



GRID RESILIENCE AND INNOVATION PARTNERSHIPS PROGRAM

Building Flexible, Grid-Enhancing Data Centers in Virginia and South Carolina

Established by the Bipartisan Infrastructure Law, the Grid Resilience and Innovation Partnerships (GRIP) Program is a \$10.5 billion investment to enhance grid flexibility, improve the resilience of the power system against extreme weather, and ensure American communities have access to affordable, reliable, electricity when and where they need it. GRIP funding is administered by the U.S. Department of Energy's Grid Deployment Office (GDO). This project was selected through the second round of GRIP funding.

The Virginia Department of Energy, along with its partners, will implement Battery Energy Storage System (BESS) technology at the Iron Mountain data center in Virginia, and has plans to deploy a combination of turbine, solar PV, and BESS technologies at the Grace Complex in South Carolina. Data centers are one of the leading drivers of U.S. electricity demand growth, and this project will deploy critical clean energy and operational solutions that improve resilience for data centers as well as local and regional power grids.

Anticipated Outcomes and Benefits

Operational innovation for resilience: The Virginia Department of Energy will partner with Iron Mountain to deploy a BESS within the Northern Virginia Electric Cooperative's territory to improve grid reliability while boosting power system resilience through PJM's demand response, forward capacity, and ancillary service markets. The BESS can also participate in future distributed energy resource (DER) aggregation markets under Federal Energy Regulatory Commission (FERC) Order 2222.

Brownfield redevelopment: The Virginia Department of Energy will provide funds to multiple partners who will deploy a renewable-powered microgrid at the Grace Complex project in South Carolina, providing reliable, clean power to the data center and manufacturing complex. The project will help transform a brownfield textile industry site that previously used onsite coal-fired power into a cleaner, grid-enhancing complex while catalyzing economic redevelopment and job creation.

Commitment to communities: The project partners will invest more than \$13 million in community benefits. Additionally, they plan to develop Community Workforce Agreements, as well as Good Neighbor or Community Benefits Agreements, depending on the needs and desires of local stakeholders, to ensure the projects create meaningful benefits for the surrounding communities, including workforce partnership with the Catawba Indian Nation, the only federally recognized tribe in South Carolina, to help identify and invest in workforce development programs in the region.

Project Details



- **Project:**
Data Center Flexibility as a Grid Enhancing Technology
- **Applicant/Selectee:**
Virginia Department of Energy
- **GRIP Program:**
Grid Innovation Program
(Bipartisan Infrastructure Law, Section 40103(b))
- **Federal cost share:**
\$85,433,351
- **Recipient cost share:**
\$106,046,099
- **Project location:**
Virginia and South Carolina
- **Project type:**
Transmission & Distribution

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