SENATE COMMITTEE ON ENERGY, UTILITIES AND COMMUNICATIONS
Senator Benjamin Allen, Chair
2025 - 2026 Regular

Bill No:	AB 1577	**Hearing Date:**	6/24/2026
Author:	Bauer-Kahan		
Version:	6/11/2026 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Sarah Smith		

SUBJECT: Data centers: reporting

DIGEST: This bill requires the owner of a data center to submit specified information regarding the data center's energy consumption to the California Energy Commission (CEC) and local agencies permitting the construction of the data center. This bill also sets limitations on the ability of the CEC and local agencies to disclose information submitted by data centers and requires the CEC report on load impacts of data centers in the Integrated Energy Policy Report (IEPR).

ANALYSIS:

Existing law:

1) Establishes the CEC, consisting of five members appointed by the Governor, and specifies the duties of the CEC. Every two years, the Governor must designate a chair and vice chair from the CEC's membership. The CEC must appoint a public adviser every three years to carry out certain public engagement duties. (Public Resources Code §25200 et. seq.)

2) Requires the CEC to assess trends in energy consumption and analyze the social, economic, and environmental consequences of these trends. The CEC must establish energy conservation measures, including building and appliance energy efficiency standards, and recommend additional conservation measures to the Governor and the Legislature. (Public Resources Code §25216)

3) Requires the CEC to adopt an IEPR every two years, with an update published every year. Existing law specifies the contents of the IEPR and requires the CEC to report on major energy trends in the IEPR, including assessments of statewide electricity, natural gas and transportation fuel demands. (Public Resources Code §25302)

4) Establishes the CEC's Building Energy Benchmarking Program, which requires owners of large commercial and multifamily buildings with 50,000 square feet of gross floor space to report specified energy use data to the CEC annually. (Public Resources Code §25402.10)

5) Defines "electrical or gas consumption data" as a customer's electrical or natural gas usage that is made available as part of an advanced metering infrastructure and includes incremental and monthly meter-specific electricity data, to the extent produced by that infrastructure, and the name, account number, and address of the customer. Existing law prohibits electric and gas utilities from disclosing customers' electrical or gas consumption data without the customer's consent unless state law, federal law, or the CPUC orders the disclosure of the data. Utilities may also share customer consumption data with certain third parties for operational needs or implementation of certain utility programs if specific data protection requirements are met. (Public Utilities Code §8380)

6) Authorizes the CPUC to assess the extent to which electrical corporation costs for new loads from data centers result in cost shifts to other electrical corporation customers. Existing law specifies that this assessment must be published by January 1, 2027, and it must include the following:

    a) An analysis of potential electrical corporation costs associated with utility procurement for data center electricity consumption.
    b) An analysis of potential electrical corporation costs associated with new transmission and distribution assets to serve new data centers or expansions of existing data centers, as specified.
    c) Identification of opportunities to address any substantial cost shifts. (Public Utilities Code §913.22)

This bill:

1) Defines a data center as a facility, or part of a facility, housing computing equipment for the processing, storing, or distributing electronic data. This bill specifies that facilities with electrical loads below 500 kilowatts (kW) are excluded from this bill's definition of a data center.

2) Requires the owner of a data center to submit the following information to the CEC upon energization by the data center's electric utility:

    a) The name and address of the data center and contact information for the data center's owner and operator.

b) The start date of the data center's operation.
c) Specified information about the data center's floor area.
d) The facility's anticipated peak load from an interconnection request.
e) The anticipated on-site electrical generation and consumption, including type of generation.

3) Requires the owner of a data center to submit the following information to the CEC on a monthly basis following the data center's energization:

a) Specified information about the data center's electrical load, power usage effectiveness, and participation in any demand response program.
b) Specified information about the data center's waste heat, cooling mechanisms, and temperature of cooling used for the data center.
c) Specified information about on-site generation and consumption, including the quantity of electricity associated with renewables portfolio standard (RPS) credits.

4) Requires the CEC to limit duplicative reporting requirements and account for data submission delays associated with the time a data center owner needs to obtain data from a utility or third party.

5) Requires the CEC to include the following in the IEPR, starting in 2029:

a) Projections of data center load trends, including peak load demands.
b) Recommendations for mitigating data center load impacts on the electric grid, greenhouse gas (GHG) emissions, and potential efficiency and demand response measures.

6) Requires the CEC to annually publish information submitted by data centers in an anonymized and aggregated format on the CEC's website.

