



Data Center Impact Analysis and Report Act – SB116 and HB270

The power, water and land use requirements of hyperscale datacenters will result in a monumental transformation of any locality in which they are built and the effects will reverberate throughout the state.

Maryland needs to learn from Virginia's experiences – both in how to maximize benefits and how to protect ratepayers and communities in MD from the many possible negative effects.

The Datacenter Study Bill will provide accurate and unbiased information that legislators need to determine how to blend hyperscale data centers into our economy. This bill directs the Department of the Environment, the Maryland Energy Administration, and the University of Maryland School of Business, in coordination with the Department of Legislative Services, to conduct an analysis of the likely environmental, energy, and economic impacts of data center development in the State and to submit to the Governor and the General Assembly by September 1, 2026

This is an industry that uses resources on a massive scale that Maryland has never seen before.

Questions That Need Answers:

FINANCIAL IMPACT ~ WHAT IS THE ULTIMATE COST/ BENEFIT OF DATA CENTERS?

How successful have the tax incentives been in other states versus the tax revenue and job creation? What is the cost to ratepayers to finance the electric infrastructure to supply the power? What is the financial impact to ratepayers of **increasing electrical demand by 5-7GW, more than double the electrical usage of all Maryland households**. Each county will help underwrite the cost of water, sewage and stormwater management and water treatment upgrades. What are the total tax revenue projections, both state and county? What are the projected costs of the sales tax exemptions? How many short and long term jobs are created and will they be staffed by people living in the state of MD?





WATER REQUIREMENTS

The Quantum Frederick data center site will receive 1.5 million gallons/day of potable water to supply only a small portion of the site's buildout. How many such sites can MD supply water to? Who get's priority when we have a drought? Households, farmers, other businesses or data centers?



LAND USE/ ENVIRONMENT

What is the effect of multiple transmission lines on MD's farmers and landowners? Each hyper data center site may require one or two 500 kV transmission lines. Is preserved land, which has been paid for by the state and counties sufficiently protected?



POWER REQUIREMENTS / GREEN ENERGY GOALS

How should data centers be supplied? Should data centers pay for and locate near their power source? How can we supply all this power and still reach our climate goals? **One hyper data center will add about 8 million new MTCO2e of GHG emissions.** Can data centers be required to provide a certain percentage of new carbon free energy for their operation?



AIR QUALITY/ NOISE

For current implementations, each data center will require emergency diesel generators to provide power equal to the power it gets from the electrical grid. **A 1200 megawatt site would require 400 diesel generators that are tested monthly.** What is the resulting air pollution and noise, and the effect on the nearby population?



GOVERNMENTAL RESOURCES / LEARNING FROM OTHER STATES

What resources do we need at a local and state level to manage Data Centers? Other states, like Virginia, Georgia, Minnesota, Oregon, Washington, Ohio are reactively looking to put up some guardrails after allowing a large number of data centers.

- **We are not against data centers;** we just need to
- understand the ramifications to know how to
- proceed properly. A study allows us to get ahead of
- this process and understand our decisions to make
- sure we know what we are doing so we can
- proactively manage the implementation of this
- entirely new land use and economic force.

