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

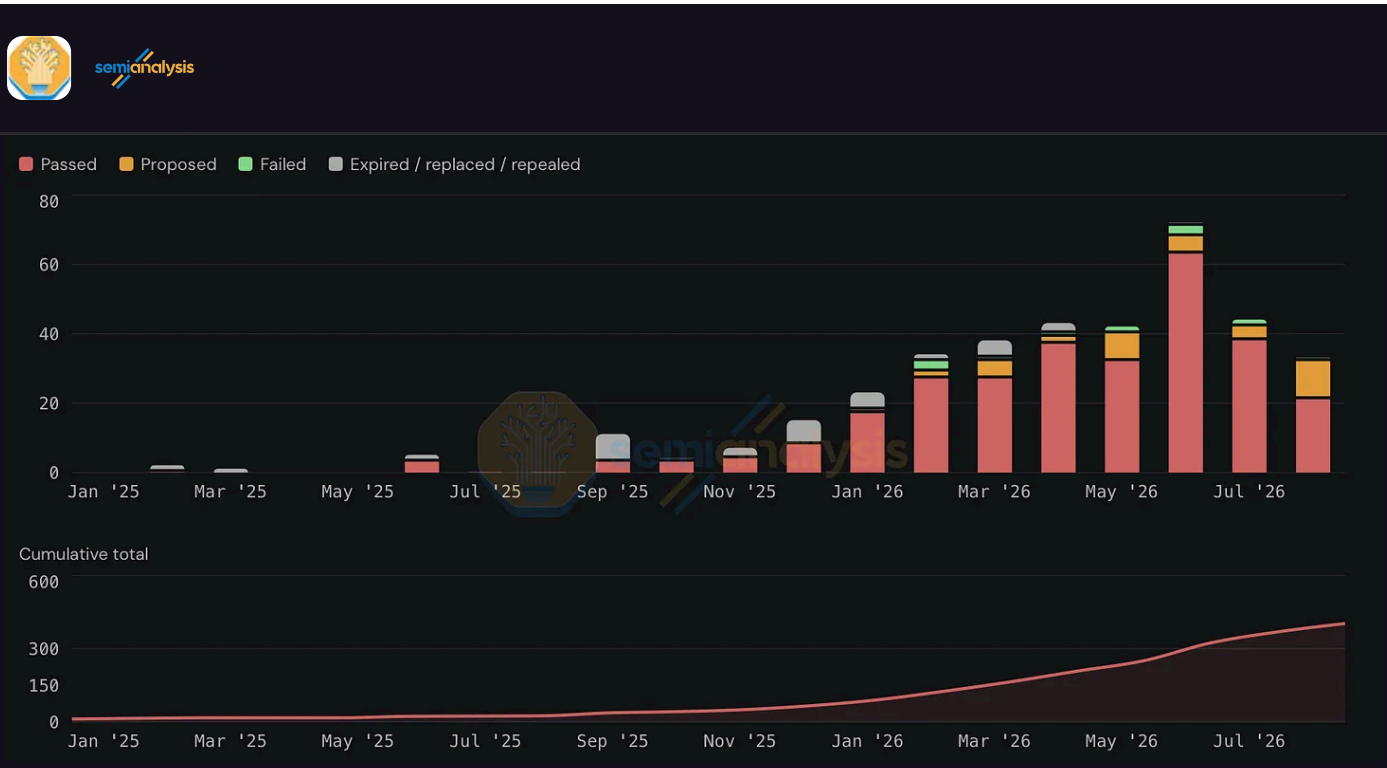
MAYA BARKIN, REYK KNUHTSEN, JEREMIE ELIAHOU ONTIVEROS, AND DYLAN PATEL

SEP 16, 2026 • PAID

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

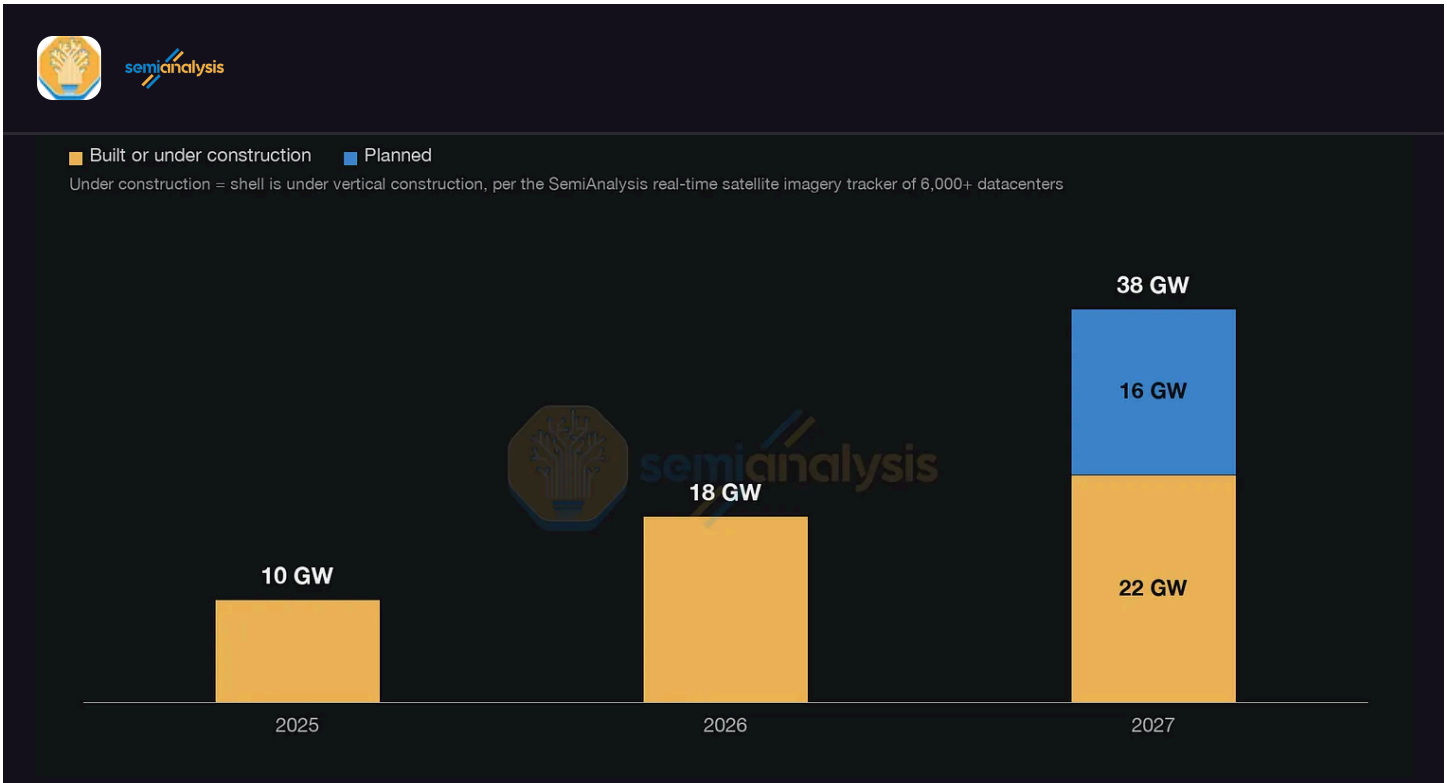


Source: SemiAnalysis Datacenter Industry Model, SemiAnalysis Moratoriums Tab

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.



Source: SemiAnalysis Datacenter Industry Model

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.

