

119TH CONGRESS  
2D SESSION

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To promote the creation of data center load queues and data center-specific rate classes to mitigate the impact of data centers on other electricity consumers, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Mr. VAN HOLLEN (for himself, Mr. DURBIN, Mr. BLUMENTHAL, Mr. BOOKER, Ms. DUCKWORTH, Ms. SMITH, Mr. WELCH, and Ms. ALSO BROOKS) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To promote the creation of data center load queues and data center-specific rate classes to mitigate the impact of data centers on other electricity consumers, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-  
2       tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Power for the People  
5       Act of 2026”.

6       **SEC. 2. SENSE OF CONGRESS.**

7       It is the sense of Congress that—

1 (1) because of current energy policies and elec-  
2 tricity market structures, households and businesses  
3 are subsidizing data center development, paying the  
4 way for data centers through rising energy bills;

5 (2) recent analysis indicates that data centers  
6 are set to more than double their electricity con-  
7 sumption, accounting for 6.7 percent to 12 percent  
8 of all energy demand by 2028, which is causing elec-  
9 tricity prices to increase for ratepayers;

10 (3) ratepayers should not be forced to take on  
11 the financial risks and costs of new infrastructure  
12 investments needed to support projected data center  
13 energy demands;

14 (4) data center owners and operators should be  
15 held accountable for the increased energy costs that  
16 data centers are causing;

21 (B) energy demand from data centers is also  
22 significantly impacting interstate commerce by put-  
23 ting a strain on the electric grid and causing reli-  
24 ability issues and energy costs to rise across State  
25 lines; and

1 (C) therefore, increased Federal oversight is  
2 necessary to ensure that the interconnection of data  
3 centers to the electric grid does not create reliability  
4 or affordability risks;

5 (6) data centers directly affect the transmission  
6 system and can increase transmission costs, regard-  
7 less of whether they are connected directly to trans-  
8 mission facilities;

14 (8) the Commission has authority, pursuant to  
15 the mandates to ensure just and reasonable and not  
16 unduly discriminatory rates (as established under  
17 sections 205 and 206 of the Federal Power Act (16  
18 U.S.C. 824d, 824e) (including the standards devel-  
19 oped under those sections)) and grid reliability (as  
20 established under section 215 of that Act (16 U.S.C.  
21 824o) (including the standards developed under that  
22 section)), to require grid operators to create “load  
23 queues” for data centers that incentivize certain  
24 practices, including payment for required system up-  
25 grades and voluntary load flexibility;

11 (10)(A) some States are implementing pro-  
12 cesses to create rate classes specific to data centers,  
13 which are necessary to protect ratepayers from un-  
14 fair costs and unnecessary risk, given the uncertain  
15 nature of data center energy demand projections and  
16 the high costs associated with the energy demands  
17 of data centers; and

18 (B) rate classes specific to data centers should  
19 be adopted more broadly across all States to help  
20 ensure that, across the United States, energy system  
21 cost increases caused by data centers are paid for by  
22 data center owners and operators.

### 23 SEC. 3. DEFINITIONS.

24 In this Act:

(B) a Regional Transmission Organization  
(as defined in that section); and

10 (C) a transmitting utility (as defined in  
11 that section) that is responsible for managing  
12 data center load interconnection requests (or  
13 the appropriate regional grid planning entity  
14 for the transmitting utility (as determined by  
15 the Commission)).

19 (A) primarily contains electronic equip-  
20 ment used to host information and information  
21 systems accessed by other systems or by users  
22 on other devices both in and outside of the  
23 State in which the facility or group of facilities  
24 is located;

25 (B) may be—

1 (i) a free-standing structure; or

2 (ii) a facility that—

3 (I) is within a larger structure;

4 and

5 (II) uses environmental control

6 equipment to maintain the proper

7 conditions for the operation of elec-

8 tronic equipment;

9 (C) has an energy demand greater than 50

10 megawatts;

11 (D) meets such other criteria as the Com-

12 mission determines to be appropriate for pur-

13 poses of this Act, including anticircumvention

14 provisions; and

15 (E) is not owned by the Federal Govern-

16 ment.

17 (4) DATA CENTER LOAD QUEUE.—The term

18 “data center load queue” means a load queue that—

19 (A) relates specifically to data center load

20 interconnection requests; or

21 (B) relates to requests made by distribu-

22 tion utilities or load-serving entities (as those

23 terms are defined in section 217(a) of the Fed-

24 eral Power Act (16 U.S.C. 824q(a))) to study

1           impacts on the transmission system caused by  
2           the interconnection of data centers.

