

DATA CENTERS IN MICHIGAN: WHAT YOU NEED TO KNOW



TAXPAYERS
PROTECTION
ALLIANCE



Recently, data center operations and proposed projects have received a significant amount of attention from Michigan policymakers and pundits. As a report by *Bridge Michigan* [notes](#), data center developers “are publicly pursuing projects in at least 10 Michigan communities — all in the Lower Peninsula ... The data center industry is expected to nearly triple by 2030, fueled by the growth of artificial intelligence and cloud computing. Tech companies are racing to build facilities as soon as possible.”

PROPOSED AND PASSED RESTRICTIONS ON DATA CENTERS

- * Introduced respectively by state Sen. Jim Runestad (R) and Reps. Dylan Wegela (D) and Joseph Fox (R), Senate Bills 1018-1020 and House Bills 5594-5596 would [halt](#) new data center development until April 1, 2027. The bills also bar the Michigan Public Service Commission from approving any special contracts, discounted electric rates, or unique tariffs between electric utilities and data centers during the moratorium.
- * Introduced by state Sen. Rosemary Bayer (D), [Senate Bill 1046](#) would limit Michigan data centers to consuming two million gallons of water per day and require that any facility using more than 550,000 gallons per day go through a permitting process with the state government. Additionally, the legislation would require annual reports on water usage by data centers and wastewater effluent data from permitted entities.
- * According to a recent tally by Michigan’s local National Public Radio affiliate, at least [52 Michigan communities](#) have enacted data center moratoriums. These include Green Charter Township (one-year moratorium), Huron County (three-year moratorium), and Solon Township (six-month moratorium). Detroit may soon follow suit; the City Council [voted](#) 6-2 to ask the Mayor to impose a two-year moratorium.



