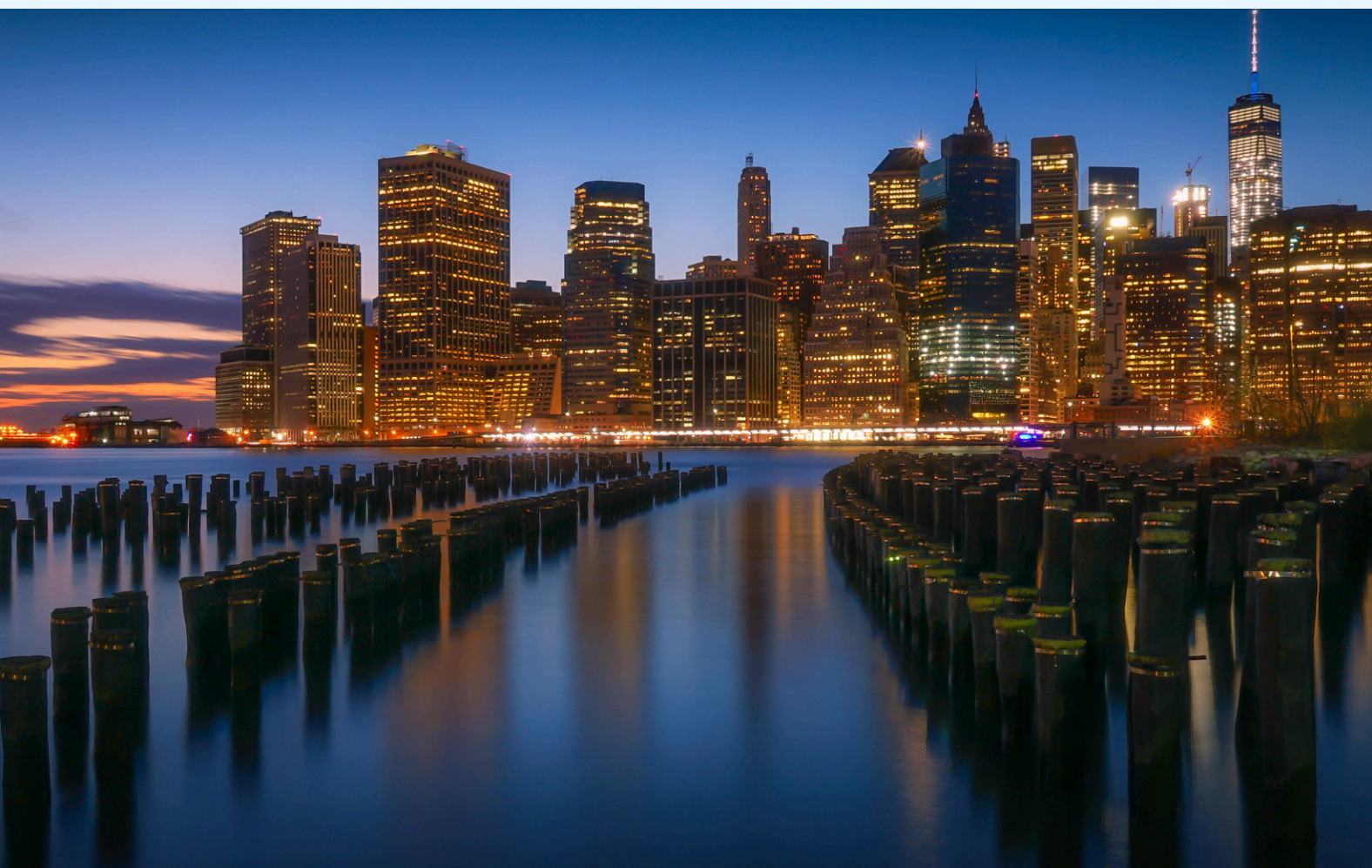


DATA CENTERS IN NEW JERSEY: WHAT YOU NEED TO KNOW



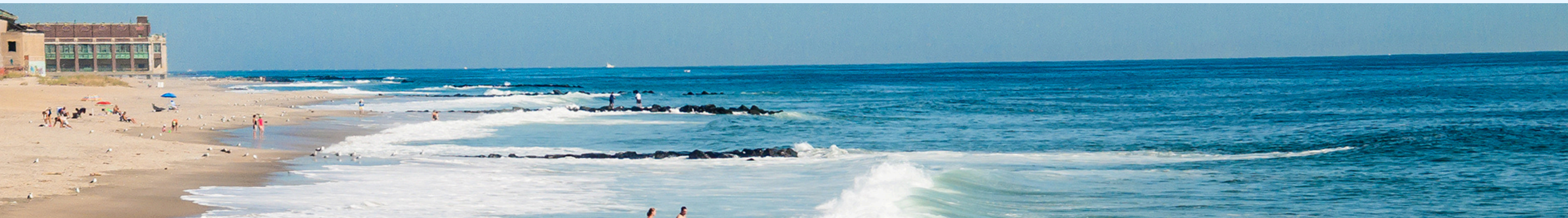
TAXPAYERS
PROTECTION
ALLIANCE



Recently, data center operations and proposed projects have received a significant amount of attention from New Jersey policymakers, pundits, and industry analysts. According to a [2025 analysis](#) by the economic consulting firm CommercialCafe, “the Garden State’s inventory of more than 10 million square feet of data center space across 55 properties placed the state at No. 4 in the U.S. at the end of 2024. How long New Jersey will hold that spot will be seen, as data center development picks up across the county.”

