

**Mountain Road Technology Park**  
February Planning Commission Comment Responses  
*February 27, 2026*

The Applicant has compiled the questions below based upon input from the community meeting, information received from the County from resident emails, as well as Planning Commissioner questions. The information provided here is the Applicant's response and is current and accurate as of the date listed above.

## **Site Program and Layout**

*If Tract isn't the developer, how will proffers, conditions, commitments, and permits be implemented and who will be accountable?*

Proffers, CUP conditions, and commitments will run with the property. Anything that is approved as part of this application will be required of Tract or any future operator.

*How many buildings are ultimately proposed for the data center project (i.e., what is the confirmed number of buildings)?*

APPLICANT RESPONSE: As with any development project at the rezoning and concept plan phase of development, the total number and final location of all buildings has not been finalized; this will be determined at a later stage in the development process. The proffers contain language that specific details on number, size, design, etc. will be reviewed and approved by the County at the time of final site plan approval. Buildings shown on the final site plan will be required to be located within the Building Areas, as designated on the Concept Plan. In addition, buildings will be required to comply with all applicable standards for setbacks, height, design, etc. outlined in the proffers and on the concept plan.

For the avoidance of confusion, the Applicant did make assumptions as part of the tax analysis submitted to the County of six buildings on site. This is based upon the proposed amount of power (900 MW) anticipated to serve the site and a typical building size. Each operator has a unique size, configuration, and footprint. However, regardless of number, configuration or size, the Concept Plan approved as part of this application will set the areas in which any buildings can be located.

*For Building 3A, will the generator/chiller facilities labeled "#4" be fully enclosed building structures, as depicted in the most recent site layout?*

APPLICANT RESPONSE: The site layouts included in the concept plan are typical site layouts and do not depict site plan level details. This information will be reviewed during the site plan

review process. The proffers submitted as part of this rezoning do include detailed requirements for screening, operational conditions, and noise mitigation.

*Will Proffer #12 (Noise Attenuation), Proffer #6 (Screening of Mechanical Equipment), and Proffer #9 (Lighting) be amended so that protections (noise, screening, lighting) explicitly extend to the eastern boundary along Grassy Swamp Creek and adjoining properties with a residential land use designation, not just existing dwellings and primary road frontages?*

APPLICANT RESPONSE: Yes, based on the direction received from the Planning Commission, clarifications have been added that proffers will apply to perimeter property boundaries, including the eastern boundary along Grassy Swamp Creek.

*Where were the locations of the balloon test? Will a fourth balloon test site be added on the eastern/Grassy Swamp Creek side of Building 3A, closer to the Willson property line? What are the GPS coordinates for each balloon test equipment location?*

APPLICANT RESPONSE: The Applicant is working with County staff to coordinate dates and locations for the balloon test. Currently, the target date is March 9<sup>th</sup> with a backup date of March 10<sup>th</sup>. Proposed locations on the eastern boundaries of Building Areas 2a and 3a are being proposed to address the recommendation of the Planning Commission.

## Water

*From what source will the project's water come (Henrico/Richmond, Doswell, or another source)?*

APPLICANT RESPONSE: The proposed development will be served by the County's public water system. Due to its location between the Hanover County and Henrico County service areas, water service may be provided from either system. Following discussions and coordination with the Department of Public Utilities (DPU), it is the Applicant's understanding that DPU's preference is for water to be provided from the Hanover County service area. Water supplied from Hanover County would be delivered via the Lockwood Booster Station with the option of the County sending water from the Doswell system during periods of low system usage such as the winter.

*What specific water storage solution is being proposed to help offset demand during peak usage?*

APPLICANT RESPONSE: Peak demand is anticipated to occur infrequently and only during periods of elevated temperatures and humidity. To mitigate potential impacts associated with peak demand conditions, detailed hydraulic modeling is currently underway to identify what the best options available are to support both the project and add resiliency to the overall water system. Options under evaluation include: on-site water storage, upgraded municipal storage, a looped water main, and pump upgrades that would be phased in with the development.

