

Chart of the Day

LEARN MORE
Click Here

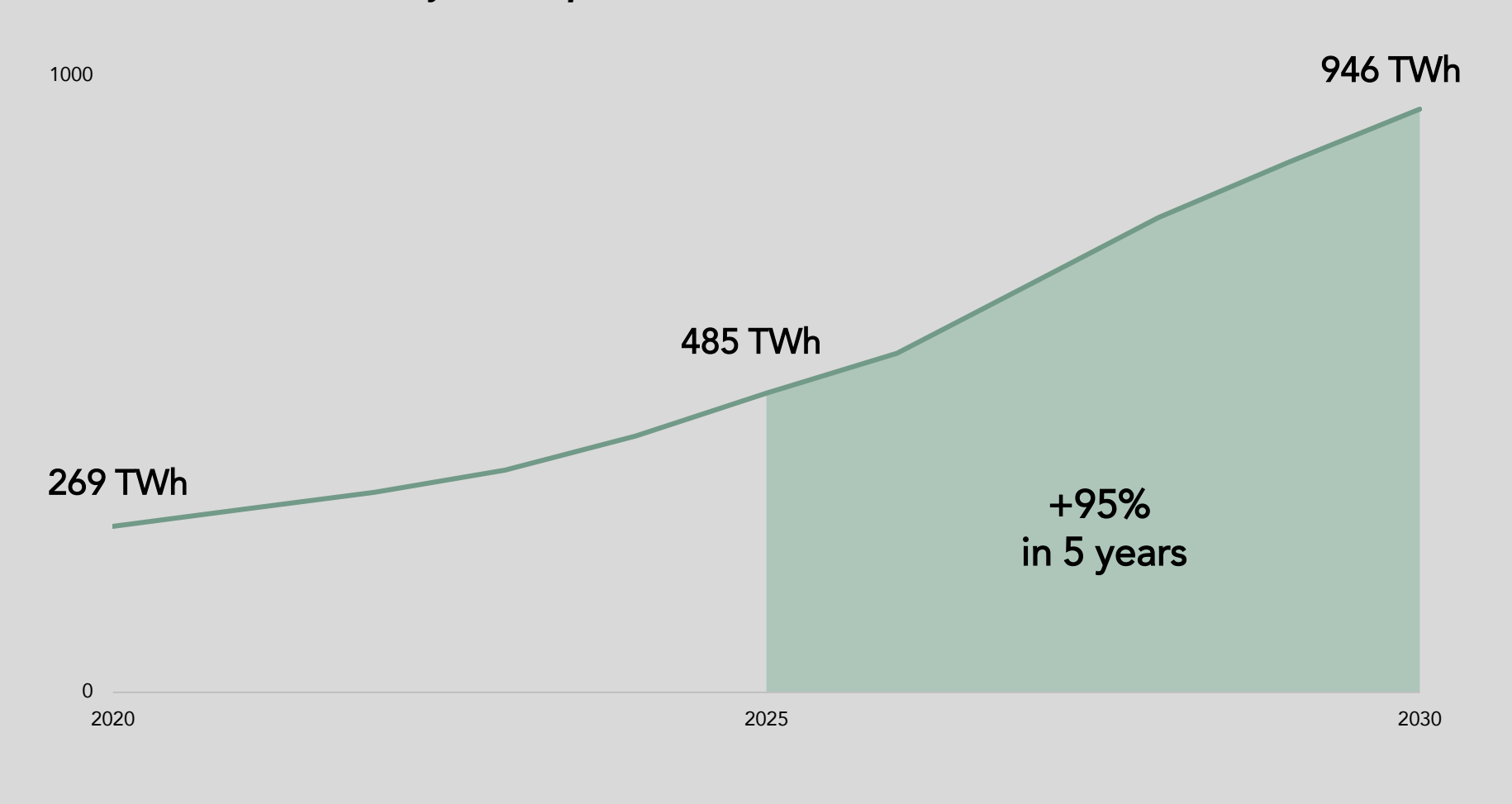
Top 10 Countries by Data Centers

The United States is the global leader in operational data centers by a wide margin, with more than 10x the number of any other individual country. Northern Virginia, Silicon Valley, Dallas, Phoenix and Chicago are the most concentrated data center regions nationally. Securing adequate and reliable utility power remains a critical gating item for data center expansion.



