AI Data Centers in Your Backyard: Who Is at Risk?
Webinar
July 22, 2025

TRANSCRIPT BEGINS

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Hi everyone, welcome once again. Welcome to today's webinar that we have titled AI Data Centers in Your Backyard, and we'll be exploring, um, who is at risk. Thank you for being here today, and thank you for spending your morning and afternoon with us.

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My name is Catalina Gonzalez, I'm a Senior Policy Analyst at the Center for Progressive Reform, and I help lead our climate justice program.

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Before we get started, I want to tell you a little bit about the Center for those of you who are new here for the first time, welcome, we're glad to see you here.

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The Center for Progressive Reform is a national advocacy and research organization.

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We work to harness the power of law and public policy to create a responsive government, a healthy environment, and a just society.

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We work together with our national network of member scholars, who are prominent law professors in environment, natural resources, climate, energy, and administrative law.

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Uh, we also have a small staff who have expertise in policy and governance, and of course, we also work together with partners and allies in states across the country.

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At the intersection of administrative law, climate justice governance, and environmental protections. Our panel today features three of our very own analysts and a long-time member scholar, and features one of our incredible allies from Louisiana.

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The Center envisions a government that uses the full force of its power to curb the climate crisis and ensure a sustainable environment.

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Economic justice, healthy workplaces, and communities for all. We believe that our federal and state and local government institutions are a necessary and essential part to responding to the climate crisis.

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And we believe they can be strengthened and transformed to be more fair, inclusive, and responsive to the needs of everyday working-class Americans.

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Um, to ensure that. Our society is equitable, and that we do not repeat the injustices of the past.

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Um, again, want to welcome everyone. Thank you for being here with us today. We'll dig into this topic about the impacts of AI data centers in our communities.

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Again, my name is Catalina Gonzalez, and I'm a Senior Policy Analyst here at the Center.

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Before I introduce you to our incredible lineup of speakers we have for you today, um, who… we have the honor… I have the honor and pleasure of working with in our Climate Justice program, I'd like to give you just a few quick pieces of context and background about why our team thought it was important to share this information.

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And have this conversation with you today about AI data centers.

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This is a new issue for us as well, and we are still learning a lot about… still learning a lot about in this area.

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However, it's clear to us that the issue of data centers and the potential risks they pose to communities where they are being built clearly illustrate how our governing institutions, the climate.

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And protections for communities are interconnected in ways that are important for us to consider.

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These underlying intersections between our democratic institutions, climate, public and public safety are particularly critical to understand.

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As we face unprecedented attacks on science and outsized influence from technology corporations and pressure from these and other private interests.

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To increasingly privatize public goods, services, and programs. Within the federal government.

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Um, while a lot of these, um, impacts are external… negative impacts are externalized to communities.

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Especially as the Trump administration works to advance the implementation of its energy dominance agenda, which aims to advance.

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Fossil fuel industry, oil, gas, coal, and disadvantage its competitors, solar and wind.

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Which are cheaper and now faster to build. Another important recent development to keep in mind is that besides.

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Uh, being the biggest cuts to social safety net in our lifetime, the recent One Big Beautiful Bill Act passed by Congress and signed by President Trump on July 4th.

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Also, effectively repeals clean energy tax credits approved by Congress under the Inflation Reduction Act and attempts to stop the development of renewable energy in the U.S.

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This law impacts not only manufacturers of renewable energy technologies. And individual taxpayers who now have limited time to take advantage of these tax credits, but also impacts developers of technologies like artificial intelligence.

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In order to confront these issues and demand consent, transparency, accountability related to these projects, we need a more clear understanding of our federal, state, and local governing institutions.

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Um, and decision makers, um, and their respective levels of authority, um, in order to have a better understanding.

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Of the energy sources that will, um. That will power these data centers.

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This is the information our speakers will share with you today.

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As you're well aware, AI technology is incredibly popular and widespread.

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There's an AI-generated response that corresponds with every single Google search. Ai is likely to be used… was likely to be used.

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Um, to scan recently to use sensitive, uh, government information at Doge.

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To make decisions about cuts to critical personnel and programs. Recently, AI technology was used to impersonate officials from the State Department.

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And also shared, um, and our president also shared… has also shared AI-generated content and misinformation to attack political opponents.

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There's also evidence that suggests small-scale artificial intelligence within limited ethical bounds can have.

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Can be full of promise. So our goal today is not to demonize artificial intelligence technology, and we'll let… we'll leave it to you to decide whether this technology is necessary. However, just to be clear, the focus of this webinar today.

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Is large, hyperscale data centers. Built to be dependent on fossil fuels that operate on for-profit models.

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They're becoming… increasingly becoming a reality for communities. Alright, now I'm thrilled to introduce a distinguished panel of experts who will give you a roadmap and information to understand the energy landscape of AI data centers.

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And potential policy solutions, and what these could look like. We'll start at a high level with recent Trump administration actions, explain some of the details on how data centers are related to our energy system, and how they could impact your utility bills.

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We'll also take a closer look at the public health implications, and our partners from the Alliance for Affordable Energy will talk about specific projects on the ground in Louisiana they are engaged in educating communities about.

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At the end, we'll also invite you to share questions, and please drop those in the chat.

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As they come up for you. First, we'll hear from Daniel Farber, who is the show's Sato Professor of Law and Director of the California Center for Law, Energy, and Environment at the University of California, Berkeley.

