ERCOT Overview

Market Structure and Risk Allocation

ERCOT operates under an energy-only wholesale market with retail competition and unbundled utilities in Texas. Generation is competitive and generators earn revenue through energy market prices. Transmission and distribution infrastructure is owned by regulated Transmission and Distribution Utilities (TDUs), such as Oncor and CenterPoint, whose rates are overseen by the Public Utility Commission of Texas (PUCT). Retail Electric Providers procure power in wholesale markets and sell it to end-use customers.

This structure distributes risk differently than in vertically integrated states. Generation investment risk is borne primarily by private developers and market participants rather than embedded in regulated retail rates. Retail rate exposure depends on procurement arrangements and hedging practices.

For networked infrastructure required to serve large loads, the key risk bearer is the regulated TDU. Transmission and distribution upgrades required to interconnect large customers are identified through formal interconnection studies. Dedicated facilities and many load-triggered upgrades are directly assigned to the connecting customer, reducing the likelihood that customer-specific infrastructure costs are broadly socialized. Financial security requirements and milestone-based construction processes further mitigate stranded asset risk at the infrastructure level.

As a result, the primary risk that data centers pose is to TDUs, within their management of network costs and stranded asset mitigations, and on the ability of retail electric providers to hedge against high prices.

Scale of Growth and Market Trends

Texas has experienced significant projected load growth driven by data centers, electrification, hydrogen fuel production, increased heating and cooling needs due to extreme weather, crypotocurrency mining, and population growth. The Dallas–Fort Worth area in particular has become a major hub for data center development. In 2024, there was 6.5 GW of large load approved to operate in ERCOT.[72]

Despite this growth, recent state-level analyses do not show a clear correlation between load growth and retail rate increases. For example, the LBNL study examining retail electricity price trends found that Texas experienced substantial load growth while maintaining comparatively modest retail price increases relative to regions such as California and the Northeast. This suggests that historical rapid load growth in Texas has not translated into disproportionate retail rate escalation.

In an interview with Dr. Ning Lin of The University of Texas at Austin, she noted that evidence across markets is mixed, and that electricity rate trends are shaped by multiple overlapping factors, making them difficult to attribute to any single driver. She suggested that some observed rate increases may reflect underlying system needs, such as ongoing investments to maintain and upgrade infrastructure, which could put upward pressure on rates even in the absence of new large loads. In Texas, she noted that recent residential rate increases reflect a combination of drivers-transmission and distribution capital investment, post-Winter Storm Uri reliability spending, storm cost recovery, and natural gas fuel-cost volatility - much of which would have been required to maintain reliability and serve population growth independent of incremental data center load. This underscores the importance of defining the appropriate base case and counterfactual for comparison – distinguishing between investments that would have occurred anyway from those driven by incremental demand. She also emphasized that as new large-load demand materializes, the binding policy question shifts from backward attribution toward forward design, specifically, how to allocate the costs of incremental system investments equitably across customer classes, a question regulators in Texas are now actively addressing.[73]

[72] Hodge, T. (2024, October 3). *Data centers and cryptocurrency mining in Texas drive strong power demand growth.* U.S. Energy Information Administration. https://www.eia.gov/todayinenergy/detail.php?id=63344

[73] Interview with Dr. Ning Lin, University of Texas at Austin, April 2026

Policy Responses and Customer Risk Protection

In response to broader reliability concerns and future forecasts of substantial load growth,[74] the state has undertaken a series of market reforms and reliability initiatives. Most notably, Senate Bill 6 mandates the PUCT to ensure that large load customers contribute to network upgrades and establishes interconnection standards for large load customers which will minimize stranded costs and maintain system reliability. Notable features of Senate Bill 6 include:[75]

- Require disclosure of duplicative interconnection requests within Texas
- Require demonstration of site control and financial commitment
- Disclose on-site back-up generation
- Require that large load customers connecting after December 31, 2025 allow load curtailment during emergency conditions

Going forward, these reforms will help mitigate the risks of cost shifting and electricity impacts from data center growth.

Alongside these policy efforts, more coordinated, data-driven and stakeholder-focused planning approaches are also emerging, such as COMPASS initiative – a multi-disciplinary research consortium based at the Bureau of Economic Geology at The University of Texas at Austin.[76] In an interview, Dr. Ning Lin, principal investigator of COMPASS, described how the effort integrates localized analysis of site suitability, water and cooling, grid and on-site power, permitting, and community engagement with active cross-stakeholder coordination. This framework brings together communities, developers, and public agencies to build a shared understanding of project feasibility and impacts. Approaches like this can help inform planning and improve transparency, while recognizing that their applicability can vary by context.[77]

[74] Electric Reliability Council of Texas. (n.d.). *Load forecast.* ERCOT. https://www.ercot.com/gridinfo/load/forecast

[75] Texas Legislature. (2025). *Senate Bill 6: Relating to the planning for, interconnection and operation of, and costs related to providing service for certain electrical loads and to the generation of electric power by a water supply or sewer service corporation* (Enrolled bill). LegiScan. https://legiscan.com/TX/text/SB6/id/3248460

[76] Collaborative Optimization & Management of Power Allocation – Surface & Subsurface Strategies https://compass.beg.utexas.edu/

[77] Interview with Dr. Ning Lin, University of Texas at Austin, April 2026

Georgia Overview

Market Structure and Risk Allocation

Georgia's electricity sector operates under a vertically integrated regulatory model. The largest utility, Georgia Power, owns generation, transmission, and distribution and recovers the cost through retail rates approved by the Georgia Public Service Commission (PSC). Georgia Power's scale makes it the primary focus for statewide planning and cost allocation decisions, despite other service providers. In a vertically integrated utility, the primary policy question is not competition or price discovery but regulatory cost recovery and fair risk allocation.

