

Date of Hearing: April 8, 2026

ASSEMBLY COMMITTEE ON UTILITIES AND ENERGY

Cottie Petrie-Norris, Chair

AB 1577 (Bauer-Kahan) – As Amended March 26, 2026

SUBJECT: Data centers: reporting.

SUMMARY: Mandates data centers report monthly energy usage and efficiency information to the California Energy Commission (CEC). The CEC must integrate this data into Integrated Energy Policy Reports (IEPRs) and annually publish the data in an anonymized and aggregated format for the public. Additionally, data centers must submit specified information to local agencies when requesting authorization to construct or operate a data center. Specifically, **this bill:**

- 1) Defines “data center” as a room, or portion of a room, in a building used primarily to house information technology equipment that serves a load greater than 10 kilowatts and 20 watts per square foot of conditioned floor area. The definition excludes facilities with installed information technology equipment with electrical capacity of less than 500 kilowatts.
 - a. Defines “applicable local agency” as a city, county, or city and county that has discretionary land use or permitting authority over the construction or operation of a data center.
 - b. Defines “cooling degree day” as the number of degrees by which the average outdoor air temperature for a given day exceeds 65 degrees Fahrenheit.
 - c. Defines “power usage effectiveness” as a ratio of the total energy consumption of a data center to the energy specifically used by the information technology equipment housed in the data center.
 - d. Defines “water usage effectiveness” as a ratio of the total water consumption of a data center to the water specifically used by the information technology equipment housed in the data center.
- 2) Requires the CEC to establish a process for the owner of a data center to submit the following information upon energization and following any substantive change to information previously submitted:
 - a. The name of the data center.
 - b. Any physical addresses associated with the operation of the data center.
 - c. The name of, and contact information for, the owner and operator of the data center.
 - d. The year and month that the data center began operating.
 - e. The total floor area of the data center, expressed in square feet.
 - f. The floor area of the data center occupied by information technology equipment, expressed in square feet.
- 3) Requires the CEC to establish a process for the owner of a data center to submit the following information on a monthly basis:

- a. Total electrical capacity of the data center, expressed in kilowatts.
 - i. Installed information technology electrical capacity of the data center, expressed in kilowatts.
 - ii. Total energy consumption of the data center, expressed in kilowatthours.
 - iii. Power usage effectiveness of the data center.
 - iv. Whether the data center participated in any demand flexibility programs, and the name and level of participation in each program.
 - b. Total water consumption of the data center, expressed in gallons.
 - i. Potable water consumption of the data center, expressed in gallons.
 - ii. Water usage effectiveness of the data center.
 - c. Quantity of waste heat reused by the data center, expressed in kilowatthours.
 - i. Average waste heat temperature of the data center, expressed in degrees Fahrenheit.
 - ii. Average intake air temperature setpoint for information technology equipment, expressed in degrees Fahrenheit.
 - iii. Types of refrigerants used to cool information technology equipment.
 - iv. Cumulative cooling degree days for the data center.
 - d. Quantity of electricity generated onsite, separated by generation type, expressed in kilowatthours.
 - i. Quantity of fuel consumed by onsite generators or other fuel-based energy systems, separated by fuel type.
 - ii. Quantity of electricity consumed during the reporting month that was derived from renewable and carbon-free sources, separated by each of the following categories and expressed in kilowatt-hours:
 1. Quantity of renewable or carbon-free energy generated onsite or procured from renewable electrical generation facilities and used to directly power the data center.
 2. Quantity of electricity generated onsite or procured from hydroelectric generation facilities exceeding 30 megawatts and used to directly power the data center.
 3. Quantity of electricity generated onsite or procured from nuclear power plants and used to directly power the data center.
 4. Quantity of electricity associated with renewable energy credits, identified by portfolio content category and not used to directly power the data center.
 - e. Average and maximum sound levels attributable to the operation of the data center, expressed in A-weighted decibels, measured at the point along the property boundary where the average sound level attributable to the operation of the data center is highest.
- 4) Requires the owner of the data center to submit this information in a manner and timeframe specified by CEC.
- a. Specifies that the owner does not have to resubmit information that has already been submitted to the CEC.

