

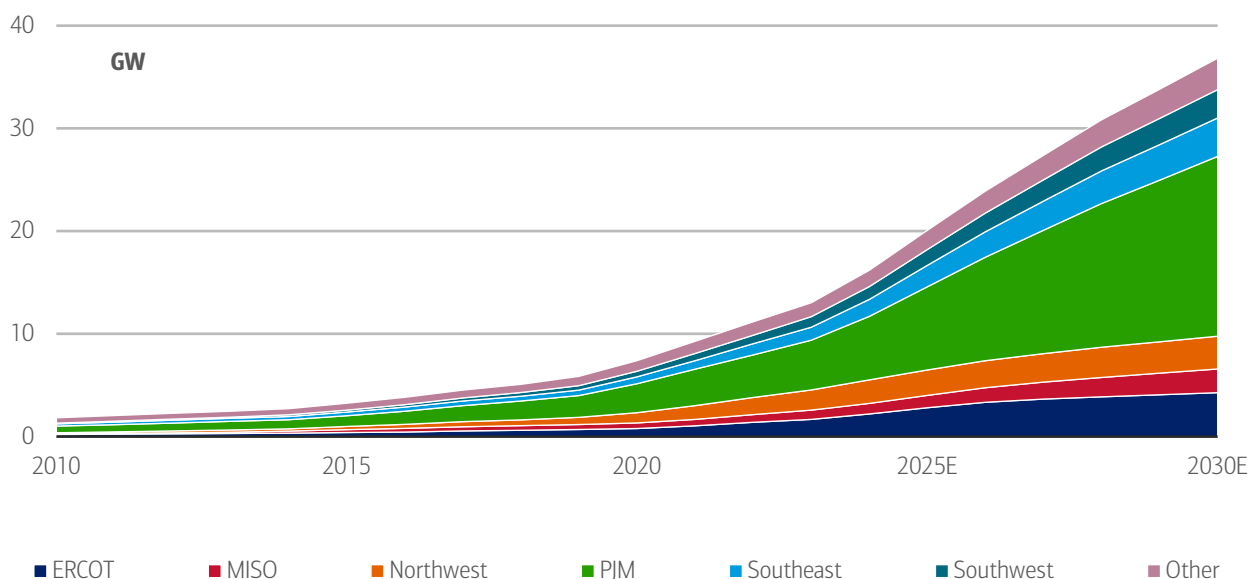
Daily Insights

Powering data centers: Regional trends

15 October 2025

Data center electricity demand could nearly double in the next five years, with much of this demand expected in PJM

Average hourly data center electricity demand (gigawatts (GW))



Source: BofA Global Research, BloombergNEF

Note: Pennsylvania-New Jersey-Maryland Interconnection (PJM), Electric Reliability Council of Texas (ERCOT), Midcontinent Independent System Operator (MISO)

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Recently, AI and data centers have gotten a lot of attention in energy markets, and for good reason – the race among technology companies to build data and computing capabilities will likely have a significant impact on regional power markets.

Notably, BloombergNEF estimates data center electricity demand could nearly double in the next five years, with much of this demand expected in the Pennsylvania-New Jersey-Maryland Interconnection (PJM). And according to BofA Global Research, although many technology companies have traditionally sited data centers in Virginia (due to strategic East Coast location, access to high-density fiber, and abundant affordable energy), the large power and land needs of data centers are forcing technology companies to search across regions to site future developments.

For more, read the Institute's publication: [Power check: Watt's going on with the grid?](#)

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