

REFERENCE TITLE: energy costs; large data centers

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
Second Regular Session  
2026

## **HB 2949**

Introduced by

Representatives Volk: Abeytia, Aguilar, Austin, Blattman, Cavero,  
Contreras P, De Los Santos, Garcia, Gutierrez, Hernandez A, Hernandez C,  
Hernandez L, Liguori, Luna-Nájera, Márquez, Mathis, Peshlakai, Sandoval,  
Simacek, Stahl Hamilton, Travers, Tsosie, Villegas

AN ACT

AMENDING TITLE 30, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 2; AMENDING  
TITLE 40, CHAPTER 1, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING  
SECTION 40-107; RELATING TO PUBLIC UTILITIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Title 30, Arizona Revised Statutes, is amended by adding  
3 chapter 2, to read:

4 CHAPTER 2

5 PUBLIC POWER ENTITIES

6 ARTICLE 1. GENERAL PROVISIONS

7 30-301. Large data centers; energy costs; definitions

8 A. A PUBLIC POWER ENTITY SHALL REQUIRE A LARGE DATA CENTER TO PAY  
9 FOR THE ENERGY COSTS, INCLUDING INCREASED FUEL REQUIREMENTS, GENERATION  
10 COSTS AND TRANSMISSION COSTS, THAT ARE RELATED TO THE OPERATION OF THE  
11 LARGE DATA CENTER. THE ENERGY COSTS THAT ARE INCURRED BY A LARGE DATA  
12 CENTER MAY NOT BE PASSED ON TO OTHER PUBLIC POWER ENTITY CUSTOMERS.

13 B. FOR THE PURPOSES OF THIS SECTION:

14 1. "LARGE DATA CENTER" MEANS A FACILITY, A CAMPUS OF FACILITIES OR  
15 AN ARRAY OF INTERCONNECTED FACILITIES IN THIS STATE THAT IS USED BY AN  
16 ENTITY OR OTHER BUSINESS ENTERPRISE TO OPERATE, MANAGE OR MAINTAIN A  
17 COMPUTER, GROUP OF COMPUTERS OR OTHER ORGANIZED ASSEMBLY OF HARDWARE AND  
18 SOFTWARE FOR THE PRIMARY PURPOSE OF PROCESSING, STORING, RETRIEVING OR  
19 TRANSMITTING DATA AND THAT HAS A PEAK DEMAND OF AT LEAST ONE HUNDRED  
20 MEGAWATTS.

21 2. "PUBLIC POWER ENTITY" HAS THE SAME MEANING PRESCRIBED IN SECTION  
22 30-901.

23 Sec. 2. Title 40, chapter 1, article 1, Arizona Revised Statutes,  
24 is amended by adding section 40-107, to read:

25 40-107. Large data centers; energy costs; definition

26 A. THE CORPORATION COMMISSION SHALL REQUIRE A LARGE DATA CENTER TO  
27 PAY FOR THE ENERGY COSTS, INCLUDING INCREASED FUEL REQUIREMENTS,  
28 GENERATION COSTS AND TRANSMISSION COSTS, THAT ARE RELATED TO THE OPERATION  
29 OF THE LARGE DATA CENTER. THE ENERGY COSTS THAT ARE INCURRED BY A LARGE  
30 DATA CENTER MAY NOT BE PASSED ON TO OTHER PUBLIC SERVICE CORPORATION  
31 CUSTOMERS.

32 B. FOR THE PURPOSES OF THIS SECTION, "LARGE DATA CENTER" MEANS A  
33 FACILITY, A CAMPUS OF FACILITIES OR AN ARRAY OF INTERCONNECTED FACILITIES  
34 IN THIS STATE THAT IS USED BY AN ENTITY OR OTHER BUSINESS ENTERPRISE TO  
35 OPERATE, MANAGE OR MAINTAIN A COMPUTER, GROUP OF COMPUTERS OR OTHER  
36 ORGANIZED ASSEMBLY OF HARDWARE AND SOFTWARE FOR THE PRIMARY PURPOSE OF  
37 PROCESSING, STORING, RETRIEVING OR TRANSMITTING DATA AND THAT HAS A PEAK  
38 DEMAND OF AT LEAST ONE HUNDRED MEGAWATTS.