

# FOUR PILLARS OF DATA CENTER REFORM FOR THE 2025 GENERAL ASSEMBLY



If the Virginia General Assembly fails to take action, **unchecked data center expansion will have a disastrous impact on ratepayers, our communities and the environment.**

## Four Pillars of Data Center Reform

**ENHANCED TRANSPARENCY**

**PROTECTIONS FOR FAMILIES  
AND BUSINESSES**

**STATE OVERSIGHT**

**INCENTIVES FOR EFFICIENCY**

Virginia is already home to the world's largest concentration of data centers, with an IT power load believed to be nearly three times greater than the next largest market in Beijing. Many of these data centers individually draw as much power as small cities.

**The rapid growth of data centers is creating an unprecedented demand** for energy, land and water, and our communities are paying the costs. Without any public review or oversight by the state, Dominion Energy has already contracted with data centers for a startling 21 gigawatts (GW) of electricity, which nearly doubles its current peak energy capacity and is the equivalent of more than 11 North Anna nuclear power plants.

**Without strong regulatory and legislative intervention, the risks and costs of the immense infrastructure supporting data centers is destined to be passed on to all ratepayers, including other businesses and residents.**

Our electric companies are using these contracts to justify expensive and polluting energy infrastructure projects, including nuclear and gas power plants, and are delaying the retirement of coal plants. The Virginia Department of Environmental Quality has permitted thousands of diesel generators as back-up power for data centers, and it is now approving onsite gas turbines as primary power. **The continued use of fossil fuels by data centers exacerbates the environmental and climate risks already present throughout the state.**

Water consumption by data centers, particularly in the Potomac and Rappahannock river watersheds, is increasing at an alarming rate — at the same time that much of the state is experiencing increased drought conditions. The cumulative impact of data centers on neighborhood air quality and individual watersheds is yet to be assessed.

From the **THE PIEDMONT ENVIRONMENTAL COUNCIL**

Learn more and get connected at **PECVA.ORG/DATACENTERS**

# FOUR PILLARS OF DATA CENTER REFORM

These pillars provide a framework for responsible action and robust reform. While each pillar can stand alone and be instituted independently, **we urge a comprehensive approach.**

## ENHANCED TRANSPARENCY

Require local disclosure and statewide reporting on data center energy use, water consumption and emissions to ensure informed review of new applications and monitoring of existing data centers to enhance statewide planning.

## STATE OVERSIGHT

Establish a state-level regulatory review process by the State Corporation Commission, in addition to the existing local review, to evaluate the regional impacts of data center development affecting neighboring jurisdictions and state policies.

## PROTECTIONS FOR FAMILIES AND BUSINESSES

Prevent residents and businesses from shouldering industry risks and subsidizing the billions of dollars in costs associated with the data center industry's energy infrastructure needs.

## INCENTIVES FOR EFFICIENCY

Connect state sales and use tax exemption for data center purchases to much higher clean energy and efficiency standards to incentivize best practices that reduce pollution.

“Virginia is being expected to host and pay for the infrastructure of the data centers supporting the wealthiest global companies. This is destined to have **extreme negative consequences** for Virginians in both the rates they pay and the permanent loss of precious natural resources.

— *Chris Miller, President of The Piedmont Environmental Council*