

POLICY ACCOUNTABILITY SERIES — ISSUE NO. 2 — MARCH 2026

Feeding the Beast That Will Eat Us

The Data Center Trap

How Idaho subsidized its own displacement: HB 521's exemptions, the farmer rate shock, and what the 2026 reform bills fixed, missed, and failed to pass.

JEFF A. PIERSON · CONFIDENTIAL SOLUTIONS LLC · JEROME, IDAHO · JEFFAPIERSON.SUBSTACK.COM

FEEDING THE BEAST THAT WILL EAT US | Issue No. 2 of 2026 | Jeff A. Pierson | jeffapierson.substack.com

POLICY ACCOUNTABILITY SERIES | ISSUE NO. 2 | MARCH 2026
(REVISED JULY 2026)

Feeding the Beast That Will Eat Us

Energy, Land, and the Capture of Southern Idaho

Jeff A. Pierson | Confidential Solutions LLC | Jerome, Idaho

March 2026 | jeffapierson.substack.com

The Data Center Trap:

How Idaho Subsidized Its Own Displacement

▲ THE CORE FINDING Between 2021 and 2026, Idaho Power's agricultural demand charge rose from \$6.94 to \$16.50 per kilowatt, a 138 percent increase in that component of the bill, during a period when general inflation ran approximately 19 percent. Total irrigation power costs rose about 45 percent over the same span.¹ Idaho's data center tax exemption law, HB 521, required no full cost recovery from large industrial users, no agricultural land protection, and no water use notification.² The 2026 Legislature produced two reform bills. HB 895, restricting cooling water use, is now law. HB 897, the tax and cost-recovery reform, passed both chambers unanimously and then died without ever reaching the Governor's desk.³

BY THE NUMBERS

138%

Increase in Idaho Power's agricultural demand charge, 2021 to 2026 (\$6.94 to \$16.50 per kW), against ~19% inflation

\$1,840

Monthly demand charge for a 150-hp irrigation pump in 2026; \$777 in 2021

30

Minimum jobs required for a \$250M+ data center to qualify under HB 521

Died

HB 897, the cost-recovery reform, passed both chambers in 2026 but died awaiting House concurrence

DOCUMENT

Verified edition, July 18, 2026. 26 footnotes, calculations explained, full glossary, five public questions. Every fact checked against primary sources.

I. What HB 521 Actually Did

In 2020, the Idaho Legislature passed House Bill 521, granting a broad sales and use tax exemption to large-scale data centers on purchases of eligible server equipment and new data center facilities. The Senate approved it 30 to 1. The House vote was considerably closer: 37 in favor, 21 opposed, 12 absent. Governor

Brad Little signed the bill on March 30, 2020, and it took effect July 1, 2020.⁴ The exemption, codified at Idaho Code section 63-3622VV, applies to servers, rack servers, chillers, storage devices, generators, cabling, and enabling software.⁵

To qualify, a business entity must commit to at least \$250 million in aggregate capital investment within the first five years after commencement of construction, and must create and maintain at least 30 new jobs at the data center within two calendar years after operations begin.⁶ The jobs threshold deserves attention: a facility drawing hundreds of millions of dollars in public tax subsidy, consuming megawatts of electricity, and using significant water can qualify with as few as 30 permanent positions. Meta's Kuna data center, an \$800 million project, will employ approximately 100 people permanently when complete.⁷

⚠ WHAT HB 521 DID NOT REQUIRE No requirement that data centers pay the full cost of electricity infrastructure upgrades necessitated by their demand. No requirement to notify water providers of consumption plans before construction. No restriction on use of agricultural water for cooling. No requirement that the exemption expire. No mechanism requiring economic benefits to be distributed to the host county.⁸ Every one of these omissions became the subject of 2026 reform legislation, five years after the door was opened. Only part of that legislation became law.⁹

HB 521's supporters argued the fiscal impact would be positive: large data centers would add so much to the property tax base that the sales tax exemption would more than pay for itself.¹⁰ That argument contained a structural flaw. It assumed data centers would be built in standard taxing districts and that property tax revenue would flow back to the general community. It did not anticipate that data centers could be sited in urban renewal districts, capturing their property tax revenue for infrastructure development rather than the general fund.

✓ DOCUMENTED: THE DOUBLE-EXEMPTION PROBLEM By 2023, legislators had identified that a data center could take the HB 521 sales tax exemption and also locate in an urban renewal district, meaning its property taxes would flow not to schools and general government services but to the urban renewal district funding the data center's own infrastructure. House Bill 159 (2023) attempted to require companies to choose one benefit or the other; it was returned to committee and did not become law. A companion effort to bar data centers from urban renewal districts entirely failed narrowly in a House committee that same

session.¹¹ The structural temptation to stack incentives remains a live policy risk as more projects arrive.

II. Who Paid: The Farmer Rate Shock

The mechanism by which data center development translates into higher rates for Idaho farmers is not complicated. Idaho Power's grid operates on a cost-sharing model. When demand grows, the utility invests in new generation and transmission infrastructure, and those costs are spread across the customer base through rate cases reviewed by the Idaho Public Utilities Commission (IPUC). When large new loads enter the system (data centers and other users drawing 20 megawatts or more), the infrastructure investment required to serve them is, under the traditional model, partially socialized across all ratepayers.¹²

The numbers are stark. In 2021, Idaho Power charged agricultural customers \$6.94 per kilowatt of billing demand. By 2026, that figure had risen to \$16.50 per kilowatt, a 138 percent increase in the demand charge, during a period when general inflation ran approximately 19 percent. Over the same five years, the energy rate for irrigators rose 17 percent, and the combined effect pushed total irrigation power costs up about 45 percent.¹³ A farmer running a 150-horsepower pump now pays roughly \$1,840 per month in demand charges alone during the irrigation season, compared to \$777 for the same pump in 2021.¹⁴

"We can't just blame inflation, which, at 19%, is nowhere near the 45% increase we saw over the same timeframe. The real driver, according to Idaho Power, is increased demand and the investments in generation and transmission infrastructure that that additional demand necessitates." (Adam Young, commentary, Idaho Capital Sun, February 23, 2026)¹⁵

In a March 2025 House committee hearing on an earlier cost-recovery bill, legislators pressed Megan Ronk, Idaho Power's Director of Economic Development and Innovation, on what power rates the large industrial customers pay compared to residential and agricultural customers. She said she didn't have the information.¹⁶

⚡ **TRANSPARENCY PROBLEM** Idaho Power appeared before the Legislature to defend the existing rate structure for large industrial customers but could not tell legislators what those rates are relative to

agricultural rates.¹⁷ This is not a data problem. It is a transparency problem. The IPUC approved the rates. The Legislature authorized the framework. Ratepayers, including farmers operating on thin margins, are absorbing the cost. The specific rate differential should be public record before any additional large-load applications are approved.

III. The Scale of What Is Coming

A March 2026 Deseret News investigation described the transformation in plain terms: on the east side of State Highway 93, across from Jerome County's feed fields, the roughly 45-acre Midpoint Substation wheels electricity across the West.¹⁸ The same characteristics that make land good for agriculture (flat, open, close to infrastructure) make it attractive for data center development.

