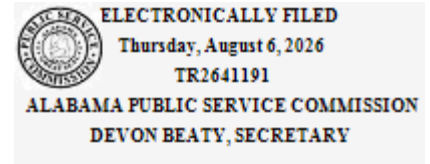


August 6, 2026



VIA E-FILE & HAND DELIVERY

Mr. Devon D. Beaty, Secretary
Alabama Public Service Commission
RSA Union Building
100 North Union Street, Suite 950
Montgomery, AL 36104

RE: SELC's Initial Comments on Large Load Contracts, Docket 33709

Dear Secretary Beaty:

Enclosed please find the initial comments of the Southern Environmental Law Center (SELC) on the above-referenced matter. This document is being filed pursuant to the Alabama Public Service Commission's *Generic Proceeding Order* issued on or about July 8, 2026.

Consistent with the rules on electronic filing and practices of the Alabama Public Service Commission, this document is being filed through the e-filing system, and a hard copy is being delivered by courier. A service copy will be sent to all parties on the service list.

Please contact me if you have any questions or concerns.

Sincerely,

s/ Jaclyn Brass
Jaclyn Brass
Southern Environmental Law Center

Enclosure

BEFORE THE ALABAMA PUBLIC SERVICE COMMISSION

	)	
	)	
Generic Proceeding to Establish a	)	Docket No. 33709
Process for Consideration of Contracts	)	
for Electric Service Between Alabama	)	
Power Company and Large Load Data	)	
Center Customers	)	
	)	
	)	
	)	

SELC’S INITIAL COMMENTS ON LARGE-LOAD CONTRACTS

The Southern Environmental Law Center (“SELC”)¹ respectfully submits these initial comments in the Alabama Public Service Commission’s (“PSC” or “Commission”) generic proceeding (opened in Docket No. 33709) soliciting input on proposed “procedures and standards for the review and approval of contracts for electric service between Alabama Power and large-load data center customers.”² By opening this proceeding, the Commission has recognized that data center development presents extensive risks and impacts to rates and reliability. It is essential that the Commission adopt safeguards that protect existing customers from bearing costs and risks attributable to large-load data center customers. SELC appreciates the opportunity to participate in shaping this crucial process.

¹ SELC is a nonprofit, nonpartisan legal advocacy organization rooted in and focused on the South with extensive experience practicing before public service commissions and engaging on energy issues in our nine offices across six states.

² *In re Generic Proceeding to Establish a Process for Consideration of Contracts for Electric Service Between Alabama Power Co. & Large Load Data Center Customers*, Docket No. 33709, at 1 (Ala. Pub. Serv. Comm’n July 8, 2026) [hereinafter “Generic Proceeding Order”].

INTRODUCTION AND BACKGROUND

Data centers are enormous electricity consumers. For example, the proposed Project Marvel in Bessemer is expected to have a maximum load of 1.2 gigawatts (1,200 megawatts),³ meaning it would consume as much electricity in a single day that 25,200 average Alabama homes would use in an entire month based on the state's average residential usage of 1,143 kWh/month.⁴ That figure is striking not only because it equates to 9.3 percent of Alabama Power's entire 2026 nameplate generating capacity of 12,942 megawatts, but also because it exceeds what Bessemer households (where it will be located) would use in 2.5 to 3 months.⁵ Clearly, contracts for electric service between Alabama Power and these large-load data centers carry consequences that extend well beyond those who sign the contract.

The billions of dollars of infrastructure investments required to serve these large loads will become part of an interconnected system that every Alabama Power customer both pays for and depends upon for reliable electric service. As recognized by local lawmakers, the stakes are high. In 2026, the Alabama Legislature passed a package of bills called the Alabama Affordability Protection Act, aimed at making sure data centers pay their own way.⁶ One of those bills, Senate Bill 270, became Act 2026-610 and will become effective on October 1, 2026, codified at Alabama Code § 37-4-22.1. It tells the Commission that before approving a contract between Alabama Power and a data center using 150 megawatts or more, it must find that the contract covers the

³ See \$14bn "Project Marvel" Data Center Approved by Bessemer City Council Amidst Fierce Opposition, Data Center Dynamics (June 8, 2026), <https://www.datacenterdynamics.com/en/news/14bn-project-marvel-data-center-approved-by-bessemer-city-council-amidst-fierce-opposition/>.

⁴ U.S. Energy Info. Admin., 2024 Average Monthly Bill—Residential, tbl.5.A, https://www.eia.gov/electricity/sales_revenue_price/pdf/table_5A.pdf (reporting an average Alabama residential bill of \$173.50 for 1,143 kWh per month).

⁵ See Ala. Power Co., By the Numbers: Fact Card 2026, <https://www.alabamapower.com/content/dam/alabama-power/pdfs-docs/company/fact-card.pdf> (figures complete for 2025).

⁶ State Legislators Introduce Bipartisan Alabama Affordability Protection Plan, Ala. Pol. Rep. (Feb. 6, 2026), <https://www.alreporter.com/2026/02/06/state-legislators-introduce-bipartisan-alabama-affordability-protection-plan/>.

extra costs of serving that customer and that the deal produces positive benefits for everyone else.⁷

The bill's sponsor, Lance Bell, clarified that the purpose of the bill is to “ensure fairness and transparency in our energy system” because “Alabama families and businesses should never foot the bill for someone else’s private profit.”⁸

This proceeding, seeking input into its proposed review procedures to ensure that large-load data center contracts comport with the new statute, Ala. Code § 37-4-22.1, is the first step toward ensuring that Alabama Power customers are not footing the bill for data centers. But the pace of development means that the Commission cannot stop here. Alabama is already experiencing a surge in data center development. In its most recent quarterly earnings call with shareholders, Southern Company shared that Alabama Power has contracted for 3 gigawatts in just the second quarter of 2026, bringing Alabama’s total contracted load for large-load customers (as defined by Southern Company) to 4 gigawatts (approximately one third of Alabama Power’s current generating capacity).⁹ In the same call, Southern Company Vice President and Chief Financial Officer shared that “a decent rule of thumb to think about . . . is about \$2 billion or so, a little bit above maybe, [of capital expenditures] related to 1 gig of new generating capacity.”¹⁰ This means that **Alabama Power could already be on the hook for approximately \$8 billion of capital investment**—before this Commission has even begun these new review processes.

Despite lawmakers’ push for transparency, the details behind most of that demand are invisible to the public. SELC could identify only two large-load customer contracts filed with the

⁷ 2026 Ala. Acts 610 (S.B. 270) (effective Oct. 1, 2026) (codified as Ala. Code § 37-4-22.1)

⁸ *State Legislators Introduce Bipartisan Alabama Affordability Protection Plan*, *supra* note 6.