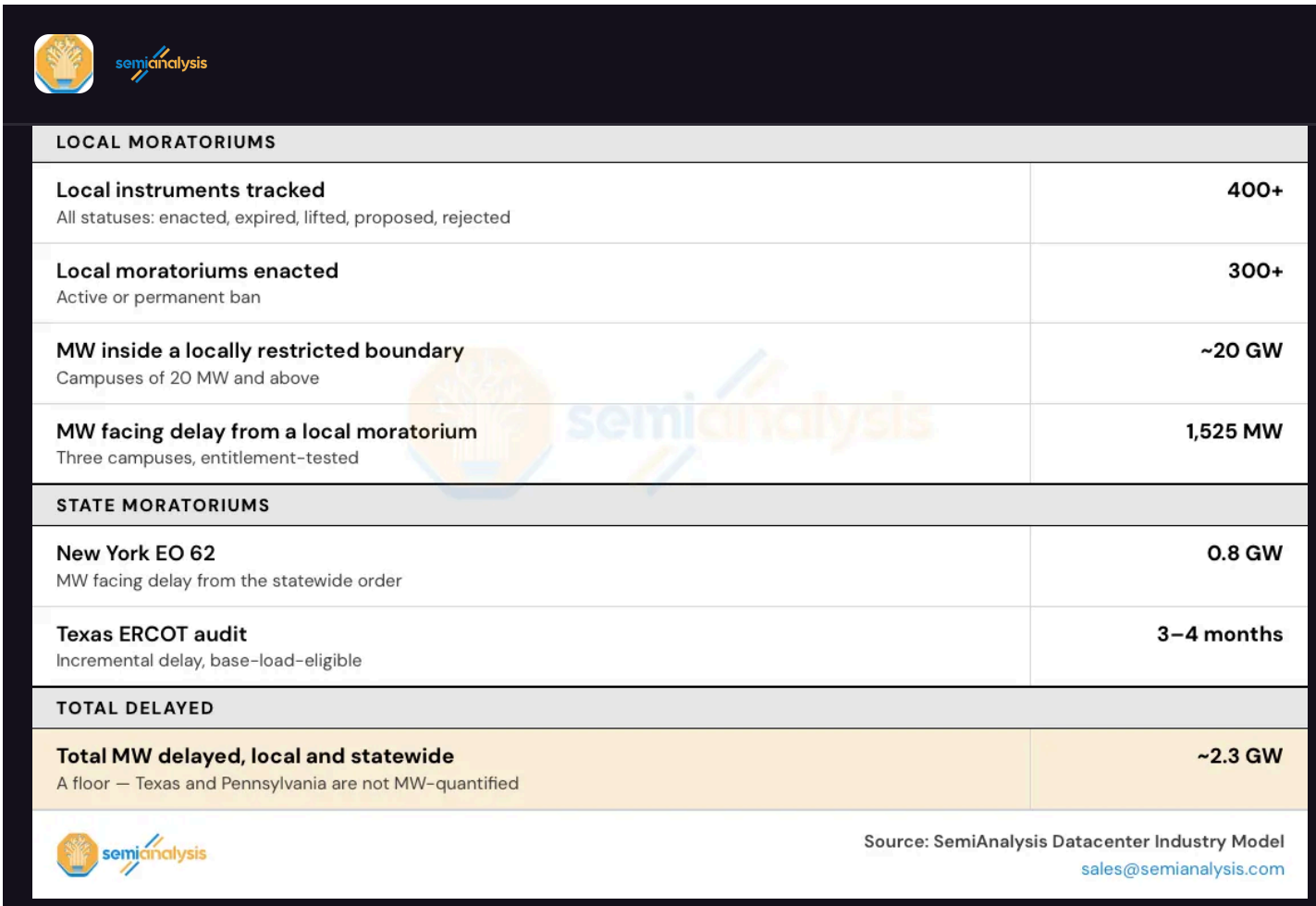
Texas adds perhaps three-four months of administrative delay for base-load projects in the ERCOT interconnection queue, but is offset by an acceleration of behind-the-meter demand. For projects that never needed the grid, it means nothing at all, making it a net positive for BtM developers and on-site 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.

for the amount of MW capacity they actually affect. There's plenty of loopholes/gaps with the moratoriums. For example, a recent Brownsville moratorium was brewing while Elon was planning a datacenter within city limits. But just days before approval, **the city and Elon sneakily "deannexed" the 444 acres in Brownsville, bringing the project out of Brownsville's moratorium jursidiction.**

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.