*Of the different cooling systems described, which cooling system(s) will actually be used for this project?*

APPLICANT RESPONSE: The ultimate system design will be undertaken by the operator of the facility. However, any proffers or agreements as part of this application will continue to apply to that operator and will be limited or permitted based upon an agreement with the County to service the project with the agreed upon amount of water available. The Applicant has proffered a number of items to minimize overall water usage and improve water efficiency.

*What chemicals or inhibitors, if any, will be added to the cooling water, and what are their names? If the closed loop system will contain a form of glycol that is “not the kind that is poisonous,” what specific type of glycol will be used, and why is it considered nonpoisonous?*

APPLICANT RESPONSE: To promote safe operations, protect equipment, and maintain efficiency, data center operators may use corrosion inhibitors to prevent rust, scale inhibitors to prevent mineral build up or biocides to prevent microbial growth. These same types of additives are included in public water systems and are regulated by the EPA.

This project will discharge water to the public water treatment system and not directly into the river, creek, or groundwater. Municipal water treatment plants already include the equipment and processes to treat this water. This is not different than any other industrial or commercial uses who may use water for manufacturing or similar purposes.

Propylene glycol is commonly used in data centers to protect from freezing and maintain proper coolant flow. Propylene glycol is used in industrial applications, as well as food and beverage, pharmaceuticals, cosmetics, humidifiers, antifreeze for vehicles and e-cigarette liquids. It is not considered poisonous because propylene glycol can be metabolized safely by the human body into lactic acid, which the body naturally produces.

Ethylene glycol, which is toxic and poisonous to humans, is not used to reduce environmental and safety risks.

*What is the projected annual water usage, especially during peak demand, drought, and power outage conditions?*

APPLICANT RESPONSE: The projected average daily water usage is 600,000 gallons/day (gpd). Recent capacity made available through the closure of a nearby facility, and the relinquishment of its 800,000 gallons/day allocation provides sufficient capacity to meet the needs of this project, while also allowing for additional supply to accommodate future development in the area.

Tract has also evaluated peak demand, which is projected at 2,000,000 gallons/day. This peak demand is based on a 20-year worst case temperature and humidity condition, which is expected to occur infrequently. Detailed hydraulic modeling is currently underway to identify what the best available options are to support both the project and add resiliency to the overall water system. The preliminary results of this modeling have identified a variety of options to accommodate the peak flow conditions. These include options for on-site water storage, upgraded municipal storage, a looped water main, and pump upgrades that would be phased in with the development. Per DPUs request, detailed service plans and agreements would follow a rezoning approval. These service plans would identify specific infrastructure sizes. Like other users, this project will comply with applicable local, state, and federal laws governing water usage.

*Will anything be discharged to the streams onsite?*

APPLICANT RESPONSE: No wastewater generated by the data centers will be discharged to any streams or creeks onsite. All wastewater will be discharged to the sewer and treated at the County's wastewater treatment plant. The only water that will reach the streams is stormwater runoff; stormwater runoff is regulated and must be detained and pass through water quality features to meet all applicable water quality requirements.

## Power and Generators

*Does Tract have firm, date certain contracts with Dominion Power for the 900 MW of electricity needed?*

APPLICANT RESPONSE: Dominion Power establishes the process for any project that wants to obtain electricity in its territory. The Applicant has submitted for a load study for Mountain Road Technology Park for 900 MW and has placement in the study queue. Dominion Power

does not issue date-certain contracts for power delivery but has provided a power delivery date of Q4 of 2029 for Mountain Road Technology Park.

Will nuclear power be use at this site?

APPLICANT RESPONSE: No.

