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NOTICE

REQUEST FOR INFORMATION

IN THE MATTER OF THE IMPLEMENTATION OF THE DATA CENTER FAIR SHARE ACT

Docket No. [EO26080463](#)

Staff of the New Jersey Board of Public Utilities (“BPU” or “Board”) (“Staff”) hereby invites all interested parties and members of the public to provide written responses to this Request for Information (“RFI”) on the development of requirements for electric distribution companies (“EDCs”) to file tariffs for large data center customers. This RFI is issued pursuant to the signing of P.L. 2026, c.32, also known as the Data Center Fair Share Act, into Law.

Stakeholder Meeting

All interested parties are also invited to a stakeholder meeting which will be conducted virtually. This public stakeholder meeting is a structured public comment session and provides an opportunity for members of the public, industry stakeholders, developers, customers, and other interested parties to provide feedback on the questions issued in the RFI. Stakeholders and members of the public may participate after registering at the registration link provided below. If you wish to reserve a speaking opportunity (up to 3 minutes), please designate this during the online registration process.

STAKEHOLDER MEETING
DATE: Wednesday, November 4, 2026
TIME: 10:00 a.m. – 12:00 p.m.
LOCATION: Zoom Virtual Webinar
REGISTER: Zoom Registration Link

Please submit your registration for the meeting at least forty-eight (48) hours prior to the scheduled date. To encourage full participation, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, at least forty-eight (48) hours prior to the above meeting dates to the Secretary of the Board at board.secretary@bpu.nj.gov. After registering, you will receive a

confirmation email containing information about joining the meeting and information about checking your system requirements in advance of the meeting. Please check your access devices in advance of the meeting to ensure that they will properly connect.

COMMENTS

The Board is accepting written and/or electronic responses regarding this RFI. All public responses should be filed under Docket No. [EO26080463](#).

The deadline for responses on this matter is 5 p.m. on November 13, 2026.

Please submit responses directly to the specific docket using the “Post Comments” button on the Board’s [Public Document Search tool](#). Comments are considered “public documents” for purposes of the State’s Open Public Records Act, and commenters may identify any information that they seek to keep confidential by submitting them in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. In addition to hard copy submissions, confidential information may also be filed electronically via the Board’s e-filing system or by email to the Secretary of the Board. Please include “Confidential Information” in the subject line of any email. Instructions for confidential e-filing are found on the Board’s webpage, <https://www.nj.gov/bpu/agenda/efiling/>

Written comments may also be submitted to:

Sherri L. Lewis

Sherri L. Lewis

Secretary of the Board
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Staff looks forward to receiving and reviewing stakeholder responses.

BACKGROUND AND PROCEDURAL HISTORY

The Data Center Fair Share Act (“Act,” P.L. 2026, c.32) is a comprehensive legislative framework designed to address the unique challenges posed by large data centers to the reliability and performance of New Jersey’s electric grid and to the ratepayers. This legislation recognizes the rapidly growing demand for data center capacity while establishing critical safeguards to protect non-data center customers from bearing disproportionate costs and reliability risks associated with serving these high-demand facilities. The Act establishes a paradigm where large data center customers are responsible for all costs attributable to their interconnection and usage. It also incentivizes energy efficiency, new clean energy generation, and demand flexibility.

The Act mandates that the Board establish comprehensive standards within twelve (12) months of enactment. Following Board standard development, electric public utilities must file petitions within 180 days for approval of a specialized rate class and tariff for large data center customers.

Central to the legislation are cost allocation principles ensuring that infrastructure investments, transmission and distribution system upgrades, capacity costs, and potential stranded assets attributable to large data centers are borne by those customers rather than socialized across the broader ratepayer base.

The standards will enable large data center customers to deploy demand flexibility measures and/or bring their own new energy generation. The standards will also establish a voluntary demand-reduction trade program, allowing data centers to fund verified demand flexibility by other customers, with the resulting capacity value credited to the participating data center.