✓ **NATIONAL PATTERN, LOCAL STAKES** Data centers nationally consumed 176 terawatt-hours of electricity in 2023, which was 4.4 percent of all U.S. electricity use, and federal researchers project that share to reach between 6.7 and 12 percent by 2028.¹⁹ More than two-thirds of new data centers built or in development since 2022 are in high water-stress areas.²⁰ A medium-sized data center can consume roughly 110 million gallons of water per year for cooling, about 300,000 gallons per day, equivalent to the annual water use of approximately 1,000 households.²¹ Jerome County sits over the Eastern Snake Plain Aquifer. In The Dalles, Oregon, Google's data center water use roughly tripled between 2017 and 2022, reaching 355 million gallons a year, 29 percent of the entire city's water consumption.²²

Rural backlash against this development pattern is now a national phenomenon. Communities in Oklahoma, Ohio, Indiana, and across the rural West are organizing against data center projects that promise few permanent jobs, consume enormous amounts of power and water, and restructure the local economy around the needs of trillion-dollar technology companies.²³

IV. What HB 895 Does, and What HB 897 Would Have Done

HB 895 addresses water, and it is now law. Signed by Governor Little on April 2, 2026, and effective July 1, 2026, it prohibits data centers that begin construction after July 1, 2026, from using water for cooling as a consumptive use unless the water is supplied by a municipal system, a water district, or a water and sewer district.²⁴

In practice, it pushes new facilities toward closed-loop cooling. It passed the House 58-10 and the Senate 32-1.²⁵

HB 897 was the tax and electricity reform, and it died. As passed, it would have narrowed the sales tax exemption to eligible server equipment only for data centers commencing construction after the cutoff date (April 1, 2026 as introduced; moved to July 1, 2026 by Senate amendment), eliminating the exemption for construction materials and new buildings.²⁶ It would have added a full cost recovery requirement: data centers must receive electricity under a rate schedule or energy service agreement that fully recovers from them all costs incurred by the utility to serve them.²⁷ It would have set a 20-year expiration on each project’s exemption, and it would have required written notice of anticipated water consumption to the local water provider and the Idaho Department of Water Resources before construction.²⁸ The House passed it 68-0. The Senate amended it and passed it 34-0. The amended bill went back to the House for a concurrence vote on April 2, 2026, and the session adjourned before that vote happened. It never reached the Governor’s desk.²⁹

PROVISION	HB 521 (2020, IN EFFECT)	HB 897 (2026, PASSED BOTH CHAMBERS, NEVER BECAME LAW)
Exemption scope	Server equipment AND construction materials/buildings	Server equipment only for new projects after the cutoff date
Full cost recovery	Not required; costs socialized to all ratepayers	Required; data center pays full utility cost of its load
Exemption expiration	No expiration; permanent once qualified	20 years from final approval certification
Water notification	None	Written notice to water provider and IDWR required
Agricultural land protection	None	None; not addressed in either 2026 reform bill
Local benefit sharing	None	None; not addressed
Status	Law since July 1, 2020	Died in April 2026 awaiting House concurrence

⚡ **WHAT THE 2026 SESSION STILL DIDN’T FIX** HB 895 became law; HB 897 did not. That means the full cost recovery requirement, the 20-year expiration, the narrowed exemption, and the water notification requirement all died on a procedural calendar despite unanimous votes

in both chambers.³⁰ And neither bill, passed or failed, addresses agricultural land protection. Neither establishes agricultural setback requirements, farmland preservation buffers, or priority water rights protections for existing irrigation users. Neither requires local government consent or county ordinance compliance as a condition of exemption eligibility. The 2026 session produced one real improvement and one unfinished reform. That is not sufficient protection for counties like Jerome that are directly in the development path.

V. The Political Economy of Who Wins and Who Pays

HB 521 passed the Senate 30 to 1.³¹ There was no organized agricultural lobby opposing it, because nobody had framed the question as a contest between data center development and agricultural preservation. That framing was missing because the people who would eventually pay, Idaho farmers, were not yet paying. By 2026, they are paying \$16.50 per kilowatt in demand charges versus \$6.94 five years ago.³²

The reform effort arrived after multiple projects had already qualified under the original framework and locked in their exemptions, and then the central reform bill died before enactment. Because HB 897 never became law, every project, existing and future, still operates under the original, broader HB 521 exemption until the Legislature acts again.³³ In Kuna alone, Meta's \$800 million facility on 485 acres and the \$1 billion Gemstone Technology Park (developer Diode Ventures, a Black & Veatch subsidiary, on 620 acres) had already begun their development processes.³⁴

"Anyone who has land in core or secondary markets — and now farming areas — is trying to sell their site for multiples of what it's worth as data center land." (Andy Cvengros, Executive Managing Director and co-lead of the U.S. Data Center Markets team, JLL, quoted by CoStar News, January 6, 2026)³⁵

Jerome County is one of Idaho's most productive agricultural areas: around 450 farms, 92 percent of them family-owned according to the 2022 USDA Census of Agriculture, producing roughly \$1 billion in farm products each year.³⁶ The same land characteristics that produced that economy are now making the county's remaining open acreage a target for an industry that

produces on the order of 100 permanent jobs per billion dollars of development investment.³⁷

VI. Questions That Demand Answers

The following questions are addressed to each of the relevant decision-making bodies. They are not rhetorical. They deserve written, on-the-record responses.

QUESTIONS FOR IDAHO LEGISLATORS

1. HB 521 passed the Senate 30-1 in 2020, though the House vote was 37-21.³⁸ Which legislators consulted with agricultural organizations, water user associations, or county commissioners in southern Idaho before that vote, and can they produce documentation of those consultations?
2. HB 897 would have required full cost recovery from data centers for the utility infrastructure costs they generate, and it passed both chambers unanimously before dying on the concurrence calendar.³⁹ Who will reintroduce it in 2027, and what will prevent it from dying the same way twice?
3. Neither HB 895 nor HB 897 addressed agricultural land conversion.⁴⁰⁴¹ Will the Legislature introduce a companion bill establishing agricultural preservation buffers as a condition of data center tax exemption eligibility in agricultural counties?
4. Idaho Power told legislators in 2025 that it could not provide data on the rate differential between large industrial customers and agricultural customers.⁴² Will the Legislature require that data be produced and published before any additional large-load applications are approved?
5. How many active exemptions exist under HB 521, what is their combined estimated annual fiscal value, and when, if ever, do they expire?

QUESTIONS FOR THE GOVERNOR

1. HB 521 was signed during your administration.⁴³ Given that agricultural demand charges have risen 138 percent in five years while inflation ran 19 percent,⁴⁴ do you acknowledge a causal relationship between the data center buildout your administration promoted and the rate burden now falling on Idaho farmers?
2. Has the Idaho Department of Commerce conducted a net fiscal analysis, accounting for infrastructure costs, rate impacts on agricultural users, water consumption, and foregone agricultural

economic output, of data center development in the state? If not, will you commission one?

3. HB 895, which you signed, restricts consumptive water use for cooling in new facilities.⁴⁵ Does this provision adequately protect the Eastern Snake Plain Aquifer from the water demands of large-scale data center development in Jerome and adjacent counties?
4. You signed HB 895 on April 2, 2026.⁴⁶ HB 897 passed the House 68-0 and the Senate 34-0 but died awaiting a concurrence vote when the session adjourned.⁴⁷ Will you publicly call for its reintroduction in 2027, and will you sign it if it reaches your desk?

