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## The Real Estate Roundtable

September 17, 2026

Mr. Jim Robb  
President and CEO  
North American Electric Reliability Corporation (NERC)  
1401 H Street NW, Suite 410  
Washington, DC 20005

**Re: *Project 2026-02 – Comments on Computational Load Definitions (Appendix 2) and Registration Criteria (Appendix 5B)***

Dear Mr. Robb:

The Real Estate Roundtable ([www.rer.org](http://www.rer.org)) (“RER”)<sup>1</sup> appreciates this opportunity to comment on NERC’s [Definitions](#) and [Registration Criteria](#) proposed on August 19 as part of Project 2026-02. We commend NERC’s external engagement and “Large Computational Loads” teams for their proactive, excellent outreach to many stakeholders, including RER, throughout the process.

### Summary of Comments

We support NERC’s objective of addressing grid reliability impacts of Large Computational Loads. NERC’s new regulatory framework should reflect how data centers are actually owned and operated in the real estate marketplace—particularly at colocation and other leased facilities, where ownership of the site is typically separate from control over the computational equipment and its electrical load. Our comments recommend that NERC better clarify:

- The distinction between Computational Load Owners (“CLOs”) and Computational Load Operators (“CLOPs”) in the Appendix 2 definitions considering their respective ownership, control, leasing arrangements, activities, responsibilities, and operational functions at data centers.

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<sup>1</sup> The last page of the Addendum to this letter provides more information on RER and real estate’s impact to the U. S. economy.

- What constitutes a “Computational Load Site” in the first instance. Our recommended definition would clarify that a property may use a lot of electricity ( $\geq 50\text{MW}$ ) – but may not be a “Computational Load Site” and thus fall outside of NERC’s registration regime. We suggest that only properties “***primarily used by IT infrastructure to process, store, transmit, or manipulate digital information***” for computer-based activities (like creating software applications, delivering cloud services, training AI models, and mining crypto assets) should qualify as “Computational Load Sites” for purposes of NERC registration.
- The amount of a Site’s “***Total Connected Load***” ( $\geq 50\text{MW}$ ) as critical to determine whether a CLO and/or CLOP must register with NERC. We recommend a separate Appendix 2 definition of the term “Total Connected Load” as the amount of electricity that includes computational load – ***plus*** the rest of a facility’s electrical consumption needed to run HVAC, lighting, non-computer equipment and appliance plug loads, and loads to support other non-computational building systems like elevators, security, and fire/safety.
- The term “Single Location” as necessary to establish the physical boundaries of a “Computational Load Site.” A separate Appendix 2 definition of “Single Location” will guide CLOs and CLOPs in determining when they must aggregate “Total Connected Loads” from individual buildings and leased spaces at the Site, for purposes of meeting the 50-MW registration threshold.
- How Appendix 5B’s Registration Criteria apply to various data center leasing scenarios. A CLO may lease an entire Site and all of its power capacity to a single hyperscaler-CLOP tenant. Or, at a colocation Site, a CLO may lease physical space and allocate contracted amounts of MW usage to numerous tenant CLOPs each consuming relatively smaller amounts of electricity. There are many variations of site ownership and tenant operational arrangements in between. NERC should provide a range of hypothetical examples to illustrate how CLOs, CLOPs, and other stakeholders should apply the Registration Criteria in practice to various owner-landlord/operator-tenant arrangements.
- Offer an objective physical point where voltage should be measured to meet the 100-kV Registration Criterion. We defer to NERC, and Transmission Owners and Generator Owners, as to where that precise point should be. As a guiding principle, we think that point should be reasonably attributable to electricity usage ***by*** the Site, as opposed to a point too far “upstream” along the transmission pathway from the Bulk Power System to the Site.

Ideally, the refinements we suggest to the Appendix 2 Definitions and Appendix 5B Registration Criteria may encourage NERC to establish reciprocal, two-way data and information sharing responsibilities among CLOs and CLOPs. In this manner, responsibilities to comply with Standards CLO-001, -002, and -003 (and future Computational Load Standards) should follow the entity that controls the relevant equipment, activity, and information.

