Data Centers Bi-Weekly Update

April 7, 2026

FRESH COAST
Climate Solutions

Bold Solutions. Transformative Action.

Emerging Themes

Investments & Market Activity

Major OH and IL projects move forward

- Investment scale, type, and development plan details emerge for the U.S. DOE + SoftBank's $33B, 9.2 GW PORTS Technology Campus in Piketon, OH
- Local officials in Joliet, IL approve land annexation for 1.8 GW, $20B campus

Wall Street's reactions to the AI-buildout

- Major lenders are creating dedicated, cross-disciplinary teams to fund the AI buildout, estimated by Citigroup to cost $3T globally by 2030
- Ahead of annual shareholder meetings, investors seek more data on tech giants' data center resource consumption and impacts to climate goals and risks

Research & Technology

New reports improve understanding of data center growth rates and cost impacts

- FERC annual report shows 24% CAGR in data center electricity usage nationally since 2020, led by MISO at 43% annual growth
- Studies on data center demand response programs highlight frameworks for 'flexible large loads' regulations; limitations to cost-saving for implementing demand response by itself

Alternate approaches to power data centers

- Google debates Fermi America over using grid-connected clean power vs. behind-the-meter gas to power data centers
- Investments in novel BESS technology by both Crusoe and Google

Legislation

Federal moratorium legislation

- Sen. Sanders and Rep. Ocasio-Cortez introduce companion bills in House and Senate that would pause new data center construction until new laws and protections are in place

Great Lakes states' varied approaches to data center regulations

- IN lawmakers reduced a proposed incentive to local governments that would host data centers through a late-stage bill amendment
- PA House approved ratepayer protection bill with clean energy requirements
- MI and NY seek Virtual Power Plant (VPP) legislation
- OH proposes new legislation that would require data centers to disclose water use information

Sustainability

'Fork in the road' for data center development strategies

- Google's proposed MI data center and SoftBank's announcement in OH provide two opposed approaches: grid-connected, flexible, clean energy vs. giant new gas plants
- Georgia PSC taken to court due to potential over-building of energy infrastructure

Academic and local efforts to study data center impacts

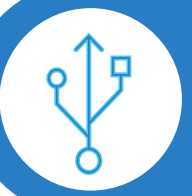
- UW-Madison white paper projects regional public health impacts tied to proposed southeast WI gas plants
- Urbana, OH City Council establishes committee to study data center impacts during 12-month moratorium

CATEGORIES OF NEWS UPDATES

Bi-weekly, Fresh Coast summarizes the latest data center industry news and assesses potential impacts across key categories for Joyce Foundation and stakeholders

Investments & Market Activity **1**

Sustainability **4**



Research & Technology **2**

Other Industry News **5**

Legislation & Policy **3**

Investments & Market Activity

Article/Link	Summary	Potential Impact
Updates on OH's $33B Data Center & Power Plant Project	**3/24/2026 (OH):** The U.S. Department of Energy (DOE) has announced a public-private partnership to transform a decommissioned uranium plant in Piketon, Ohio, into the PORTS Technology Campus. This project is part of the U.S.-Japan Strategic Trade and Investment Agreement. The data center will be supported primarily through 9.2 GW from a $33.3 billion natural gas plant funded by Japanese partners. Construction is expected to begin this year, and the site is expected to begin operations in early 2028. Read the Columbus Dispatch's by-the-numbers look at the proposed facility here.	**High** – The project's scale has alarmed critics as it is backed by federal support and billions in foreign private investment and would lock in carbon-intensive natural gas infrastructure.
Investors Step Up Pressure On Big Tech Over Data Center Water & Power Use	**4/6/2026 (National):** Investors are pressing Amazon, Microsoft, and Alphabet's Google to disclose more detailed data on the water and energy use of their rapidly expanding U.S. data centers, amid concerns that AI-driven growth is straining local resources and undermining climate goals. The pressure comes ahead of annual shareholder meetings and follows stalled data center projects and rising emissions, with North American data centers using nearly one trillion liters of water in 2025 alone.	**High** – The growing scrutiny could influence firms to improve transparency, adjust data center designs, and accelerate investments in water-efficient and clean-energy solutions to maintain investor support.
Wall Street Rushes to Finance the AI Data Center Boom	**4/2/2026 (National):** Major banks including JPMorgan, Goldman Sachs, and Citigroup are reworking their financing playbooks as AI data center projects balloon into tens of billions of dollars, pushing them beyond traditional real estate lending and into large-scale infrastructure finance. According to Business Insider, lenders are building dedicated, cross-disciplinary teams to tap private capital, debt markets, and institutional investors as the AI buildout could require as much as $3 trillion by 2030.	**High** – This shift positions Wall Street at the center of what bankers call the largest investment cycle in history while reshaping capital markets and accelerating the buildout of AI infrastructure.
$20B IL Data Center Approved	**3/24/2026 (IL):** Local authorities have approved a $20 billion, 795-acre data center campus in Joliet, Illinois, located about 40 miles southwest of Chicago, clearing the way for a four-phase development of 24 data center buildings with up to 1.8 GW of total capacity. The project, led by PowerHouse Data Centers and Hillwood Holding, promises substantial tax revenue and construction jobs but has faced vocal opposition from residents concerned about utility costs, water use, and community impacts.	**Medium** – The approval underscores how suburbs near major metro areas are becoming front lines of the AI infrastructure boom, forcing communities to weigh competing priorities.