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School of Law. He's a nationally renowned expert in constitutional law and climate change. Brian Dunning is a senior policy analyst at the Center. He's an attorney and has worked in as an environmental lawyer for over 10 years, and also holds a master's in public health.

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He leads our energy justice work in Maryland and the Chesapeake Bay region on behalf of the Center.

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Sophie Loeb is a policy analyst at the Center who has led the Center's energy justice work in North Carolina and the Southeast for the past 3 years.

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Sophie has a background in public health and also holds a master's in… also holds a master's in public health.

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Is an energy expert and co-chairs. Workgroup with the Southeast Climate Energy Network.

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We're also very thrilled to have Katie Miner joining us for today's panel as well.

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Katie is a leading movement builder and organizer grounded in Southwest Louisiana.

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Who works as the Community Solutions Manager at the Alliance for Affordable Energy.

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Without further ado, I want to turn things over to Dan Farber to get us started.

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Oh, great, thank you. Um… So, let's see, uh, let's, um, move to the, uh.

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Next slide from the title. And, uh, let me say just a little bit in additional background.

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Uh, the Department of Energy estimates the power use from data centers could roughly triple.

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From 2023, which is the last. Data we really have now to 2030.

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Uh, this is going to be a big jolt to the permitting system, depending on the source of the power.

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Um, unless they're on federal lands, solar and wind generally requires state or local permits, but not federal permits.

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Uh, thermal power plants, however, that's gas, coal, nuclear. Will require permitting for cooling water, and fossil fuel plants will need air pollution permits. So I'm gonna… sort of explain the permitting system, and then hopefully.

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That will be, uh, useful background for the remaining speakers. So let me begin with projects having a federal nexus. A federal nexus could involve federal funding.

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Or it could involve use of federal land for the data center itself, or for an associated.

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Power generator, uh, the Trump administration has talked about this as an option.

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Those would bring into play the normal federal permitting process. Which would require an environmental impact statement.

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Or at least an environmental assessment. Depending on location, there might also have to be a biological opinion.

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From the Fish and Wildlife Service to ensure endangered Species Act compliance.

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Now, Trump is trying to short-circuit this for all manner of projects.

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Uh, and, uh, so… Uh, he'll undoubtedly try to make this as rapid as possible.

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With as little public input as possible, and we'll just have to see how that plays out.

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Um, in terms of plants that have their own dedicated generation source.

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Where the plant itself. Just hooks into some existing power plant and takes over the output.

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A new nuclear plant would require licensing from the Nuclear Regulatory Commission.

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Another thing that Trump's trying to short-circuit. And a new fossil fuel plant would fall under the Clean Air Act.

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If it's a major source, which I'll explain in a little bit, it would have to go through pre-construction review.

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Cooling water, which is crucial for these plants because, uh. Uh, for these data centers, because.

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The chips can only function. In a narrow range of, uh.

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Temperatures, but they generate a lot of heat. Would also be subject to federal regulation under the Clean Water Act.

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And, uh, in any event, a standalone power plant would need state approval for compliance with the state implementation plan.

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For air pollution. So let's talk about situations, uh, involving the data center itself.

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Uh, one issue is going to be water pollution. Half of data centers apparently don't even track their own water use.

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But the indications are that it can be quite large. Uh, in 2021, for instance, Google data centers.

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Uh, near one Oregon City, the. Used over 355 million gallons for cooling.

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Water goes through multiple cycles, and that concentrates certain pollutants. Such as dissolved solids and chloride.

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And as a result of that. Uh, the water may require pre-treatment or a discharge permit.

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With treatment requirements, depending on whether it goes into the municipal system or is.

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Discharge directly into a water body. And, importantly.

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Uh, the data center may also need some kind of state permit to withdraw the water from.

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Either groundwater or. Hopefully some water body in the first place.

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Uh, and that's going to depend on water law rules in each individual state.

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Air pollution is another issue. Um, emergency generators for backup power require permitting, even if the plant isn't generating all its own.

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Power. In non-attainment areas, which include a lot of the places where you might want to build a data center.

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The threshold for new source review is 100 tons per year of a regulated pollutant.

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And, uh, um… New source review is not only a sort of onerous permitting process.

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But because there are special requirements for non-attainment areas. Uh, it may be necessary to purchase pollution reduction credits.

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In order to bring in the new generators. Uh, staying below the cap.

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Uh, so making sure that you don't hit 100 tons per year or more may require limiting runtime and suspending operations at some point.

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And air dispersion modeling, um. Is needed to ensure compliance with a variety of air standards. You have to find out if there's pollution, where's it going to go.

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And that, uh, turns out not to be technically all that easy, so that's another issue.

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Um, in terms of permitting.

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Uh, EPA has a proposal to speed up air permits for power plants.

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Used for data centers. Uh, today, you, uh, normally have to.

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Get pre-construction approval before you do anything. Um, but EPA plans to allow everything up to actual groundbreaking, all the sort of preliminary work.

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Before the pre-construction review. Um, and… It also says it will address, quote, the minimum requirements.

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For public participation when it comes to minor emitters. So the protest of a few does not unnecessarily thwart progress for all Americans.

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I think this is pretty clearly aimed at resistance from local communities.

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As well as environmental justice concerns. Epa hasn't actually done this as of yet. They're only proposing.

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And planning to do it. Um, so… We'll have to see how that plays out.

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So, um, there's already been, uh. Interesting, uh, let's say, dispute in Memphis, uh, involving.

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Elon Musk, a tech guy you might have heard of. Musk's XAI.

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Installed 35 portable gas turbines without air permits, without applying for air permits.

