

What the Data Shows: Data Center Rate Impacts to Date

The quantitative literature examining data centers' impact on retail electricity rates is limited, in part due to the recency of the buildout and accordingly limited data.²⁰ Stakeholder interviews underscored this gap is widely recognized, and that most existing analyses focus on adjacent topics rather than examining direct rate impacts.²¹ Several forthcoming analyses commissioned by state entities may expand this evidence base, but the scope, depth, and timing of those assessments remain uncertain.²² More rigorous and targeted analysis, such as state-by-state event studies that compare outcomes before and after data center growth, is

needed, but there are significant analytical challenges given differences in development timing (e.g., in more developed markets such as Northern Virginia vs. more emerging markets), market structures, and regulatory frameworks.²³

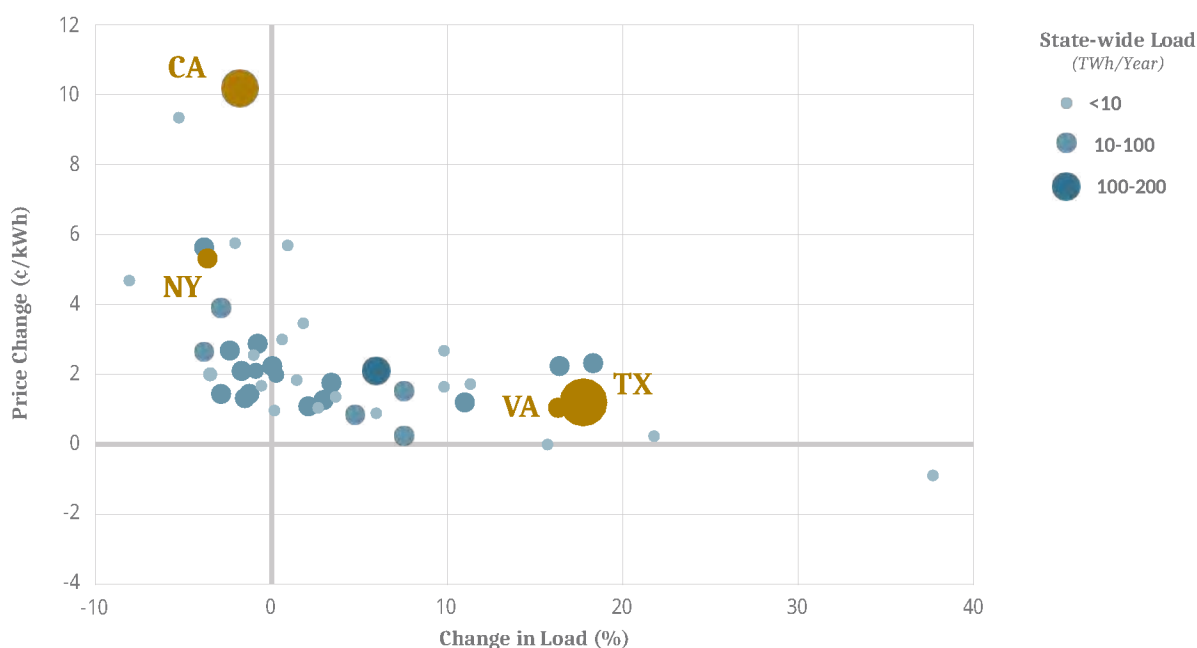
Of the quantitative studies evaluating the impact of data centers on rising electric rates, none have found evidence of historical cost shift to date. Forward-looking analyses highlight potential cost pressures that include valid concerns but are sensitive to assumptions and can be mitigated through effective policy, planning, and rate design.

Review of Historical Studies

The economic consulting firm Bates White recently conducted a study, plotting the change of nominal retail rates against the change in electric load on a state level and found the relationship was not clear.²⁴ Figure 4 shows states such as California and New York saw the largest price changes (due to wildfire-related costs, grid infrastructure investments, natural

gas volatility) but a reduction in load. States such as Texas and Virginia saw the largest increases in load and most data center growth but had some of the smallest price increases.²⁵ This comparison, however, only assesses correlation between the two outcomes without accounting for any other confounding factors that also affect rates.

Figure 4: Change in Load vs. Nominal Retail Price Change by State (2019-2024)



²⁰ Interview with Lynne Kiesling, Northwestern University, April 2026

²¹ Interview with Natalie Mims Frick, Lawrence Berkeley National Laboratory, April 2026

²² Interview with Natalie Mims Frick, Lawrence Berkeley National Laboratory, April 2026

²³ Interview with Lynne Kiesling, Northwestern University, April 2026

²⁴ Berry, C. A., Chadha, A., Erickson, G., Malech, S., & Sokol, B. (2026). *Leveraging large loads to improve the U.S. electricity system* (Technical report). Bates White Economic Consulting. https://www.bateswhite.com/media/publication/15039_Leveraging%20Large%20Loads%20to%20Improve%20the%20US%20Electricity%20System%20-%202026.pdf

²⁵ Lawrence Berkeley National Lab's "Retail electricity price trends and drivers: Data update—2026 edition" found similar results in its analysis examining 2019-2026, which is examined later in this paper.