PROPOSED AND PASSED RESTRICTIONS ON DATA CENTERS

- * On May 27, Gov. Mikie Sherrill (D) rolled out a “[Comprehensive Plan](#)” to regulate data centers and ostensibly protect ratepayers from electricity price hikes. While this plan is a framework devoid of specific legal mandates, it will likely inform future legislative proposals. Key components include biannual data center reporting requirements, community benefits agreements, and job creation standards tied to projects.
- * In June, East Greenwich Township in New Jersey [implemented](#) a temporary 12-month moratorium and moved to permanently ban data center development following local lawmakers’ opposition to the proposed 16,000-square-foot Mt. Royal Data Storage Facility. East Greenwich is just the latest in a growing list of New Jersey municipalities that have banned or restricted data centers, including [Monroe Township](#), [Millville](#), [Andover Township](#) and [Pemberton Township](#).
- * The N.J. General Assembly passed a bill ([A796](#)) mandating that public electric utilities enact special rate structures for data centers using at least 100 megawatts of electricity. Bill sponsor Assemblyman David Bailey Jr. (D) [claimed](#), “This is not an anti-data center bill. We want to be married to data centers. We want them to come here. ... [This bill] says, ‘You want to come here? Pay for what you say you’re going to do. ... Put your money where your mouth is.’”



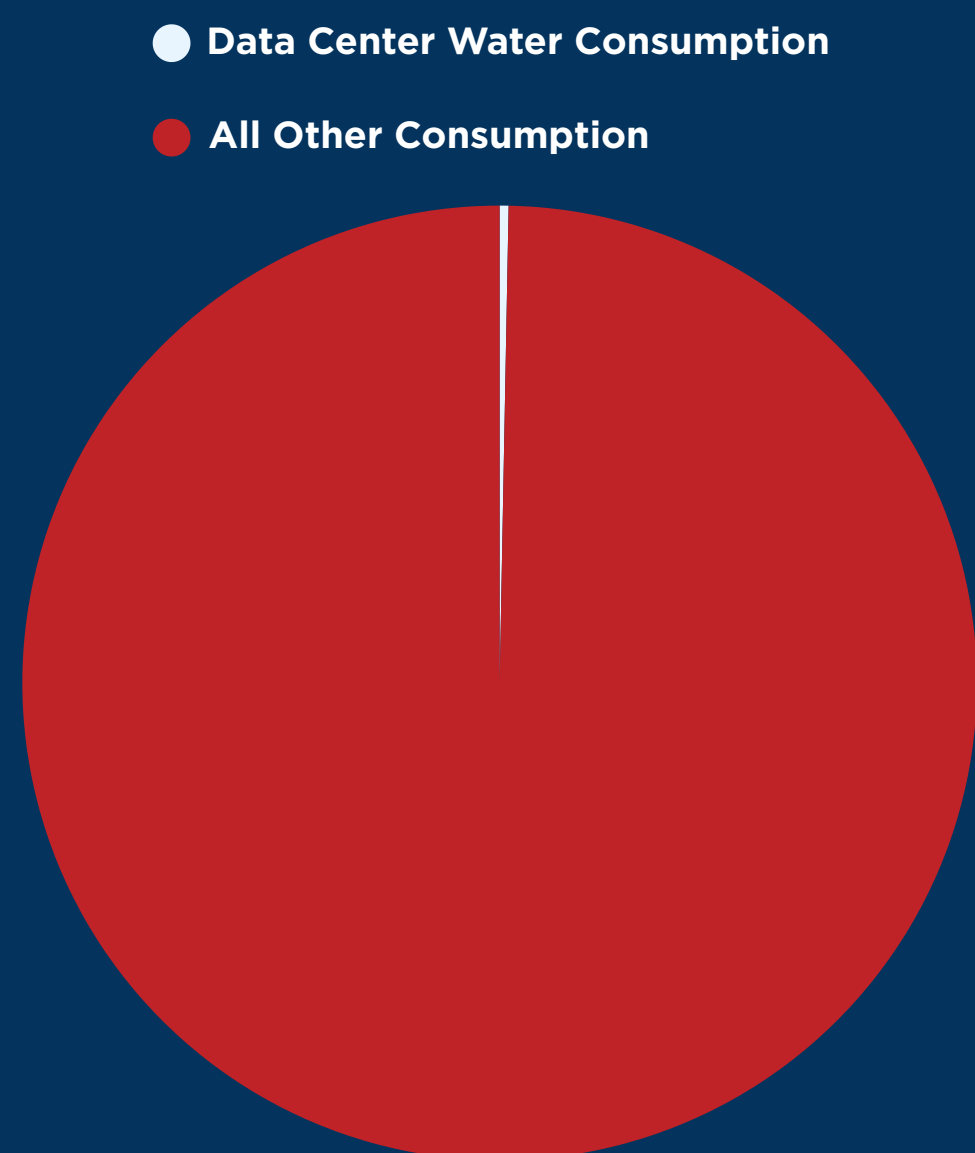
DATA CENTER DANGERS SIGNIFICANTLY OVERSTATED

