CONVENER'S NOTE

When Reservations Change Hands

Forward reservations are becoming transferable assets. The market has no common terms for transferring them.

Gus Udo, 54 Projects LLC, proposed convener · November 9, 2026

Summary

> A place in a manufacturer's delivery schedule is now worth billions of dollars, and it can move from one holder to another. A transaction reported this weekend shows a reservation for power-generation equipment changing hands, and the commitments around it changing with it. As this becomes common, everyone with an interest in a reservation will need the same answers: what moved, who agreed, what evidence came with it, and who else is affected.

The scarce asset is the delivery slot. When lead times run for years, a reservation for equipment or capacity has value of its own, separate from the project it was meant for.

Transfers are being agreed one deal at a time. Each sets its own terms for consent, evidence and disclosure. That works for a large buyer acquiring a whole order. It is much harder for a financed, insured or partly delivered reservation.

Other markets have solved this before. Secondary loan trading grew alongside standard transfer documentation, while prices stayed with the parties.

What was reported

On November 8, 2026, the Financial Times reported, as relayed by Bloomberg and CNBC, that an AI developer had agreed in late September to pay about $3.4 billion for commitments on 1.7 GW of

heavy-duty gas-fired generators. The commitments had been held by an equipment supplier. The developer had first planned to buy power from that supplier, and instead took over its existing generator orders. It did not acquire the supplier, but the deal reportedly included the engineering and construction capability needed to install the equipment.

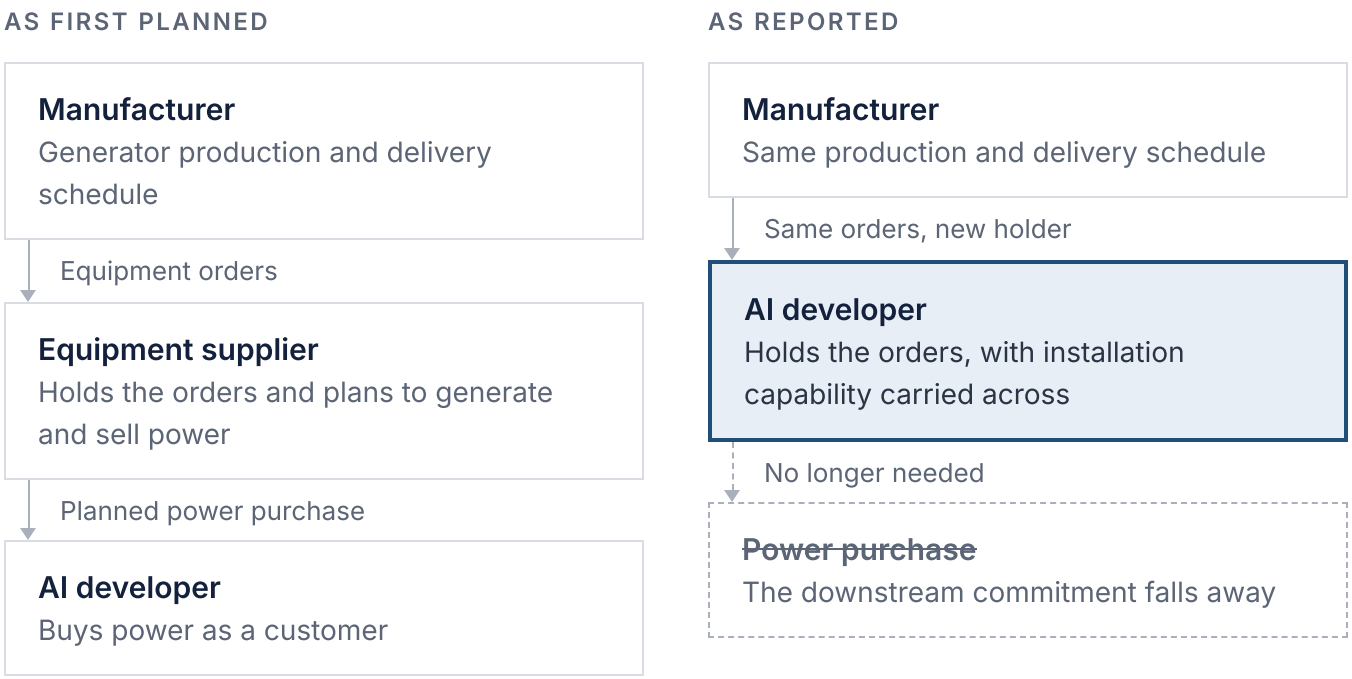
The report described it as the largest known single purchase of power-generation equipment by an AI developer. Neither party had commented at the time of reporting, and the sites the equipment will serve were not disclosed. The transaction became public about six weeks after it was agreed.

