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Congress of the United States
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HOUSE COMMITTEE ON
SMALL BUSINESS

HOUSE COMMITTEE ON
VETERANS' AFFAIRS

HOUSE BUDGET
COMMITTEE

July 9, 2026

John R. Crockett III
President, LG&E
220 W Main St.
Louisville, KY 40202

Dear Mr. Crockett,

I am opposed to data center construction in the city of Louisville. For generations, working class Kentuckians have powered this nation's growth. Our coal has lit homes, built cities, fueled factories, and helped create enormous wealth for those far outside the communities that made it possible. We sacrificed miners, their families, and our land for the benefit of industry and have never been made whole. We must not repeat the mistakes of the past and again gamble with our community's long term economic and environmental health.

Despite our widespread community opposition, including in the South and West Louisville neighborhoods where data center projects will be placed, the Louisville Planning Commission approved construction of a hyperscale data center on Camp Ground Road, and phase one of that project is expected to come online this year.

In the United States, there are approximately 4,000 data centers. In 2024, data centers used 183 terawatt-hours (TWh) of electricity, or 4% of the country's total electricity consumption.[1] That amount is projected to grow by 133% to 426 TWh by 2030.[2] The companies that own, develop, and profit from these data centers often do not pay for this increased usage or bear the costs of bringing necessary capacity online. An analysis by Bloomberg found a 267% increase in electricity prices over the last five years in areas that had high concentrations of data centers.[3] These jumps have not plateaued. At least one analysis has found that by 2030 wholesale electricity costs could rise by 6-29%, with costs in data center epicenters like Virginia rising as much as 57%.[4]

The hyperscale data center planned for construction on Camp Ground Road in Louisville is expected to use 400 megawatts (MW) of power. This is the equivalent of adding approximately 280,000 households' worth of demand to the electric grid.[5] This single data center will result in an approximate 63% increase in demand on the grid. Phase one is set to be complete in October with 130 MW, the equivalent of 91,000 households, coming online.

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[1] Rebecca Leppert, *What we know about energy use at U.S. data centers amid the AI boom*, Reuters, October 24, 2025, https://www.pewresearch.org/short-reads/2025/10/24/what-we-know-about-energy-use-at-us-data-centers-amid-the-ai-boom/

[2] *Id.*

[3] Josh Saul, Leonardo Nicoletti, Demetrios Pogkas, Dina Bass, Naureen Malik, *AI Data centers are Sending Power Bills Soaring*, Bloomberg, September 29, 2025. https://www.bloomberg.com/graphics/2025-ai-data-centers-electricity-prices/

[4] Tristan Bove, *Americans' AI hate wave might just be gathering steam: Data centers could hike power costs in some states over 50% by 2030*, Fortune Magazine, May 19th, 2025. https://fortune.com/2026/05/19/data-centers-electricity-costs-us-public-opinion/

[5] WLKY News, *Get the facts: Data center in south Louisville gets green light from Metro development committee,* WLKY, June 19, 2025 https://www.wlky.com/article/data-center-south-louisville-green-light-metro-development-committee/65117140

We must not require working families, seniors, and small businesses, all of whom are already stretching every dollar to get by in President Trump's economy, to pay for the costs of bringing this much power online. **LG&E must ensure that this hyper-scale data construction and the development of infrastructure required to serve it do not increase costs for existing ratepayers.** To understand what steps LG&E is taking to ensure that does not occur, I request specific, detailed answers to the following questions by August 31:

1. What new infrastructure will be required only to serve the Camp Ground Road data center? Please include new generation, transmission lines, substations, distribution upgrades, and other necessary investments.

2. Will coal, natural gas, or some other source power new generation?

3. What is the total capital cost required?

4. Who will pay for these upgrades?
    a. What portion of costs, if any, will be borne by residential and small business ratepayers?
    b. Is the data center making upfront payments to cover development costs?
    c. Will the data center pay a tariffed rate for electricity?

5. What will happen to existing ratepayers if the data center does not operate at its expected 400 MW capacity or ceases to operate before it has met any payment commitments or obligations?
    a. Has LG&E secured protections against the data center stranding its assets?

6. Will existing residential and small business customers face higher risks of outages?

7. In case of extreme heat or extreme weather, will the data center get priority over existing ratepayers?

Thank you for your attention to this request. I look forward to your response.

Sincerely,

Morgan McGarvey
Member of Congress