

2026 Regular Session

SENATE BILL NO. 490

BY SENATOR HENSGENS

ENERGY DEVELOPMENT. Provides for private use electrical networks. (gov sig)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17

AN ACT

To enact R.S. 45:1231.1, relative to private use electrical networks; to provide for the construction and operation of generation and storage facilities serving industrial and digital infrastructure customers; to provide for nonutility status; to provide for backup and export interconnections; to require the Louisiana Public Service Commission to adopt implementing rules; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 45:1231.1 is hereby enacted to read as follows:

§1231.1. Private use electrical networks

A. For purposes of this Section the following terms shall have the following meanings unless the context clearly indicates otherwise:

(1) "Private use electrical network" means generation, energy storage, and related electrical facilities that:

(a) Are located on contiguous, adjacent, or commonly controlled property.

(b) Are used primarily to serve the electricity requirements of one or

1 more identified load customers.

2 (c) Deliver electricity through privately owned electrical facilities.

3 (2) "Identified load customer" means an industrial facility,
4 manufacturing operation, data center, digital infrastructure campus, or similar
5 large-load customer.

6 B. A private use electrical network shall not be deemed a public utility,
7 and the owner or operator thereof shall not be subject to regulation by the
8 Louisiana Public Service Commission as a public utility, solely because the
9 network satisfies one or more of the following:

10 (1) Serves one or more identified load customers.

11 (2) Is owned or operated by the load customer, an affiliate of the load
12 customer, or an unaffiliated third party pursuant to contract.

13 (3) Maintains an interconnection with an electric utility for backup
14 service, reliability service, emergency service, maintenance service, or export
15 of surplus electricity.

16 (4) Participates in any wholesale market, ancillary service, emergency
17 service, or reliability program administered by the Midcontinent Independent
18 System Operator or any successor regional transmission organization.

19 C. The maintenance of backup utility service, standby service, or export
20 capability shall not alter the status of a private use electrical network under this
21 Section.

22 D. The export of electricity from a private use electrical network shall
23 not cause such network to be deemed a public utility, provided that the network
24 is primarily dedicated to serving one or more identified load customers.

25 E. Nothing in this Section shall impair the authority of the Louisiana
26 Public Service Commission to regulate the rates, terms, and conditions of
27 backup, standby, or export service provided by an electric utility.

28 Section 2. The Louisiana Public Service Commission shall adopt rules in accordance
29 with the provisions of this Act no later than one hundred eighty days after the effective date,

1 that shall include but not be limited to:

2 (1) An expedited process for issuance of a declaration of nonjurisdiction for a private
3 use electrical network.

4 (2) A requirement that the commission issue a determination within thirty days of
5 receipt of a complete application, which shall be deemed approved if the commission fails
6 to act within such period.

7 (3) Nondiscriminatory tariffs and interconnection procedures for backup, standby,
8 maintenance, and export service for a private use electrical network.

9 Section 3. This Act shall become effective upon signature by the governor or, if not
10 signed by the governor, upon expiration of the time for bills to become law without signature
11 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
12 vetoed by the governor and subsequently approved by the legislature, this Act shall become
13 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

DIGEST

SB 490 Original

2026 Regular Session

Hensgens

Proposed law provides for private use electrical networks, defined as generation, storage, and related electrical facilities that are located on contiguous, adjacent, or commonly controlled property, that serve one or more customers, and that provide power through privately-owned facilities.

Proposed law defines "identified load customer" as a large-load commercial customer.

Proposed law provides that a private use electrical network is not a public utility and not subject to Louisiana Public Service Commission (LPSC) regulation based solely on its customer load, operator, interconnection, or MISO program participation.

Proposed law provides that maintenance of backup or standby service or export capability shall not alter the network's status.

Proposed law provides that export of electricity from such a network shall not make it a public utility.

Proposed law provides that proposed law shall not impair the authority of LPSC to regulate electric utilities.

Proposed law requires LPSC to adopt rules in accordance with proposed law no later than 180 days after the effective date to provide an expedited process for issuance of a declaration of nonjurisdiction, to require LPSC to issue a determination within 30 days of application

receipt, and to create nondiscriminatory tariffs and interconnection procedures for backup, standby, maintenance, and export service.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 45:1231.1)