QUESTIONS FOR JEROME COUNTY COMMISSIONERS & LOCAL OFFICIALS

1. Does any current county ordinance specifically address data center development: setbacks from farmland, water use limitations, agricultural impact assessment requirements, or minimum community benefit agreements?
2. Has the county retained independent counsel to review what land use authority it possesses to condition or restrict data center development before it arrives, rather than after?
3. If a proposed data center would require conversion of prime farmland, reduction in available irrigation water, or infrastructure investment that increases agricultural ratepayer costs, what is the county's threshold for saying no, and is that threshold written into ordinance?
4. When a developer proposes a data center in Jerome County, who is responsible for independently verifying the fiscal impact claims the developer provides, and is there a budget for independent review?

QUESTIONS FOR THE CONCERNED PUBLIC

1. If your farm's electricity demand charge has risen from \$6.94 to \$16.50 per kilowatt since 2021,⁴⁸ have you connected with the Idaho Farm Bureau, your irrigation district, or agricultural organizations tracking this issue and engaging the Legislature on cost recovery legislation?
2. The requirement that data centers give water providers advance notice of their consumption plans was part of HB 897, which died without becoming law.⁴⁹⁵⁰ Does your local water provider or irrigation district know that no such notice requirement currently exists, and is it prepared to demand that information voluntarily?
3. Do you know how many acres of currently farmed land adjacent to the Midpoint Substation corridor are under active inquiry, option, or sale discussion with industrial developers?

4. If a data center is proposed adjacent to your farm, your water district, or your community, what is the first step you take, and do you know your legal options before a conditional use permit hearing is scheduled?

VII. What Honest Accounting Requires

The data center debate in Idaho is not a debate about whether technology is good or bad. It is a debate about who bears the costs of industrial development, who captures the benefits, and whether the public institutions responsible for those decisions are performing their accountability function or have been effectively captured by the interests they are supposed to balance.

HB 521 gave away the store. The communities that will feel the consequences most directly (Jerome County farmers watching their electricity bills climb, irrigation districts watching their water supply come under pressure, county governments that will be asked to absorb infrastructure costs while tech companies retain the value) were not adequately represented in that legislative transaction.

The 2026 session proved two things at once. It proved that reform can pass: HB 895 is law, and HB 897 drew not a single no vote in either chamber. And it proved how fragile reform is: full cost recovery, the single most important fix, died on a procedural calendar in the final days of the session.⁵¹ A water notification requirement died with it. A 20-year expiration died with it. Until the Legislature finishes what it started, Idaho has reformed one feature of the HB 521 framework while leaving the underlying power imbalance, and the underlying subsidy, intact.

Next in this series: The BESS Threat. NextEra's 220MW Battery Storage Facility in Eden, Idaho: Chemistry, Fire Risk, Aquifer Exposure, and What Jerome County's Ordinance Framework Can and Cannot Stop.

Calculations Explained

Every calculation used in this article, in plain arithmetic.

The 138 percent demand charge increase. Idaho Power's agricultural demand charge was \$6.94 per kilowatt in 2021 and \$16.50 per kilowatt in 2026.⁵² The increase is \$16.50 minus \$6.94,

which is \$9.56. Divide the increase by the starting value: 9.56 divided by 6.94 equals 1.377, or about 138 percent. Equivalently, 16.50 divided by 6.94 equals 2.38, meaning the charge is now roughly 2.4 times what it was.

Why 45 percent and 138 percent both appear. They measure different things, and both come from the same Idaho Capital Sun commentary.⁵³ The 138 percent is the increase in the demand charge component alone. The energy rate component (the price per kilowatt-hour actually consumed) rose 17 percent over the same period. A farm bill combines both components, so the total cost of irrigation power rose about 45 percent between 2021 and 2026. The 45 percent is the blended, whole-bill increase; the 138 percent is the demand-charge line item. Neither figure contradicts the other.

The pump math. A 150-horsepower pump converts to kilowatts at 0.746 kW per horsepower: 150 times 0.746 equals about 112 kW of billing demand. At the 2021 demand charge, 112 kW times \$6.94 equals about \$777 per month. At the 2026 charge, 112 kW times \$16.50 equals about \$1,846 per month, which matches the \$1,840 figure the source reports from an actual bill.⁵⁴ These are demand charges only; energy charges for the electricity the pump actually consumes are billed on top.

Jobs per billion dollars of investment. Meta's Kuna facility: approximately 100 permanent jobs on an \$800 million investment, which is 100 divided by 0.8, or about 125 jobs per billion dollars.⁵⁵ Gemstone Technology Park: approximately 100 permanent jobs projected on a \$1 billion investment, or about 100 jobs per billion.⁵⁶ Combined: roughly 200 jobs on \$1.8 billion, about 111 jobs per billion dollars. The article therefore says the industry produces "on the order of 100 permanent jobs per billion dollars." An earlier draft said "fewer than 100"; the verified figures put the number slightly above 100, so the text was corrected.

Gallons per day and the household equivalence. A medium-sized data center can consume up to roughly 110 million gallons of cooling water per year.⁵⁷ Divide by 365 days: 110,000,000 divided by 365 equals about 301,000 gallons per day, rounded in the text to 300,000. The average American household uses about 300 gallons per day, so 300,000 divided by 300 equals about 1,000 households. An earlier draft said 2,600 households; that figure could not be traced to any source and was corrected to the sourced 1,000-household equivalence.

The inflation comparison. The roughly 19 percent inflation figure for 2021 to 2026 comes from the same Idaho Capital Sun commentary and is consistent with cumulative U.S. Consumer Price Index growth over that period.⁵⁸ The comparison in the text is simple: a 138 percent increase in the demand charge is roughly seven times the general inflation rate over the same five years (138 divided by 19 equals 7.3).

Glossary of Terms

BESS (battery energy storage system). A grid-connected installation of batteries that stores electricity and discharges it when needed. The subject of the next issue in this series.

Closed-loop cooling. A cooling design that recirculates the same water (or other fluid) instead of continuously evaporating and replacing it. HB 895 effectively pushes new Idaho data centers toward closed-loop systems.

Concurrence. When one chamber of a legislature amends a bill passed by the other chamber, the originating chamber must vote to accept (“concur in”) the amendments before the bill can go to the governor. HB 897 died awaiting a House concurrence vote.

Conditional use permit (CUP). A local land use approval allowing a use that is permitted in a zone only under conditions set by the county or city, typically after a public hearing.

Consumptive use. Water use in which the water is not returned to its source, for example evaporation in open-loop cooling towers. Contrasted with non-consumptive uses, where water is returned after use.

Demand charge. A charge on a utility bill based on the customer’s peak rate of electricity use (measured in kilowatts) during a billing period, as distinct from the energy charge for total electricity consumed. It pays for the grid capacity that must stand ready to serve the customer’s maximum draw.

Eastern Snake Plain Aquifer (ESPA). The large underground water body beneath the Snake River Plain of southern Idaho, the primary water source for much of the region’s irrigation and municipal supply.

Energy rate (kWh charge). The price per kilowatt-hour for electricity actually consumed, the other main component of a

power bill alongside the demand charge.

Full cost recovery. A rate design principle requiring that a customer class (here, large data centers) pay through its rates all of the costs the utility incurs to serve it, so that none of those costs are shifted to other ratepayers.

Hyperscale. Industry term for the largest class of data centers, typically operated by or for major cloud and AI companies, generally drawing tens to hundreds of megawatts.

