

TABLED



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 730

AMENDMENT NO. A2
(to be filled in by
Principal Clerk)

S730-ARI-109 [v.5]

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Amends Title [NO]
Fourth Edition

Date JUNE 2nd, 2026

Representative AGER

1 moves to amend the bill on page 2, lines 12 and 13,
2 by inserting between those lines:

3
4 **"REGULATION OF DATA CENTERS**

5 **SECTION 1.5.** Chapter 62 of the General Statutes is amended by adding a new
6 Article to read:

7 "Article 6C.

8 "Data Centers.

9 **"§ 62-129. Definitions and application of terms.**

10 For purposes of this Article, the term "data center" means a facility or group of co-located
11 facilities under common ownership or control used to house computer systems, servers, network
12 equipment, and associated infrastructure for the storage, processing, or transmission of data and
13 that has a peak monthly electricity demand of 100 megawatts or greater. Facilities under common
14 ownership or control, or that are operationally or contractually integrated, whether located on
15 one or multiple parcels, shall constitute one "data center" for purposes of determining the
16 applicability of any requirements herein.

17
18 **"§ 62-129.1. Preconstruction disclosure; certificate to operate a data center.**

19 (a) Preconstruction Disclosure Statement. – Prior to beginning construction on any new
20 data center, the owner or operator of a proposed data center shall submit a preconstruction
21 disclosure statement, in a form prescribed by the Commission, to the Commission, the
22 Department of Environmental Quality, and each local government in whose jurisdiction the data
23 center would be sited. The preconstruction disclosure statement shall include all of the following
24 information, supported by clear and credible evidence:

- 25 (1) The projected peak electricity demand.
26 (2) The projected annual electricity consumption.
27 (3) The projected annual water consumption.
28 (4) A detailed description of any cooling technologies to be used in the operation
29 of the data center.

30 (b) Certificate of Operation for Data Centers. – No person shall begin the construction or
31 operation of a data center without having applied for and obtained a certificate of operation from
32 the Commission. The application for a certificate to operate a data center shall be made in a form



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1 prescribed by the Commission and accompanied by the fee to be established by the Commission.
2 The Commission may, after notice and an opportunity for interested parties to be heard, issue a
3 certificate to operate a data center upon finding that the applicant is fit, capable, and financially
4 able to operate the data center in accordance with this Article. As a condition for the issuance
5 and continuation of a certificate to operate a data center, the applicant shall demonstrate to the
6 satisfaction of the Commission all of the following:

7 (1) The data center will operate in compliance with the water use standards for
8 data centers adopted by the Department of Environmental Quality.

9 (2) The data center will purchase electric service from an electric public utility in
10 accordance with G.S. 62-129.2 or G.S. 62-129.3, as applicable, at rates that
11 are commensurate to the electric public utility's full marginal cost of providing
12 service to that data center, including any incremental costs incurred by the
13 electric public utility to construct or expand generation facilities, transmission
14 and distribution lines, substations, and any other infrastructure investments
15 necessary to serve that data center's projected load.

16 (3) The data center will purchase water and sewer services at rates that are
17 commensurate to the full marginal cost of providing service to that data center
18 by a unit of local government, as defined in G.S. 162A-201, or a water or
19 sewer utility, including any incremental costs incurred to construct or expand
20 water and wastewater systems.

21 (4) That other members of the using and consuming public will be held harmless
22 and protected from bearing any increased costs as a result of providing
23 electric, water, or sewer services to the data center.

24 (5) That the applicant will operate the data center in accordance with any other
25 requirement determined by the Commission to be necessary to protect the
26 public interest.

27 (c) Effective Date. – A certificate of operation shall be effective from the date issued by
28 the Commission unless otherwise specified and shall remain in effect until terminated either
29 under its own terms or until suspended or revoked by the Commission as provided in subsection
30 (d) of this section.

