

T E N N E S S E E D A T A C E N T E R R E F E R E N C E

What Tennessee Is Building, What It Is Not Regulating

T H E C O M P R E H E N S I V E T E N N E S S E E V O L U M E

Structural Frame · Statewide Census · Policy Record

Prepared by Tommy N. Turner

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STATEWIDE REPORT: TENNESSEE

What Tennessee Is Building, and What It Is Not Regulating

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Evidence snapshot: current through June 15, 2026

Coverage: ~61 operating/under-construction facilities; full pipeline, moratorium tracker, and operator directory

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Author: Tommy N. Turner

Location: Williamsburg, Virginia

Contact: tommy@gofast.pro

ORCID: 0009-0005-7422-9881

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An analytical report, not a brief: where it draws implications it does so as inferences from the record, not as recommendations.

Companion volumes: the Virginia statewide report and county case studies; supersedes the March 2026 "What Tennessee Is Spending" brief.

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CONTENTS

INTRODUCTION.....	4
PART ONE — THE STRUCTURAL FRAME.....	6
1 · The TVA Condition.....	7
2 · The Load Shock.....	8
3 · The Gas Pivot.....	9
4 · The Nuclear Hedge.....	11
5 · Who Pays.....	12
PART TWO — THE FISCAL AND POLICY RECORD.....	14
6 · The Incentive Architecture.....	15
7 · What It Costs, and What Nobody Has Measured.....	16
8 · The 2026 Legislative Session.....	17
9 · The Local Turn.....	18
PART THREE — THE STATEWIDE CENSUS.....	20
10 · Memphis and Shelby County: xAI's Colossus.....	21
11 · Nashville and Davidson County.....	25
12 · Gallatin and Sumner County: Meta.....	27
13 · Clarksville and Montgomery County: Google.....	29
14 · The Middle Tennessee Colocation Ring.....	29
15 · The Middle Tennessee Moratorium Belt.....	31
16 · Knoxville and Knox County.....	32
17 · Chattanooga and Hamilton County.....	33
18 · Oak Ridge and the Federal Model.....	34
19 · The Tri-Cities and the Crypto Coast.....	35
PART FOUR — THE PATTERN.....	37
20 · The Tennessee Pattern.....	38
21 · Tennessee in the National Context.....	39
CONCLUSION — The Wave Is Not Finished.....	40
APPENDICES.....	41
A · Methods and the Statewide Count.....	41
B · Master Facility Inventory.....	42
C · Announced and Proposed Pipeline.....	46
D · Canceled, Rejected, and Blocked.....	47
E · Moratorium and Zoning Tracker.....	48
F · Crypto-Mining Fleet.....	49
G · Key Operators.....	50
H · The Study Library.....	51
I · Companion Volumes and the Series.....	52
ENDNOTES.....	52
ABOUT THE AUTHOR.....	65

INTRODUCTION — The Demand That Arrived Before the Rules

The experiment

Tennessee entered the data center era without deciding to. The facilities arrived through economic-development channels built for factories, powered by a utility structure designed in the 1930s, taxed under exemptions written before anyone modeled what a gigawatt of artificial-intelligence compute would do to a county's grid or its air. By mid-2026 the state carried roughly 61 operating or under-construction data centers across at least ten markets — and one of the densest hyperscale concentrations in the South — with the thinnest governing apparatus this series has documented. The public discovered the costs only after the first turbines were already running in South Memphis, and the institutions that might have weighed those costs in advance either did not exist or sat in Washington.

The argument

One fact organizes everything that follows: the utility serving Tennessee's data centers answers to no state regulator. The Tennessee Valley Authority is a federal corporation with a presidentially appointed board and no state commission above it, and it sells power through 153 local companies that did not negotiate the loads now landing on their systems. The decisions that matter most for ratepayers — the rate a data center pays, the gas plants and the pipeline built to serve it, the coal plants kept running past their retirement dates — happen in a forum no Tennessee voter can reach. That is the federal accountability gap, and it runs through every chapter of this report. It is why the legislature's options are confined to the tax code, the disclosure statute, and the zoning ordinance, and why the most binding instrument any Tennessee community has yet found is not a state proceeding but a federal Clean Air Act suit, filed by the NAACP, still live in court as these pages go out.

What this report is, and is not

This is an analytical report, not a brief. It describes how Tennessee's institutions and communities have behaved, why the outcomes differ from county to county, and what the record implies. Where it draws out the implications of its findings it does so as inferences from the evidence rather than as recommendations. The reader looking for a reform agenda will find the materials to build one, but the building is left to the reader. The aim is to make the mechanism legible — the way a federal utility, an automatic tax exemption, a self-generation statute, and a patchwork of local moratoriums fit together — because a mechanism understood travels further than a policy prescribed. Where the record is contested, the report says so; where a figure could not be verified, it is flagged rather than smoothed; and where the March 2026 groundwork for this project carried a number the current record does not support, the correction is stated openly and footnoted.

Why Tennessee, and why now

Tennessee is the moment the national data-center story stopped being about Virginia. It holds the country's most consequential environmental-justice fight over the industry, in Memphis; the sharpest collapse of public tolerance, in a Nashville petition that gathered more than 380,000 signatures against a single building; a federal utility re-accelerating gas and coal against an AI-demand forecast other states have already cut; and a 2026 statute that, almost uniquely,

deregulates the very behavior — private gas generation — that produced its largest controversy. The state is also a leading instance of the industry’s rural turn, with crypto mines and AI campuses reaching counties most people could not find on a map. The questions Tennessee is answering in real time, badly or well, are the questions every Southern state is about to face.

The road ahead

Part One reconstructs the structural frame: the TVA condition, the load shock, the gas pivot, the nuclear hedge, and the fight over who pays. Part Two assembles the fiscal and policy record — the incentive architecture, its undisclosed cost, the 2026 session, and the local turn. Part Three is the census, a region-by-region account that names every significant facility in the state and goes deep on the institutions, the money, and the politics behind each, from the xAI fight in Memphis to the crypto mines of the northeast mountains. Part Four draws the pattern and sets Tennessee against the national context. The conclusion looks at where the wave is heading. The appendices hold the full inventory — the facilities, the pipeline, the blocked projects, the moratorium tracker, the crypto fleet, and an operator directory.

PART ONE — THE STRUCTURAL FRAME

CHAPTER 1 — The TVA Condition

Everything in this report runs through one fact: the utility serving Tennessee's data centers answers to no state regulator. The chapter establishes that fact, because the chapters that follow depend on it.

The federal charter

The Tennessee Valley Authority is a wholly owned corporation of the United States government, created by the Tennessee Valley Authority Act of 1933 and funded entirely by power-sale revenue rather than federal appropriations.¹⁴ Its board has up to nine members, appointed by the President with the advice and consent of the Senate, of whom at least seven must reside in the service area. There is no Tennessee Public Service Commission with jurisdiction over TVA, because none can have it. The board sets wholesale rates, and the board answers to Washington, not Nashville. A Tennessee resident has no state forum in which to contest a TVA rate, no state commissioner to petition, and no vote that reaches the board that decides how the power to run a data center will be generated and priced.

The distribution structure

TVA does not sell to most of its customers directly. Of roughly 215 customers, 153 are local power companies — municipal systems like Memphis Light, Gas and Water and the Gallatin Department of Electricity, and rural electric cooperatives — and 62 are large industrial or federal facilities served directly.¹⁵ The local power companies distribute electricity to about ten million people across Tennessee and parts of six neighboring states, and they account for more than 90 percent of TVA's revenue. By TVA's own accounting, roughly 99 percent of the power its data centers consume is delivered through a local power company rather than bought from TVA directly; the conspicuous exceptions are a pair of Google-owned sites served directly.¹⁶ When a new data center plugs in, then, it almost always contracts through a local company, which buys the power wholesale from TVA. The load lands on the local system. The generation decision, the rate structure, and the decades-long capital plan sit with TVA. The body that signs the customer cannot set the price, and the body that sets the price never faced the public hearing.

The accountability gap

This arrangement is structural rather than incidental, and it is the central fact of data-center governance in Tennessee. In Virginia, a resident angry about a data center's effect on electric bills can intervene in a State Corporation Commission docket, file comments on the utility's integrated resource plan, and elect the legislators who write its enabling law. In Tennessee, none of those levers exists in the same form. TVA's planning process accepts public comment, but no state proceeding binds it, and no Tennessee official appoints its board. The series documented a smaller version of this gap in Botetourt County, Virginia, where a regional water authority absorbed a data center's demand without having approved the project; Tennessee applies that arrangement to the entire electricity system. The body absorbing the load is one step removed from every body a Tennessean can vote against. The consequence is that the questions this report raises cannot mostly be answered by regulating the utility, because the state lacks the power to do so. They have to be answered upstream, in the tax code and the zoning ordinance, or downstream, in federal court — which is exactly where the Memphis fight ended up.

CHAPTER 2 — The Load Shock

The demand picture

TVA's president and chief executive, Don Moul, told investors in early 2026 that data centers had climbed to about 18 percent of the authority's industrial load in 2025; a spokesman later widened the band to 18 to 20 percent.¹⁷ Moul's projection was blunt: data-center demand is expected to double across the region by 2030. Overall system demand grows around 2 percent a year, modest on its face, but the data-center component is the fastest-rising part of it and the part driving the capital plan, and it helped push TVA to a record \$13.7 billion in revenue in its last fiscal year.¹⁸ Data centers do not behave like the rest of the load. They run every hour of every day, they do not flex with the weather, and they arrive in increments measured in hundreds of megawatts rather than the slow accretion of households and shops that utility planners are built to forecast.

The reliability picture

The peak-demand record tells the same story from the supply side. TVA set an all-time system peak of 35,319 megawatts at eight o'clock on the morning of Wednesday, January 22, 2025, with a system temperature of 11 degrees, breaking the 34,577-megawatt record set a year earlier during Winter Storm Heather.¹⁹ A year on, Winter Storm Fern pushed demand to 32,907 megawatts on January 27, 2026 — below the record, but with widespread outages that, as the reporting made clear, came from aging distribution poles and wires rather than a shortfall in generation.²⁰ A system setting winter peaks at that scale, while contracting new round-the-clock industrial load, is a system with thinning margins and little room for forecasting error.

The opacity problem

The single largest load increment on the public record is xAI's: in February 2026 the TVA board approved a power arrangement supplying up to 300 megawatts to the Memphis complex, roughly doubling the company's prior allocation.²¹ What is not on the record is any consolidated figure for total data-center load in TVA's interconnection queue. The 300-megawatt xAI deal is the firmest single number available, and it is one facility; behind it sit Meta's roughly 300-megawatt draw in Gallatin and a pipeline of announced projects across the Nashville, Memphis, and Knoxville markets that no public document fully tallies.²² A state cannot plan around, or push back on, a demand surge it cannot see in aggregate, and the absence of a published queue is the first of several disclosure gaps this report documents.