Importantly, NERC should avoid imposing compliance responsibilities on one entity where another party possesses the information or operational capability needed to satisfy that obligation. Where a CLO's compliance depends on information or actions within a CLOP's possession or control – and vice versa – the Reliability Standards should impose a corresponding affirmative obligation for each party to share with the other necessary data and information in a timely and confidential manner. This principle is particularly important at colocation Sites, and should provide the foundation for NERC's treatment of data centers as definitions and standards evolve—including any future “ride-through” performance requirements for data centers to remain connected to the BPS through grid disturbances and voltage oscillations.

We believe our recommendations will help preserve clear regulatory accountability while also ensuring that NERC receives the ownership and operational cooperation necessary to protect the U.S. electric grid. More detailed comments are provided in the attached Addendum. For further information regarding these comments, please contact Duane J. Desiderio, Senior Vice President and Counsel with The Real Estate Roundtable ([ddesiderio@rer.org](mailto:ddesiderio@rer.org)).

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey D. DeBoer". The signature is fluid and cursive, with the first name "Jeffrey" being more prominent.

Jeffrey D. DeBoer  
President and Chief Executive Officer



**Comments on Definition of Computational Load Owner (“CLO”)**

([Appendix 2 Definitions](#))

- **NERC Proposed Definition:** “The entity that owns and maintains a Computational Load Site.”

- **RER Recommended Definition:**

*“Computational Load Owner (CLO) means a corporation, limited liability company, partnership, or other legal entity organized under applicable State, Tribal, or other law that directly owns the real property at a Computational Load Site, including the land and building(s). Ownership of stock, partnership interests, beneficial interests, or other equity or financial interests in such legal entity shall not, by itself, constitute direct ownership of the Computational Load Site.*

*“A CLO may: (1) also qualify as a Computational Load Operator (CLOP); or (2) lease or otherwise provide physical space, equipment, and/or load capacity through contractual agreement(s) with one or more unrelated CLOP tenant(s).”*

- **Explanation:**

- Stating that a CLO “owns” a Computational Load Site is circular. NERC should clarify that “owns” refers solely to the particular business entity that directly owns the real estate – that is, land and buildings – at the Computational Load Site. NERC should make clear that “owns” does not reach businesses, shareholders, and investors that simply have an equity stake or other financial interest in the CLO entity holding title to the Site’s real property. Much like office buildings, hotels, apartments, warehouses and other types of commercial buildings, data centers may be held through special purpose entities – such as project-level LLCs, subsidiaries, joint ventures, and other multi-tiered property ownership structures. Because CLO status triggers registration and mandatory Reliability Standard compliance, NERC’s definition should cover only the particular project-level legal entity that directly owns the Site’s real property.
- NERC should avoid the term “owns and maintains” in defining a CLO. A facility-owning entity may satisfy its maintenance responsibilities through a separate property management contractor or other service provider. Thus, the entity that “maintains” the property may be different from the entity that “owns” the property. The fact that the Site owner does not itself employ the personnel performing maintenance work should not negate its status or obligation to register as a CLO. In fact, in many cases, the entity that ***maintains*** the facility may also be the one that ***operates*** it. Thus, the phrase “owns and maintains” should not be used to avoid overlap between the CLO and CLOP definitions,



and minimize confusion where NERC's Reliability Standards direct the CLO to fulfill a requirement that should fall to the CLOP instead.

- The CLO definition should expressly recognize distinct "ownership" and "operation" entities may own different equipment at a Computational Load Site, particularly in the property leasing context. A CLO may own the underlying land and building(s) at the Site, as well as HVAC and mechanical, electrical, and plumbing equipment and systems in common service to the Site's separate buildings. Meanwhile, individual tenant(s) may own servers, racks, processing units, UPS equipment, batteries, and other equipment within the leased spaces where they operate.
- Just because a CLO may lease space to data center tenants, or a tenant owns and controls its own computing systems at the Site, should not make it difficult to readily identify the CLO – or result in each tenant becoming an additional CLO merely because it owns equipment located within the Site's boundaries. We believe our recommendations can provide a clearer foundation for allocating separate obligations to CLOs – distinguished from CLOP tenant(s) that lease space – with definitional reference to "who controls what" functions, systems, equipment, information, and data within lessors' and lessees' respective spheres of possession and control.

