

Data Centers

Opportunity and reality

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Different workloads have different needs

Cloud

Digital services
and stored data

AI training

Building and
improving models

AI inference

Running models
for users

Site requirements follow the workload

Why national security enters the discussion

Secure computing

Military and intelligence applications

Domestic capability

U.S. technological leadership and resilience

Virginia: the impact extends beyond facility jobs

Nearly \$40B

statewide economic activity

112K+

jobs supported statewide

\$1.5B+

annual state tax revenue

\$1.3B

Northern Virginia property taxes

Loudoun County: the scale of Data Center Alley

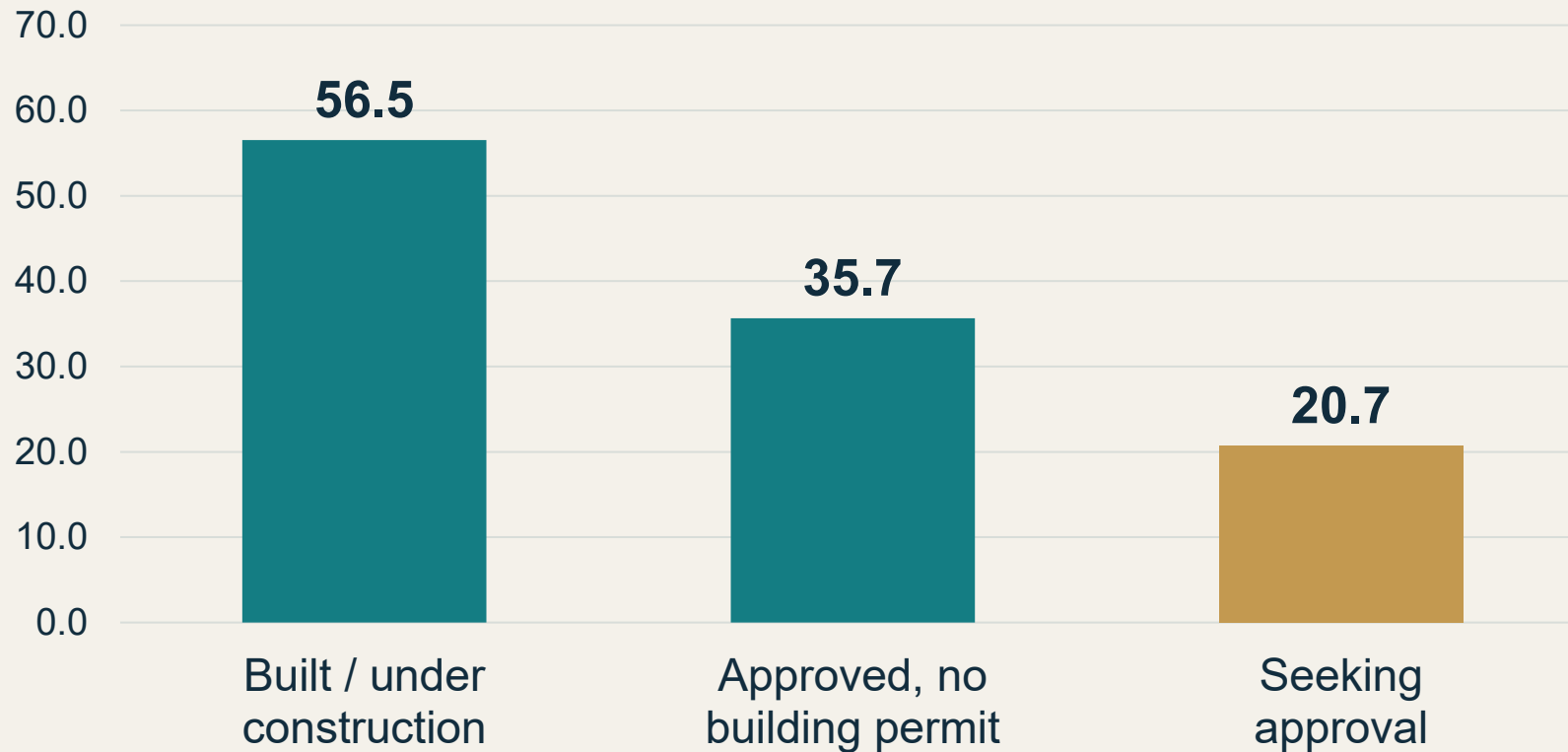
233

buildings built or
under construction

56.5M sq. ft.



