

February 27, 2026

House Environment and Transportation Committee
Maryland House of Delegates
Annapolis, Maryland

RE: HB 1190 – Support – Written Testimony

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

My name is Matthew Wessel. I work in the development, entitlement, and permitting of large-scale infrastructure projects, including data centers. I respectfully submit this written testimony in support of House Bill 1190.

House Bill 1190 establishes a clear and practical statutory framework for off-grid electricity providers operating within Maryland. Specifically, the bill defines an off-grid electricity provider as an entity that does not interconnect with the State's electric system and does not transmit electricity across state lines. It exempts such providers from certain provisions of the Public Utilities Article while continuing to require compliance with applicable generating facility construction requirements.

From a development and regulatory standpoint, this clarity is essential. Regulatory uncertainty is one of the most significant barriers to infrastructure investment. Developers, lenders, equity partners, and local governments must understand jurisdictional boundaries to evaluate risk, structure financing, and advance projects responsibly. House Bill 1190 appropriately distinguishes between a public utility serving retail customers and a private, non-interconnected generation facility serving a single behind-the-meter use.

The practical implications of this distinction are significant.

The Bainbridge project illustrates how this framework functions in practice. The project site is located within a properly zoned industrial park and is not adjacent to residential neighborhoods. Local and county stakeholders have expressed support for the project, and required water supply approvals for cooling have been secured. From an entitlement perspective, the project has progressed through the appropriate land use, zoning, and environmental review processes required under existing law.

The proposed energy system consists of a behind-the-meter natural gas fuel cell configuration designed for 100 percent off-grid operation. The facility will not draw power from Maryland's electric grid, will not require transmission upgrades, and will not shift infrastructure costs to ratepayers. It is designed to operate independently of the State's electric distribution system.

Importantly, House Bill 1190 does not eliminate regulatory oversight. Off-grid facilities remain subject to:

- Local zoning and land use controls
- Building and construction permitting requirements
- Environmental review
- Air quality permitting and compliance standards
- Applicable generating facility construction regulations

The bill does not exempt projects from environmental or safety review. Rather, it clarifies that a private generation source that does not interconnect with the grid should not be regulated as a public utility.

This distinction is particularly important at a time when Maryland’s electric grid faces capacity constraints. Demand for digital infrastructure, including data centers and associated facilities, continues to grow. Without clear statutory treatment of off-grid generation, Maryland risks losing economic development opportunities to other states that provide greater regulatory certainty.

Off-grid development offers a pathway to:

- Support economic growth
- Create construction and long-term operational jobs
- Expand the local tax base
- Accommodate digital infrastructure demand
- Avoid additional strain on the State’s electric grid

House Bill 1190 strikes a reasonable balance. It protects the public interest by preserving environmental and land use oversight while providing clarity that encourages private investment in non-interconnected energy infrastructure.

For these reasons, I respectfully request a favorable report on House Bill 1190.

Thank you for your consideration.

Respectfully submitted,

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