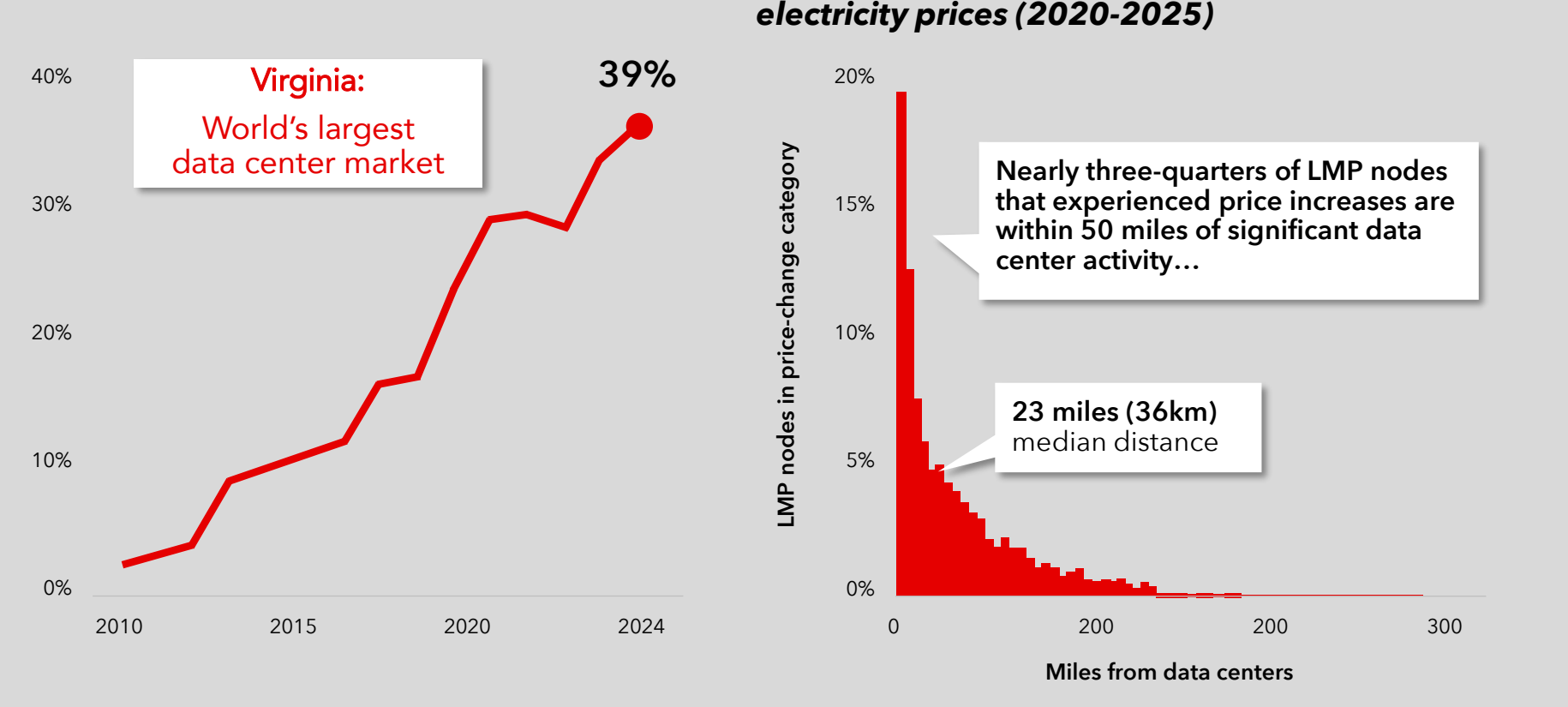
Data Center Electricity Consumption Will Double in 5 Years

Data center electricity demand is surging. The International Energy Agency (IEA) expects data center electricity use to double by 2030 to 945 terawatt hours.



