

DATA CENTERS IN UTAH: WHAT YOU NEED TO KNOW



Recently, data center operations and newly proposed data centers have received a significant amount of attention from Utah policymakers, pundits, and economic analysts. Utah has emerged as a major hub for AI and cloud infrastructure, with large projects proposed or under construction in places such as Eagle Mountain, Millard County, and Box Elder County. In particular, the proposed hyperscale “Stratos Project”—developed by O’Leary Digital (backed by successful businessman Kevin O’Leary)—aims to be one of the largest data centers in the world and create thousands of jobs.

PROPOSED RESTRICTIONS ON DATA CENTERS

- * In May 2026, Gov. Spencer Cox (R) issued a new executive order establishing a so-called “higher bar” for future data center projects. The order was prompted by growing public opposition to the proposed “Stratos Project” and purports to provide protection of water resources, air quality, wildlife, and ratepayers via costly environmental and utility mandates.
- * The Utah Legislature has already begun imposing new reporting and oversight requirements. H.B. 76, the “Data Center Water Transparency Amendments,” requires developers to estimate and disclose future water use. Meanwhile, H.B. 585 would require large data centers to report energy consumption to electric utilities, reflecting growing legislative hostility toward data centers.
- * The Iron County Commission recently opted to ban the processing of new or incomplete applications for data centers, data center power plants or solar plants for the next 180 days.



