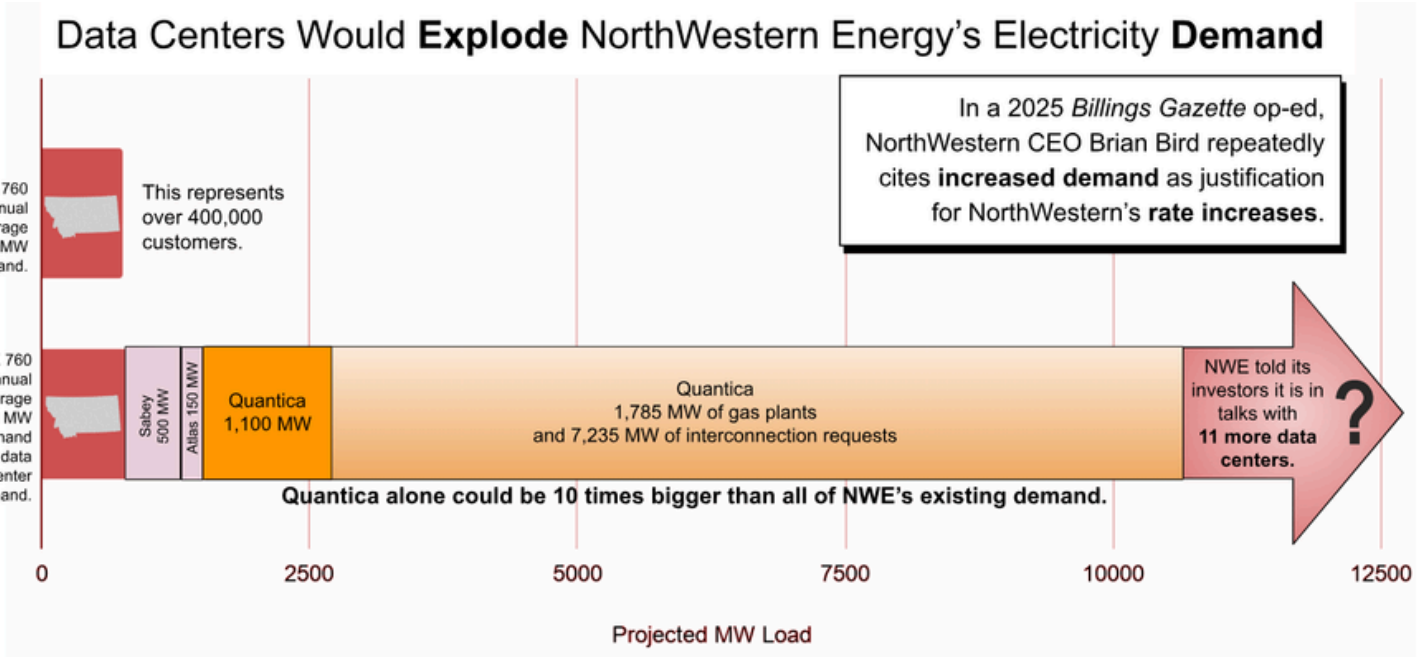
How Data Centers Could Impact Montanans



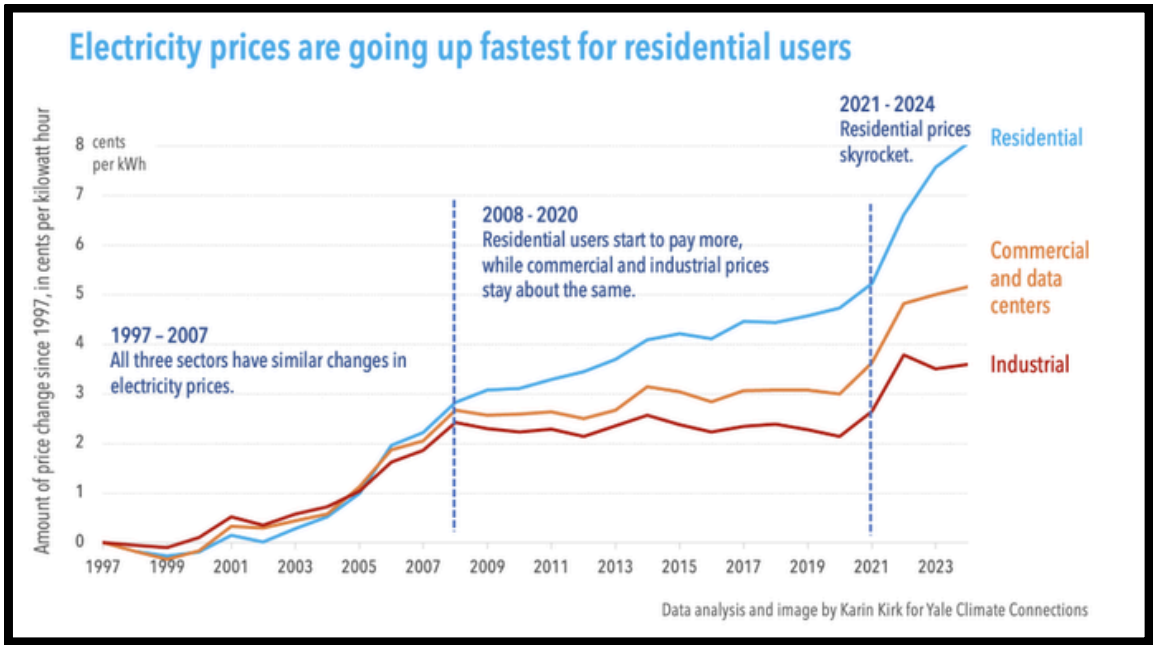
*This table only examines data center proposals within NorthWestern Energy's service territory. Montana is faced with many more large data center proposals, such as Upper Badlands Energy Hub's 1000 MW project near Lindsay, MT.

