US Data Center Daily Briefing

January 15, 2026

KEY THEMES

- Gas generation M&A to add capacity in PJM/ISO-NE/ERCOT
- Co-location and integration of storage with new data centre campuses
- Hyperscaler commitments on cost pass-through and water use
- Clean Water Act Section 401 permitting scope under review
- NOx rules for gas turbines loosen with data-centre-relevant carve-out
- Power availability driving site selection into secondary US markets
- APAC power procurement and subsea connectivity build-out for AI-ready campuses
- Shift toward higher-voltage DC distribution and liquid cooling for AI racks

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Data centres & digital infrastructure briefing (Global) — 15 Jan 2026 (UTC)

Top news (3 developments)

1. **Large US gas generation M&A aimed at capacity-constrained markets**: Vistra to acquire Cogentrix for $4B, adds 5.5 GW across PJM, ISO New England and ERCOT (5,496 MW), with closing expected mid-to-late 2026 and a **$2.25bn senior secured notes** issuance to help fund the deal.
2. **A new 200MW data centre campus co-located with storage in Texas**: CyrusOne and Eolian to build 200MW Fort Worth data campus (DFW7). The site is **next to an existing 100MW battery energy storage system (Chisholm Grid BESS)**; Eolian plans to modernise that early utility-scale BESS to supply initial phases.
3. **Hyperscaler community/cost signalling on power + water**: Microsoft unveils Community-First AI Infrastructure strategy for data centers, including a pledge not to raise local residential power/water bills, a **40% water-use reduction target by 2030**, publishing regional water-use data, and stating it has **contracted with MISO to add 7.9 GW of generation**.

Key deals & projects

North America (US)

- **Fort Worth, Texas (data centre + BESS adjacency)**: CyrusOne and Eolian to build 200MW Fort Worth data campus
  - **Scale**: 200MW campus (DFW7).
  - **Power strategy**: sited beside **100MW Chisholm Grid BESS**; Eolian to **modernise** the BESS for initial phases.
  - **Timeline context**: Eolian identified the opportunity in 2023; CyrusOne broke ground in April 2025.
- **Van Buren Township, Michigan (community opposition + utilities pressure points)**: Protest planned over Panattoni 800,000-sqft Van Buren data center
  - **Facility**: proposed **800,000 sq ft** data center.
  - **Utilities**: estimated cooling water use **2–3.6 million gallons/day**; potential electrical demand **~1 GW**.
  - **Permitting/community**: protest planned; developer expected at Planning Commission **Feb. 11**; petition opposing has **1,300+ signatures**.
- **Municipal fiber build funding (indirect tailwind for edge/backhaul)**: New York announces $36M municipal broadband funding round
  - **Funding**: **$36m** via ConnectALL Municipal Infrastructure Program for open-access, publicly controlled broadband.
  - **Prior programme delivery**: **$268m** committed, funding **2,300+ miles of fiber** and **68 wireless hubs**, serving **96,000+ homes/businesses**.
  - **Process/timing**: applications open through **Apr. 30**; reviews start **Feb. 2**; projects must complete by **Dec. 31, 2026**.

Europe (UK)

- **Cambois / Northumberland enabling infrastructure narrative**: Council approves plan to extend Northumberland Line further
  - Corporate plan (2026–2030) references the **£10bn QTS data centre at Cambois**.
  - States the project is expected to unlock **£110m in additional funding**; full council approval recommended for **March**.

Asia-Pacific (Malaysia / Intra-Asia)

- **Johor (power secured for AI-ready campus)**: TM Nxera secures 280MW power for AI-ready data centre
  - **Power**: multi-year supply agreement with **Tenaga Nasional** for **280MW**.
  - **Campus**: Iskandar Puteri, Johor; **Tier 3, LEED-designed**, with **advanced liquid cooling**.
  - **Timeline**: first-phase commercial operations targeted in **2026**.
  - **Connectivity**: via TM and Singtel Group's Digital InfraCo **subsea cables**.
- **Subsea capacity build-out (regional connectivity backbone)**: NTT DATA group to build Intra-Asia submarine communication cable
  - Consortium created **Intra-Asia Marine Networks (I-AM NW)** (NTT DATA, Sumitomo, JA Mitsui Leasing).
  - Route links **Japan–Malaysia–Singapore** with additional links to **Korea, the Philippines, Taiwan**.
  - Technical: **SDM** and **WSS** technologies; up to **16 fiber pairs (32 cores)**; ~**320 Tbps**.