### **Comments on Definition of Computational Load Operator ("CLOP")**

#### **([Appendix 2 Definitions](#))**

- ***NERC Proposed Definition:*** "The entity that operates a Computational Load Site."
- ***RER Recommended Definition:***

***"Computational Load Operator ("CLOP") means a corporation, limited liability company, partnership, or other legal entity organized under applicable State, Tribal, or other law that exercises day-to-day control and decision-making authority over the use, management, and functioning of computers, processing units, servers, and other information technology equipment and systems that consume electric power and contribute to the computational load at the Computational Load Site.***

***"A CLOP may: (1) also qualify as a Computational Load Owner ("CLO"); or (2) lease or otherwise obtain, through contractual agreement(s) with an unrelated CLO, physical space, equipment and/or load capacity to perform computational load activities and functions."***



***Explanation:***

- Stating that a CLOP is the “entity that operates” a Site is circular. Given that CLOP registration would carry mandatory Reliability Standard obligations distinct from a CLO’s compliance responsibilities, businesses should be able to determine with reasonable certainty which particular legal entity(ies) perform independent functions unique to CLOP status.
- NERC can improve definitional clarity if it states that CLOPs possess day-to-day control and decision-making authority to use, program and configure the servers, processing units, microchips, batteries, networking equipment, and other IT infrastructure whose electricity consumption constitutes the Site’s computational load.
- Our recommended phrase – “exercises day-to-day control and decision-making authority” – draws from an analogous context to help define CLOP status. The U.S. Supreme Court emphasized that an “operator” for purposes of Superfund sites is “someone who directs the workings of, manages, or conducts the affairs of a facility.” *United States v. Bestfoods*, 524 U.S. 51, 66 (1998). The Court tailored that inquiry ***to the particular regulated activity***—in that case, focusing on the “operator” as the party that controls the day-to-day management, direction, and conduct of business operations specifically related to hazardous waste management:

To sharpen the definition for purposes of [the Superfund law’s] concern with environmental contamination, an operator must manage, direct, or conduct operations specifically related to pollution, that is, operations having to do with the leakage or disposal of hazardous waste, or decisions about compliance with environmental regulations.

*Id.* at 66–67. See also *id.* at 72 (evidence that the facility’s operator “actively participated in,” “exerted control over,” and “issued directives regarding,” the facility’s environmental impacts).

- NERC should apply the reasoning from *Bestfoods* and adopt a similar control-based approach here, tailored to a CLOP’s actions affecting grid reliability. Accordingly, an “operator” is not determined by “ownership” of the real estate or data center building(s) within a Site’s boundaries. CLOP responsibilities should rest instead with the entity that manages, directs, or controls activities specifically related to the electrical loads from “computers, processing units, servers, batteries, and other information technology equipment and systems,” as we propose.



- Our suggested CLOP definition is phrased in a manner to encompass wide varieties of leasing arrangements that occur at data centers. For example, a CLO may lease the entire Site and all of its electrical load to a single unrelated hyperscaler tenant that also owns its own computing equipment. Or, a CLO may lease square footage, equipment, and electrical capacity to many unrelated “smaller” tenants at a colocation site.
- Whatever the scenario (or some variation in between), we believe it is important for NERC to contemplate data center leasing arrangements where CLOs may have limited or no control over CLOP tenants’ energy consumption activities, especially regarding computer use. Because the CLO may be responsible for the building while lacking control over the equipment driving a significant portion of its energy consumption, we recommend that the CLOP definition incorporate similar language that mirrors our proposed CLO definition – to acknowledge that a data center owner and a data center operator could be the same entity, but are commonly separate entities with different regulatory obligations and responsibilities.