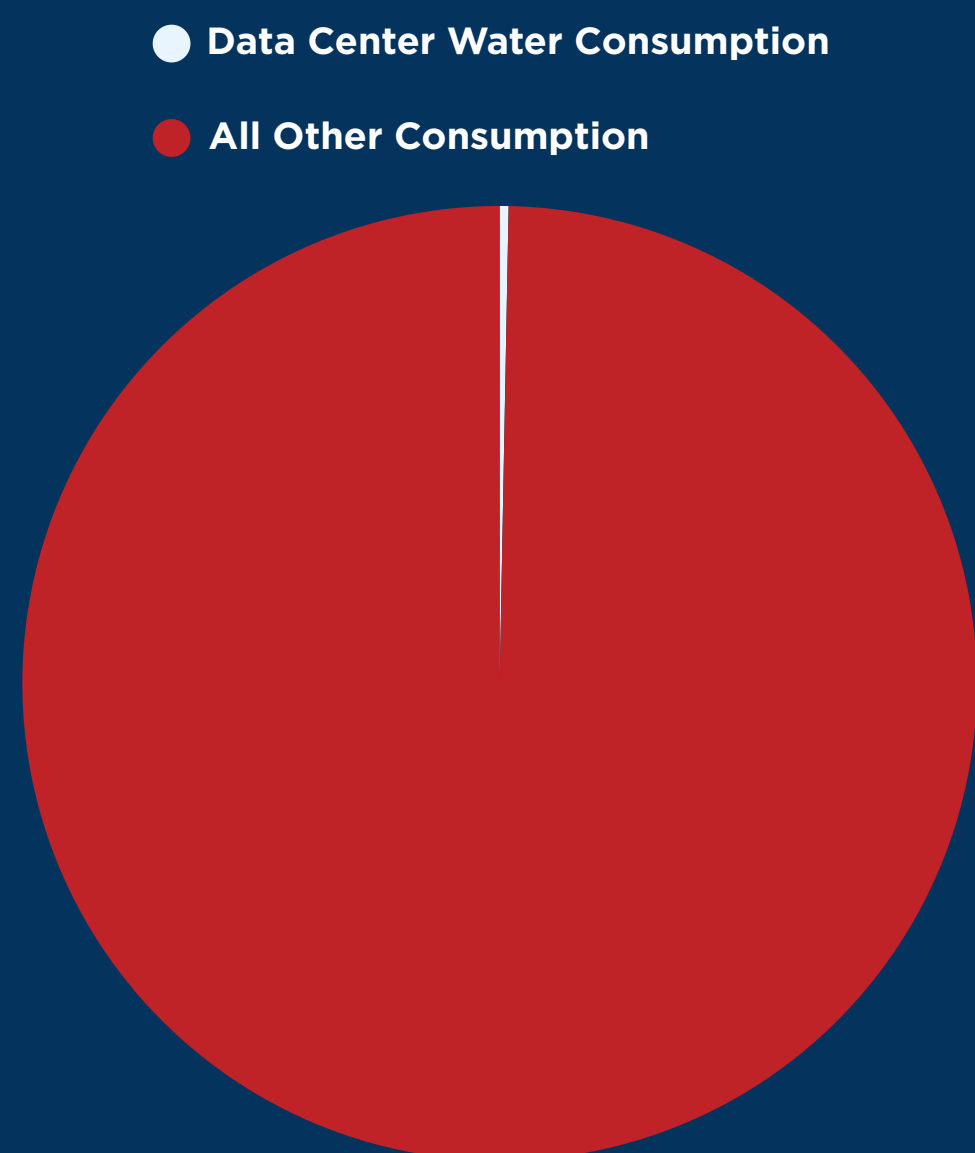
DATA CENTERS AREN'T THREATENING UTAHNS' WATER OR ELECTRICITY

Advocates of bans or restrictions often cite supposedly excessive water or electricity consumption by new data center operations. For example, opponents of the Box Elder project have cited concerns about impacts on the Great Salt Lake watershed, future utility costs, and increased demand for power generation. Similar concerns have fueled calls for additional environmental reviews, water-use disclosures, and stricter permitting requirements. Zach Frankel, Great Salt Lake Waterkeeper and executive director of the Utah Rivers Council, claims, “You could see data centers come in that essentially triple the water use compared to the municipal population.” However, the evidence does not support the idea that data centers are threatening Utahns’ water or electricity.

DATA CENTER MYTH V. REALITY



UTAH WATER USAGE, 2025



MYTH:

Data centers are using up a significant percentage of water.

REALITY:

In Utah, data centers accounted for **0.3 percent** of all water consumption in 2025.

Brookings Institution data center water use estimates; Baxtel data center count; U.S. Geological Survey state-level aggregate water consumption figures.

UTAH ELECTRICITY USAGE, 2025

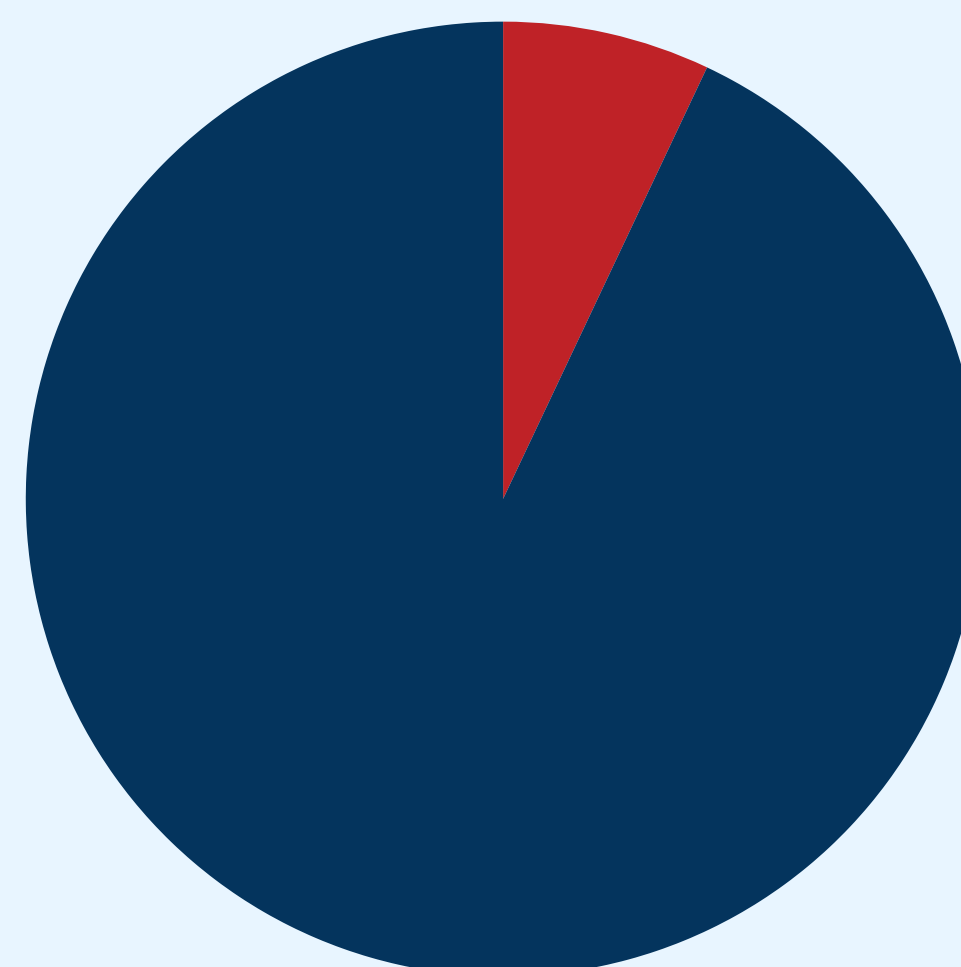
MYTH:

Data centers are using up a significant percentage of electricity.

REALITY:

In Utah, data centers accounted for **7.4 percent** of all electricity consumption in 2025.

- Data Center Electricity Consumption
- All Other Consumption



Electric Choice data center power consumption figures; U.S. Energy Information Administration state-level net generation figures.

Utah **boasts** significantly lower power bills than the rest of the country.

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