Policy Matters Ohio

POLICY BRIEF

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Data centers slow Ohio's clean energy transition

Without support for renewables, they may reverse progress

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Data centers' unique, substantial energy needs play a major role in reinforcing our fossil fuel reliance, slowing or reversing progress toward the clean energy transition. Since data centers use electricity 24/7 to maintain service availability,[1] they often rely on "baseload" or "dispatchable" resources: energy generation powered by coal, natural gas, or nuclear technologies. As a result, Ohio has seen a recent surge in announced investments in natural gas generation and nuclear build-out,[2] corresponding with efforts to block the retirement of highly emissive coal plants.[3]

The rapid expansion of natural gas capacity contributes to a dirtier energy mix. Though natural gas-powered facilities release fewer emissions than coal plants,[4] gas combustion still emits high levels of CO_2 and other harmful pollutants, compared to clean energy sources.[5] In fact, the projected growth in natural gas-fired generation is expected to offset the decrease in carbon emissions driven by coal plant retirement, leading to a net increase (+0.4%) in U.S. power sector emissions between 2026 and 2027.[6]

At the same time, natural gas extraction creates serious risks to the climate and public health. Substantial volumes of methane — a highly-potent greenhouse gas — can leak into the atmosphere during the extraction and processing of natural gas.[7] In addition to releasing heat-trapping methane into the air, hydraulic fracturing — or fracking, the process used in oil and gas extraction — disrupts local ecosystems while draining and contaminating the local water supply.[8] Fracking involves injecting huge amounts of water treated with toxic chemicals into the ground to create gas wells, with risks including surface spills, irresponsible wastewater disposal, and drinking-water contamination caused by inadequate well integrity. [9]

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[1] Data centers are classified by a tier system that ranges by "uptime" standards, or the expectation for data centers' servers to be up and running. Tier I data centers run 99.671% of the time (28.8 hours of downtime annually), while tier IV data centers – the highest tier – feature 99.995% uptime (no more than 26.3 minutes of downtime per year).
[2] Including a $33 billion dollar investment announced for 9.2 GW of natural gas-powered capacity to serve a 10 GW data center in Ohio's Pike County, representing a partnership between Japan and the U.S. government.
[3] "Reality Check: We Have What's Needed to Reliably Power the Data Center Boom, and It's Not Coal Plants," by Gabriella Tosado, Ashtin Massie, & Joe Daniel. RMI. August 2025.
[4] Natural gas explained: Natural gas and the environment. U.S. Energy Information Administration.
[5] "Renewable energy – powering a safer and prosperous future." United Nations.
[6] Short-Term Energy Outlook. U.S. Energy Information Administration, April 2026.
[7] Natural gas explained: Natural gas and the environment. U.S. Energy Information Administration.
[8] Ibid.
[9] Ibid.

In 2025, the Ohio Power Siting Board (OPSB) approved over 2,000 MW of behind-the-meter generation powered by natural gas[10] — enough to power 1.4 million homes.[11] As of June 2026, data center projects include plans for at least 3,330 MW more in BTM generation capacity.[12]

The push for natural gas-powered BTM facilities may also increase fracking activity, along with corresponding health and environmental risks. In fact, as of April 2026, Ohio has approved fracking on 8,749 acres of public land, with another 8,367 acres nominated for consideration by the Ohio Department of Natural Resources (ODNR).[13] From 2023 through 2025, ODNR approved an average of 4,501 acres per year — just over half the acreage approved in the first four months of 2026.

Large-scale data centers are also investing in nuclear power, a high-cost, high-risk generation source. For example, Meta recently entered into a power purchase agreement (PPA) to procure capacity from three Vistra nuclear facilities — including the Ohio-based Perry and Davis-Besse plants,[14] formerly owned by a FirstEnergy affiliate, which were bailed out by the infamous HB 6.[15]

Data centers are also considering BTM nuclear power, including small modular reactors (SMRs),[16] an emerging nuclear technology whose scale enables them to be deployed faster than conventional nuclear power plants.[17] Research has linked proximity to nuclear plants with increased cancer mortality rates in surrounding communities.[18] Radioactive waste produced by nuclear plants can take thousands of years to decay, posing serious, long-term health hazards and environmental risks.[19] Improper nuclear waste management or radioactive spills have risks for soil and water contamination, increasing communities' exposure to radioactive hazards.

As of January 2026, only two SMRs were in commercial operation worldwide.[20] But to accelerate their deployment, the Nuclear Regulatory Commission — the federal regulatory body responsible for licensing nuclear facilities — has proposed rules to relax requirements for SMR project approvals and oversight.[21] Ohio communities should not be used as test cases for experimental nuclear technology, without transparency, community input, and stringent regulatory protections.

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[10] Public Utilities Commission of Ohio presentation to Ohio Senators during briefing on HB 15 impacts. March 2026; Natural Gas & Combined Heat and Power Projects in Ohio (updated 5/28/2026). Ohio Power Siting Board.

[11] Based on average sales (kWh) per residential customer in Ohio, using data from Electric Power Monthly, Electricity sales to ultimate customer by state and sector (retail sales of electricity and number of customer accounts, January-December, 2025), Energy Information Administration.

[12] Natural Gas & Combined Heat and Power Projects in Ohio (updated 5/28/2026). Ohio Power Siting Board.

[13] Fracking approval data were provided by Cathy Cowan Becker, co-founder of Save Ohio Parks, a nonprofit organization that has been tracking fracking activity in Ohio.

[14] "Vistra and Meta Announce Agreements to Support Nuclear Plants in PJM and Add New Nuclear Generation to the Grid." Vistra Corp, January 2026.

[15] Read the Environmental Law & Policy Center's explainer on House Bill 6 for more information on the largest bribery scheme in Ohio's history.

[16] "Ohio bet big on data centers; now it needs the power," by Anna Staver. Cleveland.com, January 2026.

[17] "Understand Small Modular Reactors." Stanford University, September 2025.

[18] "Proximity to nuclear power plants associated with increased cancer mortality," by Maya Brownstein. Harvard T.H. Chan School of Public Health, February 2026.

[19] "Nuclear explained," Nuclear power and the environment. U.S. Energy Information Administration.

[20] "Ohio bet big on data centers; now it needs the power," by Anna Staver. Cleveland.com, January 2026.

[21] EO14300 Rulemaking: NRC Proposes Most Comprehensive Modernization of Reactor Licensing in Decades. NRC News, July 2026.

Ohio has the potential to be a national leader in clean energy production. Instead of fast-tracking fossil-fuel dependent projects, state legislators should be leveraging the extraordinary financial capacity of data center companies to increase our use of renewables.