7) Requires the owner or developer of a data center to submit specified information regarding the data center's energy consumption, on-site generation, and sound emissions to a local government when applying for a discretionary permit, entitlement, or land use authorization needed for the data center's construction or operation.

8) Authorizes a local government to use information submitted by a data center pursuant to this bill for various purposes, including, but not limited to, land use planning, infrastructure planning, energy supply assessment, and environmental review.

9) Prohibits the CEC or a local agency from disclosing data center information collected pursuant to this bill in a manner that would result in the disclosure of identifiable information or energy consumption data for a specific data center customer.

Background

Bill's definition of a data center may encompass many facilities, including facilities where data reporting may pose security concerns. This bill's definition of a data center is broad and may encompass any structure containing computers or servers. This bill specifies that facilities with electrical capacities below 500 kW are excluded from this definition. This demand threshold is used by some utilities as an indicator for applying certain commercial rate tiers. Many facilities, including mid-sized businesses, health care facilities, government offices, and educational institutions would likely meet this bill's threshold and definition of a data center. Some facilities, including critical facilities, data centers supporting national security and public safety purposes, and other high-risk facilities may have limitations on data sharing to prevent certain threats and cybersecurity incidents. While more data regarding large load facilities may help energy and local planning, a large number of businesses with loads of 500 kW and greater are already obtaining permits and interconnection without the need for substantially new reporting duties. Additionally, it is not clear that all utilities experience challenges planning for loads as moderate as 500 kW.

Does the CEC need monthly data to effectively analyze energy trends? This bill requires data center owners to report highly detailed information about the facility's energy consumption and other operations on a monthly basis. This bill also requires the CEC to report certain information on an aggregated basis and use this data to project energy trends in the IEPR. The full IEPR is published every two years, with an update published in between every full IEPR publication. While the CEC likely needs a selection of monthly data on energy consumption trends to model peak load demands when the grid faces its highest challenges meeting demand, it is not clear that the CEC needs monthly data from every data center in order to make these demand projections.

The CEC may already have some of the data required by this bill. Under existing law, the CEC administers the RPS certification process and tracks renewable energy credits (RECs) claimed for electrical generation. This bill requires data centers to report on-site electrical generation associated with RECs; however, if the data center claims a REC through the Western Renewable Energy Generation Information System (WREGIS), the CEC may already track the facility's renewable generation. Additionally, the CEC administers the Building Energy

Benchmarking Program, which requires owners of commercial and multifamily buildings with at least 50,000 square feet of floor space to report specified information about the building's energy use to the CEC on an annual basis. As a result, the CEC may already have energy consumption data regarding data centers that are already participating in the Building Energy Benchmarking Program.

Existing prohibitions on sharing customers' energy usage data. Existing law (Public Utilities Code §8380) prohibits electric and gas utilities from sharing customers' consumption data unless the customer provides the utility with consent to share that information. Historically, customers' metered energy consumption data and associated personal information has been protected by customer privacy restrictions placed on utilities. These privacy protections are intended to prevent third parties from using customer energy consumption to infer additional personal information or proprietary and confidential business information. Disclosure of certain energy consumption and trends in energy use for a specific customer can enable third parties to make certain assumptions about the customer's behavior, technology use, and personal habits without the customer's consent. This bill prohibits local agencies and the CEC from disclosing information about data centers that would result in the release of personally identifiable information or information about a specific customer's energy consumption. Under the Building Energy Benchmarking Program, a building owner may request a trade secret exemption from the executive director of the CEC. Upon receiving this exemption, the building owner may report certain characteristics about the building; however, the owner is not required to report energy use data.

Need for Amendments. As currently written, this bill's definition may encompass a wide range of businesses that are not data centers. Additionally, it is not clear that the CEC needs reporting from facilities whose load does not pose significant energy planning challenges. This bill also requires reporting on a monthly basis, which is likely unnecessary to support analysis included in the IEPR. While this bill prohibits the disclosure of personally identifiable information or customer-specific energy data, this bill does not provide a process for enabling the protection of trade secret data in the same manner used in existing energy benchmarking activities at the CEC. This bill also requires reporting of RPS data that the CEC already tracks. *For these reasons, the author and committee may wish to amend this bill to do the following:*

- *Remove provisions requiring reporting on RECs for behind-the-meter generation.*
- *Replace this bill's 500 kW reporting threshold with a 10 megawatts (MW) threshold.*
- *Exempt the following from this bill's definition of a data center: a publicly funded research facility, public safety facility, publicly funded national*

security facility, publicly owned facility, or other utility facility, including, but not limited to, a data center operated for the purpose of providing telecommunications services to the public by a terrestrial facilities-based telecommunications provider.