⁹ Southern Company, Second Quarter 2026 Earnings Conference Call (July 30, 2026) at slide 10-11, https://s27.q4cdn.com/273397814/files/doc_financials/2026/q2/SO-2026-Q2-Earnings-Call-Final.pdf; Ala. Power Co., By the Numbers: Fact Card 2026, *supra* note 5.

¹⁰ Southern Company (The) (SO) Q2 FY 2026 earnings call unofficial transcript (July 30, 2026, 1:00pm EDT), https://finance.yahoo.com/quote/SO/earnings/SO-Q2-2026-earnings_call-658272.html.

PSC.¹¹ Unfortunately, the contracts that have been filed reveal little because their basic terms are substantially or completely redacted, including the identity of the end user and the contracted capacity.¹²

Without careful planning, residential and small business customers could bear significant risks associated with large-load data center development, including paying costs that are not fully recovered from data center customers, experiencing reduced system reliability if infrastructure and resources are not adequately planned or managed, or being left responsible for investments made to serve projected data center demand if that load does not materialize or later declines.

COMMENTS

In its Order opening this docket, the Commission asked for input on thirteen interrelated issues.¹³ SELC has grouped these issues into three categories—(I) overarching issues, (II) contract review and terms and conditions, and (III) public notice, transparency, and public involvement—and addresses each in turn.

I. Overarching Issues

The Commission asked for input on “big picture planning” and “alternative review processes.”¹⁴ The Commission’s recognition that large-load growth requires a comprehensive, forward-looking approach is well founded. A holistic approach is essential to ensure that large data centers do not compromise reliability or shift costs to other customers. But questions concerning cost allocation, resource planning, transmission and distribution investments, interconnection,

¹¹ Contract for Electric Service Between Alabama Power Co. and Dotier, LLC, Dkt. No. D-7842 (Ala. Pub. Serv. Comm’n, June 18, 2026) [hereinafter “Dotier Contract”]; Contract for Electric Service Between Alabama Power Co. and Alabama ADC Holdings, LLC, Dkt. No. D-7843 (Ala. Pub. Serv. Comm’n, July 24, 2026) (Alabama ADC Holdings a subsidiary of Nebius) [hereinafter “Nebius Contract”].

¹² *See id.*

¹³ Generic Proceeding Order, at 7-9.

¹⁴ *Id.* at 9.

reliability, and contractual protections cannot and should not be fully or adequately addressed through a contract-by-contract review process. Instead, those questions call for a durable regulatory framework that provides transparency, consistency, and appropriate safeguards at every stage. To that end, SELC recommends that the Commission: (A) expand the scope of this and all future proceedings regarding large loads to data centers with a capacity of 100 megawatts or more; (B) initiate a formal large-load tariff proceeding (or direct Alabama Power to do so); (C) adopt a model large-load electric services agreement; and (D) require a public integrated resource planning process.

A. The Commission should expand the scope of large-load regulation to equal to or more than 100 megawatts.

The regulatory threshold is far too high. As proposed, a substantial category of very large data centers will receive markedly less scrutiny than those that happen to meet or exceed 150 megawatts in capacity. Presumably, the current Flexible Contract Rate (“Rate FCR”) procedures—including the incredibly short 10-day review period—will continue for data centers up to 149.9 megawatts in capacity.¹⁵ The majority of other jurisdictions that have addressed how to regulate large loads have applied additional scrutiny to a far wider capacity range.¹⁶ For example, Ohio and Virginia apply their large-load processes to customers above 25 megawatts.¹⁷ North Carolina public

¹⁵ See Generic Proceeding Order, at 2-3 (describing current Rate FCR procedures).

¹⁶ Smart Elec. Power All. & N.C. Clean Energy Tech. Ctr., DELTA: Database of Emerging Large-Load Tariffs, <https://sepapower.org/large-load-tariffs-database/>.

¹⁷ Application of Ohio Power Co. for Approval of a Tariff for Data Centers & Mobile Data Centers, Case No. 24-508-EL-ATA, Opinion and Order (Ohio Pub. Utils. Comm’n July 9, 2025), <https://dis.puc.state.oh.us/ViewImage.aspx?CMID=A1001001A25G09B43531I00509> [hereinafter “Ohio Order”]; Application of Va. Elec. & Power Co. for a 2025 Biennial Review of the Rates, Terms & Conditions for the Provision of Generation, Distribution & Transmission Services Pursuant to § 56-585.1 A of the Code of Virginia, Case No. PUR-2025-00058, Final Order (Va. State Corp. Comm’n Nov. 25, 2025), <https://www.scc.virginia.gov/docketsearch/DOCS/89g601!.PDF>.

staff has proposed 50 megawatts, and Georgia uses 100 megawatts.¹⁸ In fact, just last year Alabama Power and the Commission recognized that loads of 30,000 kVA (approximately 27-30 megawatts) is a meaningful threshold between ordinary commercial customers and exceptionally large loads.¹⁹ Southern Company, similarly, uses 50 megawatts as the threshold for large-load customers regarding connection to Southern Company’s transmission system.²⁰

Alabama Code § 37-4-22.1, which inspired this proceeding, defines large-load data center customers as data center customers that have “executed a contract for retail electric service with the utility which requires the utility to serve an expected total peak demand of 150 megawatts or greater at one or more contiguous parcels of land.” But nothing in that statute precludes the Commission from extending its review to a broader capacity range. SELC strongly recommends that the Commission broaden the range to at or more than 100 megawatts of capacity.

Whatever threshold the Commission chooses, the Commission must foreclose the avoidance of that threshold through disaggregation. Though section 37-4-22.1 specifies that contiguous parcels cannot be disaggregated, it does not go far enough to prevent gamesmanship. For example, a customer could structure its load through multiple affiliated shell entities to avoid triggering this process. It could also develop several non-contiguous sites. Finally, it could use development phases to avoid the statutory minimum. The Commission should acknowledge and

¹⁸ Second Corrected Joint Testimony of Jay Lucas, Jethro Ssengonzi & Leah Weaver, Public Staff — N.C. Utils. Comm’n, Application of Duke Energy Carolinas, LLC, for Adjustment of Rates and Charges Applicable to Electric Service in North Carolina and Performance-Based Regulation, Docket No. E-7, Sub 1329 (N.C.U.C. July 2, 2026) <https://starw1.ncuc.gov/NCUC/PSC/PSCDocumentDetailsPageNCUC.aspx?DocumentId=d20155f2-e8f0-41b2-af25-e1c72bdcaaaa&Class=Filing> [hereinafter “NC Public Staff Testimony”]; Order on Georgia Power Company’s Revision to Rules and Regulations Tariff Compliance Filing, Dkt. No. 44280 (Apr. 17, 2025), <https://psc.ga.gov/search/facts-document/?documentId=222325>.

