

HOUSE BILL 900

C5

5lr1256

By: **Delegate Wilson**

Introduced and read first time: January 30, 2025

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Electricity – Data Centers – Rate Schedule and Requirements**

3 FOR the purpose of requiring each electric company to submit to the Public Service
4 Commission for approval a specific rate schedule for certain data center customers
5 that includes certain required provisions, including minimum durations for certain
6 contracts, financial responsibilities, and fees; and generally relating to electricity
7 and rate setting proceedings.

8 BY repealing and reenacting, with amendments,
9 Article – Corporations and Associations
10 Section 5–637(b)
11 Annotated Code of Maryland
12 (2014 Replacement Volume and 2024 Supplement)

13 BY adding to
14 Article – Public Utilities
15 Section 4–212
16 Annotated Code of Maryland
17 (2020 Replacement Volume and 2024 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
19 That the Laws of Maryland read as follows:

20 **Article – Corporations and Associations**

21 5–637.

22 (b) A member–regulated cooperative is subject to the following provisions of the
23 Public Utilities Article:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 (1) § 4-212;
- 2 (2) § 5-103;
- 3 [(2)] (3) § 5-201;
- 4 [(3)] (4) § 5-202;
- 5 [(4)] (5) § 5-303;
- 6 [(5)] (6) § 5-304;
- 7 [(6)] (7) § 5-306;
- 8 [(7)] (8) § 7-103;
- 9 [(8)] (9) § 7-104;
- 10 [(9)] (10) § 7-203;
- 11 [(10)] (11) § 7-207;
- 12 [(11)] (12) Title 7, Subtitle 2, Part II;
- 13 [(12)] (13) § 7-302;
- 14 [(13)] (14) Title 7, Subtitle 5, Part I and Part II;
- 15 [(14)] (15) Title 7, Subtitle 7; and
- 16 [(15)] (16) § 13-101.

17 **Article – Public Utilities**

18 **4-212.**

19 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
20 **INDICATED.**

21 **(2) “CONTRACT CAPACITY” MEANS THE AMOUNT OF MONTHLY PEAK**
22 **LOAD REQUIREMENTS:**

23 **(1) THAT IS MUTUALLY AGREED TO BY AN ELECTRIC COMPANY**
24 **AND ITS CUSTOMER FOR EACH MONTH REMAINING IN A CONTRACT TERM AFTER THE**
25 **LOAD RAMP PERIOD HAS ENDED; AND**

1 (II) FOR WHICH:

2 1. THE ELECTRIC COMPANY AGREES TO PROVIDE ALL OF
3 THE COMPONENTS OF RETAIL ELECTRIC SERVICE SUBJECT TO THE TERMS AND
4 CONDITIONS IN ITS TARIFFS; AND

5 2. THE CUSTOMER AGREES TO PURCHASE SERVICE AT
6 THAT LOAD LEVEL FOR THE STATED TERM OF THE CONTRACT AND UNDER THE SAME
7 TERMS AND CONDITIONS AS THOSE STATED IN THE CONTRACT.

8 (3) (I) "DATA CENTER" MEANS A CENTRALIZED FACILITY THAT:

9 1. IS USED PRIMARILY OR EXCLUSIVELY FOR
10 ELECTRONIC INFORMATION SERVICES, SUCH AS THE MANAGEMENT, STORAGE,
11 PROCESSING, AND DISSEMINATION OF ELECTRONIC DATA AND INFORMATION
12 THROUGH THE USE OF COMPUTER SYSTEMS, SERVERS, NETWORKING EQUIPMENT,
13 AND RELATED COMPONENTS; AND

14 2. HAS AN AGGREGATE MONTHLY MAXIMUM DEMAND OF
15 MORE THAN 2,500 KILOWATTS.

16 (II) "DATA CENTER" INCLUDES A MOBILE DATA CENTER.

17 (4) "LOAD RAMP CONTRACT CAPACITY" MEANS THE MONTHLY PEAK
18 LOAD REQUIREMENTS THAT ARE:

19 (I) MUTUALLY AGREED TO BY AN ELECTRIC COMPANY AND ITS
20 CUSTOMER; AND

21 (II) ASSOCIATED WITH THE LOAD RAMP PERIOD.

22 (5) "LOAD RAMP PERIOD" MEANS THE PERIOD OF TIME FROM
23 COMMENCEMENT OF SERVICE UNTIL A CUSTOMER REACHES FULL CONTRACT
24 CAPACITY.

25 (6) "MOBILE DATA CENTER" MEANS A CENTRALIZED FACILITY THAT:

26 (I) IS USED PRIMARILY OR EXCLUSIVELY FOR ELECTRONIC
27 INFORMATION SERVICES, SUCH AS THE MANAGEMENT, STORAGE, PROCESSING, AND
28 DISSEMINATION OF ELECTRONIC DATA AND INFORMATION, INCLUDING MINING OF
29 CRYPTOCURRENCY, THROUGH THE USE OF COMPUTER SYSTEMS, SERVERS,
30 NETWORKING EQUIPMENT, AND RELATED COMPONENTS;

1 (II) HAS AN AGGREGATE MONTHLY MAXIMUM DEMAND OF MORE
2 THAN 2,500 KILOWATTS; AND

3 (III) HAS AT LEAST ONE DEVICE THAT IS:

4 1. CONNECTED TO THE CUSTOMER'S METER; AND

5 2. PORTABLE OR DISTRIBUTABLE, INCLUDING
6 STRUCTURES THAT ARE NOT AFFIXED TO THE GROUND OR ARE EASILY REMOVED
7 FROM A LOCATION.

