

1 classes of large-load data centers based on load requirements or other factors related to the cost
2 of service.

3 (b) Each tariff application filed with the Commission under this section shall be designed
4 to ensure that large-load data center customers are responsible for the entire cost of any capital
5 investments or incremental operational expenses necessary for the utility to provide electric
6 service to large-load data centers and to protect other electric customers from incurring any rate
7 increases caused by serving large-load data center customers. Furthermore, tariff applications
8 shall include provisions necessary to ensure that other electric customers are not placed at higher
9 risk of shouldering any stranded costs as a result of large-load data center customers ceasing
10 operations or else consuming less electricity than initially requested.

11 (c) The Commission shall require that each tariff filed by an electric public utility to serve
12 large-load data centers incorporate the following terms and conditions for the protection of other
13 customers:

14 (1) A minimum contract term that obligates a large-load data center customer to
15 take electric service for a term of no less than 10 years.

16 (2) A minimum billing demand requirement that obligates a large-load data center
17 customer to take or pay, for a period of no less than 10 years following
18 commencement of service, at least eighty-five percent (85%) of the maximum
19 electric service requested by the customer.

20 (3) A financial assurance or surety requirement that is sufficient to protect other
21 ratepayers against any material increase in rates occurring as a result of a
22 large-load data center customer ceasing operations or taking less service than
23 initially requested.

24 (4) A requirement that a large-load data center customer give the electric public
25 utility advanced notice prior to any anticipated reduction in its demand for
26 electricity.

27 (5) Any other provisions that the Commission determines to be reasonable and in
28 the public interest.

29 (d) The Commission may only approve a tariff application for providing electric service
30 to large-load data centers upon finding that the tariff, in addition to being just and reasonable and
31 in compliance with the requirements of this section, includes rates, terms, and other conditions
32 necessary to protect and hold harmless other electric customers from having to bear any increased
33 costs attributable to serving large-load data centers."

34 **SECTION 1.(d)** This section is effective when it becomes law. The tariff application
35 required to be filed with the Utilities Commission pursuant to G.S. 62-133.25, as enacted by
36 subsection (c) of this section, shall be filed by the electric public utility no later than 180 days
37 after the effective date of this section. Effective January 1, 2028, an electric public utility shall
38 not provide electric service to a large-load data center except under the terms of a tariff approved
39 by the Utilities Commission in accordance with G.S. 62-133.25.

40 **SECTION 2.(a)** G.S. 105-164.3(47), 105-164.3(79), 105-164.3(201),
41 105-164.13(43a)b., 105-164.13(55), and 105-164.13(55a) are repealed.

42 **SECTION 2.(b)** This section becomes effective January 1, 2027, and applies to sales
43 made on or after that date.

44 **SECTION 3.** Except as otherwise provided, this act is effective when it becomes
45 law.