

DATA CENTERS
AND THE ENERGY SYSTEM

WHY DATA CENTERS MATTER TO ENERGY

- Data centers keep cloud services, digital tools, and AI workloads running, including surveillance.
- Their electricity use is continuously high, day and night, all year around.
- New large energy loads can reshape local power planning and infrastructure needs.



A large and constant source of energy consumption

- Servers and **cooling systems** require electricity around the clock.
- A new facility can create a substantial local load and **exponential water consumption both on-site and at the power plant**
- Demand growth varies with computing activity, efficiency, and site design.



DTE ENERGY FOSSIL FUEL+ DELIVERY

- DTE Energy provides energy needs for all its 2.3m customers including large load customers like data centers
  - DTE Energy announced this month they'll **expend $44 billion in 5 years** on system investments to meet rising energy demands
    - Data center demand expansion of the grid, interconnectedness and speed is at estimated 7 GW



THE ENERGY MIX SHAPES THE IMPACT

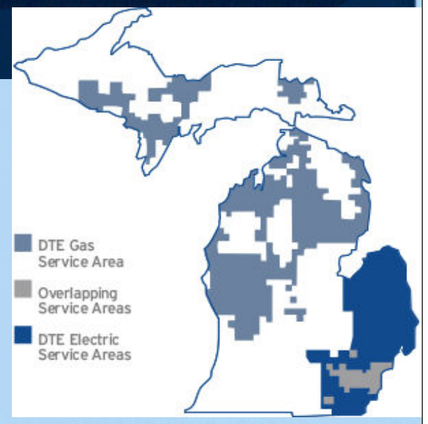
Fuel Source for the 12-Month Period Jan. - Dec. 2025	DTE Electric's Fuel Mix Used to Supply Electricity
Coal	43.766%
Nuclear	20.819%
Natural Gas	23.844%
Oil	0.032%
Hydroelectric	1.493%
Renewable Fuels Total	10.005%



THE ENERGY MIX SHAPES THE IMPACT

Michigan, like other states, is seeing a growth in data centers with three key infrastructural components

Water access
Energy infrastructure and capacity
Cost incentives (tax breaks)



Map source: Tishman Center for Social Justice and the Environment
Made available through publicly available energy data; Data Center locational data opensource via FracTracker

SCHOOL FOR ENVIRONMENT AND SUSTAINABILITY
TISHMAN CENTER FOR SOCIAL JUSTICE AND THE ENVIRONMENT
UNIVERSITY OF MICHIGAN

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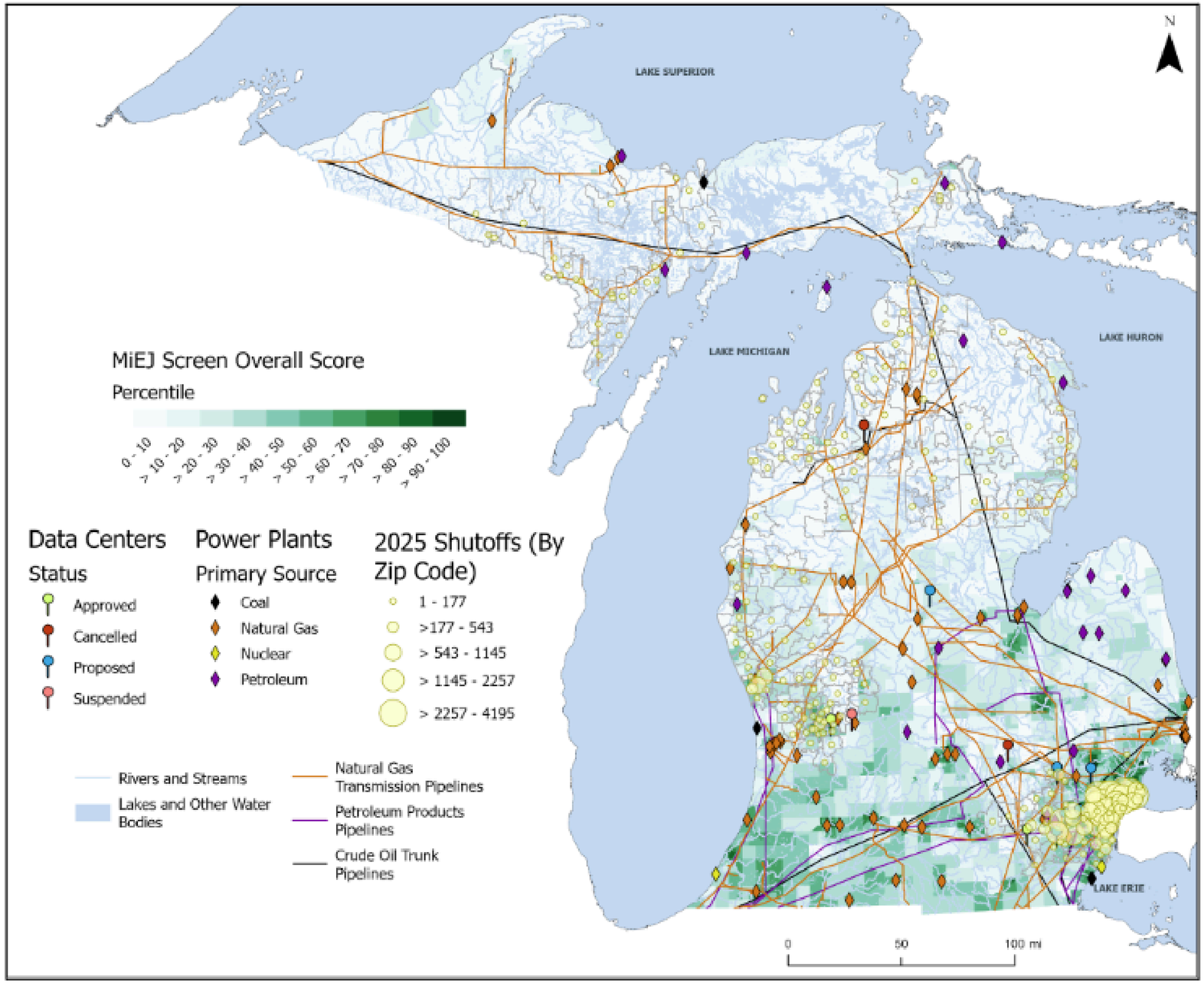
DTE Energy shutoff numbers by zip code (2025)