8 (B) (1) ON OR BEFORE JULY 1, 2026, EACH ELECTRIC COMPANY SHALL
9 SUBMIT TO THE COMMISSION FOR APPROVAL A SPECIFIC RATE SCHEDULE FOR
10 DATA CENTER CUSTOMERS AND MOBILE DATA CENTER CUSTOMERS.

11 (2) (I) SERVICE UNDER A SPECIFIC RATE SCHEDULE SHALL BE
12 AVAILABLE TO CUSTOMERS THAT OPERATE A DATA CENTER THAT WILL USE, WITHIN
13 THE INITIAL CONTRACT TERM:

14 1. A MONTHLY MAXIMUM DEMAND OF MORE THAN 2,500
15 KILOWATTS AT A SINGLE LOCATION; OR

16 2. AN AGGREGATED CONTRACT CAPACITY IN THE
17 ELECTRIC COMPANY'S SERVICE TERRITORY OF MORE THAN 2,500 KILOWATTS.

18 (II) EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS
19 PARAGRAPH, CUSTOMERS THAT QUALIFY FOR A SPECIFIC RATE SCHEDULE AFTER
20 THE EFFECTIVE DATE OF THAT SCHEDULE:

21 1. SHALL TAKE SERVICE UNDER THE SPECIFIC RATE
22 SCHEDULE; AND

23 2. MAY NOT BE ALLOWED TO TAKE SERVICE UNDER ANY
24 OTHER EXISTING SCHEDULE.

25 (III) A SPECIFIC RATE SCHEDULE DOES NOT APPLY TO AN
26 EXISTING DATA CENTER CUSTOMER THAT HAS SIGNED A SERVICE AGREEMENT
27 BEFORE THE EFFECTIVE DATE OF THE SCHEDULE IF:

28 1. THE DATA CENTER'S EXISTING LOAD DOES NOT
29 EXPAND BY MORE THAN 2,500 KILOWATTS UNDER THE EXISTING SERVICE
30 AGREEMENT; OR

1 **2. THE DATA CENTER DOES NOT SIGN A NEW SERVICE**
2 **AGREEMENT TO EXPAND THE DATA CENTER'S LOAD BY MORE THAN 2,500**
3 **KILOWATTS ABOVE THE CONTRACT CAPACITY OF THE EXISTING SERVICE**
4 **AGREEMENT.**

5 **(C) THE COMMISSION MAY NOT APPROVE A SPECIFIC RATE SCHEDULE**
6 **SUBMITTED UNDER SUBSECTION (B) OF THIS SECTION UNLESS:**

7 **(1) THE LOAD RAMP PERIOD USED IN CONTRACTS FOR SERVICE**
8 **UNDER THE SCHEDULE DOES NOT EXCEED 4 YEARS;**

9 **(2) THE CONTRACTS FOR SERVICE UNDER THE SCHEDULE ARE FOR**
10 **AN INITIAL PERIOD OF NOT LESS THAN THE LOAD RAMP PERIOD PLUS 20 YEARS;**

11 **(3) THE LOAD RAMP CONTRACT CAPACITY IN CONTRACTS FOR**
12 **SERVICE UNDER THE SCHEDULE IS NOT LESS THAN:**

13 **(I) IN YEAR 1, 50% OF CONTRACT CAPACITY;**

14 **(II) IN YEAR 2, 65% OF CONTRACT CAPACITY;**

15 **(III) IN YEAR 3, 80% OF CONTRACT CAPACITY; AND**

16 **(IV) IN YEAR 4, 90% OF CONTRACT CAPACITY;**

17 **(4) (I) DURING THE INITIAL TERM OF THE CONTRACT FOR SERVICE**
18 **UNDER THE SCHEDULE, THE CUSTOMER WILL BE FINANCIALLY RESPONSIBLE TO**
19 **PAY THE MINIMUM SERVICE CHARGES ASSOCIATED WITH THE CONTRACT EVEN IF**
20 **THE CUSTOMER CHOOSES TO CURTAIL, REDUCE, SUSPEND, OR TERMINATE SERVICE;**
21 **OR**

22 **(II) THE CUSTOMER IS REQUIRED TO PAY AN EXIT FEE EQUAL TO**
23 **THE MINIMUM CHARGES FOR 120 MONTHS OF SERVICE IF THE CUSTOMER DECIDES**
24 **TO TERMINATE THE CONTRACT FOR SERVICE UNDER THE SCHEDULE AFTER**
25 **COMPLETION OF THE 10TH YEAR OF THE CONTRACT AFTER THE LOAD RAMP**
26 **PERIOD;**