CHAPTER 3 — The Gas Pivot

The IRP range

TVA's response to the load shock is the largest capital program in its history, and it runs on gas. The 2025 Integrated Resource Plan modeled five strategies across six scenarios — thirty portfolios in all — and found a need for between 9 and 26 gigawatts of incremental firm capacity by 2035, with new natural gas ranging from 4 to as much as 19 gigawatts across the portfolios.²³ Critics seized on the breadth: a Synapse Energy Economics review commissioned by the Sierra Club faulted the draft for declining to select a preferred portfolio or design a near-term action plan, and the Southern Alliance for Clean Energy called the exercise “exceedingly broad planning [that] is meaningless.”²⁴ Out of that range, TVA's near-term program is widely reported at roughly 6,200 megawatts of new generation, and the megawatts arriving first are gas.

The new gas fleet

At Cumberland City, TVA is building a 1,450-megawatt combined-cycle gas plant at a cost of about \$2.1 billion to replace its largest coal station, the 2.5-gigawatt Cumberland plant, with the gas units expected online by the end of 2026.²⁵ At Kingston, in Roane County — the site of the catastrophic 2008 coal-ash spill — a roughly 1,500-megawatt complex pairs a combined-cycle plant with sixteen GE Vernova aeroderivative combustion turbines, about 100 megawatts of battery storage, a sliver of solar, and a new switchyard, replacing the nine-unit Kingston coal plant by the end of 2027.²⁶ A 500-megawatt peaking plant of aeroderivative turbines is going in at New Johnsonville, and TVA has added roughly 1.5 gigawatts more gas over the past year at the Colbert site in north Alabama and the Paradise plant in Kentucky.²⁷

The pipeline

The gas plants need fuel, and the fuel needs pipe. Enbridge subsidiary East Tennessee Natural Gas began construction on October 20, 2025, of the Ridgeline Expansion — a 122-mile, 30-inch pipeline capable of moving up to 300,000 dekatherms a day to the Kingston complex, at a cost of about \$1.1 billion, after the Federal Energy Regulatory Commission approved it in April 2025.²⁸ The route runs from Smith County to Kingston through seven Tennessee counties, paralleling existing rights-of-way for most of its length, with an in-service target of November 2026. This is the physical signature of the data-center buildout in rural East Tennessee: a retired coal site, a new gas plant, and a new pipeline cut across the landscape to supply it, justified in part by a load growth in which data centers are the fastest-rising component. The energy-geography framework this series carries reads Kingston as the clearest Southern case of the coal-to-gas transition being re-accelerated, not retired, by artificial-intelligence demand.

The coal reversal and the overbuild risk

Two complications sit inside the gas story. First, on February 11, 2025, the TVA board voted to postpone the retirements of both the Cumberland and Kingston coal plants, keeping coal running beyond its scheduled end dates and tying the decision to rising demand — a reversal that undercut part of the stated rationale for the new gas and drew the charge that the nation's largest public utility was “going back to coal — with almost no input from the public,” along with a congressional letter from Representative Steve Cohen and Senator Ed Markey.²⁹ Second, the utility-finance critique holds that this is exactly the overbuild risk regulators elsewhere have

flagged. The Institute for Energy Economics and Financial Analysis, in work by analyst Cathy Kunkel, found that Southeastern utilities plan more than 20,000 megawatts of new gas by 2040 and are financially incentivized to overbuild against speculative data-center forecasts; the report pointed to Georgia, where regulatory testimony showed Georgia Power had removed 44 percent of its projected data-center growth — 5,445 megawatts of 12,135 — in just eighteen months, and noted that the industry as a whole was planning for roughly 50 percent more data-center demand than the tech sector itself projected.³⁰ If Tennessee's data-center load arrives smaller or later than projected, the gas plants and the pipeline are built anyway, and the cost sits in the rate base for decades. A separate analysis by ACORE faulted the resource plan for examining generation in detail while not requiring transmission-expansion options, and called for additional congressional oversight of TVA's planning.³¹

CHAPTER 4 — The Nuclear Hedge

Clinch River

TVA has placed the most aggressive advanced-nuclear bet of any American utility, and it is concentrated in East Tennessee. On May 20, 2025, TVA became the first U.S. utility to submit a construction-permit application to the Nuclear Regulatory Commission for a GE Vernova Hitachi BWRX-300 small modular reactor, at the Clinch River site near Oak Ridge.³² The NRC docketed the application and set a path toward a final safety evaluation by December 2026; site preparation could begin as early as 2026, with commercial operation targeted around 2033. A single BWRX-300 is estimated at \$1.2 to \$1.5 billion, of which TVA had committed roughly \$350 million, and in December 2025 the Department of Energy selected TVA for \$400 million in cost-shared funding to accelerate it.³³

Browns Ferry and Hermes 2

The nuclear hedge extends beyond Clinch River. In December 2025 the NRC renewed all three units of the Browns Ferry plant in Athens, Alabama, for an additional twenty years, making it the ninth U.S. plant approved to run for eighty years, with license expirations stretching into the mid-2050s.³⁴ And in August 2025 TVA, Kairos Power, and Google announced an agreement under which Kairos's Hermes 2 reactor at Oak Ridge would deliver up to 50 megawatts to the TVA grid by about 2030, power that helps serve Google's Tennessee and Alabama data centers.³⁵

A bet on the next decade

The significance for this report is one of timing. The small modular reactors are years out — 2030 for Hermes 2, 2033 for Clinch River — while the megawatts arriving now to serve data centers are gas megawatts. The nuclear program is real and ambitious, but it is a hedge against the next decade, not an answer to the load landing this one, and the distinction matters because the gas plants and the pipeline are being built on the strength of demand the reactors will not be available to meet.

CHAPTER 5 — Who Pays

The manufacturing rate

For nearly two decades, Tennessee’s data centers paid for electricity as if they were factories. Since 2008, the TVA board has billed them under the same rate class as manufacturers — a rate roughly 15 to 20 percent below what other commercial customers pay — a decision made when TVA was courting large load amid flat demand and data centers were small.³⁶ That treatment is now ending, and the manner of its ending is the live utility-policy story in Tennessee.

The rate backdrop

TVA’s base rates have risen twice in recent years: 4.5 percent for fiscal 2024 and 5.25 percent effective October 1, 2024, for a cumulative increase of roughly 9.75 percent.³⁷ The average residential bill sits around \$138 a month, and the October 2024 increase added about \$4.35 to it. TVA stopped offering data centers economic-development incentives in 2023, leaving the manufacturing rate as the residual subsidy — and that is the one now on the table.

The new rate class

In February 2026, three TVA officials, including the vice president of pricing and contracts, sent a letter to all 153 local power companies launching a rate-restructuring process aimed squarely at large load.³⁸ The letter put five proposals on the table: end data centers’ eligibility for the manufacturing rate; place the largest or most unusual customers in a dedicated rate class; create an upfront capacity-commitment charge to cover the cost of serving them; require large customers to take a minimum of 75 percent of their contracted electricity; and offer local power companies a new option to self-generate more of their own power. TVA has not yet set the load threshold that would define the new class. Some proposals were headed to the board’s August 20, 2026 quarterly meeting in Jackson, with others to follow in November; the board makes the final call, and there is no public comment period, because the negotiation runs directly between TVA and the local companies.³⁹ TVA’s chief financial officer, Tom Rice, framed the goal as making data centers “pay their fair share” and protecting residential customers from a cost shift.⁴⁰

The design question

Conceding that data centers should pay their own way is not the same as making them do it, and the design of the rate class is the whole question. The Vanderbilt Policy Accelerator's January 2026 report, *Nine Ways to Address the Energy Impacts of AI Data Centers*, by Matthew McHale and energy-law professor Hannah Wiseman, lays out six measures aimed at keeping data centers from raising everyone else's rates: allocate grid-expansion costs to the data centers that cause them, require them to cover added local infrastructure, make their tax treatment transparent and net-beneficial, avoid overbuilding, publish their rates and terms of service, and track disconnections to monitor affordability.⁴¹ The Sierra Club, working from a Synapse review and a Grid Strategies transmission analysis, has pressed TVA to lower bills and improve reliability by expanding transmission rather than overbuilding gas.⁴² Among the hyperscalers, Google has signed the White House ratepayer-protection pledge, cited about \$8 billion invested in Tennessee and Alabama data centers since 2019, and committed to cover 100 percent of the electricity and infrastructure costs its facilities drive; xAI did not respond to requests for comment on the rate change.⁴³ Whether the rate class TVA adopts in late 2026 actually assigns the costs to the cost-causers, or simply renames the manufacturing discount, is the open question on which every Tennessee ratepayer's bill depends, and which no Tennessee regulator can decide.

PART TWO — THE FISCAL AND POLICY RECORD

CHAPTER 6 — The Incentive Architecture

The exemptions

Tennessee's tax treatment of data centers is generous, automatic, and almost entirely invisible. A qualified data center receives an exemption from state and local sales-and-use tax on its hardware, software, cooling equipment, and backup power, conditioned on a capital investment exceeding \$100 million over a period of no more than three years and the creation of at least 15 net new full-time jobs paying at least 150 percent of the state's average wage.⁴⁴ The electricity that runs the facility is taxed at a reduced sales-tax rate of 1.5 percent rather than the standard rate. A separate job tax credit pays \$4,500 per qualified position, requiring at least 25 jobs alongside the capital investment, and a headquarters credit is available where a qualifying headquarters facility is established. A 2024 amendment let a qualified data center keep its exemption when transferred to an affiliate in a corporate reorganization, without restarting the investment clock.⁴⁵

The labor mismatch

The thresholds are worth holding against the labor reality this series has documented repeatedly. A hyperscale data center employs on the order of 50 permanent workers once built, often fewer; Google's Clarksville facility created about 70 jobs, Meta's Gallatin campus more than 100. The 15-job floor for the sales-tax exemption and the 25-job floor for the credit are not demanding standards — they are easily cleared by facilities whose defining economic feature is that they need almost no one to run. The incentive is structured around capital investment, which data centers supply in abundance, rather than around employment, which they supply sparingly. Construction phases are genuinely large — Meta's peaked near 1,100 trades workers, Google's near 1,000 — but they are temporary by definition. This is the same mismatch Virginia's exemption embodies, transplanted into a state that has done even less to measure whether the incentive changes any siting decision at all.