Michigan, like other states, is in an affordability crisis.

DTE performed

214, 136

shutoffs in 2025



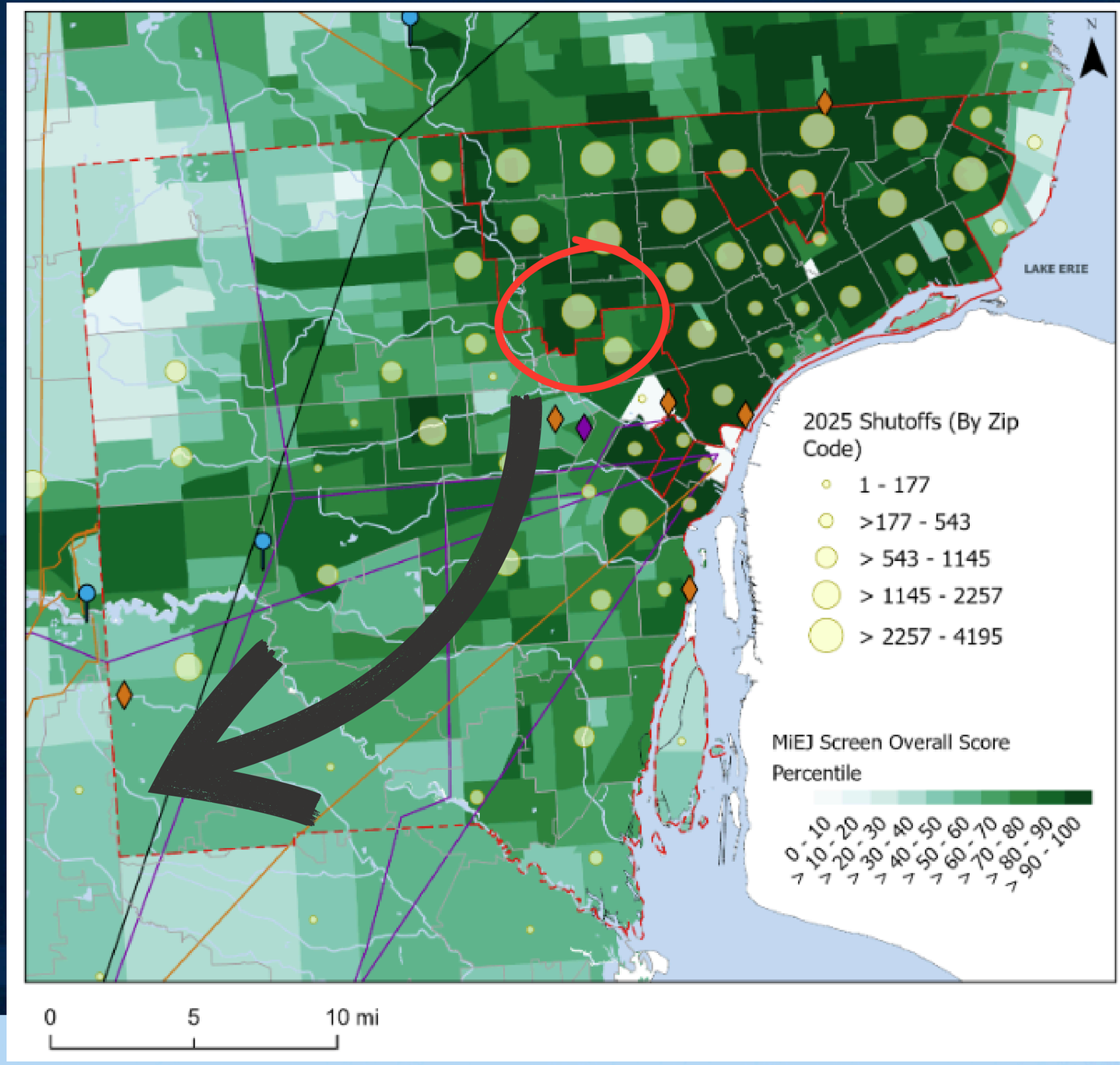
Map source: Tishman Center for Social Justice and the Environment
Made available through Energy Equity Project

