Data Centers in Washington — Fact Sheet

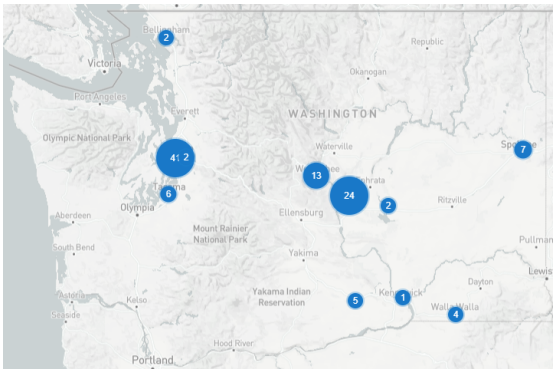
130+
Data centers in Washington state

$584M
Tax exemptions to data centers 2012–2023

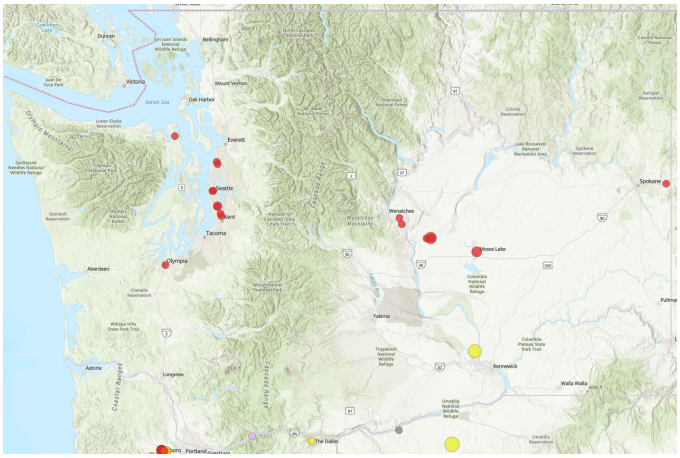
65%+
Of those exemptions flowed to Microsoft alone

24%
Projected share of regional electricity demand by 2030

Sources: Data Center Map, Baxtel, FracTracker Alliance (02.01.26). Over 130 data centers operate in Washington state (Sightline). Quincy alone has 53 facilities over 5.78 million square feet and 1,013 MW of capacity — with up to an additional 1,568 MW planned, the combined capacity would exceed that of the City of Seattle (∼2 GW). Hyperscale facilities exist or are planned in East Wenatchee, Tri-Cities, Walla Walla, and Spokane.



Data center clusters by sub-region



Individual data center locations across Washington State

ENERGY DEMAND

→ Data centers are among the fastest-growing users of electricity in Washington State and the Pacific Northwest, projected to consume up to 24% of total regional electricity demand in Oregon and up to 13% in Washington by 2030, creating strain on the grid and challenging renewable energy deployment and decarbonization goals. (Sightline Institute)

→ The rapid growth of data centers poses risks to communities including higher electricity costs, reduced grid reliability, and increased blackouts with projected 5–13% annual loss-of-load probability (LOLP), in addition to exposure to diesel and other pollutants. (Dept. of Revenue; National League of Cities; Dept. of Ecology)

WATER USE

→ Nationwide, data centers impose substantial water demands, estimated at 17 billion gallons annually (Berkeley Lab), with individual hyperscale facilities using hundreds of thousands of gallons per day. (Control Associates Inc; DGTL Infra)

→ In Washington, data center water and hydropower use competes directly with ecological flows, salmon and steelhead recovery, and treaty-protected Tribal water rights in already stressed watersheds. (EESI; Dept. of Revenue)

→ Severe drought conditions have persisted across many watersheds. In the Yakima Basin, reservoir storage has fallen as low as 32% of normal, forcing water rationing for farms, ecosystems, and communities. (Dept. of Ecology)

POLLUTION AND WASTE

→ Data centers require frequent hardware upgrades every 3–5 years, generating large volumes of electronic waste. (Park Place Technologies)

LAND USE

→ Hyperscale data center campuses can occupy 200–500+ acres, and buildout replaces farmland, disrupts habitat, food production, and local ecology. (TechTarget; University of Illinois)

→ Between 2017 and 2022, Washington lost approximately 824,443 acres of farmland (5.6%) and 3,717 farms disappeared (10.4%). (Dept. of Agriculture; WA State Conservation Commission)

→ Between 50–90% of land along waterways has been lost or extensively modified, further reducing habitat and ecosystem resilience. (Governor's Salmon Recovery Office)

LACK OF TRANSPARENCY

→ Insufficient public transparency and the frequent use of nondisclosure agreements limits the ability of communities, utilities, and policymakers to assess cumulative impacts, fairly allocate infrastructure costs, or ensure public resources serve the public interest. (Public Citizen)

→ **Washington has never tracked how much power data centers actually use statewide.** (Klean Industries)

TAX SUBSIDIES & JOB CREATION

→ Washington state provided approximately $584 million in tax exemptions to data centers from 2012–2023, including over $118 million in 2023. (Dept. of Revenue)

→ Since 2018, ∼65%+ of those tax exemptions flowed to Microsoft, a company worth over $3 trillion. (ProPublica)

→ To qualify for exemptions, data centers must create a minimum of 35 family wage employment positions or 3 positions per 20,000 sq ft — whichever is less. This is an extremely low bar for capital-intensive industries; a typical manufacturing or tech facility of comparable size would employ hundreds of workers. (JLARC)

→ Data centers are high-capital, low-labor facilities. Even the largest facilities employ fewer than 150 permanent workers, sometimes as few as 25 full-time positions. (Environmental Resilience Institute; Business Insider; Good Jobs First)

→ The only audit of the state's data center tax exemption program found that incentives produced as few as 260 total jobs across all facilities, at a cost of up to $205,000 per job — making this one of the most expensive and least effective job creation programs in the state. (ProPublica)

→ Recent industry analyses estimate an $800 billion revenue shortfall in the AI sector by 2030, as massive investments in data centers far outpace realistic revenues. Subsidizing infrastructure tied to an unsustainable business model exposes Washington to long-term fiscal risk. (Business Standard)

→ Washington faces significant structural budget stress, with revenues projected to grow at 2% but cost of services increasing between 7–17% per year. (Office of Financial Management)

→ Washington state has cut ∼$20+ million in natural resource and conservation programs over the 2025–2027 biennium, including ∼$1M in wildfire risk reduction and ecosystem resilience. (Office of Financial Management)

→ Federal cuts have created losses for rural Washington counties of over $1 million per year for roads and schools. Data center tax exemptions strip counties of revenue they desperately need. (Spokane Public Radio)