3           (5) DATA CENTER OWNER OR OPERATOR.—The  
4           term “data center owner or operator” means any  
5           person, including a corporation, that owns, builds, or  
6           operates a data center.

7           (6)       FACILITY       USED       TO       MINE  
8           CRYPTOCURRENCY.—The term “facility used to mine  
9           cryptocurrency” means any facility, or group of fa-  
10           cilities with the same owner located in the same util-  
11           ity area, that—

12           (A)    is    used    to    mine    or    create  
13           cryptocurrencies or other blockchain-based dig-  
14           ital assets;

15           (B)    may be—

16           (i) a free-standing structure; or

17           (ii) a facility that—

18                (I) is within a larger structure;  
19                and

20                (II) uses environmental control  
21                equipment to maintain the proper  
22                conditions for the operation of elec-  
23                tronic equipment; and

24           (C) meets such other criteria, such as a  
25           minimum peak electricity demand, as the Com-

1 mission determines to be appropriate for pur-  
2 poses of this Act.

12 (A) the employer will be neutral regarding  
13 any of the employees of the employer seeking to  
14 be represented by the labor organization; and

15 (B) if employees seek to be represented by  
16 a labor organization, the employer shall recog-  
17 nize the labor organization as the exclusive bar-  
18 gaining representative on a showing that a ma-  
19 jority of the employees choose to be represented  
20 by the labor organization.

21 (9) LOAD GROWTH.—The term "load growth"  
22 means increasing demand for electricity.

23 (10) LOAD INTERCONNECTION REQUEST.—The  
24 term “load interconnection request” means the re-  
25 quest of a data center owner or operator to connect,

1 or study the feasibility of connecting, a data center  
2 to the electric grid, whether at the transmission or  
3 distribution level.

## 4 (11) ORGANIC LOAD GROWTH.—

5 (A) IN GENERAL.—The term “organic load  
6 growth” means load growth that is attributable  
7 to increases in demand associated with eco-  
8 nomic or population growth, including with re-  
9 spect to hospitals, educational institutions, ad-  
10 vanced manufacturing facilities, residential  
11 homes, electric vehicles, and other facilities, as  
12 determined by the Commission.

13 (B) EXCLUSION.—The term “organic load  
14 growth” does not include load growth that is  
15 attributable to—

16 (i) data centers; or  
17 (ii) facilities used to mine  
18 cryptocurrency.

23 (A) establishes the terms and conditions of  
24 employment for a specific construction project;  
25 and

1 (B) is an agreement described in sub-  
2 sections (e) and (f) of section 8 of the National  
3 Labor Relations Act (29 U.S.C. 158).

4 (13) QUALIFYING BATTERY ENERGY STORAGE  
5 SYSTEM.—The term “qualifying battery energy stor-  
6 age system” means a utility-scale battery energy  
7 storage system that is connected to the electric grid  
8 and paid for by a data center owner or operator, in-  
9 cluding through a power purchase agreement or  
10 other bilateral contract, regardless of whether the  
11 battery energy storage system is onsite or offsite  
12 with respect to the data center.

13 (14) QUALIFYING LOAD FLEXIBILITY AGREEMENT.—The term “qualifying load flexibility agree-  
14 ment” means an agreement between a covered inter-  
15 connection entity and 1 or more data center owners  
16 or operators—  
17

18 (A) that—

19 (i) is implemented by the covered  
20 interconnection entity; and

21 (ii) complies with the minimum stand-  
22 ards and guidelines established by the  
23 Commission under section 4(c); and

24 (B) pursuant to which—

1 (i) data centers may be interrupted by  
2 the covered interconnection entity; and

8 (I) before service interruptions  
9 for other grid users; and

10 (II) before emergency conditions  
11 occur, as defined in the emergency  
12 procedures established by the inter-  
13 connection entity.

(16) SECRETARY.—The term “Secretary” means the Secretary of Energy.

