



# CHESAPEAKE BAY FOUNDATION

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## House Bill 799

### Maryland Co-Location Energy Innovation and Reliability Act

**Date:** February 24, 2026

**To:** House Environment & Transportation Committee

**Position:** UNFAVORABLE

**From:** Gussie Maguire,  
MD Staff Scientist

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The Chesapeake Bay Foundation (CBF) **OPPOSES House Bill 799** which directs the Public Service Commission to adopt regulations allowing largely unregulated energy generating stations to be constructed alongside and in sole service to data centers. The energy generated by these facilities would not be subject to the state's Renewable Energy Portfolio Standards, placing into jeopardy progress made towards Maryland's clean energy goals.

Modern hyperscale data centers use as much electricity as 100,000 households – approximately equal to the number of households in Frederick County<sup>1</sup> – and the International Energy Agency estimates that even larger data centers currently under construction could use as much as 20 times that amount<sup>2</sup>. Excluding energy generation at that scale from the state's Renewable Energy Portfolio Standards would mean that these co-located facilities could, and likely would, be fossil-fuel powered. Burning fossil fuels generates not only climate-change-inducing greenhouse gases, but also contributes to poor air quality, negative human health outcomes, and atmospheric nitrogen pollution that reaches the state's waterways, including the Chesapeake Bay.

In an extreme example, unregulated methane gas turbines co-located with an xAI data center in South Memphis has deeply impacted the local community of Boxtown, an historically black neighborhood already overburdened with industrial pollution and a cancer risk four times the national average<sup>3</sup>. Maryland's communities, and especially its overburdened and underserved communities, must not be put at similar risk.

**CBF urges the Committee's UNFAVORABLE report on HB 799.**

For more information, please contact Matt Stegman, Maryland Staff Attorney, at [mstegman@cbf.org](mailto:mstegman@cbf.org).

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<sup>1</sup> US [Census](#)

<sup>2</sup> [Pew Research Center: What we know about energy use at U.S. data centers amid the AI boom](#)

<sup>3</sup> [NAACP: xAI](#)