What actually changed hands

The equipment had not been delivered, and nothing about the manufacturer's schedule needed to change. What moved was the right to that schedule, and with it the commitments that depended on it.

The delivery slot stayed in place. Its holder changed, and a downstream commitment fell away.

Simplified from reporting of November 8, 2026



In this case one well-capitalized party took the whole position, so the questions a transfer raises could be settled privately. That will not always be true. A reservation may be partly paid, financed against its deposit, insured, or relied on by a power buyer, a lender or a second offtaker. Each of those parties has a stake in who holds it next.

The questions every transfer raises

Today each transfer answers these questions in its own way. None of them involves price, which remains for the parties.

QUESTION	WHAT IT COVERS	WHO RELIES ON THE ANSWER
What moves?	The delivery slot, payments and deposits already made, installation and service scope, warranties, and any obligations still to perform	Both parties, the manufacturer
Who must agree?	Whose consent the contract requires: typically the manufacturer or sponsor, and any lender with security over the reservation or its deposit	Manufacturers, sponsors, lenders
What evidence travels?	The reservation's commitment status, its readiness, milestones met and outstanding, and the status of any escrowed deposit	The incoming holder, its lenders and insurers
What depends on it?	Power purchases, capacity agreements, financing and insurance that assumed the original holder	Offtakers, lenders, insurers
Who is told, and when?	Disclosure to parties whose commitments are affected, before or at the time the transfer takes effect	Everyone with a linked commitment

Transferability also cuts the other way. Our first note observed that a buyer's withdrawal can leave capital and equipment orders stranded. Clear transfer conventions would give a stranded reservation

a route to a new holder rather than a cancellation, which preserves manufacturing capacity for the market as a whole.

Markets have done this before

Syndicated loans became a traded asset class once participants could move a position from one holder to another on familiar terms. Standard assignment and transfer documentation, developed by the LSTA in the United States and the LMA in Europe, settled how a transfer is made, what information accompanies it and how other parties to the facility are notified. It did not set prices, and it did not oblige anyone to sell. It made transfers routine enough that lenders could rely on them.

Forward reservations for power, data center, compute and fiber capacity are at an earlier stage. The terms of transfer are still being written deal by deal, which makes this the right time to agree on a common vocabulary, before inconsistent practice sets in.

A fifth area for the consultation

Our first note proposed four areas of common definition: commitment status, readiness, evidence, and dependencies and change. This note proposes that the consultation also consider **transfer**, building on those four.

A shared vocabulary for forms of transfer. For example, assignment of rights, novation of rights and obligations, and participation without transfer, so that "the reservation was sold" means one thing to every party.

A minimum information set. What should accompany a transfer, drawn from the commitment-status, readiness and evidence definitions, so that an incoming holder and its financiers can see what they are taking on.

A disclosure convention. How and when parties with dependent commitments learn of a transfer that affects them.

Whether a given reservation may be transferred, on whose consent, and at what price would remain matters for the contract and the parties. IFDCA would not operate a market in reservations, match buyers and sellers, or take part in any transfer.

What IFDCA is, and is not

The International Forward Digital Capacity Association (IFDCA) is a proposed industry-led forum to develop open, voluntary standards for forward power, data center, compute and fiber capacity. It is at the consultation stage: no association has been formed, and no institution has committed to participate. It draws on the precedent of EMTA in emerging-markets debt and the LSTA and LMA in syndicated loans, which gave participants common documentation and practice without building assets or becoming counterparties.

It would: develop common definitions and classifications through a technical working group under an independent chair, with balanced representation and counsel-supervised competition-law safeguards. Participation and adoption would each be voluntary.

It would not: set prices, deposit levels or other commercial terms, or allocate customers. It would not act as a trading venue, financing intermediary, insurer or developer, or guarantee projects, certify investments or approve transactions.

The consultation is convened by 54 Projects LLC, which operates Mazipan OS. Mazipan OS would be one potential implementer of IFDCA standards, alongside other platforms and market participants. Participation would not require its use or confer preferential access.

An invitation

Views on the proposed fifth area are especially welcome from those who would sit on either side of a transfer, or rely on one.

Buyers, holders and developers: which transfers you expect to make or receive, and what you would need to see.

Equipment manufacturers: how a change of holder affects your schedule, warranties and consent.

Banks, investors, insurers and brokers: what information and notice would let you rely on a reservation that may change hands.

Law firms: transfer vocabulary, documentation conventions and a counsel-supervised drafting process.

Institutions interested in contributing can request the provisional framework from 54 Projects at info@54projects.com.

IFDCA is a proposed initiative at the consultation stage; no association has been formed. This note reflects the views of its proposed convener only and draws on press reporting that the parties had not confirmed at the time of writing. It is not legal, financial or investment advice, and it does not describe any adopted standard or institutional participation.