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To help power its supercomputer in Memphis. Uh, notably, this is a significant environmental justice issue. It's in a Black neighborhood that's already burdened by pollution.

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Um, the, um… company said that they were only using 15 of the 35, and that the others were just being stored there.

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Uh, but, uh. An enterprising group, uh.

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Got thermal images, uh, that showed more than 15 were… significantly more than 15.

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And the NAACP threatened to sue. Uh, that prompted, uh, XAI to… Um, apply.

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Uh, for a permit. Um, the, uh, as it appears that the municipality is very eager to have this data center.

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You know, I suppose, uh, for economic reasons. And the local air authority.

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Then issued a permit to run 15 generators until 2027. The total emissions are set.

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For each pollutant, somewhere below 100, um, tons per year, which is the threshold for pre-construction.

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Review. Um, in some cases, it's sort of… it's fairly well below. In other cases.

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Um, it's getting closer to the threshold, and none of them are as, you know, blatant as, like, 99 tons per year.

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Um, but, um, they could become problematic, uh, depending on how many generators they end up.

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Having to run, and how often. Um, of course, you might not find out for another year, uh, at which case, you know, in which case, uh.

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It may or may not be timely to do something about the issue.

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Okay, I think I'm almost, uh, exactly on schedule. I might even get done 30 seconds early.

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Uh, so the conclusion is that especially. Given Trump's energy policy.

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Much of the power for new plants could come from fossil fuels.

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Uh, even though it might well be. More economic, uh, for the plants to use renewables.

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Trump is going to do his best to sidestep environmental requirements.

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And minimize public input. Uh, because that's only an annoyance, I guess, from their point of view.

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Um, cooling water will require permitting both for withdrawal and at the discharge end.

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And finally, facilities using federal lands or funds will go through NEPA review, etc.

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This stuff is all very complicated and technical. Um, and I think many people in the environmental field probably don't know much about all the details of the.

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Permitting process, but it's now likely to become a real battleground.

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Um, as, uh… Um, there's this big build-out effort to try to power AI.

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So, with that, let me turn it over to Brian. Thank you.

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Thank you. Um… Tara, if you want to go ahead, just to the next slide, we'll get started.

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Alright, so in recent years, the United States has been seeing a spike in the increase of electric load growth, which is to say, increasing demand for electricity across the U.S. Grid.

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As we're talking about this, it's important to keep in mind there's a variety of factors which are driving this. This includes general economic and population expansion.

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As well as electrification initiatives. Um, when we're talking about an increased demand, it's important to keep in mind it represents competition for electric.

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Electricity resources that are on the grid. Ultimately, this is a balancing of opportunity costs for what we invest in. So, do we as a society prioritize things like beneficial electrification in homes, businesses, and vehicles?

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Reducing costs to ratepayers, greenhouse gas emissions, and environmental pollutants. Do we invest in data centers?

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Uh, next slide, please. So, residential growth, as you can see, has actually remained pretty flat, uh, and is going to be pretty flat going forward. Again, in part thanks to that energy efficiency, reducing demand increase.

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What we're left with, overwhelmingly. Is that, uh, total system demand is really attributable to data center build-out.

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As of 2023, data centers built across the United States pulled about 176 terawatt hours of electricity from the grid. This is a lot.

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It's about 4.4% of total electric consumption. This is up from about 1.9% in 2016.

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And the projections are… not great. Uh, ranging somewhere between 6.7% and 12% of total U.S. Electric consumption by data centers by 2028.

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It should be noted, this isn't… these are national numbers, so areas that have high penetration of data centers may already see in-state consumption values higher than 5%. Virginia, in particular.

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Uh, which currently houses about 13% of total Global Center data operational capacity. Rdc is about 25% of its in-state consumption going to data centers.

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Projected load increase is also a regional factor, so using Virginia again as an example, and I'll note that.

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Based on the amount of data centers in Virginia and projected in Virginia, and the fact that I am a Virginian.

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Uh, you're gonna hear a little more about Virginia than you might want to, I'm sorry.

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Um, but we could see it in the state doubling over the next decade.

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Because of data center build-out. Uh, this is a concern not only for states with high data center demand, but their neighbors as well, who draw from the same electric grid. And this gets to the opportunity question.

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Of what states want to see investment from the electric sector in.

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As a brief aside on opportunity costs, it's also briefly worth noting that there's a separate but related driver of economic demand.

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Electric demand in the United States. Uh, which is the growth of cryptocurrency mining.

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Um, it's difficult to evaluate the total electric demand from crypto.

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However, the U.S. Energy Information Agency puts that at a substantial number, being somewhere between 0.6% and 2.3 of total U.S.

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Consumption. These facilities are heavily focused in the southeast and in Texas.

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So, what is driving this increase in demand from data centers? And this falls into roughly two buckets. Next slide, please.

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Broadly, this slide is just sort of the classification of types of data centers.

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Uh, historically, since the 90s, we saw a trend towards internal facilities.

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In the 2000s and the 2010s, we saw this more moving towards the co-located model, uh, which saw the advent… during the advent of cloud computing for computing and storage.

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I would note during this period, there was substantial build-up of data centers in the US, but these facilities tended to be more energy efficient than the internal facilities.

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And you saw the last total electric demand. More recently, what we've been seeing is the expansion of the hyperscale facility.

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These are functionally similar to co-location facilities, but they operate on much higher scale.

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They're generally 3 times the size. They also tend to be owned by a single entity.

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Uh, so what we're seeing are just larger facilities being put out there, uh, which just draw more power.