THE ENERGY MIX SHAPES THE IMPACT

DTE Energy shutoff numbers by zip code (2025)

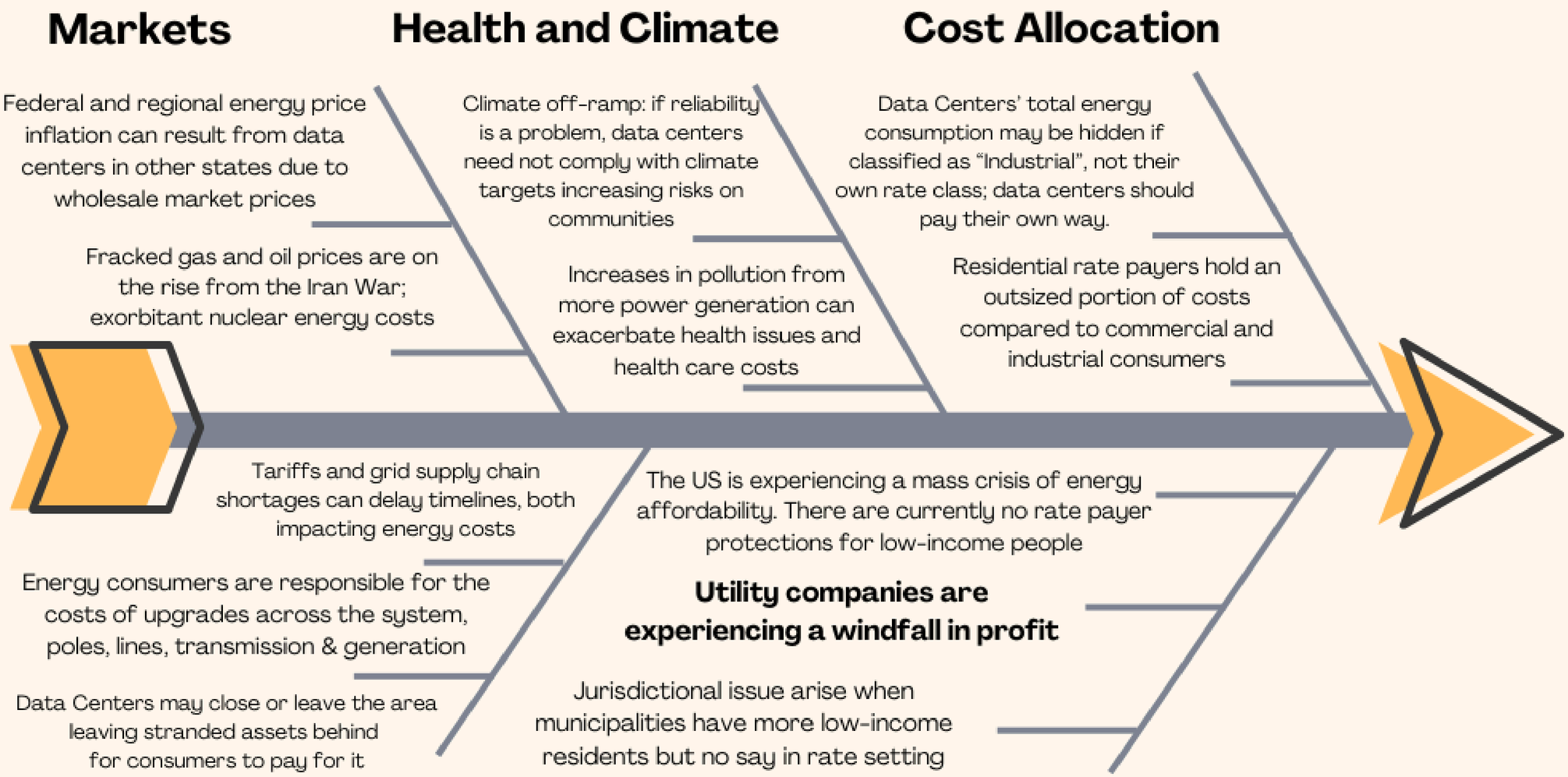
48228 zipcode
Detroit's Warrendale and Brightmoor

