# Everyone Says Datacenter Moratoriums Are Killing the US Buildout. We disagree

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# Everyone Says Datacenter Moratoriums Are Killing the US Buildout. We disagree

300+ moratoriums mapped, 20GW sits inside a restricted local boundary, 1,525MW actually slips, 2.3GW nationwide including New York

MAYA BARKIN, REYK KNUHTSEN, JEREMIE ELIAHOU ONTIVEROS, AND DYLAN PATEL

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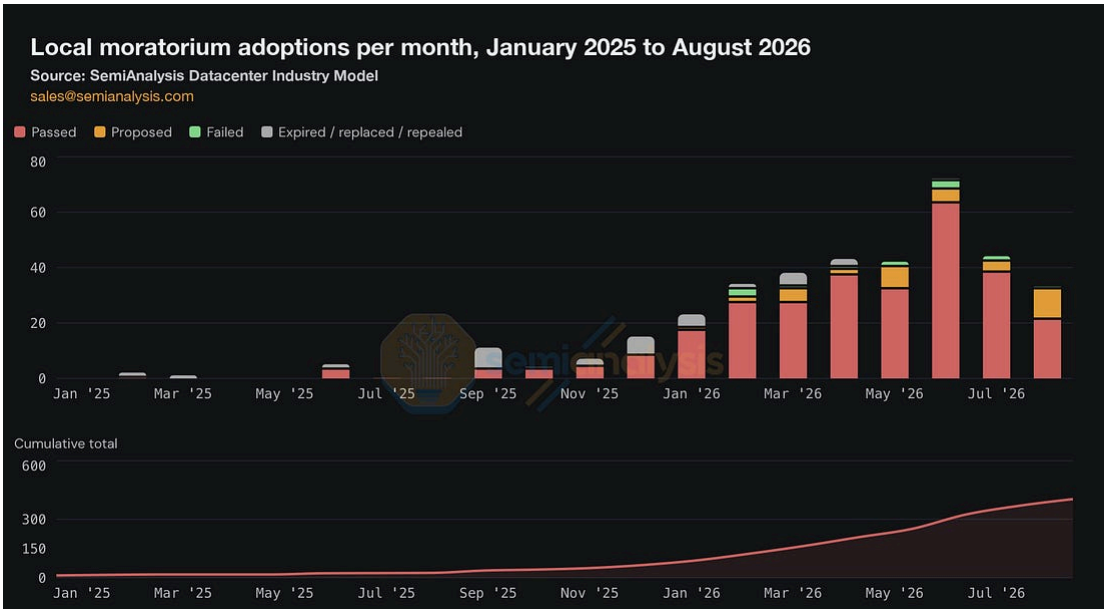
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The debate on US datacenters has never been so politically charged. Four states have acted in under two months. New York has stopped issuing environmental permits for datacenters, Texas has paused the next step in its massive ERCOT interconnection queue, Pennsylvania has pulled datacenters out of fast-track permitting and made state permits conditional on new guardrails, and Oregon has frozen datacenter deals on state-owned land.

Beyond the state level, more than 300 towns, cities and counties have voted to halt datacenters over the past year and a half. If you read the news, the US datacenter buildout looks like it is being legislated to a halt, one government board at a time. As AI drives an unprecedented wave of datacenter construction over the last year,

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concerns over electricity costs, water consumption, land use, and community impacts are increasingly influencing policy.



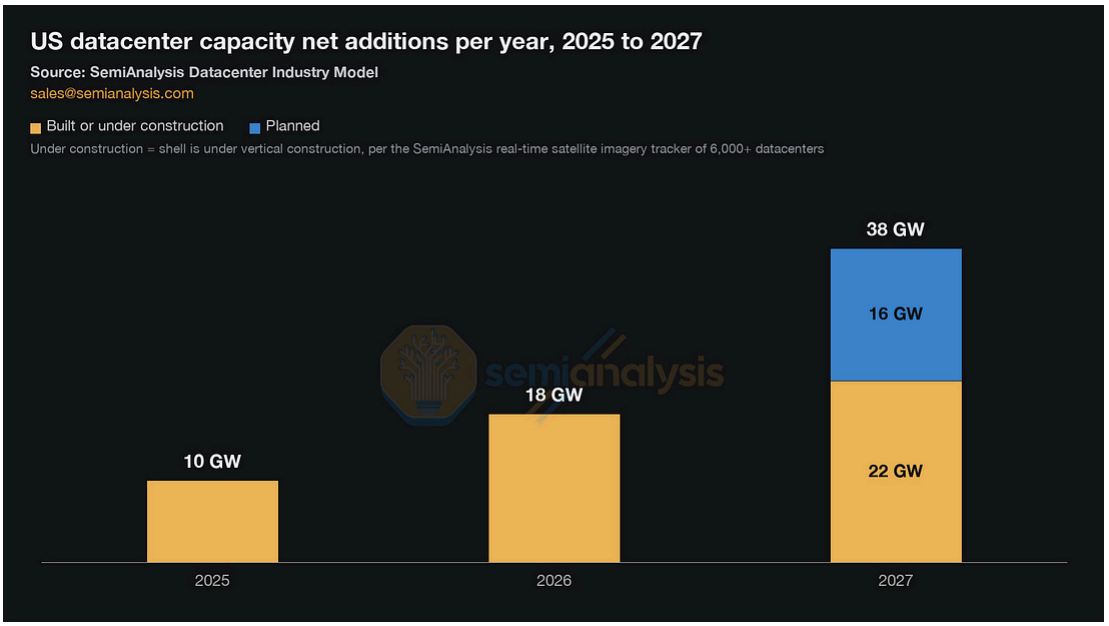

Source: SemiAnalysis Datacenter Industry Model, SemiAnalysis Moratoriums Tab

But once again, the narrative is driven by widely spread misinformation. In January, we debunked the “Datacenters are taking all of our water” myth (TLDR: they don’t, they’re actually remarkably water-efficient). Then in June, in Stop Saying Half of 2026 US Datacenter Capacity is Cancelled, we explained that the widespread narrative of datacenters not showing up was grossly off, driven by uniformed claude-coded forecasts.

Today, we dive deep into the widespread narrative of moratoriums killing the US datacenter buildout. Once again, it’s highly inaccurate. Our Datacenter Industry Model forecasts +38GW of Datacenter IT capacity delivered in the US in 2027, more than double that of 2026. Of that total, 22GW is under **vertical construction**, while the remaining 16GW “planned” is, in majority, already financed, doing siteworks and preparing for vertical construction.

Our methodology tracks real-time and historical satellite imagery of 6,000+ datacenters. Contact sales@semianalysis.com to get access to the full granularity. Our forecast has barely moved over the last 12 months, despite bi-weekly updates delivered to clients, as construction activity keeps accelerating across the country.

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Source: SemiAnalysis Datacenter Industry Model

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**Today, we estimate that roughly 2.3 GW of planned capacity is genuinely delayed because of local moratoriums and New York's executive order**, the two categories of policy intervention for which we can establish a direct project-level impact.

- At the local level (i.e., cities, townships, counties), of the roughly 20 GW sitting inside a restricted boundary, **only 1,525 MW is delayed**. Three projects account for the delayed MW: an AWS campus in Ohio, a powered land developer campus in Pennsylvania, and a site in Colorado.
- New York's moratorium touches roughly 1.4 GW, but we estimate only about **0.8 GW faces a meaningful delay**directly attributable to the order.

Texas adds perhaps three-four months of administrative delay for base-load projects in the ERCOT interconnection queue, but is offset by an acceleration of behind-the-meter demand. For projects that never needed the grid, it means nothing at all, making it a net positive for BtM developers and on-site generation suppliers. In June (US Grid Constraints: Towards 40GW+ of Behind-The-Meter Datacenter by 2028?), we showed BtM powering more than half of new US datacenter capacity from 2028. Last week, (What is So Hard About Behind-The-Meter Power For Datacenters? Part 1) we counted 75 GW of firm BtM equipment orders, more of them bound for Texas than any other state. If anything, the audit reinforces our view that the buildout is moving BtM.

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Most analysis of datacenter moratoriums focuses on counting the number of restrictions, because that is relatively straightforward. **But the number of moratoriums is a poor proxy for the amount of MW capacity they actually**

**affect**. A moratorium only matters to our forecast if it applies to a specific project, covers the project's parcel, and blocks an approval that the developer still needs. **Therefore, determining the actual MW impact requires a parcel-level, project-by-project analysis**.

In addition, **capacity exposed to a moratorium is not capacity delayed by one**, a distinction Datacenter Industry Model subscribers will recognize from our early deep dive on the issue. Most restrictions land on projects still years from construction, where schedules were never firm to begin with, and even where a moratorium is the binding constraint the developer can usually relocate, redesign, or challenge the project rather than abandon it. **Capacity already under construction, or fully permitted and about to start, is out of reach altogether**, since these instruments freeze new applications rather than revoke approvals already granted. That covers all of 2026 and most of 2027.

