The second part of the solution is to incentivize large load customers to reduce their consumption during those few hours of peak demand during the year when excess generation is required.^{6,7} This will lower the need for peaker plants, (typically fueled by natural gas, oil, or coal) which are often older, less efficient, and emit high levels of pollution. Reducing data centers' power requirements can be done in a variety of ways. However, if they retain the same level of electrical usage and just decrease demand from the grid, it has to be done with clean electric technologies within the PJM territory.

SB0992 offers solutions by creating both requirements and incentives for “large load customers” to address their impact on the grid and electric rates, and to provide Maryland regulators more information about and control over new large load customers' interconnection to the electric system. The bill defines a *large load customer* as a “commercial or industrial customer for retail electric service that: (I) has or is projected to have an aggregate monthly demand of at least 25 megawatts; and (II) has or is projected to have a load factor of more than 80%.” The bill also requires the PSC to establish a demand response program for large load customers. Specifically, the bill directs the PSC to offer each large load customer that participates in the program the option of contracting for: 6 nonconsecutive 4-hour periods of load management or demand-side management time slots per calendar year; or 10 nonconsecutive 10-hour periods of load management or demand-side management time slots per calendar year. The PSC also must establish a clearly defined penalty system for large load customer nonperformance during force majeure events; establish a dispute resolution process; and establish multiple notification and communication channels for participating large load customers.

We support the SB0992 provisions; however, we recommend the following additional changes:

1. On-site backup generating facilities must explicitly exclude emergency diesel or methane fueled backup generators.
2. 100% renewable energy located in the PJM service territory to fully operate the data center must be new or have been in operation less than 2 years.
3. Explicitly state that the qualified sales and use tax exemption program is only available to data centers that qualify for the large load program, and for all other data centers, the sales and use tax exemption program is repealed.
4. Diesel generators and methane fueled generators can only be used for grid service outages and can never be connected to the grid.
5. Remove the line that requires the PSC to develop a clear compensation structure or financial incentives for program participation; the sales and use tax exemption program is sufficient compensation for program participation.

We respectfully request the committee vote favorable with amendments and adopt our recommended changes to SB0992.

1. Data center demand doubles in new power forecast, Fauquier Times, Nov. 5, 2025, https://www.fauquier.com/news/data-center-demand-doubles-in-new-power-forecast/article_88e9bcb8-a385-5c92-b173-5751d9b548f4.html

2. Data centers were 40% of PJM capacity costs in last auction: market monitor, Utility Dive, Jan. 7, 2026,
<https://www.utilitydive.com/news/data-centers-pjm-capacity-auction/808951/>
3. Data centers blamed for electric bill spike, new report says, WUSA, June 5, 2025,
<https://www.wusa9.com/article/tech/science/environment/data-centers-cause-electric-bill-spike-new-report-says/65-3af6bb57-4704-45c0-9fbf-aaf65daf9b69>
4. Here's how AI data centers affect the electrical grid, CNN, Jan. 18, 2026,
<https://www.cnn.com/2026/01/18/business/ai-data-centers-electricity-prices>
5. No more PJM data centers unless they can be reliably served: market monitor, Utility Dive, Nov. 26, 2025,
<https://www.utilitydive.com/news/pjm-data-center-interconnection-market-monitor-ferc-complaint/806527/>
6. Is data center flexibility a 'regulatory fiction'?, Latitude Media, Nov. 19, 2025,
<https://www.latitudemedia.com/news/is-data-center-flexibility-a-regulatory-fiction/>
7. The long-term grid impacts of data center flexibility, Latitude Media, Feb. 17, 2026,
<https://www.latitudemedia.com/news/the-long-term-grid-impacts-of-data-center-flexibility/>

Testimony for SB0992.pdf

Uploaded by: Kathleen Bartolomeo

Position: FWA

Testimony for SB0992 - Public Utilities - Large Load Customers - Registration and Demand Response Program

To: Education, Energy, and the Environment

I am submitting **favorable testimony with amendments** on SB0992- Public Utilities - Large Load Customers - Registration and Demand Response Program
The bill is sponsored by: Senators Hester, Feldman, Lewis Young, Sydnor, Love, Hettleman, Ready, and Folden

I am in favor of large load customers registering with the Public Service Commission.