- b. Specifies that the owner can submit substantially similar information that was prepared for other compliance, if the information meets the listed requirements.
- 5) Requires the CEC to include an assessment of electrical load trends for data centers in the 2029 IEPR, and each subsequent report, that includes the following:
 - a. A projection of future load trends from data centers.
 - b. Identification of potential net peak load demands.
 - c. Recommendations for mitigating data center electricity consumption impacts on grid capacity, grid reliability, and greenhouse gas emissions, including any recommended energy efficiency and demand response measures.
 - 6) Requires the CEC to annually publish the information submitted in an anonymized and aggregated format on its website.
 - 7) Requires the owner or developer of a data center to submit the information outlined in (3) to the applicable local agency upon applying for a discretionary permit, entitlement, or land use authorization.
 - a. Requires that the information submitted be based on the best available estimates at the time of submission.
 - b. Allows a local agency to use the information submitted for land use planning, infrastructure planning, energy and water supply assessment, and environmental review, and any additional purposes deemed appropriate.
 - 8) Requires that the CEC and local agency not disclose any information that would result in the disclosure of personally identifiable information or energy consumption data for a specific utility customer.
 - 9) Clarifies that the reporting requirements outlined do not supersede, preempt, or limit any reporting, disclosure, or public access requirements imposed by other law or regulation.
 - a. Clarifies that any confidential, proprietary, or otherwise restricted information may not require the same designation under other law or regulation.
 - b. Clarifies that the disclosure of the requested information does not constitute a waiver of any attorney-client privilege, work product protection, or trade secret protection that might otherwise exist with respect to the information.

EXISTING LAW:

- 1) Mandates the CEC to develop energy policies that conserve resources, protect the environment, ensure energy reliability, enhance the state's economy, and protect public health and safety. (Public Resources Code § 25301(a))
- 2) Requires the CEC to generate an IEPR every two years, which will include, among other things, an assessment of resources and a forecast of reliability and energy usage. (Public Resources Code § 25302)
- 3) Grants the CEC the authority to hold public hearings and stakeholder processes to best assess the necessary reporting and efficiency standards for buildings. (Public Resources Code § 25402(b)(4))

- 4) Requires each petroleum refiner and major marketer to submit monthly information to the CEC, including but not limited to volume, price, and type of petroleum product, including the sources of those receipts, inventories of products, and exports of finished products from the state. (Public Resources Code § 25354)

FISCAL EFFECT: Unknown. This bill is keyed fiscal and will be referred to the Assembly Committee on Appropriations for its review. A similar version of this proposal – AB 222 (Bauer-Kahan, 2025) – was estimated by the CEC to cost \$176,000 annually when heard in the Senate Committee on Appropriations. AB 222 had fewer reporting requirements to the CEC than outlined in the current proposal.

BACKGROUND:

Growing use of Artificial Intelligence, data centers, and energy – In 2025, global data generation surpassed 175 zettabytes (trillions of gigabytes).¹ This scale of data reflects the rapid growth of connected devices, AI-driven queries, and cloud-based services that depend on data centers for real-time processing and storage. Data centers are facilities that house critical computing infrastructure, including servers, data storage systems, and network equipment. These facilities support a wide range of functions, from running web-based applications and supporting e-commerce to ensuring cybersecurity operations. Data centers can be located on-site at a company’s premises, operated as colocation facilities where businesses rent space for their servers, or exist as cloud data centers, where companies lease computing infrastructure from third-party providers and outsource the maintenance of physical hardware.²

Continued growth in AI-computing is driving data center development and construction.³ To generate more sophisticated AI models, the size of the datasets increases, as does the demand for computational resources. For example, GPT-4 – the large language model (LLM) embedded in ChatGPT 4 – is reported to have been trained on roughly 10 trillion words of text.^{4,5} Adjusting the model’s 1.8 trillion parameters continuously as it was exposed to this vast corpus required trillions upon trillions of computations, which were performed by running approximately 25,000 expensive, energy-consuming microchips for nearly 100 days nonstop, at an estimated cost of \$63 million.⁶ It is estimated that this training consumed 50 gigawatt-hours (GWhs) of energy, enough to power San Francisco continuously for three days.⁷

¹ Armstrong, Global Data Creation is About to Explode, Statista, <https://www.statista.com/chart/17727/global-data-creation-forecasts/>

² Stephanie Susnjara and Ian Smalley, “What is a data center?”, *IBM* (Sept. 4, 2024), <http://ibm.com/think/topics/data-centers>.

³ Lee and West, “The future of data centers,” Brookings Institute (Nov. 5, 2025), <https://www.brookings.edu/articles/the-future-of-data-centers/>

⁴ Schreiner, “GPT-4 architecture, datasets, costs and more leaked,” *The Decoder* (Jul. 11, 2023), <https://the-decoder.com/gpt-4-architecture-datasets-costs-and-more-leaked/>

⁵ Begum, “OpenAI Releases GPT-4: A Smarter and Faster AI-Language Model with ‘Human-level Performance,’” *Vocal Media* (2023), <https://vocal.media/01/open-ai-releases-gpt-4-a-smarter-and-faster-ai-language-model-with-human-level-performance>.

