

The Inference

AI, ENERGY, AND LONG HORIZON POLICY FOR OKLAHOMA

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The Local Veto

On a Wednesday night in June, the town of Luther, Oklahoma, population about 1,700, held its Board of Trustees meeting outdoors on Main Street, because no building in town could hold the crowd. Roughly four hundred people, close to a quarter of the town, came to ask their trustees to pause a data center. The board did. Two weeks before Oklahoma's new cost-attribution law goes operative, the sharpest data-center fight in the state was not at the Corporation Commission or the Capitol. It was on a closed street under floodlights, and the question was not what the load would cost. It was whether anyone had asked.

For five issues this newsletter has followed the rules Oklahoma is writing for the data-center build-out: what a load should pay in Issue 13, who has the authority to decide in Issue 14, how the cost of water is measured in Issue 15, how steep the demand curve runs in Issue 16, and the meter going operative in Issue 17. Every one of those rules lives at the state level: a statute, a tariff, a Commission docket. This issue is about the level underneath all of them.

HB 2992 becomes operative on July 1. It is a genuine achievement, and this newsletter has argued since Issue 11 that attaching a large load's cost honestly to the customer that causes it is the right design. But HB 2992 prices the grid. It does not reach zoning. It does not reach water. It does not reach the question of whether the community that would host a hyperscale data center ever agreed to host it. And across Oklahoma this spring, a wave of cities and towns decided that last question was the one they could not wait on. They did not wait for July 1. They reached for the one tool a local government actually holds: the power to pause.

The wave did not start this week, and it did not start small. It started in the two biggest cities in the state, and it has been rolling downhill toward the small towns ever since.

THE TOWN THAT MET OUTSIDE

OKLAHOMA

MUNICIPAL

CONSENT

Luther moves its meeting to Main Street

The week before the vote, Luther tried to hold the meeting indoors. The town hall holds 128 people, and far more than that showed up, so the board postponed. The following Wednesday, June 17, the trustees met on Main Street instead, with barricades, floodlights, portable bathrooms, and shade structures against near-triple-digit heat. By News 9's estimate about four hundred people came, close to twenty-three percent of the town. It was, the town manager said, the first outdoor Board of Trustees meeting in Luther's history.

What they came to stop is a data center proposed by Beltline Energy, an Atlanta firm, on a roughly 320-acre site east of the Redbud Power Plant. Box Law Group filed the Specific Use Permit application on June 2. Residents who would share a property line described an 85-foot building and 150-foot towers as close as 350 feet from their homes, and spoke about water, noise, and the rural character of the place. The crowd chanted "let us vote."

The board gave them most of what they asked. After roughly three hours, the trustees enacted a six-month moratorium on rezoning and permitting for data centers, set to expire December 31, and then amended it to cover the pending Beltline application as well, not just future ones. The town's attorney noted the ordinance lets the board extend the pause further if it needs to. The board took no action on the Beltline permit itself; the Planning Commission and trustees are scheduled to take up the rezoning on July 13 and 14. The mood was less measured than the motion. One trustee, KFOR reported, wore body armor; Radio Oklahoma reported metal detectors at the meeting.

POLICY RELEVANCE

A town of seventeen hundred people moving its government into the street to be heard is a story about who gets a vote on a piece of infrastructure that will draw on a shared grid and a shared aquifer. HB 2992 can tell Luther what that load would cost the system. It has nothing to say about whether Luther wants it. That gap is the entire reason the meeting happened, and it is the reason for every other pause in this issue.

THE WAVE

OKLAHOMA

MORATORIUM

GOVERNANCE

From the metros in April to the Route 66 towns in June

Luther was the loudest pause, not the first. Oklahoma City moved in April: on April 21 the City Council passed an emergency ordinance, unanimously and with Mayor David Holt's support, halting new data-center rezonings and permits through the end of 2026. A month later, on May 19, the council amended it 7 to 2, carving out an exemption for facilities drawing 75 megawatts or less and for two named projects, after data-center employees packed City Hall to argue the original was too broad. Tulsa's City Council voted unanimously on March 26 for a nine-month moratorium through December 31, led by District 4 Councilor Laura Bellis, who had originally proposed a full year.