*Given that power is not expected to be available until Q4 2029 and construction would need to start 18–24 months earlier, why are there only conceptual plans instead of detailed, actual plans?*

APPLICANT RESPONSE: As with any development, from single family homes to office buildings to industrial parks and data centers, detailed plans are not developed at the time of rezoning. The developments process is complex and lengthy. It would not make sense to submit detailed plans for infrastructure and buildings, and other site elements until zoning is established. Once rezoning and the rights for the land use for the site are secured, developers then begin with detailed civil drawings and final site plans for the horizontal (utility, roads, etc.) construction. Once that is underway, detailed site plans, construction drawings, and building permit applications for the buildings will be developed, submitted, processed and permitted.

Will this project take all the power away from potential future development along Mountain Road north of the site?

APPLICANT RESPONSE: Dominion Energy is responsible for ensuring there is adequate capacity for any future developments. There is a possibility that the system upgrades required for Mountain Road Technology Park would enable additional load in the area.

How will the power get to the site? Will there be impacts to traffic along Winns Church Road?

Dominion Energy is studying routing for this project; power will be provided from the existing transmission lines near the property. At this time, a route has not been selected. Meeting with the county, property owners, and other stakeholders regarding the routing will all be a part of the public outreach process undertaken by Dominion Energy. Regardless of routing, the impacts on traffic would be minimal, as Dominion Energy pulls wires across roadways with minimal traffic disruption.

Will the phrase “(equivalent or better)” be removed from Proffer #15 (Generators)?

APPLICANT RESPONSE: Proffer #16 regarding generators has been amended to read in its entirety:

*“Only Tier IV (or better) generators shall be used.”*

*How long will the generators run during testing, and how often will that testing occur?*

APPLICANT RESPONSE: The proffers set limitations on generator testing and reads:

*“In addition to the foregoing proffers, Applicant agrees that the testing of any back-up generators at the Project shall be limited to between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday, unless otherwise required by applicable state or federal law or regulation.”*

Generator testing is governed by state and federal agencies. Those agencies set the required frequency and length of testing required. This language sets a limitation on the permitted hours of testing, unless otherwise required by those agencies. These times are more restrictive than the County’s sound ordinance and are being further limited by the Applicant through this proffer. Should future technology develop and require less testing, that testing would still occur within the days and times noted in the proffer language.

Virginia defers to the National Fire Protection Association standards for emergency power systems (NFPA 110). Those standards currently require generators to be run for approximately 30 minutes on a monthly basis. Extended load tests are required every 36 months (3 years) and require Level 1 emergency systems to run a full -load test of 4 or more hours to verify reliability.

Some generators that are subject to DEQ rules, as most data center generators are, may have additional permit specific testing, monitoring and reporting schedules. These will differ by permit and facility but are detailed in the permit conditions when that agency issues the permit.

*Beyond specifying Tier IV or equivalent generators for reduced emissions, what additional noise mitigation measures (such as acoustic enclosures, enhanced exhaust mufflers, and optimized cooling fan design) will be implemented, particularly for Buildings 3A and 2B?*

APPLICANT RESPONSE: The Applicant has included proffer language to address sound attenuation. The Applicant will comply with Hanover County Code requirements. The Code

requires that the maximum sound levels for this project as measured at the perimeter property lines of 57 dB from 7:00am – 10:00pm and 52 dB from 10:00pm – 7:00am.

The Applicant will be required to install whatever mitigation measures are necessary to comply with the code requirements. Some examples of mitigations may, but are not required or limited to, include acoustic enclosures, landscaping, bearinging, equipment mufflers, equipment placement, and screening walls

## Traffic/Transportation

### *Will Mountain Road be widened?*

APPLICANT RESPONSE: No. Adding additional lanes on Mountain Road is not required to accommodate this project; however, turn lanes will be required at the project's primary entrance.

### *Can the Traffic Impact Analysis (TIA) be recalculated to focus specifically on Construction Peak conditions?*

APPLICANT RESPONSE: The Applicant submitted a TIA in November 2025. The TIA does include construction peak area calculations. During the construction peak hours, *“all signalized intersections and all unsignalized approaches are projected to operate with overall delays equivalent to LOS D or better, with the exception of the westbound approach at the intersection of US-33 and Project Driveway #1 during the PM peak hour, which is projected to operate with delays equivalent to LOS F.”* (TIA, p. 19)

At this time, VDOT and the County are not requiring any improvements at that intersection, with the exception in installation of turn lanes.