The Territorial Electric Service Act in Georgia defines service territories, including limited retail choice for certain large manufacturing or commercial customers, which shapes how large customers like data centers are assigned to utilities and prevents duplication of infrastructure – an important constraint on where risk is assigned. In a vertically integrated utility model, utilities can petition regulators to include cost in rates base, and the PSC scrutinizes long-term forecasts and investment plans to assess prudence.

Scale of Growth and Market Trends

Atlanta is quickly emerging as one of the fastest-growing data center markets in North America. As per CBRE's 2025 data, Atlanta concluded 2025 with approximately 1,459 MW of total data center inventory, reflecting an annual increase of nearly 459 MW and solidifying its position as the second-largest U.S. market behind Northern Virginia. Atlanta's under-construction data center pipeline totaled approximately 2,076 MW, as of year-end 2025.[78] Continued hyperscale, cloud, and AI-driven demand has sustained strong colocation leasing activity and contributed to tightening market capacity. This rise is mainly driven by both traditional colocation customers and tenants seeking GPU-as-a-service (GPUaaS) deployments.[79] A 2025 PSC-approved IRP outlines nearly 9,885 MW of new generation capacity largely to meet projected demand increases, driven mainly by data centers.[80]

Policy Responses and Customer Risk Protection

The Georgia PSC approved new rules in January 2025 that modify how large load customers (larger than 100 MW) are billed and contracted by Georgia Power.[81] This requires large loads like data centers to pay certain site-specific and upstream costs for generation, transmission, and distribution during construction, enforce minimum billing periods, extend contract lengths (from 5-year typical terms to 15-years), and subject each new large load contract to PSC review. The intention of this rule is to help ensure that incumbent customers are not left paying for infrastructure built for high-usage customers that might fail to materialize or that might depart early.

These protections address the risk pathways to retail customers by shifting part of the incremental and stranded cost risk to the data center customers themselves. Staging cost responsibility and enforcing minimum billing reduces the likelihood that investments are stranded mid-deployment. Longer contract terms mitigate the 'walk-away' risk if data center operations are disrupted. Regulatory review of new contracts allows transparency and oversight into long-term cost commitments.

Moreover, the PSC's ruling to keep base retail rates frozen through at least 2028 provides near-term pricing stability for ratepayers, even as the underlying cost pressures from growth continue.[82] While this freeze does not directly protect retail consumers from all cost pathways, it demonstrates an intentional approach to manage timing and exposure of retail impacts.

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[78] CBRE. (2026, March 4). *Atlanta emerges as one of North America's fastest-growing data center hubs.* CBRE. https://www.cbre.com/press-releases/atlanta-emerges-as-one-of-north-americas-fastest-growing-data-center-hubs

[79] GPUaaS is a cloud-based service that provides users with on-demand access to high-performance graphics processing units (GPUs).

[80] Herrera, M. C., Morton, L. S., & Rueger, J. (2026, January 7). *Georgia Public Service Commission approves Georgia Power's major generation expansion to support data center load.* Mondaq (Oil, Gas & Electricity). https://www.mondaq.com/unitedstates/oil-gas-electricity/1727972/georgia-public-service-commission-approves-georgia-powers-major-generation-expansion-to-support-data-center-load

[81] Georgia Public Service Commission. (2025, January 23). *Media advisory: Data centers rule* (PDF). https://psc.ga.gov/site/assets/files/8617/media_advisory_data_centers_rule_1-23-2025.pdf

[82] Georgia Power. (2025, January 9). *Georgia PSC approves plan to freeze base rates through 2028* (Press release). https://www.georgiapower.com/news-hub/press-releases/georgia-psc-approves-plan-to-freeze-base-rates-through-2028.html

Arizona Overview

Arizona's electric sector is experiencing a period of accelerated load growth driven mostly by data centers concentrated in the Phoenix metropolitan area. As a vertically integrated, regulated market, Arizona differs fundamentally from competitive wholesale markets: utilities are responsible for long-term capacity planning and infrastructure investment, with costs recovered through regulated rates. This structure enables coordinated planning but places increased importance on how incremental costs associated with new large loads are allocated between new and existing customers.

Market Structure and Risk Allocation

Arizona's electricity system is served primarily by vertically integrated utilities, including Arizona Public Service (APS), Tucson Electric Power (TEP), and Salt River Project (SRP). The Arizona Corporation Commission (ACC) regulates the investor-owned utilities, APS and TEP, including oversight of integrated resource plans (IRPs), rate design, and cost recovery.[83]

Under this model, utilities plan and procure resources to meet forecasted demand growth, including generation, storage, and network infrastructure. Investment risk, particularly the risk of overbuilding or underutilizing infrastructure is largely socialized through rates and can be mitigated through specific rate design or contractual mechanisms. As a result, periods of rapid and uncertain load growth increase regulatory focus on cost causation, risk mitigation and the potential for cross-subsidization.

