MAPPING PRIVATE EQUITY'S GAS FLEET:

Climate Footprint, Health Impacts, and AI-Driven Demand

PRIVATE EQUITY CLIMATE RISKS

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About Private Equity Climate Risks (PECR)

The Private Equity Climate Risks project investigates the role of the private equity industry in the climate crisis. This research is a collaboration between Global Energy Monitor, Private Equity Stakeholder Project, and Americans for Financial Reform.

PECR Website: https://peclimaterisks.org/

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Global Energy Monitor

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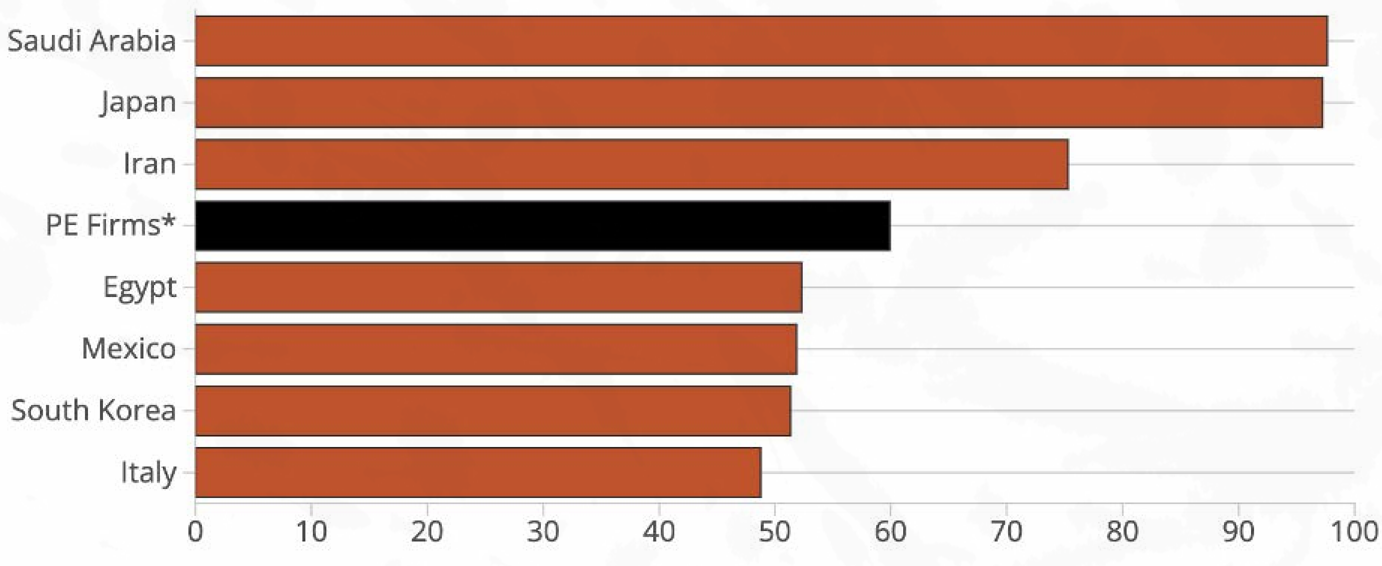
INTRODUCTION

The Private Equity Climate Risks Project examines twenty of the largest and most influential private equity firms in the global energy sector[1]. Our flagship report, the [Private Equity Climate Risks Scorecard](), last updated in fall 2024, detailed these firms' exposure to coal-fired power plants, liquified natural gas (LNG) terminals, and upstream oil and gas facilities, and the associated climate impacts. The new research in this briefing adds gas-fired power plants to that analysis, revealing that these firms are linked to an additional 82 million metric tons of CO_2-equivalent emissions per year, or roughly the same climate impact as the annual electricity use of seventeen million U.S. homes. Including this data fills a critical gap in understanding private equity's expanding footprint in the global gas supply chain.[2]

Together, these private equity (PE) firms are invested in nearly 60 gigawatts of operating gas-fired power capacity globally, a figure comparable to or exceeding that of many nations. If these PE-backed plants formed a single national fleet, only six countries—the United States, China, Russia, Saudi Arabia, Japan, and Iran—would have larger gas-fired capacities.[3] In addition, PE firms hold stakes in at least another 5.9 gigawatts of capacity in the planning pipeline.[4]

Leading private equity firms back enough gas power to rival the size of leading national gas fleets

Operating gigawatts (GW) of gas-fired power plant capacity by country and PE firms



Note: The top three countries by gas plant capacity (USA, China, Russia) were removed from the chart for clarity.
*Note: The 20 private equity firms covered by the PECR Scorecard