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Importantly, too, we are seeing at the same time the second side… the second bucket, which is.

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That what is being housed in these facilities is much more energy intense.

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Namely, AI, especially generative AI. Ai and computing is not necessarily a new concept, it's been around since the 40s and 50s conceptually, and since the 1980s, we've seen a rise in machine learning models.

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Uh, which are basically just algorithms that allow a computer to make predictions about data sets using.

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Mathematical processes, for the most part. What has been driving this recent spike is that machine learning has been.

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Advance to use what are known as artificial neural networks as part of what is known as deep learning.

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Which adds multiple, often hundreds or more. Processes to this, which increases the complexity of the model's processing. While this does result in better outcomes or greater outcomes at least.

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Uh, it drives additional energy for computation. And the upshot is that out of this deep learning, we have now found ourselves.

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With generative AI, which can generate text. Image or even video responses based on a user's input to the system.

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In addition to increasing complexity, which drives greater energy demand. Uh, you're also seeing the… the processing power being driven by graphical processing units, which allow for acceleration of the AEI model.

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This is great for AI development, however, GPUs pull a lot of power. So you're seeing both.

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Uh, increase of intensive energy hardware and intensive processes being put into these larger facilities.

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So what's the offshot? As is the case with crypto, it's difficult to track energy intensity of any given AI model. They tend to be closed, um, information is not publicly accessible, but as a general rule, keep in mind that generative AI especially is evolving towards greater complexity.

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Complexity and thus greater electric demand. To put some context in this.

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Chatgpt uses about 10 times more electricity per search than a standard Google query. That's just to say a regular Google, not, like.

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Google AI. Um, it's estimated that, as of current, ChatGPT searches alone, and again, it's only one of many, many AIs that are out there, pulls about 500 megawatt hours a day, which is equivalent to the DLUs of about 180,000 US households.

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Although the trend and the projections for load growth from data centers and AIs.

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Housed in them, uh, is increasing, there's multiple factors that can offset this. For one, streamline algorithms that use less computation to produce competitive results. That was, for instance, the DeepSeek AI model when that came out.

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Could result in less energy intensity from these facilities. Additionally, as was the case of the 1990s.com bubble, it's entirely possible that the AI tech bubble bursts.

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And if it's… that happens, it's quite possible we see a number of these facilities shutter.

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Which might be good for grid reliability, but it represents a risk of significant stranded assets to be borne by ratepayers. Next slide, please.

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So, what is, um, what does this mean for ratepayers and utility bills? Currently, data centers are treated as commercial ratepayers, so effectively, it's the same as a business or an office suite, etc.

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They pay rates in traditional sense, the costs in the utility being allocated across residential, commercial, and industrial ratepayers.

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Functional use costs are both the commodity cost, how much does a utility have to pay to source electric generation from the grid, and transmission and distribution costs? How much does that infrastructure cost to bring the generation to the end users?

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The spike in demand from data centers means it's increasingly intense competition for available generation, which is driving costs up across the board.

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Additionally, increase the local demand from data centers drives up new transmission projects to bring electricity to these facilities, and the result is that you're seeing these costs being socialized out across ratepayers generally.

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To put this in context, again, using Virginia as an example, data centers, just on… business as usual are projected to increase cause for the residential utility customer, uh, between $14 and $37 a month through 2040.

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Evaluation of how data centers are treated as a customer class would be an important way to evaluate this and ensure that these costs are not socialized out across.

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Uh, residents. It's also important that under current development.

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The cost allocation for data centers can have impact on ratepayers and localities and states outside of the data center site.

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Uh, this is my final example of Virginia, I apologize. Uh, transmission costs for… centers in Virginia have, for instance, been built through the state of Maryland.

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It's estimated that this built transmission will have Maryland ratepayers facing upwards of $800 million in costs to serve these.

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This load. It's important to keep in mind that the economic benefits, such as it is for data centers to the state or locality, is generally construction jobs in that state, and then state and local taxes. So that $800 million paid by Maryland.

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Maryland is not seeing the tax benefit from this. Finally, as noted, there's substantial costs about stranded assets.

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Staysnet and RTOs are proving generation and transmission to meet the steep curve for data center build-out.

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And that infrastructure has a significant lifespan that is recouped over the lifetime of the infrastructure.

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There's no guarantee that data center growth will not see a bubble burst. Should a data center elect to offline.

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For economic reasons, without certain guarantees, which can include exit fees, minimum contract terms, or a financial collateral, which would be imposed generally on interconnection by a public utility commission.

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The cost of the energy infrastructure built to support these facilities would revert to the ratepayers, which would represent significant risk.

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To residential and other ratepayers in the region. As a final note, my conversation here today with you is about the economic impacts to residents from data centers, but that's hardly the only impact the communities face from dentist centers.

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Um, and in discussing these broader impacts, I would like to pass it to my colleague, Sophie.

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Thank you, Brian, for sharing more about the rise of data centers and impact on our bills.

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Let's continue with the public and environmental health impacts of these centers, and who stands to benefit, and who is at risk.

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Beyond Demand on the grid and affordability concerns, as my colleague shared, there are significant air pollution and water use concerns from these facilities.

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Especially in communities that are already overburdened by climate pollution and or are ecologically vulnerable.

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As many AI data centers are connected to fossil fuel grid infrastructure, there are air pollution concerns related to the burning of methane gas to power these centers.

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In fact, nationwide, there are already 20 new fossil fuel projects being planned to meet data center's soaring energy demands.