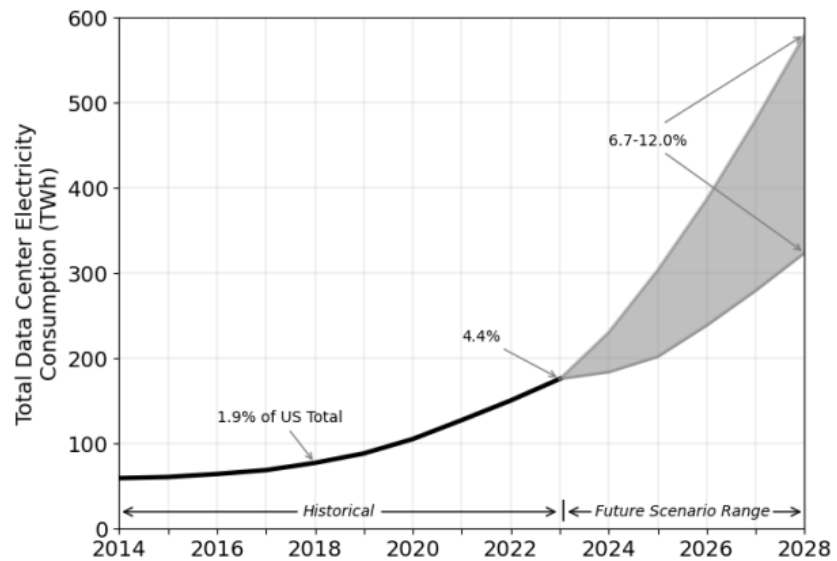
⁶ Ludvigsen, “The carbon footprint of GPT-4,” *Medium* (Jul. 18, 2023), available at <https://medium.com/data-science/the-carbon-footprint-of-gpt-4-d6c676eb21ae>.

⁷ James O’Donnell and Casey Crownhart, “We did the math on AI’s energy footprint. Here’s the story you haven’t heard.” *MIT Technology Review*, May 20, 2025; <https://www.technologyreview.com/2025/05/20/1116327/ai-energy-usage-climate-footprintbig-tech/>

Rough estimates exist for how much energy each AI-query consumes. Famously, OpenAI CEO Sam Altman has stated each ChatGPT query consumes approximately 0.34 watt-hours of electricity, enough to power a lightbulb for a few minutes.⁸ In reality, the type and size of the model and the selected output (language, image, video) can make one query thousands of times more energy-intensive and emissions-producing than another. One billion of these inquiries every day for a year – well below the self-reported values of OpenAI⁹ – would mean over 109 GWhs of electricity, enough to power 10,400 U.S. homes for a year, according to researchers writing in MIT Technology Review.¹⁰ As training compute demand grows, the need for more or larger data centers and more energy to power them grows as well.¹¹

As shown in Figure 1,¹² U.S. data center annual energy use prior to 2016 was relatively stable at about 60 TWh. Despite the construction of new data centers to serve the rise of cloud-based online services, such as Netflix, increases in efficiency kept this growth consumption relatively flat. However, starting in 2017, electricity consumption accelerated nationwide primarily due to AI computing. By 2023, data centers were 4.4% of total

Figure 1. Total U.S. data center electricity use from 2014-2028.



U.S energy consumption. By 2028, data centers are predicted to use between 6.7% and 12% of the country’s electricity.¹³ At that point, AI alone could consume as much electricity annually as 22% of all U.S. households.¹⁴ Just how utilities, regulators, and tech companies will meet this unsatiated demand is uncertain. New resources must be procured, and new transmission is likely needed to serve this load, all at cost to either ratepayers or the tech companies themselves. Yet given the large uncertainty projected (grey, shaded area in Figure 1), and the lack of transparent data on current and future data center energy needs, projections of future energy demands or

⁸ Kwan Wei Kevin Tan, “Sam Altman says the energy needed for an average ChatGPT query can power a lightbulb for a few minutes,” Business Insider, June 10, 2025; <https://www.businessinsider.com/how-much-energy-does-chatgpt-use-average-query-watts-altman-2025-6>

⁹ Which in July 2025 estimated 2.5 billion prompts every day; Emma Roth, “OpenAI says ChatGPT users send over 2.5 billion prompts every day,” The Verge, July 21, 2025; <https://www.theverge.com/news/710867/openai-chatgpt-daily-prompts-2-billio>