To be 100% clear, we think moratoriums COULD delay the buildout, but they just aren't yet at scale. We would need to see them be materially more widespread and restrictive. Our real-time project-level analysis will instantly flag any change in trend to our Datacenter Model subscribers. As AI Labs are increasingly profitable, it becomes easier for datacenters to pay more than their "fair share" and be better neighbors and support local communities, which offsets the rising pusback.

**US Datacenter Moratorium Exposure – Headline Numbers**

| Metric | As of 1 September 2026 |
|---|---|
| **LOCAL MORATORIUMS** | |
| **Local instruments tracked**<br>All statuses: enacted, expired, lifted, proposed, rejected | **400+** |
| **Local moratoriums enacted**<br>Active or permanent ban | **300+** |
| **MW inside a locally restricted boundary**<br>Campuses of 20 MW and above | **~20 GW** |
| **MW facing delay from a local moratorium**<br>Three campuses, entitlement-tested | **1,525 MW** |
| **STATE MORATORIUMS** | |
| **New York EO 62**<br>MW facing delay from the statewide order | **0.8 GW** |
| **Texas ERCOT audit**<br>Incremental delay, base-load-eligible | **3–4 months** |
| **TOTAL DELAYED** | |
| **Total MW delayed, local and statewide**<br>A floor — Texas and Pennsylvania are not MW-quantified | **~2.3 GW** |

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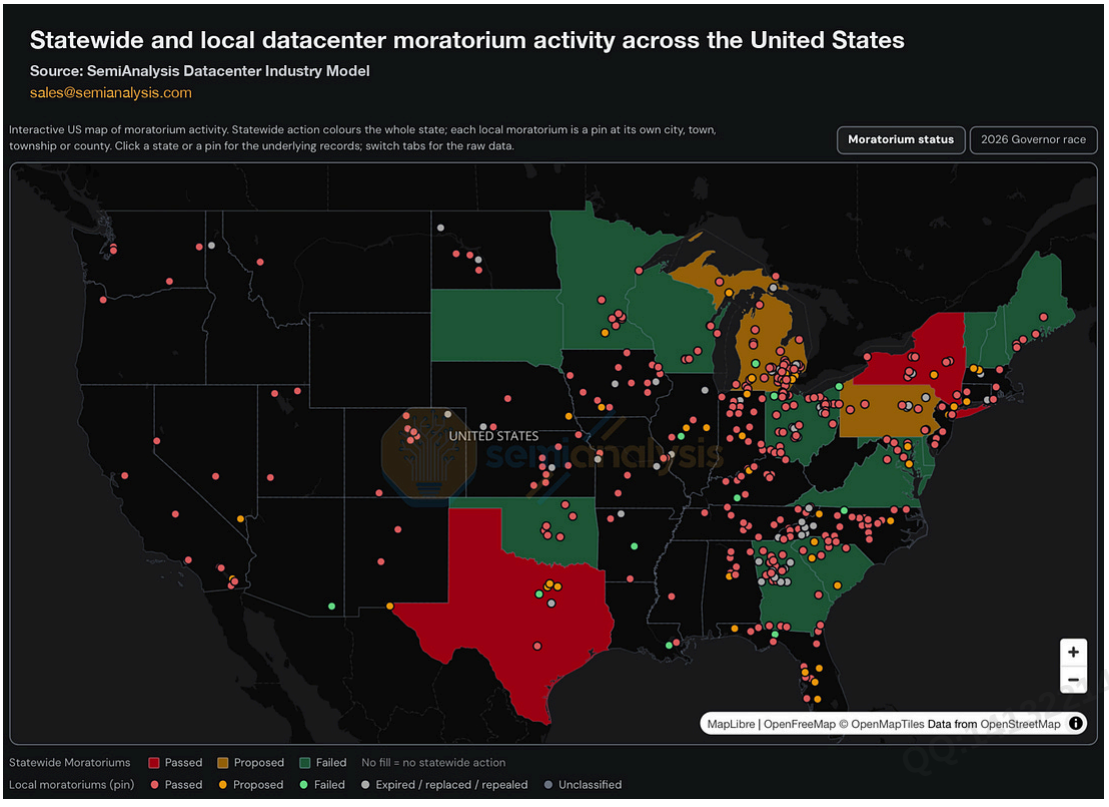
Source: SemiAnalysis Datacenter Industry Model
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Source: SemiAnalysis Datacenter Industry Model, SemiAnalysis Moratoriums Tab

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To calculate total dela, we tracked every local and state-level datacenter moratorium in our new **Datacenter Moratoriums database**, available to subscribers of our Datacenter Industry Model. It covers more than 400 local instruments, actions, and proposals across 17 states, tracking each status from proposal through enactment, expiration, lifting, replacement, or rejection. We then mapped every active restriction to our project-level pipeline at the individual project and MW-tranche level. That pipeline, which forms the foundation of our Datacenter Industry Model, covers 6,000+ facilities, each tracked individually through property records, permits, power-usage data, FOIA requests, satellite imagery, and other primary sources.

To quantify actual delayed capacity, we augmented our research analyst team (we're hiring!) with an army of state-of-the-art research agents across our moratorium database and underlying project records, systematically testing each active restriction against the relevant projects, and validating with real-time satellite imagery. For every instrument, we matched its geographic boundary to the exact project parcel, verified that the campus falls within the relevant jurisdiction and checked whether the developer still requires an approval that has not yet been secured. We also reviewed the broader project record for other factors that could already be gating the schedule. This allowed us to systematically work through hundreds of restrictions and thousands of projects, moving beyond simply counting moratoriums to identify the specific projects and MW actually exposed, producing a materially different view of the capacity genuinely at risk.




Source: SemiAnalysis Datacenter Industry Model, SemiAnalysis Moratoriums Tab

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Four main factors, explored in more detail later in this note, essentially explain why hundreds of restrictions translate into relatively little actual delay:

- (1) county moratoriums often stop at city lines, leaving projects within incorporated municipalities unaffected;
- (2) moratoriums typically freeze new applications rather than revoke existing approvals, allowing entitled projects to proceed;
- (3) shorter moratoriums may expire before 2028+ projects need the affected approval; and
- (4) other issues, such as litigation or equipment lead times, may already be gating the schedule.

With the November 2026 elections approaching, moratoriums are an easy way for elected officials to demonstrate that they are responding to community concerns without permanently shutting down development. Both New York Governor Hochul and Texas Governor Abbott bypassed their legislatures to impose pauses they can ultimately control and revoke. More durable statewide restrictions remain much harder to enact: 13 bills died in 2026, with almost none reaching a floor vote, underscoring the political difficulty of turning temporary local action into lasting statewide policy.

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In this article, we start by going through our methodology and why counting moratoriums is not counting megawatts. We then look at moratoriums adopted at the local level, showing how 20 GW of nominal exposure translates into just 1,525 MW of actual delays, which projects are affected, and why most restrictions never bind. Next, we cover the state-specific moratoriums and other policy tools adopted in response to anti-datacenter backlash in New York, Texas, Pennsylvania, and Oregon, and what they mean for the broader US buildout. We then assess the likelihood of additional state-level moratoriums. Finally, we look at who benefits from the restriction wave and how it could reshape where capacity gets built, which projects move forward, and how that capacity is powered.

# Counting Moratoriums Is Not Counting Megawatts

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## What a moratorium does

A datacenter moratorium is a **temporary legal pause**, from a few months to a year, typically enacted by a local or state government that halts the approval, permitting, and construction of new datacenters. A moratorium is almost always a freeze on **accepting new applications** rather than a revocation of approvals already granted. Its purpose is to give governments time to catch up with a development cycle that has moved faster than local regulation. Many zoning codes were written before municipalities contemplated 100+ MW facilities with substantial power, water, noise, and land-use requirements. A moratorium provides time to establish new rules and assess infrastructure requirements.

Most of the time, a moratorium also provides elected officials with a relatively low-cost way to respond to local opposition. A temporary pause signals that government is responding to residents without permanently rejecting investment or tax revenue, and it reduces the legal exposure associated with an outright denial.

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# Exposed MW vs. delayed MW

**Moratorium-exposed MW is not necessarily the same as moratorium-delayed MW**. A project can fall within a moratorium's jurisdiction without the moratorium necessarily shifting its expected construction date.