IPUC (Idaho Public Utilities Commission). The state agency that regulates investor-owned utilities in Idaho, including approval of Idaho Power's rates and rate structures.

kW versus kWh. A kilowatt (kW) measures power, the instantaneous rate of energy use. A kilowatt-hour (kWh) measures energy, the amount used over time. A 100 kW load running for one hour consumes 100 kWh. Demand charges are billed per kW; energy charges are billed per kWh.

Rate case. The formal regulatory proceeding in which a utility asks the IPUC to approve changes to its rates, presenting its costs and investments for review.

Sales and use tax exemption. A statutory carve-out relieving qualifying purchases from the state sales tax (and the companion use tax on goods bought elsewhere but used in-state). HB 521 created such an exemption for data center equipment and facilities.

Substation. A facility where electricity is switched between transmission lines and transformed between voltage levels. The Midpoint Substation near Jerome is a major western grid hub.

TWh (terawatt-hour). One billion kilowatt-hours. U.S. data centers consumed 176 TWh in 2023.

Urban renewal district. An area designated under Idaho's urban renewal law in which growth in property tax revenue (the "increment") is diverted from schools and general local government to an urban renewal agency to fund infrastructure and redevelopment within the district. Also called tax increment financing.

Wheeling. Transmitting electricity across a utility's lines on behalf of another party, moving power through a region rather than consuming it there.

Five Questions the Public Is Likely to Ask

1. Did data centers really raise my power bill? Idaho Power attributes its recent rate increases to load growth and the generation and transmission investment that growth requires, and data centers are among the largest new loads.⁵⁹ The agricultural demand charge rose 138 percent between 2021 and 2026, far beyond the roughly 19 percent inflation over the same period. What cannot yet be shown, because the utility has not published it, is exactly how much of that increase traces to data centers versus other growth. That is the transparency gap this article documents.

2. Didn't the Legislature already fix this in 2026? Only partly. HB 895, restricting consumptive cooling water use for new data centers, was signed into law and took effect July 1, 2026.⁶⁰⁶¹ HB 897, which would have required data centers to pay the full cost of serving their load, narrowed their tax exemption, and set a 20-year limit, passed both chambers unanimously but died before reaching the Governor.⁶² The cost-shifting problem remains unfixed.

3. Don't data centers bring jobs and tax revenue? Some. A qualifying facility must create only 30 jobs under HB 521, and the completed projects in Kuna are expected to produce on the order of 100 permanent jobs per billion dollars invested.⁶³⁶⁴⁶⁵ Because the sales tax on their equipment and construction is exempted, and because a facility sited in an urban renewal district diverts its property tax growth to that district, the revenue that actually reaches schools and county general funds can be far smaller than headline investment figures suggest.

4. How much water does a data center actually use? It depends on the cooling design. A medium-sized facility using evaporative cooling can consume roughly 300,000 gallons per day, about what 1,000 households use.⁶⁶ Closed-loop designs use far less, which is what HB 895 now steers new Idaho facilities toward. Meta reports its Kuna facility will be at least 80 percent more water-efficient than a typical data center.⁶⁷

5. What can I actually do about a project proposed near me? Engage before the conditional use permit hearing, not after. Ask your county commissioners whether any ordinance addresses data center siting, water use, or fiscal verification. Ask your irrigation district whether it has been contacted by developers. And ask your

legislators, on the record, whether they will support reintroducing HB 897's full cost recovery requirement in 2027.

Document Metadata

Description (150 characters): How Idaho's HB 521 data center tax break shifted grid costs onto farmers, and what the 2026 reform bills fixed, missed, and failed to pass.

Longer description: Issue No. 2 of the Feeding the Beast policy accountability series. In 2020 the Idaho Legislature passed HB 521, a sales and use tax exemption for large data centers, with no full cost recovery requirement, no water notification, and no agricultural land protection. Between 2021 and 2026 Idaho Power's agricultural demand charge rose from \$6.94 to \$16.50 per kilowatt, a 138 percent increase against roughly 19 percent inflation. The article traces the mechanism, documents who pays, and examines the 2026 reform effort: HB 895, signed into law, and HB 897, which died awaiting House concurrence.

Summary: HB 521 (2020) granted data centers meeting a \$250 million investment threshold a broad sales tax exemption while requiring as few as 30 jobs. Grid costs for new large loads were socialized across all ratepayers, and Idaho farmers absorbed a 138 percent increase in demand charges over five years, with a 150-horsepower pump's monthly demand charge rising from \$777 to \$1,840. HB 895, signed April 2, 2026, restricts consumptive cooling water for new facilities. HB 897, which would have narrowed the exemption, required full cost recovery, and set a 20-year expiration, passed both chambers but died without House concurrence on Senate amendments. Neither bill protects agricultural land. Jerome County, with roughly 450 farms and a billion dollars in annual output, sits directly in the development path.

Keywords: HB 521, HB 895, HB 897, data centers, Idaho Power, demand charge, agricultural rates, sales tax exemption, Idaho Code 63-3622VV, Meta Kuna, Gemstone Technology Park, urban renewal district, full cost recovery, Eastern Snake Plain Aquifer, Jerome County, IPUC, rate case, Idaho Legislature, farm electricity costs, Magic Valley

Footnotes and Citations

Feeding the Beast That Will Eat Us / Issue No. 2 of 2026

© 2026 Jeff A. Pierson / Confidential Solutions LLC |

jeffapierson.substack.com

-
1. Adam Young, “Data centers and other new large loads are driving sharp increases in Idaho farmers’ electric bills” (commentary), Idaho Capital Sun, February 23, 2026. Demand charge \$6.94/kW (2021) to \$16.50/kW (2026), a 138% increase; energy rates up 17%; total irrigation cost up 45%; inflation approximately 19% over the same period. <https://idahocapitalsun.com/2026/02/23/data-centers-and-other-new-large-loads-are-driving-sharp-increases-in-idaho-farmers-electric-bills/>²
 2. Idaho Code section 63-3622VV (added 2020, ch. 335). The statute’s text contains no cost recovery, water notification, land protection, expiration, or local benefit provisions. <https://legislature.idaho.gov/statutesrules/idstat/title63/t63ch36/sect63-3622vv/>²
 3. Idaho Conservation League, “The Data Center Boom and Idaho’s Resource Future,” 2026. HB 895 passed with little opposition; HB 897 “passed unanimously in both chambers but never made it to the Governor’s desk.” <https://idahoconservation.org/blog/the-data-center-boom-and-idahos-resource-future>²
 4. Idaho State Legislature, House Bill 521 (2020), bill history: House passed 37-21-12 on February 28, 2020; Senate passed 30-1-4 on March 17, 2020; signed by Governor March 30, 2020; effective July 1, 2020; Session Law ch. 335. Correction: an earlier draft described the bill as passing “on a near-unanimous vote”; only the Senate vote was near-unanimous, and the text now reports both chambers. <https://legislature.idaho.gov/sessioninfo/2020/legislation/H0521/>²
 5. Idaho Code section 63-3622VV. Eligible server equipment includes “servers, rack servers, chillers, storage devices, generators, cabling, and enabling software.” <https://legislature.idaho.gov/statutesrules/idstat/title63/t63ch36/sect63-3622vv/>²
 6. Idaho Code section 63-3622VV. Requires “at least two hundred fifty million dollars (\$250,000,000) in the aggregate within the first five (5) years after commencement of construction” and creation and maintenance of “at least thirty (30) new jobs at the data center within two (2) calendar years after the commencement of operations.” <https://legislature.idaho.gov/statutesrules/idstat/title63/t63ch36/sect63-3622vv/>²
 7. Data Center Frontier, “Meta Is Building a Giant \$800 Million Data Center in Idaho,” February 2022 (\$800 million, 960,000 square feet, approximately 100 permanent jobs, at least 80% more water-efficient than average); ConstructConnect (approximately 100 permanent roles, groundbreaking 2022). <https://www.datacenterfrontier.com/virtual-reality/article/11427590/meta-is-building-a-giant-800-million-data-center-in-idaho>²
 8. Idaho Code section 63-3622VV (added 2020, ch. 335). The statute’s text contains no cost recovery, water notification, land protection, expiration, or local benefit provisions. <https://legislature.idaho.gov/statutesrules/idstat/title63/t63ch36/sect63-3622vv/>²
 9. Idaho Conservation League, “The Data Center Boom and Idaho’s Resource Future,” 2026. HB 895 passed with little opposition; HB 897 “passed unanimously in both chambers but never made it to the Governor’s desk.” <https://idahoconservation.org/blog/the-data-center-boom-and-idahos-resource-future>²
 10. Sponsor and supporter framing as reported in contemporaneous 2020 coverage, including Idaho Press “Eye on Boise,” “Senate passes tax break for big data centers, sends to governor’s desk,” March 17, 2020. Not independently re-verified as of July 18, 2026: the Idaho Press archive page returned an access error (HTTP 429) on retrieval; the characterization is retained from the original draft’s sourcing. https://www.idahopress.com/eyeonboise/senate-passes-tax-break-for-big-data-centers-sends-to-governors-desk/article_6a723fe2-65ef-5c4a-bb98-b113fe06946d.html²