As stated in the TIA, *“these results are typical where a low volume, stop-controlled, road intersects a high-volume, free-flow road. On occasions where vehicles are unable to exit the site, or excessive queues are observed on-site, it is expected that the contractor will deploy flaggers to maintain the safety and operations of the intersection”* (TIA, p. 39)

The Applicant is proposing additional proffers to limit commercial construction traffic entering and exiting the site during peak hours. Additionally, the Applicant has reached out to VDOT and has modeled some potential ways traffic leaving the site could be modified. VDOT is ultimately responsible for approving any improvements to pavement, including restriping and other mitigation measures. The Applicant will continue to work closely with VDOT to identify solutions that are acceptable to include in construction management plans.

*Can the TIA be updated to study an alternative workforce arrival/departure distribution (for example, 70% arriving between 6–7 a.m., 15% between 5–6 a.m., and 15% between 7–8 a.m., with corresponding departure windows) that may better reflect likely conditions?*

APPLICANT RESPONSE: The TIA submitted by the Applicant actually concentrates traffic at the defined peak hour, which is 7:15am – 8:15am. Distributing the traffic as suggested in this question would actually improve the traffic conditions through a more distributed arrival pattern. Therefore, no additional improvements would be required under this scenario.

## Environmental

*What are the anticipated sound levels at the perimeter property lines?*

APPLICANT RESPONSE: The Applicant will comply with Hanover County Code requirements. The Code requires that the maximum sound levels for this project as measured at the perimeter property lines of 57 dB from 7:00am – 10:00pm and 52 dB from 10:00pm – 7:00am.

For comparison purposes, a refrigerator running is approximately 50 dB, a drip coffee maker is approximately 55 dB, normal conversation levels are 60dB and a car passing is 70 dB.

The Applicant has furthered proffered that a noise study will be conducted for each data center building within 30 days after the “ready for service” date. This study will identify any necessary mitigation measure required to ensure conformity with the County’s noise ordinance (as needed).

*Provide a list of all particulate and pollutants that will be emitted from the air from backup generators, cooling equipment, and any other on-site machines, including, but not limited to, fine particulate matter (PM<sub>2.5</sub>), coarse particulate matter (PM<sub>10</sub>), nitrogen oxides (NO<sub>x</sub>), sulfur dioxide (SO<sub>2</sub>), carbon monoxide (CO), volatile organic compounds (VOCs), greenhouse gases (carbon dioxide, methane), and any hazardous air pollutants, along with the expected emission rates and concentrations under normal operation, testing, and emergency use.*

APPLICANT RESPONSE: The number, location, and specific make and model for all mechanical equipment needed to serve this project will be identified and approved as part of the more detailed site plan review that the Applicant will need to submit to the County, if the current land use applications are approved. All mechanical equipment will be required to meet local, state, and federal laws for emissions, for normal operations, testing, and emergency. In this area, regulatory agencies that will participate in the review, approval, and

ongoing certification would include Hanover County, the Virginia Department of Environmental Quality (VDEQ), and the Environmental Protection Agency (EPA). For additional information about the air permitting process from VDEQ, reference the Environmental Permitting Guide for Economic Development in Virginia: <https://www.deq.virginia.gov/home/showpublisheddocument/32825/639039115653800000>