The resulting tariffs are designed to prioritize interconnection for large data centers with binding commitments to bring their own generation or participate in demand reduction programs. The tariffs will also require priority curtailment of large data center loads (excluding designated critical load) before residential customers during system emergencies.

As the Board begins developing these standards, PJM Interconnection LLC (“PJM”) may separately undertake efforts to establish a regional curtailment program, the result of which remains uncertain.¹ The Board’s standards, particularly the curtailment and demand flexibility requirements, will need to function alongside PJM’s programs.

Staff is therefore issuing this RFI to gather comprehensive stakeholder input essential to developing effective, equitable, and technically sound standards that will protect ratepayers against material increases in rates resulting from large data center customers and prevent any evasion of these standards.

QUESTIONS

Respondents are encouraged to answer any of the following questions they consider relevant to the best of their ability. These questions are intended to help the Board formulate sound policies and programs around key aspects of the large data center tariff. Respondents are not required to answer all questions for their submission to be considered. Answers are understood to be preliminary and non-binding. Respondents may expand beyond the scope of these questions and/or structure responses as necessary.

¹ The Federal Energy Regulatory Commission (“FERC”) rejected PJM’s proposed Interim Resource Adequacy Service (“IRAS”) framework in an order issued on October 9, 2026. Although PJM may refile a modified version of its proposed IRAS framework following FERC’s rejection, it is currently uncertain what form such a framework would take.

to increase clarity and efficiency. Additional information deemed relevant may also be submitted, including past responses to relevant Board proceedings.

When answering the following questions, please include the section letter and the question number (e.g., *Answer A.1.* and *Answer C.3.i.*).

a. Definition of Large Load Data Center

1. The Act requires the Board to identify the appropriate defining characteristics of a “large data center” and a “large data center customer” for each electric public utility, indicating how large data center load impacts a particular utility’s system and territory, among other things. What are the appropriate defining characteristics, including minimum megawatt size designation, load profile such as load shape and load factor, demand density, and operational characteristics? How might an EDC’s peak load and total annual energy, the number and size of an EDC’s existing customer base, available capacity on existing substations feeders, the areas already near limit, current and planned data center demand in each system/territory, territory’s cost structures (cost of upgrades different load size triggers in different territories), and proportions of existing peak various load represented impact those defining characteristics? What other characteristics should be considered when defining large data center?
2. Subsection (b)(1) of the Act requires BPU to define what constitutes a “large data center” by “aggregat[ing] the peak monthly energy demand of any data centers that are under common ownership or control, located on the same site or contiguous sites, or share substantial physical, operational, or interconnection infrastructure, and shall treat such aggregated facilities as a single large data center.”
 - i. For these purposes, how should the BPU define “common ownership or control,” the “same site or contiguous sites,” and whether facilities “share substantial physical, operational, or interconnection infrastructure?”

b. New Generation

1. How should the Board apply PJM’s accredited capacity values to the generation and storage that large data centers bring, without creating separate accreditation standards?
2. How should a value fixed at procurement be handled if PJM later changes its accreditation?
3. What, if any, Bring Your Own Capacity standards should the Board develop to ensure ratepayers do not subsidize large data centers [b(2)], and that large data centers can be protected from regional curtailment programs [d(6)]?
4. What information should the BPU have access to, either from PJM’s Large Load Registry or directly from other sources, to track large data center loads and their associated capacity or commitments under the Act?
5. What documentation standards should utilities and the Board require to maintain continuous capacity credits when a large data center switches suppliers or modifies its generation?
6. What non-financial incentives should be used to incentivize the interconnection of large data centers that bring new clean capacity or storage, and facilities that employ energy efficiency processes?
7. How can priority interconnection, lower curtailment risk and other non-financial incentives provide sufficient benefit to entice large data centers to bring clean capacity and/or storage?

c. Interconnection Process

1. What challenges for grid reliability may arise from interconnecting and serving large data

center customers? Please specify both localized and wider-system challenges as applicable.