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In my state of North Carolina, our Utilities Commission cited load growth forecasts from large customers.

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Including half from data center-related projects, as a primary reason to build methane gas resources for.

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Grid reliability. Burning methane gas produces nitrogen oxides and fine particulate matter.

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Criteria air pollutants, which increase the risk for respiratory-related illnesses like asthma, cancer risk, and cardiovascular disease.

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Exposure to these air pollutants leads to substantial health impacts from these chronic illnesses, like hospitalizations.

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School loss days, lost work days, medications, emergency room visits, and excess deaths.

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Indeed, researchers have found that air pollution from data centers can lead to 600,000 asthma cases and 1,300 premature deaths annually by 2030.

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In addition to excess morbidity and mortality from existing forms of air pollution.

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Without significant moves toward renewable energy grid resources, these data centers can increase demand for methane gas.

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Equal to the demand of entire states, like California or New York.

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Further increasing greenhouse gas emissions, leading to increased public health impacts from air pollution, and also facilitating climate warming.

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In addition to running on fossil fuel grids, AI data centers also use diesel generators as a backup fuel during power outages.

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Diesel generators emit 200 to 600 times more nitrogen oxides than a methane gas plant.

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So even infrequent use of these generators can lead to significant air pollution.

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A study by the state of Virginia revealed that Virginia's data centers exceeded by 7% what air permits allowed for this diesel-based pollution, and that's just one documented example.

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Data centers also consume vast amounts of water resources. The water-intensive cooling systems consume millions of gallons of drinking water every year.

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This water is fresh water, and an only small portion of this water is returned to the source. Around 20% with the rest lost to evaporation.

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The scale of water consumption is high and is only projected to increase.

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Google, Microsoft, and Meta used a combined 580 million gallons of water in 2022.

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Which is equivalent to 15 million households' worth of water use.

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Water use is projected to increase, too. By 2028, it's estimated that 720 billion gallons of water will be required to cool servers.

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This amount is equivalent to the water needs of 18.5 million households.

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Especially risky is the water withdrawals from freshwater resources are often in water-stressed or drought-prone areas.

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For example, in Goodyear, a town in the southwest desert of Arizona, a drought-prone region with limits for residential construction.

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Due to groundwater capacity, Haza data center using 56 million gallons of potable water annually, which is equivalent to 700 households, or about 2% of the town's residences.

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So, who stands to benefit, and who is at risk? Amazon, Microsoft, and Google are the three largest hyperscale data center companies.

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The main argument for attracting these data center companies to localities is economic development in the form of tax revenue and jobs.

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Some communities welcome data centers and see the benefit of economic development greater than the risk of environmental and public health concerns.

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The trade-offs can be in stark contrast. An economically challenged rural areas, local officials may rubber stamp projects in hopes of supplying their communities with alternative employment to replace dying industries like coal and timber, but communities don't always receive the direct benefit.

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For example, Morrow County in Oregon provided Amazon with $1 million in incentives to build 15 data centers.

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One of the data centers ended up supplying only 200 jobs. Meanwhile, Amazon avoided over $83 million in taxes.

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Which residents say could have provided valuable revenue to fund services like rural hospitals and schools.

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For many communities, the risks of data centers far outweigh the benefits. Communities, specifically those structurally marginalized by racist practices such as redlining and gerrymandering.

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Are already disproportionately impacted by climate change and overburdened by climate pollution.

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Due to systemic racism in lending practices and zoning laws, people of color, especially those who are low wealth, are more likely than any other groups to live near oil refineries, gas plants, and other dirty energy infrastructure.

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Higher and disproportionate exposure to these facilities' toxic emissions correspond to higher rates of respiratory problems.

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Indeed, communities and counties near natural gas plants face. Cancer risk far above the EPA's level of concern for methane gas exposure.

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These same communities facing disproportionately high exposure to air pollutants from dirty energy infrastructure.

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Also, are the most significantly energy-burned, meaning they pay a high proportion of energy bills relative to their incomes.

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Racial disparities exacerbate energy poverty. Households deemed to be energy burdened are more likely to be low-income, Black and Latino people, and Black households' median energy burden is significantly higher than non-Hispanic white households.

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Without adequate regulation, these communities may receive compounding and additional burden from data center facilities in the form of additional air pollution to power these plants from both primary and secondary air pollution sources.

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And higher energy bills to subsidize the large-scale demand. This further increases the existing public and environmental health disparities, as well as additional energy burden.

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These same communities that contribute the least to climate change will also face some of the most severe impacts.

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From additional climate pollution from AI data centers. So our AI data centers necessary? Do the costs outweigh the benefits for communities? Well, I will let you determine that.

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Now I'll pass it over to Katie Miner.

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Thank you, Sophie. Um, let's go ahead and just skip ahead.

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Um, three slides, probably. That's me. Um, I'm at the Alliance for Affordable Energy down in Louisiana.

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Um, we serve ratepayers at the Louisiana Public, uh. At the Louisiana Public Service Commission.

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Um, let's see, I am also skipping forward, sorry, trying to catch up on time. Um, for 40 years, we fought to protect the right to clean, affordable, and responsible energy for our state.

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Three pillars. While our mission hasn't changed, the ways in which we engage have evolved.

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Um, today I'll do my best to give you a round view of why we're making so much noise about this.

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So, imagine a new large city emerged overnight in town next to you.

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The city needs more electricity than your town, and all the towns nearby.

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The city has a plan for generating electricity. They've decided that.

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You will pay for most of it. Not only will you pay for the new city's electricity.