### **Comments on Definition of “Computational Load Site”**

#### **(Appendix 2 Definitions)**

- **NERC Proposed Definition:** “[O]ne or more buildings, structures, or installations at a single location that:
  - “(1) Primarily contains information technology infrastructure used for:
    - creating, executing, and delivering software applications and services;
    - artificial intelligence training, deployment, and delivery;
    - cryptocurrency mining; or
    - other computational activities at a data center; and
  - “(2) Is supplied through electrical equipment that is connected to the BPS.”
- **RER Recommended Definition:** “ ‘Computational Load Site’ means one or more buildings, structures, or installations at a single location that **is**:
  - (1) Primarily ~~contains~~ **used by** information technology infrastructure **to process, store, transmit, or manipulate digital information, including:**
    - creating, executing, and delivering software applications and **cloud** services;
    - artificial intelligence training, deployment, and delivery; **and**
    - cryptocurrency mining; **and**
    - ~~other computational activities at a data center;~~ and
  - “(2) Supplied through electrical equipment that is connected to the BPS.”



- **Add a new Appendix 2 definition for “Single Location”:**  
“The term ‘Single Location’ includes separate buildings, structures, or installations that—  
(1) Are located on the same parcel of land, or adjacent or contiguous parcels of land, as recorded with the relevant local government authority; and  
(2) Meet any of the following criteria:  
(a) owned by the same CLO;  
(b) operated by the same CLOP;  
(c) have the same street address;  
(d) developed pursuant to a common land-use or master construction plan;  
(e) share significant electrical integration to the BPS, such as receipt of electricity from the same step-down transformer that reduces transmission-level voltage for delivery to the Site; or  
(f) are served by the same cooling, water, or other site-level infrastructure.

**RER Comments:**

- **NERC should separately define the term, “Single Location,” in [Appendix 2](#).**
  - CLO and CLOP registrants will benefit from greater clarity as to what constitutes a “Single Location” under the “Computational Load Site” definition. As discussed below regarding the 50-MW threshold in the “Registration Criteria,” NERC intends that electric loads of individual buildings – at a “Single Location” – will be aggregated at campuses or similar properties where separate structures are integrated in terms of their ownership, operations, management, and receipt of electricity from the grid. “Single Location” should be defined with objective and consistently applicable criteria to guide when CLOs and CLOPs may need to add the loads of physically separate buildings at a Computational Load Site that are nonetheless related by ownership or function.
  - The U.S. Department of Treasury, through the Internal Revenue Service (“IRS”), provides helpful guidance. For purposes of a 1-MW threshold that determines qualification for energy project tax incentives, IRS [Notice 2018-59](#) lists relevant factors to determine when multiple energy properties “are operated as part of a **single project**.”<sup>2</sup> Treasury and the IRS have consistently relied on these same criteria to define a “single project.”<sup>3</sup>

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<sup>2</sup> Section 7.01(2)-(4) of Notice 2018-59 (at pp. 21-24) discusses when multiple energy properties are treated as a “single project” to determine the “start of construction” for federal renewable energy tax credit purposes. Section 7.01(2) sets forth eight criteria based on whether separate energy properties: (1) are owned by a single legal entity; (2) are constructed on contiguous pieces of land; (3) are described in a common power purchase agreement(s); (4) have a common intertie; (5) share a common substation; (6) are described in one or more common environmental or other regulatory permits; (7) constructed pursuant to a master construction contract; or (8) are financed pursuant to the same construction loan agreement.

<sup>3</sup> Treasury Department regulation, [26 C.F.R. 1.48-13\(d\)\(1\)](#); IRS Notice [2025-42](#) (August 20, 2025).