- i. With regards to these challenges, what measures could promote enhanced grid utilization to potentially reduce overall transmission and distribution costs [subsection (d)]?
 2. What network upgrade needs arise when generation or storage is co-located with a large load?
 3. How should EDCs coordinate generation and load studies, and how should costs be assigned so they are not shifted to other ratepayers?
 4. Please describe the current interconnection process and indicate any tariffs or other rules that they are formalized under.
 - i. In the description, please explain how it is decided whether large loads interconnect at the transmission or distribution level, detail how state jurisdiction over large loads that interconnect at the transmission level differ from those that interconnect at the distribution level, and enumerate the localized system impact costs that arise from large load interconnections.
 - ii. Please describe if the current interconnection process is sufficient to ensure large data centers pay all interconnection process, system upgrade, and study costs.
 5. What are the expected interconnection process timelines for large data center loads and the new clean generation or storage that they may bring? Are there material benefits to prioritizing the interconnection process for large data centers that commit to bring new clean generation or storage, or employ energy efficient processes?
 6. Subsection b(10) states that the BPU must develop standards that are designed to prioritize the interconnection of data centers that bring their own new clean generation or storage or participate in a demand-reduction trade program. What form should this prioritization take? For instance, should a faster interconnection timeline or a simplified interconnection process be pursued? If a faster interconnection timeline is pursued, what might such a timeline look like?
 7. What are potential system impacts of giving preferential treatment during the interconnection process to large data center loads that bring new clean generation or storage or employ energy efficient processes?
 8. Do the EDCs have an interconnection queue for large loads? If not, would there be a benefit to establishing one, what would be needed to establish it, and how long would it take to establish?
 9. What application and screening standard requirements may prove instrumental in identifying and discouraging speculative loads?
 10. What interconnection rules should the Board consider for co-located load configurations to ensure that the costs of interconnecting and serving these loads does not shift to other ratepayers?
 11. What requirements should be implemented to ensure that utilities recover from large data centers the full cost of all grid upgrades and studies that result from their interconnection requests?
- d. Demand Flexibility Commitments and Curtailment Rules
1. What types of required demand flexibility commitments for large data centers [d(5)] will most effectively protect other customers from cost impacts, particularly during system emergencies, transmission constraints, and peak demand periods?
 - i. Describe specific localized and wider-system challenges that demand flexibility commitments for data centers could be used address. Please share any demonstrated examples or policy examples of data center demand flexibility programs.

- ii. What measurement and enforcement mechanisms could be established to ensure compliance and verification of demand flexibility requirements impacts [d(5), d(7)]?
 - iii. What reporting framework could be established to ensure accurate annual reporting of actual demand flexibility and curtailment performance [d(7)]?
- 2. Describe the ability/limits/complications of both new and existing data centers to shift computational workloads to either different geographic locations (shifting computational loads to other data centers) or shift temporally (for example, by delaying or slowing a workload or reducing the granularity involved). Should the Board consider incentivizing this kind of flexibility and if so, how?
- 3. Subsection b(11) states that the BPU standards must ensure priority curtailment of large data center customers before residential customers during “system emergencies.” How should the Board identify the appropriate system needs, events and other opportunities for load reduction and curtailment, such as Peak Shaving Adjustment (“PSA”) parameters, Coincident Peaks, Energy Emergency Alert (“EEA”) levels, PJM-directed curtailment events, and distribution system events? In other words, when should grid flexibility, demand reductions, and curtailment commitments be triggered and dispatched?
- 4. Subsection b(11) states that designated critical load must be excluded from the requirement that large data center customers receive priority curtailment before residential customers during system emergencies.
 - i. What load should be characterized as critical load?
 - ii. What should large data centers seeking critical load status be required to submit to show that they comply with critical load designation standards?
 - iii. What schedule and appeals process should govern the critical load status designation?
 - iv. What amount of data center load is expected to pursue critical load status?
- 5. Please describe the operational controls by which an EDC can curtail a large data center, including by causing it to revert to emergency backup power. What physical or contractual constraints limit the installation or use of these controls?
- 6. What are appropriate penalties, financial or otherwise, for large data center customers that do not satisfy demand flexibility performance standards set by the Board per d(5)?
- 7. What methodologies should the Board use to measure and verify the load flexibility of large data center customers following expansion or upgrades to facilities?
- 8. Should utilities call test events to ensure that large data centers can curtail when asked, and how should test results affect future credits or penalties? How often should the test events be called?
- 9. What reporting requirements should be required of the EDCs after a grid emergency?
- 10. Can the Board implement an option for load serving entities to take non-firm (interruptible) capacity service under the Act? If PJM and FERC approve an interruptible capacity class, how can the Board direct or allow large data center customers to select such service to protect grid reliability?
- e. Demand-Reduction Trade Program
 - 1. What types of demand-reduction measures could be eligible under the demand-reduction trade program described in b(9) and d(4) other than energy efficiency improvements, demand response enrollment, and behind-the-meter energy storage?
 - 2. To ensure accurate quantification and reporting of performance of demand-reduction trade programs, what verification protocols and accreditation rules could be implemented? How would the accreditation rules differ between the methods?
 - 3. Are there non-PSA options for reducing PJM load forecasts that should be considered when developing standards for demand-reduction programs? What aspects of PSA and

