WEEKLY INTELLIGENCE BRIEFING

PowerAether Intelligence

Regulatory & Grid Intelligence for Data Center Developers & Operators

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THIS WEEK'S FOCUS

Ireland ends its data centre moratorium with the strictest large-load grid policy in Europe. Germany pivots from "first-come" to "first-ready" for grid connections. Ofgem strips a 460%-inflated UK demand queue. The EU's Q2 Data Centre Energy Efficiency Package will set the regulatory baseline for the rest of the decade.

IN THIS ISSUE

SECTION 01

Regulatory Radar — EU & National

EU Data Centre Energy Efficiency Package | Q2 2026 Publication

■ HIGH IMPACT

The European Commission will publish its full Data Centre Energy Efficiency Package in Q2 2026, alongside the Strategic Roadmap on Digitalisation and AI for the Energy Sector and the Cloud and AI Development Act. The package will introduce a common EU rating scheme, the first PUE / WUE / ERF / REF minimum performance standards, and stronger waste-heat recovery enforcement. The Commission opened a feedback call on the draft rating-scheme regulation 26 March — 23 April 2026, and a public consultation on the post-2030 framework runs 20 March — 12 June 2026. The package follows the first reporting cycle (data for 2024, submitted by 15 May 2025) under the recast Energy Efficiency Directive (EED) 2023/1791.

Developer/Operator Impact: The Q2 2026 package will set the binding regulatory baseline for the rest of the decade. Operators with strong PUE/WUE data will have standing in the consultation; those without instrumented metering will be set the standard *by* better-prepared peers. Engage in the consultation, instrument your sites for the second reporting cycle (data for 2025, due 15 May 2026), and pre-position your portfolio for likely minimum performance standards on PUE ≤1.2 (new builds), ≤1.5 (existing) by 2027, tightening to 1.3 by 2030.

Sources: energy.ec.europa.eu · whitecase.com · osborneclarke.com

EU Taxonomy + CSRD Overlay — Sustainability Finance Becoming Binding

■ WATCH

The EU Taxonomy Regulation's Climate Delegated Act and the Corporate Sustainability Reporting Directive (CSRD) overlay are now decisive for EMEA developers seeking institutional capital. Taxonomy alignment requires PUE thresholds, renewable factor targets, and adherence to the EU Code of Conduct for Energy Efficiency in Data Centres. CSRD has been partially scaled back under the 2025 Omnibus simplification package, but the core data centre disclosure requirements remain in force.

Developer/Operator Impact: Taxonomy non-aligned data centre projects increasingly fall outside the lending appetite of major European banks. Pre-finance taxonomy screening at site selection; the cheapest cost of capital for the rest of the decade will go to projects that are unambiguously aligned.

Sources: osborneclarke.com · whitecase.com

SECTION 02

National Regulator Watch

Active large-load regulatory regimes across Europe · Q2 2026. Source: iea.org · osborneclarke.com · individual regulator filings.

Country / Regulator	Mechanism	Effective / Status	Intensity
Ireland · CRU	Mandatory dispatchable on-site/proximate generation matching MIC; 80% renewable obligation over 6-year glide path; islanded gas-only DCs outside national policy.	Final decision Dec 2025; SOs publish process by 31 Mar 2026	STRICTEST EU
UK · Ofgem / NESO / DESNZ	"Curate-Plan-Connect" demand reform: stricter queue entry deposits, AI Growth Zone priority, ramped & flexible connection agreements, self-build of HV assets.	Phase 1 decision spring 2026; consultations close Feb–Apr 2026	ACTIVE REFORM
Germany · BNetzA + 4 TSOs	"First-ready, first-served" maturity-based grid allocation (replacing first-come). €50k application fee; €1,500/MW deposit. AgNES grid-charge redesign recognising load flexibility.	TSO concept 5 Feb 2026; live April 2026 subject to BNetzA approval	ACTIVE REFORM
Netherlands · ACM	De facto Amsterdam metro moratorium continues; pipeline shifting to secondary cities; TenneT congestion charges binding.	Standing constraint	CONSTRAINED
Spain · CNMC	No specific large-load tariff yet. Aragon/Zaragoza fast-track regional permits; large grid headroom; planned project sizes 7× the in-operation average.	Active investment; CNMC monitoring	CAPACITY AVAIL.
Nordics · SE/FI/NO/DK	Coordinated TSO planning, mature self-build ecosystem; low-carbon supply abundant but tightening; Sweden surplus projected to fall 65% by 2030.	Active growth; near-term capacity available	CAPACITY AVAIL.
France · CRE / RTE	TURPE tariff structure; transmission-shallow connection charges; large-load growth in Marseille (low-latency to Africa/India) + Paris saturation.	Stable framework; case-by-case quotation	STABLE
Türkiye · EPDK	Electricity Market Law No. 6446 governs connections; Istanbul, Izmir, Ankara emerging as DC hubs with available grid capacity; no large-load-specific tariff regime yet.	Active market growth; light regulatory touch	EMERGING HUB

