

## Both Sides of the Issue

# Data Centers

*The Impact of AI Data Centers (ABC News)*

*Watt's the Problem with Data Centers? (John Stossel)*

[stosselintheclassroom.org](https://stosselintheclassroom.org)

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## Objectives

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Students will be able to:

- describe the central concern each video raises about the rapid growth of data centers.
- contrast how the two videos explain the effect of data centers on electricity costs.
- propose a policy approach to data center development that responds to concerns raised in both videos.
- judge which side supports its position with stronger evidence, while acknowledging the strongest point made by the other side.

## Concepts & Key Terms

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The following terms appear across both videos in this pairing. Understanding them will help students follow the arguments and engage in discussion.

**Artificial intelligence (AI):** computer technology that performs tasks normally associated with human thinking, such as answering questions, recognizing images, or generating text.

**Data center:** a large building filled with computer servers that store, process, and deliver digital information, including the computing power behind AI tools.

**Eminent domain:** the government's power to take private property for public use, even over the owner's objection, usually in exchange for payment.

**Gigawatt:** a unit of electric power equal to one billion watts, used to describe the output of large power plants or the demand of very large facilities.

**Grid (electric grid):** the connected network of power plants, transmission lines, and equipment that carries electricity from producers to the homes and businesses that use it.

**Interconnection:** the process of linking a new power plant to the existing electric grid so that its power can reach customers.

**Monopoly:** exclusive control of a good or service by a single provider that faces little or no competition.

**Nuclear energy:** electricity produced by splitting atoms, a method that generates large amounts of power without burning fossil fuels.

**Permitting:** the government approval process(es) a project must complete before it can legally be built or operated.

**Ratepayer:** a customer who pays a utility company for electricity, water, or other services.

**Regulation:** a rule created by government to control how an activity, industry, or product operates.

**Slack capacity:** extra electricity-generating ability available beyond current demand, which can absorb new needs without straining the grid.

**Stargate initiative:** a large private effort, announced in early 2025, in which companies such as OpenAI and Oracle plan to build major AI data center campuses in the United States, including one in Port Washington, Wisconsin.

**Utility company:** a business, often regulated by government, that provides an essential service such as electricity, water, or natural gas to the public.

## Discussion Questions

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The questions below will help students achieve a better understanding of the arguments made on either side of a contentious topic. Because these questions often touch upon statements made briefly in the videos, we recommend reading the questions before watching each video. Students are encouraged to take notes during the videos, and it may be helpful for students to break into groups, each taking responsibility for only a few questions, before coming together for discussion.

1. What are the opposing ideas in these two videos?
2. What is a data center?
3. According to the Stossel video, what are the two primary resources used by data centers?
4. Elizabeth Schulze interviewed a woman who claimed her average electricity bill has increased by 23 percent over the past year. According to the video, what caused that increase?
5. In the Stossel video, Paige Lambergmont said, "If we slow down, other countries aren't going to. You're going to be getting the authoritarian Chinese version of AI, rather than the United States innovator's version of AI." Should we be concerned about China's advancements in AI? Why or why not?
6. According to Elizabeth Schulze, most data centers in the U.S. are or will be in cities, towns, or suburbs. According to Andy Masley, why are data centers built in established areas?
7. Paige Lambergmont argued that if the U.S. government hadn't limited the use of fossil fuels and nuclear energy, data centers' demand for electricity would be a non-issue. Should the government reduce regulations on energy? Why or why not?
8. In the ABC News video, Elizabeth Schulze visited a resident who said a nearby data center emits a "low hum 24/7." Should data centers be allowed to make

noise that might bother nearby residents? Does doing so infringe on the rights of residents? Why or why not?

9. In the ABC News video, Tom Uttech said he was told that if he didn't agree to sell his land, it would be taken by eminent domain. What is eminent domain? Should eminent domain be used to acquire land for data centers? Why or why not?
10. Paige Lambermont said that utilities are treated as a monopoly. What did she mean by that statement?
11. The ABC News video showed this to be a very contentious issue, with one woman being dragged out of a town meeting and a city mayor claiming he's received threats. Why is this issue so contentious? Do you think the strong feelings surrounding this issue are justified? Why or why not?
12. The Stossel video showed how complicated it can be to connect new energy plants to the electric grid. Were you surprised to learn about those difficulties? Why or why not?
13. Tom Uttech said people should care about what's happening in his town because "it's their backyard next." What did he mean by that statement?
14. Paige Lambermont said, "You can do new and interesting things if you're running your own thing and you're making your own rules." What did she mean by that statement? Do you agree with her statement? Why or why not?
15. In the ABC News video, Alison Lindburg said that regulations of data centers need to happen faster, and that it's surprising her "smallish city" is leading the way on regulation. Should state governments regulate data centers? Should the federal government? Why or why not?
16. In the Stossel video, John Stossel and Paige Lambermont argued that we could have plenty of energy for data centers if the government was less involved. If energy became a non-issue, would data centers still be a problem? Why or why not?
17. Did these two videos share any common ground? Were there any points on which they agreed? If so, what were they?
18. Should one of the arguments we heard carry more weight than the other? If so, which one? Why?
19. Did you have an opinion on this topic before watching these videos? If so, what was it? Has your opinion changed? If so, how? What did you learn from these videos that affects your views on this topic?
20. What else would you like to learn about this topic?