¹⁹ In January 2025, the Commission approved a modification to Rate Business Time Advantage Large (“BTAL”)—one of the Company’s existing optional rate schedules for business customers—authorizing any customer larger than 30,000 kVA to take service under a special contract, acknowledging both that it is a significant threshold and that the *existing* rate schedules are not built for customers of this size. *In re Ala. Power Co.*, Docket No. U-5024 (Ala. Pub. Serv. Comm’n Jan. 7, 2025).

²⁰ Southern Company, Integration Process for Transmission Connected Large Loads (effective May 4, 2026) <https://www.oasis.oati.com/SOCO/>.

close these potential loopholes explicitly by adopting parameters that include loads at a single/contiguous site regardless of project phasing or ownership, loads at multiple sites within close proximity and/or owned by affiliated entities, and/or loads drawn from a common point such as a substation or switching station. Similarly, the Commission should clarify the interval over which peak is measured as that will determine which customers meet or exceed the peak capacity threshold. Finally, the Commission should also require Alabama Power to monitor actual usage and require the scrutiny outlined in this proceeding if the customer surpasses the chosen threshold.

B. The Commission should open a formal investigation into (or instruct Alabama Power to file) a large-load tariff.

This proceeding is an important first step, but it is not sufficient to fully protect Alabama Power customers from the risks associated with large-load data center development. The public is being asked to provide comments on the Commission's proposed contract-review procedures, but more fundamental questions—such as whether the methodology and studies Alabama Power uses to justify its calculations or contract terms—remain unexamined. And individual electric service agreements create risks of inconsistent treatment and limited transparency. A contract-based approach addresses one customer at a time, requiring the Commission to repeatedly evaluate similar issues rather than establish consistent, system-wide standards. As currently proposed, this approach would not provide any opportunities for public review of the assumptions, methodologies, and terms governing large-load service. The solution is to adopt a new large-load tariff specifically for these loads after a public proceeding permitting intervention, witness examination, and a public hearing.

A tariff—a set of rates and rules that a Commission approves once and that then applies to every customer of a certain type—would establish clear, transparent rules that apply consistently across all large-load customers and ensure that each customer bears the costs and risks it imposes

on the electric system in a uniform, objective way.²¹ It would better serve both existing Alabama Power customers *and* new large-load data center customers. Rather than a bilateral agreement between Alabama Power and one customer, a large-load tariff works in combination with a model electric services agreement (discussed further below) and the contract review process proposed in this proceeding, applying once service (and billing) begins.²² Essentially, many of the contract elements discussed below—including recovery of costs, minimum billing requirements, upfront payments and exit fees, credit rating and collateral requirements, contract duration (sufficient to ensure long-term commitments, e.g., 20 years), ramp times, minimum load requirements and demand charges, and in some cases capacity reassignment provisions or standards governing backup energy resources—would be standardized across the class.²³

If it employed a large-load tariff, the Commission would not be an outlier. Many jurisdictions across the country that are tackling the large-load issue have moved away from individual contracts alone. According to the Edison Electric Institute, as of July 2026, “24 states have approved at least one large-load tariff, and another 6 states have pending large-load tariffs.”²⁴

Tariffs can be powerful tools to put a “check” on utility investments that could otherwise be based in part on early, potentially speculative interest. For example, the Public Utilities Commission in Ohio approved an American Electric Power (“AEP”) Ohio data center tariff that

²¹ RMI & Advanced Energy United, Large Load Tariff Principles (2025), <https://rmi.org/insight/large-load-tariff-principles/>.

²² See, e.g., N.C. Energy Policy Task Force, *Interim Report*, 14 (Feb. 15, 2026), <https://governor.nc.gov/documents/files/nc-energy-policy-task-force-2026-report/open>.

²³ The Energy Markets & Planning (EMP) Department at Lawrence Berkley National Laboratory has been publishing monthly “large load literature reviews,” which can be found at <https://emp.lbl.gov/publications/2026-large-load-literature-review>. These are compilations of the latest information on how utilities and states are tackling large load tariffs and policies.

²⁴ Edison Electric Institute, Large Load Projects and Tariffs, 11 (July 2026). <https://www.eei.org/-/media/Project/EEI/Documents/Issues%20and%20Policy/List%20of%20Large%20Customer%20Projects%20and%20Tariffs>.

requires long-term capacity commitments before new transmission investments can be made.²⁵ This type of requirement is critical to ensure the utility has firm commitments—not speculative guesses—guiding their decisions. After AEP Ohio implemented its tariff, the amount of large-load customer demand declined by half, from approximately 30 gigawatts to 13 gigawatts.²⁶ Without these kinds of requirements, Alabama Power could end up financing generation and transmission assets that may not be ultimately needed.

Georgia Power provides a cautionary example. Though it has been referred to by some as having a “large load tariff,” in reality, large-load customers of Georgia Power are governed by an arrangement under which Georgia Power wields significant discretion to set the terms of service and design bespoke rates that have never been publicly reviewed and vetted.²⁷ Further, Georgia Power’s large-load contracts are **entirely redacted**, and not made even partially available to anyone outside of the commission’s staff, even under a non-disclosure agreement.²⁸ This has created a complete lack of transparency and is leading Georgia Power customers into tens of billions of dollars in financial obligations with only piecemeal public process. Without a standard large-load tariff set through a full rate case proceeding, the public has only been able to review one

²⁵ Ohio Order, *supra* note 17.

²⁶ Direct Testimony of Lucy Metz on Behalf of the Sierra Club and Southern Alliance for Clean Energy, Document Filing #224479, Dkt. No. 56298 at 22 (Ga. Pub. Serv. Comm’n, Nov. 12, 2025), <https://psc.ga.gov/search/facts-document/?documentId=224479>.

²⁷ Order on Georgia Power Company’s Revision to Rules and Regulations Tariff Compliance Filing, Dkt. No. 44280 (Ga. Pub. Serv. Comm’n, Apr. 17, 2025), <https://psc.ga.gov/search/facts-document/?documentId=222325>; *see also* Georgia Power Company Electric Service Tariff: Time of Use- Supplier Choice Schedule “TOU-SC-16,” <https://www.georgiapower.com/content/dam/georgia-power/pdfs/tariffs/tou-sc.pdf>.