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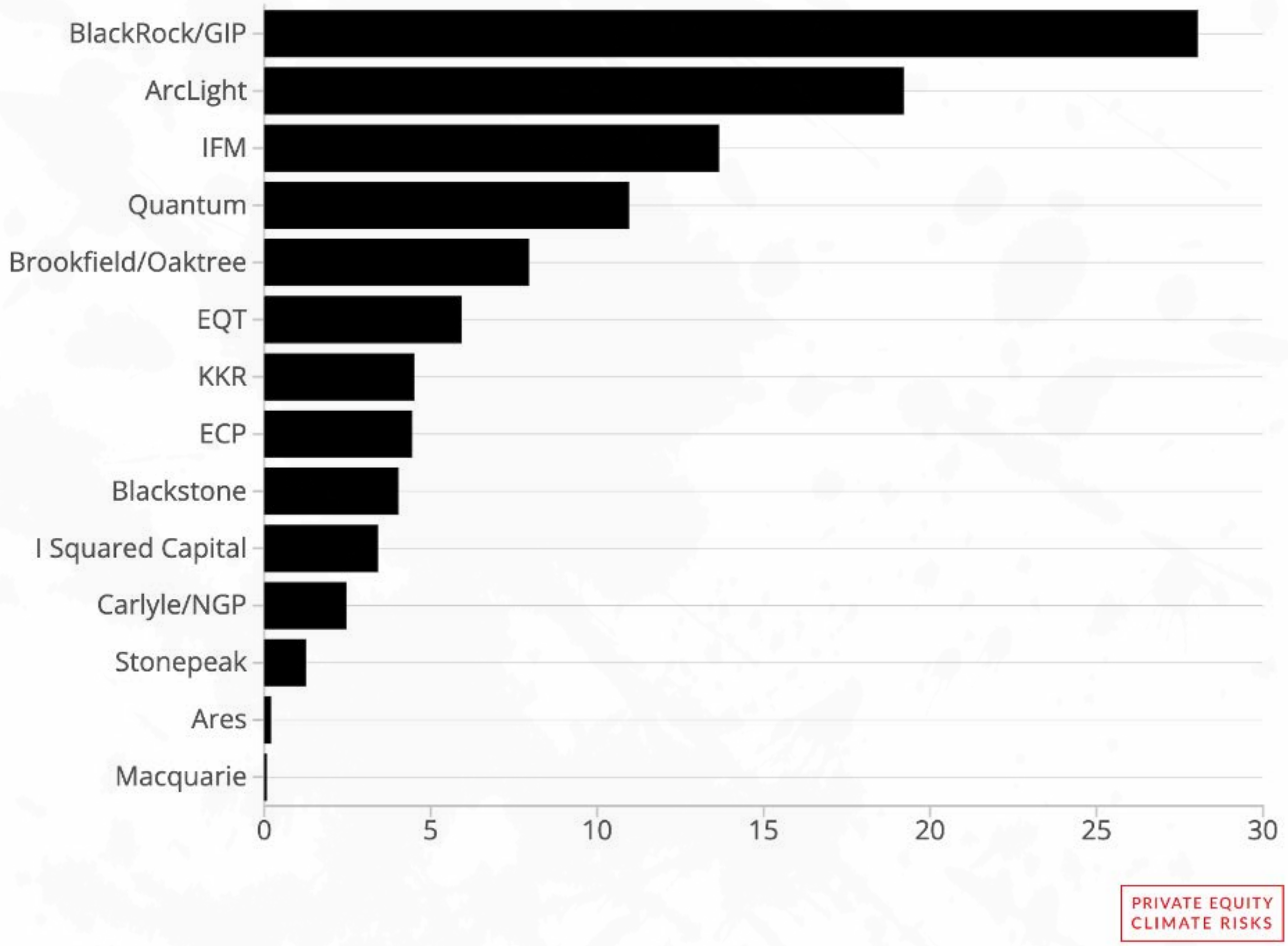
PRIVATE EQUITY'S GAS FLEET CREATES COSTS

These private equity-backed gas plants emit an estimated 82 million metric tons of CO_2e each year—roughly the same climate impact as the annual electricity use of seventeen million U.S. homes.[5] These emissions come from just 35 portfolio companies. The top company by emissions, Alpha Generation (backed by ArcLight), produces an estimated 17 million metric tons of CO_2e per year from gas-fired power plants.