I am **NOT** in favor of allowing “qualified data centers” or any tax exemptions.

“Qualified data Centers” typically are above 5 megawatts and within this bill would be 25 megawatts or more, and have been determined to not benefit communities, to increase air pollution, increase greenhouse gases and negatively impact water supplies and water quality; and in large part are used only for AI and Human Surveillance.

Tax exemptions have been backfiring in jurisdictions that have offered them.

*Data-center exemptions have produced **unsustainable revenue losses** in other states, with very large and rapidly increasing annual losses in Georgia, Virginia, and Texas.*

The curtailments may be helpful in reducing the economic concerns of Maryland residents however, it does not help to assure that these large projects:

1. Will not increase air pollution and
2. Will not increase greenhouse gases and
3. Will protect our water supplies.

My full set of amendments are:

1. No hyperscale Data Centers over 5 megawatts
2. No streamlining of any data center
3. No NDAs (non-disclosure agreements): Please keep dealings fully transparent.
4. Data centers may not be allowed to increase greenhouse gases or air pollution
 - Note: [A 2025 model indicates](#) that U.S. data centers in 2030 could cause approximately 600,000 asthma symptom cases and 1,300 premature deaths,

exceeding 1/3 of asthma deaths in the U.S. each year, resulting in a public health burden of more than \$20 billion.

5. No tax exemptions for large load data centers.

6. Water supply must be maintained for residential use and water quality must be maintained for human and wildlife consumption. The quality of aquatic and other wildlife habitats must be maintained within the watershed and downstream. [A March 2026 Report](#) indicates that what needs to be considered at application are the following:

- a. **Peak water capacity request** (MGD and gallons per minute), not only annual gallons
- b. **Cooling design** and what triggers evaporative operation on hot days
- c. **Water source** (potable, reclaimed, surface, groundwater), plus wastewater discharge plan
- d. **Drought and heat emergency protocol** (what happens on the top 10 hottest days)
- e. **A Pipe Neutral commitment:** the project funds upgrades or offsets capacity so existing customers keep their safety margin and future growth headroom
- f. An explicit explanation of the **power-water tradeoff:** if water is constrained, what additional electric load is created by switching cooling modes

Essentially, Land use approvals must be tied to water-system deliverability.

More concerns that I have with Data Centers from Move Past Plastics:

- A **one-gigawatt** data center can use up to 5 million gallons of potable public water **per day**
- Can use up to **several hundred** polluting generators.
- Can use enough **energy** to power **a million homes**
- Increased **electric** and **water rates** for residents
- Emits significant **noise, light, and air pollution**
- Creates **just a few permanent jobs**
- A one-gigawatt data center can use as much as 5 million gallons of water per day. These huge amounts of water, laced with dangerous chemicals, wash over servers to keep them cool. 80% of the water used for cooling evaporates, so some **chemicals migrate into the air**, and the remaining contaminated water is released into the watershed.

- Refrigerants - **PFAS**
- **Fluorinated gases (F-gases)**, specifically **hydrofluoroolefins (HFOs)** and **hydrochlorofluoroolefins (HCFOs)**
- Cooling loop chemicals:
- **Ethylene Glycol** is used to lower the freezing point of water. A clear, odorless, flammable, and toxic liquid that is used in antifreeze and other products and is **carcinogenic to humans**. Half-life in air is 69-149 days, in water 12-14 days.

<https://www.canva.com/design/DAGx14VOIIA/ro792mMTM8ijDkV631b3Kw/view#1>

I encourage a favorable report on having large load systems/data centers register with the Maryland Public Service Commission with attention to my list of amendments to the bill listed above.