Scale of Growth and Market Trends

Public utility disclosures indicate a material shift in load forecasts: APS has projected sustained retail sales growth of approximately 4-6% annually in the near term.[84] While data centers currently represent a modest share of total system peak, utilities have identified a substantial pipeline of prospective large load interconnections.[85]

The Phoenix region has emerged as a leading North American data center market. Industry reporting indicates very low vacancy rates (approximately 2-3%) and a significant development pipeline, suggesting continued buildout and demand for electricity infrastructure.[86] Unlike more diffuse forms of load growth, data center development tends to require substantial, location-specific investments in transmission and distribution infrastructure, as well as firm capacity to meet high load factors.

Utilities have responded by accelerating procurement and infrastructure development. APS has indicated plans for significant near-term additions of generation and storage resources, including a large share of carbon-free capacity additions.[87] This reflects a broader trend in which load growth is advancing the timing of resource needs relative to historical expectations.

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[83] Arizona Corporation Commission (ACC), *Integrated Resource Planning Workshop Highlights: How Arizona Regulated Utilities Plan to Power Arizona's Future, 2024*. https://azcc.gov/news/home/2024/08/01/integrated-resource-planning-workshop-highlights—how-arizona-regulated-utilities-plan-to-power-arizona-s-future

[84] Pinnacle West Capital Corporation, *2024 Full Year and Q4 Earnings Release, February 2025; APS, statements on projected retail sales growth and capacity expansion plans*. https://www.pinnaclewest.com/newsroom/company-news/news-release-details/2025/Pinnacle-West-Reports-2024-Full-Year-and-Fourth-Quarter-Results/default.aspx

[85] Arizona Public Service (APS), *Data Centers: How We're Protecting Customers While Planning for Big Energy Needs, 2025*. https://www.aps.com/en/About/Our-Company/Newsroom/Articles/Data_Centers_How_Were_Protecting_Customers_While_Planning-for_Blg_Energy_Needs

[86] JLL, *North America Data Center Report, 2025* (noting ~2.3% vacancy and strong Phoenix market growth). https://www.jll.com/en-us/insights/market-dynamics/north-america-data-centers

[87] APS *7,300 MW procurement* (2024). https://www.tdworld.com/renewables/news/55245162/aps-signs-agreements-to-add-about-7300-mw-of-renewable-power-battery-energy-storage-and-natural-gas-to-energy-mix

Policy Responses and Customer Risk Protection

Regulatory attention in Arizona has increasingly focused on ensuring that the costs associated with large load growth are allocated in a manner consistent with cost causation principles. In 2025, the ACC initiated a proceeding to examine data center rate classifications and related policy questions, including protections for existing customers from cost shifts.[88]

Utility rate design and interconnection policies are evolving in parallel. APS has proposed new rate structures for high-load-factor customers, including data centers, intended to better align revenues with cost of service and mitigate cross-subsidization. The company has also proposed significantly higher revenue requirements for its extra-high-load-factor class relative to residential customers and emphasized the use of long-term service agreements and minimum demand commitments.[89]

SRP has implemented similar mechanisms through its own board-approved pricing process, including a Large Customer Integration Process as well as an updated E-67 commercial and industrial price plan, requiring upfront payment for infrastructure and minimum billing provisions tied to forecast demand (e.g., 80% minimum demand thresholds for ≥20 MW customers).[90] These approaches aim to reduce the risk that speculative or delayed projects result in stranded investments borne by existing customers.

Market Summary

Arizona's experience highlights a broader dynamic facing regulated utilities: large load growth can improve system utilization and support economic development, but also introduces planning uncertainty and the potential for cost misallocation. In contrast to competitive markets, where generators bear a greater share of market risk, Arizona's framework necessitates explicit regulatory and contractual mechanisms to assign risk appropriately.

The current policy trajectory suggests a shift toward more granular cost allocation for large load customers, particularly data centers, alongside increased use of contractual safeguards. The effectiveness of these measures will depend on the ACC's ability to balance economic development objectives with rate stability and equitable treatment of existing customers as the scale and pace of data center development continue to evolve.

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[88] Arizona Corporation Commission, *ACC Opens Docket to Examine Data Center Development and Customer Protections* (Docket No. E-00000A-25-0069), April 2025. https://edocket.azcc.gov/search/docket-search/item-detail/29509

[89] Arizona Public Service (APS), *2025 General Rate Case Public Notice and Filing Materials, 2025.* https://www.aps.com/en/Utility/Regulatory-and-Legal/Rate-case

[90] Salt River Project (SRP), *Data Center Facts and Large Customer Integration Process Overview, 2025.* https://www.srpnet.com/about/data-center-facts

Missouri Overview

Missouri's power sector is beginning to experience data center-driven load growth as a distinct planning issue, and is more of an emerging market compared to other regions such as Arizona. Missouri operates under a regulated, vertically integrated framework, with investor-owned utilities including Ameren Missouri and Evergy serving retail customers under Missouri Public Service Commission (PSC) oversight. At the same time, utilities participate in regional wholesale markets—Ameren in MISO and Evergy in SPP—introducing additional planning and reliability considerations.[91,92]

Market Structure and Risk Allocation

In Missouri's structure, utilities remain responsible for load forecasting, resource procurement, and infrastructure investment, with costs generally recovered through regulated rates. As a result, the primary issue raised by large data center development is cost allocation: how to ensure that investments made to serve new, high-load customers do not shift risk onto existing ratepayers. This has elevated cost causation and stranded-cost risk as central regulatory concerns.