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But your own utility services will be impacted. Before you know it, your lights start flickering, the water in your faucet runs brown and faint, and the air inside your home fills with dust particles.

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They're both angry and baffled. City officials shrugged and declared it's an unfortunate byproduct of strengthening our economy.

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This city isn't even for people, though. Is for computers. That's essentially what's happening in Richmond… Richland Parish.

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Um, in this scenario, one customer is demanding an unprecedented. Amount of investment from the state and from ratepayers.

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And so we're asking for straightforward engagement and accountability. Not just inside regulatory offices, but also in the community and spaces they will occupy.

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Next slide, please. In December 2024, Meta publicly announced a plan to build a massive data center in Richland Parish in North Louisiana.

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About 30 miles from the closest metro. We learned that this area, like many around the country, was attractive to their subsidiary.

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Because of their EOAs. Ease of access and ease of administration.

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Then, just last week, we learned from Zuckerberg, um, that he has chosen to call this project Hyperion.

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After one of the 12 Titans, and it will serve as the future home to over 5 gigawatts of computing.

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To be clear, Hyperion means the god above. He even included a map that showed its footprint would cover Manhattan.

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This campus would house over 11 buildings at over 4 million square feet, costing about $10 billion to.

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Field. Next slide, please.

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Not to power this data center in Entergy, Louisiana, an investor-owned utility.

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Has applied for permission from the Louisiana Public Service Commission. To build 3 brand new gas.

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Fired power plants at a cost of $3.2 billion. Now, typically, um, when a utility needs to produce more electricity to meet demand.

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They're legally required to conduct an RFP. Now, the purpose of this RFP is to require the utility to look at the market.

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And see what's the best cost resource to serve all the customers.

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Now, for this project, Entergy did not follow the budget, um, did not follow the request.

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Um, for proposals policy. Now, here in Louisiana, nearly 73% of our power already comes from gas.

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And as the country's 8th highest emitter, 3 new gas plants to serve this hyperscaler.

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Is a 25% increase in, um, Entergy's power generation. Next slide, please.

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Um, from this facility, they say we can expect 500 permanent jobs.

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And about maybe 5,000 temporary construction jobs. About 5… 1,500 megawatts of renewable energy, and a pinky promise to contribute a capped amount.

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Towards making a power station in South Louisiana carbon capture ready.

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Now, we see a few problems with these promises. The national trend has been when there's one, there's some.

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Um, this hyperscaler opens the door for the proliferation of these across the state.

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Which already has historically laxed regulation. Now, while the governor has touted hundreds of jobs, the reality is most will be temporary construction work.

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Data centers don't need many employees to run. Where's the plan to ensure locals get trained and hired for these roles?

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Now, Entergy G didn't open the project to competition, and didn't consider alternatives like wind, solar, and storage.

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So we don't know if this is the most affordable way to power the center.

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Louisiana ratepayers could be paying for these plants long after Meta has moved on.

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Ai data centers like Meta's are not traditional. Steady energy users. Their loads change rapidly.

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Sometimes spiking or dropping in ways that current utility planning tools aren't equipped to predict.

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We also gotta talk about the atrocious way in which the state has created a way.

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For taxpayers to subsidize this data center. For a multi-trillion dollar megacorporation.

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Legislation that was meant to expand broadband in rural areas was Columbus and rewritten.

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To give us sales tax rebate for these data centers. Entergy proposal also cites.

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Oh, Entergy's proposal also cites future possibilities for solar and carbon capture technologies.

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But those weren't part of the plan. Carbon capture is a dangerous, expensive, and unproven technology that has never been proven to work at scale.

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What's being considered right now are fossil fuel plants and a lot of new emissions.

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Recently, at the Alliance, we've also been engaged in water work, so we know that hyperscalers around the country.

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Use as much as 2 million gallons of water per day.

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How will other water users and ratepayers be impacted by such extreme water demands?

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How will the ecology of the site be affected by the construction, the operation, and the full life cycle of water usage and the site?

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And last, but certainly not least, a January 2025 article outlined.

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Um, what many of us assume, that to win this project, the state had to rewrite laws and negotiate tax incentives.

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At a breakneck pace. Next slide, please.

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We believe NG's application has failed to adequately assess thermal, voltage and transient stability risks.

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Which are critical grid reliability measures. Our expert warned in their testimony that sudden surges could have serious impact on the wider grid.

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Not just the data center site. But across Louisiana, and even neighboring states.

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Virginia narrowly avoided a mass blackout event just last year, when 60 data centers suddenly went offline.

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We believe that at least residents might expect light flickering. But at most, the Grand Gulf Nuclear Station, just 60 miles down the road.

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Um, is in close proximity to potential harms. Next slide, please.

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So, KD, how are y'all fighting? How are we fighting? Um, so in February, the Alliance, along with the Union of Concerned Scientists, we filed a motion to defend Louisiana ratepayers against Entergy's attempt to circumvent commission policy.

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We simply ask the Public Service Commission to deny the request to skip the RFP process.

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We said that the Commission has a thoughtfully and curated policy that prevents ratepayers from shouldering unfair burdens.

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It was denied. So then in March, we went back and filed a new motion.

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With the Union of Concerned Sciences to bring transparency to Meta's fossil fuel-powered data center.

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We said, look, we could at least require Meta or a lately, or whichever subsidiary they choose.

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To be a party in this docket so that they could share critical information with stakeholders, such as anticipated energy demands from the data center.

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Justification for the expedited timeline, and how many local jobs it will create.