The magnitude of the moratorium impact depends heavily on where the project is in the development cycle. A project that has just acquired land has substantially more flexibility than one that is already in the middle of permitting. Likewise, a six-month moratorium does not necessarily translate into a six-month delay in actual capacity deployment, particularly when the project has sufficient schedule buffer or other constraints are already determining the timeline. This is consistent with our previous note Stop Saying Half of 2026 US Datacenter Capacity Is Canceled, where we showed that delays at early development stages rarely translate into meaningful changes in near-term capacity deployment.

# Why Moratoriums Rarely Move the Needle

For a moratorium to actually move a project's delivery date, **every one of the following must be true at the same time**:

- **The moratorium reaches the parcel**. County moratoriums generally apply only to unincorporated territory. A campus inside an incorporated city within that county is outside the ordinance entirely. AWS Atlanta, STACK Lithia

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Springs, T5 Fairburn, or Microsoft Tyrone all sit on land the relevant county moratorium cannot touch.

- **The moratorium is enacted and still in force**. The restriction cannot simply be proposed, lapsed, lifted, or replaced, and it must remain within any state-imposed duration limits.
- **The moratorium overlaps with the project's timeline.**
    - **The project is not too far ahead already, and still needs the affected permit/approval.** The project must not have already obtained the affected approval before the moratorium takes effect. Many projects had their approvals in hand even though they had not started construction.
    - **The project is not too far out.** The moratorium must still be in effect when the project needs to obtain the affected approval. If delivery is 2028 or later and the moratorium lasts only three to six months, it may expire years before the project reaches that stage. The developer can simply wait out the moratorium without changing the delivery date.
- **The moratorium covers the use**. Most instruments apply to hyperscale facilities above a specified MW or square-footage threshold, or only to crypto mining.
- **The project still needs the affected approval.** A project may fall within the geographic and scope of a moratorium but not actually depend on the approval it freezes. For example, a project on federally controlled land, or one backed by federal approvals or other pre-existing rights, may have a separate permitting pathway that allows it to proceed without the approval covered by the moratorium.
- **The developer cannot redesign around the restriction**. A project may be able to change its configuration, size, use or power arrangement to avoid the restriction. For example, if a moratorium applies to energization at the meter, a developer may be able to use BtM generation and continue advancing the project without waiting for grid energization.
- **The project is still active.** The developer must still intend to build the affected MW tranche. A cancelled, withdrawn, downsized or otherwise abandoned project should not be counted as moratorium-delayed simply because it sits inside the restricted area.
- **No existing rights or alternative approval pathway bypasses it.** Development agreements, vested rights, grandfathering, existing entitlements, alternative zoning classifications or other approval routes can allow a project to proceed despite the new restriction.

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- **No carve-out applies**. There cannot be a public-utility carve-out, consent judgment, state preemption, or exclusionary-zoning doctrine requiring the use to be accommodated elsewhere.

**If you miss just one of these, the moratorium is irrelevant.** The cumulative effect of these filters is substantial: 300+ local instruments translate into just ~1,525 MW of actual project delay in the US.

**Exposure, therefore, must be measured project-by-project, at the MW-tranche level, never inferred from how many jurisdictions in a state have acted.**

## Case study: NorthPoint's Campus near Scranton, Pennsylvania

NorthPoint's campus near Scranton, Pennsylvania, illustrates one of the rare cases where a moratorium actually binds and moves the project timeline.

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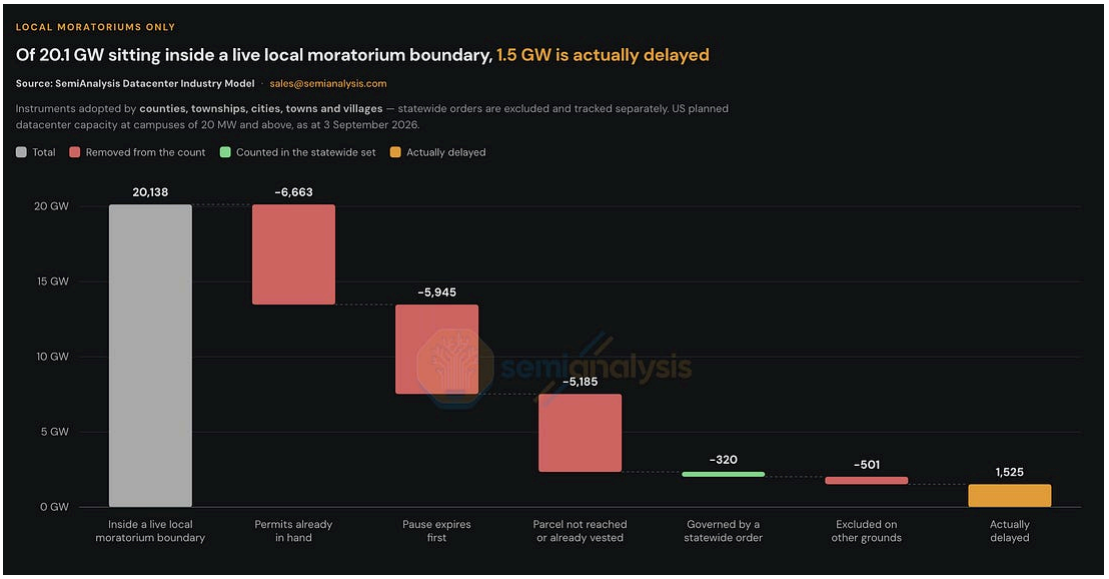
- Reaches the parcel. The site sits inside the township, rather than in the adjacent City of Hazleton or West Hazleton Borough.
- Enacted and in force. The township adopted the resolution unanimously in June 2026.
- Overlaps with the project timeline. NorthPoint had not yet obtained or filed for the required special exception when the moratorium took effect, while the first buildings were scheduled to start in Q4 2026.
- Covers the use. The resolution specifically covers datacenters without a MW or square-footage threshold.
- Still needs the affected approval. The project is on private land and requires a local special exception and land-development approval. There is no federal permitting pathway or existing entitlement that bypasses those approvals.
- Cannot redesign around it. The restriction applies to the datacenter use itself. Downsizing or moving to BTM generation would not avoid the blocked approval.
- Still active. NorthPoint continues to pursue the project, including its proposed $165 million community benefits package.
- No alternative pathway or carve-out. There is no development agreement, grandfathering or other existing right that allows construction to proceed. Nor does the project qualify for a public-utility or other relevant exemption.

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- On the critical path. The moratorium delays the local entitlement process into 2027.

In this case, the moratorium is the binding constraint.

# Local Moratoriums: Where Is the Risk?



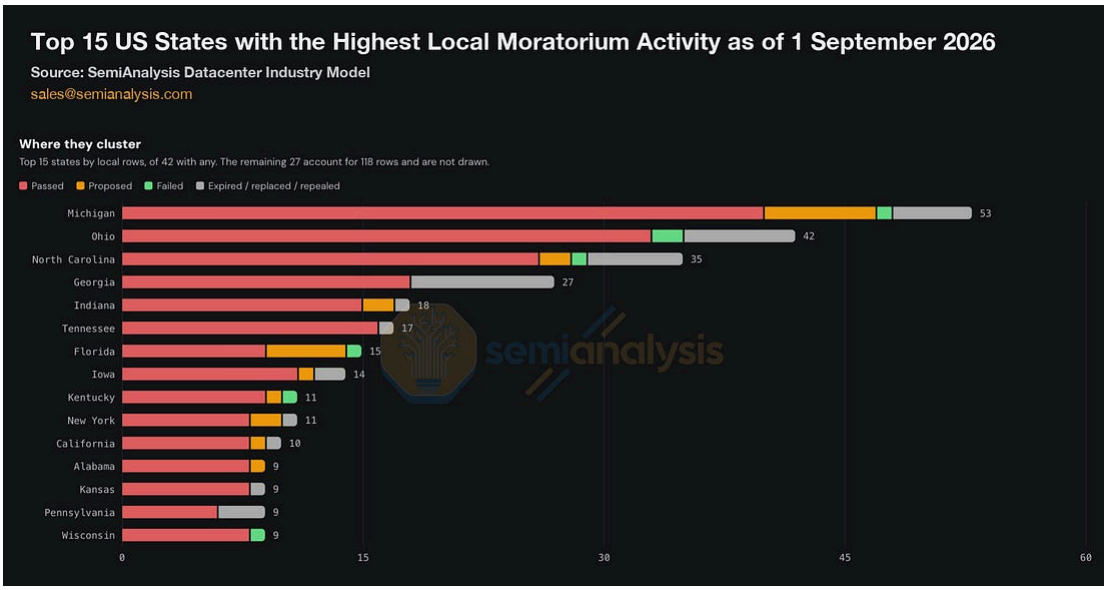

Source: SemiAnalysis Datacenter Industry Model, SemiAnalysis Moratoriums Tab

# Proliferation across the US in 2026

So far, **most restrictions have come at the local level**. As of September 2026, more than 300 local datacenter moratoriums and bans have been adopted nationwide across counties, municipalities, townships, and other local governments. Our database tracks 400+ local instruments in total, following each through its full lifecycle: proposed, enacted, expired, lifted, replaced, or rejected. We also include permanent bans / restrictions written directly into zoning codes, since these can constrain datacenter development just as a moratorium does, but on a permanent basis. The 300+ figure represents the enacted moratorium (and few permanent bans) subset, while the broader database captures the full universe of local restrictions and their status.