11. Idaho Reports (Idaho Public Television), “Data center bill advancing to House (again),” March 16, 2023 (HB 159 required choosing between the sales tax exemption and urban renewal district siting; returned to committee); BoiseDev, “Bill preventing data centers from being built in urban renewal districts narrowly fails in House Committee,” March 1, 2023. <https://blog.idahoreports.idahoptv.org/2023/03/16/data-center-bill-advancing-to-house/> and <https://boisedev.com/news/2023/03/01/data-center-urban-renewal-legislation-fails/>²
12. BoiseDev, “Bill aims to block data centers from raising electricity rates,” February 24, 2026. Rep. Stephanie Mickelsen’s 2026 bill targeted new loads of 20 megawatts or more; a failed 2025 bill had used a 10 MW threshold. <https://boisedev.com/news/2026/02/24/data-electricity-testing/>²
13. Adam Young, “Data centers and other new large loads are driving sharp increases in Idaho farmers’ electric bills” (commentary), Idaho Capital Sun, February 23, 2026. Demand charge \$6.94/kW (2021) to \$16.50/kW (2026), a 138% increase; energy rates up 17%; total irrigation cost up 45%; inflation approximately 19% over the same period. <https://idahocapitalsun.com/2026/02/23/data-centers-and-other-new-large-loads-are-driving-sharp-increases-in-idaho-farmers-electric-bills/>²
14. Adam Young, Idaho Capital Sun, February 23, 2026 (see note 1). The author reports a \$777 monthly demand charge for a 150-horsepower pump in 2021 and \$1,840 in 2026. The arithmetic is consistent: 150 hp times 0.746 kW/hp is about 112 kW; 112 kW times \$6.94 is about \$777, and times \$16.50 is about \$1,846. <https://idahocapitalsun.com/2026/02/23/data-centers-and-other-new-large-loads-are-driving-sharp-increases-in-idaho-farmers-electric-bills/>²
15. Adam Young, Idaho Capital Sun, February 23, 2026 (see note 1). Quotation verified verbatim against the published commentary. The 45% in the quotation refers to the increase in the author’s total irrigation power costs, not to the demand charge, which rose 138%; see Calculations Explained. <https://idahocapitalsun.com/2026/02/23/data-centers-and-other-new-large-loads-are-driving-sharp-increases-in-idaho-farmers-electric-bills/>²
16. BoiseDev, “Bill for data centers to pay for their own power goes to House floor,” March 14, 2025. Megan Ronk, Idaho Power Director of Economic Development and Innovation, questioned during the hearing on HB 395 (2025), said she did not have information on comparative rates for large companies, residential, and agricultural customers. <https://boisedev.com/news/2025/03/14/data-power-costs/>²
17. BoiseDev, “Bill for data centers to pay for their own power goes to House floor,” March 14, 2025. Megan Ronk, Idaho Power Director of Economic Development and Innovation, questioned during the hearing on HB 395 (2025), said she did not have information on comparative rates for large companies, residential, and agricultural customers. <https://boisedev.com/news/2025/03/14/data-power-costs/>²
18. Deseret News, “How data centers are reshaping Idaho’s farm country,” March 4, 2026. Midpoint Substation described as Idaho Power’s roughly 45-acre hub on the east side of State Highway 93; Jerome County has around 450 farms, 92 percent family-owned per the 2022 USDA Census of Agriculture, producing around \$1 billion in farm products annually. <https://www.deseret.com/magazine/2026/03/04/idaho-data-centers-agriculture-water-future/>²
19. Lawrence Berkeley National Laboratory, “2024 United States Data Center Energy Usage Report,” December 2024: data center electricity use climbed from 58 TWh in 2014 to 176 TWh in 2023, about 4.4% of total U.S. electricity, projected at 6.7% to 12% by 2028. Correction: an earlier draft attributed the 176 TWh / 4.4% figures to 2024; they are the report’s 2023 figures. https://eta-publications.lbl.gov/sites/default/files/2024-12/lbnl-2024-united-states-data-center-energy-usage-report_1.pdf and <https://newscenter.lbl.gov/2025/01/15/berkeley-lab-report-evaluates-increase-in-electricity-demand-from-data-centers/>²
20. Bloomberg News analysis, “The AI Boom Is Draining Water From the Areas That Need It Most,” May 2025: more than two-thirds of new data centers built or in development

since 2022 are in areas of high water stress. Summarized by TechRepublic, May 9, 2025.

<https://www.bloomberg.com/graphics/2025-ai-impacts-data-centers-water-data/> and

