

M5, C5, M3

4r0624
CF 4r1726

Bill No.: _____

Drafted by: Hall

Requested: _____

Committee: _____

By: **Senator Lewis Young**

A BILL ENTITLED

AN ACT concerning

**Public Utilities – High Energy Use Facilities – Greenhouse Gas Emissions
Reductions**

FOR the purpose of requiring a person that owns, operates, or controls a high energy use facility to ensure greenhouse gas emissions associated with the electricity used by the facility are reduced by certain amounts by certain years through certain means; requiring the Public Service Commission to review and verify a certain report submitted by each person that owns, operates, or controls a high energy use facility and make a certain determination; and generally relating to greenhouse gas emissions from high energy use facilities.

BY repealing and reenacting, without amendments,
Article – Public Utilities
Section 1–101(d)
Annotated Code of Maryland
(2020 Replacement Volume and 2023 Supplement)

BY adding to
Article – Public Utilities
Section 7–1001 through 7–1005 to be under the new subtitle “Subtitle 10. High
Energy Use Facilities”
Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2020 Replacement Volume and 2023 Supplement)

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

Article – Public Utilities

1–101.

(d) “Commission” means the Public Service Commission.

SUBTITLE 10. HIGH ENERGY USE FACILITIES.

7–1001.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) “**BASELINE EMISSIONS LEVEL**” MEANS **0.428 METRIC TONS OF CARBON DIOXIDE EQUIVALENT PER MEGAWATT–HOUR OF ELECTRICITY USED BY A HIGH ENERGY USE FACILITY.**

(C) (1) “**EMISSIONS REDUCTIONS**” MEANS **REDUCTIONS IN CARBON DIOXIDE EQUIVALENT PER MEGAWATT–HOUR OF ELECTRICITY USED.**

(2) “**EMISSIONS REDUCTIONS**” DO NOT INCLUDE **CARBON OFFSETS OR RENEWABLE ENERGY CREDITS.**

(D) “**FACILITY**” MEANS **ALL BUILDINGS, EQUIPMENT, STRUCTURES, AND OTHER STATIONARY ITEMS THAT ARE:**

(1) **LOCATED ON A SINGLE SITE OR ON CONTIGUOUS OR ADJACENT SITES; AND**

(2) **OWNED OR OPERATED BY THE SAME PERSON.**

(E) “**HIGH ENERGY USE FACILITY**” MEANS **A FACILITY THAT:**

(1) **USES A BASE LOAD OF 10 OR MORE MEGAWATT–HOURS; AND**

(2) HAS A PRIMARY PURPOSE OF:

(I) PROVIDING ELECTRONIC DATA PROCESSING OR HOSTING SERVICES;

(II) PRODUCING OR PROCESSING CRYPTOCURRENCY OR CARRYING OUT OTHER OPERATIONS RELATED TO CRYPTOCURRENCY; OR

(III) CULTIVATING CANNABIS.

7-1002.

A PERSON THAT OWNS, OPERATES, OR CONTROLS A HIGH ENERGY USE FACILITY SHALL ENSURE THE GREENHOUSE GAS EMISSIONS ASSOCIATED WITH THE ELECTRICITY USE OF THE HIGH ENERGY USE FACILITY ARE REDUCED BY THE FOLLOWING AMOUNTS:

(1) BY 2027, 60% BELOW THE BASELINE EMISSIONS LEVEL;

(2) BY 2030, 80% BELOW THE BASELINE EMISSIONS LEVEL;

(3) BY 2035, 90% BELOW THE BASELINE EMISSIONS LEVEL; AND

(4) BY 2040, 100% BELOW THE BASELINE EMISSIONS LEVEL.

7-1003.

MEANS OTHER THAN EMISSIONS REDUCTIONS MAY NOT BE USED TO MEET THE EMISSIONS REDUCTIONS TARGETS UNDER § 7-1002 OF THIS SUBTITLE.

7-1004.

(A) (1) ON OR BEFORE JANUARY 1 EACH YEAR, A PERSON THAT OWNS, OPERATES, OR CONTROLS A HIGH ENERGY USE FACILITY SHALL SUBMIT TO THE COMMISSION A REPORT DEMONSTRATING COMPLIANCE WITH THE EMISSIONS REDUCTIONS REQUIRED UNDER § 7-1002 OF THIS SUBTITLE.

(2) THE REPORT SHALL INCLUDE:

(I) AN ESTIMATE OF ANNUAL GREENHOUSE GAS EMISSIONS ASSOCIATED WITH THE ELECTRICITY USED BY THE HIGH ENERGY USE FACILITY;

(II) ANNUAL GOALS SET BY THE PERSON THAT OWNS, OPERATES, OR CONTROLS THE HIGH ENERGY USE FACILITY FOR REDUCING ANNUAL GREENHOUSE GAS EMISSIONS ASSOCIATED WITH THE ELECTRICITY USED BY THE HIGH ENERGY USE FACILITY THAT DEMONSTRATE CONTINUED PROGRESS TOWARD MEETING THE EMISSIONS REDUCTIONS REQUIRED UNDER § 7-1002 OF THIS SUBTITLE;

(III) A COPY OF ANY POWER PURCHASE AGREEMENT OR OTHER CONTRACT FOR SUPPLYING ELECTRICITY TO THE HIGH ENERGY USE FACILITY; AND

(IV) ANY OTHER INFORMATION THE COMMISSION CONSIDERS NECESSARY TO:

1. DETERMINE THE LEVEL OF GREENHOUSE GAS EMISSIONS ASSOCIATED WITH THE ELECTRICITY USED BY THE HIGH ENERGY USE FACILITY; AND

2. MEASURE CONTINUED PROGRESS TOWARD AND COMPLIANCE WITH THE EMISSIONS REDUCTIONS REQUIRED UNDER § 7-1002 OF THIS SUBTITLE.

(B) THE COMMISSION SHALL:

(1) REVIEW AND VERIFY THE INFORMATION IN EACH REPORT PROVIDED UNDER THIS SECTION; AND

(2) DETERMINE WHETHER THE PERSON THAT OWNS, OPERATES, OR CONTROLS A HIGH ENERGY USE FACILITY HAS COMPLIED WITH THE REQUIREMENTS OF THIS SUBTITLE.

(C) A PERSON THAT VIOLATES THIS SUBTITLE IS SUBJECT TO THE PENALTIES UNDER TITLE 13 OF THIS ARTICLE.

7-1005.

THE COMMISSION MAY ADOPT REGULATIONS TO CARRY OUT THIS SUBTITLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2024.