Energy Affordability & Cost Allocation

Costs are being fairly allocated
An independent review in Virginia by the Joint Legislative Audit and Review Commission (JLARC) found that current rate structures appropriately assign costs to customers, including data centers. The report states "current rates appropriately allocate costs to the customers responsible for incurring them, including data center customers." While the report emphasizes a need to continue reviewing current practices and consider alternative approaches as system growth continues, it is important to note that the existing cost allocation and rate review practices have worked to date.

The same has also been found in other critical data center markets like Arizona, where the Arizona Corporation Commission (ACC) stated that "To date in Arizona, the data center industry is paying its fair share of expansion of power generation and infrastructure under existing utility rate structures and Commission practices."

Potential to lower or stabilize energy costs
From a PG&E press release: Growth in data center demand is good news for all PG&E customers. PG&E estimates for every 1,000 MW (or 1 GW) of new electric demand from data centers it serves, PG&E electric customers may save between 1-2% on their monthly bill in the long term, while serving those customers with some of the cleanest electricity in the United States.

Additional Resources & Perspectives

- Op-eds: LaPorte, Arizona, Red Oak
- The DCC LinkedIn page shares positive stories, including community impact stories.