## References & Sources

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The videos make several factual claims about energy, costs, and the growth of data centers. The sources below show where those figures and arguments come from. Each side's central claim is paired with a source that supports it and a credible source that complicates or challenges it, so students can weigh the evidence themselves rather than take either video at its word.

### The concerns argument (ABC News video):

- Grid Strategies, *National Load Growth Report (2025)*. The industry analysis behind the claim that data centers are driving much of the new U.S. electricity demand; it documents sharply higher five-year load forecasts led by data centers. <https://gridstrategiesllc.com/wp-content/uploads/Grid-Strategies-National-Load-Growth-Report-2025.pdf>
- Institute for Energy Economics and Financial Analysis (IEEFA), "Projected data center growth spurs PJM capacity prices." Reports that surging data center demand helped drive a steep jump in wholesale capacity prices in the PJM grid region — costs that can reach consumers' bills. <https://ieefa.org/resources/projected-data-center-growth-spurs-pjm-capacity-prices-factor-10>
- U.S. Department of Energy, "DOE Releases New Report Evaluating Increase in Electricity Demand from Data Centers." A government assessment of how quickly data center electricity demand is rising. <https://www.energy.gov/articles/doe-releases-new-report-evaluating-increase-electricity-demand-data-centers>

### The deregulation argument (Stossel video):

- Lawrence Berkeley National Laboratory, *Queued Up: 2025 Edition*. The research documenting the growing backlog of power projects waiting to connect to the grid, and the multi-year interconnection delays the video describes. <https://emp.lbl.gov/publications/queued-2025-edition-characteristics>
- Constellation Energy, "Constellation to Launch Crane Clean Energy Center." The company's announcement of its plan, backed by a long-term agreement with Microsoft, to restart the Three Mile Island Unit 1 reactor to supply carbon-free power — the deal the video references. <https://www.constellationenergy.com/news/2024/Constellation-to-Launch-Crane-Clean-Energy-Center-Restoring-Jobs-and-Carbon-Free-Power-to-The-Grid.html>

### Sources that complicate the debate:

- E3 (Energy and Environmental Economics), *Understanding the Drivers of Rising Electricity Rates and the Role of Data Centers (2026)*. A technical analysis finding that data centers are one of several forces pushing rates up,

alongside grid upgrades, fuel costs, and extreme weather — useful for testing both the ABC video’s implied cause and the Stossel video’s claim of “no relationship.” [https://www.ethree.com/wp-content/uploads/2026/05/Understanding-the-Drivers-of-Rising-Electricity-Rates-and-the-Role-of-Data-Centers\\_E3-2026.pdf](https://www.ethree.com/wp-content/uploads/2026/05/Understanding-the-Drivers-of-Rising-Electricity-Rates-and-the-Role-of-Data-Centers_E3-2026.pdf)

- Bipartisan Policy Center, *Electricity Demand Growth and Data Centers: A Guide for the Perplexed*. A balanced overview of what is, and is not, known about data center demand and its effect on prices. <https://bipartisanpolicy.org/report/electricity-demand-growth-and-data-centers/>

## Activities

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### Activity 1: Timeline of the Debate

**Teacher note:** Students build a timeline that traces how the data center debate developed and where each side draws its evidence. This helps them see that the disagreement is recent but rooted in older energy-policy choices. Two of the six events are gradual developments rather than single moments, so expect students to place them differently — that disagreement is useful, and the answer key explains how to handle it. Work in pairs or small groups.

**Directions:** Place the events below in chronological order on a timeline. For each event, write one sentence naming which side — the concerns side (ABC News) or the deregulation side (Stossel) — would point to it as support, and why. Then add two events of your own from the References & Sources page or your own research.

- The 2025 announcement of the Stargate initiative and the Port Washington, Wisconsin, data center project.
- The invention and spread of the modern internet.
- The 2025–2026 wave of local moratoriums and new regulations, such as the 180-day pause on new data centers in Aurora, Illinois.
- The lengthening of grid interconnection timelines from under two years to eight years or more.
- Decades of federal limits on oil, gas, and nuclear energy that the Stossel video references.
- The rapid public spread of AI tools beginning around 2022–2023.

