US Data Center Daily Briefing

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KEY THEMES

- Energinet pauses Denmark grid connections; 5–10 year waits
- EIA projects 46.1 Bcf/d gas power burn in 2027
- NextEra acquisition of Dominion sparks 70GW Virginia data-centre buildout fears
- LG ES Vertech 1.5GW/6GWh BESS supply deal with DTE

Energinet just hit the brakes on new grid-connection agreements for "very large" power users — explicitly including data centres — and warned some projects could be waiting **5–10 years** for full access. That's not a planning hiccup; it's a sign that in parts of Europe the constraint has shifted from "can you finance it?" to "can you physically get on the grid?" The interesting twist is how similar the underlying problem looks in the US: the load is showing up faster than the system can absorb it, and regulators are starting to write rules with data centres in mind.

The Big Stories

Energinet pauses new grid connections for very large consumers is the most concrete example in today's stack of what "grid scarcity" looks like in practice. Denmark's TSO is pausing new connection agreements for very large loads (data centres, batteries, Power-to-X), moving away from first-come-first-served queues toward a prioritisation framework based on project maturity and pooled assessments. The blunt line that matters: some projects may wait **5–10 years** for full grid access. If you're underwriting Nordic capacity growth (Arizton pegs regional data centre capacity rising from **367MW (2025)** to **~879MW (2031)**), this is the kind of policy change that turns a land-and-power story into a sequencing-and-permits story overnight.

The US version of the same pressure is showing up in fuel and generation forecasts. The EIA forecasts flat summer gas use, 2027 record: it expects summer 2026 natural gas consumption for power to average **43.7 Bcf/d** (flat vs 2025), but projects a jump to **46.1 Bcf/d** in summer 2027 (+6%). The EIA is unusually explicit about what's driving that growth: rising commercial and industrial electricity demand, including **new data centers and manufacturing in Texas (ERCOT) and Virginia (PJM)**, alongside a larger renewables share (25% in 2027). For data centre investors, the takeaway isn't "gas up/down" — it's that the power stack is being re-optimised around large-load growth, and the system is preparing for it.

Virginia is where that re-optimisation becomes political. NextEra acquisition of Dominion raises Virginia energy concerns with critics arguing the deal could facilitate up to **70GW** of data-centre-driven generation in Dominion territory (and **130GW across PJM**), with big questions on land use, eminent domain, and who ultimately pays. The Piedmont Environmental Council's warning is basically: consolidation could accelerate transmission and generation buildout across the state, and the cost-and-impact allocation fight will be brutal. Whatever you think of the critique, the headline point for markets is simple: "data centre load" is now being used as the justification for utility-scale consolidation and massive buildouts.

Pennsylvania is trying to get ahead of that tension by tying incentives to conditions. Pennsylvania unveils GRID standards for data center development would require state certification for developers to qualify for tax benefits — and then forces tax savings to be committed to public priorities, with certification linked to energy, community engagement, workforce, and environmental requirements. The proposal points to the current sales tax exemption costing **$517 million annually by 2030**, and sets investment and labour thresholds (including **$250 million** in new investment commitments) plus phased clean energy targets (**10% by 2027; 14.5% by 2030; 32% by 2035**). This is a clear signal that "tax break for capex" is becoming "tax break for measurable obligations," and other states watching data centre growth will copy the scaffolding if it survives.

On the infrastructure side, storage keeps moving from "nice-to-have" to procurement at scale. LG ES Vertech signs 1.5GW/6GWh supply deal with DTE covers eight DTE Energy projects delivered over two years, using LFP cells manufactured in the US and Canada (including Holland, Michigan). The story also nods to a practical reality in today's market: DTE previously sought to switch suppliers on the 220MW/880MWh Trenton project, claiming **~$30 million** in savings. For data centre operators, the relevance isn't brand-name batteries — it's that utility storage buildouts (and supplier reshuffles) are becoming part of the timeline risk and the cost pass-through conversation in load-heavy territories.

Behind the Headlines

The EU is quietly making "repairability" a supply-chain obligation, not a consumer nicety — and servers are in the blast radius. EU Directive extends repair rights to importers and distributors (Directive 2024/1799) requires Member States to implement a consumer right to repair by **31 July 2026**, with liability cascading from manufacturers to authorised representatives, importers, and distributors. It applies to products listed under Ecodesign Directive 2009/125 — explicitly including **servers and data storage products** — and foresees a European Repair Platform expected in **2027**. The investor angle: this can reshape lifecycle

economics (parts availability, repair channels, and warranty/recourse structures), and it pushes accountability downstream in ways that will matter to OEMs, distributors, and the secondary market.

APAC capital markets are still treating data centres as a multi-lane financing story — not just "big US sponsors plus local bank debt." Credit Sights: APAC data centre financing trends and shifts highlights a mix of bank/project finance, REITs, green bonds, and Islamic finance, anchored by domestic, regional, and international operators. The named examples matter because they show what's getting cleared by the market: Equinix's **S$1.15bn** SGD green bonds, AirTrunk's **A$1.8bn** debt for JHB1 (plus a potential **$1.5bn** REIT), and DayOne's **MYR15bn** financing with plans to raise **>$4bn** ahead of a dual IPO. If you're looking for where "AI-driven demand" turns into bankable structures, this is the breadcrumb trail — and it suggests APAC is standardising multiple instruments, not converging on one.

Buckeye, Arizona is turning into a case study in how land banking and power ambition collide — and how quickly non-data-centre projects can get repurposed. Buckeye emerges as hub for gigawatt-scale data centers reports Tract advancing a master-planned Buckeye Technology Park after buying **~2,069 acres** that could yield up to **20 million square feet** of data centre space and support up to **1.8GW** at full buildout. The kicker is the adjacent narrative: Fortescue Future Industries cancelled a **$550 million** hydrogen project and, via Phoenix Hydrogen Hub LLC, sought zoning changes for **~158 acres** that could be repurposed for data centres. Read that as a broader pattern: when a site already has industrial zoning momentum and an "energy mega-project" storyline, data centres can become the fastest monetisation path.

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