

DATA CENTERS

INDUSTRY IMPACTS IN VIRGINIA

ABOUT THE ISSUE

Virginia today holds the largest global concentration of data centers — the physical structures that store our digital footprint — anywhere in the world. This multibillion-dollar industry has grown rapidly in the past few years, requiring huge amounts of energy, land, and water to operate and resulting in widespread community impacts.

Without swift intervention from our elected officials, the continued proliferation of data centers in the Commonwealth will derail critical climate goals and efforts to improve air and water quality, advance land conservation, and protect national and state parks.



Continued reliance on polluting fossils fuels

According to PJM, nearly all projected electricity demand growth through 2045 is attributable to data centers. Dominion Energy claims it will not be able to meet this projection without keeping coal on the grid and expanding natural gas facilities.



New and expanded transmission lines

Utilities are legally obligated to serve data centers, no matter how much power is requested or where the data center is located. New and expanded transmission line rights-of-ways have cut through conserved lands, parks, and neighborhoods.



Water usage and surface runoff

A data center can consume millions of gallons of water a day depending on its cooling system. The buildings also cover large acreages with impervious surfaces, leading to increased stormwater runoff into local waterways sourced for drinking water.



Direct costs to ratepayers and taxpayers

Virginians currently subsidize the data center industry in two big ways: (1) by paying for its required transmission upgrades through their monthly electric bills, and (2) through billions in state tax exemptions.



Local impacts to communities

Many localities have and continue to approve the siting of data centers adjacent to parks, residential neighborhoods, schools, medical facilities, and nursing homes — bringing noise pollution, diesel generators, and other potential impacts with them.

BILLS SUPPORTED BY THE VIRGINIA DATA CENTER REFORM COALITION

The JLARC study of data centers is a good step forward but more action is needed quickly. Some bills that could provide meaningful oversight and reform of the data center are listed below.

HB116 - Sullivan (D)/SB192 - Subramanyam (D): Requires data center operators to meet certain energy efficiency standards to be eligible for the sales and use tax exemption

HB910 - Srinivasan (D): Data centers must report to DOE the amount of energy consumed by resource in the previous quarter

HB337 - Lovejoy (R), Thomas (D)/SB284 - Roem (D): Siting of data centers to have minimal impact on historic, agricultural, and cultural resources, be located outside a 0.5-mile or 1-mile radius of a national or state park or other historically significant site

HB338 - Helmer (D), Lovejoy (R), Thomas (D), HB1010 - Lovejoy (R), SB285 - Roem (D), SB288 - Roem (D), SB289 - Roem (D): Siting assessment requirements regarding location, water usage and management, noise, carbon emissions, etc.

HB340 - Lovejoy (R), Thomas (D)/SB286 - Roem (D), SB708 - Perry (D): Undergrounding of transmission lines within a certain radius of National Parks/state forests and/or in conserved or historic areas

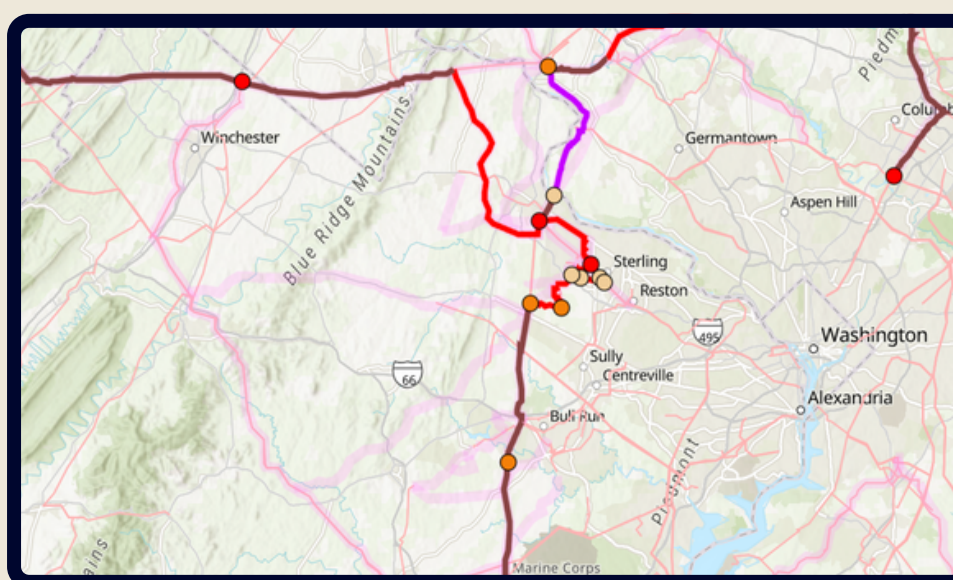
HB1288 - Webert (R), SB191 - Subramanyam (D), SB664 - Stuart (R): Industry pays costs associated with infrastructure serving data centers

SB667 - Stuart (R): Removes the authority to make commitments related to accelerated permitting, property tax classifications, and other such issues in an agreement between a qualified company and a locality for purposes of the Cloud Computing Cluster Infrastructure Grant Fund

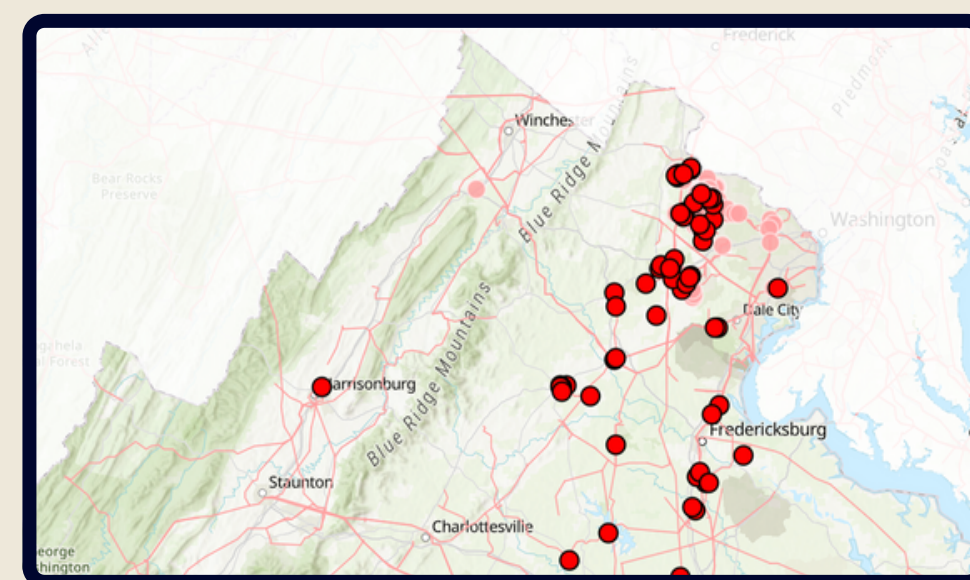
**Resources available at pecva.org/datacenters.*



“Hidden Costs of the Cloud: Data Centers in Virginia” video



Transmission line proposals map



Existing and proposed data centers map