Research & Technology

Article/Link	Summary	Potential Impact
50GW Online At End of 2025, MISO Leads Growth Rates	**3/26/2026 (National):** More than 50 GW of data center capacity was operating in the U.S. at the end of 2025, according to FERC's latest *State of the Markets* report, with the Midcontinent Independent System Operator (MISO) region posting the fastest growth of any RTO at 43% combined annual growth rate since 2020. The rapid scale-up is contributing to rising wholesale power prices and increasing pressure on generation and transmission planning, as data centers grow larger and more energy-intensive.	**High** – FERC's findings show that rapid data center expansion is no longer a theoretical risk for consumers, but a demonstrated cost driver.
Analyses of Data Center Demand Response	**3/26/2026 (National):** A BloombergNEF analysis examined whether making data centers more flexible in their power use could meaningfully lower electricity rates in the PJM grid, which has been hit by soaring capacity prices tied to rapid load growth. The study found that even widespread data-center participation in demand response would only modestly reduce wholesale prices, with most cost relief coming instead from adding new generation and storage capacity. (Source) **3/19/2026 (National):** A new Duke University Nicholas Institute policy brief argues that rapid electricity demand growth from data centers and other large users is straining grid reliability and pushing up costs, and that traditional "build-everything-for-peak" utility planning is too slow and expensive to keep pace. The authors recommend that states formally define a class of "flexible large loads" that commit to curtail electricity use when called upon, allowing faster interconnection, lower system costs, and better protection for existing ratepayers. (Source)	**High** – The reports show that while data center flexibility can speed interconnection and reduce system stress, it can't by itself shield consumers from cost impacts, making new generation, storage, and cost allocation reforms essential.
Google & Fermi America Offer Alternate Approaches to Powering Data Centers	**3/25/2026 (National):** At the CERAWeek energy conference, executives from Google and Fermi America, a for-profit energy group, debated over how to power the surging energy demands of AI data centers, with Fermi America advocating for off-grid "power island" models fueled by natural gas and nuclear energy, and Google arguing for grid-connected facilities supported by renewables and storage. Google warned that relying heavily on off-grid gas risks higher long-term costs, stranded assets, and missed opportunities to strengthen the broader electric grid	**High** – The debate highlights a pivotal choice facing the U.S. as AI scales – whether to double down on gas-heavy off-grid power, or pursue grid-integrated, cleaner energy systems.
Crusoe's Investments In Battery Tech	**3/25/2026 (National):** Crusoe announced it is investing in two unconventional battery solutions to power its data center expansion, signing a major deal with Form Energy for long-duration iron-air batteries and scaling modular data centers that run on repurposed electric-vehicle batteries from Redwood Materials. The strategy aims to provide round-the-clock clean power using solar plus storage, reducing reliance on fossil fuels while accelerating AI compute deployment.	**Medium** – Iron-air chemistry and repurposing EV batteries sets up a circular economy model to reduce the carbon footprint of AI computing.
MI Approves 1.3GW of BESS	**4/1/2026 (MI):** The Michigan Public Service Commission (MPSC) approved a portfolio of six battery energy storage system (BESS) projects to be developed by DTE. The portfolio includes 1 GW of capacity across three utility-scale sites (Big Mitten, Fermi, and Monroe I) to help the utility meet state-mandated energy storage obligations. The remaining 332 MW consists of three BESS assets specifically designed to support a 1.3 GW data center being developed by Green Chile Ventures (an Oracle subsidiary).	**Medium** – Battery technology could balance power demand while advancing MI's clean and renewable energy goals.

