



CALIFORNIA DATA CENTERS: **MAKE BIG TECH PAY**

THE PROBLEM

YOUR BILLS ARE RISING & BIG TECH IS TO BLAME

Big Tech companies like **Amazon, Apple, Google, Meta, Microsoft, and OpenAI** are racing to build massive data centers across the country to power artificial intelligence (AI). These facilities are big-time electricity guzzlers, and all that power costs money at a time when families are already stretched by grocery, gas, and housing costs. Big Tech isn't paying for it – **you are**.

Californians already pay the **highest electricity rates in the continental United States** – roughly **double the national average** – before a single new data center connects.¹

One utility alone is carrying a **10-gigawatt** data center pipeline and plans **\$73 billion** in grid upgrades by 2030 to serve it. In Santa Clara, that pipeline could push the city's electricity use to **nearly three times** its current peak.²

Data center growth could raise electricity bills by as much as **25%** in some regional markets.³

THEY PROFIT. YOU PAY.

BIG TECH CASHES IN

\$73 billion in grid upgrades planned by 2030 to serve data centers²

YOU PAY

The **highest** electricity rates in the continental US, about double the national average¹

BIG TECH GETS MILLIONS. YOU GET HIGHER BILLS

Taxpayers are subsidizing the data center boom, through backroom deals for subsidies, tax incentives, and special treatment that amount to **giveaways to Big Tech**.

Data centers nationwide receive industry-specific **tax breaks** that shift costs onto households and small businesses.⁴

California does not hand data centers a blanket sales tax exemption. The cost arrives another way: the state's own ratepayer watchdog warns Californians could pay for **billions in grid upgrades** for projects that **never materialize** or use far less power than promised. Historically only **13%** of the capacity that enters an interconnection queue ever gets built.⁵

THE JOB CREATION MYTH

FEWER JOBS. RISING COSTS

"Tech companies are investing hundreds of billions of dollars in data centers across the country. But despite the record-setting price tags, the centers create few jobs."

NPR'S ALL THINGS CONSIDERED⁶

Big Tech promises economic development, but data centers create **few permanent local jobs** while raising costs for existing small businesses.

Data centers are among the least labor-intensive structures in the economy, generating roughly **one permanent job per 5,000 square feet**.⁷

In Santa Clara, three data center buildings totaling **890,000 square feet** were projected to employ **160 people** – one job for every **5,500 square feet**.⁸

THE SECRECY

THEY'RE HIDING WHO THEY ARE

Local officials are forced to sign **non-disclosure agreements**, and companies **sue towns that say no**.^{10 11}

Until September, California had hundreds of data centers and **no public accounting** of the electricity or water any of them used.⁹

When lawmakers first tried to fix that, **industry lobbyists weakened the bill** – and the Data Center Coalition and Silicon Valley Leadership Group opposed it to the end.⁹

PUBLIC OPINION

CALIFORNIANS OVERWHELMINGLY OPPOSE BIG TECH'S DEMANDS

A July 2026 Public Policy Institute of California survey of 1,578 Californians found **73% oppose** the construction of data centers in their communities.¹²

Nationally, **71% of Americans** oppose building an AI data center in their local area – **more than oppose a nuclear power plant** nearby (53%).¹³

Overall, **85% of Americans** want lawmakers to pass a law that forces Big Tech, not taxpayers, to pay for the true cost of data centers.¹⁴

WHAT NEEDS TO CHANGE

- **Big Tech creates these costs, so Big Tech should pay them.** Not the family down the road, and not the small business trying to keep the lights on.
- Stop the false choice between community investment and giving trillion-dollar companies **blank checks**. Force tech giants to pay for their data centers, instead of hardworking Californians.
- California just enacted **seven new data center laws**, requiring data centers to pay their share of grid upgrades, report their water and electricity use, and prove they will not shift costs to ratepayers before they can claim environmental streamlining.¹⁵
- The **Public Utilities Commission** has until **July 2027** to write the new rate structures, and wide discretion over how strictly it separates data center costs. It should separate them **in full**. Lawmakers should close the gap they left: the tariffs reach only facilities connecting **from 2027**, exempting every data center already operating here.¹⁵

MAKE BIG TECH PAY!

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