Scale of Growth and Market Trends

Recent filings indicate a material shift in expected large load growth. Ameren Missouri reported that its 2023 IRP assumed incremental economic development load rising from 40 MW in 2025 to 220 MW by 2031, but by 2025 had observed "significant growth" in data center interest, prompting updates to its preferred resource plan.[93] The company has since indicated planning for up to 2 GW of additional demand by 2032.[94] Evergy has similarly cited record economic development and growing load as drivers of additional resource needs.[95]

This trend is increasingly supported by identifiable projects. Google announced a $1 billion data center in the Kansas City area, paired with approximately 400 MW of new carbon-free energy.[96] In addition, large-scale proposals such as a $100 billion multi-phase data center campus in the Kansas City Northland highlight the scale of potential future demand.[97] State-level materials likewise identify data centers as an emerging driver of electricity consumption and infrastructure expansion.[98]

This growth has coincided with rising electric rates in Evergy MO, including a requested rate increase of 14.9% driven by a broader utility investment cycle in new generation, as the utility is already in a build cycle, and compounded by supply chain and labor cost pressures.[99] Data center load has already contributed $20 million in incremental revenue, which has been used to reduce the overall revenue requirement.[100]

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[91] Midcontinent Independent System Operator (MISO), "Members," https://www.misoenergy.org/about/who-we-are/members/

[92] SPP Planning, https://www.spp.org/engineering/transmission-planning/

[93] Ameren Missouri, *2025 Preferred Resource Plan.* https://s21.q4cdn.com/448935352/files/doc_downloads/2025/03/25-02-28-2025-Change-in-Preferred-Plan-Report-Public.pdf

[94] Ameren Corporation, "State regulators approve Ameren Missouri's plan...," Nov. 24, 2025. https://ameren.mediaroom.com/2025-11-24-State-regulators-approve-Ameren-Missouris-plan-to-reliably-serve-new-large-businesses,-boosting-states-economy-while-safeguarding-consumers

[95] Evergy, "Evergy plan maintains lowest-cost approach...," Apr. 1, 2024. https://investors.evergy.com/news-releases/news-release-details/evergy-plan-maintains-lowest-cost-approach-meeting-growing

[96] Missouri Partnership, "Google Announces $1 Billion Data Center in Kansas City, Missouri," Mar. 20, 2024. https://missouripartnership.com/google-announces-1-billion-data-center-in-kansas-city-missouri/

[97] Port KC, "$100 Billion Data Center Development...," Aug. 26, 2025. https://portkc.com/100-billion-data-center-development-to-bring-infrastructure-investment-and-jobs-to-the-northland/

[98] Missouri Department of Natural Resources, "Trends in Energy Demand: Data Centers," May 2025. https://dnr.mo.gov/document/trends-energy-demand-data-centers-presentation-modnr-may-14-2025

[99] Interview with Kevin Gunn, Evergy, April 2026

[100] Interview with Kevin Gunn, Evergy, April 2026

Policy Responses and Customer Risk Protection

Missouri has moved relatively quickly to establish large load-specific tariffs and contractual protections. In November 2025, the Missouri PSC approved Evergy's large load service plan for customers with at least 75 MW of peak demand, including minimum 12-year contract terms and other provisions aimed at limiting cost shifts.[101] In an interview with Kevin Gunn, Evergy's Vice President of Regulatory and Government Affairs and former Missouri PSC Chairman, the development of this tariff was highlighted as a useful case study in aligning diverse stakeholder interest; the process included robust stakeholder engagement throughout, with regulators ultimately finding it provides strong protections and large load customers viewing the framework as workable.[102] In his view, the four critical elements of large load rate design, as reflected in Evergy's tariff, are a premium pricing structure, financial requirements, minimum contract lengths, and minimum bill provisions, all intended to ensure cost recovery and reduce risk to other ratepayers. Moreover, rate design can be a tool not only to protect ratepayers but also to capture the potential system benefits of large loads, including putting downward pressure on residential rates when paired with appropriate generation development.

Looking ahead, Mr. Gunn acknowledged that the tariff may not be perfect, noting uncertainty about how future conditions will evolve. However, he emphasized that embedding these provisions in a tariff framework allows for flexibility to adapt to changing market conditions, with ongoing monitoring of pricing and riders and making adjustments as needed.[103]

The PSC subsequently approved a large load rate structure for Ameren Missouri, also emphasizing customer protections alongside economic development.[104] These frameworks require long-term commitments and greater cost responsibility from large load customers, reflecting a proactive approach to mitigating stranded-cost risk before large-scale buildout fully materializes.

Market Summary

Missouri appears earlier in the data center growth cycle than leading markets but is comparatively advanced in formalizing risk-allocation mechanisms. The state's approach places emphasis on contractual safeguards and cost-causation-based rate design. The key challenge going forward will be accommodating large load growth while maintaining rate stability and avoiding cross-subsidization of infrastructure investments.