In addition to proposed and enacted restrictions on data centers in New Jersey, state-wide electricity regulations already make it difficult to accommodate data centers’ power needs. New Jersey is part of the PJM Interconnection, a wholesale electricity market in which utilities are largely barred from owning power plants or generating their own electricity. Governor Sherrill has [stated](#) that PJM “has been a really bad actor” in the electricity affordability crisis and has taken “six years to get power online.” While policymakers—including Sherrill—have blamed data centers for rising bills and depleted resources, PJM’s restrictions are the real cause of the Garden State’s woes.

DATA CENTER MYTH V. REALITY



NEW JERSEY WATER USAGE, 2025



MYTH:

Data centers are using up a significant percentage of water.

REALITY:

In New Jersey, 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.

NEW JERSEY ELECTRICITY USAGE, 2025

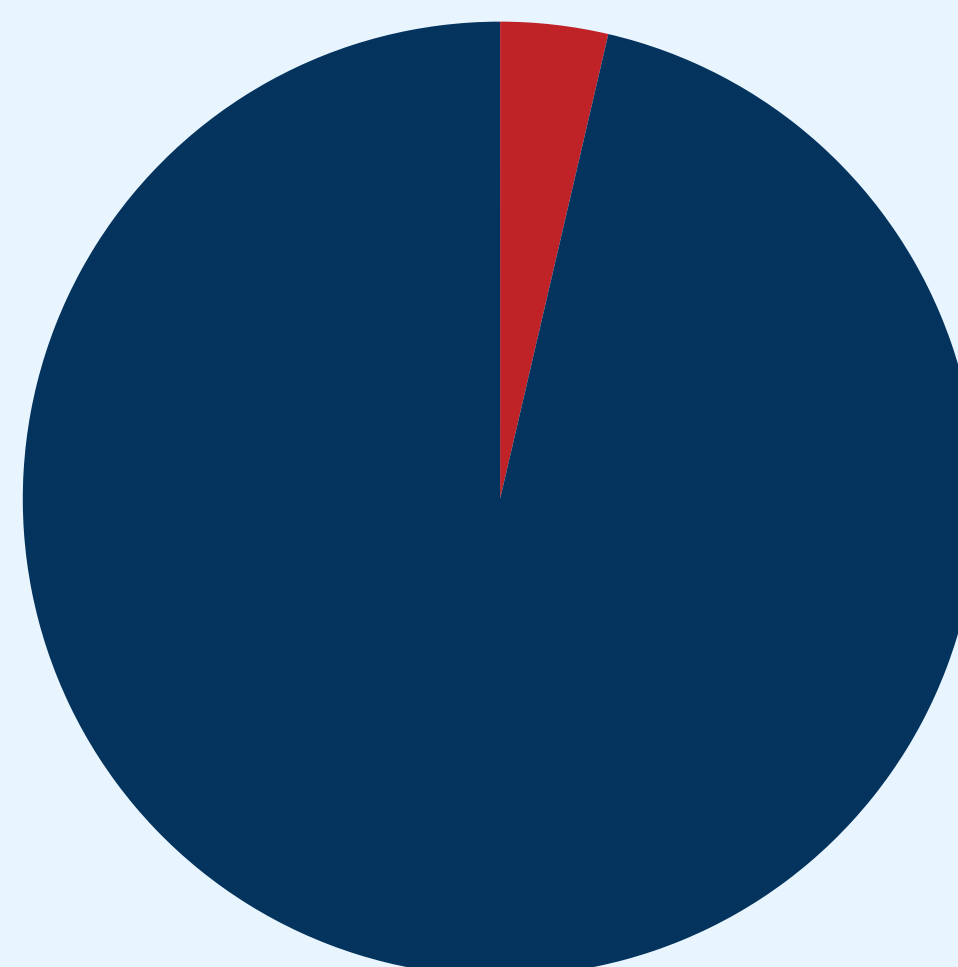
MYTH:

Data centers are using up a significant percentage of electricity.

REALITY:

In New Jersey, data centers accounted for **3.7 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.

To learn more about the long-term projected water and electricity demands of data centers, visit the Q&A section at protectingtaxpayers.org/datacenters

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