



Press Release

Mega-merger Proposed to Power Data Center Alley

ALLIE WATSON | JUNE 23, 2026

On May 18, NextEra Energy agreed to acquire Dominion Energy in a roughly \$67-billion deal, poised to create the world's largest regulated electric utility by market capitalization. In a new insight, Director of Competition Policy Fred Ashton explains the details of the proposed merger and encourages regulators to remain focused on competition and consumers as the industry adapts to meet growing energy demand, notably from artificial intelligence (AI) data centers.

Key points:

- *The agreement comes amid an unprecedented surge in power demand from AI data centers, accelerating the need to modernize existing grid infrastructure and scale new generating capacity.*
- *The merging parties will need to navigate myriad state and federal regulators that will likely scrutinize the merged firm's ability to exercise market power in wholesale markets and could condition final approval on the divestiture of select generating assets.*
- *The electricity industry faces a pivotal moment as it tries to navigate the surging demand from AI infrastructure; the merger between NextEra and Dominion could offer a blueprint for how the industry can bring new capacity to the grid while maintaining reliability.*

[Read the analysis.](#)