Sincerely,

Kathy Bartolomeo
15 Laurel Hill Rd.
Unit R
Greenbelt, Md 20770

SB992-Public Utilities - Large Load Customers - Re

Uploaded by: Laurie McGilvray

Position: FWA



Testimony on: SB0992 - Public Utilities - Large Load Customers - Registration and Demand Response Program
Committee: Education, Energy and the Environment
Organization: Maryland Legislative Coalition Climate Justice Wing
Submitting: Dave Arndt, Co-Chair
Position: Favorable with Amendments
Hearing Date: March 12, 2026

Dear Chair Feldman and Committee Members:

Thank you for allowing our testimony today in support of SB0992 –Public Utilities - Large Load Customers - Registration and Demand Response Programs. The Maryland Legislative Coalition Climate Justice Wing, a statewide coalition of 32 grassroots and professional organizations focused on climate justice, urges you to vote favorably on SB0992 with some amendments. We hope we can work together to bring it to the Governor’s desk with some important environmental protection adjustments to the bill.

Our current electrical regulatory system was built on the principle of gradual and universal growth. Data centers break this paradigm; they are not gradual or universal. They also are local and massive. One hyper-scale data center can use the power of 640,000 homes and be constructed in 3 years. Imagine the electrical demand of the City of Baltimore being added to the grid in three years. Right now, the estimated 3GW needed to power all the currently proposed data centers at the Alcoa site in Fredrick is nearly equal to the electricity used by all Maryland households. Clearly, the old electric system paradigm is truly broken by data centers.

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Electricity costs in some data center-dense areas like Virginia have surged by over 250% in just five years. In the PJM region — the world’s largest power market — capacity auction prices spiked 800% in 2024, in large part due to data center growth. That year, consumers across seven PJM states paid \$4.3 billion more in electricity costs to cover deployment of new transmission infrastructure to serve data centers.^{2,3,4}

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5. Remove the line that requires the PSC to develop a clear compensation structure or financial incentives for program participation; the sales and use tax exemption program is sufficient compensation for program participation.

We respectfully request the committee vote favorable with amendments and adopt our recommended changes to SB0992.

350MoCo

Cedar Lane Unitarian Universalist Church Environmental Justice Ministry

Chesapeake Earth Holders

Chesapeake Physicians for Social Responsibility

Climate and Law and Policy Project

Climate Parents of Prince George's

Climate Reality Project

ClimateXChange
Coming Clean Network, Union of Concerned Scientists
DoTheMostGood Montgomery County
Echotopia
Elders Climate Action Maryland
Fix Maryland Rail
Glen Echo Heights Mobilization
Greenbelt Climate Action Network
HoCoClimateAction
IndivisibleHoCoMD
Maryland Legislative Coalition
Maryland Third Act
Mizrahi Family Charitable Fund
Mobilize Frederick
Montgomery County Faith Alliance for Climate Solutions
Montgomery Countryside Alliance
Mountain Maryland Movement
Nuclear Information & Resource Service
Progressive Maryland
Safe & Healthy Playing Fields
Takoma Park Mobilization Environment Committee
The Climate Mobilization MoCo Chapter
Unitarian Universalist Legislative Ministry of Maryland

1. Data center demand doubles in new power forecast, Fauquier Times, Nov. 5, 2025, https://www.fauquier.com/news/data-center-demand-doubles-in-new-power-forecast/article_88e9bcb8-a385-5c92-b173-5751d9b548f4.html
2. Data centers were 40% of PJM capacity costs in last auction: market monitor, Utility Dive, Jan. 7, 2026, <https://www.utilitydive.com/news/data-centers-pjm-capacity-auction/808951/>
3. Data centers blamed for electric bill spike, new report says, WUSA, June 5, 2025, <https://www.wusa9.com/article/tech/science/environment/data-centers-cause-electric-bill-spike-new-report-says/65-3af6bb57-4704-45c0-9fbf-aaf65daf9b69>
4. Here's how AI data centers affect the electrical grid, CNN, Jan. 18, 2026, <https://www.cnn.com/2026/01/18/business/ai-data-centers-electricity-prices>
5. No more PJM data centers unless they can be reliably served: market monitor, Utility Dive, Nov. 26, 2025, <https://www.utilitydive.com/news/pjm-data-center-interconnection-market-monitor-ferc-complaint/806527/>
6. Is data center flexibility a 'regulatory fiction'?, Latitude Media, Nov. 19, 2025, <https://www.latitudemedia.com/news/is-data-center-flexibility-a-regulatory-fiction/>
7. The long-term grid impacts of data center flexibility, Latitude Media, Feb. 17, 2026, <https://www.latitudemedia.com/news/the-long-term-grid-impacts-of-data-center-flexibility/>

