

To:

Chairman Thaddeus Claggett
Ohio House Technology and Innovation Committee
77 South High Street, 13th Floor
Columbus, OH 43215
RE: House Bill 18, Proponent Testimony

Chairman Claggett and distinguished members of the Committee:

Thank you for the opportunity to submit testimony in support of House Bill 18, the Ohio Strategic Cryptocurrency Reserve Act. I am writing on behalf of MARA Holdings, Inc. ("MARA"), a global leader in energy technology. We commend the sponsors of HB 18 and this committee for advancing a policy framework that recognizes the strategic value of digital assets and blockchain technology in Ohio's financial and energy sectors.

MARA operates at the intersection of energy infrastructure, digital innovation, and economic development. Our company manages a portfolio of high-efficiency data centers across four continents and six U.S. states, delivering over 1,500 megawatts of digital asset compute capacity. At MARA, we utilize Bitcoin mining to convert excess energy into digital capital, helping balance and decentralize the power grid. We leverage our digital energy expertise to develop technology that drives efficiency, lowers costs, and reduces the energy consumption of high-performance computing applications, from AI to the edge.

Our recent acquisition in Ohio is one of the newest and most important additions to our portfolio. Since early 2024, we have invested more than \$180 million into three data centers across the state: in Hopedale, Findlay, and Hannibal. These new assets have quickly become critical to MARA's U.S. operations. They were strategically selected not only for their access to robust energy infrastructure but also for the opportunity to contribute to local economic development in regions that can benefit from diversified, future-oriented investment.

To date, we have committed over \$100 million in Hopedale, \$60 million in Findlay, and \$15 million in Hannibal. These facilities have already begun creating new, high-skilled job opportunities—including technicians, electrical engineers, administrative professionals, and operations managers. In 2024 alone, MARA generated \$330,000 in state and local taxes in Ohio. We are actively expanding our capacity in the state, with plans underway to scale operations at all three locations in the coming year.

Our presence in Ohio is more than just economic - it is strategic. MARA's data centers operate with a high degree of flexibility and minimal infrastructure requirements. Unlike traditional data centers, our sites do not require water,

which helps in conserving local resources. Additionally, our sites do not rely on fiberoptic connectivity, instead using satellite internet, allowing us to deploy quickly in rural and underserved regions. Most importantly, our energy usage consists of fully interruptible loads which allows us to ramp our energy consumption up or down in response to real-time grid conditions. This reduces stress on the grid during peak demand periods while allowing an opportunity for us to absorb excess generation when it's available on the grid. This flexibility positions MARA as a valuable partner to utility and grid operators working to balance energy supply and demand in an increasingly dynamic system.

Our technology developments are also well-positioned to support the exponential energy demands created by AI and HPC. As these sectors grow, their inconsistent energy consumption patterns will require flexible infrastructure to ensure grid stability. MARA's operations can smooth out these spikes, offering a buffer to help integrate AI computing without overloading energy systems.

In addition to supporting grid stability, MARA's deployments offer a powerful and economic solution for flared methane in oil and gas production. During the extraction of oil, natural gas is often produced as a byproduct—commonly referred to as “associated gas.” In many cases, especially in remote or low-production regions, it is not economically feasible to capture, process, or transport this gas due to the high cost of pipeline infrastructure and fluctuating commodity prices. As a result, operators are often left with no option but to flare the gas on site, burning it off to meet regulatory requirements. This is a waste of a potential economic resource to the oil and gas industry.

To address this challenge, MARA has successfully deployed a scalable gas-to-power model that colocates modular data centers directly at oil production sites. In partnership with NGON, we recently completed a 25-megawatt initiative across Texas and North Dakota that captures stranded gas directly at the wellhead and converts it into low-cost electricity for bitcoin mining. These micro data centers consume roughly 5,000 cubic feet of associated gas per day—gas that would otherwise be flared—and route it through high-efficiency generators that achieve approximately 99% combustion efficiency.

This deployment demonstrates the dual benefits of MARA's gas-to-power strategy. For MARA, it delivers some of the lowest-cost energy in our fleet, reducing our reliance on third-party providers and insulating us from energy market volatility. For our energy partners, it creates a pathway to regulatory compliance in flare-restricted jurisdictions, reduces emissions, and opens the door to future participation in carbon credit markets. The success of this project proves that digital compute infrastructure can be safely and reliably deployed at the edge of the energy network—right at the source—turning a liability into long-term value. In short, MARA provides an immediate, scalable pathway to reduce waste and generate economic value from Ohio's existing energy assets.

House Bill 18 represents a pivotal opportunity for Ohio to assert its leadership in the rapidly evolving digital asset landscape. By authorizing the Treasurer of State to invest certain funds in digital assets and addressing investments

in exchange-traded products by state retirement systems, this legislation signals Ohio's commitment to embracing innovative financial instruments. Such a forward-thinking approach not only diversifies the state's investment portfolio but also showcases Ohio's readiness to adapt to emerging economic paradigms, thereby attracting businesses and investors who are at the forefront of technological advancement.

MARA strongly supports HB 18 and urges this committee to advance the bill. Our growing presence in Ohio underscores our belief in the state's potential to become a hub for digital innovation. We look forward to collaborating with state and local leaders to build a resilient, technologically advanced, and sustainable future for Ohio.

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