[101] Missouri Public Service Commission, "PSC Approves Evergy Large Load Power Service Plan...," Nov. 2025 (Case No. EO-2025-0154). https://psc.mo.gov/Electric/PSC_Approves_Evergy_Large_Load_Power_Service_Plan_with_Customer_Protections--pr-26-38

[102] Interview with Kevin Gunn, Evergy, April 2026

[103] Interview with Kevin Gunn, Evergy, April 2026

[104] Missouri Public Service Commission, "PSC Approves Ameren Missouri Large Load Power Rate Plan...," Nov. 24, 2025. https://psc.mo.gov/Electric/PSC_Approves_Ameren_Missouri_Large_Load_Power_Rate_Plan_with_Customer_Protections--pr-26-40

Conclusion

The quantitative analyses conducted to date show no historical evidence of cost shifting from data centers to other utility customers. In some cases, data centers may provide benefits for other customers by creating downward pressure on rates. While load growth has coincided with rising electricity rates in some regions, the relationship between the two is unclear. More broadly, the quantitative literature indicates that there are multiple factors that have driven recent rate increases such as inflation, fuel volatility, grid investments, and wholesale market dynamics – rather than load growth. And even where costs have increased, the ultimate impact on customers depends on how those costs are allocated.

Forward-looking studies highlight risks that warrant a proactive approach to mitigate short-term wholesale price pressures, better align with state policy goals, and address regulatory gaps in cost allocation. The conversation should therefore shift beyond generalized claims and instead focus on a more precise and actionable question to ensure this outcome moving forward: what tariff structures, planning paradigms, and cost-allocation practices ensure that data centers bear their full costs as the system evolves and are aligned with state policy objectives?

A framework for responsible growth should include the following actions:

+ **Leverage Tailored Large Load Tariffs.** Modern large load tariffs demonstrate that risk is not only identifiable but also manageable. When properly designed, these tariffs can align cost causation and mitigate risk, protecting other customers without constraining economic growth. Utilities and regulators therefore do not face a binary choice between attracting investment and safeguarding ratepayers; disciplined planning and tailored tariff design can achieve both. Critically, however, a one-size-fits-all approach will not work. Effective tariff design should reflect market-specific conditions and be grounded in transparent, evidence-driven analysis, not arbitrary thresholds.
+ **Improve Transmission and Interconnection Cost Assignment.** Dedicated facilities and directly attributable upgrades should be assigned as transparently as possible to the customers that cause them. For shared network upgrades, regulators should apply cost-allocation principles that balance fairness, practicality, and evolving system benefits, while updating frameworks as load patterns and infrastructure use change.
+ **Align Cost Allocation with the Pace of Load Growth.** Regulatory lag is a key source of potential misalignment, and more frequent cost-of-service updates can ensure that cost responsibility evolves alongside system dynamics. The recent expansion of large load tariffs shows that regulatory frameworks are already adapting and they should continue to do so.
+ **Strengthen Planning and Forecasting Processes.** Given the inherent uncertainty in forecast plus trends in speculative load, utilities and regulators should rely on scenario-based planning, stronger customer financial commitments, and clearer project-readiness standards. This reduces the risk of overbuild, stranded infrastructure, and unnecessary customer exposure.
+ **Use Innovative Policies to Integrate Load More Cost-Effectively.** Integrating large loads cost-effectively requires aligning them with system capabilities, planning, and policy goals. This includes leveraging load flexibility and "bring your own generation" models, while ensuring tariffs and programs reward large customers for reducing system costs. Moreover, utilities can support by providing more transparency on available capacity and upgrade timelines to improve siting efficiency and avoid unnecessary costs. On the supply side, structural policy changes are needed to support timely expansion, particularly by addressing permitting delays and supply chain constraints, including shortages of critical equipment like transformers. Taken together, these approaches can reduce system costs while supporting affordability, reliability, and decarbonization objectives.
+ **Expand Monitoring and Targeted Analysis.** The evidence base remains limited, especially on long-term retail rate impacts and the real-world performance of new tariff protections. Regulators, utilities, researchers, and policymakers should continue to evaluate outcomes over time so that future decisions are informed by measured experience rather than assumptions or generalized claims.

Taken together, these actions point to a clear path forward as electricity systems enter a new phase of sustained load growth. With thoughtful market-specific and evidence-based approaches, policymakers can support continued growth while ensuring costs are borne by those who drive them while protecting other customers.