Loudoun's development pipeline

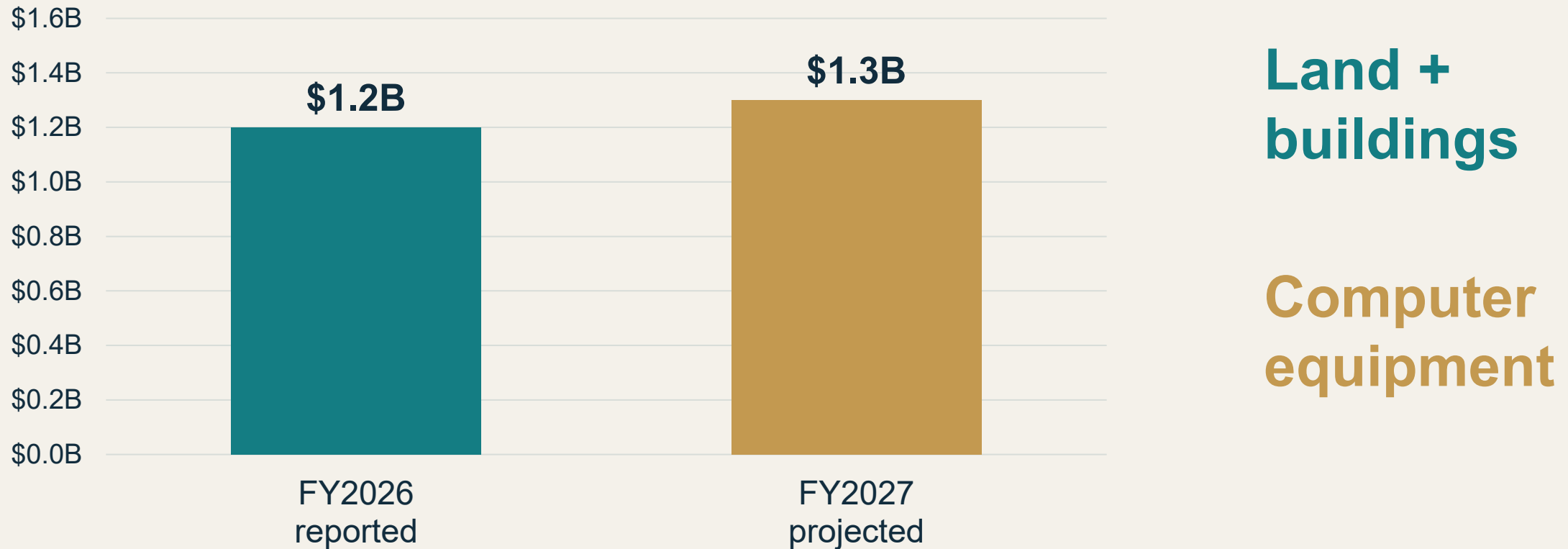


**Million
square feet**

An application
is a planning