Experienced over 4000 shutoffs last year; equivalent to 1 in 4 households which has a child poverty rate of 50%



Map source: Tishman Center for Social Justice and the Environment
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Energy System Risks from Data Center Development

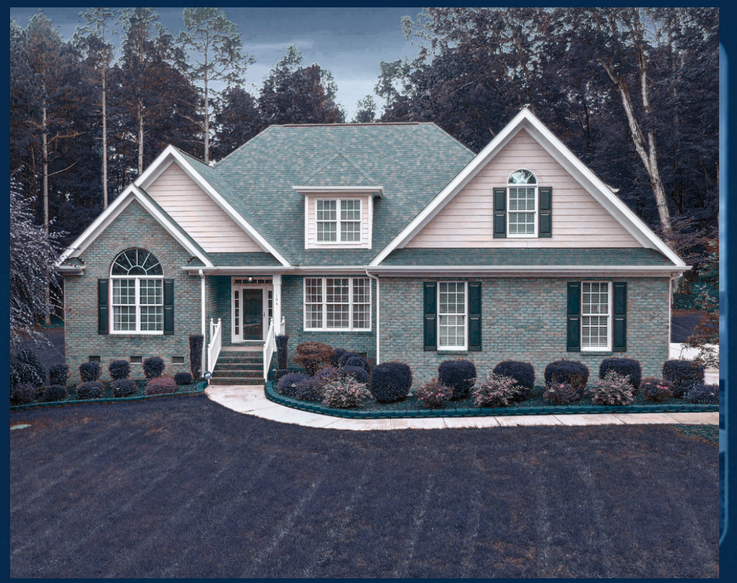


PLAN FOR GROWTH

Regulating the exponential growth of data centers







(NON COMPREHENSIVE) DC|E COMPLEX REGULATORY ARENA

MPSC

-Approves rates
-Regulates planning
-Appointed by Governor

EPA



MI LEG

-Establishes energy law
-Develops climate legislation
-MI State Environmental Protection

FERC

Oversees cross-state transmission
Regulates energy markets
Review gas pipeline siting, LNG terminals

EGLE

CONGRESS

-align siting and operations with grid conditions
-authorizes funding for energy funding
-sets legal parameters (ex: CWA, CAA and NEPA)

COMPLEX REGULATORY ARENA

MPSC

-Approves rates through rate cases
-Regulates energy planning
-Appointed by, not beholden to, Governor

Granted Oracle site “ex parte” proceedings to fast track development;

Approved Consumers energy data center with some minimum safeguards;

Approved DTE Energy special contracts with Google data center Oct ‘26 for upwards of 2 GW energy production.

DTE Integrated Resource Plan Currently under review through April-May 2027

-15 year planning document required by state law every five years
-includes two new gas plants totalling $6.6B
- Milan MI, and
Handy Township (Fowlerville)
-expanded Fermi 2
-supports the $44b, 5-year investment providing 9% compound ROI for investors

COMPLEX REGULATORY ARENA



CONGRESS

Bipartisan American Affordability Jobs Act [BAAJA]

Passed the US Senate YESTERDAY, off to the House
Did not go to Committee, nor did it have public hearings

- Eliminates guardrails for environmental protection through the Endangered Species Act, Clean Air and Clean Water Act
- Clears the way for fast-tracking gas pipelines and terminals without judicial review. eliminating NEPA review
- Fast-tracks data centers on public lands
- Threatens Indigenous sovereignty and decision-making on issues that impact Tribal nations through National HistoricPresevation Act
- Balloons national debt to expand grid availability for data centers

COMPLEX REGULATORY ARENA

Michigan State Legislature

Docket of bills

- Establish a new rate class (HB 6135)

- Regulate water usage of data centers, prohibit groundwater/surface water usage (HB 6138)

MORATORIUM

- Michigan local governments and the public service commission may not permit or approve new data centers until 2027 (HB 5594)