- Our recommended definition here parallels factors in the Treasury/IRS criteria – namely, common ownership, operations, addresses, master development plans, and receipt of electricity from the same step-down transformer – to assist NERC’s definitional exercise for a “Computational Load Site.” The IRS’s Guidance may inform a more predictable framework from NERC to help registered CLOs and CLOPs decide when they must combine electric loads from separate buildings located at a “master” Site.
- ***NERC should avoid describing a Computational Load Site as one that “primarily contains” IT infrastructure – and instead define the Site as one that “primarily uses” IT infrastructure to perform various computational activities.***
  - NERC’s use of the phrase “primarily contains” is ambiguous. It is not clear what must “primarily contain” IT infrastructure – the Computational Load Site as a whole, or each individual building at the Site? It is also unclear what “primarily” measures: Square footage? “Computational” load? “Total” load? Equipment count?
  - We thus recommend that NERC should instead employ a more functional test regarding IT infrastructure ***used*** at the Site for computational activities– as opposed to whether the Site “***contains***” IT infrastructure.
  - Our recommended definition of “Computational Load Site” encourages NERC to illustrate – but not prescribe – the types of computer-based functions performed by IT equipment including (but not limited to) activities like processing software, providing cloud services, developing and training AI models, and mining crypto assets. Our suggested text expresses these activities as non-exhaustive types of computational functions that “process, store, transmit, or manipulate digital information.” We aim to reflect the wording and spirit of NERC’s Level 3 “Action Alert” which immediately presaged the proposed Reliability Standards at issue for Large Computational Loads.<sup>4</sup>

**Comments on New Compliance Registry Threshold Criteria**  
**for CLOs and CLOPs (Section III(c), [Appendix 5B](#))**

- ***NERC Proposal:*** Computational Load Owners and Operators must register with NERC, regarding a Computational Load Site:
  - With a “Total Connected Load” greater than or equal to 50 MW;
  - That is supplied through electrical equipment; and

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<sup>4</sup> NERC’s [Level 3 “Action Alert”](#) (May 4, 2026), is aimed to remedy “specific deficiencies with the treatment of computational loads. ***Examples of this load include*** artificial intelligence training, cryptocurrency mining, and traditional data center uses” (emphasis added).



- Connected at a voltage level greater than or equal to “100 kV from one or more points” of connection.

**RER Comments:**

- **NERC should add a new [Appendix 2](#) definition for the term, “Total Connected Load,” as follows:**

***“ ‘Total Connected Load’ means ‘Computational Load’ plus electricity used for HVAC, lighting, non-computer equipment and appliance plug loads, and loads to support other non-computational building systems like elevators, security, and fire/safety equipment at a Computational Load Site.”***

- A separate glossary definition of “Total Connected Load” will be helpful to CLO and CLOP registrants. Defining the term independently will make clear that “Total Connected Load” is the relevant metric of magnitude for purposes of the 50-MW Registration Criterion. It will help property owners understand what types of real estate facilities NERC intends to reach through its Registration Criteria and Reliability Standards.
- At this juncture, NERC does not intend to impose standards on large loads *per se* – but only on owners and operators of “Large **Computational** Loads,” considering their impacts on grid reliability.<sup>5</sup>
  - ✓ E.g.: A factory, hospital campus, large office park, laboratory complex, or casino may each consume a lot of energy and individually exceed 50 MW per property. But they may not need to register with NERC because they may not qualify as a “Computational Load Site.”
  - ✓ We urge NERC to state this point clearly as it finalizes the Registration Criteria.

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<sup>5</sup> “NERC is proposing foundational Reliability Standards with accompanying glossary updates that align with updates to the registry criteria to support **computational load integration** while maintaining reliability of the bulk power system.” NERC website, “[Large Load Action Plan](#)”. NERC’s [Level 3 “Action Alert”](#) (May 4, 2026), presaging the development of the Reliability Standards at issue, intends to remedy “**specific deficiencies with the treatment of computational loads**. Examples of this load include artificial intelligence training, cryptocurrency mining, and traditional data center uses.” The Level 3 Alert “was issued as NERC observed customer-initiated large load reductions and significant oscillations that occur in seconds, leaving little or no room for real-time responses, threatening BPS reliability.” NERC [press release](#) (May. 4, 2026). See also NERC, [Reliability Insights](#), “Large Computational Load Risks Due to Voltage Sensitivity” (Sept. 2026) (“[I]nterconnection of large computational loads has implications for BPS reliability,” as “several incidents involving computational loads ... have been shown to impact BPS operations when the loads remove themselves from the system during disturbances”).



