SIERRA CLUB
MONTGOMERY COUNTY, MD

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Council Item: ZTA 26-01, Commercial Uses - Data Center
Hearing Date: February 24, 2026
Written Submission

The Sierra Club is working to ensure data centers grow responsibly -- without sacrificing clean air, affordable electricity, or climate progress. We support policies that require tech companies to pay their fair share for the electricity and infrastructure they need, instead of shifting costs onto families, small businesses, and county taxpayers

We strongly request that ZTA 26-01 not be finalized until we fully understand the environmental, economic, and social structure consequences of hyperscale data centers after a transparent public process, informed by Council Member Glass's Task Force Bill 4-26 as well as the State Data Center Study.

Until then, we urge you to issue a temporary moratorium on all data center development, notably, Atmosphere LLC's proposed five data centers on the 110-acre sites in Dickerson, and the adjacent 170-acre Terra Energy parcel.

Data centers and AI are among the most consequential for our time. Montgomery County has the power and potential to thoughtfully introduce data centers so that their benefits actually outweigh their costs.

History offers useful lessons. For framing, we compare data centers to other technologies that delivered real benefits, but where regulation lagged adoption, leading to negative health, community and environmental consequences that continue to last for decades:

- Cars, which fundamentally transformed our society with convenient personal and sometimes speedy transportation, but also cause air pollution, suburban sprawl, and car dependence.
- Plastics, which revolutionized daily life with convenient, and sometimes lifesaving materials, but which also cause an epidemic of solid waste pollution and microplastic poisoning.

Similarly, the data center industry represents a disruptive technological and societal change. Data centers, to their credit, may facilitate more ubiquitous AI and computation in on online world, but they also unsustainably consume enormous quantities of energy, straining the electric grid and our natural resources with both global and local negative consequences. Progress requires thoughtful County leaders to manage and regulate the downsides of this new wave.

The Montgomery County Sierra Club appreciates the outreach of the County Executive, and those council members who are proposing both new ZTAs and task forces to help thoughtfully govern and regulate how data centers may operate in Montgomery County.

We urge consideration of the following principles and suggestions:

1) **Bring-your-own-renewable-generation (BYO RenGen) should be a fundamental requirement.**

- o Data centers require substantial electrical power for both computation and cooling. Even the most efficient data centers are energy sinks. While mandating higher efficiencies remains desirable, it is also crucial that data centers
    - do not drive electricity demand beyond available supply,
    - do not increase reliance on fossil-fuel based electricity
    - do not divert renewable energy from existing and future county users, and
    - do not drive up the cost of renewably generated electricity for county residents

- o Although proposing on-site solar provides a modicum of green symbolism it should acknowledge what physics dictate: that mere on-site solar generation alone cannot even come close to meeting data center demand at scale. BYO RenGen should be evaluated based on outcomes – net-zero grid impacts without displacement of clean power – rather than symbolic compliance.

2) **Regulate with both zoning and progressive energy pricing.** Enormously profitable data centers require only limited workforces, so their main contribution to the county will be fiscal. As exceptionally large power consumers, they should be taxed progressively on their kWh (or, for them, possibly MWh) demand, with higher rates for both higher wattage consumption and for peak demand periods. Revenue should be used to funding renewable energy programs throughout the county.

- o Current divisions between residential rates and non-residential rate should become more granular, with tiers specifically for data centers to better isolate them so that they can pay higher rates to help offset their enormous consumption and better fund the Green Bank.

3) **Apply the precautionary principle: do not rush into building.** A moratorium is appropriate until costs and benefits are considered.

- o Data centers are long-lived facilities, with durable land use and profound consequences for both energy and infrastructure. Data center developers are rushing to build facilities because of their enormous profitability, but Montgomery County can and should tread carefully.
- o Likely benefits include modest job creation and potential increased tax revenue, the magnitude of which is uncertain.
- o Likely costs include enormous energy consumption, higher electricity rates, local environmental impacts (air, water, thermal, and noise pollution), and larger climate change and equity effects.

4) **Address the multiplicity of public concerns about energy use, energy source, water supply, air and water pollution, health, climate change, local impacts, and more.**

- o While the initial intent is to restrict data centers to industrial zones, a multiplicity of concerns remain.
- o Including the need to require that backups are powered through batteries rather than diesel generators.

A thoughtful public process can help vet these and related issues before we rush headlong into actions we may regret. So, please take the time needed by issuing a moratorium on data center development until the two studies have been completed and fully vetted.