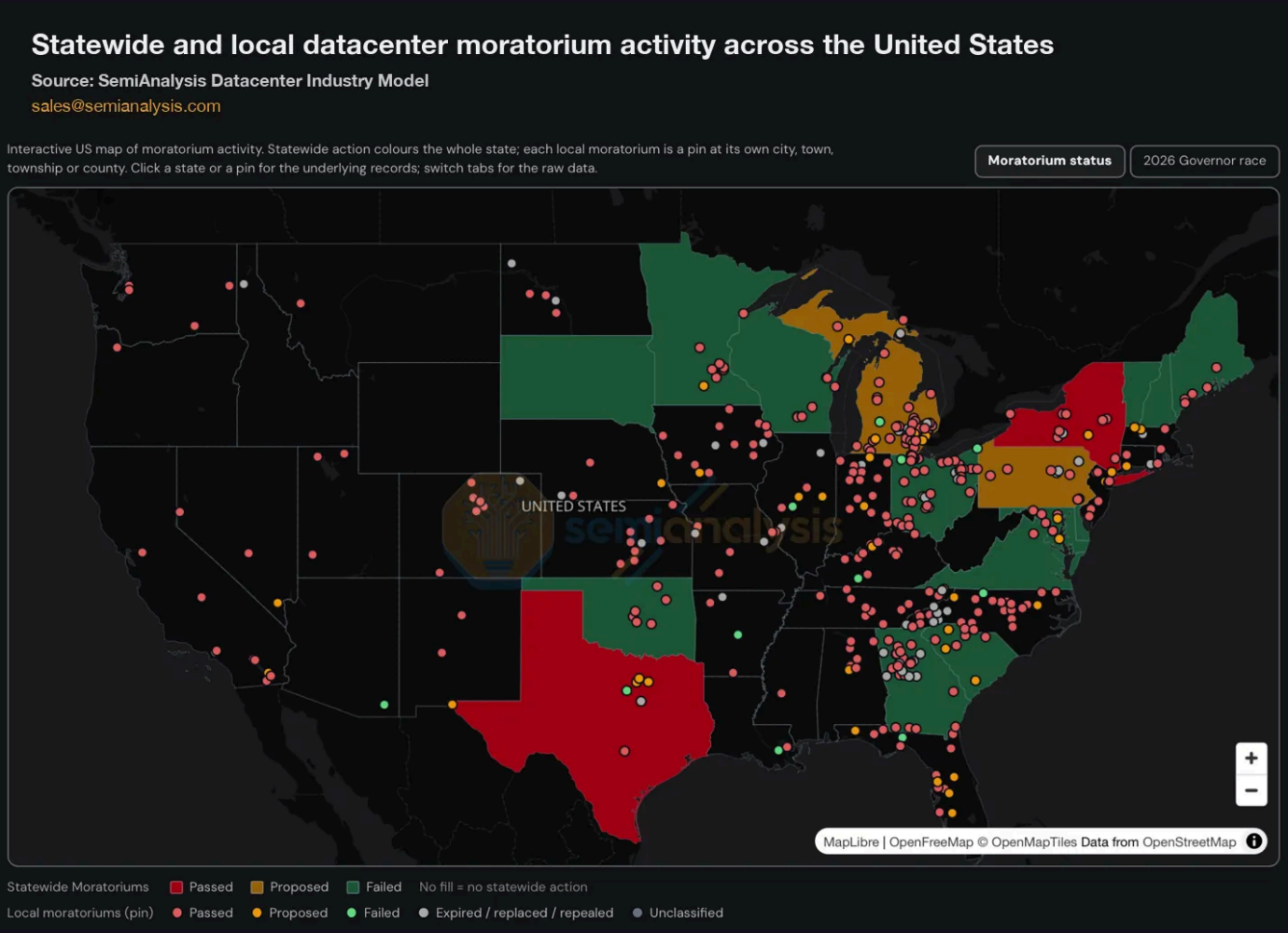


Source: SemiAnalysis Datacenter Industry Model, SemiAnalysis Moratoriums Tab

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

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

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.

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

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