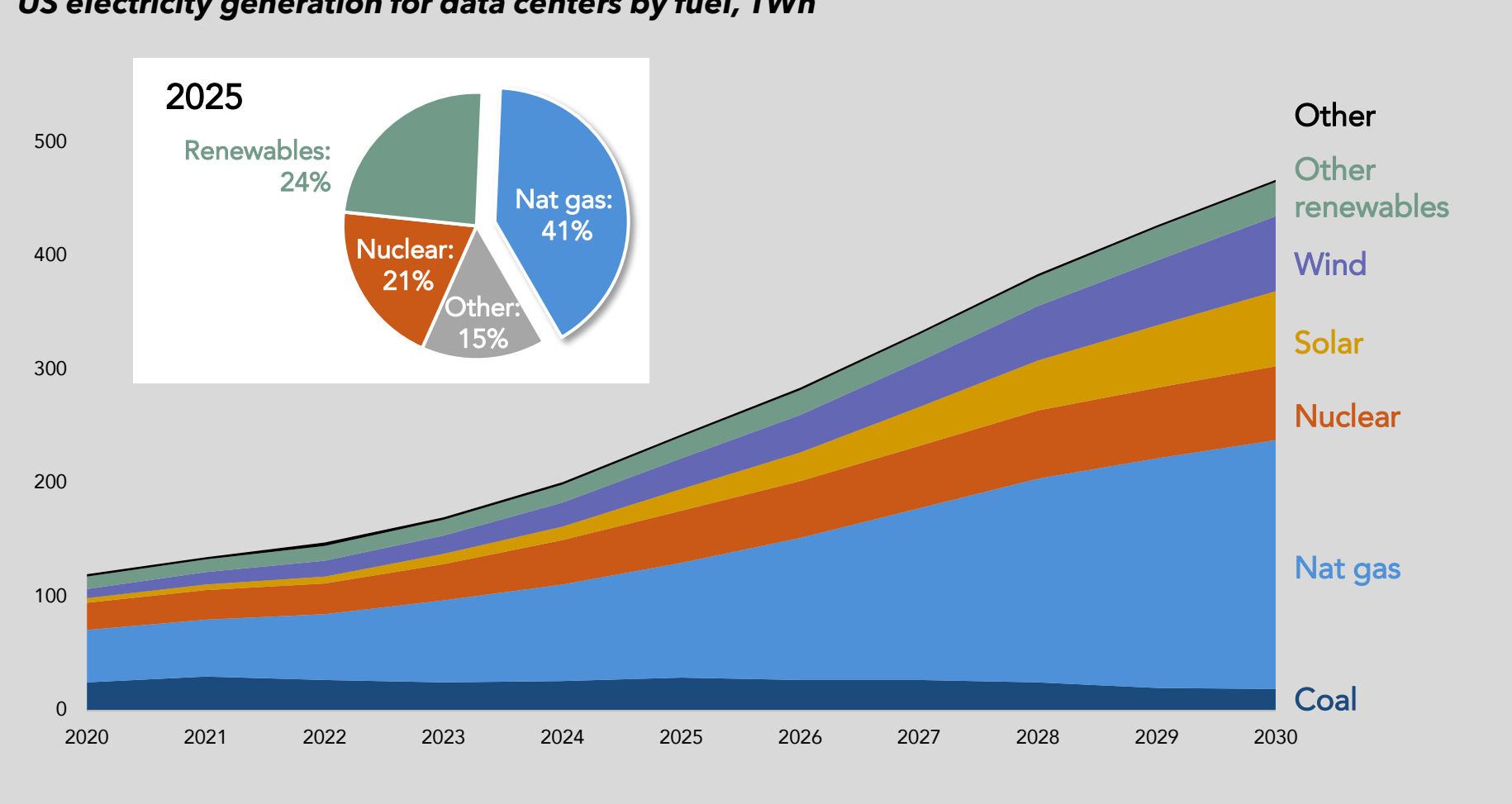
Data Centers Consume a Growing Share of Electricity

Data centers are a major driver of the surge in energy costs and are the largest source of new power consumption in certain US regions. According to data analyzed by Bloomberg, electricity costs have risen over 200% over the last five years in areas located near significant data center activity. In Virginia, the world’s largest data center market, data centers account for 39% of total electricity consumption in the state.