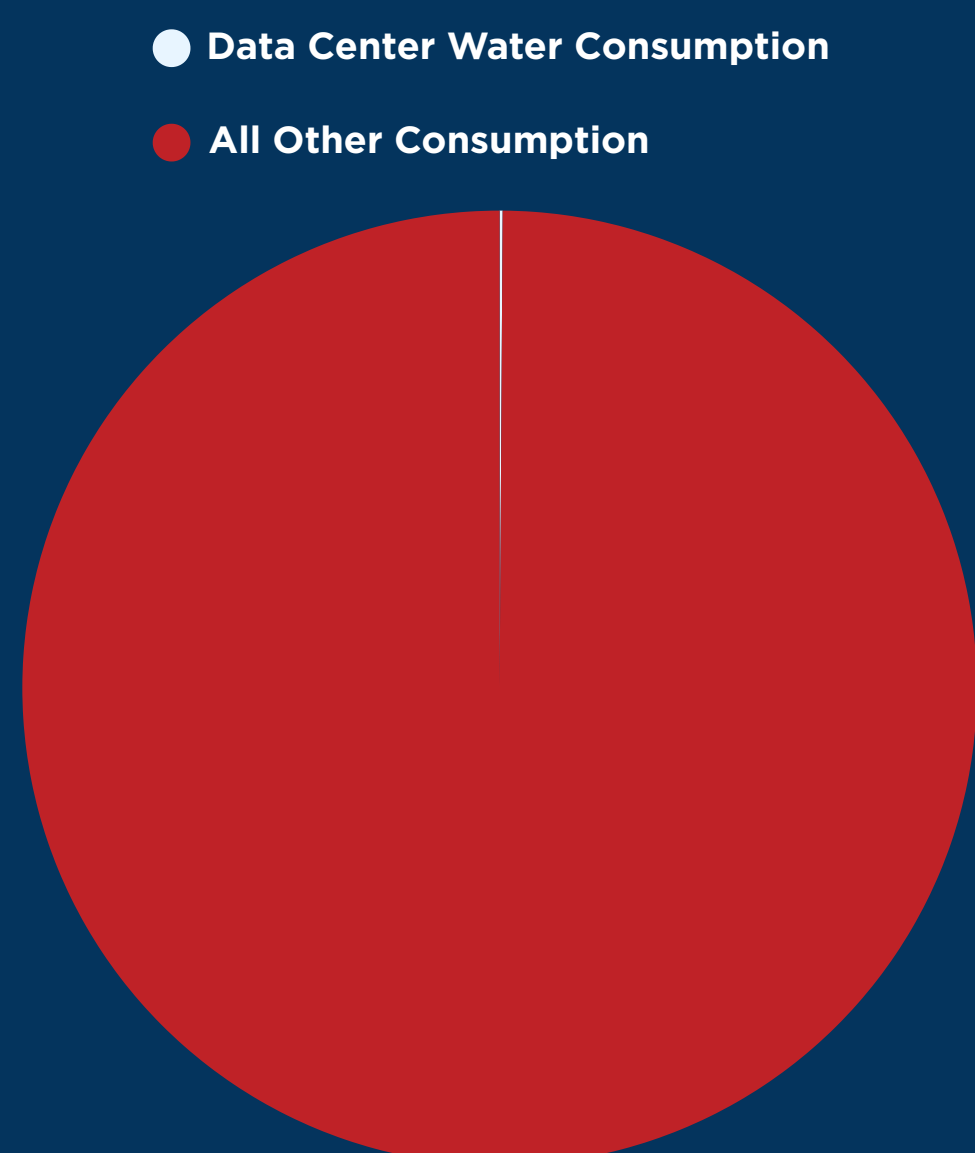
DATA CENTER DANGERS SIGNIFICANTLY OVERSTATED

Advocates of bans or restrictions often cite supposedly excessive water or electricity consumption by new data center operations. For example, Sen. Bayer [claims](#), “With the astronomical rates of electricity and water that large-scale data centers consume, Michiganders are understandably concerned about the prospect of these developments coming to their community.” These claims about resource use are simply not supported by the evidence.

DATA CENTER MYTH V. REALITY



MICHIGAN WATER USAGE, 2025



MYTH:

Data centers are using up a significant percentage of water.

REALITY:

In Michigan, data centers accounted for **0.1 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.

MICHIGAN ELECTRICITY USAGE, 2025

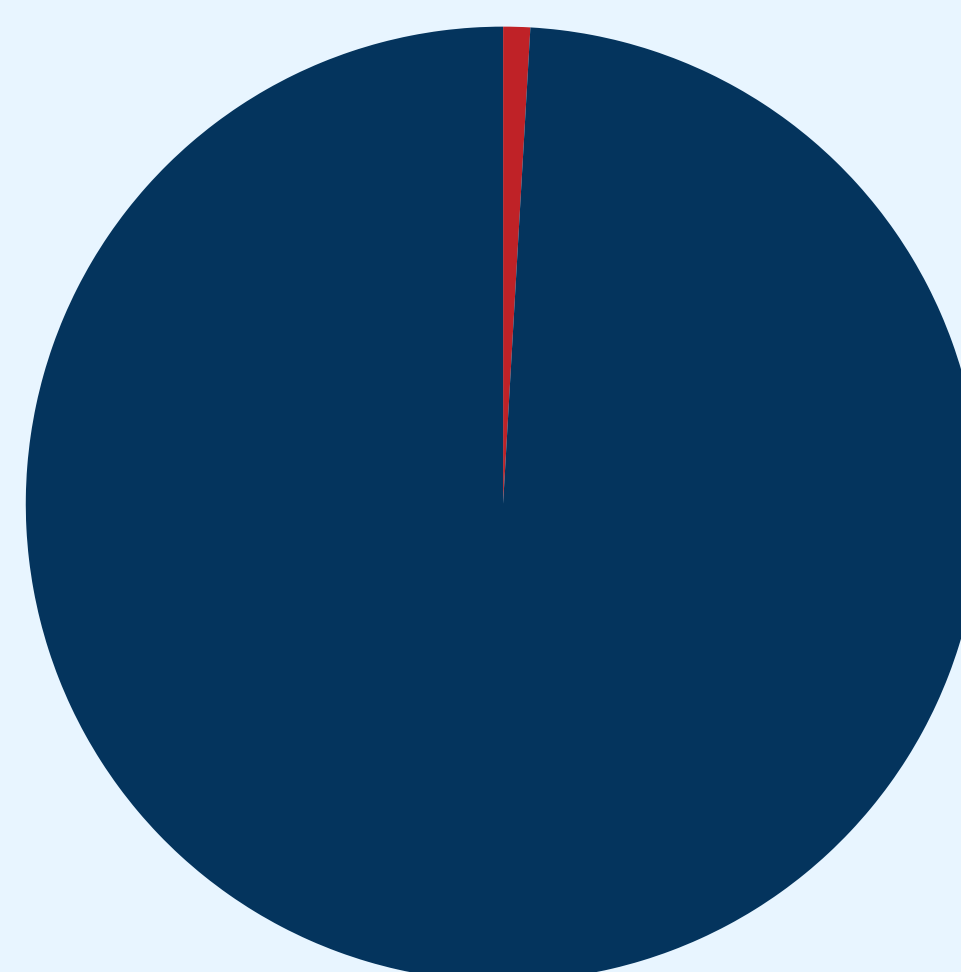
MYTH:

Data centers are using up a significant percentage of electricity.

REALITY:

In Michigan, data centers accounted for **0.9 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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