These plants also carry steep human health costs. A typical power generator in this dataset—about 300 megawatts—would result in an estimated $21–28 million in annual health damages if located in a mid-

Gas power backed by private equity estimated to release over 80 million metric tons of CO2e per year

Million metric tons of CO2-e from gas-fired power plants by private equity firm, broken down by portfolio company



sized U.S. city like Duluth, Minnesota (population ~ 285,000). These damages stem from air pollution–linked diseases including asthma, lung cancer, heart attacks, strokes, and neurodegenerative conditions such as Alzheimer's and Parkinson's.[6] Across 147 power plants worldwide, this fleet creates a significant burden on public health.[7]

Private equity backed gas plants span the globe, covering developed and emerging economies

Geolocation of private equity backed gas plants by operational status*

Planned Operating

Note: The 20 private equity firms covered by the PECR Scorecard

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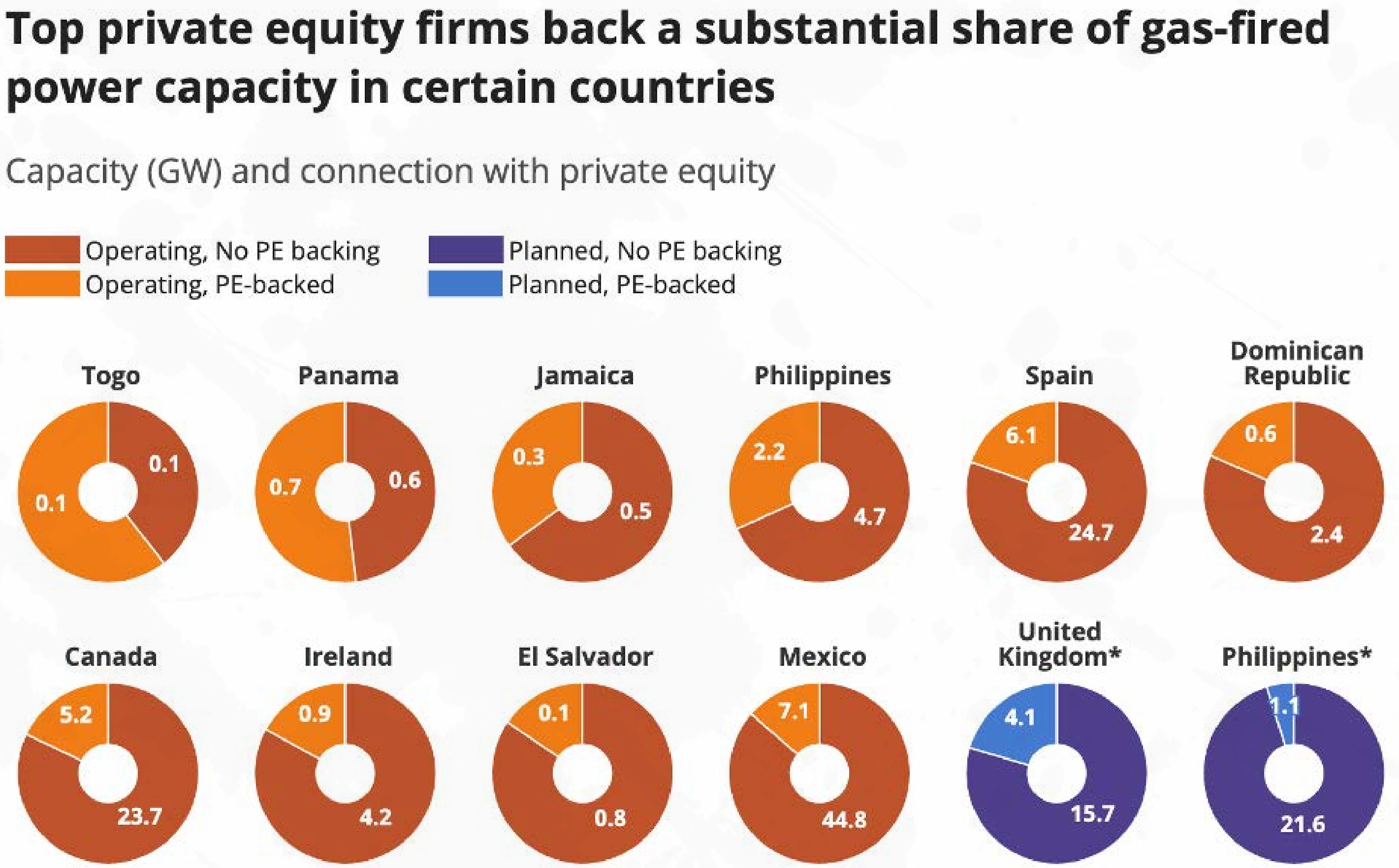
GLOBAL SCOPE, LOCAL CONCENTRATION

The plants in this dataset span twenty-seven countries across all stages of economic development. Just over half of capacity in this study—35 gigawatts—is located in the United States, accounting for about 6% of all operating gas-fired power in the US.

