



HB940: Large Load Customers – Electric System Interconnection and Demand Response Program

Position: Favorable

February 24, 2026

The Honorable Marc Korman, Chair
Environment and Transportation Committee
250 Taylor House Office Building
Annapolis, MD 21401
Cc: Members of the Committee

Chair Korman and members of the Environment and Transportation Committee,

Economic Action Maryland Fund urges a favorable report on HB9840, which would address the impact data centers, and their astronomical energy demands, are having on supply costs for Maryland ratepayers.

As the members of this committee are painfully aware, energy rates have risen dramatically in recent years due to a variety of factors. Thousands of Marylanders each year face shutoff notices due to nonpayment, while many others are forced to juggle multi-hundred-dollar utility bills alongside the ever-increasing costs of rent, groceries, and other necessities. In fact, when Economic Action Maryland Fund surveyed our members and other stakeholders this winter, 63% stated utility bills were their primary concern.

The bill creates a process to incentivize data centers, or any other large load electricity customer, to generate their own energy, rather than competing with residential companies for electric supply. It also creates a fee structure that would generate critically needed funds for the EMPOWER program.

Multiple studies have shown that the energy demands of data centers are directly driving the astronomical increase in energy supply costs for ratepayers. Bloomberg analysis found that energy supply costs are as much as 267% higher in areas near data center expansions.¹ While incentivizing data centers to generate their own energy will not immediately address already-high energy bills, it is a critical step to bend the curve and prevent the continuing acceleration of supply side rates.

For these reasons, we urge a favorable report on HB940.

Sincerely,
Jennifer Bevan-Dangel, Deputy Director

¹ <https://www.bloomberg.com/graphics/2025-ai-data-centers-electricity-prices/>

Economic Action (formerly the Maryland Consumer Rights Coalition) champions economic rights and housing justice through advocacy, research, consumer education, and direct service. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.