For specific requirements for each of the particulate and pollutants specified above, here are the current regulatory levels that the project will be held to via the required air permitting:

| Virginia Ambient Air Quality Standards (Based on NAAQS)  |                 |                           |                    |
|---------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------------------|--------------------|
| Pollutant                                                  | Averaging Time  | Primary Standard          | Secondary Standard |
| Ozone ( $O_3$ )                                                                                                                             | 8-hour          | 0.070 ppm (2015 std)      | 0.070 ppm          |
| Nitrogen Dioxide ( $NO_2$ )                                                                                                                 | 1-hour          | 100 ppb                   | --                 |
|                                                                                                                                             | Annual          | 53 ppb                    | 53 ppb             |
| Sulfur Dioxide ( $SO_2$ )                                                                                                                   | 1-hour          | 75 ppb                    | --                 |
|                                                                                                                                             | 3-hour          | --                        | 0.5 ppm            |
| Carbon Monoxide (CO)                                                                                                                        | 1-hour          | 35 ppm                    | --                 |
|                                                                                                                                             | 8-hour          | 9 ppm                     | --                 |
| Lead (Pb)                                                                                                                                   | Rolling 3-month | $0.15 \mu g/m^3$          | $0.15 \mu g/m^3$   |
| PM 10                                                                                                                                       | 24-hour         | $150 \mu g/m^3$           | $150 \mu g/m^3$    |
| PM 2.5                                                                                                                                      | Annual          | $9.0 \mu g/m^3$ (Revised) | $15.0 \mu g/m^3$   |
|                                                                                                                                             | 24-hour         | $35 \mu g/m^3$            | $35 \mu g/m^3$     |

Identify any chemicals, refrigerants, oils, fuels, and treatment agents used in generators, cooling systems, or other equipment that could pose a risk to air, surface water, ground water, or soil, including, but not limited to, diesel fuel, lubricating oils, ethylene glycol, or

propylene glycol (coolants), industrial cleaning agents, PFAS-containing products, and refrigerants such as HFCs, along with the quantities, storage methods, spill-prevention and containment plans, and procedures for handling leaks or releases.

APPLICANT RESPONSE: This project will connect to existing water and wastewater infrastructure. All water used in the data center for cooling or other uses will be discharged to the public wastewater system and will be treated. This project will be required to meet National Ambient Air Quality Standards (NAAQS), as well as any state or local standards in place at the time of development. Construction at the site will be required to obtain a construction stormwater permit and develop a Storm Water Pollution Prevention Plan (SWPPP) for the site. The site will also be required to develop a Spill Prevention, Control and Countermeasure (SPCC) plan for the site. For additional information about all the required permitting processes from VDEQ, reference the Environmental Permitting Guide for Economic Development in Virginia: <https://www.deq.virginia.gov/home/showpublisheddocument/32825/639039115653800000>

*Any anticipated noise and light emittance levels, both daytime and nighttime, including generator testing schedules, cooling equipment noise, substation noise and on-site lighting design (intensity, direction, and hours of operation) that may impact nearby homes, including, but not limited to, constant hums, frequency vibrations, potential skyline glow, glare, and light trespass onto adjacent properties.*

APPLICANT RESPONSE: All projects within Hanover County are regulated by the Hanover County Code of Ordinances, which regulates noise and light, among other things. The Applicant has furthered proffered the following related to noise and light:

- **9. Lighting:** The maximum height of pole-mounted exterior lighting shall be eighteen feet (18'). Pole-mounted light fixtures will be consistent with the fixtures shown on the page 28 of the U.S. Route 33 Gateway Small Area Plan and described in Section E.1 (as of the date hereof), as determined by the Planning Director at the time of site plan review. All exterior lighting fixtures, including pole-mounted exterior lighting and building-mounted exterior lighting, shall be fully shielded with house side shields installed. Lighting shall not exceed .50 foot-candles at the interior edge of the Natural Buffer. Lighting that is exempt from these requirements includes temporary lighting and lighting provided for emergency or safety and security purposes as required by: the Building Code, Electrical Code, or otherwise within the County Code. The uplighting of buildings is prohibited. The maximum height of any building-mounted exterior light fixture shall be 35 feet in height, with the exception of motion-activated security lighting. Although data centers have minimal windows generally, Applicant further proffers that interior lighting will be minimized from being emitted externally at night (using window coverings or other

shading mechanisms) where the windows face Route 33/Mountain Road, Winns Church Road, the Chickahominy River, Grassy Swamp Creek, or the perimeter project boundary lines of the Property.