27 **(5) (I) THE MINIMUM MONTHLY DISTRIBUTION BILLING DEMAND**
28 **FOR CONTRACTS FOR SERVICE UNDER THE SCHEDULE IS NOT LESS THAN 90% OF**
29 **THE CUSTOMER'S LOAD RAMP CONTRACT CAPACITY; AND**

1 **(II) AFTER THE LOAD RAMP PERIOD, THE MONTHLY**
2 **DISTRIBUTION BILLING DEMAND FOR CONTRACTS FOR SERVICE UNDER THE**
3 **SCHEDULE IS NOT LESS THAN 90% OF THE CUSTOMER'S CONTRACT CAPACITY;**

4 **(6) THE MINIMUM MONTHLY TRANSMISSION BILLING DEMAND FOR**
5 **CONTRACTS FOR SERVICE UNDER THE SCHEDULE IS NOT LESS THAN 90% OF THE**
6 **CUSTOMER'S CONTRACT CAPACITY; AND**

7 **(7) BEFORE SIGNING A CONTRACT FOR SERVICE UNDER THE**
8 **SCHEDULE, A CUSTOMER UNDER THE SCHEDULE IS REQUIRED TO:**

9 **(I) SUBMIT A REQUEST FOR A LOAD STUDY TO DETERMINE THE**
10 **NECESSARY CONTRACT CAPACITY FOR THE CUSTOMER AND PAY ANY APPLICABLE**
11 **FEES ASSOCIATED WITH THE STUDY;**

12 **(II) DESIGNATE A SPECIFIC SITE WHERE THE CUSTOMER'S DATA**
13 **CENTER PROJECT WILL BE CONSTRUCTED AND SERVED BY THE ELECTRIC**
14 **COMPANY;**

15 **(III) OWN OR HAVE THE EXCLUSIVE RIGHT TO USE THE LAND**
16 **DESIGNATED IN ITEM (II) OF THIS ITEM FOR THE DATA CENTER PROJECT;**

17 **(IV) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION,**
18 **PROVIDE A GUARANTEE OR COLLATERAL AT THE TIME OF SIGNING THE CONTRACT**
19 **THAT IS EQUAL TO 50% OF THE TOTAL MINIMUM CHARGES FOR THE FULL TERM OF**
20 **THE CONTRACT CALCULATED BASED ON THE ELECTRIC COMPANY'S RATES IN**
21 **EFFECT AT THE TIME THE GUARANTEE OR COLLATERAL IS PROVIDED; AND**

22 **(V) AGREE TO REIMBURSE THE ELECTRIC COMPANY FOR 100%**
23 **OF ITS BUILDOUT COSTS TO SERVE THE CUSTOMER IF THE CUSTOMER CANCELS OR**
24 **DELAYS THE DATA CENTER PROJECT BY MORE THAN 12 MONTHS BEFORE THE**
25 **TARGET DATE ON WHICH THE ELECTRIC COMPANY PLANS TO BEGIN PROVIDING**
26 **ELECTRICITY TO THE CUSTOMER.**

27 **(D) THE COMMISSION MAY WAIVE THE GUARANTEE AND COLLATERAL**
28 **REQUIREMENT UNDER SUBSECTION (C)(7)(IV) OF THIS SECTION FOR A CUSTOMER**
29 **THAT HAS:**

30 **(1) A CREDIT RATING OF AT LEAST A- FROM S&P GLOBAL INC. AND**
31 **A3 FROM MOODY'S CORPORATION; AND**

32 **(2) CASH AND CASH EQUIVALENTS ON AN AUDITED BALANCE SHEET**
33 **PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING**

1 PRINCIPLES GREATER THAN 10 TIMES THE GUARANTEE AND COLLATERAL
2 REQUIREMENT.

3 (E) (1) ON OR BEFORE JANUARY 1, 2026, THE COMMISSION SHALL
4 ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

5 (2) THE REGULATIONS SHALL:

6 (I) ESTABLISH MINIMUM NOTICE REQUIREMENTS AND
7 DEADLINES RELATED TO LOAD STUDY REQUESTS AND CONTRACT TERMINATIONS
8 AND ADJUSTMENTS;

9 (II) SPECIFY COMMON FORMS OF ACCEPTABLE COLLATERAL TO
10 SATISFY THE REQUIREMENTS OF THIS SECTION; AND

11 (III) ESTABLISH DEADLINES RELATED TO COMPLETION OF LOAD
12 STUDIES AND PAYMENT OF FEES.

13 (F) THIS SECTION DOES NOT PRECLUDE AN ELECTRIC COMPANY FROM
14 PLACING ANY OTHER TERMS OR CONDITIONS OF SERVICE ON A CUSTOMER BEYOND
15 THE CONDITIONS REQUIRED FOR A CONTRACT UNDER A SPECIFIC RATE SCHEDULE
16 ESTABLISHED UNDER SUBSECTION (B) OF THIS SECTION.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
18 1, 2025.