By June the pause had reached the suburbs and the small towns. Edmond's City Council voted 5 to 0 on June 8 for a moratorium through December 31, with an emergency clause making it immediate, even though the city has no pending data-center application; the measure was championed by Vice Mayor Barry Moore, who said he had watched the projects "tear apart" other communities. On June 15, Broken Arrow's council voted unanimously for its own six-month freeze on data-center permits and rezonings, set to expire December 31, after a letter of intent to buy 52 acres on the city's east side for a data center expired and the company walked away before ever filing an application. Norman's City Council voted unanimously on June 24 for a moratorium lasting until June 2027, the longest freeze any Oklahoma municipality has adopted and the first to extend past the end of this year. Like Edmond, Norman has no pending data-center application; Mayor Stephen Tyler Holman said he wanted to act before the conflicts he has watched unfold in other communities reached Norman. "People are getting arrested at council meetings for speaking about it and going over the time," Holman told News 9. "I'm hopeful we can avoid that type of stuff in Norman." Piedmont has tabled data-center proposals of its own; Yukon, which agreed in 2025 to sell land to a Beltline entity for a data center, is now facing a recall petition against its mayor and vice mayor.

The pauses are starting to learn from each other. Luther's attorney told the board she had consulted with counsel in Oklahoma City and Edmond to keep Luther's ordinance "within the parameters of our neighboring jurisdictions." That is how a template spreads. And one detail from Oklahoma City stands out: the exemption the council drew at 75 megawatts is the same threshold the state uses, in OG&E's HB 2992 large-load tariff, to define a large load. A city zoning fight and a utility rate filing, working independently, landed on the identical number to separate an ordinary data center from a hyperscale one. "Hyperscale" is quietly becoming a defined regulatory category in Oklahoma, at both the council table and the Commission.

POLICY RELEVANCE

These look like a scattering of unrelated local disputes. They are not. Six Oklahoma municipalities, from the state's two largest cities to a town of seventeen hundred, have reached for the same instrument inside a single spring, and they are now coordinating their language. This is not NIMBY noise. A layer of government the state cost-attribution framework never addresses has found the one authority the framework cannot override, and is using it.

THE NONDISCLOSURE PROBLEM

OKLAHOMA

TRANSPARENCY

CONSENT

What the towns were not told

There is a reason these fights keep arriving at the same emotional pitch, and it is not the megawatts. It is that residents keep learning about the projects late. In Luther, Mayor Terry Arps signed a nondisclosure agreement with Beltline Energy on behalf of the town in May of last year. Arps says the Board of Trustees never ratified it, so it never took legal effect, and he has since told The Oklahoman he regrets signing it. But the document existed, it was narrow but real, and many residents found out about the project only after it had been negotiated under one.

Luther is not unique. A Frontier investigation published this month documented nondisclosure agreements between data-center developers and officials in Coweta, Claremore, Luther, Yukon, and Stillwater. Some of those agreements prohibit officials from revealing that any discussions with developers are taking place, that confidential information has been received, or that a nondisclosure agreement itself exists. In at least two cities, officials arranged one-on-one briefings with board members to avoid reaching a quorum that would trigger the Open Meetings Act. One official in Wagoner County warned that such agreements could be illegal under Oklahoma transparency law. Set that next to the story this newsletter covered in Issue 17. In Coweta, a cancelled data center left behind roughly two hundred identical letters of support, and the developer acknowledged it controlled the platform that generated them. Two towns, two failures of the same thing. In Coweta, consent was manufactured. In Luther and elsewhere, the information needed to consent was withheld. Both produce the same result: a community that feels something was decided about it rather than by it.

That is what the moratoriums are actually responding to. The crowd in Luther did not chant about interconnection cost. It chanted "let us vote." The pause is the procedural form of that demand: a way for a local government to stop the clock and put the decision back in front of the people who will live next to the outcome.

POLICY RELEVANCE

Consent is the part of the build-out that neither HB 2992 nor SB 259 can reach. The cost law prices the load and the water law meters the water, and both are necessary. But neither answers whether a host community agreed, and the NDA pattern shows why that question has teeth: a process that begins in secret cannot produce consent, no matter how favorable the final terms. The towns want the technology explained, not hidden, and a moratorium is the tool that forces the explanation.

