



General Assembly

Substitute Bill No. 1353

January Session, 2025



***AN ACT CONCERNING SUBSIDIES FOR NEW ELECTRICITY
DEMAND.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 32-286 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective October*
3 *1, 2025*):

4 (a) As used in this section:

5 (1) "Colocation tenant" means a person that contracts with the owner
6 or operator of a qualified data center to use or occupy all or part of a
7 qualified data center for a period of at least two years;

8 (2) "Eligible qualified data center costs" means expenditures made on
9 or after July 1, 2021, for the development, acquisition, construction,
10 rehabilitation, renovation, repair or operation of a facility to be used as
11 a qualified data center, including the cost of land, buildings, site
12 improvements, modular data centers, lease payments, site
13 characterization and assessment, engineering services, design services
14 and data center equipment acquisition and permitting related to such
15 data center equipment acquisitions. "Eligible qualified data center costs"
16 does not include expenditures made in connection with real or personal
17 property that is located outside the boundaries of the facility to be used

18 as a qualified data center;

19 (3) "Enterprise information technology equipment" means:

20 (A) Hardware that support computing, networking or data storage
21 functions, including servers and routers;

22 (B) Networking systems equipment that support computing,
23 networking or data storage functions and have an industry designation
24 as equipment within the enterprise class or data center class of
25 networking systems; and

26 (C) Generators and other equipment used to ensure an uninterrupted
27 power supply for the hardware and networking systems equipment
28 under subparagraph (A) or (B) of this subdivision;

29 (4) "Facility" means one or more contiguous tracts of land in the state
30 and any structure and personal property contained on such land;

31 (5) "Operator" means a person that contracts with the owner of a
32 qualified data center to operate such qualified data center;

33 (6) "Owner" means a person that holds a leasehold estate in excess of
34 fifty years or a fee title to a facility;

35 (7) "Person" means an individual, an estate, a trust, a receiver, a
36 cooperative association, a corporation, a company, a firm, a partnership,
37 a limited partnership, a limited liability company, a limited liability
38 partnership or a joint venture;

39 (8) "Qualified data center" means a facility that is developed,
40 acquired, constructed, rehabilitated, renovated, repaired or operated, to
41 house a group of networked computer servers in one physical location
42 or multiple contiguous locations to centralize the storage, management
43 and dissemination of data and information pertaining to a particular
44 business or classification or body of knowledge. "Qualified data center"
45 does not include any such facility that receives electricity from an
46 electric supplier located on the customer-side of such facility's electric

47 meter unless such supplier increases its generation capacity in an
48 amount that offsets all of such facility's electric usage;

49 (9) "Qualified data center equipment" means computer equipment,
50 software and hardware purchased or leased for the processing, storage,
51 retrieval or communication of data, including:

52 (A) Computer servers, routers, connections, chassis, networking
53 equipment, switches, racks, fiber optic and copper cables, trays,
54 conduits and other enabling machinery, equipment and hardware,
55 regardless of whether such personal property is affixed to or
56 incorporated into real property;

57 (B) Equipment used in the operation of computer equipment or
58 software for the benefit of a qualified data center, including component
59 parts, replacement parts and upgrades, regardless of whether the
60 personal property is affixed to or incorporated into real property;

61 (C) Equipment necessary for the transformation, generation,
62 distribution or management of electricity that is required to operate
63 computer servers and related equipment, including substations,
64 generators, uninterruptible energy equipment, supplies, conduits, fuel
65 piping and storage, cabling, duct banks, switches, switchboards,
66 batteries and testing equipment;

67 (D) Equipment necessary to cool and maintain a controlled
68 environment for the operation of computer servers and other equipment
69 of a qualified data center, including chillers, mechanical equipment,
70 refrigerant piping, fuel piping and storage, adiabatic and free cooling
71 systems, cooling towers, water softeners, air handling units, indoor
72 direct exchange units, fans, ducting and filters;

73 (E) Water conservation systems, including equipment designed to
74 collect, conserve and reuse water;

75 (F) Conduit, ducting and fiber optic and copper cables located
76 outside the qualified data center, that are directly related to connecting

77 one or more qualified data center locations;

78 (G) Monitoring equipment and security systems;

79 (H) Modular data centers and preassembled components of any item
80 described in this subsection, including components used in the
81 manufacturing of modular data centers; and

82 (I) Any other personal property, exclusive of motor vehicles, that is
83 essential to the operations of a qualified data center or that is acquired
84 for incorporation into or used or consumed in the operation of the
85 qualified data center; and

86 (10) "Qualified investment" means the aggregate, nonduplicative
87 eligible qualified data center costs expended by an owner, operator and
88 colocation tenant of a qualified data center.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2025	32-286(a)

ET *Joint Favorable Subst. C/R* **FIN**