¹⁰ O’Donnell and Crownhart, *Ibid.*

¹¹ Lee and West, *Ibid.*

¹² Shehabi, Arman, et al. "2024 United States Data Center Energy Usage Report." December 2024, Lawrence Berkeley National Laboratory, Berkeley, California. LBNL-2001637; https://eta-publications.lbl.gov/sites/default/files/2024-12/lbnl-2024-unitedstates-data-center-energy-usage-report_1.pdf

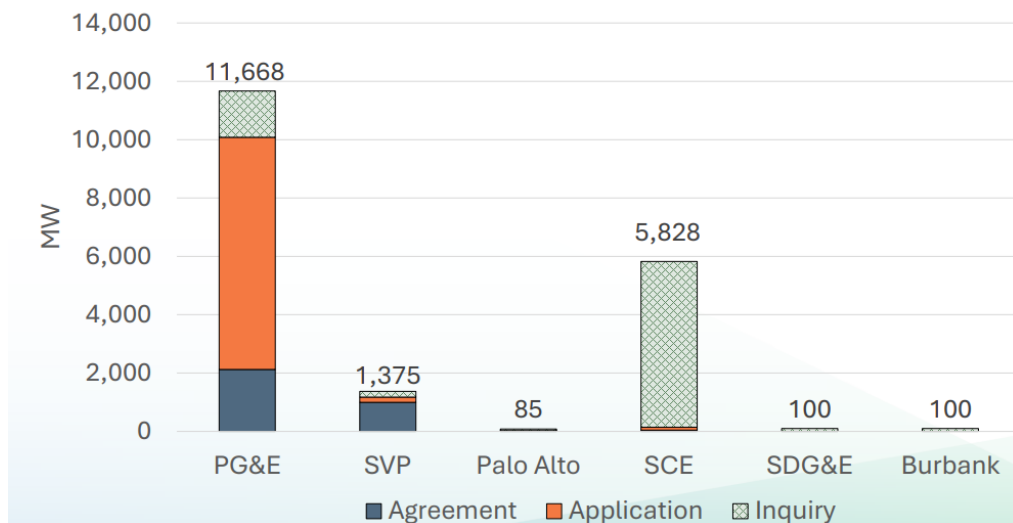
¹³ Shehabi, Arman, et al. *Ibid.*

¹⁴ O’Donnell and Crownhart, *Ibid.*

estimates of resultant emissions are simply inadequate or inaccurate.¹⁵ This forces energy planners to assemble a puzzle with countless missing pieces.

Predicting the unknown – Every two years, the CEC publishes its energy demand forecast within the Integrated Energy Policy Report (IEPR), with an update every other year. In January 2026, they adopted the IEPR for 2025-2045.¹⁶ This forecast is foundational for resource procurement and system planning in the state, as the output of the forecast feeds into sequential planning streams at the California Public Utilities Commission (CPUC) and California Independent System Operator (CAISO). In other words, the forecast is critical in determining how much energy generation to require utilities to purchase, where to upgrade power lines, and how to prevent future blackouts. The 2025 IEPR provides electricity and gas demand forecasts which reflect expected impacts from economic projections, including data center growth, electric vehicle adoption, and other inputs.¹⁷ The final 2025 adopted plan anticipates almost 20 GWs of load growth over the next 20 years in CAISO’s area, with close to 5 GWs arising from data centers.¹⁸ However, the full scale of this demand growth, particularly with regard to data centers, is still unknown. As shown in Figure 2, significant uncertainty exists around data center capacity requests, ranging from most certain with an agreement to largely unknown with an inquiry.¹⁹

Figure 2. Capacity Requests, as reported to the CEC from each utility as of August 2025.²⁰ (Key: PG&E = Pacific Gas & Electric; SVP = Silicon Valley Power; SCE = Southern California Edison; SDG&E = San Diego Gas & Electric).



¹⁵ Eric Masanet, Nuoai Lei, and Jonathan Koomey, “To better understand AI’s growing energy use, analysts need a data revolution”, *Joule* 8, 1–10 (September 18, 2024), <https://www.sciencedirect.com/science/article/abs/pii/S2542435124003477>.