OKLAHOMA

ENERGY

INFRASTRUCTURE

Cost on one track, consent on the other

While the towns paused, the state kept building the cost side of the ledger, and that work is real. HB 2992 goes operative July 1. OG&E filed the first readable large-load tariff under it on June 17, with the 75-megawatt threshold, a requirement that big customers cover their own interconnection, and a customer-protection fund for residential ratepayers, all detailed in Issue 17. That filing operates under HB 2992's direction that the Corporation Commission require separate terms and tariffs for large loads, and the Commission will rule on it through what is likely to be a months-long review. The three PSO proceedings Issue 17 tracked, a billion-dollar capacity appeal, a contested rate case, and the Attorney General's nuisance suit over the Inola smelter, are all still live.

The largest single load in the state remains Project Emerald, the roughly fifty-billion-dollar, 1.2-gigawatt IREN campus proposed near Kiowa in Pittsburg County and drawing on PSO. At a packed final public hearing on June 22, with most speakers opposed, the county commissioners voted to table the project's two tax-increment districts and send them back to the tax-district board for renegotiation, a county government reaching for delay the same way the towns reached for the moratorium. None of this stopped because half a dozen town councils voted. The state is assembling a serious apparatus for pricing the load.

The point of this issue is that the two tracks are not the same track. The state decides what a data center pays. The town decides whether it is built there at all. Both are moving at once this fortnight, and they converge on July 1, when the cost meter goes live and the first tariff treatment becomes readable. That convergence, and the records it produces, is the subject of the next issue.

POLICY RELEVANCE

Cost attribution is a state competence, and Oklahoma is exercising it well. Land use and local consent are municipal competences, and the towns are exercising those. The friction between the two is the system working: two levels of government doing their actual jobs on the same project. The mistake would be to assume the state meter makes the local vote unnecessary. The towns just demonstrated, six times over, that it does not.

BRING YOUR OWN POWER

NATIONAL

ENERGY

GOVERNANCE

Oklahoma's towns are the local edge of a national pattern

The instinct that drove Oklahoma's pauses is showing up across the country, and the pace just accelerated. A tracker maintained by Interconnected Capital counted at least 122 proposed local data-center moratoriums nationwide as of this week, with 97 currently active. In Nevada, the Reno City Council voted to extend its data-center moratorium until the city adopts new regulations. In Pennsylvania, a Republican in the state House introduced a bill that would require data-center developers to build or buy their own power supply so the cost does not land on residential customers. In Delaware, Democratic legislators are drafting a similar measure that would make developers supply their own power and pay for the

transmission upgrades they require. New York's legislature passed a one-year statewide moratorium on new facilities over 20 megawatts; the bill is on Governor Hochul's desk. The supply-side half of HB 2992's logic is going national, and it is doing so across both parties.

On June 25, the principle reached its highest-ranking endorsement yet. Representative Frank Pallone of New Jersey, the ranking Democrat on the House Energy and Commerce Committee, called for a national data-center moratorium during a subcommittee markup on ratepayer-protection legislation. He called the bills under consideration a "useful first step" but said they were "not nearly enough," and dismissed the administration's voluntary Ratepayer Protection Pledge as having "no enforcement." Pallone cited FERC's June 18 action as promising but likely requiring "months, if not years, to come to fruition." He is the ranking Democrat on the House committee with primary jurisdiction over energy policy, and his statement came during a week when Berkeley Lab projected that data centers could account for up to twelve percent of total U.S. electricity consumption by 2028, potentially growing to fifteen percent by 2030.

The federal layer above all of this finally moved on June 18, and the way it moved is instructive. Rather than impose a single national interconnection standard, which would have been far more vulnerable to legal challenge from the states, FERC issued parallel show-cause orders under Section 206 of the Federal Power Act to all six regional grid operators, including the Southwest Power Pool that runs Oklahoma's grid, giving each thirty to sixty days to justify or reform how it connects large loads. FERC pointed to the Southwest Power Pool's large-load process as a model for the others. The Commission chose region-by-region orders over a uniform rule precisely to keep its action durable against the same jurisdictional friction this issue is about. The Federal Data Center Enhancement Act, the main federal reporting regime for data centers, is still set to expire in September with no replacement, as Issue 17 detailed. The pattern this newsletter named in Issue 6 holds, with a wrinkle. Even when the federal level acts, it is now acting through the regions rather than over them. The questions of zoning, water, and consent it does not touch at all still fall to the level below. This spring the level deciding those was a town of seventeen hundred people meeting in the street.