We see that local moratoriums are concentrated in the Midwest and Southern regions, clustered heavily around areas experiencing rapid infrastructure growth. The top four states (Michigan, Ohio, North Carolina, Georgia) account for roughly half of all local instruments nationally, which supports the thesis that **moratoriums and local resistance often follow rapid datacenter growth** rather than anticipate it.

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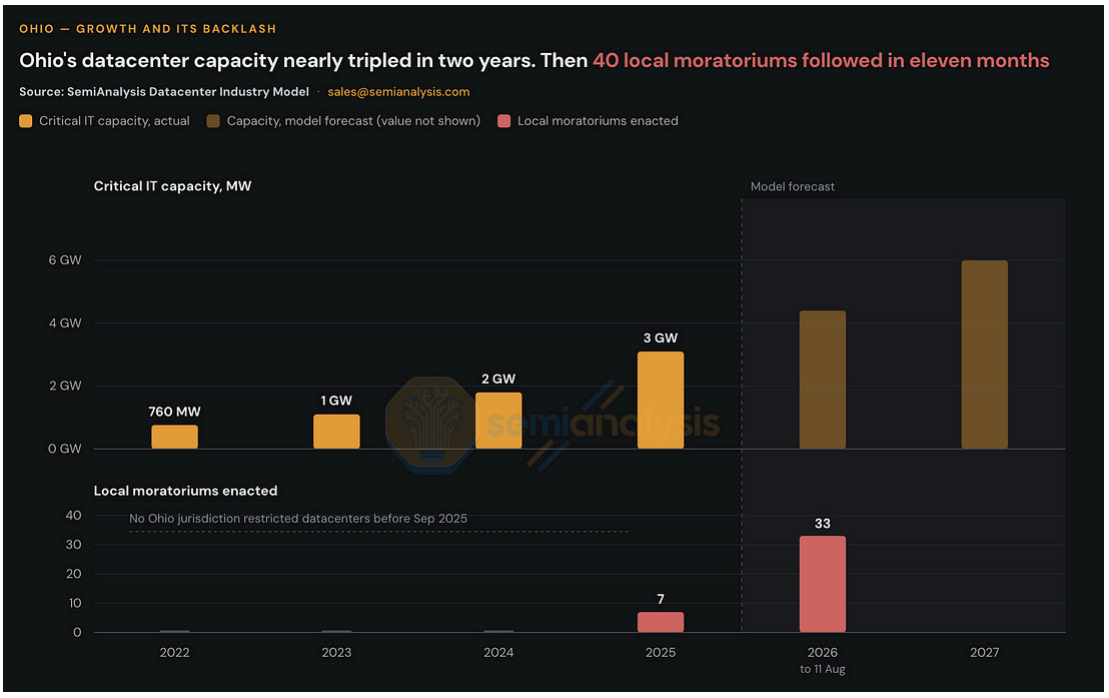

Source: SemiAnalysis Datacenter Industry Model, SemiAnalysis Moratoriums Tab

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Michigan is currently the leading state for local datacenter moratoriums, with 45 enacted and 7 proposed, with the majority adopted in late 2025 and 2026 following a rapid influx of datacenter proposals. Much of this can be traced to the datacenter tax exemption signed by Governor Gretchen Whitmer in December 2024, which accelerated development interest across the state. One notable example is Howell Township, which adopted a six-month moratorium in November 2025, to allow time to establish datacenter-specific zoning regulations. In May 2026, its board voted to extend the moratorium for an additional six months.

Ohio ranks second with 40 enacted moratoriums, with 83% adopted in 2026 alone. Unlike Michigan, the trigger was not a new incentive, but the strain of years of rapid datacenter growth. Much of this can be traced to the electricity-bill shock of mid-2025, when datacenter-driven PJM capacity costs pushed the average Ohio residential bill up 25.7% year over year, and to hyperscale proposals spreading into townships with little or no zoning. In Sunbury, the city council enacted a moratorium on April 15, 2026, effective through January 2027, for the city to review zoning, building, and business regulations.

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Source: SemiAnalysis Datacenter Industry Model, SemiAnalysis Moratoriums Tab

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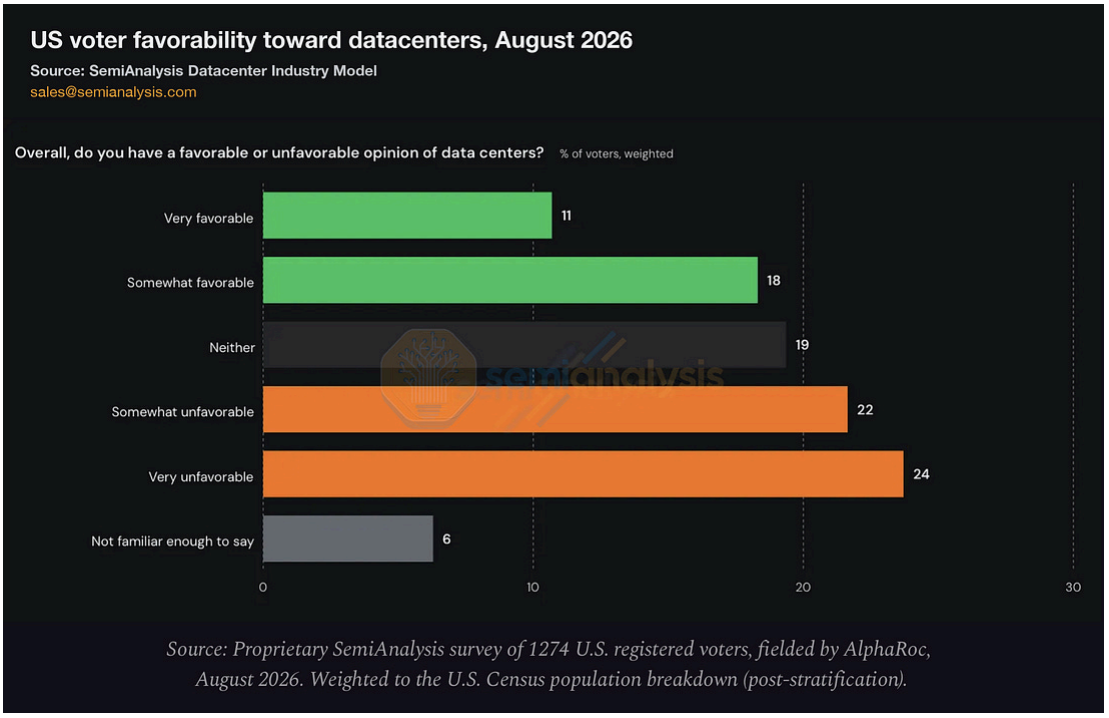
# Moratorium indicators

**A leading indicator of new local datacenter moratoriums is mounting, organized community opposition**, often visible well before a formal pause or ban is adopted. This can take the form of packed local hearings, petitions, “Citizens for…” groups, social media campaigns, coordinated neighborhood opposition, and election turnover. According to Gallup, datacenter opponents most frequently cite excessive energy use and higher utility bills, alongside concerns over water consumption, land use, pollution, and traffic. These concerns can quickly translate from grassroots opposition into pressure on planning commissions, city councils, county boards, and state legislators to slow or restrict development.