- *Require data center owners to report information on at least an annual basis as specified by the CEC, and require the CEC to include analyses of data center energy demands in the full IEPR every two years, instead of annually reporting this data.*
- *Require the CEC to establish a trade secret exemption process similar to the process established for existing building benchmarking reports.*

Dual Referral. Should this bill be approved by this committee, it will be re-referred to the Senate Judiciary Committee.

Prior/Related Legislation

SB 886 (Padilla, 2026) establishes requirements for a special rate structure for large data centers. The bill requires the CPUC to adopt a tariff for these data centers that prevents other customers from paying for certain electrical infrastructure and load costs for large, transmission-interconnected data centers. The bill is pending in the Assembly Utilities and Energy Committee.

SB 887 (Padilla, 2026) establishes certain permitting permissions for data centers that meet specified criteria. These criteria include provisions similar to the requirements for the tariff specified in this bill. The bill is pending in the Assembly Natural Resources Committee.

SB 978 (Pérez, 2026) would have required the CPUC to create a special rate structure for large data centers to prevent cost shifts to other customers. The bill would have established labor requirements for the construction of facilities subject to the bill. The bill would have expanded existing CPUC reporting requirements to include a specified assessment about data center impacts to renewable procurement goals. The bill was held by the Senate Appropriations Committee.

AB 2383 (Zbur, 2026) requires the CPUC to adopt special tariffs for large-load customers, including data centers. The bill specifies certain conditions these tariffs must meet, including preventing cost shifts between customer classes and avoiding unwarranted costs for other electric retail customers. The bill is pending in the Senate Energy, Utilities and Communications Committee.

SB 57 (Padilla, Chapter 647, Statutes of 2025) authorized the CPUC to assess the extent to which electrical corporation costs for new loads from data centers result

in cost shifts to other electrical corporation customers. The bill also required the CPUC to publish and submit a report regarding its assessment to the relevant legislative policy committees by January 1, 2027.

AB 222 (Bauer-Kahan, 2025) would have required the CPUC to assess the extent to which electrical corporation costs for serving data centers result in cost shifts to other customers. The bill also would have required the CEC to establish a process for data centers to submit specified energy efficiency data to the CEC, and it required the CEC to assess data centers' energy consumption. Certain provisions of the bill were substantially similar to provisions in this bill. The bill was held by the Senate Appropriations Committee.

SB 1298 (Cortese, 2024) would have increased the amount of thermal generation a data center could use as backup power from 100 MW to 150 MW without triggering the CEC's power plant siting process. The bill would have also created conditions for data centers to use this exemption. The bill died in the Assembly.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

SUPPORT:

California Initiative for Technology & Democracy
California State Association of Counties
League of California Cities
Little Hoover Commission
Santa Monica Democratic Club
The Climate Reality Project, California State Coalition
Union of Concerned Scientists

OPPOSITION:

Bay Area Council
California Chamber of Commerce
CalBroadband
CTIA - the Wireless Association
US Telecom - the Broadband Association

ARGUMENTS IN SUPPORT: 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 by requiring proposed data centers to provide estimated information to local agencies prior to beginning construction.

ARGUMENTS IN OPPOSITION: Opponents argue that this bill's definition of a data center is too broad and could unintentionally encompass facilities where additional data would not be helpful. A coalition of telecommunications providers, including CalBroadband, is opposed to this bill unless it exempts specific telecommunications facilities from the definition of a data centers. Opponents also claim that this bill would create unnecessarily burdensome reporting requirements that could also result in the disclosure of sensitive, confidential information about specific utility customers. In opposition, the California Chamber of Commerce states:

The level of detail AB 1577 seeks to collect is concerning in that many of these data points are core operational parameters. Collectively, this information can be used to infer critical aspects of facility operations, including engineering design, technology configurations, performance optimization choices, and workload characteristics. This raises serious concerns regarding the exposure of trade secrets and competitively sensitive information. Although the bill includes provisions related to confidentiality, those protections are limited. The statute explicitly does not override other disclosure requirements and allows for information sharing across agencies. This creates a significant legal gray area where a Public Records Act requests could be used to access competitors' sensitive data. Even when data is published in aggregated or anonymized form, there remains a risk that it can be combined with other publicly available information to identify individual facilities or derive sensitive insights.

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