²⁸ *See e.g.*, Large Load Contract Filing, Dkt. No. 56002, (Ga. Pub. Serv. Comm’n Jul. 15, 2026), <https://psc.ga.gov/search/facts-document/?documentId=227259>. *See also* Order Denying Southern Environmental Law Center’s Motion Challenging Trade Secret Assertions, Dkt. No. 56002 (Ga. Pub. Serv. Comm’n Sep. 4, 2025), <https://psc.ga.gov/search/facts-document/?documentId=223869>, *with* Motion Challenging Georgia Power Company’s Trade Secret Assertions, Georgia Interfaith Power & Light and Southface Institute, Dkt. 56002 (Ga. Pub. Serv. Comm’n May 21, 2025), <https://psc.ga.gov/search/facts-document/?documentId=222756>.

component of large-load billing. And that component, Georgia Power's real-time pricing rate, was recently shown to allow for major cost shifts to other customers.²⁹

It is squarely within the Commission's power to conduct an investigation into and implement a large-load tariff.³⁰ Alternatively, it can direct Alabama Power to file a proposed tariff and exercise its authority to suspend the tariff for further investigation.³¹ In either case, a public proceeding, allowing interested parties to provide evidence and to question Alabama Power witnesses under oath, is both required and crucial to ensuring that the Commission considers the full spectrum of issues.

C. The Commission should adopt a model or template large-load electric services agreement.

In addition to adopting a large-load tariff, the Commission should develop or instruct Alabama Power to file a public model or template electric service agreement (contract) that incorporates the review standards and terms discussed throughout these comments. The administrative burden of carefully reviewing each contract to ensure that it satisfies the requirements of Ala. Code § 37-4-22.1 and adequately protects other ratepayers would be significantly reduced by adopting a standard template. A template with certain mandatory provisions would ensure requirements are applied uniformly and non-discriminatorily to all large-load data centers.

²⁹ Post Hearing Brief of Georgia Interfaith Power & Light and Southface Institute at 3-4, Document Filing #226584, Dkt. No. 56765 (Ga. Pub. Serv. Comm'n, May 14, 2026), <https://psc.ga.gov/search/facts-document/?documentId=226584>; see also Transcript of Hearing on Georgia Power Company's Fuel Cost Recovery (FCR-27) at 970:23-972:12, Dkt. no. 56765 (Ga. Pub. Serv. Comm'n, May 6, 2026), <https://www.sclc.org/wp-content/uploads/2026/06/2026.05.05-56765-Hearing-Transcript-Vol.-II.pdf>. See generally Dkt. No. 57171, RTP Revenue Credit and Allocation Methodology (Ga. Pub. Serv. Comm'n Jun. 2, 2026), <https://psc.ga.gov/search/facts-docket/?docketId=57171>.

³⁰ See Ala. Code §§ 37-1-80 (mandating that all rates be just and reasonable), -81 (describing file and suspend procedures), -83 (permitting Commission to initiate investigation), -85 (explaining that "[w]henever the commission shall determine to conduct an investigation either with or without complaint, as in this title provided, it shall fix a time and place for public hearings of the matter under investigation.").

³¹ *Id.*

Crucially, this template should also be publicly available. Current practice includes Alabama Power filing contracts that are so redacted as to make it impossible for the public to determine basic aspects of the agreement.³² With a publicly available template, key terms and provisions would be transparent. Any deviations or adjustments should be specifically noted and explained (and generally made available in a public document) so that the Commission and interested persons can ascertain whether a data center is getting special treatment at the expense of others. Currently, there is no consistent framework against which to measure a proposed agreement or to identify what may be missing from one. Requiring a standard template would convert the review required by Ala. Code § 37-4-22.1 from an open-ended inquiry into a comparison against a known baseline.

The Commission's generic proceeding is a step in the right direction. However, meaningful public participation requires more than an opportunity to comment on general concepts or review procedures from which they will later be excluded. To fully evaluate what terms and conditions are necessary in an electric service agreement, the public must be able to review an example contract and provide input on specific provisions. SELC respectfully requests that the Commission develop and release a model contract for public review and comment before adopting final requirements. The specific language of each contractual term is critical because even small differences in wording can significantly affect cost allocation, risk assignment, transparency, and protections for other ratepayers.

³² See generally Nebius Contract, *supra* note 11.

D. The Commission should require a public integrated resource planning process.

An integrated resource plan (“IRP”) is the analysis through which a utility determines the optimal mix of supply-side and demand-side investments needed to meet forecasted demand.³³ It is the utility industry standard in strategic, long-term, “big picture planning.” A public, transparent integrated resource planning process would ensure that the Commission and interested parties have the opportunity to look ahead *with* the Company so that the planning process is strategic and as multifaceted as our state’s complex needs. The proliferation of data center large loads is likely to be the greatest fundamental shift in Alabama’s energy system in decades and provides the perfect opportunity to move to implementing an industry standard planning process.³⁴

Alabama, unlike the vast majority of states, does not have a publicly accessible integrated resource planning process.³⁵ Instead, Alabama Power voluntarily files an IRP every three years and only a summary of that plan is made publicly available.³⁶ More typically, resource planning requires Commission approval after a public process that gives interested citizens and ratepayers access to critical information along with the opportunity to participate in evidentiary hearings or submit detailed comments.³⁷ Alabama’s process lacks those basic safeguards. As a result, decisions that will shape the future electric system—including the modeling assumptions behind what

³³ See, e.g., Ala. Power Co., Integrated Resource Plan 2025 Summary Report, at 1, <https://www.alabamapower.com/content/dam/alabama-power/pdfs-docs/company/compliance---regulation/2025-irp.pdf>.

³⁴ See N. Am. Elec. Reliability Corp., 2025 Long-Term Reliability Assessment at 9, 25 (January 2026), https://www.nerc.com/globalassets/our-work/assessments/nerc_ltra_2025.pdf (“Electricity peak demand and energy growth forecasts over the 10-year assessment period continue to climb higher *than at any point in the past two decades.*”) (emphasis added); *id.* at 9 (“Compound annual growth rates (CAGR) for summer and winter peak demand are the highest since NERC’s tracking started in 1995.”).

³⁵ Bruce Biewald et al., Synapse Energy Econ. & Lawrence Berkeley Nat’l Lab., Best Practices in Integrated Resource Planning (Nov. 2024), https://www.energy.gov/sites/default/files/2024-12/best_practices_irp_nov_2024_final_optimized.pdf.