CHAPTER 7 — What It Costs, and What Nobody Has Measured

The \$103.6 million

The honest answer to what Tennessee’s data-center incentives cost is that the state does not fully disclose it, and has never studied whether the money buys anything. The best available figure comes from Good Jobs First, whose April 2025 report *Cloudy with a Loss of Spending Control* found, using Tennessee’s own Department of Finance and Administration data, that the state’s data-center sales-tax exemptions cost \$103.6 million in fiscal 2025 — state and local exemptions combined — ranking Tennessee among the ten states losing more than \$100 million a year.⁴⁶ This corrects a figure that circulated in the earlier groundwork for this project, which cited \$27 million. That number is real but partial: it is the local-only slice of the loss, the amount Tennessee localities involuntarily forfeit because the state preempts their sales-tax authority. Citing it alone understates the program by roughly four times. The accurate framing is \$103.6 million total, \$27 million of it local.⁴⁷

The local abatement layer

On top of the state exemption sits a layer of local property-tax abatement delivered through payment-in-lieu-of-taxes agreements negotiated by county and municipal industrial development boards. These are even less transparent than the state exemption. The Tennessee Advisory Commission on Intergovernmental Relations has estimated that, statewide, PILOT payments run to roughly 47 percent of what a company would owe if it held the property outright — an effective abatement above 50 percent — and the executed terms, assessed values, and clawback provisions are frequently never published, shielded by state law and omitted from the Board of Equalization’s PILOT reporting.⁴⁸ The Gallatin and Clarksville agreements examined in Part Three illustrate the pattern: their headline structures are knowable, but the dollar value of the abatement is not.

The missing study

What does not exist is any Tennessee analysis of whether that money changes corporate behavior. Virginia has a legislative audit commission and a borrowed Georgia econometric model; Georgia itself commissioned the Carl Vinson Institute, which found that only 30 percent of its data-center activity was attributable to its exemption. Tennessee has produced no equivalent “but-for” study from any state body, and this report could not confirm that the Comptroller or any named state energy-policy council has examined the question.⁴⁹ The result is a subsidy of nine figures, granted automatically to the most capital-rich firms in the world, with no public measurement of whether a single facility would have located elsewhere without it. The disclosure vacuum is itself a finding: a state cannot evaluate a program it does not fully report and has never modeled.

CHAPTER 8 — The 2026 Legislative Session

The law that passed

The 2026 session produced one data-center law and killed six, and the survivor tells the story. The General Assembly enacted SB2128, sponsored by Senator Taylor, and its House companion HB1847, sponsored by Representative Butler, which Governor Bill Lee signed on May 7, 2026; the House passed it 76 to 14 on April 21, the Senate 28 to 0 the next day.⁵⁰ The law has two faces. On the protective side, it requires data centers with peak demand of 50 megawatts or more in their first three years to pay the full cost of the electricity infrastructure they need, and bars utilities from recovering those costs from other ratepayers unless the upgrades also benefit them. On the deregulatory side, the same law lets those data centers self-generate — build their own gas turbines — or buy from an independent power producer, with no state regulatory approval of that generation.⁵¹

The loopholes

The Southern Environmental Law Center's Trey Bussey called the result an absence of meaningful protection: exceptions were carved in before passage, the state cannot regulate TVA's rates regardless, and the self-generation provision could open the door to what he called a massive influx of unregulated methane gas plants across the state.⁵² That warning is not abstract. It describes exactly what xAI did in Memphis and Southaven, now blessed by statute. The 50-megawatt threshold is its own loophole: a project sized at 49 megawatts, or a 25-megawatt fuel-cell campus like the one proposed in McMinnville, escapes the infrastructure-cost rules entirely, and the Fisk University proposal in Nashville, at 30 megawatts, falls below the line as well.⁵³

The disclosure regime Tennessee chose not to build

The six bills that died are exactly the transparency apparatus the state now lacks. They included the Tennessee Data Center Impact Review Act, which would have required water-usage reporting; a measure requiring data centers to register with the Department of Revenue and report fuel, electricity, and water use; a tariff-accountability bill; and a proposal that high-performance computing facilities devote half their output to public benefit and submit carbon audits. Every one of them failed in committee.⁵⁴ Here the record requires a second correction to the earlier groundwork, which described a transparency bill vetoed by Governor Lee. No such veto occurred. The transparency bills were never presented for signature; they died in subcommittee, which is a quieter death and a more complete one.⁵⁵

CHAPTER 9 — The Local Turn

The moratorium wave

What the state declined to regulate, the localities are now improvising. Beginning in the fall of 2025 and accelerating through June 2026, at least nine Tennessee cities and counties enacted data-center moratoriums and Hawkins County a permanent ban, with more in progress.⁵⁶ The instrument is deliberately a moratorium rather than a permanent ban in most cases, and the reason is legal: Hawkins County's outright ban drew a federal civil-rights lawsuit from the Beacon Center on behalf of a would-be bitcoin miner, and officials elsewhere are watching that case before committing to anything that might not survive a court. As McMinnville's city administrator put it, a moratorium is "not a permanent ban; it is a responsible time-out."⁵⁷ A pause to write standards is defensible; a ban invites the litigation advocates concede they might lose.

The standards vacuum

The localities are filling a vacuum the state left, and they are filling it in different ways. Sweetwater confined data centers to heavy-industrial zoning with a five-acre minimum, large setbacks, and a 60-decibel cap. Rockwood defined data centers and permitted them as a conditional use in light industrial. Kingsport and Sullivan County adopted permit-and-regulate ordinances addressing noise, energy-consumption disclosure, and physical security. McMinnville, Coffee County, Cedar Hill, Washington County, Johnson City, Bristol, Grundy County, and Metro Nashville reached for the moratorium.⁵⁸ The full geography of the wave is catalogued in Part Three and tracked in Appendix E, but the pattern is already clear: in the absence of a state disclosure law or a state siting standard, more than a dozen local governments are each writing their own, under deadline pressure from projects already at their doors, and a permissive county risks becoming the dumping ground its neighbors refused to be. It is land-use law made by emergency, one jurisdiction at a time, because the legislature declined to make it once for all of them.

PART THREE — THE STATEWIDE CENSUS

This part walks Tennessee region by region and accounts for every significant data-center concentration in the state. It opens with the Memphis case that has made Tennessee a national test, moves through the dense Nashville and Middle Tennessee markets and their hyperscale anchors, and closes in the east, where the federal AI-infrastructure model at Oak Ridge sits a short drive from the crypto-mining fights of the northeast mountains. Each chapter gives the institutions, the dollar figures, and the politics; the facility-by-facility inventory is in Appendix B.

CHAPTER 10 — Memphis and Shelby County: xAI's Colossus

The Memphis case is the one the country is watching, and it defines what is at stake in Tennessee. Elon Musk's xAI built its Colossus supercomputer in South Memphis fast, powered it with gas turbines it did not permit, and when the local process began to push back, moved the next phase across the state line into Mississippi. The result is the most consequential data-center environmental-justice fight in the United States and the only one in this series that has reached federal court. Around it operates a working colocation market of roughly a dozen other facilities the supercomputer tends to eclipse.

The siting

xAI's arrival traces to a phone call on March 3, 2024, between a Greater Memphis Chamber executive and a real-estate firm; the Chamber nicknamed the prospect "Project Mando."⁵⁹ (The earlier project groundwork referred to a "Project Bluebird"; the documented internal name is Mando, and the report uses it.) The site was the shuttered Electrolux appliance plant on Paul R. Lowry Road, in a part of Southwest Memphis that already carried a refinery, a steel mill, TVA's Allen plant, and a recently closed sterilization facility. The Greater Memphis Chamber announced the project publicly in June 2024, billing it as the largest capital investment by a new-to-market company in city history and promising roughly 500 jobs.⁶⁰ Colossus 1 went live on August 8, 2024, about 122 days after the announcement — a construction pace that was itself the selling point and the warning.⁶¹ Nothing moves that fast if it waits for permits, and Colossus did not.

The turbines and the permit fight

Colossus 1's appetite for electricity outran its grid connection, so xAI brought in gas turbines; aerial imagery in April 2025 showed as many as 35 of them on site, far more than were ever permitted, generating on the order of hundreds of megawatts.⁶² In January 2025 an xAI affiliate, CTC Property, applied to the Shelby County Health Department for an air permit covering 15 permanent turbines, characterized as a new minor source.⁶³ The Health Department held a public hearing at Fairley High School on April 25, 2025, that drew hundreds and ultimately logged more than 1,700 public comments, the large majority opposed.⁶⁴ The Southern Environmental Law Center argued the minor-source classification was a fiction: the turbines had run for the better part of a year, their emissions were too high to qualify, and the facility should have faced major-source review with best-available control technology. The Health Department granted the 15-turbine permit anyway, on July 2, 2025, valid through January 2027; a code-orange air-quality alert was issued the next day.⁶⁵ SELC appealed on behalf of the NAACP and Young, Gifted & Green to the local air-pollution control board, which heard roughly six hours of argument in December 2025 and dismissed the appeal as moot, because xAI had removed the unpermitted turbines during the notice period — while leaving the door open if they returned.⁶⁶

The cross-border move

Rather than fight major-source review in Memphis, xAI replicated the playbook across the state line. Colossus 2's computing sits at Tulane Road in the Whitehaven neighborhood of Memphis, but its power plant went to Southaven, in DeSoto County, Mississippi, where xAI's subsidiary MZX Tech installed 27 gas turbines and ran them, beginning around August 2025, under

Mississippi's temporary-engine exemption.⁶⁷ On March 10, 2026, the Mississippi Environmental Quality Permit Board unanimously approved 41 permanent turbines for the site, a roughly 1.2-gigawatt behind-the-meter plant occupying about 114 acres.⁶⁸ A third Mid-South site in Southaven, which Musk has said would push xAI's regional compute toward two gigawatts and which Mississippi's governor announced as a \$20 billion investment, the largest in that state's history, is likewise physically in Mississippi and belongs in this account only as Memphis-metro context.⁶⁹ The state line, in other words, was a tool: a different regulator, a friendlier exemption, the same airshed shared by communities on both sides.

The lawsuit

On Tuesday, April 14, 2026, the national NAACP and the Mississippi State Conference of the NAACP, represented by Earthjustice and SELC, sued xAI and MZX Tech in the U.S. District Court for the Northern District of Mississippi, alleging that operating 27 turbines without an air permit violated the Clean Air Act.⁷⁰ The complaint asks the court to declare the violation, order the turbines shut down, require best-available control technology, and assess penalties reported at up to \$124,400 per day; the suit followed a 60-day notice sent February 13, 2026, that xAI continued operating past.⁷¹ As this report goes out, the litigation is the live front, and it is the binding instrument the affected communities hold where the permitting process did not protect them — the clearest demonstration in the report that, in Tennessee, the floor that holds is federal.

