



Sectional Analysis

SB 250 Large Data Centers

Section 1. Page 1, Lines 4-10 Adds a section to the Alaska Public Utilities Regulatory Act at AS 42.05.381 “Rates to be just and reasonable” stating that costs incurred by an electrical utility to furnish service to a data center shall not be included rates or charges on a utility’s customers, unless those rates are designed to recover costs associated with the service to the data center.

Section 2. Page 1, Line 12 – Page 5, line 14 (a) Establishes that a utility that provides electric or gas service to a data center must enter into a contract with the large data center and submit that contract to the RCA for review and approval.

(b) A contract with a data center may not cause fuel supply shortages for any public utility in the state.

(c) The terms of a data center contract must include an accounting of all costs for infrastructure for a utility to furnish service to a data center and directly assign those costs to the data center.

(d) Transmission infrastructure specific to serving a data center may not be considered part of a backbone transmission system for allocating system costs under an open access transmission tariff. “Backbone transmission system” means the transmission assets in the Railbelt that facilitate the transmission of electrical power standards established by the Federal Energy Regulatory Commission.

(e) A data center contract must include new variable costs and attribute them to the new user.

(f) Requires that a contract must include a backup power and reliability plan that prioritizes renewable energy.

(g) Allows the Regulatory Commission of Alaska to determine that geographically distributed infrastructure of a data center can be considered a single facility.



ALASKA STATE LEGISLATURE

Senator Löki Gale Tobin
Education Committee Chair

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(h) Requires a municipality to enter into a community benefit agreement with a data center before the Regulatory Commission of Alaska approves the contract and before the data center is constructed.

(i) The community benefit agreement must require the data center to submit a waste heat recovery assessment and if practicable, implement waste heat recovery in the described in the assessment. It must address broadband interconnection costs for the data center and require local digital infrastructure investments.

(j) Requires a data center to file an end of life decommissioning and recycling plan.

(k) Excludes data centers that consume less than 20 megawatts of peak power or less than 20 percent of the total kilowatt-hours sold in a year. Excludes data centers that consume less than or 2 billion cubic feet of gas annually or 20 percent of the total gas sold by a utility.

(l) Defines contract, data center, electric utility, facility, gas utility, and municipality for purposes of the act.

Section 3. Page 5, Line 16 – Page 6, line 5 Requires a person who constructs a large data center in the state to file a decommissioning and recycling plan with the Department of Environmental Conservation.