³⁶ Ala. Power Co., Integrated Resource Plan 2025 Summary Report, at 1, <https://www.alabamapower.com/content/dam/alabama-power/pdfs-docs/company/compliance---regulation/2025-irp.pdf>.

³⁷ See, e.g., *In re Georgia Power Company’s 2025 Integrated Resource Plan*, Docket No. 56002 (Ga. Pub. Serv. Comm’n), <https://psc.ga.gov/search/facts-docket/?docketId=56002>.

generation resources Alabama Power will seek to acquire or build—are made without public scrutiny. Greater transparency and accountability are especially important as Alabama Power plans for unprecedented demands of large-load data centers.

The Commission should require Alabama Power to file a complete integrated resource plan on a regular schedule, to support that plan with the underlying analysis and modeling, and to allow interested persons a meaningful opportunity to participate prior to Commission action.

At a minimum, the Commission should require quarterly reporting on Alabama Power’s “pipeline” of potential large-load customer contracts. This is an area where Georgia provides a positive example: Georgia’s PSC requires Georgia Power to file quarterly large-load economic development reports.³⁸ These allow the commission, as well as interested members of the public to have *some* insight into the evolution of the utility’s possible load growth, which underlie its build-out and/or procurement plans as well as its revenue requirements (and resulting impact on its ratebase).

II. Contract Review and Terms and Conditions

This section addresses the Commission’s questions concerning incremental costs, benefits to other customers, economic development considerations, power system efficiency, contract terms and conditions, submission requirements, the review timeline, post-approval monitoring, and contract modifications—essentially what the Commission should check before approving a contract.

³⁸ See, e.g., Order Adopting Stipulated Agreement, *In re Georgia Power Company’s 2023 Integrated Resource Plan Update*, Dkt. No. 55378 (Ga. Pub. Serv. Comm’n Apr. 26, 2024), <https://psc.ga.gov/search/facts-document/?documentId=218484>. See e.g., Georgia Power Company, *Quarterly Large Load Economic Development Report*, Dkt. No. 55378 (Ga. Pub. Serv. Comm’n May 15, 2026), available at <https://psc.ga.gov/search/facts-document/?documentId=226607>.

A. The Commission should require Alabama Power to cover all costs associated with data center customers.

Ala. Code § 37-4-22.1 requires that any contract between Alabama Power and a large-load data center cover incremental costs. It defines the “incremental cost of retail electric service” as the “additional costs associated with generation, transmission, distribution, sale, or furnishing of electricity to a large-load data center customer, including fuel costs and taxes, which the utility would not incur **but for** the large load-data center customer contract.”³⁹ As written, categories of costs covered by this definition include at least: new generation capacity (purchased, acquired, uprated, or built), transmission and distribution infrastructure (network upgrades, substations, interconnection facilities), fuel costs and fuel transportation costs (including costs for gas pipeline capacity, or “firm transportation”), development costs (including financing costs, or necessary land acquisition costs), and administrative costs (including system impact and feasibility studies).

While recovering incremental costs is an important aspect of ensuring that other customers do not foot the bill, **it is not the end of the inquiry**. To be fully protective, a contract must also account for the cost of the system that already exists. A data center does not just use the new plants and power lines built for it. It also relies on generation, transmission, and distribution that other customers have been paying for, along with spare capacity Alabama Power maintains to ensure service is reliable when demand spikes or equipment fails. Those assets that are not fully depreciated also are not free to use.⁴⁰ The Commission should ensure (through a large-load tariff, a model contract, and the review procedures discussed herein) that **all** costs are borne by the large-load data center customers rather than by other Alabama Power customers.

³⁹ Ala. Code § 37-4-22.1(a)(1) (emphasis added).

⁴⁰ N.C. Public Staff Testimony, *supra* note 18, at 52.

To fully determine whether the data center is covering all reasonable costs, the public must be privy to Alabama Power’s cost allocation methods. Again, a large-load tariff—and associated proceeding—would provide an opportunity to analyze and investigate Alabama Power’s assumptions and methodologies. Regardless, prior to making any determination or approving any contract, the Commission must require Alabama Power to prove that contracts fully address these costs by providing the underlying calculations, methodologies, and assumptions.

B. Positive benefits must be measurable *and measured*.

Ala. Code § 37-4-22.1 also requires that every contract “[p]romote positive benefits to other retail electric customers of the utility.”⁴¹ The new legislation provides certain examples of what might constitute a positive benefit including: (1) whether the contract could lower costs for other customers; (2) whether the data center at issue will increase the efficiency of the utility’s power system; and (3) whether the data center contributes to local economic growth. The list is not exhaustive. Nor does it preclude consideration of other factors.

Regarding economic development, the Commission should require evidence in the form of verifiable economic studies. Further, the Commission must consider a project’s value to the community where it locates. The Act directs the Commission to consider whether a large-load data center customer contributes to economic growth **in the community** where its premises are located. That factor necessarily requires attention to the customer’s relationship with that specific community, including benefits like local job creation and pay as well as potential strains on the community’s economic potential, like burdens to infrastructure and localized air pollution from backup power sources.

⁴¹ Ala. Code § 37-4-22.1(b)(2).

On power system efficiency, Ala. Code § 37-4-22.1 directs the Commission to consider whether the customer is “expected to increase the efficiency of the utility’s power system.”⁴² The Commission should consider whether the customer and contract will provide measurable benefits to the electric system and other customers. In making this determination, the Commission should consider whether the contract/data center customer will: increase the use of existing generation, transmission, or distribution facilities without requiring unnecessary new infrastructure; improve the system load factor by increasing demand during off-peak periods while avoiding increases in peak demand; lower system costs by allowing the utility to reduce or shift the customer’s load when system conditions require it; improve system reliability or reduce congestion in ways that benefit all; produce measurable net benefits *after* a clear accounting for all incremental costs of serving the customer; and evaluate whether the large-load customer will participate in demand-side management, curtailment commitments, and other flexible load options.⁴³ Any finding or claim that a data center is expected to increase system efficiency must be based on transparent modeling and measurable performance metrics where underlying assumptions are fully explained.⁴⁴

A power system operates most efficiently when generation and grid capacity are used consistently over time, rather than sitting underutilized for most hours and then straining to meet a small number of peak-demand events.⁴⁵ Because data centers can represent some of the largest single loads on the system, their ability to reduce or shift consumption during periods of peak system stress will determine whether Alabama Power must invest in new peaking capacity that other customers ultimately fund. Accordingly, the Commission should require that large-load data

⁴² *Id.* § 37-4-22.1(c)(2).

⁴³ *See, e.g.,* Ohio Order, *supra* note 17; NC Public Staff Testimony, *supra* note 18.