¹⁶ Item 6, CEC Business Meeting Agenda, January 21, 2026; <https://efiling.energy.ca.gov/GetDocument.aspx?tn=268217&DocumentContentId=105381>

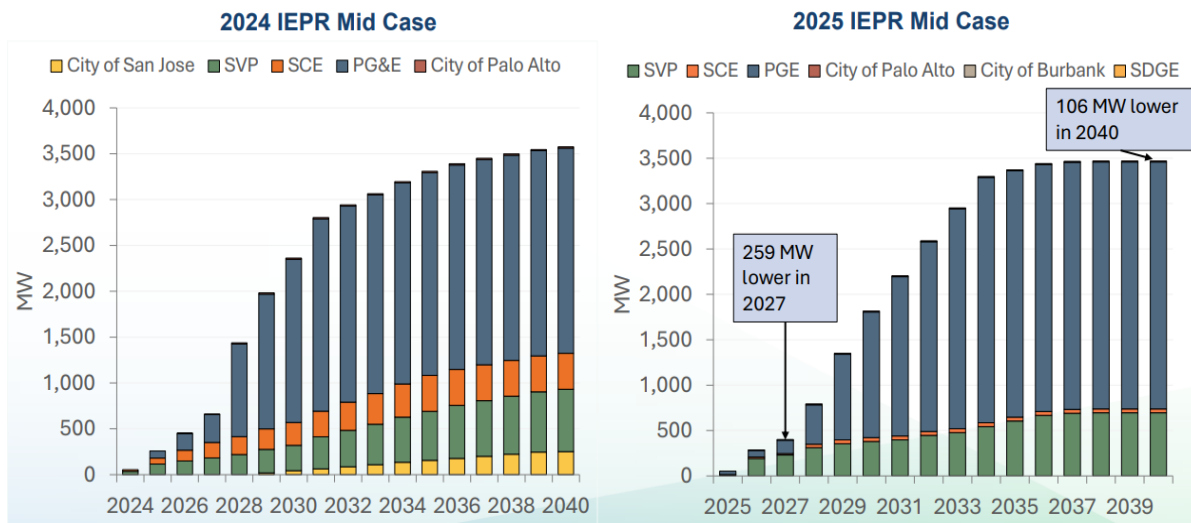
¹⁷ CEC, “Resolution of the CEC Adopting the California Energy Demand Forecast, 2025-2045,” <https://www.energy.ca.gov/filebrowser/download/9208?fid=9208>

¹⁸ Slide 8, 2025 – IEPR Forecast, DAWG Meeting, https://www.energy.ca.gov/sites/default/files/2026-01/2026-01-05_DAWG_Mtg_Slides-Combined_ada.pdf

¹⁹ Slide 5, presentation by CEC Manager of Demand Analysis Heidi Javanbakht to the Little Hoover Commission, December 11, 2025; <https://lhc.ca.gov/wp-content/uploads/5-Heidi-Javanbakht-CEC.pdf>

Demystifying the unknown – The speed at which the data center industry is growing has led to a sudden unpredictability in the future energy market. This growth is occurring alongside other changes to electricity demand, such as enhanced electrification in the building and transportation sectors, and climate change induced extreme events. There is little transparency into data center energy usage; transparency which would enable understanding or predicting market dynamics. Most tech companies and data center operators don't volunteer their energy and water usage information. Through the CEC's Energy Benchmarking Program,²⁰ buildings with more than 50,000 square feet of gross floor area must submit relevant energy performance data annually to the CEC. Data centers meeting this size, or housed within a building of this size or greater, are required to report on their energy usage information. Additionally, utilities submit information regarding existing and potential data centers for the IEPR's Data Center Demand Forecast.²¹ Based on the information currently received by the CEC, the prediction is that data center peak demand will start to plateau by the mid-2030s (Figure 3), but given the many unknowns and possibility for exponential growth (Figure 1), more information will be necessary to see if this prediction holds.

Figure 3. Mid case (baseline & reporting scenario) of statewide data center peak demand, comparing 2024 IEPR to 2025 IEPR, as reported to the CEC from each utility as of August 2025.



There are ongoing efforts to mandate transparency from data centers across the United States and Europe. This includes a Commission Delegated Regulation from the European Union focused on creating a common rating scheme for data centers and mandating reporting on a number of energy and resource usage metrics.²² In the United States Senate, Senator Ed Markey put forward the “Artificial Intelligence Environmental Impacts Act,” which would have, among other provisions, initiated a study on the environmental impacts of AI and established a consortium of stakeholders to address these impacts.²³ The bill did not make it to the floor in 2024. This year, House Representative Robert Menedez introduced the “Data Center Transparency Act,” which

²⁰ <https://www.energy.ca.gov/programs-and-topics/programs/building-energy-benchmarking-program>

²¹ 2025 IEPR: Preliminary Data Center Forecast, November 13, 2025

²² Document 32024R1364, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32024R1364>

