

2026 -- H 7331

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LC004385

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S T A T E O F R H O D E I S L A N D

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- PUBLIC UTILITIES COMMISSION

Introduced By: Representatives Kennedy, Azzinaro, McEntee, Tanzi, Cortvriend, Edwards, Bennett, Ackerman, Kazarian, and Diaz
Date Introduced: January 28, 2026

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 39-1 of the General Laws entitled "Public Utilities Commission" is
2 hereby amended by adding thereto the following section:

3 **39-1-64. Data centers -- Electric cost allocation.**

4 (a) As used in this section, "data center" means a facility, or portion of a facility, primarily
5 engaged in the storage, processing, or transmission of digital information using computer servers
6 and related equipment, and having a projected or actual electric demand of fifty megawatts (50
7 MW) or greater at a single site.

8 (b) The public utilities commission shall require that any costs reasonably attributable to
9 the planning, construction, expansion, operation, or maintenance of electric generation,
10 transmission, or distribution facilities necessary to serve a data center shall be borne exclusively by
11 that data center.

12 (c) No such costs shall be recovered from residential customers or from commercial
13 customers that are not data centers as defined in this section.

14 (d) The commission shall require electric distribution companies to establish one or more
15 dedicated rate classes, tariffs, contracts, or other cost recovery mechanisms applicable to data
16 centers to ensure compliance with this section.

17 (e) Nothing in this section shall be construed to alter participation in, or obligations under,
18 regional transmission organizations, federally regulated wholesale electric markets, or federal
19 reliability standards.

1 SECTION 2. Section 42-98-7 of the General Laws in Chapter 42-98 entitled "Energy
2 Facility Siting Act" is hereby amended to read as follows:

3 **42-98-7. Powers and duties.**

4 (a)(1) The siting board is the licensing and permitting authority for all licenses, permits,
5 assents, or variances that, under any statute of the state or ordinance of any political subdivision of
6 the state, would be required for siting, construction, or alteration of a major energy facility in the
7 state.

8 (2) Any agency, board, council, or commission of the state or political subdivision of the
9 state that, absent this chapter, would be required to issue a permit, license, assent, or variance in
10 order for the siting, construction, or alteration of a major energy facility to proceed, shall sit and
11 function at the direction of the siting board. These agencies shall follow the procedures established
12 by statute, ordinance, and/or regulation provided for determining the permit, license, assent, or
13 variance, but, instead of issuing the permit, license, assent, or variance, shall forward its findings
14 from the proceeding, together with the record supporting the findings and a recommendation for
15 final action, to the siting board.

16 (3) Notwithstanding any provision in this chapter to the contrary, in those instances in
17 which the department of environmental management exercises a permitting or licensing function
18 under the delegated authority of federal law, including, but not limited to, the federal Clean Water
19 Act (33 U.S.C. § 1251 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et
20 seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.), and those state laws and regulations that
21 implement those federal laws, the department of environmental management shall be the licensing
22 and permitting authority. Moreover, the authority to issue licenses and permits delegated to the
23 department of environmental management pursuant to chapter 1 of title 2 and to the coastal
24 resources management council pursuant to chapter 23 of title 46, shall remain with those agencies,
25 but in all other respects the department of environmental management and the coastal resources
26 management council shall follow the procedures set forth in this chapter.

27 (b) The siting board is authorized and empowered to summon and examine witnesses and
28 to compel the production and examination of papers, books, accounts, documents, records,
29 certificates, and other legal evidence that may be necessary for the determination of its jurisdiction
30 and decision of any question before, or the discharge of any duty required by law of, the board.

31 (c) The siting board is empowered to issue any orders, rules, or regulations as may be
32 required to effectuate the purposes of this chapter.

33 (d) The siting board shall, by regulation, determine the standards for intervention.

34 (e) The siting board's proceedings shall in all respects comply with the requirements of the

1 Administrative Procedures Act, chapter 35 of this title, except where otherwise explicitly provided.

(f) In the case of any application involving electric generation, transmission, or distribution facilities intended, in whole or in part, to serve a data center as defined in § 39-1-64, the energy facility siting board shall consult with the public utilities commission regarding ratepayer impacts and electric cost allocation.

6 (1) The board may condition approval of any such application upon a showing that the
7 applicant has obtained approval from the public utilities commission for rates, tariffs, contracts, or
8 other mechanisms ensuring compliance with § 39-1-64.

9 (2) Nothing in this section shall be construed to authorize the energy facility siting board
10 to set electric rates or to exercise ratemaking authority.

11 SECTION 3. Title 46 of the General Laws entitled "WATERS AND NAVIGATION" is
12 hereby amended by adding thereto the following chapter:

CHAPTER 15.9

DATA CENTER WATER USE DISCLOSURE

46-15.9-1. Definitions.

16 As used in this chapter, “data center” means a facility, or portion of a facility, primarily
17 engaged in the storage, processing, or transmission of digital information using computer servers
18 and related equipment, and having a projected or actual electric demand of fifty megawatts (50
19 MW) or greater at a single site.

46-15.9-2. Water use disclosure.

21 (a) Each data center shall annually submit to the department of environmental management
22 a report containing:

- 23 (1) Average daily water withdrawal;
- 24 (2) Peak daily water withdrawal;
- 25 (3) Cooling technologies utilized; an
- 26 (4) Water recycling or reuse practice

27 (b) The department shall prescribe the form and manner of such reporting.

46-15.9-3. Water efficiency plans.

29 The director of the department of environmental management may require a data center to
30 submit a water efficiency, conservation, or recycling plan as a condition of any permit issued under
31 this title.

46-15.9-4. Site restoration assurance.

33 The director may require financial assurance, in a form acceptable to the department, to
34 ensure site restoration in the event of abandonment or cessation of operations

1 SECTION 4. Severability.

2 If any provision of this act or its application to any person or circumstance is held invalid,
3 the remainder of the act and the application of its provisions to other persons or circumstances shall
4 not be affected.

5 SECTION 5. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO PUBLIC UTILITIES AND CARRIERS -- PUBLIC UTILITIES COMMISSION

- 1 This act would require that certain data centers requiring large amounts of electricity be
- 2 required to fund the cost of necessary infrastructure improvements to supply such electricity.
- 3 This act would take effect upon passage.

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