input, not a
guaranteed load

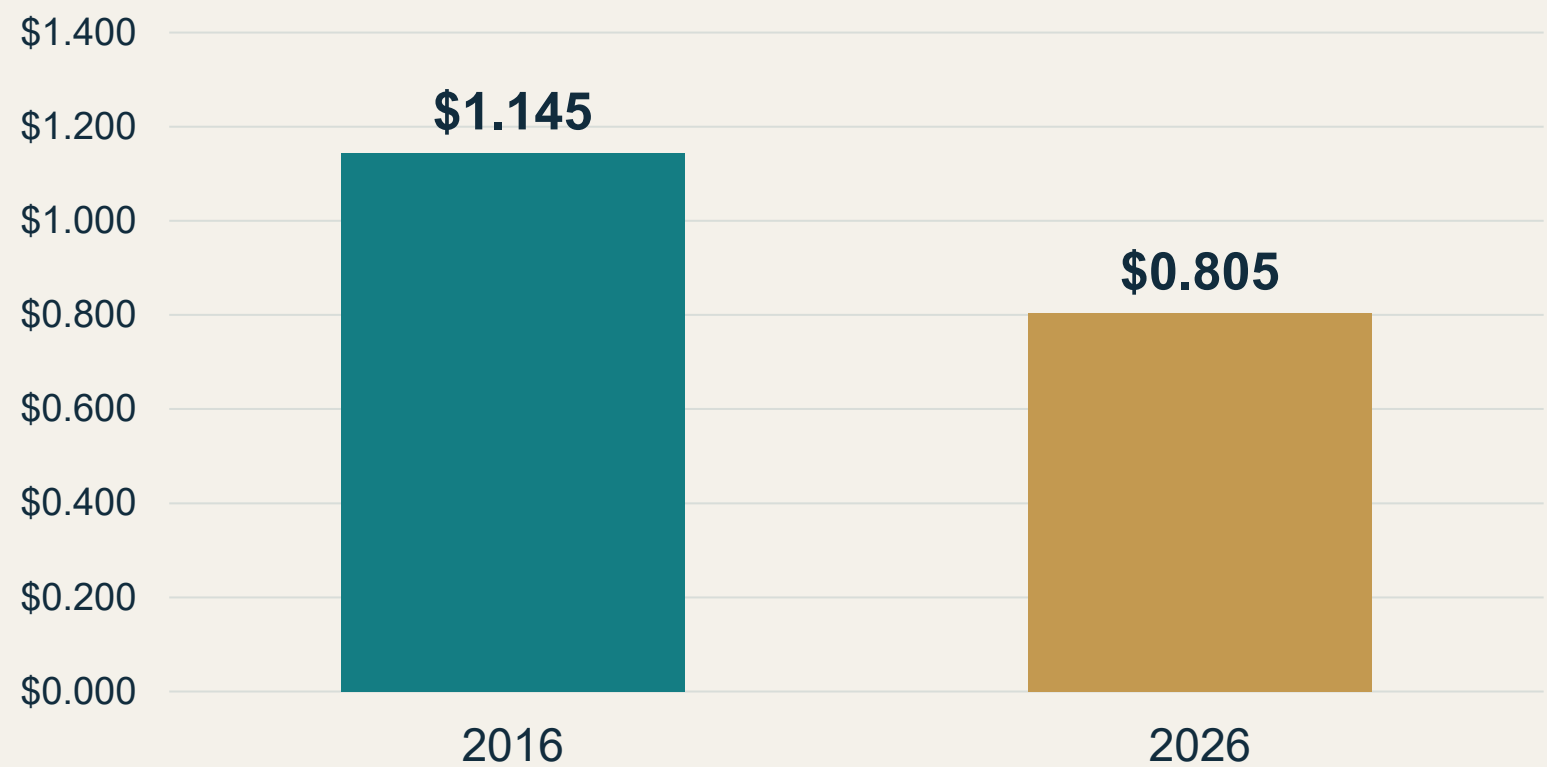
Proposed projects may change or never proceed

