

HB0940— Large Load Customers - Electric System Interconnection and Demand Response Program

House Environment and Transportation Committee
February 24, 2026

Dear Chair Korman, Vice Chair Guyton, and Members of the Committee:

My name is Judy Karasik and I reside at 2016 Luzerne Avenue, Silver Spring, MD 20910. I have lived in Silver Spring since 2001 and, earlier, resided in Chevy Chase from 1958 to 1971. I am a registered voter and American citizen.

I write to express my support for HB0940, which aims to make the presence of data centers, in the bill referred to as Large Load Customers, if not a direct benefit to the state of Maryland as these are built by corporations for the profit of their shareholders, at the very least, less of a liability.

The bill addresses data centers' impact on electricity; **I would respectfully suggest that an examination and remedy for their significant draw on water also find its way into legislative action. Costs to consumers for both utilities have risen sharply in recent years.**

PJM projects 32 GW of electricity load growth between now and 2030, with data centers accounting for about 30 GW—over 90%—of that growth. Data centers are energy hogs, and when the grid struggles to meet peak capacity on hot days—or cold ones, as more and more Marylanders convert from gas heat to electric—blackouts, with dire consequences, will predictably ensue.

HB0940 would provide a solution to this problem by creating a **demand response program** (the “interconnection program” of the Bill’s title) **that will use carbon-free sources, industry-grade battery storage, and flexible loads to allow data centers to reduce their loads during peak hours.** Further, the Bill **requires that new data centers coming to Maryland provide 25% of their capacity load through battery storage, locally generated carbon-free means, or through demand response. The Bill gives new data centers that provide 100% of their load capacity and pay prevailing wage rates permitting priority for load studies, permitting, and interconnection.**

These measures will ensure that the burgeoning data-center industry will encourage carbon-free generation, battery storage, and load management instead of having the data centers heedlessly turning to diesel generation, with all its health and pollution issues, to meet peak needs.

The Bill will also **require that data center developers contribute to a community benefit fund** that assists low-income Marylanders through the Empower program. The larger the data center, the more a developer must contribute, at a rate of \$1,000 per MW. **This is a fine provision, although I**

believe it should go further: consumer rates for electricity have risen sharply in recent years and we need to be sure that data centers pay their fair share.

Might I respectfully suggest that the legislature also examine the burden on water sources, along with electricity a resource used by every Marylander daily and increasingly expensive.

If and when Data Centers come to Maryland, HB0940 will help to reduce their impact on resources, consumer prices, and the climate itself.

I urge passage of HB0940 and look forward to additional climate-friendly and consumer-conscious legislation—especially concerning data centers' use of water and their obligation to mitigate the rise in cost of water and electricity to consumers—in the weeks and years to come.

Respectfully,

Judy Karasik

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