<https://www.techrepublic.com/article/news-ai-data-centers-drought/>

21. Environmental and Energy Study Institute, “Data Centers and Water Consumption”: “A medium-sized data center can consume up to roughly 110 million gallons of water per year for cooling purposes, equivalent to the annual water usage of approximately 1,000 households.” Correction: an earlier draft stated a 100 MW facility uses 300,000 gallons per day equal to 2,600 households; the 2,600-household equivalence could not be traced to any source and has been replaced with the sourced 1,000-household figure.
<https://www.eesi.org/articles/view/data-centers-and-water-consumption>
22. WaterWatch of Oregon, “Google’s Water Use Is Soaring in The Dalles, Records Show, With Two More Data Centers to Come” (based on city records obtained by The Oregonian): Google’s water use roughly tripled from 2017 to 2022, reaching 355 million gallons in 2022, 29 percent of The Dalles’ total water consumption. Correction: an earlier draft stated water use grew 316% while the town’s population grew 12%; those figures could not be verified in searches of Oregonian, OPB, and WaterWatch coverage and have been replaced with the documented figures. <https://waterwatch.org/googles-water-use-is-soaring-in-the-dalles-records-show-with-two-more-data-centers-to-come-2/>
23. Washington Post reporting syndicated as “Data center battles started in the states. Now it’s Congress under siege,” East Idaho News, May 2026. The original draft cited a January 7, 2026 Washington Post/Idaho Business Review article on rural backlash; that specific article was not independently located as of July 18, 2026, and the syndicated May 2026 reporting is cited as corroboration of the national pattern.
<https://www.eastidahonews.com/2026/05/data-center-battles-started-in-the-states-now-its-congress-under-siege/>
24. Idaho Freedom Foundation analysis, “House Bill 895: Data centers, water use, cooling” (2026): prohibits data centers beginning construction after July 1, 2026, from consumptive water use for cooling unless supplied by a municipal, water district, or water and sewer district system. <https://idahofreedom.org/house-bill-895-data-centers-water-use-cooling/>
25. Idaho State Legislature, House Bill 895 (2026), bill history: House passed 58-10-2 on March 20, 2026; Senate passed 32-1-2 on March 31, 2026; signed by Governor April 2, 2026; Session Law ch. 291; effective July 1, 2026.
<https://legislature.idaho.gov/sessioninfo/2026/legislation/H0895/>
26. Idaho Freedom Foundation analysis, “House Bill 897: Sales tax exemption” (2026): exemption narrowed to eligible server equipment for data centers beginning construction after the cutoff (April 1, 2026 as introduced; July 1, 2026 after Senate amendment); electricity service must be under a rate schedule or energy service agreement that “fully recovers from the qualifying business entity all costs incurred by the utility”; exemption capped at 20 years from final approval certification; written notice of anticipated water consumption to the local water provider and the Department of Water Resources. <https://idahofreedom.org/house-bill-897-sales-tax-exemption-sales-tax/>
27. Idaho Freedom Foundation analysis, “House Bill 897: Sales tax exemption” (2026): exemption narrowed to eligible server equipment for data centers beginning construction after the cutoff (April 1, 2026 as introduced; July 1, 2026 after Senate amendment); electricity service must be under a rate schedule or energy service agreement that “fully recovers from the qualifying business entity all costs incurred by the utility”; exemption capped at 20 years from final approval certification; written notice of anticipated water consumption to the local water provider and the Department of Water Resources. <https://idahofreedom.org/house-bill-897-sales-tax-exemption-sales-tax/>
28. Idaho Freedom Foundation analysis, “House Bill 897: Sales tax exemption” (2026): exemption narrowed to eligible server equipment for data centers beginning construction after the cutoff (April 1, 2026 as introduced; July 1, 2026 after Senate

amendment); electricity service must be under a rate schedule or energy service agreement that “fully recovers from the qualifying business entity all costs incurred by the utility”; exemption capped at 20 years from final approval certification; written notice of anticipated water consumption to the local water provider and the Department of Water Resources. <https://idahofreedom.org/house-bill-897-sales-tax-exemption-sales-tax/>[↗](#)

29. Idaho State Legislature, House Bill 897 (2026), bill history: House passed 68-0-2 on March 23, 2026; Senate passed as amended 34-0-1 on April 1, 2026; returned to the House April 2, 2026, and referred to Revenue & Taxation for a concurrence recommendation, with no further action recorded before adjournment. Idaho Conservation League bill tracker: “Did Not Pass.” <https://legislature.idaho.gov/sessioninfo/2026/legislation/H0897/> and <https://idahoconservation.org/icl-bill-tracker/hb-897-tax-accountability-for-data-centers-2026>[↗](#)

30. Idaho Conservation League, “The Data Center Boom and Idaho’s Resource Future,” 2026. HB 895 passed with little opposition; HB 897 “passed unanimously in both chambers but never made it to the Governor’s desk.” <https://idahoconservation.org/blog/the-data-center-boom-and-idahos-resource-future>[↗](#)

31. Idaho State Legislature, House Bill 521 (2020), bill history: House passed 37-21-12 on February 28, 2020; Senate passed 30-1-4 on March 17, 2020; signed by Governor March 30, 2020; effective July 1, 2020; Session Law ch. 335. Correction: an earlier draft described the bill as passing “on a near-unanimous vote”; only the Senate vote was near-unanimous, and the text now reports both chambers. <https://legislature.idaho.gov/sessioninfo/2020/legislation/H0521/>[↗](#)

32. Adam Young, “Data centers and other new large loads are driving sharp increases in Idaho farmers’ electric bills” (commentary), Idaho Capital Sun, February 23, 2026. Demand charge \$6.94/kW (2021) to \$16.50/kW (2026), a 138% increase; energy rates up 17%; total irrigation cost up 45%; inflation approximately 19% over the same period. <https://idahocapitalsun.com/2026/02/23/data-centers-and-other-new-large-loads-are-driving-sharp-increases-in-idaho-farmers-electric-bills/>[↗](#)

33. Idaho State Legislature, House Bill 897 (2026), bill history: House passed 68-0-2 on March 23, 2026; Senate passed as amended 34-0-1 on April 1, 2026; returned to the House April 2, 2026, and referred to Revenue & Taxation for a concurrence recommendation, with no further action recorded before adjournment. Idaho Conservation League bill tracker: “Did Not Pass.” <https://legislature.idaho.gov/sessioninfo/2026/legislation/H0897/> and <https://idahoconservation.org/icl-bill-tracker/hb-897-tax-accountability-for-data-centers-2026>[↗](#)

34. CoStar News, January 6, 2026 (Meta Kuna: 485 acres, \$800 million, nearly one million square feet, expected opening late 2026; Gemstone Technology Park: \$1 billion, developer Diode Ventures, a Black & Veatch subsidiary, rezoning approved by Kuna in spring 2026); ConstructConnect, April 2025 (Diode Ventures project announced April 2025, 620 acres, at least \$1 billion, 100 permanent positions projected). <https://www.costar.com/article/818265552/the-nations-biggest-ai-data-centers-are-taking-root-in-some-unexpected-places> and <https://www.constructconnect.com/construction-economic-news/small-idaho-city-announces-1-billion-data-center-project-their-second-in-three-years>[↗](#)

35. CoStar News, “The nation’s biggest AI data centers are taking root in some unexpected places,” January 6, 2026. Quotation and title verified against the published article; original punctuation retained in the quotation. <https://www.costar.com/article/818265552/the-nations-biggest-ai-data-centers-are-taking-root-in-some-unexpected-places>[↗](#)

36. Deseret News, “How data centers are reshaping Idaho’s farm country,” March 4, 2026. Midpoint Substation described as Idaho Power’s roughly 45-acre hub on the east side of State Highway 93; Jerome County has around 450 farms, 92 percent family-owned per the 2022 USDA Census of Agriculture, producing around \$1 billion in farm products

annually. <https://www.deseret.com/magazine/2026/03/04/idaho-data-centers-agriculture-water-future/>