31 (d) Certificate Review; Suspension and Revocation. – Upon the request of an electric
32 public utility, the Public Staff, or a person having an interest in the data center's operation, the
33 Commission may review the certificate to determine whether the owner or operator of the data
34 center is conducting operations in compliance with this Article. After notice to the data center's
35 owner or operator, the Commission may suspend the certificate and enter upon a hearing to
36 determine whether the certificate should be revoked. After the hearing, and for good cause
37 shown, the Commission may, in its discretion, reinstate a suspended certificate, continue a
38 suspension of a certificate, or revoke a certificate.

39 **"§ 62-129.2. Electric rates for data centers.**

40 (a) Each electric public utility shall file for Commission approval rates for the provision
41 of electric service to data centers. The Commission may approve a tiered rate schedule that
42 includes different prices, terms, or conditions for different classes of data centers based on load
43 requirements or other factors related to the costs of serving data center customers.

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1 (b) The Commission shall not approve a rate schedule filed under this section unless the
2 Commission finds that the rates are sufficiently designed to ensure all of the following:

3 (1) That data center customers are responsible for the entire cost of any capital
4 investments or incremental operational expenses necessary for the electric
5 public utility to serve data center customers.

6 (2) That other retail customers will be protected from (i) incurring any rate
7 increases as a result of serving data center customers or (ii) assuming
8 additional risk associated with having to bear any stranded costs as a result of
9 data center customers ceasing operations or else consuming less electricity
10 than initially requested.

11 **"§ 62-129.3. Special high-capacity rates for data centers.**

12 (a) The Commission shall require a data center to receive electric service under a special
13 high-capacity rate upon determining that rates approved under G.S. 62-129.2 would not be
14 commensurate with the electric public utility's full marginal cost of providing service to that data
15 center, including any incremental costs that would be incurred by the electric public utility to
16 construct or expand generation facilities, transmission and distribution lines, substations, and any
17 other infrastructure investments necessary to serve that data center's projected load.

18 (b) The Commission may establish by rule certain categories of data centers that would
19 be required to receive electric service under a special high-capacity rate.

20 (c) Upon determination by the Commission that a special high-capacity rate is required,
21 an electric public utility shall negotiate in good faith with the owner or operator of a data center
22 an agreement to provide electric service at such prices, terms, and conditions necessary to
23 compensate the electric public utility's full marginal cost of providing service to the data center
24 over the term of the agreement, subject to approval by the Commission.

25 (d) The Commission shall approve the special high-capacity rate fixed by contract
26 between an electric public utility and a data center upon finding that the rate satisfies the
27 conditions set forth under G.S. 62-129.2(b) and is otherwise consistent with the public interest.

28 **"§ 62-129.4. Annual report.**

29 (a) Each person who owns or operates a data center shall file an annual report to the
30 Commission and the Department of Environmental Quality that provides the following
31 information regarding the data center's operations during the prior year:

32 (1) The actual amount of electricity consumed.

33 (2) The actual amount of water used.

34 (3) Data indicating the efficiency of the cooling system, as quantified using
35 metrics approved by the Department of Environmental Quality.

36 (4) Any additional information requested by the Commission for purposes of
37 ensuring compliance with this Article.

38 (b) Annual reports filed by data centers are public records, as defined in G.S. 132-1, and
39 shall be made readily available by the Commission on its website.

40 **"§ 62-129.5. Rules.**

41 Pursuant to G.S. 62-31, the Commission may adopt rules to implement the provisions of this
42 Article."

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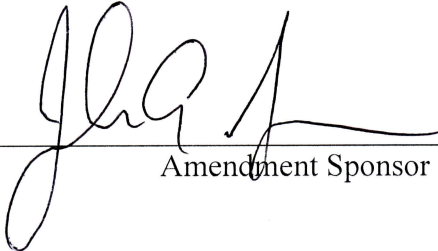
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SIGNED



Amendment Sponsor

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Committee Chair if Senate Committee Amendment

ADOPTED _____

FAILED _____

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