Loudoun's data centers generate major tax revenue



A recurring commercial tax base

The real-estate tax rate fell nearly 30%



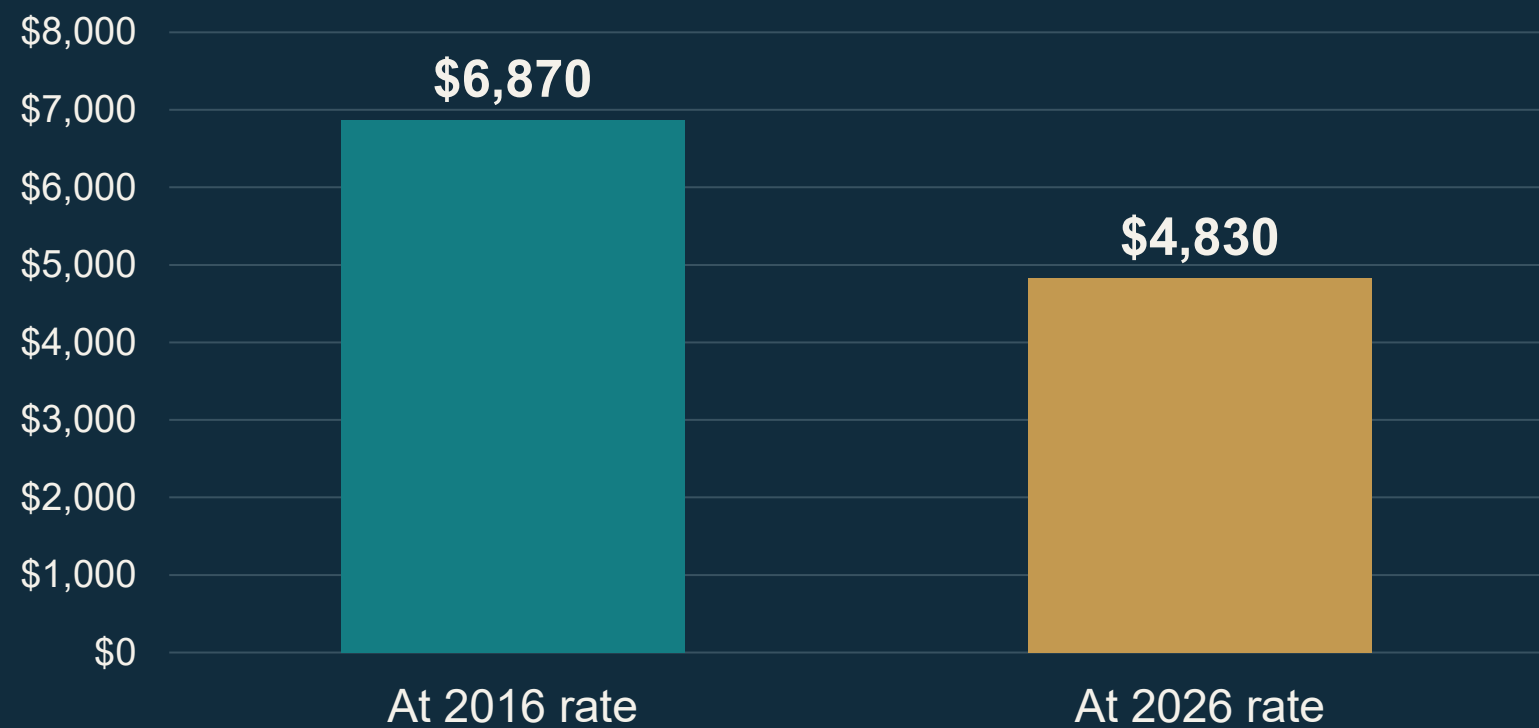
29.7%

lower rate

Individual bills
also depend on
assessed values

Source: Loudoun County. Dollars per \$100 of assessed value.

What the rate change means for a \$600,000 home



\$2,040

annual difference

Same assessment
Different tax rates

Illustration: constant \$600,000 assessment; county rates for 2016 and 2026

The benefit reaches beyond the tax bill

Schools

Fire and rescue

Roads and bridges

Libraries and parks

Tax relief

Revenue concentration
requires prudent budgeting

Mecklenburg: tax revenue helped fund a school

\$154M

school project

Microsoft campus
tax revenue helped
make it possible



Mecklenburg: investment and employment

2010 announcement

Up to \$499M

50 new jobs

2026 VEDP account

\$2B invested

350+ jobs

2021 infrastructure award: \$1.6B investment + 270 jobs expected

Historical expectations and later reported totals are not additive

Rural development: the tax base can come first

- 1 Capital investment
- 2 Local revenue
- 3 Schools and infrastructure
- 4 Broader economic opportunity

Economic value comes through four channels

01 Construction

Large capital investment
and temporary trade jobs

02 Operations

Skilled staff, suppliers,
maintenance and security

03 Equipment refresh

Recurring investment
can renew the tax base

04 Public services

Commercial revenue with
limited school enrollment

Common objections—and the practical response

“No jobs”

Construction, skilled operations, suppliers and tax value

“Uses all the water”

Disclose peak demand; plan drought limits and reuse

“Always loud”

Model sound; set limits; verify after opening

“Raises our bills”

Allocate costs fairly and add reliable power supply

“Ugly boxes”