Ireland — CRU Decision Deep Dive (Dec 2025)

■ HIGH IMPACT

Ireland's Commission for Regulation of Utilities (CRU) published its final 134-page decision on Large Energy User connection policy in December 2025, ending the de facto moratorium that had been in place since June 2021. The new policy is the most aggressive large-load regime in Europe.

Core requirements for new data centre connections:

• Dispatchable on-site or proximate generation/storage matching the data centre's Maximum Import Capacity (MIC), participating in the Single Electricity Market
• 80% of annual electricity demand sourced from *additional* renewable generation in Ireland — 6-year glide path from energisation
• Onsite generation must be separately connected and metered
• If performance/availability falls below minimum, SOs reduce the MIC
• Islanded gas-fired data centres explicitly outside national policy

Developer/Operator Impact: Any new Irish data centre project must now be underwritten as a combined load-plus-generation development, not a pure colocation play. The 80% renewable obligation creates a structural Irish PPA market: data centres must *add* renewable capacity to the system, not just procure existing output. Build the dispatchable generation cost into project IRR from day one.

Sources: CRU.ie decision paper · pinsentmasons.com · arthurcox.com · williamfry.com

SECTION 03

Grid Desk — TSO Capacity, Queues & Lead Times

AWS: Grid Connection Now a 7-Year Wait in Core European Hubs

■ HIGH IMPACT

Pamela MacDougall, head of energy markets and regulation for AWS EMEA, told Reuters in February 2026 that securing power for new data centres in Europe now takes up to 7 years — with grid waits in Frankfurt, London, Amsterdam, Paris, and Dublin (FLAP-D) extending to a decade according to IEA analysis. "We're finding more and more across Europe that certainty of the delivery date has continued to be delayed," she said. Time-to-power, not capital or land, is now the binding constraint on European hyperscale deployment.

Developer/Operator Impact: Any 2027–2028 capacity target requires a secured connection offer signed today — or a confirmed alternative location in Iberia or the Nordics where waits are 2–5 years. For projects already in queue, monitor your TSO's queue-reform proceedings closely: speculative cleanup may move you forward, but new financial commitment thresholds may also require fresh capital.

Sources: theregister.com · iea.org

UK Demand Queue Exploded 460% in 6 Months — Ofgem Cleanup Imminent

■ HIGH IMPACT

Ofgem disclosed that the UK transmission demand queue grew from 41 GW (November 2024) to 125 GW by June 2025 — versus actual UK peak demand of just 45 GW. Of the queue, NESO identified ~50 GW across approximately 140 data centre projects. Ofgem's February 2026 Demand Connections Reform consultation closed 13 March 2026; DESNZ's parallel "Strategic Demand Connections" consultation closes 15 April 2026.

Developer/Operator Impact: Phase 1 reform (spring 2026) will introduce milestone-payment thresholds, deposits forfeitable on missed milestones, and priority access for projects in AI Growth Zones or aligned with strategic energy plans. Phase 2 will extend strengthened criteria across all demand sectors. If your project is well-developed and strategically aligned, you may move up the queue. If not, expect to be asked for higher financial commitments to remain.

Sources: ofgem.gov.uk · gov.uk (DESNZ) · theregister.com · datacenterdynamics.com

Germany — TSOs Pivot to Maturity-Based Allocation (April 2026)