Appendix

A.1. Overview of Quantitative Studies Reviewed

Study Authors and Name	Year	Forward or Backward Looking	Study Type	Geographic Scope	Relevance to Whitepaper	Limitations
Bates White, "Leveraging large loads to improve the U.S. electricity system," February 2026	2026	Backward-looking	Quantitative	United States	Relevant for assessing the relationship between load growth and retail electricity prices across states, showing no clear relationship between data centers and rate increases.	Relies on high-level state comparisons and correlation analysis; does not establish causality or isolate data center-specific impacts.
EPRI, "Powering Intelligence 2026: Updated Scenarios of U.S. Data Center Electricity Use and Power Strategies," February 2026.	2026	Forward-looking	Quantitative	United States (mainland state-level analysis)	Highly relevant for whitepaper discussion of load growth, peak demand, state concentration, and supply strategies.	Relies heavily on project pipeline and public announcement data, which the report itself notes may overstate or misstate realizable development. Findings depend on assumptions about PUE, utilization, ramp-up, and completion rates, and some projected sites may not be built as announced.
Federal Reserve Bank of Dallas, "Data center boom expected to raise electricity component of PCE inflation," March 2026.	2026	Forward-looking	Quantitative, comprehensive wholesale electricity price model (using hourly unit commitment) and scenario analysis	United States	Relevant for discussing downstream electricity price and inflation impacts of data center load growth.	Focuses on inflation and retail electricity prices rather than broader system planning or siting issues affected by transmission connection cost. Results are scenario-based and sensitive to assumptions about data center build-out, utilization, renewables growth, specific customer allocation of added cost and pass-through from wholesale to retail prices. An implicit keeping the status quo regulations assumption might overstate actual wholesale price and inflationary effect of DCs as these costs could be fully allocated to new large loads, while an absence of accounting for grid connection and upgrade costs may understate their impact on consumer retail prices and inflation.
Georgia Institute of Technology, "The Local Economic Effects of Data Center Entry," March 2026.	2026	Backward-looking	Quantitative econometric study using a staggered difference-in-differences framework	United States, county-level analysis	Relevant as one of the few recent econometric studies that tests whether data center entry is associated with changes in local electricity prices. The paper finds early evidence that data center entry may place upward pressure on electricity prices in some lower-spillover county settings, while also emphasizing the difficulty of identifying broader long-term rate impacts.	The paper's main contribution is broader local economic effects, not electricity prices specifically. Its electricity-price analysis is constrained by utility service territories spanning multiple counties, which makes clean causal identification difficult and can weaken the measured effect. The authors only detect positive price effects in lower-spillover settings pointing to smaller utility territories, while the full-sample result is noisy. In addition, the median first-entry facility in the sample is relatively small—10 MW nameplate, or roughly 1.2% of the median serving utility's annual load—so the study is better viewed as early indicative evidence than as a definitive estimate of the rate effects of today's large load clusters.

Study Authors and Name	Year	Forward or Backward Looking	Study Type	Geographic Scope	Relevance to Whitepaper	Limitations
Union of Concerned Scientists, "Data Center Power Play: How Clean Energy Can Meet Rising Electricity Demand While Delivering Climate and Health Benefits," January 2026.	2026	Forward-looking	Quantitative	United States	Relevant for policy, clean energy, emissions, health, and ratepayer implications of data center demand growth.	More policy-advocacy oriented than a neutral technical forecasting study. Conclusions depend on modeled policy scenarios and assumptions about future tax credits, carbon standards, and data center demand growth. Less focused on facility-level operational realities than on system-wide policy outcomes.
Analysis of the 2026/2027 RPM Base Residual Auction Part A, Independent Market Monitor for PJM	2025	Backward-looking	Quantitative	PJM	Relevant for discussing the impact of data center load on PJM capacity prices, in the context of tight supply conditions.	The report focusses on the impacts of data center load in the context of tight supply but doesn't discuss the factors that to led to tight supply conditions, such as changes to the accreditation of fossil fuels.
Charles River Associates, "Retail rate trends in the US," September 2025	2025	Backward-looking	Quantitative	United States	Relevant for examining historical electricity price increases and case studies for regions that have experienced price increases	While the study identified specific variables that may have caused higher electricity prices, they do not quantitatively examine the causal relationship between these variables and electricity prices.
Energy and Environmental Economics, Inc., "Tailored for scale: Designing electric rates and tariffs for large loads," December 2025	2025	Both	Quantitative	4 utilities in CA, OR, VA, MS	Examines whether data centers pay their incremental cost to serve across multiple utilities, finding neutral to positive impacts and potential rate benefits for other customers.	Based on a limited set of case studies and assumptions about marginal cost; results may not fully capture system-wide or long-term impacts under different growth scenarios.
Lawrence Berkeley National Laboratory, "Factors influencing recent trends in retail electricity prices in the United States," October 2025	2025	Backward-looking	Quantitative	United States	Relevant for examining historical electricity price increases and variables that have a statistical correlation with electricity price increases	The study only looked at a certain number of variables and did not quantitatively examine the causal relationship between statistically significant variables and electricity prices.
Union of Concerned Scientists, "Connection Costs: Loophole Costs Customers Over $4 Billion to Connect Data Centers to Power Grid," September 2025.	2025	Backward-looking / current-state	Policy brief / qualitative with quantitative evidence	PJM states (Illinois, Maryland, New Jersey, Ohio, Pennsylvania, Virginia, West Virginia)	Relevant to the white paper's discussion of transmission-level interconnection, cost allocation, and potential ratepayer exposure when very large data centers connect directly to the high-voltage grid. It is particularly useful for explaining how split oversight between utilities, state PUCs, and FERC can create transparency gaps and weaken cost-causation principles.	The study is narrower than national forecasting or system-planning analyses. It focuses on PJM planning filings and a specific transmission cost-allocation issue in seven PJM states, so it should not be read as a national estimate of consumer impacts, but as a blueprint for a regulatory gap that may apply across many US states. Its findings are best understood as evidence of a potential transparency and incentive problem in how connection costs are tracked and assigned, rather than as a final audited measure of net ratepayer harm.
Joint Legislative Audit and Review Commission, "Virginia data center study: Electric infrastructure and customer rate impacts," December 2024	2024	Backward-looking	Quantitative	Virginia	Evaluates data center impacts in Virginia and finds no evidence of historical or current cost shifting under existing regulatory frameworks.	Focused on a single state and current regulatory structures.