### Activity 1: Answer Key — Timeline of the Debate

**Correct chronological order:** 5, 2, 4, 6, 1, 3

**A note before scoring:** Almost every event on this list can be claimed by either side. The strongest student answers will not simply assign an event to a side —

they will name the side, explain the reasoning, and acknowledge how the other side might use the same event. Accept any well-reasoned assignment. The sample counterclaims below are provided so teachers can prompt for that second layer.

**1. Decades of federal limits on oil, gas, and nuclear energy — 1970s**

**onward.** The oldest item on the list. Federal environmental and safety rules tightened through the 1970s, and no new nuclear reactor was ordered in the United States for decades after the late 1970s. *Likely claimed by:* the deregulation side, which argues that if these limits had not accumulated, the country would have ample generating capacity today and data center demand would be a non-issue. *Counterclaim:* the concerns side may respond that these limits were adopted for reasons — air quality, safety, accident risk — that do not disappear because demand has grown.

**2. The invention and spread of the modern internet — 1990s.** Built on research reaching back to the 1960s, but the public spread that created demand for server infrastructure belongs to the 1990s. *Likely claimed by:* the deregulation side, as an example of a lightly regulated technology producing enormous unforeseen benefit. *Counterclaim:* the concerns side may point out that the physical infrastructure behind that technology arrived faster than communities could plan for, which is precisely the pattern repeating now. Students who label this shared background rather than assigning it to one side should receive full credit if the reasoning is sound.

**3. The lengthening of grid interconnection timelines — mid-2000s through the 2020s.**

A gradual trend, not a single event, documented in the Berkeley Lab report *Queued Up: 2025 Edition* listed on the References & Sources page. Accept placement anywhere from the mid-2000s forward, provided the student explains the choice. *Likely claimed by:* the deregulation side, which argues that the bottleneck is permitting and process rather than the data centers themselves. *Counterclaim:* the concerns side may respond that faster interconnection would not address noise, land acquisition, or the use of eminent domain.

**4. The rapid public spread of AI tools — 2022–2023.** Public AI tools reached mass use beginning in late 2022, and this is the event both videos treat as the trigger for everything that follows. *Likely claimed by:* both sides, and students should be pushed to notice that. The concerns side treats it as the source of a demand spike communities did not choose. The deregulation side treats it as the opening of a technology race in which slowing down carries its own cost.

**5. The Stargate initiative and the Port Washington, Wisconsin, project — 2025.**

The moment the debate became concrete for specific towns and specific landowners. *Likely claimed by:* the concerns side, which uses it to illustrate what residents such as Tom Uttech face when a project arrives, including the prospect of eminent domain. *Counterclaim:* the deregulation side may note that this is private money building private capacity, which is what it argues government should permit more freely.

**6. The wave of local moratoriums and new regulations — 2025–2026.** The most recent development, including the 180-day pause in Aurora, Illinois. *Likely claimed by:* both sides. The concerns side sees communities finally getting rules in place, echoing Alison Lindburg's argument that regulation needs to move faster. The deregulation side sees exactly the permitting friction it blames for constraining supply in the first place.

**Student-added events — sample acceptable answers:**

- The 1979 Three Mile Island accident and the slowdown in U.S. nuclear construction that followed.
- The 2024 Constellation Energy announcement of a long-term agreement with Microsoft to restart the Three Mile Island Unit 1 reactor.
- The sharp rise in PJM wholesale capacity prices reported by IEEFA.
- The U.S. Department of Energy report evaluating rising electricity demand from data centers.
- Any local news event involving a data center proposal in the students' own state.

Accept any event the student can date and source, including a local one. The point is the reasoning, not the selection.

## **Activity 2: Fact vs. Opinion Sort**

**Teacher note:** Students classify statements drawn from both videos as either a statement of fact (something that can be checked or verified) or a statement of opinion (a judgment, prediction, or value claim). Emphasize that a statement of fact can still be disputed or turn out to be wrong; the test is whether it is the kind of claim that can be checked. Use the worksheet on the following page; an answer key follows it.

**Directions:** For each statement, mark whether it is a statement of fact or a statement of opinion. For every statement you mark as fact, write one way you could check it.

Name \_\_\_\_\_ Date \_\_\_\_\_  
Class \_\_\_\_\_ Period \_\_\_\_\_ Teacher \_\_\_\_\_

### **Fact vs. Opinion Sort: Data Centers**

Mark each statement **F** (fact) or **O** (opinion). For each fact, note how you could check it.