However, concentration levels of private equity ownership are much higher elsewhere: In Togo and Panama, more than half of their operating gas capacity is linked to private equity, while in Jamaica and the Philippines, that figure is roughly one-third.[8] In the United Kingdom, more than one fifth of all gas-fired capacity in planning stages is linked to private equity investment.[9]



Note: 20 private equity firms included in PECR Scorecard
*Note: The planned category includes capacity that is announced, pre-permitted, permitted, and under construction.

PRIVATE EQUITY FIRMS ARE TARGETING INVESTMENTS AT THE NEXUS OF DATA CENTER ENERGY DEMAND AND FOSSIL FUEL POWER GENERATION

The rapid expansion of artificial intelligence (AI) is fueling a boom in data center construction — and with it, a surge in projected demand for electricity. The digital sector's appetite for energy has triggered a frenzy among investors eager to capitalize. Despite growing skepticism that the AI rush may be more of a market bubble than a breakthrough, private equity firms are positioning themselves at the center of this transformation, financing both the servers that run AI models and the power plants that keep them running.[10]

Since January 2022, private equity firms have invested in over 450 data center companies globally, spending nearly $200 billion and driving 80–90% of all mergers and acquisitions in the sector over the past three years.[11] Private equity's reach now extends well beyond data center walls. As AI accelerates projected electricity demand, investors are snapping up existing power generators, cancelling retirements of aging gas and coal plants, and proposing new fossil-fuel projects to keep pace.[12]

According to data from *Global Energy Monitor's Global Oil and Gas Plant Tracker*, the United States more than doubled its oil- and gas-fired capacity in development over the last year, reaching 85 gigawatts of projects in the announced, pre-construction, or construction phase.[13] This growth is occurring alongside record private equity spending on data centers—an alignment that underscores how fossil power and AI are becoming financially intertwined, deepening carbon lock-in.

Two of the world's largest asset managers, BlackRock and Blackstone, illustrate this convergence. Both already hold electric utilities in their portfolios and are pursuing new deals that could give them purview over nearly 11 million energy customers across the United States, the United Kingdom, and El Salvador.[14]

- BlackRock, through its subsidiary *Global Infrastructure Partners (GIP)*, recently secured approval for a $6.2 billion acquisition of *ALLETE Inc.*, parent company of *Minnesota Power*.

- BlackRock/GIP is also pursuing a $38 billion takeover of *AES Corp.*, one of the largest publicly traded utilities in the United States—a move that would mark the largest utility acquisition in history.[15]

- Blackstone, meanwhile, has been quietly assembling pieces of the AI infrastructure supply chain and is now setting its sights on utility infrastructure as well.[16] In May 2025, the private equity firm announced plans to acquire TXNM, the parent company of the Public Service Company of New Mexico and the largest utility in New Mexico, in a $11 billion take-private acquisition.[17]

The emerging picture is one where private equity not only profits from AI's expansion but increasingly owns the physical backbone that powers it.

For more analysis on the connections between private equity and data centers and energy development, see: *From Power Plants to Processors: Private Equity's Big Bet on the Data Center Pipeline* recently published by Private Equity Stakeholder Project.[18]

METHODOLOGY

To compile energy holdings for private equity firms, the PECR researchers drew on information from Pitchbook, Securities and Exchange Commission (SEC) filings, company web pages, press releases, news stories, and other sources. All data was verified using publicly available sources.

Once financial deal and portfolio company data were verified for a given private equity firm, the next step of the research process is to identify the facilities currently owned by portfolio companies. This was accomplished by cross-referencing portfolio companies with Global Energy Monitor's Global Energy Ownership Tracker, specifically this tracker's coverage of the Global Oil and Gas Plant Tracker assets.[19] This returned a subset of gas and oil-fired power plants (primarily gas) that were then flagged as associated with a given private equity firm.

Comparisons of this private equity gas plant fleet with other countries was also completed using data from the Global Oil and Gas Plant Tracker. Tools used include the US EPA's Greenhouse Gas Equivalencies Calculator, the US EPA's COBRA tool, and Flourish for data visualizations. Emissions data was calculated using emissions factors and capacity factors from US EPA's eGRID dataset.

ENDNOTES

1 PECR Scorecard Firms: Apollo Global management, ArcLight, Ares Management, BlackRock Private Equity Partners/Global Infrastructure Partners, Blackstone, Brookfield/Oaktree, Carlyle/NGP, EIG, EnCap, Energy Capital Partners, EQT, I Squared, IFM, Kayne Anderson, KKR, MacQuarie, Quantum Energy Partners, Stonepeak Infrastructure Partners, TPG, Warburg Pincus.

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