



Walter Wright, Jr.
wwright@mwlaw.com
(501) 688.8839

At the Crossroads/A Better Path to Managing Data Center Load Growth: Natural Resources Defense Council Report

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The National Resources Defense Council ("NRDC") published a report titled:

At the Crossroads: A Better Path to Managing Data Center Load Growth ("Report").

The authors of the Report include:

- McKenna Beck
- Jackson Morris

The focus of the Report is the rapid growth of artificial intelligence ("AI") technology.

One consequence of this development is stated to be the significant energy use. Some facilities are projected to use as much as 2 GW of power.

The Report projects that the 2023 data center percent of total United States electricity consumption of 4.4% will grow to 10% of total U.S. demand by 2029. This increase is stated to upend utility expectations that there would be a slow and steady increase in electricity demand over the next decade.

Concern is expressed that this load growth, along with electrification of various sectors (i.e., buildings, transportation industry, etc.) will result in electricity demand happening at a larger scale and greater than what utilities are prepared for.

Key components of the Report include:

- A Race to the Top: Strategies that Improve Speed to Connect Also Make the Grid Cleaner, Affordable, and Resilient
- Strong Consumer Protections Should Be the Baseline that Strengthens State Competitiveness
- States Should Only Incentivize Data Centers that Bring Benefits to Clean Energy, Ratepayer Affordability, and Grid Resiliency

The Report makes the following recommendations:

- PROTECT CONSUMERS
- REDUCE EMISSIONS
- INCREASE CERTAINTY OF FORECASTS
- IMPROVE PLANNING AND INTERCONNECTION QUEUES
- ENSURE RELIABILITY

A copy of the Report can be downloaded [here](#).