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 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.

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.
- **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.

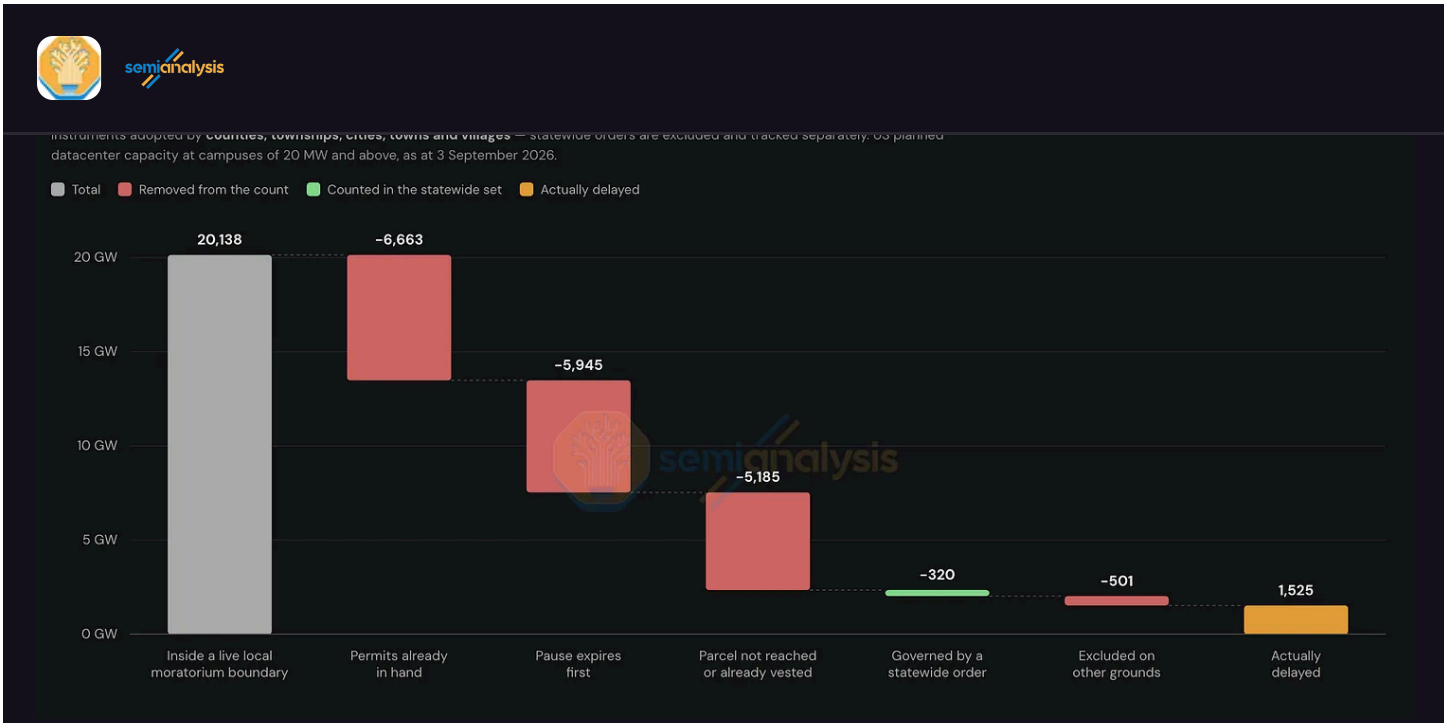
Exposure, therefore, must be measured project-by-project, at the MW-tranche level, never inferred from how many jurisdictions in a state have acted.

