



METRO CONNECT FALL

U.S. digital infrastructure in 2026: what the insiders say

A research report from Metro Connect Fall

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Introduction

US digital infrastructure has been in growth mode for several years now, and 2026 is keeping the trend up.

AI and data center buildout has captured the headlines and the funding commitments, but there is now a realisation that data centers cannot exist on their own. They need power, they need fiber, and they need interconnection points to the wider network – with the boundaries between these sectors blurring, the methods data center operators are choosing to access the resources they need make for interesting case studies.

Aside from AI, fiber-to-the-premises continues to grow, with huge federal funding programs coming on stream, but the challenges are mounting up. Workforce shortages and execution risks are weighing on the market, and there is also the prospect of consolidation among smaller operators as capital access starts to tighten, making for a lively M&A market in the sector.

All these areas and more will be under discussion at Metro Connect Fall 2026, which is a place for the fiber, data center and energy communities to come together as partners and navigate what's ahead.

To build the Metro Connect Fall agenda, we talked to dozens of industry experts – analysts, DC providers, fibercos, financiers, energy leaders, and more from across the sector – to share the topics you want to hear about. Five key themes emerged – discover them in this report.



CUSTOMER EXPERIENCE,
SERVICES AND NEW
REVENUE STREAMS



FIBER CONSOLIDATION,
M&A AND CAPITAL FLOWS

WORKFORCE
SHORTAGE

GOVERNMENT FUNDING
AND RURAL CONNECTIVITY
(BEAD AND STATE
PROGRAMMES)

CONSTRUCTION, DATA
CENTERS, POWER AND
TELECOM CONVERGENCE

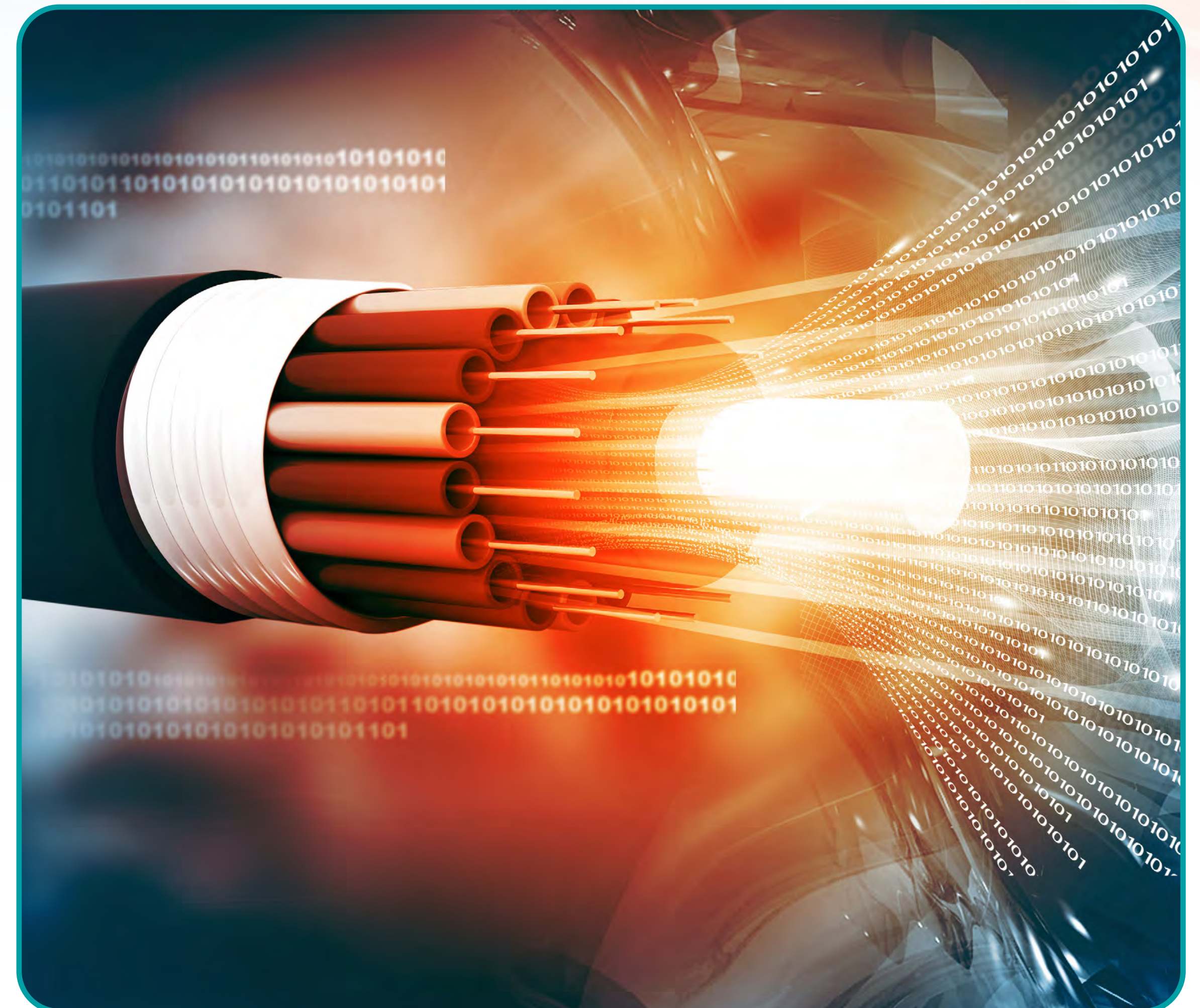
Fiber Consolidation, M&A and Capital Flows

