

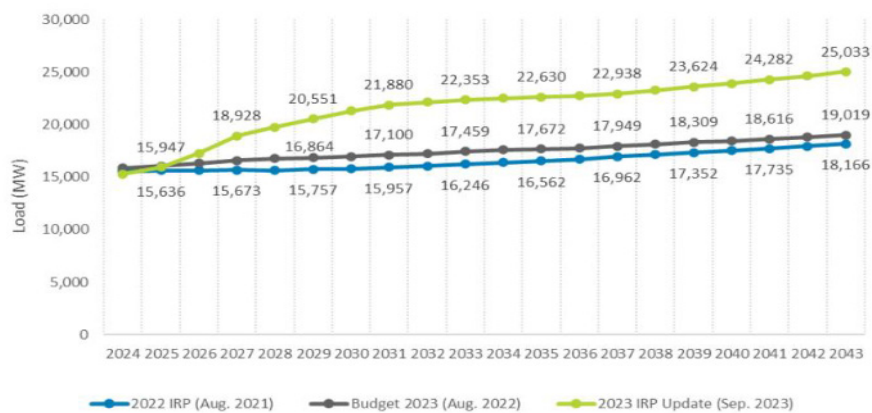
Southeast utilities are betting big on gas power plants and pipelines

Anticipated demand growth may not fully materialize, leaving ratepayers on the hook

Southeast utilities and gas pipeline developers are planning a major buildout and are poised to overbuild gas infrastructure in Virginia, North Carolina, South Carolina and Georgia. Consumers are subsidizing this buildout on the assumption the data center industry will increase demand rapidly. The focus on building out electrical infrastructure, including gas infrastructure, to serve data centers is slowing the energy transition.

Georgia Power is just one example of high expected demand growth.

Figure 1: Georgia Power IRP Load Forecasts¹³



Source: Georgia Power 2023 Integrated Resource Plan Update

Utilities are anticipating unprecedented demand growth.

- Major utilities in Virginia, North Carolina, South Carolina and Georgia are collectively forecasting the addition of 32,600 MW of electrical load over the next 15 years.
- The major driver of this load growth—particularly in Virginia, South Carolina and Georgia—is data centers. In these three states, data centers are responsible for 65% to more than 85% of projected load growth
- There is a significant risk of Southeast utilities overbuilding power plants and pipelines in response to projected data center energy demand that may not come to fruition.