- 13. Noise Attenuation for Building Design and Related Infrastructure. Within 30 days after the “ready for service” date for each data center building constructed at the Project (i.e. the date on which all exterior equipment is installed and operational), the Applicant shall provide a noise study that is specific to such data center building to ensure that the noise generated from the data center building and the building’s associated infrastructure, together with the other noise generated as of that date from the Project, conforms to the Noise Ordinance. This noise study shall be completed by a certified professional and include recommendations for any necessary mitigation measures required to ensure conformity with the Noise Ordinance and the Applicant shall implement such mitigation measures within 60 days after the date of the noise study, unless a particular mitigation measure requires a longer time to implement and that particular mitigation measure shall be implemented within that longer period time as approved by the Planning Director. Any required mitigation measures may be noted on the approved plans as an administrative amendment. In addition to the foregoing, Applicant agrees to install physical sound attenuation on any mechanical equipment (including but not limited to ground supported barriers, earthen berms, mechanical screening or other attenuation techniques as specifically called out in subsequent sound studies) that is installed at a data center building located within 1,200 feet of any perimeter project boundary line and that is either (i) installed on the rooftop of such building or (ii) that is installed on the exterior side of such data center building and directly facing such adjacent residential uses, in each case unless a noise study demonstrates that there is no incremental noise from such mechanical equipment as a result of the foregoing installation locations. In addition to the foregoing proffers, Applicant agrees that the testing of any back-up generators at the Project shall be limited to between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday, unless otherwise required by applicable state or federal law or regulation.

*Any available health and quality-of-life impact assessments or modeling that describe how these emissions and impacts could affect nearby residents over time, including, but not limited to, potential effects on respiratory health (Asthma, COPD, and other lung conditions), cardiovascular health, sleep disruption from noise and light, outdoor use and enjoyment or property, and long-term exposure to chemical or particulate pollution.*

APPLICANT RESPONSE: An air permit applicant may be requested to show that emissions for the site will meet NAAQS by conducting dispersion modeling. The NAAQS are

developed to protect all sensitive populations that could be affected by air emissions. The data center engines will be required to install very effective Best Available Control Technology (BACT) controls for all diesel fired emergency engines. These controls significantly reduce NO<sub>x</sub>, CO and PM<sub>2.5</sub> emissions to under Tier 4 regulatory levels.

Human health risk assessments are not typically performed for properties that have not been previously developed for industrial uses, and thus it is not anticipated that these assessments would be conducted. While noise studies would be conducted within 30 days after the “ready for service” date for each data center building constructed at the Project, lighting impacts are regulated through Hanover County ordinances.

*A clear explanation of how these projected emissions and impacts compare to applicable local, state, and federal standards, including, but not limited to, National Ambient Air Quality Standards (NAAQS), Virginia Department of Environmental Quality permits, and any relevant water-quality and noise standards, and what enforceable mitigation measures (besides 500' buffer) and monitoring will be in place to protect surrounding neighborhoods.*

APPLICANT RESPONSE: As with any development, all applicable local, state, and federal standards must be met. The tables below communicate the baseline conditions for air and water quality standards that would apply to the development of the property, which is all contingent on the zoning approval of the project.