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

- 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.
- 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?

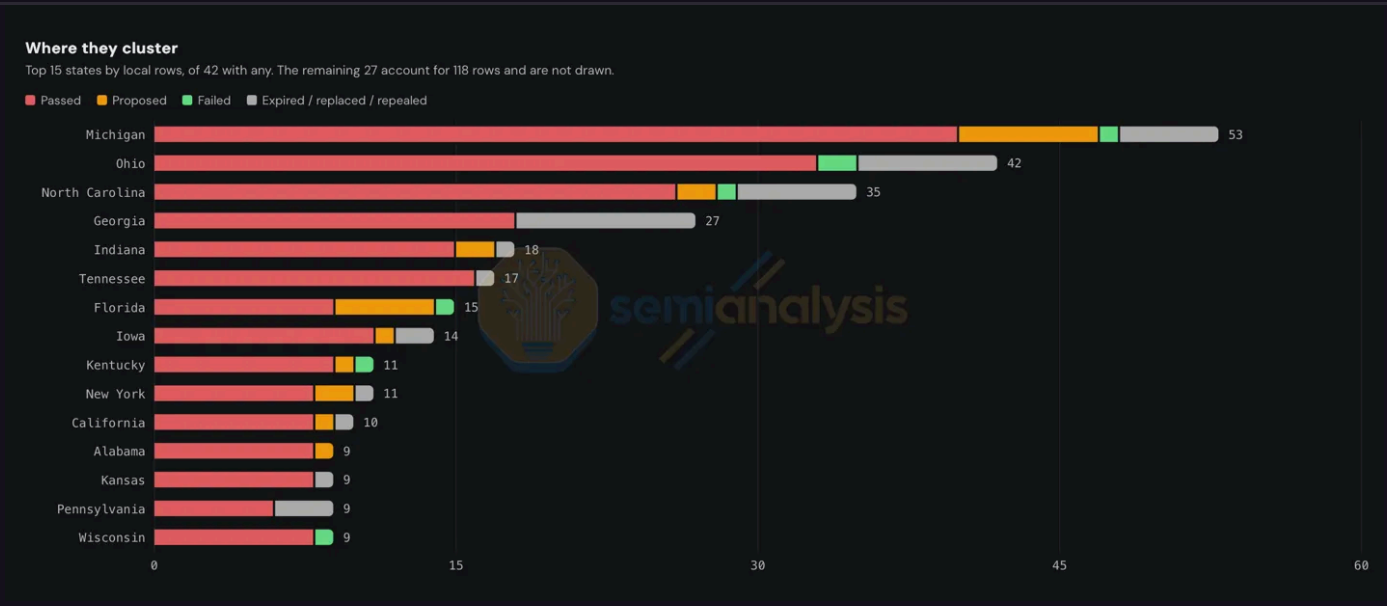


Source: SemiAnalysis Datacenter Industry Model, SemiAnalysis Moratoriums Tab

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.