Use setbacks, architecture, berms and landscaping

Cooling design changes the water picture

Traditional approaches

Evaporative cooling
Higher fan demand
Less precise airflow

Newer design options

Outside-air economization
Optimized temperatures
Closed-loop / liquid cooling

90% of the time

Amazon reports cooling with outside air

Zero evaporation

Microsoft's new cooling designs

Electricity: local costs and regional supply

LOCAL

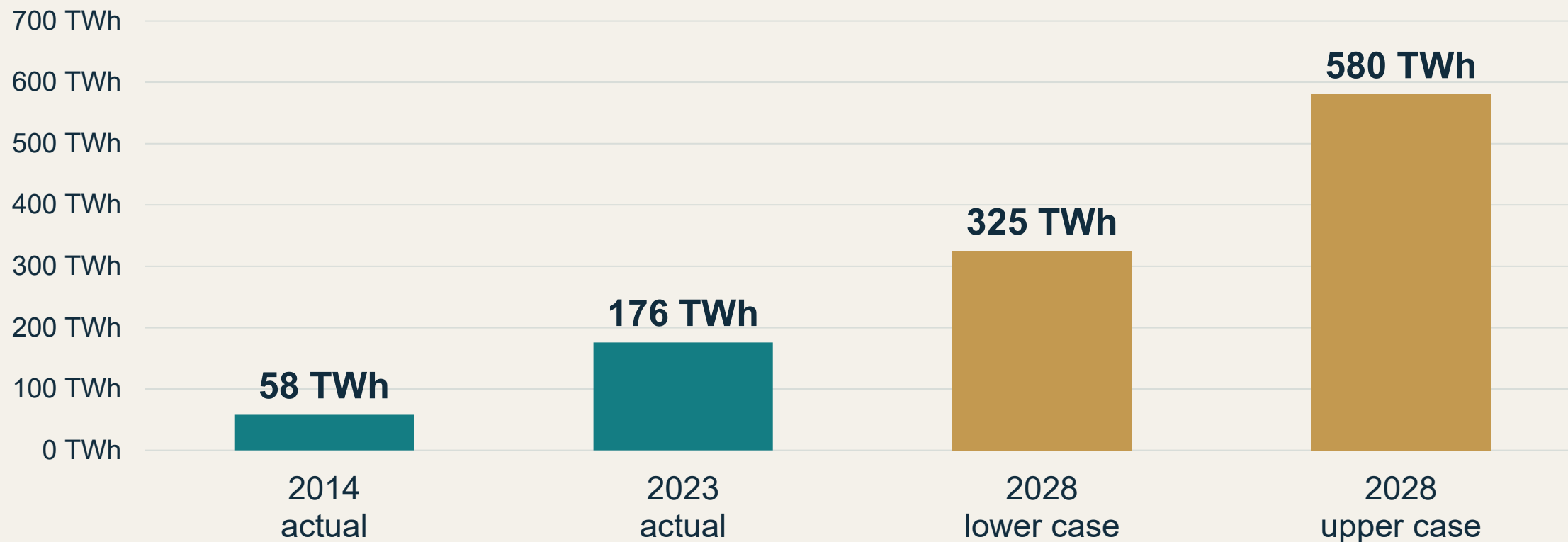
Connections
Substations
Network upgrades

REGIONAL

New generation
Transmission
Capacity markets

Paying project costs and adding supply address different risks

U.S. data center electricity demand is growing



Forecast range depends on how the industry develops

Protecting ratepayers requires specific commitments

Pay for infrastructure

Commit to the load and payments

Support additional reliable supply

Pledges need enforceable contracts and regulatory implementation

Virginia EO22: actions now and proposals for 2027

EO22: EFFECTIVE / DIRECTED

State-agency NDA limits

New ≥ 25 MW projects excluded from specified VEDP assistance

Noise, backup-power, and cooling-water reviews ordered

AI task force created

Broader requirements still need legislative or regulatory implementation

2027 AGENDA: PROPOSED

Local approval above 25 MW and community-benefit agreements

Broader NDA restrictions

Limits on on-site gas and clean-power grid priority

Stronger financial commitments

The opportunity is real

**The quality of the project
determines the outcome**

Economic value with responsible development

Questions and discussion

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