SB0992 - FWA - Public Utilities - Large Load Custo

Uploaded by: Megan Outten

Position: FWA



Maryland Energy Administration

TO: Chair Ferguson, Vice Chair Kagan, and Members of the Education, Energy, and Environment Committee

FROM: MEA

SUBJECT: SB 992 - Public Utilities - Large Load Customers - Registration and Demand Response Program

DATE: March 12, 2026

MEA Position: FAVORABLE WITH AMENDMENTS

The Maryland Energy Administration (MEA) respectfully submits this letter of support with amendments for Senate Bill 992, which establishes a framework for managing large load customers and ensuring that new large-scale electricity demand is integrated responsibly into Maryland’s electric grid.

As Maryland continues to see increased interest from energy-intensive facilities such as data centers, it is critical that the State implement policies that promote grid reliability, cost protection for ratepayers, and responsible planning for large new loads. SB 992 represents an important step toward ensuring that the Public Service Commission has appropriate oversight and the tools to manage these emerging grid impacts.

While MEA supports the overall intent of the legislation, we respectfully offer several technical and clarifying amendments to ensure the bill aligns with existing regulatory frameworks and improves implementation.

Amendment No. 1

Alter the Definition of “Large Load Customer” to be 50 MW: The bill lowers the threshold for a large load customer from an aggregate monthly demand of 100 MW to 25 MW. MEA advises against reducing the threshold to 25 MW, which will potentially capture non-data center commercial and industrial customers. Maintaining a higher threshold, such as 50 MW, would preserve clarity of the intent of the bill that the State is excluding more traditional businesses from this special rate class. This recommendation has also been proposed by PJM.¹

Amendment No. 2

¹ PJM considers loads equal to or in excess of 50 MW to be “large load additions”. See www.pjm.com/-/media/DotCom/committees-groups/subcommittees/las/postings/load-adjustment-request-implementation.pdf at 5, and www.pjm.com/-/media/DotCom/about-pjm/who-we-are/public-disclosures/2026/20260116-pjm-board-letter-re-results-of-the-cifp-process-large-load-additions.pdf at 2.

Amend the title of the bill to replace “**REGISTRATION**” with “**INTERCONNECTION**”.

Amendment No. 3

MEA recommends eliminating the registry in favor of information submitted to the PSC. Large load customers should be required to submit relevant planning information to the PSC, with the information maintained under strict confidentiality protections. Accurate load forecasting and transmission planning are the primary concerns, and this change can support those initiatives.

Amendment No. 4

MEA recommends eliminating the tax credit conditionality in favor of an expedited CPCN process for generation that is brought with large loads. This approach better aligns infrastructure development with load growth and allows generation resources to be developed alongside new demand.

Amendment No. 5

MEA recommends adding a grandfather provision to ensure that projects which have already made substantial progress through the development process are not negatively impacted by the new requirements. Without such a provision, projects that have already invested significant time and capital in Maryland may face regulatory uncertainty.

Amendment No. 6

MEA recommends modifying the curtailment provision in 7-321(f) to ensure that large load customers shed *before* other customers during system emergencies to maintain reliability.

Amendment No. 7

On page 5, in lines 20 and line 24, in each instance, strike “**ENERGY**”.

Amendment No. 8

On page 5, in line 23, strike “**ORDER**” and substitute “**ACTION**”.

These amendments provide greater clarity regarding the circumstances under which curtailment authority may be exercised and ensure that reliability actions occur during clearly defined system events.

Maryland’s electric system is entering a period of significant change as large energy-intensive facilities seek to interconnect to the grid. Establishing a thoughtful framework for integrating these loads is essential to protect residential ratepayers, maintain grid reliability, and ensure that new economic development aligns with Maryland’s clean energy goals.