A.2. Select Large Load Tariffs (2018-2026)

Year	Utility	Name	State	Minimum Load Factor	Long Term Contract Years	Includes Minimum Monthly Demand Payments	Includes Contribution in Aid of Construction (CIAC)	Exit Fee Time Period (Months)
2026	Black Hills Power	Economic Flexible Load Service (EFLS)	SD	-	2	Yes	Yes	-
2026	Commonwealth Edison	TSA with Aligned	IL	-	-	Yes	No	-
2026	Commonwealth Edison	TSA with Equinix	IL	-	-	Yes	No	-
2026	Commonwealth Edison	TSA with Grundy County Power	IL	-	-	Yes	No	-
2026	Commonwealth Edison	TSA with Karis Critical, LLC	IL	-	-	Yes	No	-
2026	Commonwealth Edison	TSA with Monarch	IL	-	-	Yes	No	-
2026	Commonwealth Edison	TSA with PowerHouse	IL	-	-	Yes	No	-
2026	Commonwealth Edison	TSA with QTS Investment	IL	-	-	Yes	No	-
2026	Entergy Louisiana	ESA with Meta	LA	-	15	Yes	Yes	Remaining months
2026	Evergy Missouri West, Evergy Metro	Large Load Power Service	MO	-	12	Yes	Yes	Greater of 12 months or remaining months
2026	Florida Power and Light	Large Load Contract Service-1 (LLCS-1)	FL	85%	20	Yes	Yes	-
2026	Florida Power and Light	Large Load Contract Service-2 (LLCS-2)	FL	85%	20	Yes	Yes	-
2026	PacifiCorp	Schedule 401	OR	-	10	Yes	No	-
2025	AEP Ohio	Schedule DCT (Data Center Tariff)	OH	85%	8	Yes	Yes	36
2025	Arkansas Electric Cooperative Corporation	Transmission Extension of Facilities Tariff (TEOF)	AR	-	5	Yes	Yes	-
2025	DTE Energy	Special Contract with Green Chile Ventures LLC	MI	80%	19	Yes	No	-
2025	Duke Energy Carolinas	Schedule HLF: High Load Factor	NC	-	1	Yes	No	-
2025	East Kentucky Power Cooperative	Data Center Power (DCP) Tariff	KY	60%	Custom	Yes	No	-
2025	El Paso Electric	Economic Development Rate Riders for a New Data Center-- Rate Schedule No. 33A: Large Economic Development Rate	TX	-	5	Yes	No	-
2025	El Paso Electric	Economic Development Rate Riders for a New Data Center-- Rate Schedule No. 33B: Medium Economic Development Rate	TX	-	5	Yes	No	-

Year	Utility	Name	State	Minimum Load Factor	Long Term Contract Years	Includes Minimum Monthly Demand Payments	Includes Contribution in Aid of Construction (CIAC)	Exit Fee Time Period (Months)
2025	Entergy Arkansas	Special Rate Customer Contract	AR	-	-	Yes	No	-
2025	Evergy Kansas Metro, Evergy Kansas South, Evergy Kansas Central	Large Load Power Service	KS	-	15	Yes	Yes	Greater of 12 months or remaining months
2025	Georgia Power	Large Load Contracting Framework	GA	-	-	Yes	-	Remaining months
2025	Kentucky Utilities Company	Extremely High Load Factor (EHLF) Service	KY	85%	15	Yes	-	-
2025	Louisville Gas & Electric	Extremely High Load Factor (EHLF) Service	KY	85%	15	Yes	-	-
2025	Mecklenburg Electric Cooperative	Schedule LPS-U (Large Power Service)	VA	-	-	Yes	Yes	-
2025	NV Energy	Clean Transition Tariff	NV	-	15	No	No	-
2025	Pacific Gas and Electric	Electric Transmission Service Facilities for STACK Infrastructure	CA	85%	-	No	No	-
2025	Tucson Electric Power	Electric Service Agreement with Humphrey's Peak Power, LLC	AZ	-	10	Yes	No	36
2025	Union Electric Company	Large Load Customer Service (LLCS)	MO	75%	15	Yes	Yes	Lesser of five years or remaining months
2023	Idaho Power	Schedule 33	ID	-	-	Yes	No	-
2023	Montana-Dakota Utilities	High Density Contracted Demand Response Rate 45	SD	85%	3	No	Yes	-
2023	Northern States Power Company – Minnesota	Competitive Rate Rider Tariff	MN	-	10	Yes	No	-
2022	Entergy Arkansas	Large Power High Load Density Service (LPHLDS)	AR	10%	1	Yes	Yes	-
2022	Evergy Missouri West, Evergy Metro	Special High-Load Factor Market Rate Schedule (MKT)	MO	85%	-	Yes	No	-
2022	Idaho Power	Schedule 20	ID	-	-	Yes	Yes	-
2022	Otter Tail Power Company	Super Large General Service	MN	80%	5	No	No	-
2018	New York Municipal Power Agency	Rider A - Rates and Charges for High Density Load ("HDL") Service	NY	-	-	Yes	Yes	-

July 8, 2026

DC BLOX started outreach to the school as documented below on March 24, 2026, well before any public presentations in April or public notice. DC BLOX mailed notice to the school on April 15, 2026, and the notice sign was posted on April 13, 2026. DC BLOX also sent a postcard in the mail that we believe Board Member Monfreda mentioned receiving at the Irvington Community Council meeting.