1 **SEC. 4. DATA CENTER LOAD QUEUES.**

2 (a) IN GENERAL.—Not later than 180 days after the  
3 date of enactment of this Act, the Commission shall issue  
4 a rule requiring all covered interconnection entities to cre-  
5 ate, for the purpose of addressing reliability and afford-  
6 ability concerns from new data center loads, regardless of  
7 whether those loads are connecting directly to the trans-  
8 mission system or through a distribution utility, a data  
9 center load queue system—

10 (1) that gives priority for interconnection to  
11 data centers (including data center owners and oper-  
12 ators) that, by implementing each of the strategies  
13 described in subsection (b), offset their electricity  
14 demand on the electric grid, reducing costs for all  
15 ratepayers, while also mitigating local air and noise  
16 pollution and providing good-paying job opportuni-  
17 ties; and

18 (2) pursuant to which data centers are con-  
19 nected to the electric grid in a manner that does not  
20 interfere with serving organic load growth, which  
21 may include delaying or denying interconnection for  
22 a data center if the applicable covered interconnec-  
23 tion entity determines that such interconnection is  
24 likely to adversely affect—

25 (A) the reliability or resource adequacy of  
26 the electric grid; or

(B) the affordability of electricity or electric capacity for users of the electric grid that are not data centers.

(b) STRATEGIES DESCRIBED.—The strategies referred to in subsection (a)(1) are the following:

6 (1) Bringing new, additional supply resources  
7 to the electric grid that—

12 (B) are deliverable to the location where  
13 the new data center is interconnecting;

14 (C) are maintained for the lifetime of the  
15 data center;

16 (D) have at least enough capacity—

17 (i) to fully serve the new data center;

18 or

19 (ii) to serve that portion of the capac-  
20 ity need of the new data center that is not  
21 offset by 1 or more qualifying battery en-  
22 ergy storage systems, virtual power plants,  
23 or qualifying load flexibility agreements;

24 (E) have a generation output that—

1 (i) is substantially similar to the temporal load profile of the data center during  
2 peak demand; or  
3  
4 (ii) is sufficient to fill any gaps in the temporal load profile of the data center  
5 during peak demand that are not offset by  
6 1 or more qualifying battery energy storage systems, virtual power plants, or qualifying  
7 load flexibility agreements; and  
8  
9 (F) are low- or no-carbon forms of generation.  
10  
11

12 (2) Incorporating low- or no-carbon backup  
13 generation, which excludes diesel generation and  
14 may include behind-the-meter battery energy storage  
15 systems.

20 (A) all laborers and mechanics employed  
21 by the data center owner or operator and con-  
22 tractors and subcontractors of the data center  
23 owner or operator, in the performance of con-  
24 struction, shall be paid wages at rates not less  
25 than those prevailing on projects of a character

1 similar in the locality in which the construction  
2 project is located, as most recently determined  
3 by the Secretary of Labor in accordance with  
4 subchapter IV of chapter 31 of title 40, United  
5 States Code; and

6 (B) all contractors and subcontractors of  
7 the data center owner or operator use reg-  
8 istered apprentices participating in registered  
9 apprenticeship programs.

10 (4) Ensuring that the operator of any new en-  
11 ergy supply resource that the data center brings to  
12 the electric grid pursuant to paragraphs (1) and (2)  
13 agrees that the operator will use a labor peace  
14 agreement for the operation and maintenance of the  
15 energy supply resource.

16 (c) QUALIFYING LOAD FLEXIBILITY AGREE-  
17 MENTS.—

21 (2) REQUIREMENTS.—The standards and  
22 guidelines established under paragraph (1) shall—

23 (A) reduce costs for ratepayers by mini-  
24 mizing the need for the build out of new gen-  
25 eration and transmission; and

(B) ensure that qualifying load flexibility agreements can be effectively implemented by the covered interconnection entity.

4 (d) PRIORITY.—For purposes of priority in a data  
5 center load queue under subsection (a)(1), with respect to  
6 forms of generation described in paragraphs (1)(F) and  
7 (2) of subsection (b), priority shall be determined using  
8 a sliding scale pursuant to which additional priority is  
9 given for forms of generation having lower carbon inten-  
10 sity, such that the lower the carbon intensity of the appli-  
11 cable form of generation, the higher the priority given to  
12 the applicable data center in the data center load queue.

13 (e) EFFECT OF CERTAIN AGREEMENTS.—

14 (1) CONTRACTOR OR SUBCONTRACTOR.—Any  
15 individual contractor or subcontractor of the data  
16 center owner or operator that is a signatory to a  
17 pre-hire collective bargaining agreement described in  
18 subsections (e) and (f) of section 8 of the National  
19 Labor Relations Act (29 U.S.C. 158) that covers  
20 construction work on the data center and any new  
21 energy supply resource that the data center brings  
22 to the electric grid shall be deemed to be in compliance  
23 with subsection (b)(3).

