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Solar United Neighbors Data Center Policy

SUN believes that local residents should determine if data centers are in the public interest and whether the tradeoff between harms and benefits meets community goals. Elected officials and developers should respect the outcome of a thorough decision-making process. This requires public transparency, meaningful community involvement, realistic cost-benefit analysis, and enforceable policies that protect ratepayers, taxpayers, grid reliability, and public health and natural resources.

SUN also believes that if the community wants to site a data center then it should be powered 100% by new clean energy resources such as solar, battery storage, and distributed virtual power plants, and they should bring long-term tangible benefits to local residents.

For the community to make informed decisions, local data center discussions should be rooted in the following core principles and practices:

Community decides

- Communities have the power to reject proposed projects and, if they decide to locate data centers, to influence decisions and negotiate concessions to maximize short and long-term local benefits.
- A transparent and inclusive political process should be required to ensure that residents have meaningful opportunities to give input in open public proceedings.
- Data centers should be subject to local zoning standards and responsible siting guidelines, without exemptions.
- Data center projects should include substantive community benefits for local residents.



Meaningful community involvement

- Local governments should ensure that the public is able to engage in the decision-making deliberations early and at frequent intervals during every aspect of the community decision-making process.
- They should seek out and recognize a range of the community's perspectives, including the voices from underrepresented and historically marginalized populations, guided by energy justice and participatory approaches.
- They should establish and maintain direct dialogue and information sharing between project developers and the public with transparency. Non-disclosure agreements should be avoided (see Transparency section below).
- They should devote resources to help the public's understanding of the often technical and complex issues involved in data center proposals.

Transparency

- For every proposed project, regulators should require public disclosure of:
 - Costs, contract terms, and grid impacts, so communities know the full electric system costs for these projects.
 - Government entities should not enter into any non-disclosure agreements (NDAs) with data center developers.
 - Identities of the parties in the project including all financial interests.
 - Projected cost of any additional taxpayer-funded services (roads, water, sewer, fire, police, garbage, plowing, etc.), including on-going maintenance on infrastructure such as widened roads.
 - Through an independent and realistic cost-benefit and impact study, the economic, environmental, public health, grid reliability costs, as well as , and any mitigation efforts needed to address harmful impacts such as noise, pollution, traffic, water usage.
 - Contingencies if the data center doesn't open, or closes after the opening.



- If a data center receives tax credits or other taxpayer funded subsidies, long-term economic benefit analysis and return on investment, and mandatory regular reporting to the local or state government providing those incentives.

Ratepayer and taxpayer protection

- Data centers developers, not the public, should pay for the full costs of their projects and associated infrastructure. States should explicitly prohibit utilities from passing those costs onto residential and small business customers.
- Making sure data centers pay will likely require long-term contracts with cancellation penalties, high minimum bills and demand charges, collateral requirements, upfront payments,
- States should require data centers to pay tariffs or special rate classes and reliability rules for large loads.
- No local or state taxpayer-funded subsidies should be given to data center developers.

Powered by clean energy

- Data centers should be required to be powered by new, on-site or nearby 100% local clean energy resources, including solar, battery storage backup, and local distributed energy resources (rooftop solar and batteries, EV batteries, smart appliances, etc) via a virtual power plant program. Polluting diesel generators should not be used as backup power.
- If projects are designed as non-grid tied solar and battery microgrids, they should be subject to all federal and state environmental and health standards (no exemptions). Furthermore, microgrids based on technologies with negative impacts in the community should be prohibited.
- Generally, data centers should be integrated with the grid, and add to local clean energy deployment, resiliency, and safety.



Grid reliability

- Data centers should not impose greater pressure on our already stressed grid, and utilities must prioritize electrical service to homes, schools, hospitals, and emergency services.
- Utilities should have the power to limit data center energy use during emergencies or grid peaks as a condition for connecting to the grid.
- During high electricity demand, data centers should utilize their own solar + storage capacity to withstand brownouts, or be required to reduce, shift, or curtail their energy use, through flexible interconnection agreements and capacity curtailment rules for large loads, or on site or locally distributed storage that is paid for by the project.

Protecting public health, safety, and natural resources

- Data centers should not threaten public health and natural resources, and they should be required to follow all federal, state, and local health, safety, and environmental laws and standards (no exemptions).
- They should not be allowed to increase local toxic air pollution by using fossil fuels and dirty diesel or methane-powered generators.
- Data centers currently require massive amounts of water to cool their operations, and their use of local ground-water resources should be strictly limited, and controlled. They should be required to report expected and actual water consumption, and to integrate “water-lean” technologies such as closed loop systems, dry cooling and brackish water reuse.