



REGULATORY SOLUTIONS FOR DATA CENTERS IN MONTANA

WATER

GOAL: Long-term protection for surface and ground water resources, senior water rights holders, municipal systems and existing residents and businesses in the area. No shifting of costs by data centers to the public or community.

- Use of a closed loop system that does not use the geothermal loophole in the exempt well law (which would require water to be immediately returned to the aquifer).
- Transparency with communities, local governments, and senior water rights holders to verify that water use over the long term will not interfere with existing water rights and neighboring wells. Immediate mitigation for adverse effects must be guaranteed.
- Transparency regarding annual water use (volume & quality).
- Data center pays full cost to provide it water, especially if new infrastructure is required.
- Disclosure of all chemical additives to the cooling system that may end up in wastewater.
- Transparency and full disclosure of water quality discharges including temperature and chemical composition.
- Financial assurance or bonding so that data centers pay for all municipal water and wastewater system needs and upgrades to treat pollutants discharged from the water purification system and/or those added by the data center for cooling systems.
- Any ponds used must be lined and area groundwater monitored.
- Any transfer of ownership must require the same level of oversight and enforcement of existing protections

ENERGY

GOAL: Existing electricity customers will be held harmless from increased costs. Long-term protection for existing electricity customers as well as transparency, verification and enforcement of requirements for data centers to pay the full costs of impacts on the electricity system.

- PSC must create a separate rate class for any data centers served by a public utility that requires 5 or more megawatts of power from the utility. That rate shall include all costs attributable to the data center.
- Data centers must be required to pay for all of its costs to the electric system, including costs for generation, transmission, and distribution.
- The PSC must require transparency and publicly certify that the utility will not charge or impose additional costs on any existing customer when it provides utility services to a data center.
- Data centers must pay for these necessary services for the duration of those costs through financial assurances or other mechanisms. If a data center leaves the system before costs are paid for, they must compensate utility customers for their long-term costs that were imposed on the system.
- Data centers must use clean energy.

- Data centers cannot rely on nuclear technology if it would result in radioactive waste being stored on-site.
- Any transfer of ownership requires the same level of transparency, oversight and enforcement of existing protections.

COMMUNITY

GOAL: Protect nearby communities from incurring costs and negative impacts to services, community welfare and natural resources.

1. Noise mitigation measures must be implemented to limit decibel levels to pre-data center background levels at the fenceline. Data centers must pay for real-time monitoring of noise levels that is readily available to nearby residents.
2. Data centers must minimize vibrations to decrease impacts on area residents and wildlife.
3. Lighting must be minimized to maintain dark skies for area residents (e.g., minimal lighting with horizontal cutoff)
4. Data centers must maximize the use of union employees and pay no less than the prevailing wage for all workers.
5. Data centers must add to the tax base of local and state governments meaning the 0.9% property tax rate must be increased to pay for new roads, fire, long-term road maintenance, schools, libraries and other community needs.
6. Aesthetics. Data centers must minimize visual impacts.