■ WATCH

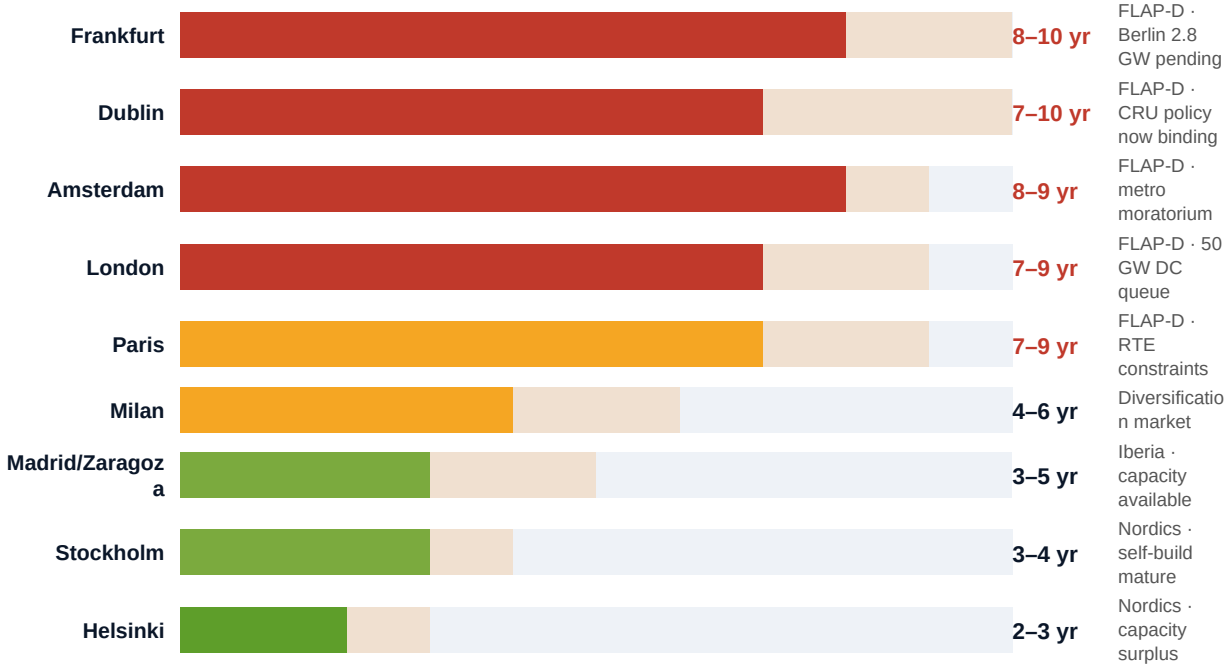
On 5 February 2026, Germany's four TSOs (50Hertz, Amprion, TenneT, TransnetBW) jointly published a concept paper proposing a maturity-based grid-connection allocation framework to replace the existing "first-come, first-served" rule under Section 4 KraftNAV. The proposal introduces annual application cycles, a €50,000 application fee, a €1,500/MW deposit on offer acceptance, and project scoring on maturity and grid/system benefits. Existing reservations grandfather under the old rule. Subject to BNetzA approval, the new process goes live in April 2026.

Developer/Operator Impact: If you have an active reservation in Germany, protect it. For new applications, expect to demonstrate planning, environmental permits, financing and construction-readiness in detail. Berlin alone has 2.8 GW of pending grid requests — more than the city's entire current grid capacity. BNetzA's Construction Cost Contribution (BKZ) position paper still expects 100% of capacity price in Berlin and Frankfurt; lower BKZ in northern Germany is creating a strong locational signal.

Sources: bakermckenzie.com · luther-lawfirm.com · dlapiper.com

EUROPEAN GRID-CONNECTION WAIT TIMES BY DATA CENTRE HUB

Years from connection application to energisation · Hyperscaler-stated and TSO-reported figures, Q1 2026



Bars show low end (solid) and upper-bound uncertainty (lighter). FLAP-D = Frankfurt, London, Amsterdam, Paris, Dublin. Sources: theregister.com (AWS) · iea.org · theregister.com (UK queue) · PowerAether analysis.

■ **Locational Arbitrage:** The 5–7 year wait-time delta between FLAP-D and Iberia/Nordics is now the dominant variable in EMEA site selection. Operators with flexibility on latency requirements (AI training vs. inference) can secure 2027–2028 capacity in Madrid, Zaragoza, Stockholm or Helsinki that is simply not available in Frankfurt or Dublin. Connectivity gaps to FLAP-D can be closed via dark-fibre leases.

SECTION 04

Connection Tariff & Cost Tracker (Europe)

Connection charge methodologies and indicative cost levels across European hubs · Q2 2026. Sources: BNetzA, Ofgem, CRU, RTE/CRE, ACM, regulator filings, and law-firm analysis.