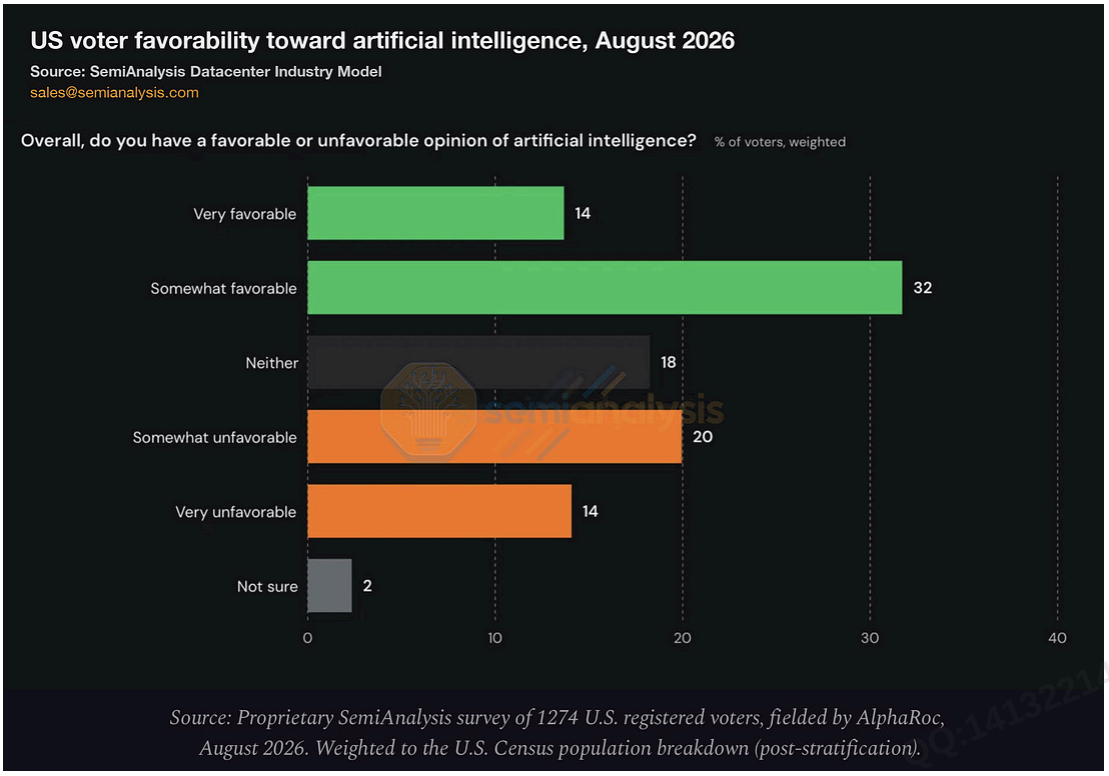
**We polled the American electorate in August as part of our broader work on datacenter sentiment, energy prices, and frontier labs.** The full survey is part of our Tokenomics model, which focuses on the economics, adoption, and demand dynamics of AI and datacenter infrastructure. We found that Americans were net-positive on AI broadly, but significantly more negative on datacenters specifically: 46% of voters view datacenters unfavorably, including 24% who view them very unfavorably, versus just 29% with a favorable view. Similarly, 46% would oppose a new datacenter in their own city or town, including 30% who would strongly oppose it. By comparison, 46% have a favorable opinion of AI and 34% an unfavorable opinion.

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We note that this gap could narrow as increasingly prominent doomsday scenarios and concerns around AI's broader impacts shape public opinion. We will continue monitoring this shift through the 2026 midterms, expanding our political and regulatory analysis to track the growing backlash against datacenters, including new local and state restrictions, regulatory actions, political campaigns, and changes in public sentiment.




Source: SemiAnalysis Tokenomics Model, Politics Tab




Source: SemiAnalysis Tokenomics Model, Politics Tab

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Regional clustering adds further momentum, with opposition and moratoriums sometimes spreading among neighboring jurisdictions as local officials respond to developments and activism in nearby communities. In Metro Atlanta, for example, Fayetteville-area activists cited pauses in neighboring counties while pushing for similar restrictions locally. Once opposition becomes organized in one jurisdiction, the arguments, advocacy groups, proposed ordinance language, and political pressure can travel quickly across a region, making local moratorium activity a potentially self-reinforcing process.

Election-year politics can further intensify local concerns around rapid datacenter growth, as candidates position themselves as defenders of residents against higher electricity costs, water consumption, and unwanted development. The Washington Post has documented datacenter opposition becoming an issue in state and local campaigns. The upcoming November elections have created another catalyst for new restrictions, particularly where datacenter projects have become politically salient.

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In Ohio, Republican gubernatorial nominee Vivek Ramaswamy pledged in August that no new datacenter would be approved unless it eliminated electricity bills for nearby residents, paid full property taxes to fund homeowner relief, and met strict water and farmland protections. Such campaign positions can raise the political cost of approving projects and increase the likelihood that datacenter permitting becomes an election issue rather than a purely local land-use decision.




Source: @VivekGRamaswamy's X Post from Aug 6, 2026

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## More local moratoriums do not necessarily mean more MW at risk

Local restriction count and MW exposure are two different dimensions. A moratorium only creates meaningful risk when it prevents a specific project from obtaining an approval or a permit it still requires. A state can therefore have a high number of moratoriums while exposing little or no active datacenter pipeline.

Michigan is a good example. Although it has the highest number of restrictions, it carries effectively zero pipeline exposure, something subscribers to our Datacenter Industry Model could see directly in the Michigan project-level data, even as the state's growing ordinance count was receiving national coverage. The reason the largest projects continue to move forward is that moratoriums often lose to sequencing and pre-existing zoning. The Cannoli/Google campus, for example, sits on industrial land where data processing was already a permitted use, eliminating the need for rezoning, and its site plan predated any potential pause. The Related Digital project in Saline Township similarly advanced after the developer sued the community over exclusionary zoning following a local board rejection, ultimately resulting in a legal settlement. In Lyon Township, the 180-day pause cannot affect the already-approved Project Flex.

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## What part of the pipeline is at risk?

Mapping every one of the roughly 300 local datacenter moratoriums and permanent bans currently active across the US against our pipeline, we see that the direct impact is minimal. Only **1,525 MW is directly delayed, which is 7.6% of the capacity sitting inside a restricted boundary**. Three projects account for essentially all of them. Let's dig in. Below behind paywall, we discuss in much greater depth the projects at risk, why they are, and the different moratorium instruments and how they are or aren't impacting timelines.

**Datacenter Projects Delayed By A Local Moratorium**

| Project | MW planned | Slip |
|---|---|---|
| AWS campus near Columbus, OH | 765 | 3 quarters |
| NorthPoint campus near Scranton, PA | 720 | 4 quarters |
| CoreSite campus near Denver, CO | 40 | Expansion frozen to 2027-05-21 |
| **Total — three projects** | **1,525** | |

**MW planned** is the capacity the moratorium reaches, not the whole campus. Source: SemiAnalysis Datacenter Industry Model.

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Source: SemiAnalysis Datacenter Industry Model
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Source: SemiAnalysis Datacenter Industry Model, SemiAnalysis Moratoriums Tab

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Around 80% of live restrictions contain no modelled planned capacity at all, so these ordinances are overwhelmingly pre-emptive, with towns legislating before a project exists or after a campus is already approved. The four reasons set out above explain the rest.

## Developer response to local moratoriums

Overall, developers have responded to local restrictions in three ways, none of which is abandonment.

- **Project relocation.** Developers have pursued alternative sites where local opposition or moratoriums made projects less viable.
- **Project redesign.** Developers have withdrawn applications to comply with temporary moratoriums, typically returning with revised proposals that conform to new zoning or other regulations.
    - The Meta-linked Randee LLC project in Howell Township, Michigan, is one example, with the developer withdrawing its rezoning application while indicating its intention to reapply once the township's datacenter ordinance was finalized.
- **Legal challenges.** Developers have contested local restrictions through litigation.
    - In Saline Township, MI, Related Digital sued the local board over a denied agricultural-to-industrial rezoning request for a datacenter project, leading to a fast-tracked consent judgment in October 2025.
- **Jurisdictional exit and carve-outs.** Developers with sufficient leverage have pre-empted restrictions altogether, either by pulling land out of the jurisdiction before a moratorium is adopted or by securing exemptions in the ordinance itself.
    - The most recent example is SpaceX in Brownsville, TX. Just days before a proposed datacenter moratorium was up for consideration, the city voted to de-annex 444 acres that SpaceX was under contract to purchase, taking the land outside the city's zoning authority. SpaceX tied the deal to a $220 million commitment for regional water infrastructure, which it tied to an immediate vote and threatened to withdraw if the city delayed. As a result, the project site came outside the reach of the proposed moratorium before it was adopted.

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As such, moratoriums typically delay, relocate or reshape projects rather than permanently stopping them, with litigation becoming more common when local governments change the rules after projects are already underway. Moreover, the affected capacity is concentrated almost entirely in the pre-construction pipeline, meaning these delays are generally not material to near-term capacity additions.

# The First Statewide Moratorium: New York's Executive Order No. 62

## What happened

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On 14 July 2026, Governor Kathy Hochul of New York signed Executive Order (EO) 62, creating the first statewide datacenter permitting moratorium in the US. The order pauses discretionary state environmental permits for new datacenters of **50 MW or more** while New York develops a Generic Environmental Impact Statement covering energy, water and air impacts. The order also directs the Department of Public Service to examine the impact of datacenter demand on the state's electric system, where nearly 12 GW of datacenter requests were sitting in the NYISO queue by mid-2026.