Legislation & Policy

Article/Link	Summary	Potential Impact
Proposed Federal Moratorium	**3/25/2026 (National):** Sen. Bernie Sanders and Rep. Alexandria Ocasio-Cortez have introduced legislation that would impose a national moratorium on new AI data center construction, arguing that a pause is needed to give Congress time to establish federal safeguards on energy use, environmental impacts, labor effects, and consumer costs. The proposal reflects growing local and state-level backlash over data centers' rapid expansion, driven by concerns about rising electricity bills, water use, and the absence of comprehensive federal AI regulation.	**High** – The bill signals rising pressure in Washington to address the growing political concerns over the AI infrastructure boom.
IN Scales Back Local Incentives In Final Version of Tax Bill	**3/26/2026 (IN):** Indiana lawmakers included a new incentive for local governments to approve data center projects in House Enrolled Act (HEA) 1210 but revised the provision late in the 2026 legislative session as part of final bill negotiations. The changes reduced payments from what the Senate had envisioned as electricity-based contributions potentially worth millions of dollars annually to a capped share of existing sales-tax exemptions, significantly limiting the financial benefit for communities that host data centers.	**Medium** – The reduced incentive highlights tensions between state efforts to attract development and local communities seeking meaningful compensation for development impacts.
PA House Approved Data Center Ratepayer Protection Bill	**3/24/2026 (PA):** The Pennsylvania House of Representatives has approved House Bill 1834 in a 104-95 vote to protect residents from rising electricity costs driven by data centers. The legislation tasks the Public Utility Commission (PUC) with creating a regulatory framework that prevents utilities from passing the costs of grid upgrades and infrastructure onto everyday consumers. Under the bill, data centers are held entirely responsible for costs related to network upgrades, grid reliability, and emergency capacity procurement. Additionally, the bill introduces a clean energy mandate that requires data centers to source 10% of their power from clean sources by 2027 and scaling up to 32% by 2035.	**Medium** – While the bill includes a clean energy requirement, the initial 10% threshold is relatively low (facilities can still rely on fossil fuels <90% in the near term).
MI & NY Consider Virtual Power Plant Bills	**3/25/2026 (MI & NY):** Lawmakers in Michigan and New York are advancing bills that would require state regulators and major utilities to establish Virtual Power Plant (VPP) programs. These programs are designed to pay owners of distributed energy resources (DERs) (such as home batteries, smart thermostats, and electric vehicles) for reducing grid stress during peak demand. The legislation in both states specifically prohibits utilities from owning the participating DERs, instead mandating access for third-party aggregators. MI's bill recently passed a Senate committee. NY's proposal sets an eight-month deadline for utilities to finalize VPP participants for batteries and EVs. These power resources could be deployed much faster than traditional power plants to meet rising demand.	**Medium** – If passed, incentivizing distributed batteries and flexible demand reduces reliance on carbon-intensive fossil-fuel peaker plants.
OH Water & NDA Regulation Proposed	**3/24/2026 (OH):** State Representatives Christine Cockley and Crystal Lett have introduced House Bill 784 to make the massive water consumption of Ohio's data centers visible. The bill mandates that these facilities provide monthly and yearly reports on their total water intake, daily maximums, and specific use cases (such as cooling). The legislation would prohibit use of Nondisclosure Agreements (NDAs) to hide water consumption data from local governments and the public.	**Medium** – If passed, enforcing water consumption reporting and banning NDAs improves transparency.