The health stakes

The fight sits on top of an existing pollution burden. Boxtown, the predominantly Black community nearest Colossus 1, was founded by emancipated people around 1863 and already carried an outsized share of the region's industry; Memphis holds an "F" from the American Lung Association, and Representative Justin Pearson has noted that a large majority of the area's big polluters cluster in the neighborhood where xAI now operates.⁷² An EmPower Analytics study commissioned by SELC, by Dr. Michael Cork, estimated that the proposed 41-turbine Southaven plant would cause \$30 to \$44 million in health damages annually, including two to three additional premature deaths a year and measurable increases in fine-particle pollution across Whitehaven, Horn Lake, Westwood, and Southaven.⁷³ A University of Memphis dispersion study by Dr. Chunrong Jia, using xAI-supplied emissions data, found most pollutants below national standards except fine particulates, which concentrate precisely because of the area's clustered industry — and Jia conceded the large uncertainty in modeling from the company's own numbers.⁷⁴ The emissions figures vary by facility and turbine count and should not be merged: the lawsuit attributes more than 1,700 tons of nitrogen oxides a year to the 27 Southaven turbines, likely the largest industrial source of that pollutant in greater Memphis.⁷⁵

The power, and who pays for it

The grid story is more consequential than the turbine story, and it is documented in Memphis Light, Gas and Water's own public updates. xAI requested two successive 150-megawatt increments at Paul Lowry, for a total of 300. By May 2025 the site was energized at 150 megawatts, drawing 8 megawatts from a pre-existing substation and 142 from a newly built one; xAI funded the substation construction, and MLGW chief executive Doug McGowen told the City Council that the company would be reimbursed through a monthly "margin allowance" worth

about \$24 million in total, after which MLGW takes ownership of the substation.⁷⁶ Reporting puts xAI's substation spending at roughly \$35 million for the first and a \$20 million commitment for a second, figures that appear in news coverage and Chamber materials rather than the MLGW filings themselves. Because federal and TVA rules require board approval for any load above 100 megawatts, each increment needed TVA's sign-off; on Wednesday, February 11, 2026, the TVA board unanimously approved the second 150 megawatts, doubling xAI's grid allocation to 300, on conditions that included energy storage, recycled-water cooling, and positive community impact.⁷⁷ MLGW maintains that xAI pays the prevailing industrial rate and that ratepayers will not bear the infrastructure cost; community groups counter that no public process approved the MLGW contracts and allege undisclosed rate terms, a dispute the public record does not resolve.

The water, and the broken promise

xAI cools Colossus with Memphis Sand aquifer drinking water drawn from a 20-inch main on Paul Lowry, paying the commercial rate, in a city whose aquifer is its civic treasure.⁷⁸ To offset that draw, xAI announced an \$80 million recycling plant — the Colossus Water Recycle Facility — designed to produce about 13 million gallons a day of reclaimed water from the city's Maxson wastewater treatment plant for use by xAI, TVA's Allen plant, and Nucor Steel, breaking ground in October 2025. Then, on Thursday, April 9, 2026, xAI announced it was pausing the plant to prioritize finishing Colossus 2, with Musk promising to build it later.⁷⁹ The pause is a clean conflict with the recycled-water condition TVA had attached to the February doubling two months earlier. Protect Our Aquifer, which had supported the plant as a genuine water-side solution, called the pause alarming and warned that heavy aquifer pumping near legacy industrial pollution could draw contamination toward the drinking-water supply; the mayor and MLGW publicly pressed xAI to finish it. The water promise was the thing that made the air and the power tolerable to some — and it is the thing xAI set down first.

The deal, the absence of a deal, and the \$3.3 million

xAI's economics in Memphis are unusual in two ways. First, it secured a 522-acre lease in the Frank C. Pidgeon Industrial Park, approved by the local EDGE board on Friday, October 4, 2024: a 21-year term at no rent the first year, then \$1,654,961 a year escalating 2.5 percent annually, with a purchase option at the end of about \$23.6 million.⁸⁰ Second, and more striking, xAI declined a payment-in-lieu-of-taxes deal and took no new tax abatement — meaning the project generates full local property-tax revenue, a genuine departure from the usual Memphis incentive. (The building itself carried a 15-year, 75 percent abatement from a 2010 Electrolux deal, distinct from any xAI grant.)⁸¹ That full tax bill is what funds the community-benefit ordinance the City Council passed on Tuesday, August 19, 2025, which directs 25 percent of xAI's city property-tax revenue, up to a \$100 million lifetime cap, to neighborhoods within five miles. With first-year city property tax estimated near \$13 million, the 25 percent share is about \$3.3 million; an AI Advisory Board on Community Benefits, chaired by the organizer KeShaun Pearson, finalized eleven spending recommendations on Thursday, June 4, 2026 — weatherization and home repair, healthcare access, air-quality monitoring, blight remediation, a Southwest Memphis environmental dashboard, and more — for the 38109 and 38116 ZIP codes.⁸² A board member's own framing captured the scale: the fund is small enough that "you could pick two of these and spend the whole amount."⁸³

Jobs, investment, and the moving target

The promised “hundreds of permanent jobs” — Chamber materials cited up to 500 — are hard to verify against actual operations; trade reporting put the buildout workforce near 3,000, a figure this report flags as not primary-verified, and a University of Memphis researcher warned that permanent high-tech jobs could stay low without a local research team.⁸⁴ The investment figures are a moving target: the original Memphis project was tied to a roughly \$6 billion figure, the Chamber’s page has at points cited more than \$10 billion, and Colossus 2 financing alone reportedly involved about \$12 billion in debt against a roughly \$20 billion total — not to be conflated with the separate \$20 billion Southaven, Mississippi, announcement.⁸⁵ The compute trajectory rose from about 100,000 Nvidia processors at launch toward 200,000, then past 555,000 by January 2026, against a stated long-term goal of a million, with Supermicro setting up local operations and Musk attaching the name “MACROHARDRR” to an associated software effort; a reported Google compute deal could not be substantiated and is not adopted here.⁸⁶

The argument over whether it was worth it

The Greater Memphis Chamber, under then-chief executive Ted Townsend and government-affairs officer Bobby White, framed xAI as a transformational win secured in roughly ninety days with no taxpayer funding and no abatements, positioning Memphis as a “Digital Delta” tech hub with indirect jobs and talent attraction; in June 2024 the Chamber could not provide a GDP figure, and no published economic-impact study with hard numbers surfaced.⁸⁷ Critics — Memphis Community Against Pollution, Protect Our Aquifer, SELC, and South Memphis residents — argue the benefits are overstated and unevenly distributed against high external costs in air, water, and health, with the \$3.3 million fund small relative to the burden on 38109 and 38116. The case for and the case against now run in parallel, and the federal court will resolve only the narrowest of the questions between them. What the record establishes is the sequence: the plant was built, then the permit sought; the power drawn, then the rate questioned; the water promised, then the promise paused. In Memphis the order of operations was the policy.

The rest of Memphis

Data Center Map counts thirteen facilities in the Memphis market, three of them xAI’s. The other ten are a conventional colocation and enterprise fleet the supercomputer overshadows: Expedient’s facility on Players Lane; DataBank’s MEM1 in the Appling Center; an EdgeConneX edge site on South Mendenhall; the Aphorio Carter enterprise data center at the former FedEx campus in Collierville; Verizon’s former-XO carrier site on Truse Road; WorldSpice Technologies on Poplar; and a Lumen carrier site on Crowfarn Drive.⁸⁸ The pipeline is active here too: Oppidan’s 99,000-square-foot “Connect Memphis” on South Mendenhall, the 5C Group’s 15-megawatt first phase in the former Fred’s headquarters on Getwell Road, and The STEM Practice’s 38,500-square-foot modular AI building on Sycamore View.⁸⁹ Beyond Shelby County the West Tennessee record thins quickly: Jackson, in Madison County, has the Aeneas carrier-neutral data center downtown, and a 60-megawatt bitcoin mine announced there in 2024 under GRIID has since folded into CleanSpark’s portfolio with unclear current status.⁹⁰

CHAPTER 11 — Nashville and Davidson County

If Memphis is where the industry's costs became undeniable, Nashville is where the public revolt organized. Davidson County is also the densest colocation market in the state, and the two facts collided in June 2026.

The operating market

Metro Nashville's existing data centers are mostly midsize carrier and colocation facilities concentrated downtown, in Berry Hill, and along the interstate corridors. The June 2026 NewsChannel5 inventory and Data Center Map together name a Lumen presence across three Nashville sites plus Berry Hill, an EdgeConneX facility of about 42,500 square feet, H5 Data Centers downtown, a DataBank site in Cummins Station, Cogent, Windstream, a Scipio Technologies facility, and an IRIS Networks site on Commerce Street.⁹¹ These are the workhorses of the regional internet — interconnection points, carrier hotels, enterprise colocation — and none has drawn public opposition. The fight is about the next generation of facilities, which are an order of magnitude larger.

The zoo, the petition, and the country star

The catalyst was a proposed data center beside the Nashville Zoo. DC BLOX, an Atlanta-based developer, planned a facility at 648 Grassmere Park on a roughly 24-acre parcel owned by MarketStreet Enterprises; the permit application as first filed described a single 69,220-square-foot building, while geotechnical documents describe a two-building program reaching about 270,000 square feet and as much as 50 megawatts, with the developer funding its own substation.⁹² The zoo, citing endangered animals roughly fifty yards away, declared itself vehemently opposed and retained land-use attorney Bill Herbert, a former Metro codes director, to file a zoning appeal seeking to overturn permits Metro had already issued.⁹³ A change.org petition created by the zoo's communications team climbed past 150,000 signatures, then 288,000, then more than 380,000 after the country musician and Nashville resident Brad Paisley posted a video calling the project "an absolute nightmare scenario" and "an enormous monstrosity"; it became the largest such mobilization in the state's data-center fight.⁹⁴

Fisk, and Oracle

A second contested project, Fisk University's roughly \$1 billion "Quantum Leap" campus plan in historically Black North Nashville, included a 30-megawatt data center within a 100,000-square-foot innovation center and drew its own opposition, including a campus press conference by state Representative and Fisk alumnus Justin Jones and protests from prominent alumni.⁹⁵ A third, the roughly \$1.2 billion Oracle campus on the East Bank — approved by Metro in October 2025 with about \$175 million in city infrastructure spending and \$65 million in state incentives toward 8,500 jobs — is principally a corporate headquarters with offices, retail, and a Nobu hotel rather than a merchant data center, and the report characterizes it that way even as it anchors enormous regional demand.⁹⁶

The institutional response

It came in a rush. On Tuesday, June 9, 2026, the Metro Council passed a temporary data-center moratorium on the first of three required readings, by a vote of 26 to 1, sponsored by Councilmember Courtney Johnston, whose district includes the zoo; the lone dissenter was

Delishia Porterfield, and the pause runs until November 1, 2026, or until the council adopts new zoning, whichever comes first.⁹⁷ The companion zoning ordinance, BL2026-1391, sponsored by Councilmember Rollin Horton, would prohibit data centers larger than 500,000 square feet, require large facilities to sit at least half a mile from homes, schools, daycares, religious institutions, parks, and the zoo, sort data centers into four size-and-power categories, and require all of them to use closed-loop cooling that recycles water rather than drawing from outside sources.⁹⁸ On Thursday, June 11, the Planning Commission held a roughly six-hour public hearing that drew more than 150 speakers, nearly all opposed, then deferred the zoning ordinance to its June 25 meeting.⁹⁹ On Monday, June 15, Mayor Freddie O'Connell signed Executive Order 59, "Protecting Nashville from the Impacts of Large-Scale Data Centers," which defines a large-scale facility as one of at least 20,000 square feet or 5 megawatts and directs Metro departments, with Nashville Electric Service, to deliver an impact review across infrastructure, environment, community, and economy within two months.¹⁰⁰ One new facility is rising through all of it: RadiusDC's 102,500-square-foot, 12-megawatt colocation building in Trinity Hills, financed by Blue Owl Capital, which broke ground in September 2025 with closed-loop low-water cooling and is billed as the largest colo in Nashville proper.¹⁰¹ Several of the decisive votes — the moratorium's later readings, the June 25 zoning hearing — fell after this report's cutoff and are flagged as pending rather than predicted.