²³ S.3732, <https://www.congress.gov/bill/118th-congress/senate-bill/3732/text>

was referred to the House Committee on Energy and Commerce on January 8th, 2026.²⁴ At the state level, there have been multiple efforts to address data center transparency, efficiency and cost-shifting, including in Iowa,²⁵ Michigan,²⁶ Georgia,²⁷ and Virginia.²⁸

COMMENTS:

- 1) *Author's Statement.* According to the author, “The rapid growth of the artificial intelligence (AI) industry is driving the construction of large, energy-intensive data centers across California. Increased energy demand, combined with grid infrastructure development needed to serve these facilities, risks increasing energy costs for Californians. At present, California lacks accurate statewide information on how many data centers exist, where they are located, how much energy they consume, how efficiently they operate, and how they affect California’s power grid. This limits the ability of state and local agencies to plan infrastructure, evaluate efficiency opportunities, and protect ratepayers. AB 1577 closes this information gap by requiring data centers to report specified energy usage and efficiency information to the California Energy Commission on a monthly basis, and requiring proposed data centers to provide estimated information to local agencies prior to beginning construction.”
- 2) *Purpose of Bill.* Details regarding current and future energy impacts of data centers are largely uncertain, yet their proliferation around the State and country continues to grow. This uncertainty has rippling effects – limiting the state energy planners’ abilities to accurately forecast grid system needs, limiting academic researchers from investigating a rapidly evolving technology and field, and stoking uncertainty and distrust among Californians. The goal of AB 1577 is to address this dearth of information by increasing the transparency of data center energy usage and efficiency information.

There is precedent for this type of data sharing for a specific industry, particularly with the CEC. Under the Petroleum Industry Information Reporting Act (PIIRA),²⁹ qualifying petroleum industry companies must submit daily, event based, weekly, monthly, and annual data to the CEC. This data is used to inform the CEC on the operations of the petroleum industry in California, allowing the CEC to respond to possible shortages/disruptions and develop relevant energy policies. While the petroleum industry and tech industry are in many ways distinct, the CEC has extensive experience with market sensitive information of highly competitive, international companies. Providing greater transparency via reporting to the CEC, as is required by AB 1577, may be critical to ensure California can welcome this innovation and minimize consequences to our electrical system.

- 3) *What is a data center?* Data centers come in many different forms and types, ranging from enterprise data centers used for proprietary digital operations (e.g., banks,

²⁴ H.R.6984, <https://www.congress.gov/bill/119th-congress/house-bill/6984>

²⁵ IA HF 2447

²⁶ MI SB 762

²⁷ GA SB 421

²⁸ VA SB 417

²⁹ <https://www.energy.ca.gov/rules-and-regulations/energy-suppliers-reporting/petroleum-industry-information-reporting-act-piira>

healthcare organizations, governments) to edge providers used to deliver rapid computing power to hyperscalers that support AI and other data-intensive applications. Regardless of size and energy need, all data centers have an impact on our grid. Finding a consistent definition of what a data center is can be difficult. Even in the present legislative sessions, there are many bills aiming to regulate data centers, and none with the same definition. At the CEC, the information they receive on data centers has no consistent definition. Some information comes from the Energy Benchmarking Program, which regulates reporting for buildings of a certain size (over 50,000 sq feet), and some comes from utilities, who use their own metrics for determining what a data center is. As this industry is rapidly evolving, and the goal of this bill is to provide transparency for data center usage, *the committee recommends adding more detailed language to the definition of a data center regarding specific equipment characteristics, while keeping the definition broad in regards to a load threshold to capture the many types of data centers impacting our energy system. Additionally, the committee recommends clarifying who qualifies as the owner of the data center for purposes of reporting responsibility, as the entity overseeing the facility, not those renting or hosting equipment onsite.*

- 4) *Pertinent information for the CEC.* As noted above, grid planners need specific information on data center development to ensure the energy grid will meet the load. However, as currently written, this bill tasks the CEC with collecting information that is far broader than the CEC's energy-related analyses require, and that the CEC may not have the resources and scope to analyze. In particular, data about water usage and sound levels are not relevant to the CEC for the tasks outlined in the bill. To ensure the information provided by data centers does not go to waste and will be used to the full extent possible, *the committee recommends that the CEC receive only the information relevant to data centers' energy use and efficiency metrics.*

The CEC is already tasked with collecting information from a number of stakeholders in preparation for reports like the IEPR. It is critical that with the new data submissions required under this bill, the CEC has the flexibility to collect information in a way that not only reduces repetition and burden on the agency, but also for the data centers themselves. To help with adoption of these reporting requirements, *the committee recommends changes to the bill language to ensure the CEC has the flexibility to collect the information in a way that is deemed most efficient and reduces any repetitive burden on the agency and the data centers.*