⁴⁴ *Id.*

⁴⁵ *See generally* NC Public Staff Testimony, *supra* note 18, at 6, 29-33.

center contracts include clearly defined curtailment provisions, specifying the conditions under which curtailment may be invoked, the amount of load reduction required, notice periods, any energy efficiency or demand-response measures, and any penalties for noncompliance.⁴⁶

The Commission should also consider a data center customer's commitment to clean energy as an additional factor supporting a finding of positive benefit. A customer's contribution to carbon-free generation—whether through direct investment, power purchase agreements, or on-site generation paired with storage—can help diversify resource mix and would reduce fuel price volatility to which all ratepayers are exposed.⁴⁷ Lessened demand for fossil fuels (gas and coal) can also help to reduce fuel costs for all customers by alleviating the pressure that increased demand has on fuel costs. Georgia PSC Staff's expert panel found that when modeling fuel costs, removing large loads decreased fuel costs over the next three years.⁴⁸ The panel testified that “[t]he additional large load drives up the average fuel cost (\$/MWh) in each month by approximately 5-11% in 2028, and the difference increases over time as more large load is added to the system.”⁴⁹ (This is a concrete example of how large loads increase costs for all customers generally in addition to their incremental costs as discussed above.) The Commission should treat verified clean energy commitments as measurable benefits within Section 37-4-22.1(c) analysis. The Commission should also consider whether customers should be permitted or encouraged to assume direct cost

⁴⁶ *Id.*

⁴⁷ *See, e.g.,* Ala. Power Co., Integrated Resource Plan 2025 Summary Report 1, <https://www.alabamapower.com/content/dam/alabama-power/pdfs-docs/company/compliance---regulation/2025-irp.pdf>.

⁴⁸ Direct Testimony of Tom Newsome, Philip Hayet, Anthony Sandonato, and Leah Wellborn on behalf of the Georgia Public Service Commission Public Interest Advocacy Staff at 57:3-6, Dkt. 56765 (Ga. Pub. Serv. Comm'n, Apr. 9, 2026), <https://psc.ga.gov/search/facts-document/?documentId=226174>.

⁴⁹ *Id.*

responsibility for generating resources, which would effectively eliminate the risk of cost-shifting or creating stranded assets.⁵⁰

The Commission's Order notes that this proceeding does not extend to data center siting or environmental regulations.⁵¹ SELC is not asking the Commission to reach either subject. However, the Commission is charged by the newly adopted statute to ensure that these large-load contracts provide benefits to the public.⁵² In order to do so, the Commission must weigh the positive benefits of the development with reality: the massive proliferation of data centers (often in rural and agricultural areas with no zoning) poses a threat to a community's right to self-determination, could strain local infrastructure at the cost of other economic development (e.g., drinking water and wastewater utilities), and often comes with little benefit in terms of long term job-creation.⁵³

C. Contract terms and conditions to protect other customers.

Ala. Code § 37-4-22.1 directs the Commission to look at terms and conditions such as (but not limited to) how long a contract lasts, what a customer pays up front, what security or collateral it provides, and what it must pay each month at a minimum.⁵⁴ As discussed above, SELC recommends that the Commission adopt a model or template contract with standard, public terms and conditions against which to measure Alabama Power's contract submissions. To protect against stranded costs and subsidization, SELC recommends that the Commission consider the following terms and conditions:

⁵⁰ See, e.g., N.C. Energy Policy Task Force, Interim Report (Feb. 15, 2026), <https://governor.nc.gov/documents/files/nc-energy-policy-task-force-2026-report/open>.

⁵¹ Generic Proceeding Order, at 7.

⁵² See Ala. Code § 37-4-22.1.

⁵³ See Ohio Order, *supra* note 17, at ¶ 43 (summarizing AEP's claim that "while data centers (and mobile data centers) can generate economic development, they are often less impactful than the economic development generated by other commercial and industrial customers.").

⁵⁴ Ala. Code § 37-4-22.1(a)(3).

- Minimum contract term. To ensure that the customers’ financial obligations are reasonably aligned with investments made by the utility, the minimum contract term should be 20 years. The refresh cycle of a hyperscale data center is approximately every four to six.⁵⁵ That means that every four to six years, a large-load data center will be reevaluating the financial benefit of continuing operation or of moving. Further, there is no guarantee that a certain data center technology will remain relevant as technology evolves at an ever-quicker pace. Yet, the generation built or acquired to power large-load data center customers will be incorporated into the ratebase, one way or another, for decades. The contracts that necessitate those acquisitions must ensure that the customer sticks around long enough to pay for the power generation it requires and/or pays enough up front to cover costs. (On these points, *see* “Termination, reduction, and exit fee” and “financial security/collateral” below.) A 20-year minimum contract ensures that large-load customers will be responsible for the majority of their costs. Further, the term should automatically extend for one-year terms unless notified 24 months in advance of termination date.
 - Notably, Southern Company has made public statements that align its utilities’ actions with a long-term contract as we propose here: “Contracts carry minimum terms of at least 15 years for nearly all data centers, with some extending even further.”⁵⁶
- Minimum demand charge. Minimum demand charges—the main basis for a minimum bill—should be based on 85 percent of the contract demand. A minimum demand

⁵⁵ See ITSco, *GPU and Refresh Cycle Case Study* (2025), <https://www.itsco.com/whitepapers-gpu-and-refresh-cycle-case-study/> (discussing Big Tech companies’ recent extension of server refresh cycles from four to five years).

⁵⁶ Southern Company, Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934, SEC (Mar. 3, 2026), <https://www.sec.gov/Archives/edgar/data/92122/000009212226000021/so-20260323.htm>.

charge, paired with early termination charges, is crucial for ensuring that a large-load customer contributes toward the costs that Alabama Power incurs to build generation and transmission facilities required to serve the customer's load. The minimum demand charge must be sufficient to recover a substantial portion of the cost of the system upgrades.