Although the datacenter permitting moratorium has grabbed headlines as a "first-in-the-nation statewide pause", the EO is the narrower and more temporary of the two instruments New York produced this summer. The New York legislature had passed the Responsible Data Center Development (RDCD) Act in June, which would have imposed a one-year moratorium on datacenters of 20 MW or more and established permanent requirements around electric and water rate classes, public hearings, efficiency, host-community benefits and prevailing wages. Governor Hochul declined to sign the legislation and instead issued the narrower executive order. Negotiations on a revised version of the Act are still ongoing, but a veto of the RDCD is highly likely.

In addition to the EO being more limited in scope than the legislature's RDCD, it only affects projects that **have yet to be approved**. This is the reason why our **2026–27 forecast stays intact**, with the at-risk MW being disproportionately out-year rather than near-term.

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## What is actually affected? 1.4 GW exposed, 0.8 GW delayed

The order touches approximately **1.4 GW of planned capacity**, but only a fraction is actually constrained by the moratorium. The datacenter projects affected by the EO are planned facilities that can consume 50 MW or more and that require a discretionary permit from the NYS DEC. They fall into two groups.

1. Projects whose discretionary DEC applications were pending but not deemed complete by DEC before July 14, 2026.
2. Projects that will require discretionary DEC approvals but have not yet filed an application, and which cannot usefully do so until the pause lifts by July 2027.

Only one project falls into the first category: **Stream Data Centers' ~340 MW planned campus**, the only proposal that had permit applications sitting at DEC when the order took effect. After reviewing the project's stormwater plans in early 2026 and finding deficiencies, DEC refused to grant permit coverage until the developer submitted an updated wetlands delineation. Stream's discretionary DEC applications are now formally frozen for the duration of the moratorium. We only estimate a delay of around six months at most attributable to the moratorium.

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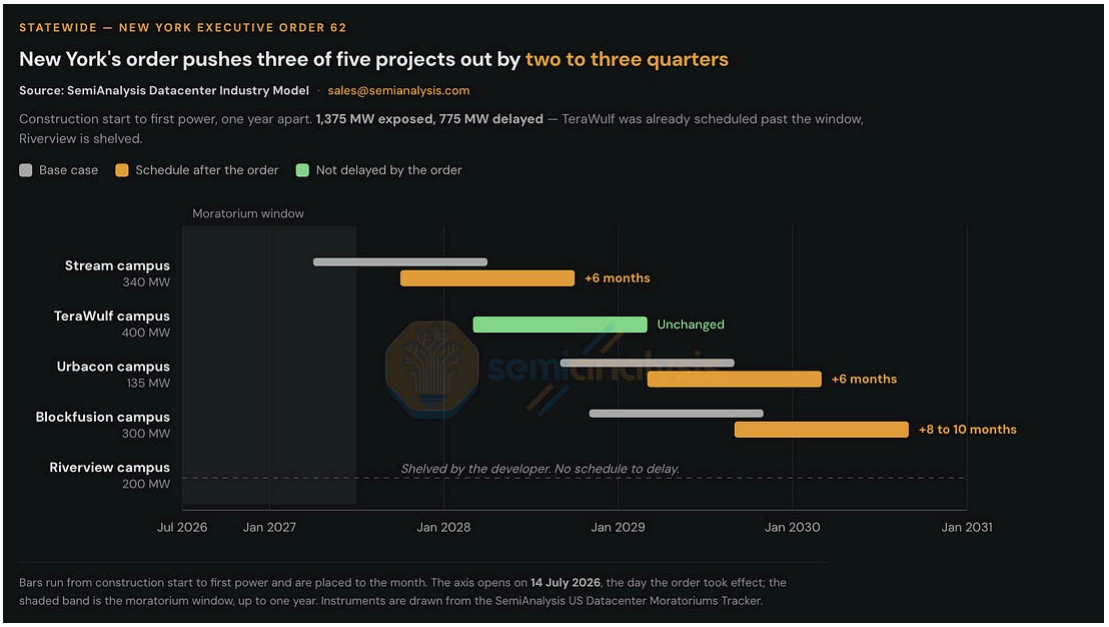
The remaining projects are still in pre-application, so nothing sits at DEC for the order to hold, but the EO closes off the state permitting route each project will have to take.

- **TeraWulf campus, Ithaca** (300 MW, up to 400 MW). Planned at a former coal plant site and still in early local review. TeraWulf maintains the order does not change its plans, with construction slated for Q1 2028 and operations falling beyond the order's window.
- **Urbacon campus, Niagara Falls** (135 MW). Cleared its last land-control hurdle in mid-2026, leaving state permitting as the next step. The EO likely delays the project by around six months.
- **Blockfusion campus, Niagara Falls** (300 MW). Has a preliminary agreement with an AI customer for up to 300 MW at the site. Construction is not expected before late 2029, and the order likely costs it eight to ten months.
- **Riverview campus, near Buffalo** (200 MW). Temporarily shelved by its developer after heavy local opposition. The order is unlikely to be a binding constraint.

The moratorium therefore touches around 1.4 GW of planned datacenter capacity, all of it 2028-or-later delivery, but the order is the binding constraint on only a fraction of that. Roughly **0.8 GW faces genuine EO-driven delay**: Stream's and Urbacon's

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campus at around six months each and Blockfusion's campus at eight to ten months. The remaining 0.6 GW are not meaningfully delayed by the EO.




Source: SemiAnalysis Datacenter Industry Model, SemiAnalysis Moratoriums Tab

The New York case demonstrates why simply adding up MW associated with moratoriums can materially overstate their impact on the industry, and it is the same math that produces 1,525 MW rather than 20 GW at the local level.

# Texas's Audit Directive: The Second Statewide Pause, All Hat No Cattle

Three weeks after Governor Hochul's executive order, on August 3, 2026, Governor Greg Abbott directed the PUCT and ERCOT to **pause new grid-connection approvals for datacenters advancing through ERCOT's interconnection process until a statewide audit and verification are complete**.

ERCOT is implementing the directive through two processes: a **Batch Zero Audit**, which verifies eligibility and attestations for all Large Loads ≥75 MW seeking to advance through Batch Zero, and a **Community Impact Audit**, which collects information from unenergized computational loads ≥25 MW. As a reminder, Batch Zero is a one-time process designed to evaluate the enormous backlog of large-load connection requests — roughly 205 GW across 326 applicants — collectively rather than one at a time. Abbott's audit requires developers to disclose additional

information on power sourcing, water consumption, cooling design, tax incentives, community impacts, and ownership structures.

On September 3, ERCOT notified utilities of its provisional classification of every Batch Zero project. The notice was originally due August 7, then rescheduled to August 31, before ultimately being delivered September 3:

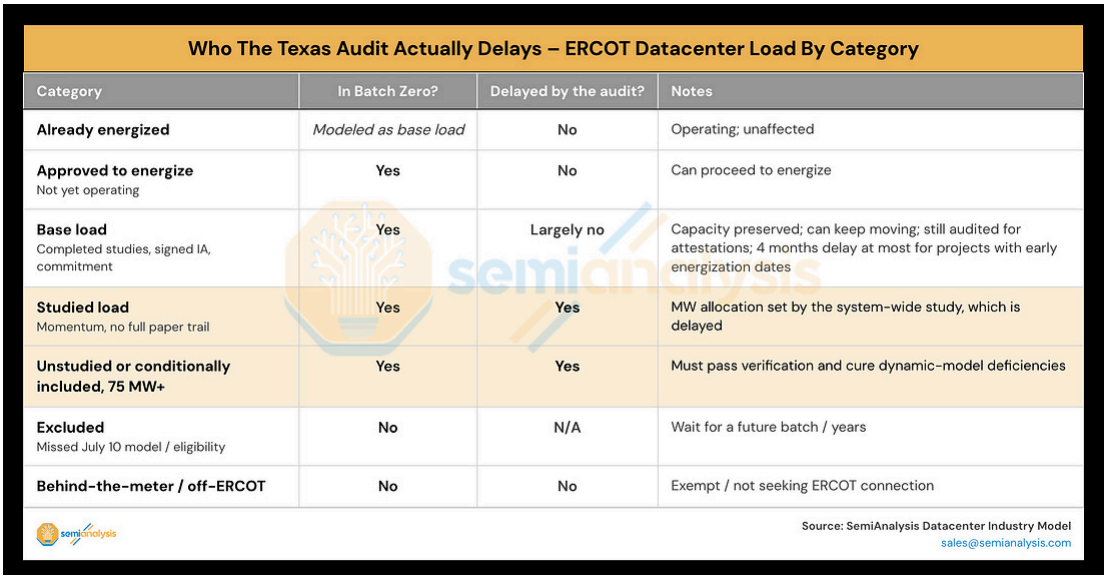
- **Base load:** Projects already far along with completed and valid prior studies, executed interconnection agreements, hard commitment evidence, or already energized. Base Load capacity is preserved and "modeled but not re-evaluated". These projects can keep moving toward energization while the study runs. They still must pass the audit's attestation verification, but they are not subject to further MW allocation.
- **Studied load:** Projects with real momentum (including site control, posted financial security, notarized attestations) but without the full Base Load paper trail. Their MW allocation is determined by the system-wide study, so these are the projects whose capacity outcome is most exposed to the delay.
- **Excluded:** Projects that missed eligibility deadlines or failed criteria and cannot energize until a future batch study.