24 (2) PROJECT LABOR AGREEMENT.—If a project  
25 labor agreement is used to construct a data center

1 and any new energy supply resource that the data  
2 center brings to the electric grid, the data center (in-  
3 cluding the data center owner and operator) shall be  
4 deemed to be in compliance with the requirements of  
5 subsection (b)(3).

6 (f) LABOR STANDARDS.—With respect to the labor  
7 standards specified in subsection (b)(3)(A), the Secretary  
8 of Labor shall have the authority and functions set forth  
9 in Reorganization Plan Numbered 14 of 1950 (64 Stat.  
10 1267; 5 U.S.C. App.) and section 3145 of title 40, United  
11 States Code.

12 (g) DEADLINE FOR COMPLIANCE.—The Commission  
13 shall ensure compliance with the rule issued under sub-  
14 section (a) by the date that is 1 year after the date on  
15 which the rule is issued.

16 (h) PROHIBITION.—On and after the effective date  
17 of the final rule issued under subsection (a), a data center  
18 that is not already interconnected with the electric grid  
19 may not interconnect with the electric grid unless the data  
20 center has fully advanced through the applicable data cen-  
21 ter load queue system created under that subsection.

22 **SEC. 5. LOCAL TRANSMISSION COST ALLOCATION.**

23 Not later than 120 days after the date of enactment  
24 of this Act, the Commission shall direct each public utility  
25 (as defined in section 201(e) of the Federal Power Act

1 (16 U.S.C. 824(e))) to file 1 or more tariff amendments  
2 pursuant to section 205 of that Act (16 U.S.C. 824d)  
3 that—

4 (1) allocate to each interconnecting data center  
5 local transmission upgrade costs that, but for the ex-  
6 istence of the data center, would not be needed; and  
7 (2) require data centers to pay transmission  
8 rates applicable to their rate class that reflect the  
9 embedded cost of the integrated grid, not including  
10 those local transmission upgrade costs that are re-  
11 quired to be allocated to specific data centers under  
12 paragraph (1).

13 **SEC. 6. DATA CENTER-SPECIFIC RATE CLASSES.**

14 (a) IN GENERAL.—Section 111(d) of the Public Util-  
15 ity Regulatory Policies Act of 1978 (16 U.S.C. 2621(d))  
16 is amended by adding at the end the following:

17 “(22) DATA CENTERS.—

18 “(A) DEFINITIONS.—In this paragraph,  
19 the terms ‘data center’, ‘data center owner or  
20 operator’, and ‘load interconnection request’  
21 have the meanings given those terms in section  
22 3 of the Power for the People Act of 2026.

23 “(B) STANDARD.—Each State in which at  
24 least 1 data center is located or has been pro-

1 posed via load interconnection request, legal fil-  
2 ing, or public announcement shall consider—

22 “(II) an extension of minimum  
23 utility contract lengths for data center  
24 customers to ensure that data center

1 load does not leave utilities and rate-  
2 payers with stranded costs;

21 “(V) a ‘clean transition tariff’  
22 that allows data center customers to  
23 financially support novel zero-emis-  
24 sions energy technologies to meet  
25 their electricity demand in cooperation

1 with intermediaries, such as a utility  
2 company; and

10 (b) COMPLIANCE.—

11 (1) TIME LIMITATION.—Section 112(b) of the  
12 Public Utility Regulatory Policies Act of 1978 (16  
13 U.S.C. 2622(b)) is amended—

14 (A) in paragraph (8), by indenting sub-  
15 paragraph (B) appropriately; and

16 (B) by adding at the end the following:

17                   “(9)(A) Not later than 1 year after the date of  
18                   enactment of this paragraph, each State regulatory  
19                   authority (with respect to each electric utility for  
20                   which the State has ratemaking authority) and each  
21                   nonregulated electric utility shall commence consid-  
22                   eration under section 111, or set a hearing date for  
23                   consideration, with respect to the standard estab-  
24                   lished by paragraph (22) of section 111(d).

1               “(B) Not later than 2 years after the date of  
2       enactment of this paragraph, each State regulatory  
3       authority (with respect to each electric utility for  
4       which the State has ratemaking authority), and each  
5       nonregulated electric utility shall complete the con-  
6       sideration and make the determination under section  
7       111 with respect to the standard established by  
8       paragraph (22) of section 111(d).”.