- Financial security/collateral. Financial security must be obtained prior to energization of the facility and must be sufficient to either cover the cost of facilities designed to serve only that customer or to guarantee that Alabama Power will recover all of the minimum charges included in the customer's service contract. SELC recommends an upfront payment toward construction for excess facilities, dedicated facilities, and the customer's share of required facilities sufficient to cover all incremental costs required to provide service before energization, then adjusted to be sufficient to recover minimum monthly bills for the contract term.
- Termination, reduction, and exit fee. The contract must include clear consequences for early termination or significant reduction in demand. If a customer can reduce its demand without penalty or terminate the agreement, it renders any protection null. Therefore, SELC recommends that demand reduction require ample notice (such as 36-months' notice) and appropriate limitations. SELC further recommends an exit fee equal to the nominal value of minimum bills for the remaining contract term.
 - o Importantly, Southern Company has committed publicly that "Contracts include strong protections in the form of termination payments tied to the incremental costs to serve **over the life of the remaining contract.**"⁵⁷

⁵⁷ *Id.*

- Defined ramp period. Many large-load customers do not energize at or near contract demand. Rather, it takes several years to ramp up to full contract demand, such as when a data center energizes one building or phase at a time. The Commission should require a minimum load ramp of 3 years so that the customer is paying an increasing charge (to account for upgrades and installation) even if the ramp rate is slower than expected. With a 3-year ramp period, the minimum demand charge (of 85 percent) should become effective regardless of ramp status.
- Load flexibility or curtailment requirements. Any service curtailment provisions should be clearly described.
- Assignment/delegation protections. A customer cannot be allowed to sign a contract, provide a credit guarantee, and then sell or become a tenant with no further regulatory review. Therefore, provisions regarding assignment and/or delegation must be carefully analyzed.
- Study requirements. Large-load customers must be required to pay for system impact and feasibility studies to assess stability risks. These studies must be funded by the customer and filed with the Commission.
- Reliability standards. Any contract must address stability risks associated with computational loads including ride-through and voltage stability. The North American Electric Reliability Corporation (“NERC”), after repeated events in which more than 1,000 megawatts of data center load dropped off the grid within seconds, issued a level 3 Essential Action Alert, its highest and rarest tier, indicating the serious risks posed by

computational loads.⁵⁸ Any contract must adequately address and plan around these risks. Further, the Commission should require that these contracts incorporate NERC's reliability requirements as they evolve.

- Conditional approval. Obtaining electric service should depend on the data center going through the proper channels to acquire all local approvals.

D. No contract can be deemed approved through inaction and review periods must be sufficient.

The Commission's initial proposal would treat a contract as approved if no order rejecting it is issued within sixty days (with no vote required).⁵⁹ An automatic approval mechanism is inconsistent with the Act, which requires the Commission to make certain specified determinations regarding **each** large-load data center contract:

Consistent with the commission's authority under Title 37 generally and Section 37-4-22 specifically, a contract for retail electric service between a utility and a person that qualifies as a large load data center customer is consistent with the public interest where **the commission determines** that the contract pricing and contract terms and conditions over the contract term are expected to. . .⁶⁰

If the Commission fails to take action on a contract, then it has also failed to make the required determinations. Automatic approval would circumvent the statutory framework established by the legislature. Rather, the Act necessitates a close look, analytical determinations, and explicit approval. These contracts will shape Alabama's energy future and could result in drastic impacts on the bills of Alabama Power's 1.6 million customers. These sorts of impacts cannot be allowed to slip under the radar. A contract worth billions of dollars and an entire power plant worth of

⁵⁸ N. Am. Elec. Reliability Corp., Level 3 Essential Action Alert: Computational Load Modeling, Studies, Instrumentation, Commissioning, Operations, Protection, and Control (May 4, 2026), <https://www.nerc.com/globalassets/programs/bpsa/alerts/level-3-computational-load-alert.pdf>.

⁵⁹ Generic Proceeding Order, at 6.

⁶⁰ Ala. Code 37-4-22.1(b) (emphases added).

electricity should not take effect without the legally required scrutiny just because a deadline passed during a busy month. Further, the required affirmative public benefit determinations are site specific, as discussed above. There can be no automatic approval when a site-specific review is required. Similarly, sixty days is a short window for a contract that should last decades and could have multi-million or billion-dollar impacts. The Commission must ensure that the time period does not begin until Alabama Power has submitted all items necessary and should explicitly specify that complex contracts or Commission workload could result in a unilateral extension of the time to review.

E. Post-approval monitoring and modifications

Oversight should not end when a contract is approved. Alabama Power's assumptions that initially garnered the Commission's approval—that the customer would cover incremental costs and promote positive benefits to other customers—take time to bear out. If those projections or assumptions prove wrong, Alabama Power and the large-load customer must adjust midcourse to ensure that other customers will not bear the consequences. The Commission must explicitly clarify that any post-approval modification to the contracts requires additional Commission review and approval.

III. Public Notice, Transparency, and Public Involvement

Public transparency into large-load data center contracts is critical. The PSC's review of these large-load contracts directly impacts the rates, reliability, and financial risk borne by customers across Alabama Power's service territory—not just the data center requesting service. Large-load data center customers require substantial new generation, transmission, and distribution infrastructure. Without public visibility into the material terms of these service agreements, the public cannot verify that existing customers are shielded from subsidizing this

buildout. Additionally, whether a project truly benefits a host community necessarily includes determining whether that community has had a meaningful opportunity to be heard on a contract that could shape its economic future.

We request that the Commission adopt three standards to ensure transparency into this process: 1) require public notice of the contract filing; 2) allow public participation in the PSC's public interest evaluation; and 3) establish clear, reasonable standards about what can and cannot be redacted in the public versions of these contracts.

A. The Attorney General's Role should not substitute for direct public participation.

We note that the Attorney General's participation is not a substitute for additional avenues for public participation. The Attorney General represents generalized ratepayer interests, not localized or particular interests. For example, the Attorney General is not positioned to represent specific interests of communities where data centers are being sited, local governments, public interest environmental groups, or business trade associations. These individuals and entities have different interests that are directly relevant to whether a contract's terms are reasonable, and it would aid the Commission's decision-making process to hear all of those perspectives.

Further, the Attorney General is resource-constrained and must prioritize involvement across many dockets, including dockets outside of large-load data center contracts. There is no guarantee the Attorney General will engage in any certain proceeding or be able to dedicate resources to that proceeding. Public participation must not depend on whether the Attorney General is willing or able to engage in a specific contract review. Thus, we recommend the Commission adopt the public participation procedures outlined below.

B. The Commission must reject the status quo and increase public transparency into data center contracts.

1. Require public notice of the filing.

First, the Commission should require public notice of contracts filed under Alabama Code § 37-4-22.1. Public notice is essential to meaningful participation; without it, the public remains unaware of large-load data center contracts under review. Without public notice, impacted customers, local governments, and community groups have no opportunity to comment on—or even learn about—the contract before its terms are finalized. Currently, these contracts are filed quietly in separate dockets. Finding one means either monitoring filings continuously or knowing exactly what to search for, which is particularly problematic given that data center contracts are commonly signed by shell entities whose names disclose nothing about affiliated companies or the project.