CHAPTER 12 — Gallatin and Sumner County: Meta

Meta's Gallatin campus is the counter-case to Memphis: a large, established hyperscale facility that has drawn almost none of the conflict, which makes it the best available test of what the fight is and is not about.

The land and the shell company

The campus occupies more than 800 acres in Sumner County, northeast of Nashville, on land Meta assembled through a Delaware shell company, Woolhawk LLC, for about \$19.9 million — including a contested 369-acre parcel Sumner County released from an agricultural trust in 2018.¹⁰² Meta announced the site in 2020, expanded it in June 2022 toward more than 1.6 million square feet and about \$1 billion, brought the data center fully online in November 2024, and now reports total Tennessee investment exceeding \$1.5 billion.¹⁰³

The PILOT structure

The fiscal mechanism is worth examining closely because its design is unusual and revealing. The Gallatin Industrial Development Board negotiated a sale-leaseback payment-in-lieu-of-taxes deal with a 20-year term plus construction time, roughly 23 years before full tax liability resumes. The payments are not tied to assessed value but set as a flat rate per building: about \$1 million a year for the first building, sliding down to roughly \$550,000 a year for the sixth, where a “building” is defined as a data center of at least 155,000 square feet.¹⁰⁴ As a then-councilmember pointed out while reading the agreement, that structure rewards making the buildings as large as possible, and the total abatement value was never published — consistent with the statewide pattern in which executed PILOT terms and clawbacks stay out of public view.¹⁰⁵

Build-out, water, and energy

The approved site plan was for a single 982,500-square-foot data center, and the campus has grown from there toward as many as twelve data halls; in September 2025 the Gallatin planning commission approved a 135,000-square-foot tensioned-fabric “tent” building to add artificial-intelligence capacity quickly, part of Meta's broader rapid-build push.¹⁰⁶ The campus uses direct-air cooling rather than conventional air conditioning, drawing outside air and repurposing equipment heat, and Meta has set a goal of being water-positive by 2030.¹⁰⁷ It draws about 300 megawatts, supplied wholesale by TVA and distributed by the Gallatin Department of Electricity, and Meta matches its consumption through eight TVA-region renewable projects that add a reported 530 megawatts of new generation in Tennessee.¹⁰⁸ A figure of 1,563 megawatts for full Sumner County buildout has circulated, including in the early groundwork for this project; it could not be verified in any source, and this report does not adopt it.¹⁰⁹

Why Gallatin is quiet

On jobs and community relations, the campus employs more than 100 people, peaked near 1,100 trades workers in construction, and has given roughly \$1 million to Sumner County schools and a \$250,000 grant to restore a historic gym — the kind of early, visible, well-funded community engagement that Memphis did not get.¹¹⁰ Meta is not alone in the county: about a thousand yards away, on Gateway Drive, CSquare — a Brookfield-owned Centersquare colocation campus partnering with Archer Datacenters — operates a roughly 82,000-square-

foot first phase with a planned buildout toward 500,000 square feet and as much as 100 megawatts.¹¹¹ Gallatin is what a data center looks like when the disclosure happens early, the infrastructure is paid for, and the operator works the community relations. That is precisely why it is quiet, and precisely the contrast that makes Memphis loud.

CHAPTER 13 — Clarksville and Montgomery County: Google

The oldest anchor

Google's Clarksville facility is the oldest of Tennessee's marquee data centers and, at roughly 1.44 million square feet, the largest single data-center building in the Middle Tennessee region.¹¹² It sits on the roughly 1,300-acre former Hemlock Semiconductor megasite, which Google acquired in 2015, reusing existing industrial infrastructure; the company broke ground in 2018 and opened the facility in November 2019, with the governor, both local mayors, and TVA's chief executive attending.¹¹³ The earlier groundwork dated the facility to 2024; that is incorrect, and the report corrects it — the 2024 operational date belongs to Meta's Gallatin campus, not Google's Clarksville one.¹¹⁴

Power, water, and the corrected investment figure

Power comes wholesale from TVA, distributed by the Clarksville Department of Electricity, and Google matched its consumption through a 413-megawatt solar power-purchase agreement with TVA spanning about 1.6 million panels at the Hollywood, Alabama, and Yum Yum, Tennessee, solar farms.¹¹⁵ The facility's initial investment was about \$600 million with roughly 70 jobs, expanded by more than \$25 million in 2022. Here the report corrects a figure carried in its own earlier draft and the groundwork: Google's cumulative Tennessee investment is best supported at about \$2.5 billion since 2018, not the \$6 billion previously cited, which could not be substantiated.¹¹⁶ Google's nuclear hedge runs through the same region: its agreement with Kairos Power and TVA ties to the Hermes 2 reactor at Oak Ridge, expected to deliver up to 50 megawatts to the grid around 2030.¹¹⁷ The facility's specific water source and usage are not publicly reported, a gap a Montgomery County records request would have to close. Clarksville, like Gallatin, has drawn no organized opposition or moratorium — a second quiet hyperscale campus, and a second data point for the proposition that the conflict tracks not the size of the facility but the manner of its arrival. ## CHAPTER 14 — The Middle Tennessee Colocation Ring

The quiet backbone

Between the marquee campuses sits a ring of established colocation facilities in Nashville's wealthier suburbs, the quiet backbone of the regional market and a reminder that Middle Tennessee was a substantial data-center hub before the hyperscale wave made it a contested one. Williamson County, south of Nashville, carries the densest suburban cluster: Flexential operates three facilities — in Franklin, Cool Springs, and Brentwood, the largest near 80,000 square feet — and TierPoint runs the state's only Uptime-certified Tier III facility, a roughly 52,000-square-foot site in Franklin, alongside a Windstream facility in Brentwood.¹¹⁸ Rutherford County, to the southeast, has a smaller Data Suites facility in Murfreesboro and a band of candidate sites that developers have floated but not formally filed.¹¹⁹

Why they are not on the moratorium map

These suburban colos are unremarkable by design — midsized, enterprise-focused, long-operating — and they are absent from the moratorium map precisely because they predate the hyperscale era and never tested a community's tolerance. They matter to the census because they are real capacity and real load, and because they mark the baseline against which the 2026 backlash should be measured: the objection in Tennessee is not to data centers as such, which

the suburbs have hosted quietly for years, but to the scale, the power draw, and the arrival manner of the new generation.

CHAPTER 15 — The Middle Tennessee Moratorium Belt

The Hixson tell

Around the quiet hyperscale campuses, a belt of smaller jurisdictions has gone into open revolt, and the projects triggering it are getting smaller and more ingenious about evading the rules. The defining case is McMinnville, in Warren County, where the Hixson Data Center was announced as a 25-megawatt, roughly 96,000-square-foot “medium-scale, high-density GPU campus” built for Nvidia’s latest hardware and powered not by the grid but by an on-site agreement for 30 megawatts of Bloom Energy solid-oxide fuel cells running on natural gas, with diesel and battery backup, targeting completion around 2028.¹²⁰ The design is a regulatory tell. At 25 megawatts, Hixson sits below the 50-megawatt threshold in Tennessee’s new state law, escaping its infrastructure-cost rules; by self-generating, it sidesteps grid review entirely. McMinnville’s board passed an 18-month moratorium unanimously on June 9, 2026, and the mayor noted the developer never consulted local officials before announcing.¹²¹ The town is not anti-industry — it already hosts the region’s second-largest single facility by footprint, Litewire’s roughly 285,000-square-foot Tier IV building in a former manufacturing plant — it is reacting to a specific project and a specific evasion.¹²²

The preemptive pauses

The same week, Coffee County passed a 12-month moratorium unanimously and preemptively, with no single named project, after its mayor proposed it and the planning commission doubled the requested term; the city of Tullahoma added an 18-month pause of its own.¹²³ Cedar Hill, in Robertson County, had moved first, enacting a two-year moratorium on June 1, 2026, covering both data centers and crypto mining, spurred by a facility proposed just over the line in Franklin, Kentucky.¹²⁴ Farther south, Lawrence County and the city of Lawrenceburg drew petitions over a proposed roughly 60,000-square-foot, 5-megawatt facility on Flatwoods Road whose water draw of 10,000 to 15,000 gallons a day raised alarms thirty miles downstream into northern Alabama, with a planning hearing set for July.¹²⁵ These are rural and small-town governments acting ahead of projects rather than behind them, choosing moratoriums over bans deliberately while they watch the Hawkins County litigation. Warren County and Knox County had county-wide votes scheduled for June 22, 2026, which had not occurred as of this writing and are not predicted here.¹²⁶

CHAPTER 16 — Knoxville and Knox County

The mix

The Knoxville region holds about eleven facilities on Data Center Map, a mix that captures the East Tennessee pattern: a few conventional colocation sites and a larger number of crypto mines the aggregator counts alongside them. The conventional operators are locally grounded — TenHats runs a high-tier facility, “The Fort,” in Knoxville; Webservio operates the Infinity Data Center in the Hardin Valley area near Oak Ridge; Scipio Technologies runs a downtown carrier-neutral site; and Windstream has a Lovell Road facility.¹²⁷ The largest single computing site in the county is not a colocation hall at all but Bitdeer’s roughly 86-megawatt crypto-mining operation on South National Drive, on a former Panasonic site, which is converting about 35 megawatts to artificial-intelligence workloads by late 2026 — a live example of the mining-to-AI pivot reshaping the sector.¹²⁸