The industry is preparing for a new wave of mergers and acquisitions across fiber infrastructure. Both enterprise and residential fiber providers face pressure to scale or consolidate as access to capital tightens and balance sheets come under stress.

Overbuilt markets and historically high valuations have created conditions for “smart consolidation”, including wireless carriers pursuing fiber-to-the-home assets to support convergence strategies, and fiber overbuilders merging to achieve operational scale. Asset valuations have retreated from peak levels, with multiples compressing from the 15–20× range to the mid-teens or below, making acquisitions more attractively priced.

Capital allocation patterns are also shifting. Stable tower assets increasingly attract low-cost capital from pensions and core infrastructure funds, while less risk averse capital is being redirected toward data centers and fiber. At the same time, the sheer scale of recent data center investment is creating pressure for future exits via secondary sales, IPOs or strategic buyouts.

Despite ongoing enthusiasm around AI infrastructure buildout, there is growing caution around ‘frothy’ segments. Deals backed by long-term contracts, predictable cash flows and infrastructure fundamentals are increasingly being favoured over speculative growth narratives.



Construction, Data Centers, Power and Telecom Convergence

The boundaries between power infrastructure, telecom networks and data center development are becoming increasingly blurred.

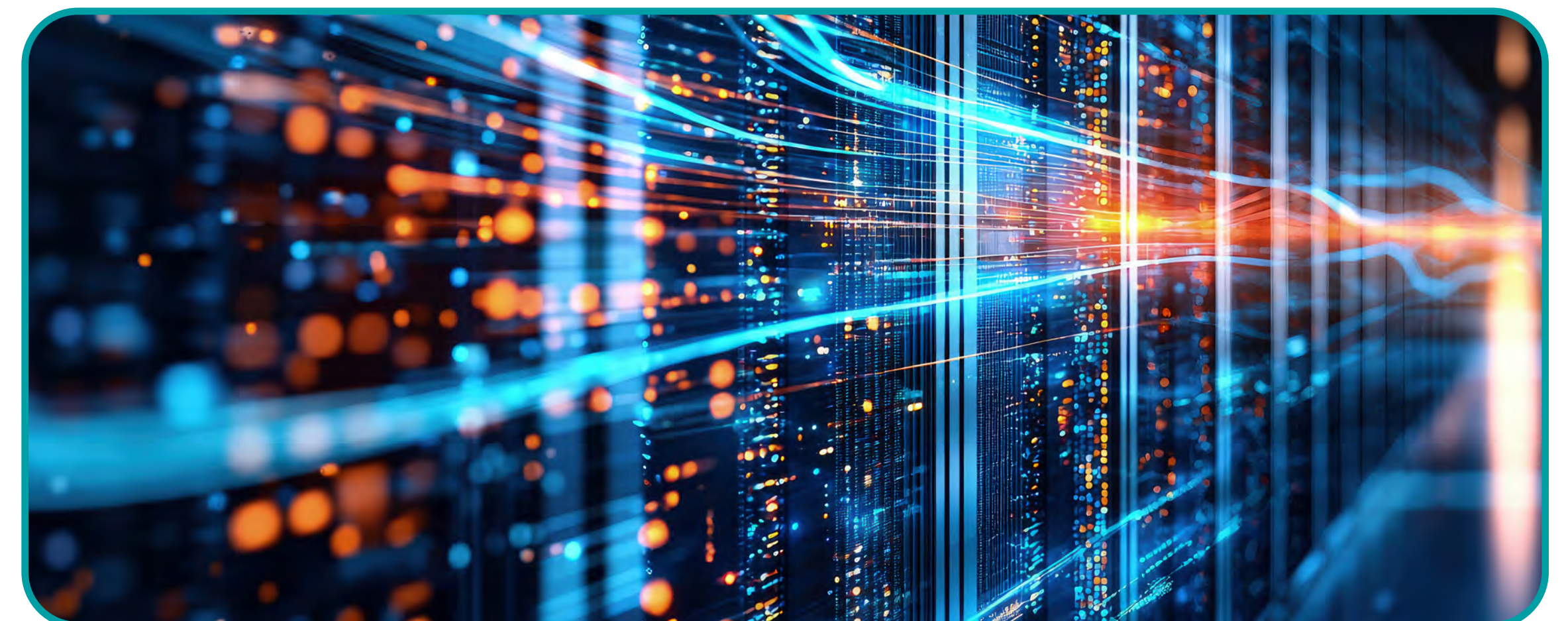
AI-driven workloads are reshaping data center architecture, shifting demand from large, centralised training facilities toward more distributed inference sites positioned closer to users. This transition is driving intense demand for regional fiber backhaul, interconnection infrastructure and power availability in non-traditional geographies. Many regions lack sufficient internet exchange points, creating latency, cost and resilience issues that must be addressed to support next-generation workloads.