# Virginia Ambient Air Quality Standards (Based on NAAQS)

| Pollutant  | Averaging Time  | Primary Standard                       | Secondary Standard            |
|---------------------------------------------------------------------------------------------|-----------------|----------------------------------------|-------------------------------|
| Ozone ( <i>O<sub>3</sub></i> )                                                              | 8-hour          | 0.070 ppm (2015 std)                   | 0.070 ppm                     |
| Nitrogen Dioxide ( <i>NO<sub>2</sub></i> )                                                  | 1-hour          | 100 ppb                                | --                            |
|                                                                                             | Annual          | 53 ppb                                 | 53 ppb                        |
| Sulfur Dioxide ( <i>SO<sub>2</sub></i> )                                                    | 1-hour          | 75 ppb                                 | --                            |
|                                                                                             | 3-hour          | --                                     | 0.5 ppm                       |
| Carbon Monoxide (CO)                                                                        | 1-hour          | 35 ppm                                 | --                            |
|                                                                                             | 8-hour          | 9 ppm                                  | --                            |
| Lead (Pb)                                                                                   | Rolling 3-month | 0.15 $\mu\text{g}/\text{m}^3$          | 0.15 $\mu\text{g}/\text{m}^3$ |
| PM 10                                                                                       | 24-hour         | 150 $\mu\text{g}/\text{m}^3$           | 150 $\mu\text{g}/\text{m}^3$  |
| PM 2.5                                                                                      | Annual          | 9.0 $\mu\text{g}/\text{m}^3$ (Revised) | 15.0 $\mu\text{g}/\text{m}^3$ |
|                                                                                             | 24-hour         | 35 $\mu\text{g}/\text{m}^3$            | 35 $\mu\text{g}/\text{m}^3$   |

# Virginia State Water Quality Standards

*(Including Chesapeake Bay Restoration Requirements)*

Virginia water quality standards are based on **designated uses**, numeric and narrative criteria, and additional nutrient reduction obligations under the **Chesapeake Bay TMDL**.

## Core Water Quality Criteria (Statewide)

| Parameter                           | Standard Type               | Criteria / Limit                         | Notes                                     |
|-------------------------------------|-----------------------------|------------------------------------------|-------------------------------------------|
| Dissolved Oxygen (DO)               | Aquatic Life                | ≥ 5.0 mg/L (warm water)                  | ≥ 6.0 mg/L for trout waters               |
| pH                                  | General                     | 6.0 – 9.0 standard units                 | ≤ 1.0 unit change from natural conditions |
| Temperature                         | Aquatic Life                | ≤ +3°C above natural conditions          | Stricter for trout waters                 |
| E. coli (Freshwater)                | Recreation                  | 126 CFU/100 mL (30-day geometric mean)   | Primary contact standard                  |
| Turbidity                           | General                     | No significant increase above background | Narrative criterion                       |
| Oil & Grease                        | General                     | No visible sheen                         | Narrative criterion                       |
| Toxic Pollutants (Metals, Organics) | Human Health / Aquatic Life | EPA-based numeric criteria adopted by VA | Includes mercury, copper, arsenic, etc.   |

## Chesapeake Bay Restoration Requirements

*(Applies within Chesapeake Bay watershed – 9VAC25-720 and related regs)*

| Parameter                    | Standard Type       | Criteria / Requirement                | Regulatory Context                   |
|------------------------------|---------------------|---------------------------------------|--------------------------------------|
| Total Nitrogen (TN)          | Nutrient Cap (TMDL) | Statewide cap: ~51.7 million lbs/year | Chesapeake Bay TMDL allocation       |
| Total Phosphorus (TP)        | Nutrient Cap (TMDL) | Statewide cap: ~5.36 million lbs/year | Chesapeake Bay TMDL allocation       |
| Total Suspended Solids (TSS) | Sediment Cap        | Basin-specific allocations            | Linked to nutrient transport control |

## Economic, Fiscal and Tax Information

*What is the estimated number of permanent local jobs, separate from temporary construction positions?*

APPLICANT RESPONSE: Between 300 – 350 permanent local jobs are projected for this project.

*What infrastructure subsidies (road expansion, grid upgrades, water/sewer expansion) are planned, and will any of these costs impact taxpayers?*

APPLICANT RESPONSE: The Applicant is not requesting subsidies for this project. Any improvement associated with this project will be fully funded by the Applicant. This includes any necessary road improvements, power improvements, and water/sewer improvements. This project will not generate mitigation measures that would have any cost impacts on taxpayers.