Country	Tariff Methodology	Cost / Connection Charge Level	Term
Germany Berlin/Frankfurt	Construction Cost Contribution (BKZ) under EnWG	**~100% of capacity price in DC hubs**; lower in northern Germany per BNetzA Nov 2024 position paper	10–15 yr typical
UK	TNUoS + Connection Charge (NESO)	Wider works contributions under reform; deposits and milestone forfeiture being introduced (spring 2026)	10+ yr
Ireland	Shallow + connection method via SOs (EirGrid, ESB Networks)	Per-MW capacity charge plus mandatory dispatchable generation cost; 6-year renewables glide path adds PPA/build commitment	Glide path 6 yr from energisation
France	TURPE + RTE quotation (transmission-shallow)	Variable; lower than DE/UK on average; case-by-case quotation	Variable
Netherlands	ACM-supervised; queue-position-based + TenneT congestion charges	High effective cost in constrained zones; new connections largely unavailable in Amsterdam metro	10 yr
Spain	CNMC framework; transmission-shallow	Lower than FLAP-D; capacity available; regional incentives in Aragon and Castilla-La Mancha	Standard PPA terms
Sweden / Finland	SVK / Fingrid coordinated TSO planning	Predictable; mature self-build ecosystem; Sweden electricity tax reduced for DCs	Long-term PPAs standard
Türkiye	EPDK / TEIAS under Electricity Market Law No. 6446	Available capacity in Istanbul, Izmir, Ankara; light-touch large-load regime	Variable; emerging market

SECTION 05

Grid Connection Regulation, Interruptibility & Sustainability Compliance

European regulators are converging on three operational obligations for new data centres: (1) interruptibility / grid-stability participation, (2) on-site or proximate dispatchable generation/storage, and (3) sustainability reporting and minimum performance compliance. Below are the binding requirements and imminent standards.

Ireland — EirGrid Grid Code Modification (Fault Ride-Through)

■ HIGH IMPACT · IE GRID CODE

In November 2025, EirGrid published a Grid Code modification proposal addressing the risk that data centre transient-fault disconnections could create system frequency imbalances of over 1,150 MW if uncoordinated. The new Large Demand Facility ride-through requirements mirror the fault-ride-through obligations imposed on renewable generators a decade ago. Combined with the CRU's mandatory dispatchable on-site generation requirement, the regulatory model is now: data centres must remain on the grid through faults, and must back themselves up so they help — not destabilise — the system during emergencies.

Developer/Operator Impact: Power architecture for new Irish data centres must be designed to comply with both the CRU dispatchable-generation rule *and* the EirGrid ride-through requirement. UPS and switchgear specifications must support staying connected through grid transients while maintaining critical IT load. Engage power-system engineering at site selection — not at commissioning.

Sources: kpmg.com/ie · arthurcox.com

Germany — Energy Efficiency Act (EnEfG) Compliance Milestones

■ HIGH IMPACT · DE

Germany's Energy Efficiency Act (EnEfG) imposes the most prescriptive data-centre operational standards in Europe. Key milestones binding on operators in 2026:

Sources: mayerbrown.com · cov.com · wfw.com

EnEfG Compliance Calendar for Data Centres in Germany

Effective Date	Requirement	Applies To
1 Jan 2026 ■	ISO 50001 / EMAS validation or certification mandatory	DCs >1 MW connected load (300 kW for public-sector)
1 Jul 2026	New DCs: minimum 10% reused energy (waste heat) per DIN EN 50600-4-6; PUE ≤1.2	All new DCs commencing operation after this date
1 Jul 2027	New DCs: 15% reused energy. Existing DCs: PUE ≤1.5	Continuing obligation
1 Jul 2028	New DCs: 20% reused energy	Continuing obligation
1 Jul 2030	Existing DCs: PUE ≤1.3	All existing DCs

EU EED Reporting — Second Cycle Due 15 May 2026

■ HIGH IMPACT · ALL EU

All EU data centres with installed IT load ≥500 kW must report 18 KPIs covering PUE, WUE, ERF, REF, water input, waste heat reused, renewable share, and ICT capacity to the European database under the EED Delegated Regulation (EU/2024/1364). Second cycle reporting (data for calendar year 2025) is due by 15 May 2026. Some Member States require notification to the national agency first — e.g. Sweden requires notification to the Swedish Energy Agency by 27 April 2026 before EU database submission.

Developer/Operator Impact: The 2025 data submitted in May 2026 becomes the baseline against which the upcoming Q2 2026 EU minimum performance standards will be calibrated. Operators with poorly instrumented sites — or who under-report renewable use because guarantees of origin are not properly tracked — will set the bar lower than they could and end up with tighter standards relative to peers. Treat the May submission as a strategic disclosure, not just a compliance task.