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These classifications are conditional and remain subject to verification. ERCOT has not published an aggregate breakdown by category. It sent conditional classifications privately to the TDSPs/DSPs, who passed them to the developers. What's public comes from the developers themselves: Galaxy Digital, for example, put out a press release on September 8 stating that Helios I and II were conditionally classified as Base Load. Hut 8, IREN, Cipher and CleanSpark made similar self-disclosures about their own sites.

More importantly, the Batch Zero study, which was scheduled to determine the actual MW allocation for Studied Load from September 2 through April 9, 2027, remains paused. ERCOT's Chad Seely has stated: "We will not have the study done by April 9, 2027." ERCOT has not yet filed a replacement date. The delay also pushes out the Long-Term Load Forecast (LTLF), Reliability Assessment, and potentially the December 2026 Capacity, Demand and Reserves (CDR) report, all of which were expected to incorporate verified Batch Zero Base Load.

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**Who The Texas Audit Actually Delays – ERCOT Datacenter Load By Category**

| Category | In Batch Zero? | Delayed by the audit? | Notes |
|---|---|---|---|
| **Already energized** | *Modeled as base load* | No | Operating; unaffected |
| **Approved to energize** Not yet operating | Yes | No | Can proceed to energize |
| **Base load** Completed studies, signed IA, commitment | Yes | Largely no | Capacity preserved; can keep moving; still audited for attestations; 4 months delay at most for projects with early energization dates |
| **Studied load** Momentum, no full paper trail | Yes | Yes | MW allocation set by the system-wide study, which is delayed |
| **Unstudied or conditionally included, 75 MW+** | Yes | Yes | Must pass verification and cure dynamic-model deficiencies |
| **Excluded** Missed July 10 model / eligibility | No | N/A | Wait for a future batch / years |
| **Behind-the-meter / off-ERCOT** | No | No | Exempt / not seeking ERCOT connection |

Source: SemiAnalysis Datacenter Industry Model
sales@semianalysis.com

Source: SemiAnalysis Datacenter Industry Model

According to ERCOT, the audit began August 7 and runs through a December 10 verification report, with PUCT review scheduled for December 17. We estimate that qualifying **base-load projects face at most four months of administrative delay**. However, we do not view the audit itself as a meaningful halt to datacenter development. Instead, we see **Governor Abbott's directive mainly as a political move ahead of the November 3, 2026, gubernatorial election and amid rising anti-datacenter sentiment**. Texas Department of Agriculture Commissioner Sid Miller (R), who has called for a one-year moratorium on datacenter development, disputed the idea that the governor's action amounts to a moratorium or any meaningful break on the industry: "this directive is all hat and no cattle, empty political rhetoric wrapped in meaningless fluff."

The audit's additional disclosures on ownership, water and community diligence primarily create another screening layer on top of ERCOT's existing financial and project-maturity requirements. Serious base load projects should be able to satisfy the requirements. The pipeline keeps moving procedurally, even though no datacenter or mining energization approvals will issue until verification completes: 17 facilities representing 6.6 GW that had cleared every other ERCOT gate are now working through the audit to energize. For projects energizing December 2026 or later, a pause that lifts in December may cost nothing. Studied/allocated load is the longer wait, since it has no firm MW until the study runs, and ERCOT has not said when that will be. **The real risk is political rather than procedural**, because the process is open-ended. **Our base case is that ERCOT files on December 10, after the election, though we treat that as a target rather than a fixed deadline.**

The Texas audit follows a similar playbook to New York's. Both governors face re-election in two months in states where datacenter development has become a

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campaign issue, and both bypassed their legislatures to put in place a pause they control and can revoke. In both cases, the pause allows the governor to signal tighter oversight ahead of the election while denying the pro-moratorium camp its stronger instrument.

# Pennsylvania Stopping Short of a Moratorium

Against this backdrop of intensifying political pushback, Pennsylvania has decided not to impose a blanket datacenter moratorium, opting instead for EO 2026-05. Signed by Governor Josh Shapiro on August 18, 2026, the order imposes guardrails that stall unvetted datacenter projects. The order prevents the Department of Environmental Protection from taking up permit applications until a developer has met the Governor's Responsible Infrastructure Development (GRID) requirements and secured local approval. GRID applies standards across energy affordability, environmental protection, workforce and economic development, transparency, and community engagement. On top of that, the order pulls all datacenter proposals out of the Fast Track permitting process and prohibits the use of nondisclosure agreements for datacenter projects.

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We do not count Pennsylvania's EO as a statewide pause. A moratorium expires, whereas a conditional permitting regime does not. For pipeline purposes, the effect is less a hard stop than a lengthening and broadening of pre-permit diligence, with the greatest impact on speculative projects.

# The Oregon Pause That Stops Where Our Pipeline Starts

Most recently, on September 8, 2026, Oregon Governor Tina Kotek directed every state agency to immediately pause unapproved requests for easements, rights-of-way, leases, rentals, land-use permits, and sales or transfers of state-owned property for datacenter projects. The pause remains in effect through July 1, 2027, and is intended to allow a statewide evaluation of the long-term effects of datacenter development on infrastructure capacity, the environment, local communities and job creation.

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**The Oregon pause has no impact on our datacenter forecast.** It applies only to state-owned property, and it bites at a stage before a project has secured land at all. Site control is the minimum bar for a project to enter our datacenter pipeline, so any proposal held up by the directive is, by definition, not yet in our forecast. Nor is it a

genuine statewide moratorium: Kotek's own office concedes that the state currently lacks the authority to impose one. Like New York and Texas, it is an executive action the governor controls and can lift, announced by an incumbent facing re-election in November in a state where datacenters have become a campaign issue. It signals oversight to voters while touching no planned capacity.

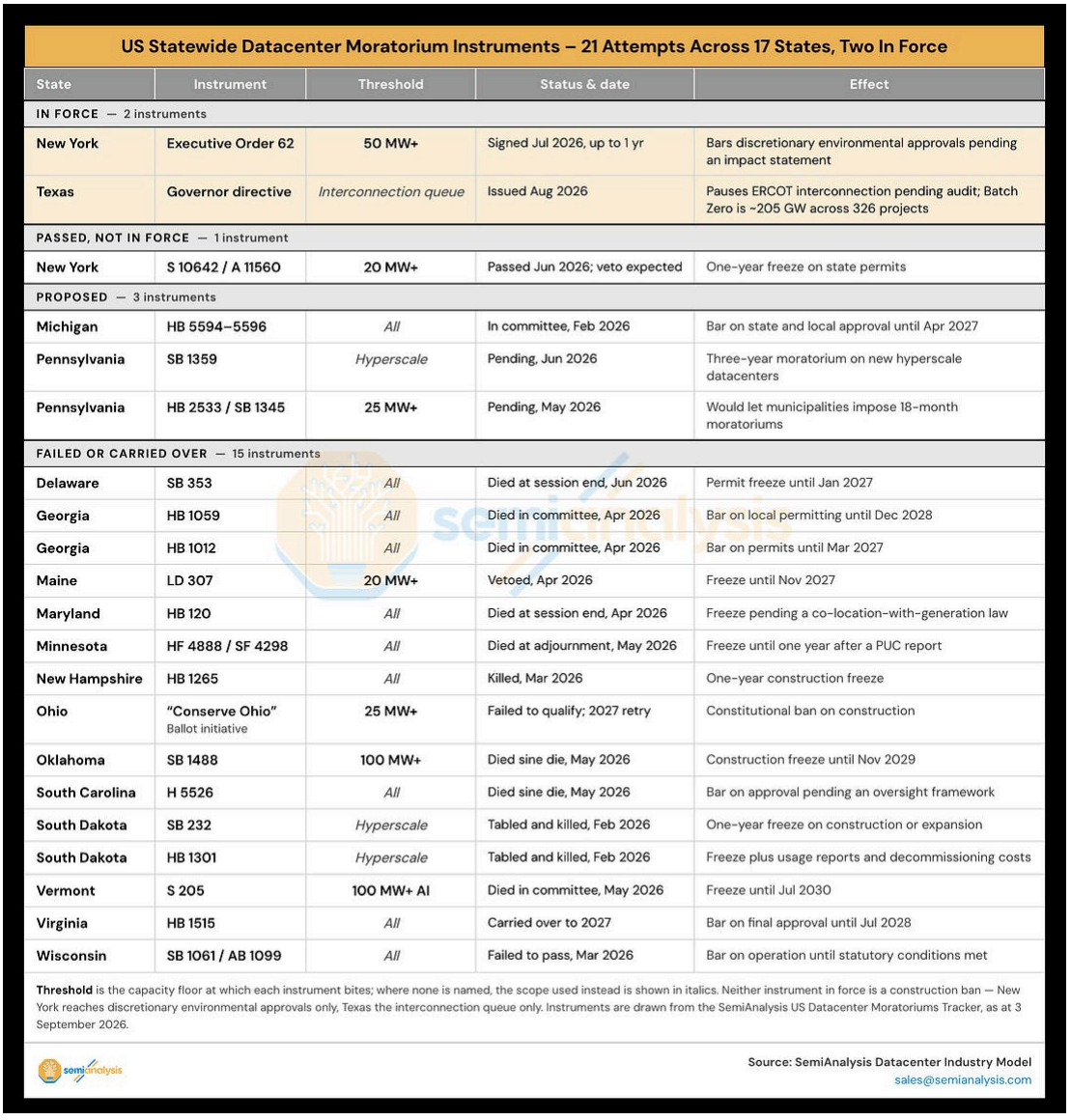
# Statewide Moratoriums: Harder to Enact

