



Testimony

Submitted on behalf of the
Pennsylvania Chamber of Business and Industry

Public Hearing on House Bill 2150 and House Bill 2151

Before the:
Pennsylvania House Energy Committee

Presented by:

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Good morning Chair Fiedler, Chair Causer, and members of the House Energy Committee.

My name is Amy Brinton, Director of Government Affairs for the Pennsylvania Chamber of Business and Industry, the largest, broad-based business advocacy organization in the Commonwealth. Our nearly 10,000 members represent all sizes and sectors of business, including technology, manufacturing, logistics, finance, and every part of the energy supply chain.

Thank you for inviting me to be here today to provide input on House Bill 2150, which creates annual reporting of energy and water consumption by data centers. We at the PA Chamber certainly value the General Assembly's commitment to thoughtful, long-term planning for data center development, however, I would like to take this opportunity to highlight several concerns we have with the bill as currently drafted.

First and foremost, imposing reporting requirements exclusively on data centers, despite many other facility types having equal or even greater demands on power, water, and other resources, unfairly isolates a single industry and creates a competitive disadvantage for Pennsylvania. By singling out data centers, the bill signals that the Commonwealth is charting a different, more restrictive course than other states. As other states work to attract these projects with incentives and predictable regulatory frameworks, adding a new statutory mandate introduces uncertainty that can quickly divert investment elsewhere. This targeted approach threatens to slow AI and data-center development at the very moment Pennsylvania stands to benefit from the associated long-term jobs, tax revenue, and redevelopment opportunities.

Another concern is the fundamental question as to where this data and information should be compiled. As currently drafted, HB 2150 directs this data to be

reported to the Department of Environmental Protection (DEP), an agency whose primary mission is environmental compliance and enforcement, permitting, and inspections. Designating DEP as the repository for detailed operational information inherently raises the risk that such data could evolve into what many in the regulated community refer to as “the long sword,” in that it may later be used, whether intentionally or not, as the basis for enforcement actions, even if that was never the Legislature’s intent.

If the purpose of this legislation is to support responsible planning and development, a more appropriate place for this data would be with a neutral analytic entity such as the Independent Fiscal Office (IFO). Unlike DEP, the IFO has no permitting or enforcement authority, can aggregate and anonymize submissions, and is well-equipped to evaluate trends within a broader economic and infrastructure context. It can then report to the General Assembly without creating enforcement exposure for the businesses involved. In short, if Pennsylvania is seeking objective information and analysis, the IFO is better positioned to do just that.

It is also important to note that the information HB 2150 seeks to capture is already widely reported through established sustainability frameworks. Most companies developing or operating large-scale digital infrastructure publicly disclose extensive data on energy use, water consumption, and sustainability performance through Corporate Social Responsibility (CSR) reports and Environmental, Social, and Governance (ESG) filings. These disclosures commonly include total and trend energy use, water consumption and cooling strategies, conservation and efficiency measures, carbon-reduction progress, and waste-heat or circular-economy initiatives.

Creating a separate Pennsylvania-specific reporting mandate would largely duplicate information companies already track and make publicly available, while requiring new internal reporting systems and compliance processes. Ultimately, such a

requirement would add administrative burden without meaningfully enhancing the Commonwealth's understanding beyond what is already obtainable through existing CSR and ESG disclosures and voluntary data-sharing.

Even with existing disclosures, HB 2150 raises a separate and equally important concern: the confidentiality and security risks associated with requiring detailed operational data from critical infrastructure. The bill directs data centers to report highly granular information, monthly energy consumption by source, peak-load levels, water-use patterns and cooling methods, on-site generation and waste-heat utilization, and projections of future energy and water demand. Even if some proprietary data may be withheld or state-issued reports are aggregated, the level of detail compiled in these reports introduces significant security vulnerabilities.

Many data centers support highly sensitive operations, national-security workloads, critical financial and payments systems, government and law-enforcement activities, hospitals and emergency services, and major corporate and infrastructure functions. Providing detailed operational profiles of their energy and water use could allow bad actors, cyber or physical, to infer what types of sensitive activities are housed at a site, identify potential vulnerabilities, and understand how those facilities might be targeted.