Sources: energy.ec.europa.eu · eudca.org · energimyndigheten.se

Power Quality — European Regulatory References

Unlike the US (where IEEE 519 and NERC PRC are the typical references), European power quality obligations derive from EN 50160 (voltage characteristics) and IEC 61000 (EMC limits), but the binding requirements are in the connection agreement with the local TSO/DSO. Key parameters:

Key Practice Point: European interconnection agreements vary materially by country and by TSO. The Grid Codes — EirGrid in Ireland, National Grid ESO in the UK, BNetzA-approved TSO Codes in Germany, ENTSO-E network codes for cross-border — prevail over generic standards. Confirm at study stage.

Sources: entsoe.eu · cenelec.eu

Parameter	European Reference	Typical Requirement at PCC
Voltage characteristics	EN 50160 (CENELEC); local TSO Grid Code	Voltage tolerance, flicker, unbalance — binding limits in TSO interconnection agreement
Harmonic distortion	IEC 61000-3-6 / IEC 61000-4-7; EN 50160	Voltage THD: ≤8% LV, ≤5% HV typical. Current emissions in connection agreement.
Voltage ride-through	TSO Grid Code (e.g. EirGrid LDF code mod, Nov 2025)	Increasingly required for large demand facilities, not just generation. Project-specific.
Reactive power	ENTSO-E DCC / TSO Grid Code	Power factor 0.95 lagging typical at PCC; reactive compensation may be required ≥5 MW
Load flexibility / demand response	National regulatory recognition (DE AgNES, IE CRU, UK NESO)	Voluntary participation increasingly rewarded with preferential grid charges

SECTION 06

On-Site & PPA Power Strategies (Europe)

European data centre BTM and PPA strategies differ structurally from the US: gas-only BTM is contrary to Irish national policy, German Energiewende alignment favours renewable + BESS over on-site gas, and Nordic operators rely on grid hydropower rather than dispatchable backup. PPAs are the dominant instrument; physical on-site generation is rarer than in the US.

Notable European Data Centre PPAs and Hyperscale Investments (2024–2026)

Project / Buyer	Country	Scale	Notes & Source
Brookfield AI DC Campus	Sweden (Stockholm)	Up to $10 B / 750 MW IT	Largest European AI campus announcement; sentisight.ai
Microsoft Zaragoza	Spain (Aragon)	€2.9 B campus	Iberia capacity-availability play; sentisight.ai
XTX Markets Kajaani campus	Finland	€1 B+; first phase 22 MW; 250 MW full	Mega-campus; first phase live 2026; pexapark.com
Microsoft × European Energy	Denmark + Sweden	180 MW PPA	Solar + onshore wind PPA (Jun 2024); pexapark.com
Amazon × OX2	Finland	472 MW	Largest single Nordic IT-sector PPA; pexapark.com
Google × Spanish wind	Spain	35 MW wind PPA	Spanish renewable build-out; bebeez.eu
Google Skien	Norway	€600 M facility	Hyperscaler interest in Norway hydropower; pexapark.com

European BTM Watchpoints: (1) **Ireland:** dispatchable on-site generation now *regulatory*, not discretionary — model the cost in project IRR. (2) **Germany:** EnEfG waste-heat reuse will require district-heating offtake agreements at greenfield sites; budget 12–18 months for municipal coordination. (3) **Nordics:** tightening power balance (Sweden surplus down 65% by 2030) is gradually eroding the Nordic cost advantage — lock in long-term PPAs now. (4) **Spain:** abundant capacity but renewable curtailment risk; storage co-location may be required for taxonomy-aligned PPAs.

SECTION 07

Deals, Projects & Market Signals

Germany Adopts National Data Centre Strategy (18 March 2026)

The German federal government adopted its National Data Centre Strategy on 18 March 2026. Targets: **doubling overall capacity** and **4× increase in AI/HPC capacity by 2030**. Key measures include accelerating grid connections, the new maturity-based allocation procedure, flexible connection agreements, and explicit recognition of data centre load flexibility in the AgNES grid-charge redesign. The strategy is non-binding policy framework but signals strong political commitment to digital infrastructure.

Market Signal: Germany is now positioning itself as Europe's largest AI infrastructure hub. Expect concrete legislative measures (KraftNAV revisions, EnWG amendments) in the second half of 2026 to give the strategy legal force. AI Gigafactory siting will be a major investment prize.