MEA urges the committee to adopt the proposed amendments and to issue a **favorable report with amendments**.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Megan Outten, Policy manager, at megan.outten@maryland.gov or 443.842.1780.

Favorable with Amendments Testimony SB0992.pdf

Uploaded by: Susan Barnett

Position: FWA

3/10/2026

To: [Education, Energy, and the Environment](#)

I am submitting **favorable testimony with amendments** on SB0992- Public Utilities - Large Load Customers - Registration and Demand Response Program

The bill is sponsored by: Senators [Hester](#), [Feldman](#), [Lewis Young](#), [Sydnor](#), [Love](#), [Hettleman](#), [Ready](#), and [Folden](#)

I am in favor of large load customers registering with the Public Service Commission.

I am **NOT** in favor of allowing “qualified data centers” or any tax exemptions.

“Qualified data Centers” typically are above 5 megawatts and within this bill would be 25 megawatts or more, and have been determined to not benefit communities, to increase air pollution, increase greenhouse gases and negatively impact water supplies and water quality; and in large part are used only for AI and Human Surveillance.

Tax exemptions have been backfiring in jurisdictions that have offered them.

*Data-center exemptions have produced **unsustainable revenue losses** in other states, with very large and rapidly increasing annual losses in Georgia, Virginia, and Texas.*

The curtailments may be helpful in reducing the economic concerns of Maryland residents however, it does not help to assure that these large projects:

1. Will not increase air pollution and
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My full set of amendments are:

1. No hyperscale Data Centers over 5 megawatts
2. No streamlining of any data center
3. No NDAs (non-disclosure agreements): Please keep dealings fully transparent.
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Essentially, Land use approvals must be tied to water-system deliverability.

I encourage a favorable report on having large load systems/data centers register with the Maryland Public Service Commission with attention to my list of amendments to the bill listed above.

Sincerely,

Name

Address

Susan Barnett Favorable with Amendments Testimony

Uploaded by: Susan Barnett

Position: FWA

3/10/2026

To: [Education, Energy, and the Environment](#)

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3. No NDAs (non-disclosure agreements): Please keep dealings fully transparent.
4. Data centers may not be allowed to increase greenhouse gases or air pollution
 - Note: [A 2025 model indicates](#) that U.S. data centers in 2030 could cause approximately 600,000 asthma symptom cases and 1,300 premature deaths, exceeding 1/3 of asthma deaths in the U.S. each year, resulting in a public health burden of more than \$20 billion.
5. No tax exemptions for large load data centers.

6. Water supply must be maintained for residential use and water quality must be maintained for human and wildlife consumption. The quality of aquatic and other wildlife habitats must be maintained within the watershed and downstream. [A March 2026 Report](#) indicates that what needs to be considered at application are the following:

- a. **Peak water capacity request** (MGD and gallons per minute), not only annual gallons
- b. **Cooling design** and what triggers evaporative operation on hot days
- c. **Water source** (potable, reclaimed, surface, groundwater), plus wastewater discharge plan
- d. **Drought and heat emergency protocol** (what happens on the top 10 hottest days)
- e. A **Pipe Neutral commitment**: the project funds upgrades or offsets capacity so existing customers keep their safety margin and future growth headroom
- f. An explicit explanation of the **power-water tradeoff**: if water is constrained, what additional electric load is created by switching cooling modes

Essentially, Land use approvals must be tied to water-system deliverability.

I encourage a favorable report on having large load systems/data centers register with the Maryland Public Service Commission with attention to my list of amendments to the bill listed above.