The microcosm

The politics here are about to crystallize. A Knox County commissioner proposed a moratorium running through June 2027, scheduled for a June 22, 2026 vote that had not occurred as of this writing, while Knoxville Mayor Indya Kincannon signaled a parallel city moratorium for later in the summer.¹²⁹ The University of Tennessee’s CURENT center — a federally funded grid-research facility, not a commercial data center — sits in the same county and is a research asset rather than a project, a distinction worth preserving against the temptation to count every large computing facility as part of the buildout.¹³⁰ Knox is, in effect, a microcosm of the state: real colocation, a large crypto site pivoting to AI, a federal research presence, and a county government moving toward a pause.¹³¹

CHAPTER 17 — Chattanooga and Hamilton County

EPB and the modest market

Chattanooga's data-center story runs through its municipal utility and a single contested building. EPB, the city's public electric and fiber utility, said it would serve an approved data center without affecting price or service for other customers, and it operates the kind of advanced grid — battery storage, a quantum-computing partnership — that makes the city attractive to compute.¹³² The existing market is modest: Data Center Map lists five Hamilton County facilities, including a DC BLOX site powered by TVA hydro, an Airnet carrier facility, a Scipio site, and an MCA facility.¹³³

The jailhouse

The fight is over the fifth. The developer Urban Story Ventures proposed converting the eight-story former county jail downtown into "Jailhouse Studios," a mixed project of film and music studios with an integrated Oracle-linked AI data-processing center billed as a "quantum-ready sovereign" facility.¹³⁴ More than 600 residents petitioned against it, and labor unions and artists objected; on Wednesday, March 18, 2026, the county commission approved a 35-year lease at \$375,000 a year only after a commissioner amended it to cap data-processing use at 12,000 square feet — a direct check to keep the building from becoming, in his framing, only a data center — and to route a share of profits to arts workforce development.¹³⁵ The county mayor described the commission as still evaluating the right path on data centers in rural areas, and the developer described the jail project as the first of three Chattanooga proposals, which suggests the question is far from settled.¹³⁶

CHAPTER 18 — Oak Ridge and the Federal Model

The solicitation

Oak Ridge represents a different governance world entirely, and it is one of the most consequential data-center stories in the state precisely because it sits outside the local-fight pattern. On September 30, 2025, the Department of Energy solicited proposals to site commercial AI data centers with co-located power on the Oak Ridge Reservation, the roughly 33,500-acre federal site spanning Anderson and Roane counties, offering two parcels — one at the East Tennessee Technology Park and one adjacent to Oak Ridge National Laboratory — and requiring applicants to build, power, and eventually decommission their own facilities; proposals were due December 1, 2025, and the awardee was not public as of this writing.¹³⁷ Oak Ridge is one of four federal sites selected nationally for this model, in which the land, the power authority, and the oversight are federal, and a county commission has no role.

The government machines, and the question

Alongside that commercial solicitation, the national laboratory itself, with AMD and HPE, announced two new government supercomputers — “Discovery,” the successor to the Frontier exascale machine, due in 2028, and the “Lux” AI cluster — and ORNL partnered with Elementl Power to accelerate the siting of nuclear-powered data centers.¹³⁸ The federal-versus-local contrast is the analytical point. At Oak Ridge, the most powerful computing in the state is being sited and powered through a federal process with its own environmental review and its own accountability chain, entirely separate from the moratorium fights a few counties over.¹³⁹ Whether that federal model is more accountable or merely less locally contestable is a question the rest of Tennessee’s experience makes worth asking, and one Tennessee’s own institutions cannot answer, because they are not party to it.¹⁴⁰

CHAPTER 19 — The Tri-Cities and the Crypto Coast

The Limestone template

The northeastern mountains carry Tennessee's longest-running data-center conflicts, and they are mostly about crypto mining and noise rather than AI and air. The defining case is the Red Dog Technologies bitcoin mine near Limestone, in Washington County, leased in 2020 by the municipal utility BrightRidge to a subsidiary later acquired by CleanSpark, which generated years of constant-noise complaints from Bailey Bridge Road residents beginning in July 2021.¹⁴¹ Washington County sued in November 2021; commissioners rejected a relocation settlement in 2022 with a public "see you in court"; and an October 2023 settlement required the mine to cease operations by March 28, 2026 — a hard date it met, shutting down that weekend, with equipment removal to follow within 120 days.¹⁴² The episode is the rare community win, and it set the template the noise-conscious jurisdictions now cite. In its wake BrightRidge stopped entertaining new data-center proposals in its territory, Washington County adopted a moratorium running through mid-2027, and Johnson City commissioned a roughly \$97,000 noise-and-vibration study, extended its moratorium to December 2026, and advanced zoning and noise ordinances on a 4-2 planning-commission vote.¹⁴³

The fights spread

Mountain City, in Johnson County, rejected a proposed 30-megawatt CleanSpark bitcoin mine on Rainbow Road after more than 1,700 residents signed petitions and the town concluded it could not afford the litigation a denial might bring; an alderman resigned after taking a job with the company.¹⁴⁴ Hawkins County went further than anyone, enacting a permanent ban on data centers and crypto mining on September 22, 2025; the Beacon Center, a free-market legal group, sued the county in federal court in the spring of 2026 on behalf of ExoticRidge, a Kentucky miner that had planned an 8-megawatt, ethane-powered operation in Bulls Gap — the test case the rest of the state is watching.¹⁴⁵ Kingsport and Sullivan County, by contrast, chose the regulate-and-permit path, adopting zoning ordinances addressing noise, energy disclosure, and physical security rather than bans; Jonesborough and Bristol enacted moratoriums; and Grundy County, on the Cumberland Plateau, added a two-year pause.¹⁴⁶

The consolidated fleet

Behind the fights sits a crypto fleet that has consolidated almost entirely under one owner. Most of East Tennessee's bitcoin mines trace to GRID's original Tennessee sites, acquired by CleanSpark in a 2024 deal valued around \$155 million with a stated plan to exceed 400 megawatts in the state.¹⁴⁷ The portfolio now spans Loudon County (Lenoir City), Campbell County (Jellico), Scott County (Winfield), Claiborne County (New Tazewell), Union County (Maynardville), Grainger County (a Rutledge repair center), and two sites in Cumberland County (Crossville), in addition to the shuttered Limestone mine and the rejected Mountain City proposal.¹⁴⁸ These operations are counted in the state's data-center totals by the aggregators, but they are a distinct category — energy-intensive, employment-light, noise-heavy, and increasingly pivoting toward AI hosting as the economics of mining shift.¹⁴⁹ The crypto coast is where Tennessee learned, before the AI wave arrived, that the quietest-sounding industry can be the loudest neighbor, and that a binding settlement with a decibel limit is worth more than a promise.¹⁵⁰

PART FOUR — THE PATTERN

CHAPTER 20 — The Tennessee Pattern

Five features distinguish Tennessee's data-center situation from Virginia's, and the census in Part Three shows each one operating across the state.

The federal accountability gap

TVA's freedom from state regulation, traced in Part One, means the decisions that matter most for ratepayers — the rate a data center pays, the gas plants and pipeline built to serve it, the coal plants kept running past their retirement dates — happen where no Tennessee voter can reach them. Every other feature operates against that backdrop, and it is why the most binding instrument any Tennessee community has found is a federal Clean Air Act suit rather than a state proceeding. The state's governing energy is displaced upward, to Washington, and the public's recourse with it.

Self-generation

Tennessee's own 2026 law now lets data centers build their own gas power plants outside any state or local review, ratifying the strategy xAI pioneered in Memphis and Southaven and the one the Hixson project in McMinnville is using to escape the grid entirely. Where Virginia's data centers draw from a regulated grid whose buildout at least appears in an integrated resource plan, Tennessee's largest operator built a private power plant and asked permission afterward, and the state has now declared that legal. The behavior that produced the state's largest controversy is the behavior the state's newest statute protects.

The disclosure vacuum

The transparency bills died, the subsidy is reported only in part, no but-for study exists, and TVA publishes no aggregate data-center queue. At every level — the megawatts in the queue, the dollars in the PILOTs, the gallons in the cooling towers — Tennessee has chosen not to measure. The vacuum is not an accident of an immature system; it is the cumulative result of specific choices, each of which had a bill that failed or a report that was never commissioned.

Rural diffusion

The buildout is not concentrated in one corridor the way Virginia's clusters in the north. It is scattered from Memphis to the Tri-Cities, with crypto mines reaching into counties most people could not find on a map, which is why the backlash is statewide rather than regional and why a dozen small governments are writing land-use law at once. The diffusion is also why no single state standard has formed: the pressure arrives in different counties in different months, and each meets it alone.

Environmental justice as the leading edge

In Virginia the fight is mostly about money and grid. In Tennessee the sharpest fight is about air, in a Black neighborhood, in federal court. The Memphis case has made Tennessee the place where the question is no longer whether data centers cost ratepayers money but whether they can be made to obey the Clean Air Act — a harder, more elemental question, and one whose answer will be written by a federal judge rather than a utility commission.

CHAPTER 21 — Tennessee in the National Context

The rural turn

Tennessee is a leading instance of two national trends. The first is the rural shift: Pew reported in April 2026 that while about 90 percent of existing U.S. data centers are urban, roughly two-thirds of planned ones are headed to rural areas, with the South ranked first for both existing and planned facilities.¹⁵¹ Tennessee's scattered geography and its small-county moratoriums are that national pattern in miniature, and the Hawkins County litigation will help set the legal boundary, well beyond Tennessee, of how far a rural government can go to refuse.

The collapse of tolerance

The second trend is the collapse in public tolerance: surveys in 2026 found roughly seven in ten Americans opposing data centers in their own communities, up sharply over a matter of months, and Tennessee's petition counts — more than 380,000 against one Nashville project, more than 1,700 against a single rural bitcoin mine — are among the starkest local expressions of it.¹⁵² The contrast with Virginia frames the stakes for policymakers everywhere. Virginia governs a concentrated industry through a state commission and debates whether to narrow a roughly \$2 billion exemption; its problem is calibration. Tennessee governs a scattered industry through a federal utility it cannot touch, with a tax program it barely reports and a new law that deregulates the very behavior that produced its biggest controversy; its problem is that much of the apparatus of governance does not exist, or sits in Washington. The second problem is the harder one, and it is the one a growing number of states are about to inherit.

CONCLUSION — The Wave Is Not Finished

Tennessee built the demand before it built the means to govern it, and the record assembled here shows the consequences arriving in a consistent order. The plant goes up before the permit is sought. The power is drawn before the rate is questioned. The water is promised before the promise is paused. The subsidy is granted before anyone asks whether it changed a decision. The moratorium is written after the project is already at the door. In each case the sequence is the same: the facility moves at the speed of capital, and the public apparatus moves at the speed of government, and the gap between the two is where the cost settles.