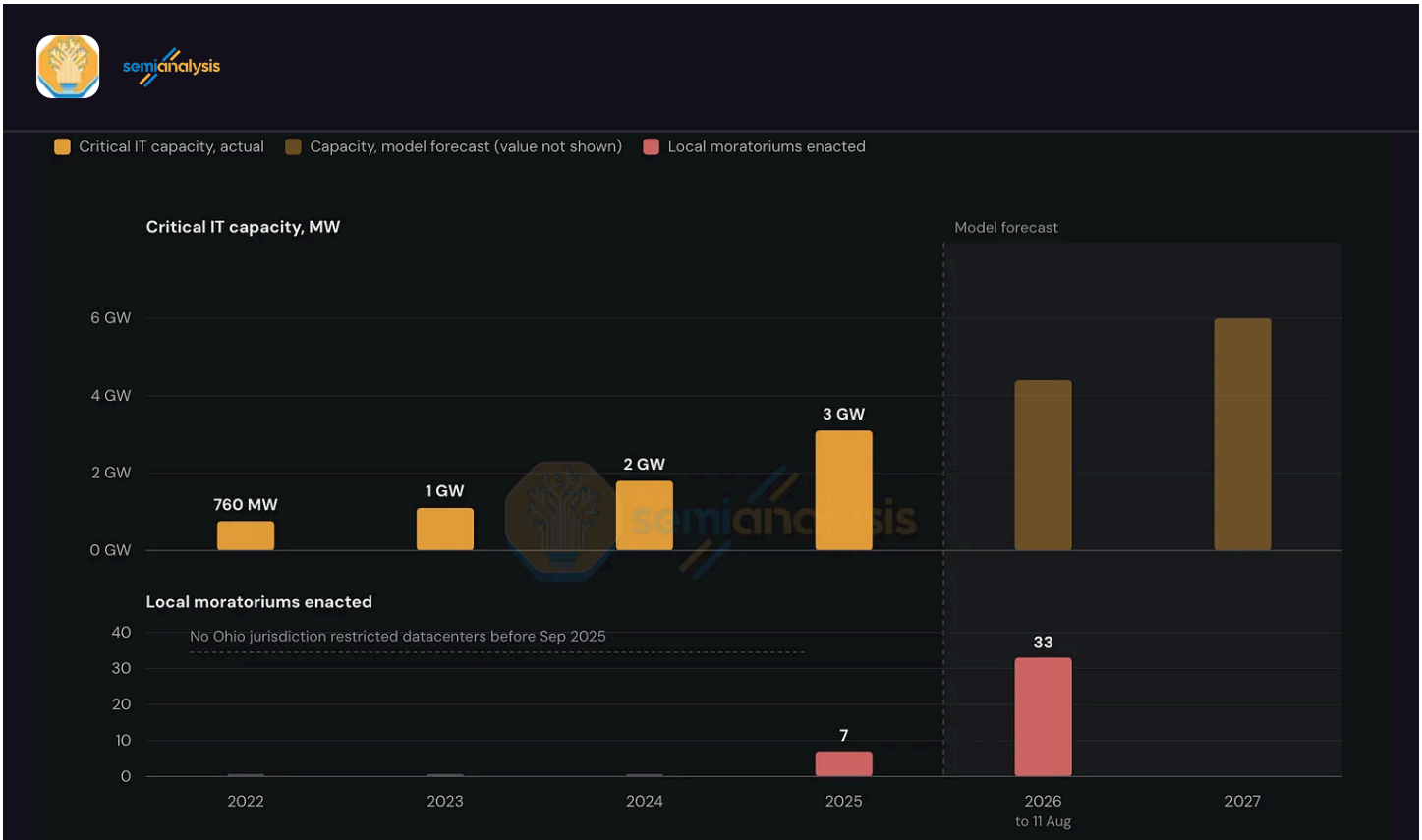
We see that local moratoriums are concentrated in the Midwest and Southern regions, clustered heavily around areas experiencing rapid infrastructure growth. The top four states (Michigan, Ohio, North Carolina, Georgia) account for roughly half of all local instruments nationally, which supports the thesis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



Source: SemiAnalysis Datacenter Industry Model, SemiAnalysis Moratoriums Tab

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.



