

Moerdler in Construction Dive and Heatmap News: Data Center Restrictions in Pennsylvania and New York

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Data center development is facing new regulatory hurdles as states take different approaches to energy use, grid costs and project approvals. Haynes Boone Partner [Jeff Moerdler](#) recently spoke with *Construction Dive* about Pennsylvania's new requirements for data center projects, including how they could affect development timelines, and with *Heatmap News* about New York's one-year moratorium on new large data center development.

Read an excerpt from *Construction Dive* below and the full article [here](#).

New York, for example, enacted in July the first statewide moratorium on data center construction permits.

"That was to give New York time to study and decide what to do about data centers in New York and what restrictions to impose," Jeff Moerdler, chair of the data center and digital infrastructure practice at Haynes Boone, told Construction Dive. "Pennsylvania skipped that step and went direct to the executive order." ...

Any moratorium decisions by states, regardless of final outcome, will have multiyear impacts on data center construction activity, said Moerdler. In other words, developers who once were considering sites in these states will now look elsewhere, he said.

"There's complete uncertainty," Moerdler told Construction Dive. "Pennsylvania doesn't quite go that far in establishing a moratorium, but they have set a much more stringent set of criteria, so it will be a site-specific decision." ...

The order should have little, if any, "material impact" on shovel-ready projects, Moerdler said. On the other hand, projects earlier in the process still in need of key approvals, particularly Pennsylvania DEP approval, now face a stricter path, he said. ...

Read an excerpt from *Heatmap News* below and the full article [here](#).

"I don't think we know yet how this will impact what's known as behind-the-meter or off-the-grid power solutions: natural gas, cogeneration, solar, wind, battery storage," Jeffrey Moerdler, a partner at the law firm Haynes Boone who chairs the data center practice, told me. "I assume it will hold up data centers powered by alternative energy sources."

As for whether Hochul can successfully keep the one-year moratorium a year (temporary policies have a tendency to become permanent), develop new rules to address her concerns about grid costs and local opposition, and then have data centers line up to get back into New York, Moerdler was skeptical.

"It's going to take years to make up for that shift" against data center development, he told me, predicting that the moratorium could lead to "many years of new data centers not locating here

because they already started during that one-year period somewhere else.”