Cost-shifting means the public pays for data center energy and infrastructure.

- **Backdoor deals** are a common tool used by utilities, like NorthWestern Energy, to avoid disclosing that they are using revenues from existing residential and small business customers to **subsidize electricity for data centers.**[1]
- Montana has **no protective regulatory framework**, such as a separate **rate class** for data centers or large load **tariffs**, to protect existing customers from **subsidizing data centers**.[2]
- NorthWestern Energy's negotiations with fourteen data centers are **hidden from public view,** three of which by a **Protective Order** granted by the Montana Public Service Commission.[3]
- In Montana, data centers and everything related to that operation enjoy one of the very **lowest property tax rates** of 0.9%.[4]
- In one recent instance, **litigation revealed** that an east coast utility was planning for existing customers to pick up an extra **$325 million** for discounted energy costs to the data center.[5]
- People on the east coast who are served by the largest grid operator in the US "were hit with an extra $9.4 billion in electricity bills as proposed data centers drove up prices."[6]

Data centers strain water supplies and bring air and noise pollution.

- Just one data center can consume as much as **five million gallons of water** in a day.[7]
- The majority of water consumed on-site at data centers is **drinking water grade**.[8]
- Communities' **wells have gone dry** when large data centers move into their neighborhoods.[9]
- Data centers are **prone to fires**. In Ohio, two Amazon data centers called out a fire department **84 times in one year** (2021) and those two data centers **pay zero** in property taxes.[10]
- In Montana, a now defunct data center in Bonner was a years' long **noise nuisance** to neighbors.[11] For neighbors of data centers, noise can reach **90 decibels**.



More Information

Scan this QR code for more information on data centers and Montana.

Data centers are stressing energy grids and threatening lives.

- In 2025, energy grids around the US blew past annual peak projections months before the hottest days even arrived. **AI is competing for power with home AC during heat waves**.[12]
- In early 2025, 1,500 MW of data center demand switched to onsite generation causing a **huge surge** in excess electricity."What it tells us is that the behavior of data centers has the potential to cause **cascading power outages** for an **entire region**," said Alison Silverstein, a former senior adviser to the chairman of the U.S. Federal Energy Regulatory Commission.[13]

Data center developers make optimistic predictions about job creation, but the reality is disappointing.

- The Switch Inc. data center in Michigan received **tax breaks** in 2015 after **promising** to create **1,000 jobs in 10 years**.[14] But by 2022, the company had only **hired 26 people**, and those 26 jobs' average wage was **below $38,000** per year.[15]
- A Wall Street Journal article "The AI Data-Center Boom Is a **Job-Creation Bust**," the chief executive of data-center operator Patmos Hosting shares that, "Data centers have rightly earned a dismal reputation of creating the **lowest number of jobs per square foot** in their facilities."[16]

AI and cryptocurrency ventures may be falling into the boom-and-bust cycle.

- In China, data center developers **overbuilt** leaving facilities **unused**, especially in rural areas.[17]
- Investors, CEOs, AI shareholders and the Wall Street Journal have raised questions about whether this current **AI craze** is a **bubble** that will **burst**, similar to the dot com bubble in the late 1990s and the 2008 housing crisis.[18]

Community action works. Many data center projects are cancelled due to local pushback.

- In 2025, twenty five data center projects were cancelled, four times more than 2024.[19]
- Local opposition delayed or blocked $64 billion of data center projects between May 2024 and March 2025.[20]

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