- 5) *Energy generation.* There are many factors that push data centers towards certain types of energy generation, including corporate sustainability goals, slow energization, cost-savings, and predictability of service. However, clarity on the types of generation being used by data centers is lacking. The bill, as currently written, requires data centers to report their generation from everything from onsite fuel-based energy systems to renewable electrical generation facilities, hydroelectric generation facilities, and nuclear power plants. While informative, as currently written, the language is prescriptive and at times duplicative. To capture the full extent of energy sources while maintaining clarity, *the committee recommends reporting requirements be edited to include not only electricity generated but also consumed onsite and remove any overly prescriptive and duplicative reporting requirements for specific generation types to ensure a full picture of generation can be collected. Additionally, the committee recommends adding a*

requirement for reporting onsite energy storage, including the type, capacity, and chemistry of the storage.

- 6) *Local agency reporting.* Opposition to data centers is on the rise. Indeed, recent reporting highlights that local agencies and the affected communities have real concerns about the impacts data centers pose on local resources and on their communities.^{30, 31} In support of this legislation, the City of Monterey Park (where recent protests stopped a data center from being built),³² writes that the legislation will help the city to “advance sustainability goals while maintaining reliable public services” by promoting accountability, encouraging efficient design, and aligning with California’s climate goals. Additionally, recent CEQA exemptions passed in SB 131 (Chapter 24, Statutes of 2025), in particular permitting exemptions for advanced manufacturing facilities, may weaken the tools available to local agencies to fully assess data center impacts. The bill seeks to address some of these transparency concerns for local agencies with a wide range of reporting requirements. However, these reporting requirements are broad, and it is unclear what local agencies would do with some of this information, such as the power or water use effectiveness. Therefore, *the committee recommends narrowing the information provided to data centers while retaining the author’s intent for greater local awareness. This includes reporting on expected annual energy and water usage, onsite generation capacity, and sound levels.*
- 7) *Privacy concerns.* In addition to the IEPR, the bill requires the CEC to annually publish the information it receives from data centers on its website. The language mandates that the information is anonymized and aggregated. Supporters of the bill celebrate this data transparency and point to requests from researchers seeking this level of detail to study this booming industry.³² However, the public reporting of data is the chief concern to those in opposition, including the Data Center Coalition, citing risk to cybersecurity and physical security from the “disclosure of detailed proprietary and sensitive operational details.” As previously noted, the CEC is host to similar market sensitive data from the petroleum industry, aspects of which are shared in anonymized, aggregated reports to ensure confidential information is protected.³³ The committee is unaware of any security risks that have resulted from these reports. Furthermore, this bill requires the CEC and any local agency receiving data center information to protect any personally identifiable information or energy consumption data for a specific utility customer. To this latter point and to ensure this data is adequately protected, *the committee recommends removing any exceptions to this provision, as currently drafted in (f)(1).*
- 8) *Additional Clarifications.* To match the requested monthly information from data centers, and provide a set point for future comparison, *the committee recommends that upon energization, as described in Section 25302.10 (b)(1), data centers also report the anticipated electrical peak capacity of the data center and the anticipated quantity of electricity generated and consumed onsite, separated by generation type. Additionally,*

³⁰ Wang, Rage against the machine: a California community rallied against a datacenter – and won, the Guardian, February 2026, <https://www.theguardian.com/us-news/2026/feb/07/california-monterey-park-stop-datacenter-construction>

³¹ Data Center Watch: 125% Surge in Data Center Opposition, <https://www.datacenterwatch.org/q22025>

³² Masanet et al., *Ibid*

³³ PRU § 25354 (f)(2)

the committee recommends that in Section 25302.10 (2)(A)(i), total electrical capacity be submitted as the maximum electrical load.

9) *Double Referral.* This bill is double referred. Should it pass out of this committee, it will next be considered in the Assembly Committee on Natural Resources.

10) *Related Legislation.*

AB 2383 (Zbur) requires the CPUC to establish a retail electricity classification and rate schedule for large energy use facilities, defined as facilities with a peak load of 20 MW or more and connected under a retail transmission tariff. Additionally, the CPUC must require electrical corporations and large energy use facilities to enter into a contract that covers the provisions of transmission, generation, or distribution of electrical service, as applicable. Status: set for hearing in this committee on April 8th.

AB 2469 (Papan) requires commercial, industrial, institutional, and large landscape water users – including data centers – to submit water use assessments and water scarcity plan to the Department of Water Resources. Status: set for hearing in the Assembly Committee on Water, Parks, and Wildlife on April 14th.

