

STATE OF NEW YORK

9039

2025-2026 Regular Sessions

IN ASSEMBLY

September 5, 2025

Introduced by M. of A. BARRETT -- read once and referred to the Committee on Energy

AN ACT to amend the public service law, in relation to enacting the "accountability of costs for data centers act"

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act shall be known and may be cited as the "account-
2 ability of costs for data centers act" or the "AC/DC act".

3 § 2. Subdivision 5 of section 65 of the public service law, as amended
4 by chapter 134 of the laws of 1921, is amended to read as follows:

5 5. (a) Nothing in this chapter shall be taken to prohibit a gas corpo-
6 ration or [~~electrical~~] electric corporation from establishing classi-
7 fications of service based upon the quantity used, the time when used,
8 the purpose for which used, the duration of use or upon any other
9 reasonable consideration, and providing schedules of just and reasonable
10 graduated rates applicable thereto. No such classification, schedule,
11 rate or charge shall be lawful unless it shall be filed with and
12 approved by the commission, and every such classification, rate or
13 charge shall be subject to change, alteration and modification by the
14 commission.

15 (b) The commission shall require, if applicable, each electric corpo-
16 ration, gas corporation and municipality to establish an independent
17 classification of service for large energy use facilities that is sepa-
18 rate and distinct from other industrial electricity customers. Such
19 service classification for large energy use facilities shall at a mini-
20 imum:

21 (i) assign the costs incurred to serve such classification of custom-
22 ers, including the costs of any upgrades necessary to facilitate service
23 to such class, solely among such classification of customers, in a
24 manner that is just and reasonable; and

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 (ii) mitigate the risks to other service classifications of paying for
2 the increased costs of the electric corporation, gas corporation or
3 municipality, to meet any load requirements resulting from the service
4 of electricity or gas to customers classified as large energy use facil-
5 ities, including increases to basic service or other fixed charges not
6 related to actual electric or gas usage.

7 (c) The department may promulgate regulations regarding financial
8 surety requirements, between an electric corporation, gas corporation,
9 or municipality and a large energy use facility, for the provision of
10 service to large energy use facilities which may include one, or any
11 combination, of the following: insurance, guarantee, surety bond, letter
12 of credit, or qualification as a self-insurer. In promulgating require-
13 ments under this section, the commission shall be authorized to specify
14 policy or other contractual terms, conditions, or defenses which are
15 necessary or are unacceptable in establishing such evidence of financial
16 surety.

17 (d) For the purposes of this subdivision, the term "large energy use
18 facilities" shall mean a facility that uses twenty megawatts or more and
19 primarily provides computing infrastructure not including manufacturing,
20 data processing services, web hosting services, and related services,
21 including streaming support services, other than software publishing and
22 streaming distribution services.

23 § 3. This act shall take effect June 1, 2026. Effective immediately,
24 the addition, amendment and/or repeal of any rule or regulation neces-
25 sary for the implementation of this act on its effective date are
26 authorized to be made and completed on or before such effective date.