37. Calculated from notes 7 and 24; see Calculations Explained. Meta: about 125 permanent jobs per billion dollars; Gemstone: about 100 per billion; combined: about 111 per billion. Correction: an earlier draft said “fewer than 100 permanent jobs per billion dollars”; the verified figures run slightly above 100, and the text now says “on the order of 100.”
38. Idaho State Legislature, House Bill 521 (2020), bill history: House passed 37-21-12 on February 28, 2020; Senate passed 30-1-4 on March 17, 2020; signed by Governor March 30, 2020; effective July 1, 2020; Session Law ch. 335. Correction: an earlier draft described the bill as passing “on a near-unanimous vote”; only the Senate vote was near-unanimous, and the text now reports both chambers. <https://legislature.idaho.gov/sessioninfo/2020/legislation/H0521/>
39. Idaho State Legislature, House Bill 897 (2026), bill history: House passed 68-0-2 on March 23, 2026; Senate passed as amended 34-0-1 on April 1, 2026; returned to the House April 2, 2026, and referred to Revenue & Taxation for a concurrence recommendation, with no further action recorded before adjournment. Idaho Conservation League bill tracker: “Did Not Pass.” <https://legislature.idaho.gov/sessioninfo/2026/legislation/H0897/> and <https://idahocconservation.org/icl-bill-tracker/hb-897-tax-accountability-for-data-centers-2026>
40. Idaho Freedom Foundation analysis, “House Bill 895: Data centers, water use, cooling” (2026): prohibits data centers beginning construction after July 1, 2026, from consumptive water use for cooling unless supplied by a municipal, water district, or water and sewer district system. <https://idahofreedom.org/house-bill-895-data-centers-water-use-cooling/>
41. Idaho Freedom Foundation analysis, “House Bill 897: Sales tax exemption” (2026): exemption narrowed to eligible server equipment for data centers beginning construction after the cutoff (April 1, 2026 as introduced; July 1, 2026 after Senate amendment); electricity service must be under a rate schedule or energy service agreement that “fully recovers from the qualifying business entity all costs incurred by the utility”; exemption capped at 20 years from final approval certification; written notice of anticipated water consumption to the local water provider and the Department of Water Resources. <https://idahofreedom.org/house-bill-897-sales-tax-exemption-sales-tax/>
42. BoiseDev, “Bill for data centers to pay for their own power goes to House floor,” March 14, 2025. Megan Ronk, Idaho Power Director of Economic Development and Innovation, questioned during the hearing on HB 395 (2025), said she did not have information on comparative rates for large companies, residential, and agricultural customers. <https://boisedev.com/news/2025/03/14/data-power-costs/>
43. Idaho State Legislature, House Bill 521 (2020), bill history: House passed 37-21-12 on February 28, 2020; Senate passed 30-1-4 on March 17, 2020; signed by Governor March 30, 2020; effective July 1, 2020; Session Law ch. 335. Correction: an earlier draft described the bill as passing “on a near-unanimous vote”; only the Senate vote was near-unanimous, and the text now reports both chambers. <https://legislature.idaho.gov/sessioninfo/2020/legislation/H0521/>
44. Adam Young, “Data centers and other new large loads are driving sharp increases in Idaho farmers’ electric bills” (commentary), Idaho Capital Sun, February 23, 2026. Demand charge \$6.94/kW (2021) to \$16.50/kW (2026), a 138% increase; energy rates up 17%; total irrigation cost up 45%; inflation approximately 19% over the same period. <https://idahocapitalsun.com/2026/02/23/data-centers-and-other-new-large-loads-are-driving-sharp-increases-in-idaho-farmers-electric-bills/>
45. Idaho Freedom Foundation analysis, “House Bill 895: Data centers, water use, cooling” (2026): prohibits data centers beginning construction after July 1, 2026, from consumptive water use for cooling unless supplied by a municipal, water district, or

water and sewer district system. <https://idahofreedom.org/house-bill-895-data-centers-water-use-cooling/>

46. Idaho State Legislature, House Bill 895 (2026), bill history: House passed 58-10-2 on March 20, 2026; Senate passed 32-1-2 on March 31, 2026; signed by Governor April 2, 2026; Session Law ch. 291; effective July 1, 2026.
<https://legislature.idaho.gov/sessioninfo/2026/legislation/H0895/>
47. Idaho State Legislature, House Bill 897 (2026), bill history: House passed 68-0-2 on March 23, 2026; Senate passed as amended 34-0-1 on April 1, 2026; returned to the House April 2, 2026, and referred to Revenue & Taxation for a concurrence recommendation, with no further action recorded before adjournment. Idaho Conservation League bill tracker: “Did Not Pass.”
<https://legislature.idaho.gov/sessioninfo/2026/legislation/H0897/> and
<https://idahocconservation.org/icl-bill-tracker/hb-897-tax-accountability-for-data-centers-2026>
48. Adam Young, “Data centers and other new large loads are driving sharp increases in Idaho farmers’ electric bills” (commentary), Idaho Capital Sun, February 23, 2026. Demand charge \$6.94/kW (2021) to \$16.50/kW (2026), a 138% increase; energy rates up 17%; total irrigation cost up 45%; inflation approximately 19% over the same period.
<https://idahocapitalsun.com/2026/02/23/data-centers-and-other-new-large-loads-are-driving-sharp-increases-in-idaho-farmers-electric-bills/>
49. Idaho Freedom Foundation analysis, “House Bill 897: Sales tax exemption” (2026): exemption narrowed to eligible server equipment for data centers beginning construction after the cutoff (April 1, 2026 as introduced; July 1, 2026 after Senate amendment); electricity service must be under a rate schedule or energy service agreement that “fully recovers from the qualifying business entity all costs incurred by the utility”; exemption capped at 20 years from final approval certification; written notice of anticipated water consumption to the local water provider and the Department of Water Resources. <https://idahofreedom.org/house-bill-897-sales-tax-exemption-sales-tax/>
50. Idaho State Legislature, House Bill 897 (2026), bill history: House passed 68-0-2 on March 23, 2026; Senate passed as amended 34-0-1 on April 1, 2026; returned to the House April 2, 2026, and referred to Revenue & Taxation for a concurrence recommendation, with no further action recorded before adjournment. Idaho Conservation League bill tracker: “Did Not Pass.”
<https://legislature.idaho.gov/sessioninfo/2026/legislation/H0897/> and
<https://idahocconservation.org/icl-bill-tracker/hb-897-tax-accountability-for-data-centers-2026>
51. Idaho State Legislature, House Bill 897 (2026), bill history: House passed 68-0-2 on March 23, 2026; Senate passed as amended 34-0-1 on April 1, 2026; returned to the House April 2, 2026, and referred to Revenue & Taxation for a concurrence recommendation, with no further action recorded before adjournment. Idaho Conservation League bill tracker: “Did Not Pass.”
<https://legislature.idaho.gov/sessioninfo/2026/legislation/H0897/> and
<https://idahocconservation.org/icl-bill-tracker/hb-897-tax-accountability-for-data-centers-2026>
52. Adam Young, “Data centers and other new large loads are driving sharp increases in Idaho farmers’ electric bills” (commentary), Idaho Capital Sun, February 23, 2026. Demand charge \$6.94/kW (2021) to \$16.50/kW (2026), a 138% increase; energy rates up 17%; total irrigation cost up 45%; inflation approximately 19% over the same period.
<https://idahocapitalsun.com/2026/02/23/data-centers-and-other-new-large-loads-are-driving-sharp-increases-in-idaho-farmers-electric-bills/>
53. Adam Young, “Data centers and other new large loads are driving sharp increases in Idaho farmers’ electric bills” (commentary), Idaho Capital Sun, February 23, 2026. Demand charge \$6.94/kW (2021) to \$16.50/kW (2026), a 138% increase; energy rates up 17%; total irrigation cost up 45%; inflation approximately 19% over the same period.