POLICY RELEVANCE

The municipal wave is devolution reaching its smallest unit. The same principle a Luther trustee voted for, that the people who build the load should carry it rather than pushing it onto everyone else, is now drafted into bills in Harrisburg and Dover and into a moratorium in Reno. Oklahoma's towns are not an outlier. They are the leading edge of a national argument about who pays for the build-out, being conducted, for now, one council meeting at a time.

SIGNAL / NOISE

SIGNAL

The consent question has reached the level of government closest to the people. For five issues the action in this series sat at the Capitol, the Corporation Commission, and tribal councils. This fortnight it is a town's Main Street, and the towns are acting before HB 2992's cost protections even take effect. The durable signal is that cost and consent are different problems requiring different levels of government, and Oklahoma is now visibly working both at once. A state that prices the load and towns that decide whether to host it are not in conflict so much as in division of labor, and the division became impossible to ignore.

NOISE

The temptation to read the moratoriums as anti-growth or anti-AI. The towns themselves keep saying otherwise. Edmond has no pending application and still paused, explicitly to study rather than to ban. Luther's own attorney built the ordinance to survive legal challenge precisely so it would function as a pause, not a prohibition. A moratorium is a request for time and information, not a verdict on the technology. Reading it as a refusal mistakes the procedure for the position, and misses that most of these councils have said they expect to permit data centers once they know what they are permitting.

6

Oklahoma municipalities with data-center moratoriums on the books this spring: Oklahoma City, Tulsa, Edmond, Broken Arrow, Luther, and Norman, with more towns weighing the same step. A statewide pattern, not a local dispute.

122

Proposed local data-center moratoriums across the United States as of this week, with 97 currently active, per the Interconnected Capital tracker. Oklahoma is one front in a national wave.

~23%

Share of Luther's roughly 1,700 residents who turned out, an estimated 400 people, to the June 17 meeting on Main Street. Civic participation rates most municipal elections never see.

Dec. 31, 2026

The shared expiration date most of these towns chose, giving each roughly six months to write data-center zoning rules before the pause lifts.

75 MW

The load threshold Oklahoma City used to exempt smaller facilities from its moratorium, the same number OG&E's HB 2992 tariff uses to define a large load. Local zoning and state rate policy converged on one figure.

320 acres

The size of the Beltline Energy site east of the Redbud Power Plant that Luther's moratorium now pauses.

June 2

The date Box Law Group filed the Specific Use Permit application for the Luther data center, the application the town voted two weeks later to freeze.

2

State legislatures, Pennsylvania and Delaware, with bills introduced or in draft this month to require data-center developers to supply their own power, alongside Reno's extended moratorium. The "bring your own power" principle going national and bipartisan.

WHAT TO WATCH

July 1. HB 2992 becomes operative and the first large-load tariff treatment becomes readable at the Corporation Commission. The cost meter goes live, and the record it produces is where the next issue begins.

July into August. The compliance clock on FERC's June 18 orders runs out. Each regional grid operator, the Southwest Power Pool included, has thirty to sixty days to justify or reform how it connects large loads, and what SPP files will shape how Oklahoma's framework and the federal one fit together.

Ongoing (federal). The government's June 12 shutdown of Anthropic's Mythos and Fable models, the first time an export control directive forced a frontier AI model offline globally, has now cut off the NSA's own access to the cybersecurity tool it was using to red-team its classified systems. The "who decides" question this issue asks at the municipal level is playing out at the national-security level in real time. We cover it separately at humanityandai.com/stream.

June 30. The Cherokee Nation's data-center task force reports to Chief Hoskin, a sovereign-government assessment of data-center impacts in Oklahoma, on jurisdiction the Commission cannot reach.

July 13 and 14. Luther's Planning Commission and Board of Trustees are scheduled to take up the Beltline rezoning. The first test of what a town does with the time a moratorium buys.

