ENVIRONMENTAL PRIORITIES COALITION

Data Centers, Environmental Protection and Affordability

HB 2515 / SB 6171
HB 2245 / SB 5982

The Problem.

Data centers have the potential to profoundly impact our climate and clean energy goals, energy affordability and reliability, the environment, and communities.

The Governor's Data Center Workgroup report notes multiple possible impacts:

- Substantial demands on the electricity grid
- Financial and reliability risks for other utility customers
- Impacts to water resources and related species habitat and public infrastructure
- Air quality impacts and greenhouse gas emissions
- Direct and indirect impacts to Tribal communities and treaty-protected resources, and the broader natural and built environment

In addition, data centers are projected to grow rapidly. Data centers are expected to be the largest source of electricity load growth in the Pacific Northwest, with the most rapid data center growth expected over the next few years.[1] Driven by data centers, the forecasted regional tech load growth could be equivalent to the electricity needed to power two to four additional Seattles by 2030.[2]

Data centers use large amounts of energy and water. Those demands are expected to grow as companies build larger "hyperscale" or AI-focused data centers:

- A typical AI data center consumes as much electricity as 100,000 households, but the largest ones under construction today will consume 20 times that amount.[3]
- A medium-sized data center can consume up to roughly 110 million gallons of water per year for cooling purposes, equivalent to the annual water usage of approximately 1,000 households. Larger data centers can each use up to 5 million gallons per day, or about 1.8 billion gallons annually. That amount of water could serve a town of 10,000 to 50,000 people.[4]

The Solution.

The Legislature must require data centers to meet a high standard. These facilities must build on the tech industry's ability to innovate and lead, while also protecting and delivering benefits to Washington consumers, workers, communities, and environment.

Achieving these outcomes will require a suite of policies focused on affordability and environmental protection.

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Key Affordability and Environmental Protections

Affordability

- Ensure data centers pay the full costs of their energy usage, and any stranded assets if data centers do not build or operate as planned
- Data center fee to help fund energy assistance, weatherization, and home electrification for low-income households

Reliability

- Ensure data centers don't affect grid reliability and can scale down during emergencies
- Improvements to forecasting data center growth

Transparency

- Upfront disclosure of a data center's projected energy and water use prior to permitting and regular sustainability reporting once operating
- Annual reporting of a data center's energy, water, and refrigerant use

Clean Energy

- Close loopholes to ensure that Washington's 100% clean energy law applies to all electricity used by data centers in Washington (HB 2245 / SB 5982)
- Additional clean energy requirement of 80% new and clean by 2030 and 100% clean by 2035 for new or expanded data centers

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Endnotes

[1] https://www.nwcouncil.org/news/2025/05/02/pacific-northwest-load-forecast-2025/

[2] Based on medium and high forecasts of the Northwest Power and Conservation Council projecting growth of 2,200 average megawatts or 4,800 average megawatts, respectively by 2030. See Page 10 of the Yakama Nation's Report attached to the Data Center Workgroup: Preliminary Report. https://dor.wa.gov/sites/default/files/2025-12/2025DataCntrWrkgrpPrelimReport.pdf

[3] https://www.iea.org/reports/energy-and-ai/executive-summary

[4] https://www.eesi.org/articles/view/data-centers-and-water-consumption