



CLIMATE COALITION **Montgomery County, MD**

ZTA 26-01 Testimony for February 24 Council Hearing

Council President Fani Gonzalez, Council Vice President Balcombe and fellow Council Members, thank you for this opportunity to testify on ZTA 26-01. My name is Karl Held, and I am testifying on behalf of the Climate Coalition Montgomery County. CCMC is composed of 20 local climate and environment advocacy groups focused on helping the County achieve the goals of its Climate Action Plan.

Data Centers are receiving increased public attention due to their rapid growth both locally and across the US. Data center complexes are being developed in neighboring Frederick and Prince George's Counties. In Montgomery County, the proposed Terra Energy data center campus in Dickerson is heightening awareness of the need to figure out how we should proceed in evaluating their benefits and potential impacts and establishing a regulatory framework for large, hyperscale data centers.

We are concerned about moving forward with the Council's deliberation of the existing version of ZTA 26-01. This bill does not have adequate analysis regarding data center development suitability across the county on many issues, including potential energy use, energy sources, impacts on our water supply and quality, and noise. Further analysis is needed to ensure that we do this in the right way.

We recommend that a pause be taken in approving ZTA 26-01 to ensure full public transparency including completion of the study proposed in Bill 4-26 as well as the State study due this Fall. This can be accomplished by expediting Bill 4-26 and amending the bill with a temporary moratorium on all data center development pending the study results. Recommendations from these studies can be used to develop a fully informed regulatory framework, appropriate for Montgomery County, to effectively modify and expand the proposed ZTA Use Standards in Section 3.5.2.B.2.

For example, here are two unanswered questions you need to be aware of. First, Atmosphere LLC, the developer of five of the proposed hyper-scale data centers in Dickerson, submitted a permit to MDE to withdraw up to two million gallons of water daily from the Potomac. How will this impact county water use? Second, Atmosphere's CEO indicates that the proposed energy power consumption for this project will be greater than 1 GW, equivalent to all the power used by Montgomery County residential customers! Where will this energy come from?

At the Data Center Community Forum on February 3 sponsored by County Exec Elrich, residents raised many thoughtful questions. Themes that emerged from questions and comments included whether the financial benefits attributed to hosting data centers were real,

whether benefits outweighed the harms to the environment, and whether they would cause middle and lower income residents to shoulder increased energy prices. Others noted that the Potomac is already at risk of possible supply shortages. Residents called for a deliberative, transparent process - a process that can only happen once a moratorium is in place.

We are clearly not on track to achieve the County's greenhouse gas emissions reduction or resilience goals of the Climate Action Plan. The ZTA should require data centers to bring their own **renewable** energy and what role they would have in meeting our climate goals. The Climate Assessment for ZTA 26-01 correctly states that data centers will have a "Major Negative Effect on GHG emissions associated with electricity usage". They are energy-intensive with continuous electricity demand (much higher than other commercial or industrial uses) and have high electricity consumption *regardless of efficiency measures*. We need to quantify the range of potential carbon emissions and air and water pollutants - not just assumed but calculated based on better analysis of possible location, size, and design of data centers.

Another factor we have to ask about: what is their energy source as well as who will pay for it? Atmosphere's CEO has stated his vision to power his data centers with small nuclear reactors. Are there safeguards in place to accommodate this possibility?

The lead cosponsors are proposing ZTA 26-01 "...as a first step in guiding the development of this critical infrastructure." However, we need to be able to complete this conversation prior to approval of the Atmosphere data center project. We know that Atmosphere LLC intends to press forward now and has not been forthcoming with needed - and required information.

A moratorium is even more important since Atmosphere has stated that they anticipate acceptance of their updated Conditional Use Approval within the next two months.

Industrially zoned parcels are located across the County, so residents in all districts want to be heard and have input on what is best for our county.

To reiterate, we recommend that a pause be taken in approving ZTA 26-01 as soon as possible to ensure full public transparency including completion of the data center task force study, as proposed in Bill 4-26 as well as the State study. This can be accomplished by expediting Bill 4-26 and amending it with a temporary moratorium on all data center development pending the completion of the study and implementation of its recommendations into law, via this ZTA and other necessary mechanisms.

We really appreciate the effort and time that all of you are devoting to analyze this issue. We hope that you decide on a path forward that serves all of our residents and preserves and sustains our environment and planet.

Please review our complete written testimony. Thank you.