That gap is widest in Tennessee because the institution at the center of it is federal. A state can narrow a tax exemption, write a disclosure statute, or hand its counties a model ordinance, and the materials to do each of those things are present in this record. But none of them reaches the decision that matters most — the rate a data center pays and the generation built to serve it — because that decision belongs to a corporation chartered in 1933 and accountable to Washington. The Memphis litigation is significant precisely because it found the one binding lever a community actually holds, and that lever is a federal statute, applied by a federal court, to a power plant the state's own new law would otherwise have left alone. When the most effective tool available to a Tennessee neighborhood is the Clean Air Act, the absence of a state tool is the finding.

The wave is not finished. TVA's rate-class decision lands in late 2026, and it will either assign the cost of the buildout to the firms that drive it or socialize it across ten million ratepayers; the design, not the principle, will decide which. The Hawkins County case will tell rural governments across the South how far they may go. The Nashville ordinance will set, or fail to set, the first real local standard in a major Tennessee market. The xAI suit will establish whether a company can build first and permit later and pay only a fine. The gas plants and the pipeline will be finished on a demand forecast that other utilities have already cut, and the rate base will hold the bet for thirty years whether or not the load arrives. Each of these is a question the record frames but does not close, and each will be answered in the months just after this report goes out. What the report establishes is the shape of the thing — the federal gap, the self-generation loophole, the disclosure vacuum, the rural diffusion, and the environmental-justice edge — so that whoever reads the answers when they come will know what they are looking at. # APPENDICES

APPENDIX A: METHODS AND THE STATEWIDE COUNT

The facility count used throughout this report — roughly 61 data centers operating or under construction in Tennessee as of mid-June 2026 — derives from the market-intelligence aggregator Data Center Map, cross-checked against WPLN’s November 2025 reporting (which gave 60), a June 2026 Tennessee Lookout figure (61), and a June 2026 Tom’s Hardware figure (63).¹⁵³ The count drifts because the aggregator updates continuously; the working regional split is approximately 27 in the Nashville area, 13 in Memphis, 11 in the Knoxville region, 5 in Chattanooga, and the remainder in Clarksville, Crossville, Bristol, Jackson, McMinnville, and Lenoir City. These are operating-plus-under-construction counts and exclude announced-but-unpermitted projects, which Appendix C lists separately.

Three methodological notes matter. First, Data Center Map’s geography crosses county lines — its “Knoxville” and “Memphis” markets sweep in facilities from several counties — so Appendix B re-sorts every facility by its true county. Second, the aggregators disagree: Data Center Map lists about 61 Tennessee facilities while the capacity-tracker Cleanview lists only 14, because the two use different inclusion rules; this report uses Data Center Map as the enumeration backbone and Cleanview only for megawatt figures on the largest sites. Third, at least seven of the counted sites are crypto-mining operations rather than conventional colocation or cloud facilities; they are included because the aggregators count them and because Tennessee localities regulate them together, but they are flagged as crypto in the inventory and broken out in Appendix F. Square footage and megawatt figures are quoted as reported and are genuinely sparse outside Middle Tennessee; a dash means a figure is not publicly disclosed. Three figures circulating in the earlier groundwork were tested and not adopted: a 1,563-megawatt Sumner buildout (unverifiable), a 2024 Google Clarksville opening (the facility opened in 2019), and a \$6 billion Google Tennessee investment (best supported at about \$2.5 billion). A widely shared “\$8 billion Clarksville data center” claim traces to a single social-media post and is excluded.

APPENDIX B: MASTER FACILITY INVENTORY

Operating and under-construction facilities, grouped by region and county. Sources: Data Center Map, the NewsChannel5 June 2026 Middle Tennessee inventory, WPLN (November 2025), and operator records. “Crypto” denotes a bitcoin-mining site.

West Tennessee

Operator	Facility / Location	County	Size	Power	Status	Type
xAI	Colossus 1, Paul R. Lowry Rd (Pidgeon Industrial Park)	Shelby	~1M sq ft acquired	~300 MW (TVA/MLGW)	Operating	Hyperscale/ AI
xAI	Colossus 2, 5400 Tulane Rd (Whitehaven)	Shelby	~1M sq ft	gigawatt-class target	Under construction	Hyperscale/ AI
xAI	5414 Tulane Rd expansion	Shelby	312,000 sq ft	\$659M	Under construction	Hyperscale/ AI
Expedient	3180 Players Ln	Shelby	35,000 sq ft	—	Operating	Colocation
DataBank	MEM1, 7620 Appling Center Dr	Shelby	—	—	Operating	Colocation
EdgeConneX	EDCMEM01, 4005 S Mendenhall Rd	Shelby	—	~1 MW	Operating	Edge colo
Aphorio Carter	Collierville Enterprise DC, 9 FedEx Pkwy	Shelby	—	—	Operating	Enterprise
Verizon	5127 Truse Rd (former XO)	Shelby	—	—	Operating	Carrier
WorldSpice Technologies	5050 Poplar Ave	Shelby	—	—	Operating	Colocation
Lumen	Memphis 1, 3993 Crowfarn Dr	Shelby	—	—	Operating	Carrier
Aeneas	300 N Cumberland St, Jackson	Madison	—	—	Operating	Colocation

Middle Tennessee — Nashville / Davidson County

Operator	Facility / Location	County	Size	Power	Status	Type
RadiusDC	Nashville I, Trinity Hills (Brick	Davidson	102,500 sq ft	12 MW	Under construction (2026)	Colocation

	Church Pike)					
EdgeConneX	EDCNAS01	Davidson	42,500 sq ft	—	Operating	Colocation
Lumen	Nashville 1, 2990 Sidco Dr	Davidson	40,000 sq ft	—	Operating	Carrier
Lumen	Nashville 3, 2208 9th Ave N	Davidson	30,400 sq ft	—	Operating	Carrier
Lumen	Nashville 2, 2530 Perimeter Pl	Davidson	9,561 sq ft	—	Operating	Carrier
Lumen	Berry Hill, 708 Melrose Ave	Davidson	2,500 sq ft	—	Operating	Carrier
Cogent	338 Woodycrest Ave	Davidson	27,502 sq ft	1.5 MW	Operating	Carrier
H5 Data Centers	Nashville II, 147 Fourth Ave	Davidson	19,700 sq ft	—	Operating	Colocation
Scipio Technologies (Nexus)	Nashville	Davidson	19,000 sq ft	—	Operating	Colocation
DataBank	209 10th Ave S (Cummins Station)	Davidson	11,000 sq ft	—	Operating	Colocation
Windstream	940 3rd Ave N	Davidson	7,200 sq ft	—	Operating	Carrier
IRIS Networks	211 Commerce St	Davidson	—	—	Operating	Carrier

Middle Tennessee — suburban ring and major campuses

Operator	Facility / Location	County	Size	Power	Status	Type
Meta	Gallatin campus (1 Meta Lp) — campus + 6 buildings	Sumner	800+ acres; 982,500 sq ft (initial)	~300 MW	Operating (online Nov 2024)	Hyperscale
CSquare (Centersquare)	Gallatin, 1398 Gateway Dr	Sumner	82,000 → 500,000 sq ft	up to 100 MW	Operating + expanding	Colocation
Google	Clarksville (former Hemlock site)	Montgomery	~1.44M sq ft	413 MW solar PPA	Operating (opened 2019)	Hyperscale
Flexential	Franklin	Williamson	80,726 sq ft	—	Operating	Colocation
Flexential	Cool Springs	Williamson	74,679 sq ft	—	Operating	Colocation
Flexential	Brentwood	Williamson	19,150 sq ft	—	Operating	Colocation
TierPoint	Franklin (Tier III, Uptime-	Williamson	52,000 sq ft	—	Operating	Colocation

	certified)					
Windstream	Brentwood, 105 Westwood Pl	Williamson	22,000 sq ft	—	Operating	Carrier
Data Suites	Murfreesboro	Rutherford	10,000 sq ft	—	Operating	Colocation
Litewire	McMinnville, 204 Red Rd	Warren	285,000 sq ft	—	Operating (Tier IV)	Colocation

East Tennessee — Knoxville, Chattanooga, and the plateau

Operator	Facility / Location	County	Size	Power	Status	Type
TenHats	“The Fort,” 550 Fort Summit Way, Knoxville	Knox	—	—	Operating	Colocation
Webservio	Infinity DC, Hardin Valley, Knoxville	Knox	—	—	Operating	Colocation
Scipio Technologies	Digital Crossing, 500 W Summit Hill, Knoxville	Knox	—	—	Operating	Colocation
Windstream	2333 Lovell Rd, Knoxville	Knox	—	—	Operating	Carrier
Bitdeer	5101 S National Dr, Knoxville	Knox	—	~86 MW (35 MW → AI)	Operating	Crypto → AI
LCUB	Lenoir City Utilities Board DC	Loudon	—	—	Operating	Municipal
DC BLOX	CHA-1, 807 E 16th St, Chattanooga (TVA hydro)	Hamilton	—	—	Operating	Colocation
Airnet (Dataprise)	801 Broad St, Chattanooga (Tier III)	Hamilton	—	—	Operating	Colocation
Scipio Technologies	1100 E 11th St, Chattanooga	Hamilton	~10,000 sq ft	—	Operating	Colocation
MCA	6048 Century Oaks Dr, Chattanooga	Hamilton	—	—	Operating	Colocation
Windstream	112 6th St, Bristol	Sullivan	—	—	Operating	Carrier
CleanSpark	Lenoir City / Jellico / Winfield /	Loudon/ Campbell/ Scott/	—	—	Operating	Crypto

	New Tazewell	Claiborne				
CleanSpark	Crossville 1 & 2	Cumberland	—	—	Operating	Crypto

