# US Data Center Daily Briefing

March 12, 2026

KEY THEMES

- Google $4.75bn Intersect Power digital power acquisition
- Xcel installs 300MW/30GWh Form Energy at Google Minnesota
- UK grid queue reforms prioritise AI data centres and Growth Zones
- Virginia PEC targets $1.9bn data-centre sales tax exemption

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Google isn't just buying servers anymore — it's buying the power stack. The company has agreed to pay **$4.75bn** for Intersect Power's "digital power" business, a deal that lands squarely in the messy intersection of grid access, generation, and AI-scale load. Pair that with a **30GWh** long-duration battery system slated to sit at a Google data centre in Minnesota, and you can see the shape of the next phase: hyperscalers trying to turn electricity into a controllable input, not a constraint.

## The Big Stories

Google acquires Intersect Power; IPX Power launches independent IPP. Google is acquiring Intersect Power's digital power business for **$4.75bn** (and assuming debt), while Intersect's grid-tied clean-energy assets have been spun out as **IPX Power**, an independent IPP majority-backed by TPG Rise Climate. IPX starts life with **4.4GW of solar** and **8.8GWh of battery storage** in California and Texas, with the combined transactions framed at **$12bn enterprise value**. This matters because it's a clean example of a hyperscaler moving "left" into power development and grid strategy — not just signing PPAs, but buying an operating platform that's built around data-centre load.

Google to host 30GWh Form Energy iron-air battery system. Xcel Energy plans to install **300MW/30GWh** of Form Energy's **100-hour iron-air** batteries at Google's Pine Island, Minnesota data centre to provide multi-day, around-the-clock power. Form's CEO called it the largest battery system by energy capacity ever announced globally. Put next to the Intersect deal, the message is blunt: "24/7" isn't marketing anymore — Google is lining up physical assets that can cover multi-day gaps, not just hourly or four-hour volatility.

UK reforms to prioritise grid connections for AI data centres. The UK government is consulting on reforms aimed at cutting speculative grid-connection applications and prioritising strategically important projects, explicitly including **AI data centres** and **AI Growth Zones**. The

National Energy System Operator says it has already cut the clean-energy connections queue by more than half; the reform package is pitched as unlocking **£40bn/year** of mainly private investment while saving billpayers **£5bn**. For developers, this is the clearest signal yet that "who gets in the queue" is becoming an industrial policy question — and that the old game of banking connection offers without near-term deliverability is being targeted.

PEC urges elimination of Virginia data center tax exemption. The Piedmont Environmental Council is pushing Virginia lawmakers to eliminate or phase out the data-centre sales-tax exemption for equipment, arguing it costs **more than $1.9bn in FY2025**. PEC points to Dominion Energy data showing **70GW** of cumulative demand and estimates **$100bn+** of generation, transmission, and substation investment required over the next decade to clear the backlog. This is what "AI load" looks like once it hits state budgets and ratepayer politics: incentives that were once an easy bipartisan win get re-litigated when the grid bill becomes tangible.

PDG raises $350M, plans up to $5B debt for expansion. Princeton Digital Group closed a **$350m** tranche, expanding a **$400m** HoldCo loan into a consolidated **$750m** facility, converted into a Sustainability-Linked Loan with a bank consortium including Barclays, BNP Paribas, Deutsche Bank, HSBC, SMBC, SocGen, and Standard Chartered. PDG also says it plans to raise up to **$5bn of debt** this year to fund contracted hyperscale capacity across Asia. The detail worth sitting with: the capital stack is scaling as fast as the campuses, and "contracted" capacity is increasingly the underwriting anchor — not a nice-to-have.

## Behind the Headlines

Scintil launches LEAF Light EVK for DWDM CPO. Scintil Photonics is pushing a very specific pain point: the power and density cost of AI scale-up networking. Its LEAF Light evaluation kit is aimed at letting qualified customers validate a single-chip **DWDM** laser source for **CPO**, with Scintil claiming **50% power reduction** versus single-wavelength CPO and availability in **Q2 2026** (with early access). The subtext is that the data centre power conversation is no longer just about GPUs and substations — optics is now part of the "watts per token" equation, and vendors are selling power reduction as a first-class feature.

800V DC architecture promising for high-density AI data centers. Enteligent is arguing that moving AI-first data centres to **800V DC** can cut copper use by **50%–80%**, lower annual energy OpEx by **8%–12%**, and save **$4m–$8m CapEx per 10MW**. The company says it's running NDA-level tests and pilots of an 800V-to-50V converter and plans a formal product announcement in the next few weeks. If these numbers hold up in real deployments, it's a

reminder that some of the biggest “new capacity” wins will come from electrical architecture choices that let existing constrained sites run denser — not just from building the next greenfield megacampus.

Environmental groups challenge fossil-fuel allowances for data centres. Friends of the Irish Environment, Friends of the Earth Ireland, and ClientEarth have applied for judicial review of Ireland’s utilities regulator policy allowing new data centres to source **80%** of electricity from renewables while permitting up to **20%** from on-site fossil generators. The case has been lodged in the High Court, with the groups arguing the rule breaches national climate targets and legislation. Investors should read this as a template: even where a jurisdiction has “compromise” rules designed to keep projects moving, that compromise can become the legal battleground — and backup generation, once treated as an engineering detail, is increasingly a permitting and litigation risk.

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