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Formally including Meta in this application would also strengthen legal avenues for holding these companies accountable to ratepayers.

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If Meta and Laylee are not made parties to the application.

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Our motion demanded that that application be dismissed. It was once again denied.

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So we followed up with expert testimony that painted a much different picture than the rose-colored glass we were being sold.

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It told a voltage impacts to neighboring homes and businesses that could cause permanent electrical damage.

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And residents across Louisiana footing the bill. And holding all the risk on the back end of this contract.

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Next slide, please. So what's the cost of our AI use here in Louisiana?

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Well, we'll be paying for 3 combined cycle combustion turbines at 22.

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100 megawatts. Two of those in Richland Parish, and one in a river parishes.

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We'll be paying for two energy-owned substations. 6 customer-owned substations.

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Over 100 miles to 500 kilovolt transmission lines. 8 new 230 kilovolt transmission lines.

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And Entergy gave no indication during their last planning process that any of this was in development.

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Next slide, please. So what are we fighting for? We're fighting for the data center paying 100% of interconnection costs.

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No subsidies for ratepayers. Um, for Generation Supply.

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Clear criteria for load shifting and reliability impacts, security deposits for failure to perform.

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We're asking them to consider a microgrid approach to support energy needs.

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And transparency on contract provisions that reflect rates. Discounts, reliability commitments, and costs to ratepayers.

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Next slide, please. Quickly, how can… how can I impact this? What do I have? What role do I have in this?

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We're simply asking you to reflect the necessity of usage. Do you need to use the tool?

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We're asking folks to advocate and vote for pre… for pro-renewable energy regulation and legislation.

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Support grid-enhancing technologies. And you can personally add.

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Minus AI, um, after your Google searches, to cease AI search engines.

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On Google. Next slide, please. And lastly, we're encouraging folks to plug into community. Much of this work happens when we talk to each other.

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We're fighting for achievable wins, and we're asking folks to develop principles.

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For equitable AI use. Thank you. And now I'll pass back to Cynthia.

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Next slide, please. Thank you so much, Katie. I'll now share some additional protections available to communities.

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Many communities are understandably concerned about water, noise, and energy use, and pollution, health impacts, high bills, strain on the grid.

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Housing and land cost externalities, and more from data centers. So what can they do? It's worth noting some federal context before diving into this question. There's not currently a set of rules for large-lodge interconnections at FERC. This includes interconnections other than data centers, but at this point.

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We projected forward, the majority of them are data centers. So certain states have adopted requirements, but it's a touch ad hoc, and having a federal baseline could be helpful.

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An absence of uniform federal guidelines, there can be significant disparities in regulation of data centers, and more concerning, even moves at the federal level to prevent meaningful state-based regulation.

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On the anti-regulation side, there was a provision for a 10-year moratorium on state-level AI regulation included in one draft of the recent budget bill.

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Though it did not end up in the final bill. The National Conference of State Legislatures, a nonpartisan group representing state lawmakers, even sent a letter opposing this provision, and in their letter stated that local legislatures empower communities to weigh in on data center sightings.

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Protect ratepayers from increasing utility costs, preserve local water resources, and maintain grid stability.

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Clearly, there's concern about unregulated and unfettered growth of data centers and blanket moratoriums on regulating such centers as not in the public interest.

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Opposing these blanket moratoriums is important. At the local level, already $64 billion worth of data center projects have been blocked or delayed due to local opposition.

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Opposition has taken the form of local residents pressuring local planning and zoning commissions, a more grassroots approach, as well as formal organizations like Sierra Club that can bring lobbying power campaigns and lawsuit challenges.

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Communities can join in these efforts. It's also important to note the role that NIMBYism, not in my backyard, may play in successfully blocking these proposals.

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White communities have been successful in organizing NIMBY movements in opposition due to a mix of property rights, power, and political influence.

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Data center projects in predominantly white communities, for example, the Roundhouse Digital Infrastructure Project in Cascade Locks, Oregon, and the Harper Road Technology Project in Peculiar, Missouri, faced opposition.

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Based on noise, high bills, and effect on property values, and were successfully blocked. Communities who don't have the same power, resources, political influence, and land ownership rights often do not have the same level of success.

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For local opposition to undesirable projects. For example, as my colleague Dan shared about earlier, the XAI facility in South Memphis.

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A community with a legacy of environmental injustice and industrial pollution is a prime example of intentional exclusion of impacted communities in decision-making and permitting process.

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And thus more difficulty objecting to these centers. While the community is fighting back to oppose the air permit, and not all hope is lost, this facility is an example of environmental injustice and the different shape local opposition takes depending on whose community is impacted. Just wanted to name that.

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Communities can also advocate for better protections, regulation, and some benefits for data centers by advocating and lobbying their… advocating and lobbying their state-elected officials.

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Many states have introduced legislation to limit AI data center development, or at the very least mitigate some of the harm to residents. Categories of regulation include local resource conservation, economic justice, energy efficiency, grid reliability, bill affordability, environmental impact, and more.

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For example, a New York bill requires data centers to run on 100% renewables by 2040, and to develop a low-income customer program for residents living near them.

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Senate Bill 34 in Georgia attempted to prevent Georgia power from increasing customer rates based on data centers.

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Oregon recently passed the Power Act to ensure residential customers are not subsidizing the cost of electricity for data center owners.

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And North Carolina recently introduced a bill which prohibits passing data center-related energy costs on to ratepayers.