That opaque process should change. The Commission should institute a public notice mechanism for these contracts. Fortunately, there are already frameworks and procedures the Commission can look to as examples. First, following the Alabama Department of Environmental Management’s model, the Commission should create a “public notices” section on the Commission website where it can post easily accessible links to the dockets where these contracts are filed.⁶¹ Additionally, the Commission should adopt a requirement to publish notice in a newspaper of general circulation in the county in which the data center proposes to locate. This is the same framework municipalities across Alabama must follow when hearing a rezoning request.⁶² By issuing two forms of public notice—one on the internet and one in local newspapers—the

⁶¹ See, e.g., Ala. Dep’t of Env’t Mgmt., Public Notices, <https://adem.alabama.gov/public-notices>.

⁶² Ala. Code § 11-52-77.

Commission can ensure that all Alabamians that are interested in the process of a specific contract are sufficiently notified that it is under Commission review.

What is included in the public notice is also important. Information in a public notice should include the date the contract was filed, identity of the data center end user, an explanation (in clear English) of the material terms of the contract, and what the public's rights are under the framework the Commission adopts pursuant to Alabama Code § 37-4-22.1.

2. Allow public participation in the PSC's public interest evaluation.

Second, the Commission should establish a mechanism for public participation to aid in its decision of whether a contract is in the public interest. Under this new regulatory framework, the Commission must determine whether a large-load data center contract between the data center and Alabama Power "is consistent with the public interest." Public participation in the Commission's review process—in other words, the "public's" position—must be part of this determination. The Commission should create a channel for community members and the public at large to share information on proposals the Commission will not otherwise have that are directly relevant to its analysis of whether a contract is in the public interest.

Historically, the Commission has lacked robust public involvement in certain proceedings, including lack of a formal Integrated Resource Planning process. As explained above, that means that the public lacks sufficient information about long term planning for Alabama Power, including planning for generation needs—one of the primary concerns with speculative data center buildout. For now, the Commission is handling large-load data center proposals on a contract-by-contract basis and this is the only proceeding in which the public will have a say or any visibility into how large-load data centers are impacting Alabama Power's planning processes, grid reliability, and

financial risks. This underscores why the Commission should establish a public participation element within this regulatory framework.

Although the previous regulatory framework similarly required the Commission to only approve those contracts that were consistent with the public interest, the data center boom in Alabama now requires more rigorous oversight. This was the express purpose of the Legislature in enacting Ala. Code § 37-4-22.1. Consistent with the Legislature's intent, the Commission should ensure that the public has a right to participate in these proceedings and establish a mechanism by which Commissioners can gauge the public's opinions regarding each data center contract proposal. This is the only way to truly ensure the Commission has adequately weighed whether the contract is in the public interest.

Again, for the time being, the contract-by-contract review process is the only opportunity for the public to understand how large-load data centers may be impacting service across Alabama Power's territory. As such, the Commission should allow interested members of the public to intervene in these proceedings. Specifically, when these contracts are filed, the Commission should issue an order establishing a timeframe for intervention, explain the standard for intervention under Ala. Code § 37-1-87 and Commission Rules of Practice Rule 8, and allow intervenors to request a hearing on the contract. Additionally, the Commission should set up a process for intervenors to gain access to the confidential contracts under a non-disclosure agreement to allow intervenors the chance to fully evaluate the terms and conditions of such contracts. Members of the public need all of that information to understand and adequately weigh in on whether the contract fulfills the requirements of Alabama Code § 37-4-22.1.

Alternatively, the Commission should at the very least establish a 30-day public comment period like the one established in this generic proceeding. Coupled with stringent rules about what

can and cannot be redacted in public versions of these contracts, a public comment procedure would aid the Commission in evaluating whether a contract is in the public interest.

3. Establish clear standards about redactions.

Last, the Commission should establish clear and enforceable terms about redactions in large-load data center contracts. The Commission need only look to the most recent filing of a large-load data center contract to see why clear standards are necessary. On July 24, 2026, Alabama Power filed its contract with Alabama ADC Holdings, LLC—an affiliate of Nebius—for electric service, presumably for the 300MW proposal in Oxmoor Valley. However, there is no way to confirm this. Although the Company states that the filing reflects redactions “in order to protect confidential and proprietary information of both the Customer Alabama ADC Holdings and Alabama Power,” the redactions go far beyond that. For example, even the contract capacity is redacted when Nebius has publicly stated it is seeking to operate a 300 MW data center.⁶³ Further, the contract redacts the contract length, its effective date, all pricing components (including minimum payment obligations), and financial security terms.⁶⁴

The Commission should create standards that allow for redactions of legitimate trade secrets or confidential infrastructure information while requiring public disclosure of material terms (i.e., those that are necessary to evaluate cost allocation, ratepayer risk, and system impact). Specifically, the Commission should consider requiring the following terms be made public: contract length, minimum payment obligations, cost allocation, exit fees, contracted load size, and the identity of the end user. Contract length determines the period over which infrastructure costs can be covered—a short contract period coupled with a long-term infrastructure investment creates

⁶³ Nebius Contract, *supra* note 11.

⁶⁴ *Id.*

a riskier investment, and redaction of the contract length makes that analysis impossible. Minimum payments, cost allocation provisions (i.e., who pays for what), and exit fees should be made public to assure the public that data centers are paying their own way, and whether the contract is ultimately in the public interest. Additionally, disclosing the contracted load size is critical for the public to be able to understand system wide impact. The identity of the company behind the data center similarly should be disclosed—otherwise, like with the Nebius contract, the public must dig through publicly available news reports and records to trace what data center development is filing a contract.

By requiring material terms to be disclosed to the public, the Commission can ensure that decisions about data center contracts are made in a transparent manner that promotes the public interest, rather than compromising it. Thus, we urge the Commission to adopt standards requiring these terms to be public while clearly defining what legitimate redactions can be made to protect proprietary and confidential information.

CONCLUSION

SELC appreciates the opportunity to participate in this docket and urges the Commission to seriously consider each of the proposals outlined in these comments along with all comments received in this process. Further, SELC recommends that the Commission review what other states and regulators have adopted and adopt the strongest protections that suit Alabama and protect all Alabamians.

Respectfully submitted this 6th day of August 2026.

s/ Jaclyn Brass
Jaclyn Brass (BRA189)
Ryan Anderson (AND138)
Southern Environmental Law Center
2829 2nd Avenue South, Suite 282

Birmingham, Alabama 35233
Tel: (205) 745-3060
Fax: (205) 745-3064
jbrass@selc.org
randerson@selc.org