AB 2619 (Papan) requires the owner of a data center to submit expected water use, anticipated source of water, and the data center's projected water use volume when applying to a city for license or permitting. Status: set for hearing in the Assembly Committee on Water, Parks, and Wildlife on April 14th.

SB 886 (Padilla) requires the CPUC to establish an electrical corporation tariff that addresses costs associated with transmission, distribution, and generation services for data center customers that interconnect at the transmission level and have peak electricity demands of at least 25 MW. Status: set for hearing in the Senate Committee on Appropriations on April 13th.

SB 887 (Padilla) specifies that development and operation of a data center is not eligible for a California Environmental Quality Act (CEQA) categorical exemption. Unless the data center meets specified criteria, such as using onsite zero-carbon energy storage. Then, the data center would be eligible for the "environmental leadership development" program, which would provide CEQA judicial streamlining, among other changes. Status: pending hearing in the Senate Committee on Energy, Utilities, and Communications.

SB 978 (Pérez) requires the CPUC to create a special rate structure for data centers with an estimated capacity of at least 75 MW. This bill also expands existing CPUC reporting requirements about large loads to include a specified assessment about increased load impacts on renewable procurement goals. Status: set for hearing in the Senate Committee on Labor, Public Employment and Retirement on April 8th.

SB 1168 (McNerney) sets a surcharge for natural gas and electricity consumed or purchased for a data center in California. These charges would be used to establish the Data Center Excess Energy Usage Surcharge Fund and would be used to fund rate assistance programs for low-income customers. Status: set for hearing in the Senate Committee on Energy, Utilities, and Communications Committee on April 13th.

11) *Prior Legislation.*

AB 222 (Bauer-Kahan, 2025) required the CEC to collect and analyze data center energy consumption trends and include those findings in the 2027 IEPR. This bill also required the CPUC to determine if data center loads resulted in cost shifts to other customers and to submit an assessment to the Legislature. Status: Held in the Senate Committee on Appropriations.

AB 93 (Papan, 2025) required a data center operator to provide its estimated or actual water use to its water supplier as a condition of obtaining or renewing a business license issued by a city or county. Status: Vetoed.

SB 57 (Padilla) authorizes the CPUC to conduct a specified assessment of electrical corporations' potential costs and rate impacts associated with serving new electrical loads from data centers. Status: Chapter 647, Statutes of 2025.

SB 253 (Wiener) requires any partnership, corporation, limited liability company, or other U.S. business entity with total annual revenues in excess of \$1 billion and that does business in California to publicly report its annual greenhouse gas (GHG) emissions, as specified by the California Air Resources Board (CARB). Status: Chapter 382, Statutes of 2023.

SB 261 (Stern) requires companies that do business in California and have gross revenues exceeding \$500 million annually, excluding insurance companies, to report on their climate-related financial risk. It also requires CARB to contract with a qualified climate reporting organization to review and publish an analysis of those reports. Status: Chapter 382, Statutes of 2023.

AB 1340 (Kehoe) requires weekly reporting from the petroleum industry to the CEC regarding receipts, inventory levels, imports, exports, transportation, sources, and prices. The law also allows individuals to request this information, as long as it is held in confidence and presumed to be confidential. Status: Chapter 692, Statutes of 2003.

SB 1963 (Costa) requires detailed reporting on petroleum products, including imports and exports of petroleum products, sales of gasoline, including receipts of finished petroleum products and blendstocks, to be submitted to the CEC. The CEC must then analyze and interpret the submitted information as it relates to sales of fuel to unbranded retail markets Status: Chapter 288, Statutes of 2000.

REGISTERED SUPPORT / OPPOSITION:

Support

Audobon California
California Initiative for Technology & Democracy, a Project of California Common CAUSE
Kapor Center Advocacy
League of California Cities
Little Hoover Commission
Monterey Park; City of
National Audubon Society

Santa Clara Valley Water District
Santa Monica Democratic Club
Sustainable Rossmoor
Usgbc California

Support If Amended

California Environmental Voters
Center for Biological Diversity
Leadership Counsel for Justice & Accountability
Sierra Club California

Opposition

Bay Area Council
Building Owners and Managers Association of California
Calasian Chamber of Commerce
California African American Chamber of Commerce
California Business Properties Association
California Chamber of Commerce
California Hispanic Chambers of Commerce (CHCC)
Data Center Coalition
Naiop California
Silicon Valley Leadership Group
Techca
Technet

Oppose Unless Amended

Calbroadband
CTIA - the Wireless Association
United States Telecom Association DbA Ustelecom - the Broadband Association

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