APPENDIX C: ANNOUNCED, PROPOSED, AND UNDER-CONSTRUCTION PIPELINE

Project / Developer	Location	County	Size / Power	Status
DC BLOX (Grassmere, near Nashville Zoo)	South Nashville	Davidson	~270,000 sq ft / ~50 MW (permit cites 69,220 sq ft / 10 MW first building)	Proposed, contested; some permits issued
Fisk University “Quantum Leap”	Fisk campus, N. Nashville	Davidson	~70,000 sq ft DC + 30,000 academic / 30 MW	Announced May 2026; contested
Oracle East Bank campus	East Bank, Nashville	Davidson	~\$1.2B, 75 acres (corporate HQ, not merchant DC)	Approved Oct 2025; under development
RadiusDC Nashville I	Trinity Hills	Davidson	102,500 sq ft / 12 MW	Under construction, opens 2026
Hixson Data Center	McMinnville	Warren	96,064 sq ft / 25 MW (Bloom fuel cells)	Proposed; under moratorium; target 2028
Connect Memphis (Oppidan)	3900 S Mendenhall Rd, Memphis	Shelby	99,000 sq ft	Filed / planned
5C Group MEM01	4280 Getwell Rd (former Fred’s HQ), Memphis	Shelby	15 MW (phase 1)	In development
The STEM Practice Memphis	1341 Sycamore View Rd, Memphis	Shelby	38,500 sq ft / up to 9 MW	Announced (target 2026)
Jailhouse Studios (Urban Story Ventures / Oracle)	Former county jail, Chattanooga	Hamilton	data use capped at 12,000 sq ft	Lease approved March 18, 2026
DOE Oak Ridge AI data-center sites	ETTP + adjacent to ORNL	Anderson / Roane	Two sites, applicant-powered	RFP issued Sept 30, 2025; awardee pending
Lawrenceburg cloud-storage DC	Flatwoods Rd	Lawrence	~60,000 sq ft / 5 MW	Proposed; planning hearing July 2026
xAI third Mid- South site	Southaven, Mississippi (Memphis metro)	DeSoto (MS)	pushes regional compute toward ~2 GW	Under development (not on TN soil)

APPENDIX D: CANCELED, REJECTED, WITHDRAWN, AND BLOCKED

Project / Operator	Location	County	What happened	Date
CleanSpark bitcoin mine	Mountain City	Johnson	30 MW mine; first rezoning reading passed, then board declined to finalize after 1,700+ petition and litigation-cost fears	Summer 2025
Red Dog / New Salem bitcoin mine	near Limestone	Washington	Shut down under terms of a 2023 noise-lawsuit settlement	~March 28, 2026
ExoticRidge bitcoin mine	Bulls Gap	Hawkins	8 MW ethane-powered mine blocked by county's permanent ban; subject of a federal lawsuit	Ban Sept 22, 2025; suit spring 2026
BrightRidge new DC proposals	South Johnson City area	Washington	Public utility halted entertaining new data-center proposals	2026

APPENDIX E: MORATORIUM AND ZONING-ACTION TRACKER

Jurisdiction	County	Action	Date	Term	Trigger
Hawkins County	Hawkins	Permanent ban (in federal litigation)	Sept 22, 2025	Permanent	ExoticRidge (Bulls Gap)
Jonesborough	Washington	Moratorium	Nov 2025	1-2 years	General
Washington County	Washington	Moratorium (13-2)	March 23, 2026	To June 30, 2027	Bitcoin-mine concerns
Grundy County	Grundy	Moratorium	~May 2026	2 years	General
Cedar Hill	Robertson	Moratorium (data centers + crypto)	June 1, 2026	2 years	Franklin, KY facility across line
McMinnville	Warren	Moratorium (unanimous)	June 9, 2026	18 months	Hixson Data Center
Coffee County	Coffee	Moratorium (unanimous)	June 9, 2026	12 months	Preemptive
Tullahoma	Coffee	Moratorium	June 2026	18 months	Preemptive
Nashville / Davidson Co.	Davidson	Moratorium 26-1 (1st reading) + EO 59	June 9 / June 15, 2026	Until ~Nov 2026	DC BLOX (Zoo); Fisk
Johnson City	Washington	Moratorium (extended)	Extended May 2026	To Dec 3, 2026	Crypto / noise
Bristol	Sullivan	Moratorium	2026	2 years	General
Warren County	Warren	Moratorium vote — PENDING	June 22, 2026	—	Hixson (county level)
Knox County	Knox	Moratorium vote — PENDING	June 22, 2026	Through June 2027 (proposed)	General
Knoxville (city)	Knox	Proposed moratorium	Summer 2026	1 year (proposed)	General
Anderson County	Anderson	Proposed moratorium	June 2026	2 years (proposed)	General
Sweetwater	Monroe	Restrictive zoning (M-2, 5-acre min, 60 dB cap)	2026	Permanent code	General
Rockwood	Roane	Zoning (conditional use, light industrial)	May 2026	Permanent code	General
Kingsport / Sullivan County	Sullivan	Zoning ordinances (permit-and-regulate)	Dec 2025-2026	Permanent code	Crypto / DC

APPENDIX F: CRYPTO-MINING FLEET

Most of East Tennessee's bitcoin mines trace to GRIID's original Tennessee sites, acquired by CleanSpark in a 2024 deal valued around \$155 million with a stated plan to exceed 400 megawatts in the state.

Operator	Location	County	Power	Status / Notes
CleanSpark (ex-Red Dog/GRIID)	New Salem, near Limestone	Washington	~25 MW	Shut down ~March 28, 2026 (settlement)
CleanSpark	Lenoir City	Loudon	—	Operating
CleanSpark	Jellico	Campbell	—	Operating
CleanSpark	Winfield	Scott	—	Operating
CleanSpark	New Tazewell	Claiborne	—	Operating
CleanSpark	Maynardville	Union	—	Operating
CleanSpark	Rutledge (repair/deployment center)	Grainger	—	Operating
CleanSpark	Crossville 1 & 2	Cumberland	—	Operating
CleanSpark (proposed)	Mountain City	Johnson	30 MW	Rejected by town (2025)
GRIID/CleanSpark	Jackson	Madison	60 MW announced	Status unclear
Bitdeer	Knoxville (S. National Dr)	Knox	~86 MW (35 MW → AI)	Operating; mining-to-AI pivot
ExoticRidge	Bulls Gap	Hawkins	8 MW (ethane)	Blocked by county ban; in litigation

APPENDIX G: KEY OPERATORS

Hyperscale / AI: xAI (Memphis — Colossus 1 & 2, the state's largest power draw); Meta (Gallatin — ~300 MW, water-positive 2030 goal); Google (Clarksville — region's largest building, 413 MW solar PPA); Oracle (Nashville East Bank corporate/cloud campus).

National colocation / carrier: Flexential (3 Williamson County sites); TierPoint (Franklin, the state's only Uptime Tier III); Lumen (multiple Nashville and Memphis carrier sites); EdgeConneX (Nashville, Memphis); DataBank (Nashville, Memphis); H5 Data Centers (Nashville); Cogent, Windstream, IRIS Networks, Scipio Technologies (carrier/colo across Nashville, Knoxville, Chattanooga); Expedient, WorldSpice, Verizon, Aphorio Carter (Memphis); DC BLOX (Chattanooga plus the contested Nashville proposal); CSquare/Centersquare (Gallatin); RadiusDC (Nashville); Litewire, Data Suites, TenHats, Webservio, Airnet, MCA (regional).

Crypto mining: CleanSpark (the consolidated GRIID portfolio, eight-plus Tennessee sites); Bitdeer (Knoxville, pivoting to AI); ExoticRidge (blocked, Hawkins County).

Federal: Department of Energy and Oak Ridge National Laboratory (the Oak Ridge Reservation commercial-AI solicitation and the Discovery and Lux government supercomputers).

APPENDIX H: THE STUDY LIBRARY

Key independent and primary sources underlying this report: Good Jobs First, *Cloudy with a Loss of Spending Control* (April 2025); Vanderbilt Policy Accelerator, *Nine Ways to Address the Energy Impacts of AI Data Centers* (McHale and Wiseman, January 2026); IEEFA, *Data Centers Drive Buildout of Gas Power Plants and Pipelines in the Southeast* (Kunkel, 2025) and *The Risk of AI-Driven Overbuilt Infrastructure Is Real* (2025); Synapse Energy Economics and Grid Strategies reviews of the TVA IRP (for the Sierra Club); ACORE, *Opportunities for Transmission in TVA's 2025 IRP* (2025); the EmPower Analytics health-damage study commissioned by SELC (Cork, February 2026); the University of Memphis dispersion study (Jia, 2025); and the TVA 2025 Integrated Resource Plan. Reporting anchors include Tennessee Lookout, WPLN, NewsChannel5, Inside Climate News, the Memphis Flyer, the Chattanooga Times Free Press, Mississippi Today, WJHL, Utility Dive, POWER, and DatacenterDynamics, with primary filings from MLGW, the Shelby County Health Department, the Mississippi Environmental Quality Permit Board, the Memphis EDGE board, Metro Nashville (Executive Order 59 and Legistar), Earthjustice, and the U.S. District Court for the Northern District of Mississippi.

APPENDIX I: COMPANION VOLUMES AND THE SERIES

This report is the Tennessee statewide entry in Statewide Data Center Reports, a series whose Virginia volumes include the statewide report *What Virginia Is Spending, What Virginia Is Getting*, the Virginia Data Center Research and Industry Directory, and county case studies covering Henrico, Hanover, Chesterfield, Prince William, and others. It supersedes the March 2026 *What Tennessee Is Spending* brief and draws on the Tennessee Data Center Research Directory. Recommended next builds, in priority order: a Memphis/Shelby County standalone case study anchored on the xAI litigation, with Southaven held as a cross-border chapter; a Nashville/Davidson moratorium case study; and a Gallatin/Sumner Meta county study. The series convention refers to the project's research team's analytic frameworks by type of work — distributional and environmental-justice, institutional behavior, utility finance, energy-labor-and-infrastructure, and energy-geography — rather than by researcher name. —# ENDNOTES

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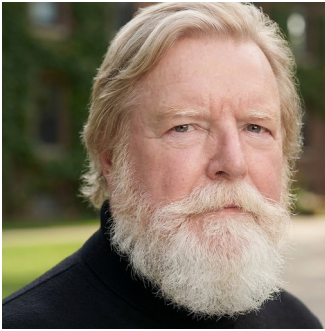
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ABOUT THE AUTHOR



Tommy N. Turner is an independent researcher and writer who documents the local-government and energy dimensions of the data center build-out across the United States. *What Tennessee Is Building, and What It Is Not Regulating* extends his series of statewide data center reports — which began with a set of jurisdiction-level case studies of Virginia’s counties and fall-line corridor — into Tennessee, a state governed not by a regulated monopoly and a state commission but by a federal power authority no state body oversees. Like the rest of the series, this volume is assembled from primary records: utility filings and board actions, the Shelby County Health Department air permit and the Mississippi permit board’s decisions, the Memphis EDGE lease and the city’s community-benefit ordinance, Metro Nashville’s Executive Order 59 and zoning legislation, county minutes and moratorium resolutions, court filings in the xAI and Hawkins County cases, and the tax and incentive record. His work spans data center fiscal and environmental policy, local public finance, and the governance questions the two raise, and the case studies and statewide volumes are published as open, citable living editions, revised as the record moves. He works from Williamsburg, Virginia.

Contact: tommy@gofast.pro · ORCID 0009-0005-7422-9881 · Concept DOI 10.5281/zenodo.20717386