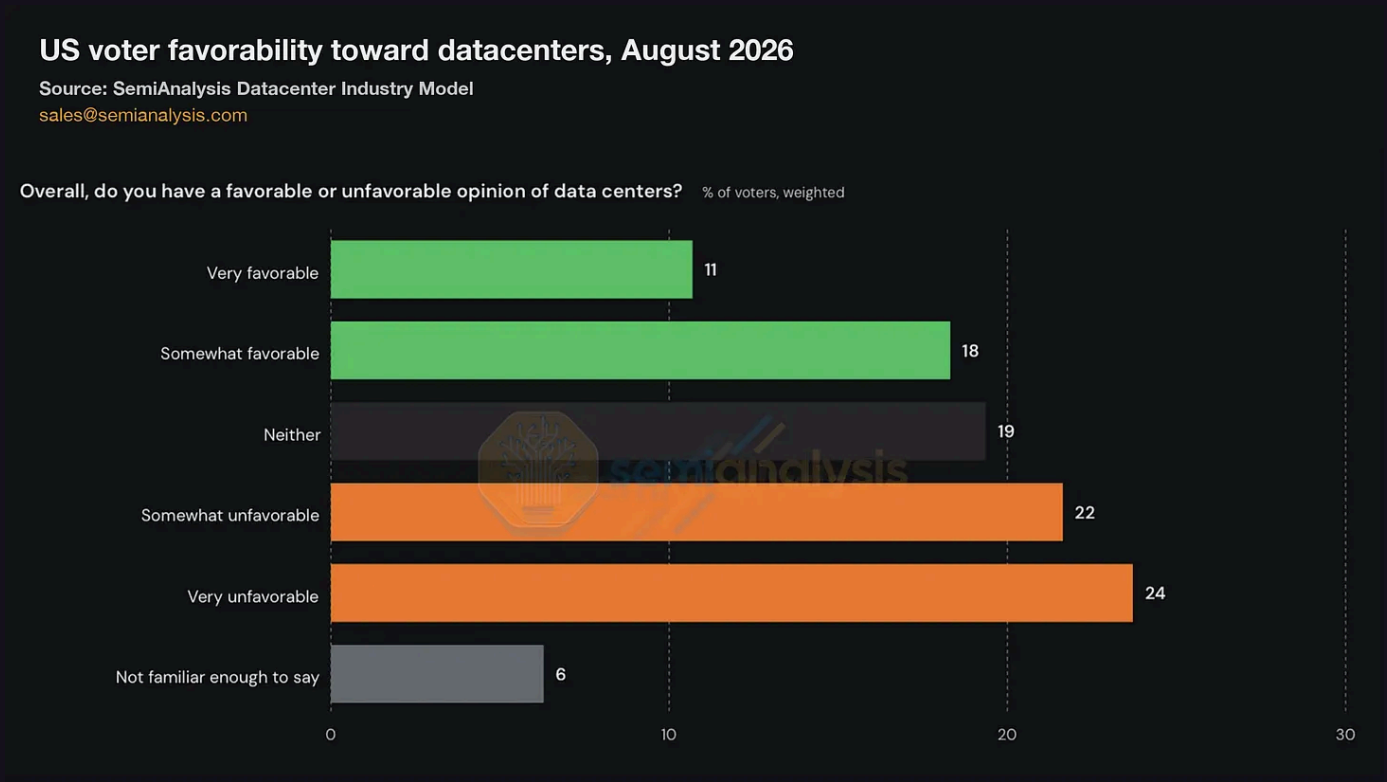
Source: SemiAnalysis Datacenter Industry Model, SemiAnalysis Moratoriums Tab

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.

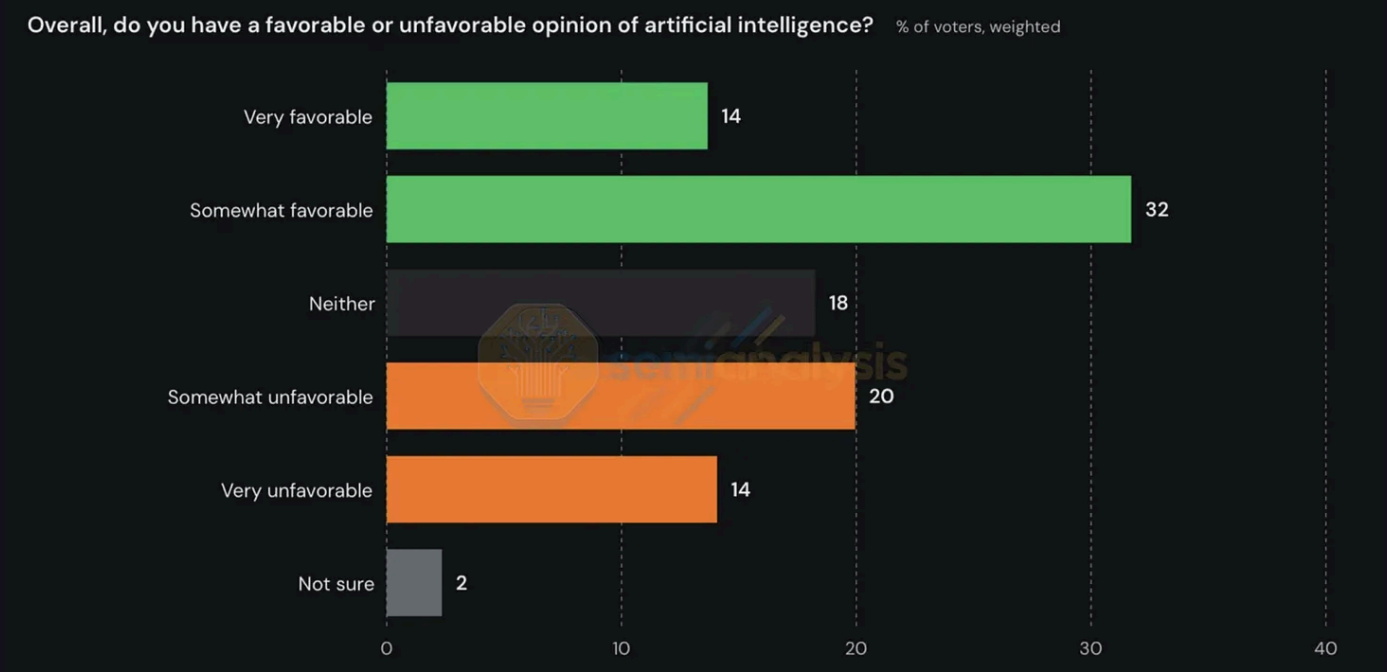
We polled the American electorate in August as part of our broader work on datacenter sentiment, energy prices, and frontier labs. The full survey is part of our Tokenomics model, which focuses on the economics, adoption, and demand dynamics of AI and datacenter infrastructure. We found that Americans 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,