Sincerely,

Susan Barnett

Greenbelt, MD

SB 992 information PSC.pdf

Uploaded by: Barve Barve

Position: INFO

KUMAR P. BARVE
CHAIR

FREDERICK H. HOOVER, JR.
BONNIE A. SUCHMAN
ODOGWU OBI LINTON
RYAN C. MCLEAN



PUBLIC SERVICE COMMISSION

Chair Brian Feldman
Education, Energy, and the Environment Committee
2 West Miller Senate Office Building
Annapolis, MD 21401

RE: SB 992 – Information – Public Utilities - Large Load Customers - Registration and Demand Response Program

Dear Chair Feldman and Committee Members:

The Public Service Commission (“Commission”) appreciates this opportunity to provide informational testimony on SB 992. This bill requires the Commission to establish both a large load registration process and a large load demand response program. The Commission supports the goal of this bill to provide more visibility into the process of connecting large load customers like data centers to the grid, which hopefully improves planning. The Commission has been working with the bill’s sponsor to make amendments to the bill in order to ensure it can be implemented to achieve its purpose. Below, the Commission notes some of the provisions that are being discussed.

SB 992 requires that all large load customers register with the Commission prior to interconnection with the grid. However, the bill does not define the exact time during the process of interconnection that registration must occur. The Commission recommends that the legislation be amended to state specifically when a customer must register—e.g., after a load study request has been provided to the local electric company.

The Commission notes that the legislation may be impacted by FERC jurisdictional issues and it may be appropriate to clarify the extent to which it fits within Commission jurisdiction. Also note that some of the financial commitment requirements may already be covered by the large load tariffs currently under development as required by 4-212.

The bill further requires that a PJM curtailment order be passed through to large load customers only and not assigned or passed through to other customers. Requiring the large load customers to be the first customers to respond to any curtailment may be achievable through electric company tariffs, but the additional language which states that the curtailment cannot be passed on to any other customers may not be feasible. The legislation does not cover a scenario where large load customers curtail their load but additional curtailments are still needed. The Commission recommends that this subsection be amended to allow the Commission to establish curtailment procedures that prioritize large load customers first when appropriate and subject to Commission authority.

SB 992 also allows for data centers that are large load customers to be exempt from the sales and use tax if the customer (1) registers with the Commission, (2) agrees to participate in the demand response program created by the bill, and (3) provides enough behind the meter energy generation to fully operate the data center or agrees to purchase 100 percent renewable energy located in PJM service territory to operate the data center. The Commission notes that it does not have jurisdiction over sales and use tax collection, so it may be appropriate to establish these provisions with the appropriate agency. Additionally, this section does not put restrictions on what types of installed behind-the-meter energy generation may qualify and could allow sources that increase local and state air pollution and greenhouse gas emissions.

With respect to the demand response program, the Commission requests removal of the language that suggests Commission administration of this process and that it be administered through utility tariffs subject to Commission oversight instead. The Commission may also recommend other amendments to minimize conflicts with other parts of statute and provide greater flexibility in utilization of the process.

The Commission appreciates the bill's purpose to address the growing problem of data center load stress on the grid and is happy to continue working with the sponsor on this bill to address the identified potential issues. Please contact the Commission's Director of Legislative Affairs, Niki Wiggins, if you have any questions.

Sincerely,



Kumar P. Barve
Chair, Maryland Public Service Commission

SB0992-EEE_MACo_LOI.pdf

Uploaded by: Dominic Butchko

Position: INFO



Senate Bill 992

Public Utilities - Large Load Customers - Registration and Demand Response Program

MACo Position: **LETTER OF
INFORMATION**

To: Education, Energy, and the Environment
Committee

Date: March 12, 2026

From: Dominic J. Butchko

MACo respectfully submits this Letter of Information on SB 992, which would establish a framework for requiring large load customers, primarily data centers, to provide certain information to the Public Service Commission (PSC) before interconnecting in Maryland.

Maryland's recent policy debates have underscored how quickly electric demand is evolving, and how closely reliability, affordability, and infrastructure planning are now linked. As large-load development accelerates across the region, state and local leaders are increasingly confronting the practical downstream impacts; particularly around water resources, transmission buildout, and the risk of cost-shifting onto residential ratepayers. While the core subject matter of SB 992 sits largely outside of local regulatory authority, counties do offer several broad themes for the Committee to consider.

Water – While counties own and operate many of the water and wastewater systems that may serve data centers, decisions regarding water allocations are largely made through the Maryland Department of the Environment. Creating a clearer, earlier picture of anticipated water demand, including opportunities for conservation and reuse, can help state and local decision-makers evaluate projects alongside other competing growth and resource pressures.