9               (2) FAILURE TO COMPLY.—Section 112(c) of  
10      the Public Utility Regulatory Policies Act of 1978  
11      (16 U.S.C. 2622(c)) is amended by adding at the  
12      end the following: “In the case of the standard es-  
13      tablished by paragraph (22) of section 111(d), the  
14      reference contained in this subsection to the date of  
15      enactment of this Act shall be deemed to be a ref-  
16      erence to the date of enactment of that paragraph  
17      (22).”.

18               (3) PRIOR STATE ACTIONS.—

19               (A) IN GENERAL.—Section 112 of the  
20      Public Utility Regulatory Policies Act of 1978  
21      (16 U.S.C. 2622) is amended—

22                       (i) in subsection (h), in the subsection  
23      heading, by striking “OTHER”; and  
24                       (ii) by adding at the end the fol-  
25      lowing:

1       “(i) PRIOR STATE ACTIONS.—Subsections (b) and  
2 (c) shall not apply to the standard established by para-  
3 graph (22) of section 111(d) in the case of any electric  
4 utility in a State if, before the date of enactment of this  
5 subsection—

6           “(1) the State has implemented the standard  
7 (or a comparable standard) for the electric utility;

8           “(2) the State regulatory authority for the  
9 State or the relevant nonregulated electric utility has  
10 conducted a proceeding to consider implementation  
11 of the standard (or a comparable standard) for the  
12 electric utility; or

13           “(3) the State legislature has voted on the im-  
14 plementation of the standard (or a comparable  
15 standard) for the electric utility.”.

16           (B) CROSS REFERENCE.—Section 124 of  
17 the Public Utility Regulatory Policies Act of  
18 1978 (16 U.S.C. 2634) is amended by adding  
19 at the end the following: “In the case of the  
20 standard established by paragraph (22) of sec-  
21 tion 111(d), the reference contained in this sec-  
22 tion to the date of enactment of this Act shall  
23 be deemed to be a reference to the date of en-  
24 actment of that paragraph (22).”.

1 **SEC. 7. CREATION OF APPROPRIATE RATE CLASSES.**

2 (a) IN GENERAL.—Not later than 180 days after the  
3 date of enactment of this Act, the Secretary shall establish  
4 a program to provide grants and technical assistance to  
5 State regulatory authorities (as defined in section 3 of the  
6 Public Utility Regulatory Policies Act of 1978 (16 U.S.C.  
7 2602)) and nonregulated electric utilities (as defined in  
8 that section) considering the standard established by para-  
9 graph (22) of section 111(d) of that Act (16 U.S.C.  
10 2621(d)) to assist in the creation of appropriate rate class-  
11 es to ensure that costs relating to the energy demands of  
12 data centers, including costs of generation, transmission,  
13 and distribution network upgrades, are not borne or sub-  
14 sidized by customers that are not data centers.

15 (b) AUTHORIZATION OF APPROPRIATIONS.—There  
16 are authorized to be appropriated such sums as are nec-  
17 essary to carry out this section.

18 **SEC. 8. LOAD AND INTERCONNECTION FORECASTING.**

19 (a) TECHNICAL ASSISTANCE.—

20 (1) IN GENERAL.—Not later than 180 days  
21 after the date of enactment of this Act, the Sec-  
22 retary shall establish a program to provide technical  
23 assistance to support the forecasting by covered  
24 interconnection entities of long-term load projec-  
25 tions, particularly with respect to improving fore-

1       casting associated with data center load interconnec-  
2       tion requests.

3                   (2) AUTHORIZATION OF APPROPRIATIONS.—  
4       There are authorized to be appropriated such sums  
5       as are necessary to carry out this subsection.

6                   (b) TRANSPARENCY AND DISCLOSURE.—

7                   (1) IN GENERAL.—Not later than 180 days  
8       after the date of enactment of this Act, to improve  
9       the forecasting of electricity demand and data center  
10      load interconnection requests by covered interconnec-  
11      tion entities across the United States, the Commis-  
12      sion shall establish transparency and disclosure re-  
13      quirements for data center load interconnection re-  
14      quests, including load interconnection requests oc-  
15      curring at the transmission level and load inter-  
16      connection requests occurring at the distribution  
17      level.

18                   (2) REQUIREMENT.—The requirements estab-  
19      lished under paragraph (1) shall seek to reduce du-  
20      plicative, speculative, and other requests that impede  
21      accurate forecasting, including by imposing new  
22      transparency and information-sharing requirements  
23      for utilities and covered interconnection entities to  
24      implement with respect to data center load inter-

- 1        connection requests, as the Commission determines
- 2        to be appropriate.