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: Proprietary SemiAnalysis survey of 1274 U.S. registered voters, fielded by AlphaRoc, August 2026. Weighted to the U.S. Census population breakdown (post-stratification).

Source: SemiAnalysis Tokenomics Model, Politics Tab



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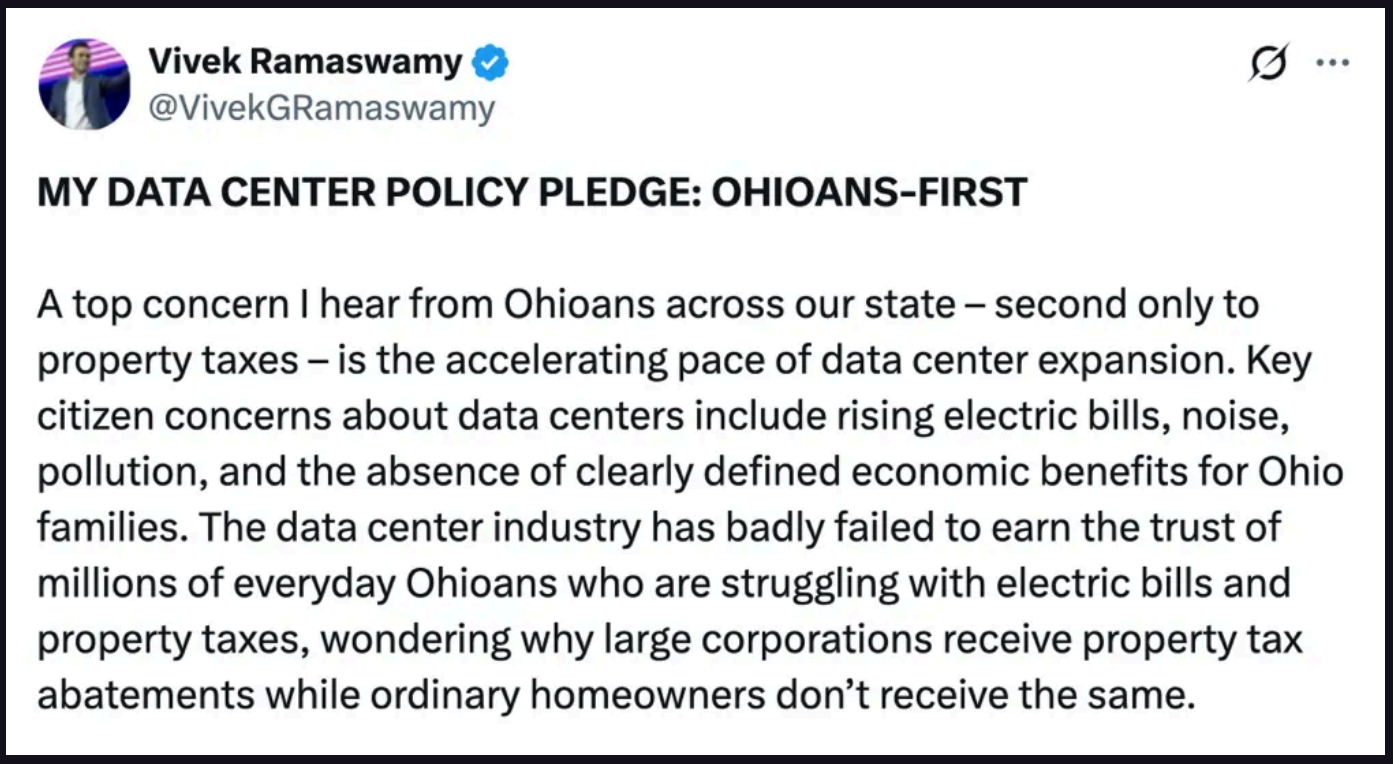
Source: SemiAnalysis Tokenomics Model, Politics Tab

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.

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

purely local land-use decision.



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

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,

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.

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