A high concentration of local moratoriums may correlate with statewide moratoriums but does not reliably cause them. New York ran the opposite way, acting statewide by executive order without an overwhelming local wave behind it, and its 9 local moratoriums are far fewer than Michigan's 45 enacted moratoriums, Ohio's 40 or North Carolina's 32. Statewide restrictions have nonetheless drawn considerable attention in 2026, with 17 states weighing moratoriums or comparable measures, though they remain harder to enact than local ones.

State moratoriums can be enacted via state legislation, executive order, ballot initiatives, or via regulators, each offering trade-offs in speed, scope and political risk.

- **Legislation: slower, broader, veto exposed.** Passing a bill takes months or years of drafting, hearings, floor votes and negotiation, but the payoff is a customizable and comprehensive policy. However, it is exposed to partisan gridlock, industry lobbying and vetoes, as when Maine Governor Janet Mills killed an 18-month moratorium bill.
- **Executive order: fast and narrow.** A governor can act unilaterally and almost immediately, as New York demonstrated, but the reach is more limited. And because it bypasses the legislature, it rests on weaker legal footing, leaving it open to reversal by a future administration or court challenges from developers.
- **Ballot initiative: slowest, broadest, immune to veto.** This is the slowest path, requiring extensive signature gathering, legal review, and high voter mobilization. Ohio advocates needed over 413,000 signatures by July 1, 2026. In exchange, it has the broadest impact, enacting state or county-level restrictions directly into law. Yet once on the ballot, measures face opposition campaigns from corporate developers, and can be attacked through lawsuits.

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**US Statewide Datacenter Moratorium Instruments – 21 Attempts Across 17 States, Two In Force**

| State | Instrument | Threshold | Status & date | Effect |
|---|---|---|---|---|
| **IN FORCE** — 2 instruments | | | | |
| New York | Executive Order 62 | 50 MW+ | Signed Jul 2026, up to 1 yr | Bars discretionary environmental approvals pending an impact statement |
| Texas | Governor directive | *Interconnection queue* | Issued Aug 2026 | Pauses ERCOT interconnection pending audit; Batch Zero is ~205 GW across 326 projects |
| **PASSED, NOT IN FORCE** — 1 instrument | | | | |
| New York | S 10642 / A 11560 | 20 MW+ | Passed Jun 2026; veto expected | One-year freeze on state permits |
| **PROPOSED** — 3 instruments | | | | |
| Michigan | HB 5594–5596 | *All* | In committee, Feb 2026 | Bar on state and local approval until Apr 2027 |
| Pennsylvania | SB 1359 | *Hyperscale* | Pending, Jun 2026 | Three-year moratorium on new hyperscale datacenters |
| Pennsylvania | HB 2533 / SB 1345 | 25 MW+ | Pending, May 2026 | Would let municipalities impose 18-month moratoriums |
| **FAILED OR CARRIED OVER** — 15 instruments | | | | |
| Delaware | SB 353 | *All* | Died at session end, Jun 2026 | Permit freeze until Jan 2027 |
| Georgia | HB 1059 | *All* | Died in committee, Apr 2026 | Bar on local permitting until Dec 2028 |
| Georgia | HB 1012 | *All* | Died in committee, Apr 2026 | Bar on permits until Mar 2027 |
| Maine | LD 307 | 20 MW+ | Vetoed, Apr 2026 | Freeze until Nov 2027 |
| Maryland | HB 120 | *All* | Died at session end, Apr 2026 | Freeze pending a co-location-with-generation law |
| Minnesota | HF 4888 / SF 4298 | *All* | Died at adjournment, May 2026 | Freeze until one year after a PUC report |
| New Hampshire | HB 1265 | *All* | Killed, Mar 2026 | One-year construction freeze |
| Ohio | "Conserve Ohio" Ballot initiative | 25 MW+ | Failed to qualify; 2027 retry | Constitutional ban on construction |
| Oklahoma | SB 1488 | 100 MW+ | Died sine die, May 2026 | Construction freeze until Nov 2029 |
| South Carolina | H 5526 | *All* | Died sine die, May 2026 | Bar on approval pending an oversight framework |
| South Dakota | SB 232 | *Hyperscale* | Tabled and killed, Feb 2026 | One-year freeze on construction or expansion |
| South Dakota | HB 1301 | *Hyperscale* | Tabled and killed, Feb 2026 | Freeze plus usage reports and decommissioning costs |
| Vermont | S 205 | 100 MW+ AI | Died in committee, May 2026 | Freeze until Jul 2030 |
| Virginia | HB 1515 | *All* | Carried over to 2027 | Bar on final approval until Jul 2028 |
| Wisconsin | SB 1061 / AB 1099 | *All* | Failed to pass, Mar 2026 | Bar on operation until statutory conditions met |

**Threshold** is the capacity floor at which each instrument bites; where none is named, the scope used instead is shown in italics. Neither instrument in force is a construction ban — New York reaches discretionary environmental approvals only, Texas the interconnection queue only. Instruments are drawn from the SemiAnalysis US Datacenter Moratoriums Tracker, as at 3 September 2026.

Source: SemiAnalysis Datacenter Industry Model
sales@semianalysis.com

Source: SemiAnalysis Datacenter Industry Model, SemiAnalysis Moratoriums Tab

**Almost none of the thirteen dead bills were defeated on a floor vote.** They died in committee (Georgia), were tabled (South Dakota's pair, killed the same day), expired at adjournment *sine die* (Delaware, Maryland, Minnesota, Oklahoma, South Carolina), were carried over (Virginia), or were vetoed with a failed override (Maine, the only one to reach a governor's desk). In many cases, legislative leadership chose not to spend political capital advancing the proposals. We think this is the strongest single piece of evidence that the statewide channel plateaus rather than compounds, because the constraint is not opposition to the bills so much as the reluctance of anyone with agenda-setting power to own them.

# Who Benefits

The most important consequence of the 2026 restriction wave is not simply delayed capacity, but a shift in where capacity gets built, which projects move forward, and

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how those projects are powered.

Beyond the political noise, **we view the Texas audit as bullish for BtM development**. The directive applies only to datacenters seeking interconnection through ERCOT, so the main beneficiaries are operators with power already secured and the suppliers of on-site generation equipment. Fully islanded projects fall outside its scope. A perfect example is Chevron's 2.67 GW off-grid Project Kilby plant serving a roughly 2 GW Microsoft campus in the Permian. Every month the audit runs widens the option value of not needing the queue at all.

**Equipment suppliers benefit as well**. Multi-year lead times keep queued projects from converting to on-site generation, so bridge power and new sitings add demand to already full order books for turbines, gensets and fuel cells, and to gas midstream volumes, which our Energy Model tracks quarter by quarter across more than 30 turbine, engine and fuel cell suppliers, alongside every BtM datacenter power order. Restrictions that gate the grid without touching BtM is a straightforward additive to that demand.

**Incumbent sites and by-right land also gain**. Michigan is an example, where campuses on industrial land that already permitted data processing sailed through the most-restricted state in the country. Land with existing entitlements, and jurisdictions with by-right zoning or state preemption, increasingly offer a permitting advantage over greenfield sites requiring rezoning.

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