Anonymizing certain data does not eliminate these risks, particularly in regions with only a handful of qualifying facilities where re-identification is far easier. For this reason, any statewide reporting policy must err on the side of minimizing publicly accessible operational data from critical-infrastructure facilities. If any reporting framework moves forward, it must include robust confidentiality protections, restricted access, and a careful, evidence-based assessment of what information, if any, is appropriate for public release.

Lastly, the bill's proposed penalty of \$10,000 per day for failure to submit a report is extraordinarily high for a reporting-only violation and raises serious concerns about fairness and proportionality. There are many entirely reasonable scenarios in which a company could inadvertently fall out of compliance, such as software transitions, internal system upgrades, corporate mergers or restructurings that temporarily disrupt reporting channels, or good-faith disagreements over what qualifies as proprietary information. Yet under HB 2150, penalties would begin accruing immediately and could escalate into hundreds of thousands of dollars, even in cases where there is no environmental harm, no permit violation, and no intent to withhold information.

The Pennsylvania Chamber of Business and Industry supports transparency, long-term planning, and environmental stewardship, while also recognizing the essential role data center development plays in Pennsylvania's economy and competitiveness. However, HB 2150, as currently drafted, risks chilling investment, introduces security and confidentiality challenges, duplicates information already available through established sustainability reporting, and creates regulatory uncertainty for a high-value and rapidly growing industry. For these reasons, we respectfully urge the General Assembly to consider approaches that achieve transparency and stewardship while ensuring Pennsylvania remains a competitive and attractive destination for data-center and AI-driven investment.

I would also like to take this opportunity to discuss House Bill 2151, which directs the Department of Community and Economic Development (DCED) to develop a model ordinance for municipalities governing the siting of data centers. Again, the PA Chamber appreciates the General Assembly's interest in helping local governments navigate what is both a rapidly expanding and highly technical asset

class. However, any model ordinance developed under this legislation should enhance clarity and competitiveness rather than create new barriers to investment.

Across the country, data center operators consistently emphasize that predictable, uniform, and transparent local permitting frameworks are essential to site selection. Companies evaluate multiple jurisdictions simultaneously, and municipalities with clear, objective zoning standards are far more likely to attract these long-term, capital-intensive projects. Conversely, prescriptive or overly restrictive model ordinances can have the opposite effect, encouraging municipalities to adopt requirements that are misaligned with industry needs, technologically outdated, or duplicative of existing environmental and permitting processes.

It is imperative that model ordinances do not become a vehicle for new layers of regulation. In other states, draft ordinances have included provisions such as local reporting of energy or water use, constraints on cooling technologies, or limitations on backup generation, all of which can unintentionally disrupt essential operational requirements, undermine reliability, or conflict with federal or state permitting frameworks. When drafting a model ordinance, it is extremely important to preserve flexibility for innovation, including evolving cooling technologies, next-generation clean-energy solutions, and increasing computing densities driven by AI. A rigid or outdated ordinance risks locking Pennsylvania into assumptions that no longer reflect modern facility design.

Finally, the drafting process for a model ordinance should be stakeholder-driven, including data center operators, utilities, economic development organizations, and local governments. The data center industry brings extensive experience from similar frameworks in other states, and Pennsylvania should leverage that expertise. A model ordinance grounded in industry best practices will better support municipalities, avoid duplicative or conflicting requirements, and strengthen

the Commonwealth's position in a highly competitive national market. Any model ordinance produced must promote clarity, predictability, and flexibility without creating new regulatory hurdles and must reflect the technological, operational, and economic realities of this sector.

The PA Chamber remains committed to working with the General Assembly and stakeholders to ensure that Pennsylvania is well-positioned to capture the enormous economic opportunities associated with data centers, AI, and other advanced technologies. We share the goal of thoughtful, long-term planning, and believe that with careful refinement, the Commonwealth can pursue those objectives without compromising competitiveness, security, or innovation. We stand ready to collaborate on solutions that provide clarity and transparency while supporting the kind of investment, job creation, and technological leadership that will strengthen Pennsylvania's economy for decades to come.

Thank you again for the opportunity to testify today, and I welcome any questions the Committee may have.