Utilities and telecom operators are forming deeper partnerships to accelerate deployment. Power companies are leveraging existing rights-of-way, poles and conduit to roll out fiber far faster than traditional builds allow, dramatically compressing construction timelines. Electric co-operatives are also emerging as critical players in rural fiber delivery, combining local trust with grant funding to extend broadband where commercial operators struggle.

Engineering and construction firms are adapting in parallel. Telecom contractors are acquiring electrical specialists, and vice versa, to offer integrated power-and-

fiber delivery for data center projects. As a result, the historical separation between “telecom build” and “power build” is increasingly obsolete.

A further evolution is underway: in some cases, data center operators themselves are becoming energy actors. Some operators are co-locating facilities with renewable generation and actively producing power, using flexible compute loads to monetise excess energy, stabilise grids and lower long-term operating costs, with behind-the-meter deals being announced on almost a daily basis. This model reframes data centers not just as power consumers, but as participants in energy markets, a shift with major implications for sustainability, grid planning and infrastructure investment.



Customer Experience, Services and New Revenue Streams

As connectivity becomes more commoditised, differentiation is shifting away from pure network ownership toward customer experience, service quality and commercial innovation.

Winning operators are pairing network build-out with strong customer engagement, prioritising responsiveness, accountability and human support over fully automated interactions. Superior onboarding, faster fault resolution and personalised account management are increasingly seen as essential to converting “homes passed” into long-term subscribers. With the ‘dumb pipe’ debate still ongoing – some operators are happy to focus on delivering infrastructure while others want to move up the chain – service differentiation is a widespread way for operators to achieve the latter.