Energy & Transmission – Early coordination on electric supply and transmission planning recognizes that very large loads can drive major infrastructure upgrades, including construction activity and right-of-way needs. Stronger project transparency can help communities better understand anticipated infrastructure impacts and evaluate how proposed facilities fit within broader local planning and development goals.

Future considerations – Allowing the PSC to request additional information provides flexibility in a rapidly evolving and high-impact sector. As technology and project designs continue to change, a durable framework for gathering relevant information can help policymakers and regulators anticipate emerging issues and respond in a timely, informed manner.

SB 992 is a meaningful starting point as Maryland continues to evaluate the role of large-load facilities within the State's energy and infrastructure landscape. Counties remain focused on ensuring that any statewide framework is practical to implement, protects affordability for our mutual constituents, and accounts for sustainable local capacity.

FirstEnergy INFO EEE - SB0992.pdf

Uploaded by: Timothy Troxell

Position: INFO

**Senate Bill 0992 – Public Utilities - Large Load Customers - Registration and Demand Response Program
Education, Energy, and the Environment Committee
Thursday, March 12, 2026**

Potomac Edison, a subsidiary of FirstEnergy Corp., serves approximately 293,000 customers in all or parts of seven Maryland counties (Allegany, Carroll, Frederick, Garrett, Howard, Montgomery, and Washington). FirstEnergy is dedicated to safety, reliability, and operational excellence. Its electric distribution companies form one of the nation's largest investor-owned electric systems, serving customers in Maryland, Ohio, Pennsylvania, New Jersey, New York, and West Virginia.

INFORMATIONAL ONLY

Senate Bill 992 proposes new regulatory requirements for Large Load Customers - defined as commercial or industrial facilities with an aggregate monthly demand of at least 25 MW and a projected load factor above 80 percent - intended primarily to encompass data centers and other high-load operations. The bill establishes a framework requiring these customers to register with the Public Service Commission (Commission) prior to interconnection.

As drafted, the legislation assigns significant new operational and administrative responsibilities to electric distribution companies (EDCs). These include execution of curtailments for PJM-directed events, enrollment and administration of a Commission-administered demand response program, and the provision of load data to state entities for compliance and tax incentive verification. While Potomac Edison / FirstEnergy supports SB-992's goal of enhancing transparency, coordination, and system planning related to the interconnection of large data centers, several provisions may inadvertently create reliability risks, impose administrative burdens on EDCs, and increase costs to ratepayers.

Clarification is needed regarding the bills applicability to current versus new customers. Without this refinement, we are concerned that existing 24/7 industrial manufacturing operations might face significant economic impacts, if required to retroactively comply with Commission registration or the curtailment rules contemplated in the legislation. In addition, the timing of the required Commission registration process should be aligned with existing utility interconnection processes to avoid delays. Specifically, registration should be completed prior to the execution of a construction agreement, rather than at the time of initial application.

SB-992's curtailment provisions should recognize that "curtailment spillover" to other customer classes could be an issue and may not be operationally feasible in all scenarios. Depending on the event size, curtailment obligations should be scaled to the specific capabilities of each Large Load Customer, particularly during extreme PJM events. Additionally, placing full administrative responsibility for a Commission-mandated demand response program on EDCs would require additional staffing and system integration efforts, potentially increasing rate-based costs without clear customer benefit. Requiring Large Load Customers to contract directly with qualified third-party curtailment service providers would better achieve the bill's objectives.

By providing verification data, the bill indirectly requires EDCs to support state agencies that administer tax incentives programs for Large Load Customers. Clarifying that the EDC's role be limited to the provision of standard metering and system data would avoid establishing an expansive new compliance role for utilities.

In summary, while Senate Bill 992 advances important goals related to grid reliability and the responsible integration of high-load facilities, several provisions would benefit from clarification or amendment to avoid unintended financial, operational, and administrative impacts. Potomac Edison / FirstEnergy respectfully submits these considerations to assist the General Assembly in refining the legislation to support transparency and planning while maintaining system reliability and protecting residential and small-business customers from additional costs.