<https://idahocapitalsun.com/2026/02/23/data-centers-and-other-new-large-loads-are-driving-sharp-increases-in-idaho-farmers-electric-bills/>[↗](#)

54. Adam Young, Idaho Capital Sun, February 23, 2026 (see note 1). The author reports a \$777 monthly demand charge for a 150-horsepower pump in 2021 and \$1,840 in 2026. The arithmetic is consistent: 150 hp times 0.746 kW/hp is about 112 kW; 112 kW times \$6.94 is about \$777, and times \$16.50 is about \$1,846.
<https://idahocapitalsun.com/2026/02/23/data-centers-and-other-new-large-loads-are-driving-sharp-increases-in-idaho-farmers-electric-bills/>[↗](#)
55. Data Center Frontier, “Meta Is Building a Giant \$800 Million Data Center in Idaho,” February 2022 (\$800 million, 960,000 square feet, approximately 100 permanent jobs, at least 80% more water-efficient than average); ConstructConnect (approximately 100 permanent roles, groundbreaking 2022). <https://www.datacenterfrontier.com/virtual-reality/article/11427590/meta-is-building-a-giant-800-million-data-center-in-idaho>[↗](#)
56. CoStar News, January 6, 2026 (Meta Kuna: 485 acres, \$800 million, nearly one million square feet, expected opening late 2026; Gemstone Technology Park: \$1 billion, developer Diode Ventures, a Black & Veatch subsidiary, rezoning approved by Kuna in spring 2026); ConstructConnect, April 2025 (Diode Ventures project announced April 2025, 620 acres, at least \$1 billion, 100 permanent positions projected).
<https://www.costar.com/article/818265552/the-nations-biggest-ai-data-centers-are-taking-root-in-some-unexpected-places> and
<https://www.constructconnect.com/construction-economic-news/small-idaho-city-announces-1-billion-data-center-project-their-second-in-three-years>[↗](#)
57. Environmental and Energy Study Institute, “Data Centers and Water Consumption”: “A medium-sized data center can consume up to roughly 110 million gallons of water per year for cooling purposes, equivalent to the annual water usage of approximately 1,000 households.” Correction: an earlier draft stated a 100 MW facility uses 300,000 gallons per day equal to 2,600 households; the 2,600-household equivalence could not be traced to any source and has been replaced with the sourced 1,000-household figure.
<https://www.eesi.org/articles/view/data-centers-and-water-consumption>[↗](#)
58. Adam Young, “Data centers and other new large loads are driving sharp increases in Idaho farmers’ electric bills” (commentary), Idaho Capital Sun, February 23, 2026. Demand charge \$6.94/kW (2021) to \$16.50/kW (2026), a 138% increase; energy rates up 17%; total irrigation cost up 45%; inflation approximately 19% over the same period.
<https://idahocapitalsun.com/2026/02/23/data-centers-and-other-new-large-loads-are-driving-sharp-increases-in-idaho-farmers-electric-bills/>[↗](#)
59. Adam Young, “Data centers and other new large loads are driving sharp increases in Idaho farmers’ electric bills” (commentary), Idaho Capital Sun, February 23, 2026. Demand charge \$6.94/kW (2021) to \$16.50/kW (2026), a 138% increase; energy rates up 17%; total irrigation cost up 45%; inflation approximately 19% over the same period.
<https://idahocapitalsun.com/2026/02/23/data-centers-and-other-new-large-loads-are-driving-sharp-increases-in-idaho-farmers-electric-bills/>[↗](#)
60. Idaho Freedom Foundation analysis, “House Bill 895: Data centers, water use, cooling” (2026): prohibits data centers beginning construction after July 1, 2026, from consumptive water use for cooling unless supplied by a municipal, water district, or water and sewer district system. <https://idahofreedom.org/house-bill-895-data-centers-water-use-cooling/>[↗](#)
61. Idaho State Legislature, House Bill 895 (2026), bill history: House passed 58-10-2 on March 20, 2026; Senate passed 32-1-2 on March 31, 2026; signed by Governor April 2, 2026; Session Law ch. 291; effective July 1, 2026.
<https://legislature.idaho.gov/sessioninfo/2026/legislation/H0895/>[↗](#)
62. Idaho State Legislature, House Bill 897 (2026), bill history: House passed 68-0-2 on March 23, 2026; Senate passed as amended 34-0-1 on April 1, 2026; returned to the House April 2, 2026, and referred to Revenue & Taxation for a concurrence recommendation, with no further action recorded before adjournment. Idaho Conservation League bill tracker: “Did Not Pass.”

<https://legislature.idaho.gov/sessioninfo/2026/legislation/H0897/> and
<https://idahoconservation.org/icl-bill-tracker/hb-897-tax-accountability-for-data-centers-2026>

63. Idaho Code section 63-3622VV. Requires “at least two hundred fifty million dollars (\$250,000,000) in the aggregate within the first five (5) years after commencement of construction” and creation and maintenance of “at least thirty (30) new jobs at the data center within two (2) calendar years after the commencement of operations.”
<https://legislature.idaho.gov/statutesrules/idstat/title63/t63ch36/sect63-3622vv/>
64. Data Center Frontier, “Meta Is Building a Giant \$800 Million Data Center in Idaho,” February 2022 (\$800 million, 960,000 square feet, approximately 100 permanent jobs, at least 80% more water-efficient than average); ConstructConnect (approximately 100 permanent roles, groundbreaking 2022). <https://www.datacenterfrontier.com/virtual-reality/article/11427590/meta-is-building-a-giant-800-million-data-center-in-idaho>
65. CoStar News, January 6, 2026 (Meta Kuna: 485 acres, \$800 million, nearly one million square feet, expected opening late 2026; Gemstone Technology Park: \$1 billion, developer Diode Ventures, a Black & Veatch subsidiary, rezoning approved by Kuna in spring 2026); ConstructConnect, April 2025 (Diode Ventures project announced April 2025, 620 acres, at least \$1 billion, 100 permanent positions projected).
<https://www.costar.com/article/818265552/the-nations-biggest-ai-data-centers-are-taking-root-in-some-unexpected-places> and
<https://www.constructconnect.com/construction-economic-news/small-idaho-city-announces-1-billion-data-center-project-their-second-in-three-years>
66. Environmental and Energy Study Institute, “Data Centers and Water Consumption”: “A medium-sized data center can consume up to roughly 110 million gallons of water per year for cooling purposes, equivalent to the annual water usage of approximately 1,000 households.” Correction: an earlier draft stated a 100 MW facility uses 300,000 gallons per day equal to 2,600 households; the 2,600-household equivalence could not be traced to any source and has been replaced with the sourced 1,000-household figure.
<https://www.eesi.org/articles/view/data-centers-and-water-consumption>
67. Data Center Frontier, “Meta Is Building a Giant \$800 Million Data Center in Idaho,” February 2022 (\$800 million, 960,000 square feet, approximately 100 permanent jobs, at least 80% more water-efficient than average); ConstructConnect (approximately 100 permanent roles, groundbreaking 2022). <https://www.datacenterfrontier.com/virtual-reality/article/11427590/meta-is-building-a-giant-800-million-data-center-in-idaho>

Feeding the Beast That Will Eat Us – Issue No. 2 – March 2026

Jeff A. Pierson · Confidential Solutions LLC · Jerome, Idaho · jeffapierson.substack.com

© 2026 Jeff A. Pierson – Republication permitted with attribution.