Late June. The Coweta investigation into the manufactured letters of support for the cancelled Beale project is expected to wrap soon; any charges would turn manufactured consent into a national story.

Ongoing. More municipal votes, and the statewide proposals, including a longer-horizon moratorium bill and a measure to end incentives for centers not operating by a 2027 deadline, that would move the question from the council table back to the Capitol.

FROM THE ANALYSTS

For five issues this newsletter has tracked Oklahoma building a state-level machine for the data-center build-out: a cost law in Issue 13, the authority question in Issue 14, water metering in Issue 15, the demand curve in Issue 16, and the meter going operative in Issue 17. This issue is the reminder that the machine has a floor it does not reach. The state can decide what a load pays. It cannot decide, for a given town, whether the load belongs there. That decision lives in city halls, and this spring the city halls used it.

The argument this newsletter has made the whole way through is that the right response to the build-out is to measure honestly, attribute fairly, and let each level of government do its actual job. The municipal wave is that principle arriving from the bottom. HB 2992 and SB 259 are state meters for cost and water, and they are good ones. Consent is a local competence, and six Oklahoma towns exercised it inside a single season, coordinating their language as they went. The friction between the state meter and the local pause is the system working at two levels at once, not a sign that either is broken.

The nondisclosure pattern is the tell that this is about process, not technology. A build-out that begins under signed NDAs, or behind two hundred manufactured letters of support, cannot produce consent regardless of how good the final deal looks. Most of the towns that paused have said plainly they expect to host data centers once they understand what they are hosting. What they refused was being handed a decision already made. The moratorium is the most basic civic instrument there is for saying so: stop the clock, show us the project, let us vote.

There is a supply-side answer underneath all of this that would shrink the fight rather than relocate it. A data center served behind the meter by its own dedicated generation, and cooled by closed-loop geothermal rather than a town's drinking water, asks far less of both. It leans less on the grid the Commission must provision and less on the aquifer a community feels it must defend. Build the load so it carries its own power and its own cooling, and most of what the towns are pausing to study gets easier to answer. The pauses are protecting water and grid headroom; the durable fix is to design loads that need less of both.

The two tracks meet on July 1. The cost meter goes live, the first tariff treatment becomes readable, and the Cherokee Nation's assessment lands, while the regions begin answering FERC's June 18 orders. Whichever of those produces the sharpest record will define the next issue. For now, the most important data-center decision in Oklahoma this fortnight was made not by three elected commissioners but by a few hundred people on a closed street in a town of seventeen hundred, who decided the question of consent was theirs to answer, and answered it.

— *David & Æ*

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This issue is part of a series examining Oklahoma's legislative sessions alongside the national and global AI and energy landscape.

The Inference is an independent AI policy intelligence brief for Oklahoma decision makers. Not affiliated with any political party, campaign, or lobbying organization. Back issues and source documents available at humanityandai.com/inference.

Disclosure: Humanity and AI, LLC develops open-weight AI models and researches AI consciousness through the Structured Emergence program. David Birdwell has advocated publicly for Phoenix Wells, a geothermal conversion of Oklahoma's abandoned oil wells, infrastructure that could serve data-center power needs with materially lower cooling-water consumption than the alternatives, and that is directly relevant to the regulatory questions analyzed in this issue, and has proposed HAICTA concept legislation to Oklahoma legislators. Portions of this issue's research were prepared with Anthropic frontier models, which Humanity and AI uses in its research and production workflows. These positions and tools are disclosed so readers can weigh our analysis accordingly. We have no financial relationship with any company, utility, municipality, or political campaign mentioned in this issue.

Previous issues: #1 AI Agents Enter the Workforce · #2 The Chatbot Safety Wave · #3 Oracle and the Healthcare Data Grab · #4 The Preemption Gambit · #5 The Two Pipelines · #6 The Preemption Play · #7 Lots of Firefighting, No Architecture · #8 The Ground Is Moving · #9 The Geothermal Window · #10 Seventy-Two Hours · #11 Energy Geography Determines Compute Geography · #12 The Geothermal NOFO · #13 The Tariff Is the Test · #14 The Sovereignty Question · #15 Water on the Meter · #16 The Energy Bill · #17 The Meter Goes Live