

The Senate Committee on Finance offered the following substitute to SB 410:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 2 of Title 46 and Chapter 8 of Title 48 of the Official Code of Georgia
2 Annotated, relating to the Public Service Commission and sales and use taxes, respectively,
3 so as to require certain contract terms and conditions between electric utilities and large load
4 customers; to repeal the high-technology computer equipment and data center equipment
5 sales and use tax exemptions; to allow for the continued use of certificates of exemption
6 issued prior to the date of repeal; to provide for legislative intent; to provide for a definition;
7 to provide for related matters; to provide for an effective date; to repeal conflicting laws; and
8 for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **PART I**
11 **SECTION 1-1.**

12 It is the intent of the General Assembly that the marginal costs of providing electric service
13 to new large-load customers will be borne by such customers and not residential or retail
14 electricity customers.

SECTION 1-2.

Chapter 2 of Title 46 of the Official Code of Georgia Annotated, relating to the Public Service Commission, is amended by adding a new Code section to read as follows:

"46-2-25.4.

(a) As used in this Code section, the term 'large load customer' means customers with an expected total peak demand of 100 megawatts or greater at one or more premises located on one tract or contiguous tracts of land.

(b) Each contract between an electric utility and a large load customer for the provision of electric service, entered into on or after the effective date of this Act, shall include terms and conditions designed to protect residential and retail electricity customers from costs associated with serving new large load customers, including, but not limited to, the following:

(1) Minimum billing requirements designed to recover incremental costs associated with serving or preparing to serve a large load customer;

(2) A contract term that may exceed the length of the applicable service tariff;

(3) Performance and credit provisions designed to protect retail customers in the event of contract default; and

(4) Termination provisions designed to protect retail customers in the event of termination of the contract for electric service."

PART II**SECTION 2-1.**

Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to sales and use taxes, is amended by repealing paragraphs (68) and (68.1) of Code Section 48-8-3, relating to exemptions relative to state sales and use taxes, and enacting new paragraphs to read as follows:

40 "(68) After the effective date of this Act, no new certificates of exemption from sales and
41 use tax to a high-technology company shall be issued pursuant to the former provisions
42 of this paragraph as they existed prior to the effective date of this Act; provided, however,
43 that any certificate of exemption issued prior to the effective date of this Act shall
44 continue to be governed by the provisions of this paragraph as it existed immediately
45 prior to the effective date of this Act;

46 (68.1) After the effective date of this Act, no new certificates of exemption from sales
47 and use tax to a high-technology data center or a high-technology data center customer
48 shall be issued pursuant to the former provisions of this paragraph as they existed prior
49 to the effective date of this Act; provided, however, that any certificate of exemption
50 issued prior to the effective date of this Act shall continue to be governed by the
51 provisions of this paragraph as it existed immediately prior to the effective date of this
52 Act;"

53 **PART III**

54 **SECTION 3-1.**

55 This Act shall become effective upon its approval by the Governor or upon its becoming law
56 without such approval.

57 **SECTION 3-2.**

58 All laws and parts of laws in conflict with this Act are repealed.