non-PSA methods of reducing PJM load forecasts should be considered when developing standards for demand-reduction programs?

4. What standards should be established so that the Board can relieve large data centers that contract with demand-reduction programs of their obligations related to a regional curtailment program? What modifications to PJM rules (through manual or tariff changes) would be required to relieve large data centers of their obligations related to a regional curtailment program?
5. When must demand-reduction programs be triggered to excuse a large data center's required flexibility commitments? System needs can be identified by PSA parameters, Coincident Peaks, Energy Emergency Alert levels and distribution system events. Should demand-reduction programs be required to trigger during these system needs events?
6. What is the role of the EDC, beyond dispatching the demand reduction as needed? How could the Board structure the program and oversight mechanisms to ensure EDCs design effective programs without impacting ratepayers?
7. How should the capacity reductions accomplished through PSA and non-PSA demand-side trade programs be financially attributed? How should a program be reflected through Peak Load Contribution ("PLC") measures within an EDC's M-2 Attachment with PJM?
8. If PJM adopts a framework that removes large loads from the capacity market demand stack, is it reasonable to attribute PLCs to large data centers if they sponsor demand-side programs? How may the capacity reduction values for these programs be determined?
9. What rules are needed to ensure PSAs and non-PSA load-reduction programs can provide service, and be recognized for such service, coincident with PJM-directed curtailment events or other periods of system need? Should the Board develop rules that supplement or replace mechanisms to ensure demand reductions occur during system need and can be credited for reductions that occur during these times? What modifications to PJM rules (as implemented through manual or tariff changes) would be required to enact these rules?
10. Could a demand-reduction program, if accounted for in PJM's load forecasting by reporting the programs through a PSA plan at PJM, be used to offset PJM-directed curtailments in real-time operations, regardless of whether the demand-reduction asset is already dispatched when an PJM-directed curtailment event is called?
11. Should large data centers be allowed to offset their load through waste heat recovery or energy efficiency programs? How would these programs get credited for their load reductions at PJM?
12. What language should be included in the BPU standards to effectuate subsection (h)? More specifically, is there language that should be included in the BPU standards to ensure that the demand-reduction programs that seek contracts receive the credits granted to these programs by the Act?
13. The large data center standards will interact with the BPU virtual power plant (VPP) programs, particularly through the demand-reduction trade programs [b(9) and d(4)]. What challenges need to be addressed and what opportunities could be utilized to design a demand-reduction trade program for these standards that will work cohesively with EDC-administered VPP programs to effectively and equitably support the overall reduction of system peaks in New Jersey through demand-response programs?
14. What involvement should the BPU and EDCs have in how data center companies as demand response aggregators fund customer's demand-reduction or how such customers are paid?

f. Avoiding Ratepayer Impacts and Preventing Enforcement Evasion

1. What methodologies could be employed to identify, quantify, and allocate as comprehensively as possible the system costs associated with large data center operation

that may not be immediately apparent in traditional cost allocation studies, such as voltage support requirements, reliability reserve margins, opportunity costs from constrained transmission capacity, and wear on transmission and distribution equipment from increased usage?