A senior DC BLOX executive also made a visit to the school during normal hours to drop off a note for leadership that talked about DC BLOX's interest in being a good neighbor and provided cell and email for return communication on May 7, 2026. In addition, Faegre made two phone calls and connected with the receptionist who passed along messages to leadership about DC BLOX interest in connecting.

All of the communication listed here and below went without reply until the email on June 17, 2026, post the hearing with the hearing examiner which has since resulted in open lines of communication and additional commitments with ongoing dialogue.

We also met with the board on June 24 and also attended the board's public meeting about the project that same night.

We've had multiple calls with the school's attorney and followed up timely to requests for information. The school has expressed interest in visiting the facility in Atlanta on Monday, April 13.

DC BLOX believes the school's questions and concerns either have been or can be addressed. DC BLOX intends to be a good neighbor with a less impactful use than other allowable I3 uses. We've outlined how open lines of communication will continue to progress through operations.

From: Westrick Brown, Mindy
Sent: Wednesday, June 17, 2026 10:51 AM
To: 'riberg@ics-charter.org' <riberg@ics-charter.org>; rmccloskey@ics-charter.org
Subject: RE: mtg request?

Hi Principal McCloskey & Rodney –

I wanted to reach back out to see if we could schedule a call this week or next to discuss the DC BLOX project in the Thunderbird Commerce Center. We would also invite you to visit Atlanta if you would like to visit the building that is operation and an identical replica of the building proposed in Thunderbird. We can get you to Atlanta as soon as you are able. Also, if it would be helpful to speak with St. John just 200+ feet away from DC BLOX we could arrange that as well, but their letter of support is attached to this email.

Thanks,
Mindy

Mindy Westrick Brown
Counsel
mindy.westrick@faegredrinker.com
Connect: vCard / LinkedIn / Twitter

+1 317 237 1375 direct / +1 260 645 0222 mobile / +1 317 237 1000 fax

Faegre Drinker Biddle & Reath LLP
300 N. Meridian Street, Suite 2500
Indianapolis, Indiana 46204, USA

From: Westrick Brown, Mindy
Sent: Monday, June 1, 2026 8:22 PM
To: riberg@ics-charter.org
Subject: mtg request?

Hi Rodney – I represent DC BLOX who has an interest in building a data center campus in the Thunderbird Commerce Center on a site that is zoned I3. More information can be found at DCBLOXIndy.com. DC BLOX will be in town on Thursday and Friday. Any chance you would have a few minutes to meet? DC BLOX would love to discuss their operation and history with you and answer any questions you may have. If you are not free on Thursday or Friday, we can find a more convenient time for you. They are across the street from a school in Huntsville, Alabama. I've attached more information for your review about that location and some positive feedback from school leadership there.

Thanks,
Mindy

Mindy Westrick Brown
Counsel
mindy.westrick@faegredrinker.com
Connect: vCard / LinkedIn / Twitter

+1 317 237 1375 direct / +1 260 645 0222 mobile / +1 317 237 1000 fax

Faegre Drinker Biddle & Reath LLP
300 N. Meridian Street, Suite 2500
Indianapolis, Indiana 46204, USA

From: Westrick Brown, Mindy
Sent: Monday, April 20, 2026 1:27 PM
To: 'rmccloskey@ics-charter.org' <rmccloskey@ics-charter.org>
Subject: RE: Thunderbird Commerce Center

Hi Principal – I wanted to follow up to see if you would have time for a call or in person meeting this week or next.

Thanks,
Mind

Mindy Westrick Brown
Counsel
mindy.westrick@faegredrinker.com
Connect: vCard / LinkedIn / Twitter

+1 317 237 1375 direct / +1 260 645 0222 mobile / +1 317 237 1000 fax

Faegre Drinker Biddle & Reath LLP
300 N. Meridian Street, Suite 2500
Indianapolis, Indiana 46204, USA

From: Westrick Brown, Mindy
Sent: Tuesday, March 31, 2026 12:06 PM
To: 'rmccloskey@ics-charter.org' <rmccloskey@ics-charter.org>
Subject: RE: Thunderbird Commerce Center

Just following up. Our client will be in town on Thursday if you would have any time to meet in person. Many thanks!

Mindy Westrick Brown
Counsel
mindy.westrick@faegredrinker.com
Connect: vCard / LinkedIn / Twitter

+1 317 237 1375 direct / +1 260 645 0222 mobile / +1 317 237 1000 fax

Faegre Drinker Biddle & Reath LLP
300 N. Meridian Street, Suite 2500
Indianapolis, Indiana 46204, USA

From: Westrick Brown, Mindy
Sent: Tuesday, March 24, 2026 1:27 PM