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There are other example bills, and I'm happy to pass those along as resources. Communities can use to encourage their own state legislatures to advocate for better public environmental health and economic protections.

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Regulators at utility commissions in some states have the authority to work with communities to include protections.

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But then again, they can also be adversaries. Utility commissions set rates and are intended to protect ratepayers. In Georgia, the Public Service Commission approved rules allowing Georgia Power.

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To require additional terms and conditions for new customers with more than 100 megawatts of load, including data centers.

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To protect existing customers. Communities can pressure their regulators in their state to uphold these protections.

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Whether it's through state legislation, grassroots organizing, national coordinated campaigns, and litigation, we're pressuring regulators, local communities can use an above-all strategy to defend against the worst harms of data centers.

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We'll go on to our next slide, and I apologize, we only have a short bit of time to go through the Q&A. I will do my best to follow up with folks whose questions don't get answered.

00:48:28.000 --> 00:48:51.000
So, we'll go ahead and jump right into the Q&A. Um, let's see… Um, Catherine Corky asked, are these facilities prioritized above residential demand in the ISOs.

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I'm not sure whose that was directed. Towards.

00:48:58.000 --> 00:48:59.000
Can you say that one again?

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Are these facilities prioritized above residential demand in the ISOs?

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I do not believe so, no. Um… there are questions, though, in terms of you can deny these things if there is insufficient transmission.

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To get there, which would be an ISO question, in terms of how they evaluate.

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All right, thank you, Brian. How does the state of data center development and projections for the U.S. Compare to other parts of the world? Is anywhere else doing any better?

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Whereas in some of the other cases, is there also displacement of these harms to the Global South or risk of this happening?

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Any panelists can take this one.

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From what I see, uh, this issue is pervasive. It's also, um, exists down in the Global South.

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Um, down in Uruguay, they're having a similar fight. Um, so we are all… Um, now the time's of the essence. We should be reaching out to our counterparts across the world to find out how to.

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Combat this issue.

00:50:06.000 --> 00:50:15.000
Thank you, Katie. Uh, we have this question here from Charles Miller. We're fighting a proposal for what would be the U.S. Second or third largest data center here in Alabama.

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Our state regulatory framework, both for water and electric generation, don't offer state officials much opportunity to slow these projects.

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And there's no federal nexus in this instance, leaving us with local government as the only place to stop this project.

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But arguments work to convince local and state elected officials to vote against rezoning or other policy changes that facilitate.

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Hyperscale data center construction.

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Hi, Charles. Uh, we're following that project down in Bessemer also.

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Um, some of the things that I've worked as the tax argument.

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Um, you know, saving these folks so many, uh, dollars in taxes, we're talking multi-trillion dollar corporations.

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Saving them the taxes on the front end, um, taking the money away from the development of our schools and our roads and our utilities that we actually need as people.

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Every day has moved the needle for us here in Louisiana.

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Um, and we hope that message is resounding in Alabama also.

00:51:12.000 --> 00:51:20.000
Thanks, Katie. We have this question here. I've tried and been unable to find a way to turn off the AI results in Google searches. Is that really an option?

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But did Brian just say that is not what uses that… the 10 times greater energy demand to provide results? That's just chat GBT.

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In one of my slides, I included, if you include dash.

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Ai, or minus AI after your Google search, it would, um… stop it from running it through, um, AI.

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And I'll post that in the chat, too.

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Thanks, Katie.

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Yeah. And to be clear, the 10X is ChatGPT. As mentioned, it's difficult to.

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Apportion how much additional each… AI system uses over, say, like, a regular Google search, um.

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But, uh, yeah, if you're getting the flat Google AI that's going to be giving you a higher pull than just a flat out. So that minus AI is… if you're trying to avoid that, a good thing.

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Yes, thanks for that. Um, we have this question here. In addition to data center's impact on air pollution, water consumption, and noise.

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There's also impact on housing, increasing housing prices, leading to gentrification, and increased support for surveillance and police military.

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What studies do you know of that bring all of these to the fold?

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Happy to do the research. Is what I can say.

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Yeah, um, like many of us have shared, like, this is kind of new.

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Um, for a lot of folks. Um, and so as we learn more, we're willing to share more.

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Um, but I'm not familiar with, uh, single reporting that. Combines all those factors, but I'd be really interested in seeing it.

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Thanks for the question.

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Okay, I think we're almost to the end of our questions here. Someone says they'd be interested in working with others on nationally coordinated campaigns.

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Um, Dan, we can go ahead and loop you in. Um… follow up with you.

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Oh, wonderful. Folks are coordinating in the chat. Excellent.

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All right. Is anyone tracking all of the data center developments? We just got another question here.

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I am familiar with tracking data center developments. Largely, it tends to be regional or state-based organizations.

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But if there is a national one, I… that would be wonderful to hear about as well.

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Yeah, I'm happy to pass along the resources that I used. Um, they're probably not all comprehensive as they're popping up every day, so… but I will follow up with you.

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All right, do folks, um… Yeah, folks are getting each other's emails, that's wonderful.

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And with that, uh, Tara, can you go to the final slide, please?

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Thank you so much, everyone, for coming out today. Thank you to our speakers and our participants.

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As I mentioned before, anyone's question who didn't get answered live, I will follow up with you, as well as the resources that we identified today.

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If there's anything else you need, um, our… all of our emails are here. Feel free to reach out to any one of us.

00:55:13.000 --> 00:55:27.000
For further follow-up. And I hope you all have a great rest of your day. Thank you all for being here.

TRANSCRIPT ENDS