

# DATA CENTERS IN NEW YORK: WHAT YOU NEED TO KNOW



TAXPAYERS  
PROTECTION  
ALLIANCE



Recently, data center operations and proposed projects have received a significant amount of attention from New York policymakers, pundits, and economic analysts. As a recent report in the *Washington Examiner* [notes](#), “Although New York is not among the states experiencing the largest data center boom, officials say demand is growing rapidly as technology companies search for new sites to support the expanding AI industry.”

## PROPOSED AND PASSED RESTRICTIONS ON DATA CENTERS

- \* The New York State Legislature [passed](#) a one-year moratorium on new large data centers, the first such state-level restriction in the country. The ban would apply to any data center with peak energy usage exceeding 20 megawatts.
- \* In May, the Oneonta Town Board [voted](#) unanimously to enact a 12-month moratorium on data centers. The vote came amid concerns over a proposed data center on County Road 9 by a company called Eco-Yotta.
- \* The town of Perth has also [enacted](#) a one-year moratorium on data centers; restrictions were supposedly put in place to avoid energy usage spikes and protect “home rule” zoning control.
- \* Because 2019 legislation ([S6599](#)) mandates zero-emissions electricity by 2040 and establishes a goal of cutting all state greenhouse gas emissions by 85 percent by 2050, data center operations face significant added costs in New York. Data centers’ consistent operations make it exceedingly difficult to rely entirely on intermittent solar or wind without massive battery storage.