Sustainability

Article/Link	Summary	Potential Impact
Different Paths to Meet Data Center Energy Demand	**3/26/2026 (MI & OH):** A new Inside Climate News analysis contrasts two major Great Lakes data center proposals that underscore starkly different approaches to meeting surging electricity demand. Google's proposed project in Michigan aims to utilize renewable energy and load flexibility as its primary power source. By integrating with the grid through demand response agreements, this data center can ramp down its power usage during peak grid stress, potentially avoiding the need for new fossil fuel plants. In contrast, SoftBank's project in Ohio is centered on large natural gas plants, prioritizing speed to power connection over carbon goals, building a private utility to bypass grid interconnection delays. One path leverages the AI boom to accelerate the clean energy transition, while the other risks locking the region into fossil fuel infrastructure.	**High** – The choices made in these projects could set important precedent in shaping whether future data center growth accelerates the clean energy transition or locks in decades of new fossil fuel infrastructure.
Harmful Health Outcomes Could Be Tied to WI Gas Plants	**3/27/2026 (WI):** A report from the Climate Solutions for Health Lab at University of Wisconsin-Madison warns that two proposed natural gas plants in southeast Wisconsin (the Red Oak Ridge Energy Center and Foundry Ridge Energy Center) could lead to more than 118 premature deaths over their 30-year operational lifespans. Fine particulate matter (PM 2.5) from these facilities could drift across the Upper Midwest, with the heaviest impacts in southeast Wisconsin, the Chicago area, and western Michigan. While developers like Invenergy argue these plants are essential resources to back up renewable energy and support data center growth, health experts emphasize that there is no safe level of exposure to PM 2.5, which is linked to heart disease, lung cancer, and childhood asthma.	**High** – The findings add to growing scrutiny of data center-driven gas expansion by highlighting the potential health costs of new fossil fuel infrastructure.
Legal Challenges to Georgia Power's Expansion Plan	**3/26/2026 (GA):** Environmental and faith-based organizations, including the Southern Environmental Law Center and the Sierra Club, have filed a lawsuit in Fulton County Superior Court against the Georgia Public Service Commission (PSC). The petitioners argue that the PSC violated state law by approving Georgia Power's 10,000 MW expansion without proof that all new resources are necessary. Overbuilding infrastructure specifically for data centers (estimated to cost $50-60 billion) threatens to burden residential ratepayers with higher bills. The groups are asking the court to reverse the PSC's order and at least 757 MW of power generation targeted at a new gas unit at Plant McIntosh.	**Medium** – The lawsuit puts a national spotlight on how utilities and regulators can allocate financial risk from rapid data center growth.
OH County Data Center Study Committee Established	**4/1/2026 (OH):** The Urbana City Council has officially set the framework for a specialized committee to investigate the potential impacts of large data centers on the community. The committee will include city officials, local residents, and technical experts, and is tasked with analyzing how these industrial facilities might affect local infrastructure, residential utility rates, and zoning in the long-term. The council's goal is to create a proactive roadmap that allows the city to benefit from tax revenue and job creation without compromising the town's character or essential resources.	**Medium** – The committee could have the power to turn down developments that show more harm than good for the community.

Other Industry News

Article/Link	Summary	Potential Impact
Texas Potentially Remodeling Power Market	**3/26/2026 (TX):** Texas electricity regulators are considering remodeling the state's power market to manage the influx of data centers. Public Utility Commission (PUC) Chair Thomas Gleeson indicated that the state may rethink how transmission costs are distributed, since the current system allows large industrial users to avoid these fees by curbing their energy use during only a few peak hours each summer. With tech companies requesting to pull 226 GW from the grid (about 3x the current all-time peak of 85.5 GW) officials are concerned that current wholesale prices do not accurately reflect projected demand. The proposed changes aim to better incentivize new power generation.	**High** – Projected energy demand is rising at a scale that could necessitate fundamental restructuring of the grid to ensure reliability.
WI's Power Grid Expansion Decision Reversed	**3/24/2026 (WI):** MISO reversed a previous decision that would have given Blackstone-backed developer, Viridon, a key transmission project. It is instead awarded to the American Transmission Company (ATC), Wisconsin's largest transmission developer. ATC argued it was better equipped to meet the aggressive 2028 deadline for a new data center in Port Washington. Viridon's bid was significantly lower ($350 million), and ATC will now develop these substations into a much larger $1.3 billion buildout. This shift is a victory for established local utilities in ongoing struggles against out-of-state private equity firms controlling data center infrastructure.	**Medium** – If built as a local project rather than a regional one, the environmental and financial costs may fall on local ratepayers.
KKR's Liquid Cooling Tech Sold at High Value to Ecolab	**3/26/2026 (National):** Ecolab acquired CoolIT Systems, a direct liquid cooling company, from KKR for $4.75 billion. The sale is a major success for KKR's Global Impact Strategy, generating a return of approximately 15 times its 2023 investment. Ecolab plans to integrate CoolIT's hardware into its Cooling-as-a-Service model, combining liquid cooling with its existing expertise in water chemistry and digital monitoring to improve data center reliability and efficiency.	**Medium** – Investment in cooling tech that decreases water consumption can improve sustainability.
Small County Became a Green Energy Powerhouse	**3/29/2026 (CO):** Kit Carson County is experiencing a renewable energy buildout boom driven by its strategic location along Xcel Energy's $1.7 billion Power Pathway transmission line. The county already hosts eight wind farms producing 2.9 terawatt-hours of electricity annually. This capacity is set to double as developers like NextEra Energy and Apex Energy construct massive new projects, including the $834 million Dusty Rose I (500 MW) and Singing Grass (600 MW). Wind farms have become the county's largest source of property tax revenue.	**Medium** – Clean energy increases resilience and can also become a major economic driver.

Thank You

Let’s make bold changes together

Gunnar Carlson
gcarlson@freshcoastclimate.com

Rachel Cushard
rcushard@freshcoastclimate.com

Paul Gruber
pgruber@freshcoastclimate.com

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Climate Solutions