Power, grid & interconnection highlights

- **Gas generation consolidation in constrained US ISOs**: Vistra to acquire Cogentrix for $4B, adds 5.5 GW
  - Adds **5,496 MW** of modern natural gas capacity across **PJM / ISO-NE / ERCOT**.
  - Financing includes **$2.25bn senior secured notes**; approvals required include **FERC**, **DOJ HSR**, and state approvals.
- **Onsite/grid-tied dispatchable capacity pitch to data centres**: Enchanted Rock hires Regis Malloy to lead data center practice
  - Company positioning: **grid-tied onsite generation** for dispatchable, "lower-emission" capacity, backup power, and integrated O&M.
  - Explicit problem framing: data centres facing **power, interconnection, and reliability constraints**.
- **Power availability driving market selection (US)**: Power constraints push data centers toward emerging US markets
  - Notes constraints in major hubs pushing activity toward **secondary/tertiary markets** (examples cited: Pennsylvania, Carolinas, Central Washington, New Jersey,

Massachusetts) offering incentives, faster approvals, and power availability.
    - Illustrative capex momentum referenced: **OpenAI's Stargate (~$100bn)** and **Vantage Frontier (~$25bn+)**.

Policy & regulation

United States (environmental permitting + emissions)

- **Clean Water Act Section 401 scope proposed to be narrowed**: EPA proposes curbing states' Clean Water Act powers
    - EPA proposal would narrow states'/tribes' authority to review/condition projects under **Section 401**, aiming to limit delays for federally regulated projects including **pipelines and data centers**.
    - Includes submission requirements and review deadlines; EPA targets a **final rule in spring** after public comments.
- **NOx rule rollback for new gas turbines; carve-out relevant to data centres**: Trump EPA finalizes weaker NOx rules for gas plants
    - Final rule weakens NOx emissions requirements for new gas-burning turbines, including a carve-out allowing **temporary turbines used at data centers** to emit more NOx.
- **Digital trade barriers flagged as a risk to US infrastructure-led exports**: House Hearing Warns Trade Barriers Threaten US Tech Infrastructure
    - Hearing focus: foreign digital trade barriers, data localization, and IP enforcement issues as threats to the fiber networks and data centres supporting US AI/digital exports.

Technology, design & operations signals (what's changing inside the box)

- **Higher-voltage DC distribution debate is accelerating**: Higher-voltage DC proposed to meet AI data centre power demands
    - Proposal context: racks scaling to **~1MW**, facilities approaching **1GW**.
    - Claimed upside: **3%–5% efficiency gains** by removing conversions; copper savings cited at **~200 kg per 1MW rack**.
    - Enablers mentioned: **13.8kV AC-to-800VDC converters** and **solid-state DC breakers**.

- **Liquid cooling positioning continues to broaden beyond hyperscale**: Overview of Data Centers and AI-Ready Infrastructure Types
  - Focus on **liquid cooling distribution** and AI liquid cold plates, with an emphasis on energy efficiency and renewable power sourcing.
- **Environmental compliance/retrofit execution at operating data centres**: A-Gas Achieves Major Data Center Environmental Recovery Milestone
  - On-site recovery of **73,000+ lbs of R410A** from **five buildings (222 cooling units)** at a global technology provider's data center.
  - Estimated impact: **70,226 tons CO2e** prevented; included EPA documentation and refrigerant buyback payment.

2-line close

Grid capacity, emissions rules, and water/permitting politics are increasingly shaping where and how data centres get built.

At the same time, the stack is shifting toward new power distribution and cooling approaches as rack densities rise.

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