On both the retail and wholesale sides, service innovation is becoming a growth lever. Bundled services, flexible pricing, automation and CPQ tools are being used to simplify buying decisions and improve partner interactions. Customer experience is no longer viewed as a soft metric, but as a direct driver of monetisation and churn reduction.

There is rising interest in dedicated forums focused specifically on customer experience as a revenue tool. This brings together fiber operators, alternative ISPs and non-traditional connectivity providers to share practical lessons on conversion, retention and upselling in competitive markets.



Workforce Shortage



Workforce constraints are emerging as one of the most severe throttles on infrastructure growth.

Demand for skilled labour, including fiber splicers, outside plant technicians, data center engineers and project managers, far exceeds supply. In fiber especially, the demographic challenge is acute: industry insiders report there are effectively no experienced fiber splicers under the age of 50, with limited new talent entering the trade at scale.

Labour shortages threaten not just timelines but project viability. In some cases, publicly funded fiber builds risk delay, default or cancellation simply because awarded operators cannot staff projects fast enough to meet obligations.

Solutions are moving beyond headline recruitment toward execution-focused workforce planning. There is strong appetite for candid, operational-level discussion around how companies are actually sourcing, training and retaining talent, including internal academies, cross-industry retraining, partnerships with colleges, and shared industry training initiatives for smaller operators that cannot build in-house programmes.

Talent constraints extend beyond fiber into data center construction, where shortages of experienced engineers and project managers are already limiting the pace of new builds. This has elevated workforce strategy into a competitive differentiator, one that hyperscale customers increasingly scrutinise when selecting partners – with more and more scrutiny across the sector and in wider society on ‘braggawatts’, or spurious data center projects that are unlikely to see a shovel in the ground.



Government Funding and Rural Connectivity (BEAD and State Programmes)

Historic U.S. broadband funding is hitting deployment in 2026 notably the \$65bn BEAD program to inject unprecedented capital into regional fiber deployment, particularly in underserved and rural areas.

However, alongside opportunity, execution risk looms large. Many funding recipients, such as local authorities and downstream from that regional ISPs, face challenges around upfront financing, reimbursement timing and long-term sustainability, pressures compounded by the expiration of affordability subsidies. As deployment accelerates, there is concern that a meaningful proportion of awarded projects may struggle to reach completion.

At the state level, attention is shifting beyond award announcements toward innovation, differentiation and delivery models. Digital equity initiatives, municipal programmes, experimental technologies and collaboration with startups and think tanks are emerging as areas of focus.

Electric co-operatives and power utilities play an outsized role in rural connectivity, yet are not sufficiently included in the delivery conversation. These organisations are typically community-focused rather than profit-driven, and face acute issues around

middle-mile access, backhaul costs and interconnection. In many regions, local fiber networks risk becoming isolated “islands”, forced to rely on expensive upstream connectivity.

State-backed middle-mile networks, neutral IXPs and utility-led infrastructure projects offer potential solutions, but delivering them requires greater visibility and knowledge-sharing. Permitting, pole attachment costs and rights-of-way complexity (often caused by the myriad different authorities that control the land of a planned route) remain persistent challenges, with attachment fees and delays rising sharply in some states. Policy reform interest is growing, even as jurisdictional complexity limits easy fixes.





Metro Connect Fall 2026: building and financing the next generation of US digital infrastructure

Metro Connect Fall, co located with Datacloud USA, is the deal-making event that drives value across fiber, data centers, capital and energy.

Join 3,000+ senior digital infrastructure leaders

from FTTH, middle mile & long haul fiber, data centers, hyperscalers, construction, energy, investors, legal & more.

The mid year meeting for capital, connectivity & compute

This is where networks get financed and scaled, while deals get done.

High impact content and curated networking

Expect strategic panels, technical deep dives, and networking designed to accelerate partnerships and inform your decision making.



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