2. Subsection b(2) directs the Board to “ensure that all costs attributable to the electric public utility’s large data center customers are allocated to those [customers].” What additional or indirect costs should the Board consider “attributable” to data centers, beyond the specific costs identified above?
3. How can the Board ensure that no person or entity evades large data center requirements through corporate structuring, project segmentation, behind-the-meter configurations, off-tariff arrangements, or other avoidance strategies per b(13)?

g. Financial Guarantees, Minimum Billing, and Stranded Cost Protection

1. What billing determinants or cost components should be subject to the minimum payment obligation?
2. Should minimum payment obligations be based on requested capacity or anticipated cost?
3. Subsection d(1) requires a large data center customer to provide adequate financial guarantees that it will pay for at least eighty-five percent (85%) of the electricity supply it requests for a period of ten (10) years from commencement of service. How should the eighty-five percent (85%) requirement be calculated and applied where a customer’s requested load is expected to ramp over multiple years?
4. In order to give the customer enough time to reach operating capacity, should there be a load-ramp period? Are there optimal load-ramp and contract periods? How should the tariff address deviations from a ramp schedule, including delays attributable to the customer or the utility?
5. Subsection b(3) of the Act requires BPU to ensure that other electric utility customers are not placed at risk of paying stranded costs associated with large data center customers. What methods would be used to prevent other customers against stranded cost risk before infrastructure is constructed or service is commenced?
6. How should the customer’s (data center or aggregator’s) creditworthiness affect the amount or form of security required, particularly when a customer does not have an established credit rating?
7. If a large data center ceases operations or terminates service before the end of its contracted period, how should a termination payment or other mitigation measures be calculated to ensure that other customer classes do not incur costs?

h. Energy Efficiency (“EE”) and Core System Design Waste Heat Usage

1. What opportunities or barriers exist for new or existing data centers to improve energy efficiency? At what stage in the design and construction process do these decisions need to be made? Are existing market pressures sufficient to incent feasible and cost-effective EE improvements?
2. Are there any existing equipment lifecycles, vendor contracts, or reliability requirements that would influence data centers’ abilities to transition to higher efficiency standards? If so, please provide those influences.
3. Are there any specific EE technologies or standards that would be easy to implement in the current operational systems for data centers?
4. Would data centers need additional agreements or support from electric utilities, gas utilities or the Board that would improve their ability to meet and operate at higher efficiency standards? If so, please explain what agreements or support would be necessary.

5. Beyond cooling technology and design, what other factors influence a data center's Power Usage Effectiveness (for example, date of construction, overall MW size)?
6. Have utilities encountered any barriers when working with data centers seeking to implement high efficiency systems? If so, please explain those barriers.
7. Are there any specific energy efficiency standards, technology or measures that the Board should consider for data centers?
8. In regards to waste heat and system design, what factors determine whether beneficial heat reuse is feasible, including offtaker availability and proximity, and how can facilities preserve future reuse opportunities where no offtaker currently exists?
9. What metrics and measurement methods should the Board use to distinguish between heat generated by the data center's system design, recoverable heat, and heat put to beneficial use?
10. What electric- or gas-system benefits could result from use of large data center system design waste heat and how should those benefits be measured?
11. What reliability, backup-service, ownership, or cost-allocation issues should the Board consider where customers or thermal networks rely on large data center heat? What existing or planned thermal loads could use recovered large data center waste heat, and what temperature, capacity, seasonal, or reliability requirements would apply?
12. What geographic, infrastructure, or economic factors would determine whether connection to a large data center's thermal waste heat is practical?