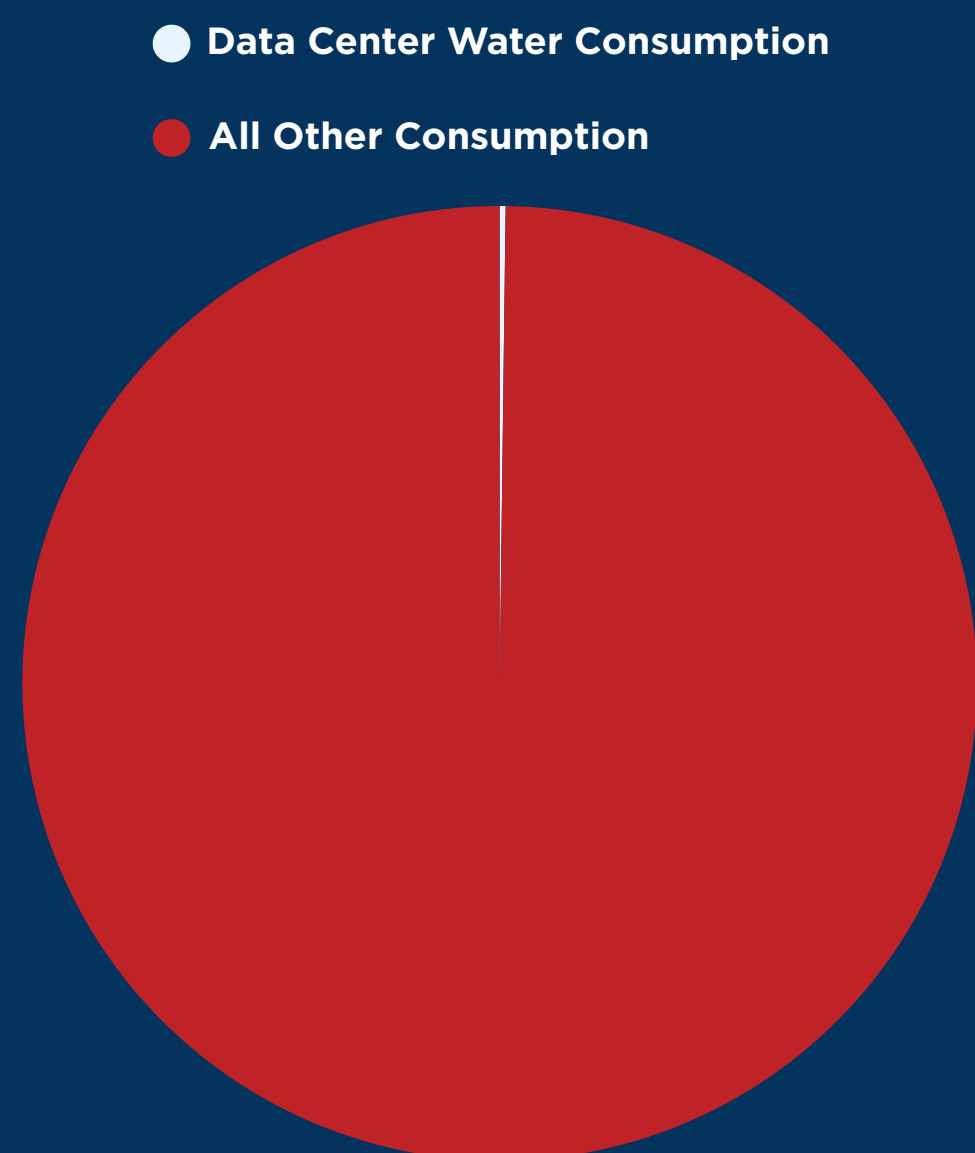
## DATA CENTER DANGERS SIGNIFICANTLY OVERSTATED

Advocates of bans or restrictions often cite supposedly excessive water or electricity consumption by new data center operations. For example, state Sen. Kristen Gonzalez (D), who introduced the state-wide moratorium, [stated](#), “We need to make sure that we have the appropriate infrastructure and processes in place to protect communities from rising utility bills, protect our environmental resources and actually have a positive vision for what our energy future as a state should look like.” According to [Gov. Hochul \(D\)](#), “Data centers are vital for an innovative future. But they guzzle up tremendous amounts of energy and leave ratepayers footing the bill.”

# DATA CENTER MYTH V. REALITY



## NEW YORK WATER USAGE, 2025



### MYTH:

Data centers are using up a significant percentage of water.

### REALITY:

In New York, data centers accounted for **0.2 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 YORK ELECTRICITY USAGE, 2025

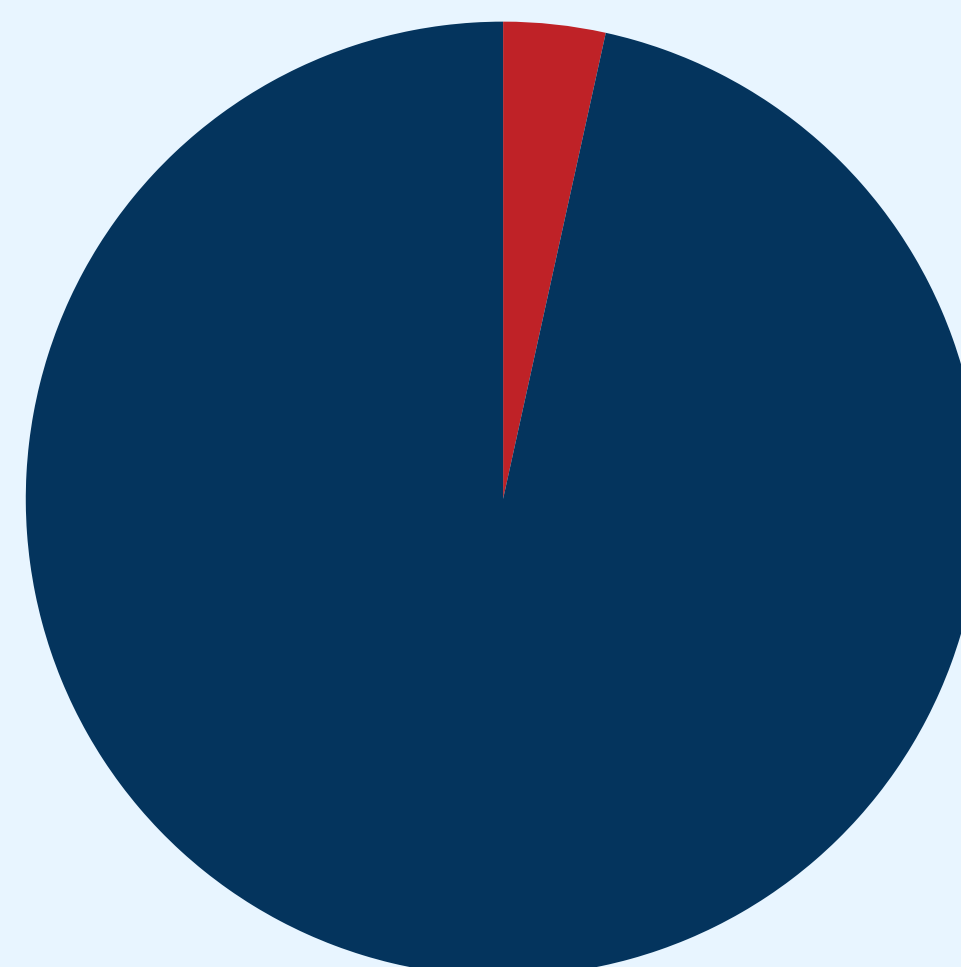
### MYTH:

Data centers are using up a significant percentage of electricity.

### REALITY:

In New York, data centers accounted for **3.5 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.

Lawmakers should stop targeting data centers and start supporting policies that encourage investment.

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