- ***NERC should provide hypothetical scenarios to distinguish between CLO/CLOP “registration” and Total Connected Load “aggregation.” For example:***
  - Data center owner delivers and interconnects a facility with 70 MW of “Total Connected Load.” A single hyperscaler leases the entire facility.
    - ✓ The owner must register as a CLO because the site connects at a capacity  $\geq 50$  MW.
    - ✓ The hyperscaler tenant must register as a CLOP because its operations use  $\geq 50$  MW.
  - Data center owner delivers and interconnects a colocation facility with 70 MW of “Total Connected Load.” Seven (7) different tenants each use 10 MW in the spaces they lease in multiple buildings across the Site.
    - ✓ The owner must register as a CLO because the data center site in aggregate exceeds the 50-MW threshold.
    - ✓ None of the tenants need to register as CLOPs. None of their contracted electricity usage is  $\geq 50$  MW.
  - Data center owner delivers and interconnects a facility with 70 MW of “Total Connected Load.” Tenant A uses 50 MW. Tenant B uses 14 MW. Tenants C and D each use 3 MW.
    - ✓ The owner must register as a CLO because the data center in aggregate exceeds the 50-MW threshold.
    - ✓ Tenant A must register as a CLOP. Its contracted electricity usage pursuant to its lease with the CLO is equal to NERC’s 50-MW registration threshold.
    - ✓ Tenants B, C, and D do not need to register as CLOPs. None of their contracted electricity usage pursuant to their distinct leases meets the 50-MW threshold.
  - Data center owner delivers and interconnects a facility with 70 MW of “Total Connected Load.” Tenant A uses 30 MW in Building X, and 20 MW in Building Y at the Site. Tenant B uses 10 MW in Building X, and 20 MW in Building Y.
    - ✓ The owner must register as a CLO because “Total Connected Load” in aggregate at the Computational Load Site exceeds the 50-MW registration threshold.
    - ✓ Tenant A must register as a CLOP. Its aggregate energy usage in both buildings at the Site, as contracted with the CLO through a lease, equals 50MW – at NERC’s threshold.
    - ✓ Tenant B does not need to register as a CLOP. Its aggregate energy usage in both buildings at the Site is 30MW – under NERC’s threshold.
- ***NERC should clarify how far “upstream” on the electrical path, between the BPS and the Computational Load Site, the 100 kV level should be measured.***



- The proposed Registration Criteria apply to a Computational Load Site with 50 MW “Total Connected Load” – that is “supplied through electrical equipment connected at a voltage level greater than or equal to 100 kV from one or more points of connection.” While the 50-MW threshold addresses **magnitude**, the separate 100-kV criterion serves another screening function to support NERC registration, by establishing a sufficiently close electrical **nexus** along the transmission route between the BPS and the Site.
- We encourage NERC to specify the voltage measurement point as one reasonably attributable to electricity usage **by** the Computational Load Site, rather than remote upstream points on the grid that distribute electricity to customers and properties unrelated to the CLO.
- When the CLO applies for interconnection, the Transmission Owner and applicable Generator Owners (longstanding registrants in NERC’s regime) are likely the best entities to identify for the CLO the specific voltage measurement point to ascertain whether the 100-kV criterion is satisfied.<sup>6</sup>
- We urge NERC to adopt a reasonable limiting principle to the 100-kV threshold in identifying a point along the BPS’s transmission route that is proximate to the Computational Load Site. Furthermore, our intent is not to allow CLOs (and CLOPs) posing grid reliability impacts to evade registration with NERC. Our recommendation is intended to appropriately balance grid reliability concerns with the need for an objective and administrable registration criterion that considers the Site’s actual relationship to and receipt of electricity from the BPS.

**Impacts of Our Recommended Definition and Registration Criteria Refinements on  
Proposed Reliability Standards [CLO-001-1, -002-1, and -003-1](#)**

- Ideally, the revisions we propose to the Definitions and Registration Criteria will avoid potential regulatory mismatch whereby one entity bears responsibility for compliance with a Standard, but another entity possesses the information or functional capacity to achieve it.
- Clearly delineating compliance responsibilities is especially relevant at leased data centers. A CLO-landlord may know what is occurring at the site and interconnection level, while individual CLOP-tenant(s) may know what is occurring with the computational equipment and operational load. Neither necessarily has the complete picture. NERC should not assume

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<sup>6</sup> Reliability Standard [FAC-001-05](#), regarding “Facility Interconnection Requirements,” states as its “Purpose”: “To avoid adverse impacts on the reliability of the Bulk Electric System, **Transmission Owners and applicable Generator Owners must document and make Facility interconnection requirements available so that entities seeking to interconnect will have the necessary information.**” (Emphasis supplied.)



that information automatically flows between them merely because they own and operate at the same Site.