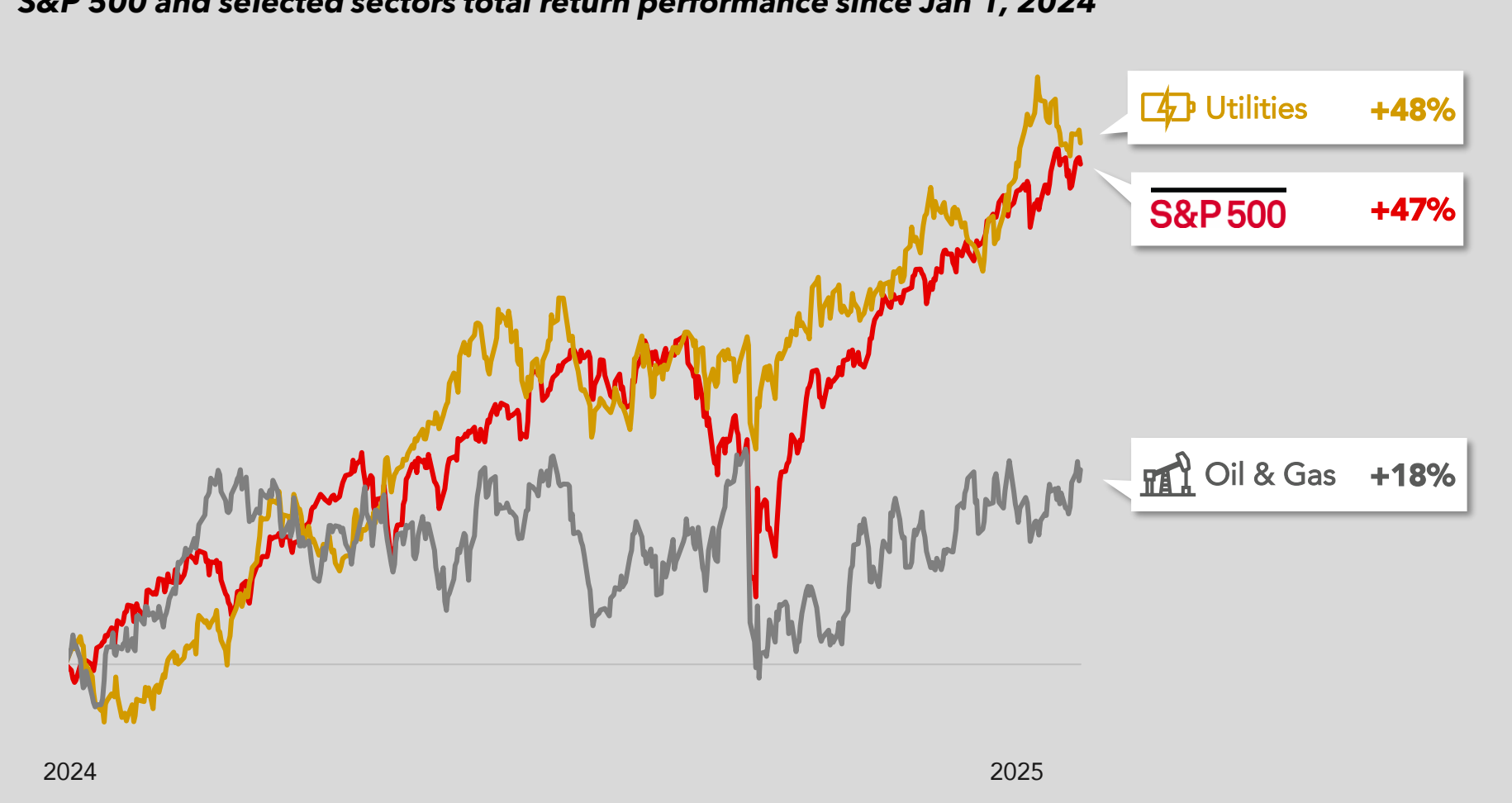


Breaking Down Data Center Energy Sources

Natural gas is the primary fuel source powering US data centers, supplying over 40% of data center electricity needs as of 2025. Reliance on natural gas extends from its ability to provide dependable and scalable electricity critical to the 24/7 demands of hyperscale data center infrastructure.