Sources: morganlewis.com · luther-lawfirm.com

Nordics: Power Balance Tightening Despite Capacity Build-Out

Statnett forecasts Nordic data centre consumption rising to 28 TWh/yr by 2030 (from 8 TWh/yr in 2024). Svenska Kraftnät projects regional power surplus falling from ~53 TWh in 2026 to 29 TWh by 2030. Sweden's surplus alone could fall 65% to 12 TWh by 2030. Norway has 3.5 GW of reserved data centre capacity and a queue of 5.4 GW — substantial growth from prior baselines.

Market Signal: The Nordic cost-and-availability advantage is real but finite. Operators making location decisions in 2026–2027 should secure long-term PPA pricing now, before the tightening power balance is fully priced into electricity markets. Norway's reserved capacity exceeds the previous decade's baseline expectations and creates pressure on the country's historically low prices.

Sources: argusmedia.com · dcbyte.com

IEA: Average European DC Project Size Tripling — Spain Up 7×

IEA analysis published November 2025 finds that average data centre project sizes are growing significantly across Europe — in the Netherlands, planned project capacity is now 3× the average of operating facilities, and in Spain, 7×. If the announced pipeline is fully realised in Germany and France, installed data centre capacity would represent 5–10% of peak electricity demand today — a structural change in load composition.

Market Signal: The data centre sector is no longer additive to European electricity demand — it is becoming a primary driver. Expect regulatory attention to scale accordingly, with cross-cutting EU and national interventions on connection costs, sustainability standards, and market design.

Source: iea.org

SECTION 08

Regulatory Calendar — Next 90 Days

Date	Body	Action	Reference
27 Apr 2026 ■	Sweden / EU	Notification to Swedish Energy Agency required before EU EED database submission	energimyndigheten.se
15 May 2026 ■	EU Commission	Annual EED data centre database submission (data for 2025) for all DCs ≥500 kW IT	energy.ec.europa.eu
April 2026	Germany / BNetzA	Maturity-based grid allocation procedure goes live (subject to BNetzA approval)	bakermckenzie.com
15 Apr 2026	UK / DESNZ	Strategic Demand Connections consultation closes	gov.uk
Q2 2026	EU Commission	Data Centre Energy Efficiency Package + Strategic Roadmap Digitalisation/AI + Cloud and AI Development Act	energy.ec.europa.eu
Spring 2026	UK / Ofgem	Phase 1 Demand Connections Reform decision: deposits, milestone payments, AI Growth Zone priority	ofgem.gov.uk
June 2026	UK / NESO	tCSNP2 refresh published — transitional Centralised Strategic Network Plan reflecting connections reform	ofgem.gov.uk
1 Jul 2026	Germany / EnEfG	New DCs commencing operation must meet 10% reused-energy minimum + PUE ≤1.2	mayerbrown.com

SECTION 09

The Bottom Line — 3 Takeaways for Leadership

1

Risk: Time-to-power is the binding constraint on European deployment.

With grid-connection waits of 7–10 years in FLAP-D and only 2–5 years in Iberia and the Nordics, every 2027–2028 capacity target requires a secured connection offer signed today — or a confirmed alternative location. The 5–7 year delta is the dominant variable in European site selection. Operators with flexibility on latency requirements can capture capacity in Madrid, Zaragoza, Stockholm or Helsinki that is simply unavailable in Frankfurt or Dublin.

2

Opportunity: Ireland's mandatory on-site dispatchable model is the template product.

The CRU's December 2025 decision — mandatory dispatchable generation matching MIC plus 80% additional renewable obligation — is the most aggressive large-load regime in Europe, and other regulators are watching. Whoever can package "data centre + dispatchable generation + 80% additional-renewable PPA" as a turnkey solution will win the next wave of Irish, UK, and eventually German deployments. The combined product is materially different from US BTM.

3

Action Required: Build EU EED reporting capability now, not in May.

The 2026 EED reporting cycle (data for 2025, due 15 May 2026) is the baseline against which the upcoming Q2 2026 EU minimum performance standards will be calibrated. Operators with poorly instrumented sites or under-reported renewable use will set the bar lower than they could and end up with tighter standards relative to peers. Treat this submission as a strategic disclosure, not a compliance task. Add: confirm Member State notification deadlines (Sweden 27 Apr; others vary).

Key Reference Links · energy.ec.europa.eu · entsoe.eu · ofgem.gov.uk · cru.ie · bundesnetzagentur.de · eudca.org · poweraether.com