- Thus, where a CLO bears the compliance obligation – but satisfaction depends upon information within the possession or control of a CLOP(s) – then NERC should impose a corresponding affirmative obligation on the CLOP(s) to timely provide the CLO with all information and data necessary to meet the pertinent Standard.
- Likewise, CLOP(s) should bear compliance responsibilities where a Reliability Standard imposes an obligation directly concerning information, equipment, or operations regarding computational load functions and activities that *it* controls and manages on a day-to-day basis.
- Applying these principles to the proposed Reliability Standards:
  - Standard CLO-001-1 should require CLOPs to provide CLOs with equipment data, operating characteristics, modeling information, model-verification information, and notice of potentially material changes within CLOPs’ possession or control – so a CLO can discharge its own responsibilities under the Standard. At least some of the modeling, change-notification, verification, and study-coordination duties logically belong on the CLOP—because the operator-tenant(s) may control the very equipment and operating practices that determine how the facility behaves electrically.
  - Standard CLO-002-1 addresses the operational data, communications, and instructions necessary to support reliable operation of Computational Load Sites and the BPS. It imposes obligations on both CLOs and CLOPs. It requires each to share operational data with grid entities, comply with operating instructions, maintain lines of communication, provide notification of specified changes in load or operations, and implement instructions from grid operators to address BPS reliability needs. NERC should expressly require CLOs and CLOPs at the same Site to confidentially share **with each other** the information necessary to satisfy their respective compliance responsibilities. NERC should establish reciprocal compliance obligations on CLOs and CLOPs to confidentially exchange data and information as needed for each to meet their respective CLO-002 responsibilities.
  - Standard CLO-003-1 lays the foundation for eventual, substantive “ride-through” performance requirements. At this juncture, NERC should impose an affirmative reporting obligation on the CLOP operating the electrical equipment. A CLO might own a substation and lease it to tenants, in which case the CLO may not have direct access to the information NERC needs. In addition, NERC’s Standard should direct CLOs and CLOPs to confidentially exchange and provide relevant protection and disturbance data with each other, rather than assuming one possesses the other’s information essential for compliance. It will be critical to get the monitoring and information-sharing architecture correct now—



## The Real Estate Roundtable

because NERC will eventually regulate how CLOs and CLOPs must actually perform during “ride-through” events.

\* \* \*

For more information regarding these comments, please contact Duane J. Desiderio, Senior Vice-President and Counsel with The Real Estate Roundtable ([ddesiderio@rer.org](mailto:ddesiderio@rer.org)).



## **ADDENDUM**

### **About The Real Estate Roundtable**

[www.rer.org](http://www.rer.org)

The Real Estate Roundtable is an invitation-only organization whose members are the Chairs, Presidents, and CEOs of top public and privately-owned real estate entities and trade associations, across every segment of the commercial real estate industry – as well as the Managing Directors of major national and international financial, pension, and lending entities. Roundtable members also include significant local and regional real estate leaders and advisors, along with the elected leaders of 18 national real estate trade associations.

Members of The Real Estate Roundtable work closely with Washington lawmakers and regulators to produce meaningful results on key national issues that affect the industry. The organization is committed to fact-based analysis of issues and sound, asset-related policies that have a positive impact on economic growth, job-creation, and local communities.

### **Real Estate's Impact on the U.S. economy:**

(See [Commercial Real Estate by the Numbers: 2026](#))

- **\$26.8 trillion:** Total value of investable commercial real estate in the U.S.
- **\$2.5 trillion:** Real estate's contribution to U.S. GDP
- **14.2 million:** U.S. jobs directly supported by real estate
- **\$630 billion:** Yearly property taxes paid by CRE owners to local governments
- **\$900 billion:** Amount invested in U.S. real estate by pension funds, educational endowments, and charitable foundations