1. A data center is a building where companies process and store digital information.  
F / O Check: \_\_\_\_\_
2. More than 3,000 data centers already operate in the United States.  
F / O Check: \_\_\_\_\_
3. Data centers should be built somewhere else.  
F / O Check: \_\_\_\_\_
4. Connecting a new power plant to the grid can now take eight years or more.  
F / O Check: \_\_\_\_\_
5. Data centers use resources "like a madman."  
F / O Check: \_\_\_\_\_
6. Artificial intelligence is going to find cures for diseases such as cancer.  
F / O Check: \_\_\_\_\_
7. In many states, utilities operate as government-regulated monopolies.  
F / O Check: \_\_\_\_\_
8. If the United States slows down on AI, an authoritarian version of AI will win out.  
F / O Check: \_\_\_\_\_
9. Most large U.S. data centers are or will be located in cities, towns, or developed suburbs.  
F / O Check: \_\_\_\_\_
10. This particular data center project is "uniquely evil."  
F / O Check: \_\_\_\_\_
11. In one Chicago suburb, a resident said her electricity bill rose 23 percent in a year.  
F / O Check: \_\_\_\_\_
12. Government should get out of the way of energy production.  
F / O Check: \_\_\_\_\_

## Activity 2: Answer Key — Fact vs. Opinion Sort

- 1. Fact:** A definition that can be verified against how data centers actually work.
- 2. Fact:** A count that can be checked against industry and news data (ABC's data team reported more than 3,000).
- 3. Opinion:** A judgment about what should happen.
- 4. Fact:** A claim about permitting and grid timelines that research, such as the Berkeley Lab report, can confirm.
- 5. Opinion:** Figurative language expressing a viewpoint.
- 6. Opinion:** A prediction about the future that cannot yet be verified.
- 7. Fact:** A description of how utilities are regulated in many states, which can be checked.
- 8. Opinion:** A prediction, not a checkable fact.
- 9. Fact:** A claim about location that ABC's analysis supports and that can be verified.
- 10. Opinion:** A value judgment about a specific project.
- 11. Fact:** A reported figure that could be checked against the resident's utility bills (note it is a claim stated in the video).
- 12. Opinion:** A judgment about what government should do.

## Activity 3: Policy Proposal

**Teacher note:** Students design a policy for how their state should handle new data center construction, required to borrow at least one idea from each video. This pushes them to treat both perspectives as sources of workable ideas rather than as opponents to defeat.

**Directions:** Imagine you advise your state legislature. Draft a short policy proposal (five to seven sentences) for how the state should handle new data center construction. Your proposal must do all of the following:

- Borrow at least one idea from the concerns side (ABC News video), such as noise limits, protections against eminent domain, ratepayer safeguards, or a temporary pause for study.
- Borrow at least one idea from the deregulation side (Stossel video), such as easing energy-permitting rules, allowing companies to build their own off-grid power, or speeding up grid interconnection.
- Label which idea came from which video.
- Explain one trade-off your proposal creates — who might be worse off, and why.

## Activity 4: Devil's Advocate Round

**Teacher note:** Each student must argue against the side he or she personally agrees with. This forces genuine engagement with the opposing evidence rather than a rehearsal of the student's own view. Run it as a structured speaking round in small groups.

**Directions:**

- Privately write down which side you agree with more — the concerns side or the deregulation side.
- Prepare a 60-second argument for the OTHER side, using at least two specific points from that video.
- In your group, each person delivers his or her opposite-side argument while the others take notes on the single strongest point they hear.
- Close with a written reflection: Did arguing the other side change how confident you feel about your own view? Why or why not?

### Activity 5: Real-World Connection

**Teacher note:** Students find a current news story about a data center and analyze it through both perspectives. Approve sources in advance or provide a short list of reputable outlets.

**Directions:** Find a recent news article (within the last three months) about a specific data center project in the United States. Then complete the following:

- Summarize the article in three sentences.
- Identify one point the concerns side (ABC News) would make about this project.
- Identify one point the deregulation side (Stossel) would make about the same project.
- Name one question the article leaves unanswered that you would want a reporter to investigate.

### Activity 6: Trace the Claim

**Teacher note:** Students pick one factual claim from each video and try to verify it using the References & Sources page and their own research. The goal is to practice source evaluation and to see that claims from both sides can, and should, be checked.

**Directions:** Choose one factual claim from each video — for example, from the ABC News video, that data centers are expected to drive about half of new U.S. electricity demand over the next five years; from the Stossel video, that connecting a new power plant to the grid can now take eight years or more. For each claim, do the following:

- Restate the claim in your own words.

- Find at least one source — start with the References & Sources page — that supports or challenges it.
- Rate the claim as well-supported, partly supported, or unsupported.
- Explain how you decided.

**Discuss:** Did checking the sources change which video you found more convincing? Explain why or why not.