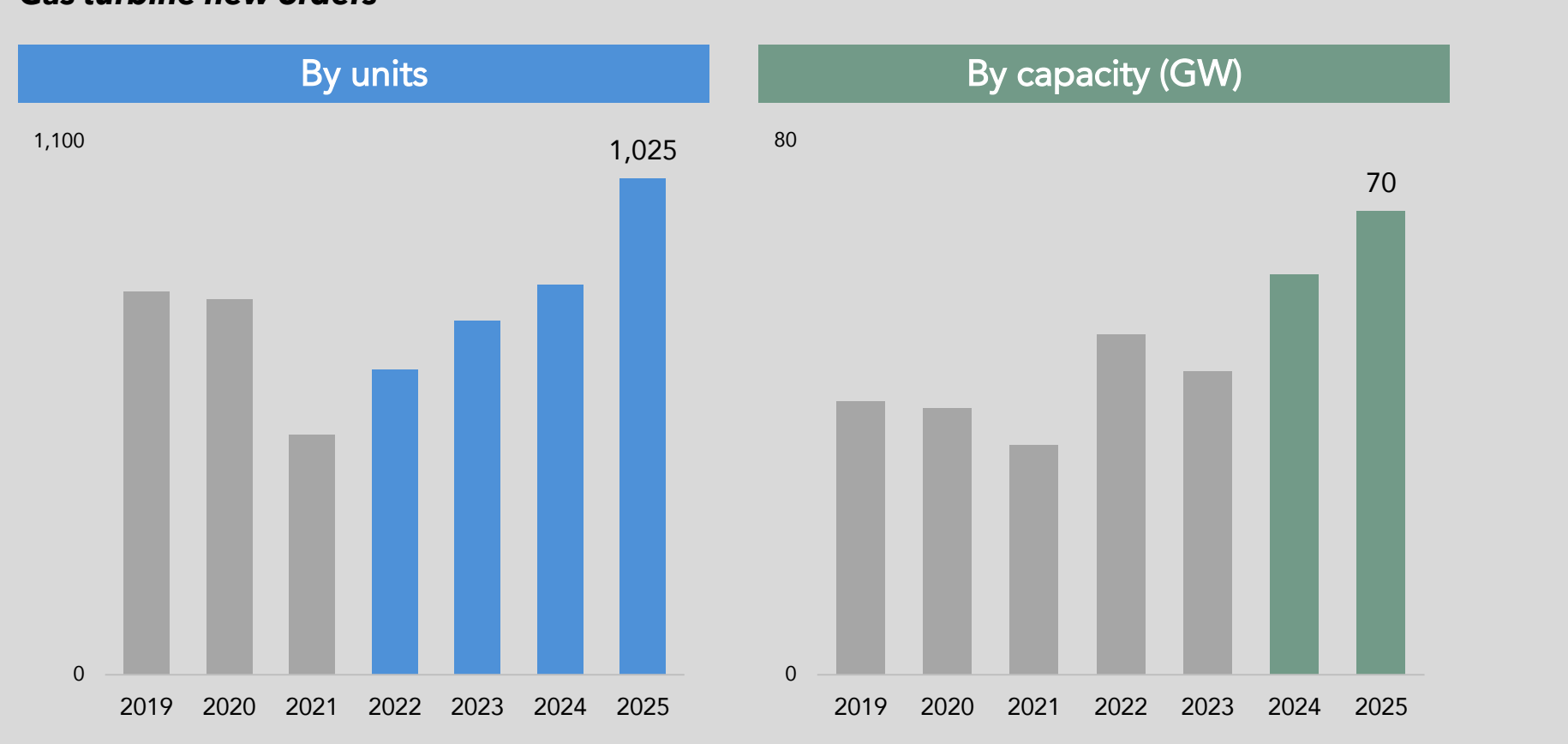


Utilities Stocks Benefitting from AI Power Demand



Global Demand for Gas Turbines

New orders for gas turbines are expected to increase to 1,025 units in 2025, a 27% y/y increase, driven by data center electricity demand. Companies in the US, Japan and Germany account for 2/3 of global supply and are struggling to increase production fast enough to keep up with demand. China by contrast has not deeply penetrated this market, as natural gas accounts for only 3% of China’s domestic electricity production.



Source: (1) Cloudscene. Data as of August 2025 (2) IEA, "Energy and AI". Data as of April 2025. Forecasts are base case scenario. 2025 is YE forecast. (3-4) Bloomberg, "AI Data Centers Are Sending Power Bills Soaring". GridStatus. DC Byte. Analysis includes a small number of nodes in Canada used by US RTOs. To determine significant data center activity, a dynamic threshold was used that took into account the total data center capacity in the area around any given LMP node. (5-6) IEA, "Energy and AI". Data as of April 2025. Forecasts are base case scenario. (7) Bloomberg. Data as of November 13, 2025. (8-9) Financial Times, "The fallout from the AI-fueled dash for gas". Dora Partners. 2025 is YE forecast.

Global Corporate & Investment Banking
Capital Markets Strategy Team

Tom Joyce
Managing Director
Tom.Joyce@mufgsecurities.com
(212) 405-7472

Stephanie Kendal
Vice President
Stephanie.Kendal@mufgsecurities.com
(212) 405-7443

Angela Sun
Associate
Angela.Sun@mufgsecurities.com
(212) 405-6952

“Macro stability isn’t everything, but without it, you have nothing.”