*Has the Commissioner of Revenue's Office provided comments on this project and where exactly are they located? Is there an independent cost benefit analysis evaluating the long-term fiscal impact, and what are its conclusions?*

APPLICANT RESPONSE: The Applicant provided overall anticipated tax revenue information to the County at the Planning Commission hearing on February 19, 2026. The Applicant is submitting tax revenue information to the County in advance of the March 19<sup>th</sup> Planning Commission meeting to give the Commission additional time to review the information.

The Applicant met with the Commissioner of Revenue's Office and Finance Department prior to the Planning Commission hearing. At this meeting, the Applicant reviewed assumptions, tax rates, and overall methodology used in the tax analysis. The Applicant did not request formal comments from the County since revenue projections are not a formal submittal requirement or criteria for rezoning and conditional use permit (CUP) applications.

The Applicant contracts with an independent company, Ernst & Young (EY) to conduct the revenue analysis. EY is a global organization with teams in over 150 countries. They provide numerous services including auditing/assurance, consulting, law, strategy, tax services, and transactions.

*What are the various streams of tax revenue that data centers generate?*

APPLICANT RESPONSE: Data centers generally create several different streams of tax revenue. The first is Real Property Tax. This is the tax that is paid based upon the assessed

value of the land, just as is done with residential development. When land is improved, the value increases and the amount of tax revenue increases.

The second is Business Personal Property Tax. This is the tax paid on business equipment and assets, such as furniture and fixtures, IT equipment, business vehicles, and other similar assets.

Sales and Use Tax is the third state revenue stream. Currently, the State of Virginia has an exemption on this tax for computer equipment and related software for data centers. To qualify for this exemption, the data center development must include a minimum capital investment of at least \$150 million and create at least 50 new jobs with wages at least 1.5 times the local average wage. Businesses who claim this exemption must also enter into a Memorandum of Understanding with the Virginia Economic Development Partnership outlining these investment/employment thresholds and performance benchmarks. The current state legislation is slated to expire on June 30, 2035.

This exemption does not apply to Sales and Use Tax revenue that is collected and paid to Hanover County. Local sales and use taxes still apply.

*What is the projected net tax revenue after incentives, and what is the timeline to a positive return for Hanover County?*

APPLICANT RESPONSE: The Applicant has provided anticipated tax revenue information to the County, along with an explanation of assumptions and methodology. Based upon this analysis, the Applicant projects that the project as proposed would generate approximately \$445 million in real property taxes and approximately \$450 million in personal property taxes over the first 15 years of project operation (beginning after power is delivered to the site). Similarly, the sales and use taxes would generate approximately \$345 million for the County over the first 15 years of operation of the facility; there would be additional state and regional sales and use taxes generated.

These revenues would begin to be realized by Hanover County within the first year after project energization, which is currently anticipated to be 2030 but is dependent upon Dominion Energy's delivery of power to the project. It should also be noted that the property would be reassessed after a rezoning is approved, and the real estate taxes go up significantly. These higher taxes are then due and paid going forward regardless of when construction activity starts.

*What is the assessment of potential property value impacts on surrounding residential areas?*

APPLICANT RESPONSE: There is not substantial data that indicate that data centers have a negative impact on surrounding property values. A [study of housing in Northern Virginia conducted by George Mason University](#) indicated that homes closer to data centers actually have higher sales values, likely because data centers are located in areas with strong infrastructure, job access, and robust local economies.

Similarly, a [study prepared by the state of Virginia](#) states that, while many homeowners fear a reduction in property value, there is no clear evidence of such declines in strong housing markets.

*What is the opportunity cost of land use for a data center compared with alternative development models that might better diversify the tax base?*

APPLICANT RESPONSE: Data centers generate higher tax revenues than other industrial uses. Hanover County, as part of the Route 33 Small Area Plan, designated this area as planned for industrial development. Of comparable land uses, data centers generate a much higher tax revenue than other uses and do not create demand for county services. For comparison, residential development generates significantly less tax revenue and creates a much higher demand for county services, such as police, fire, EMS, and schools.

*What is the full breakdown of tax incentive packages and abatements being offered?*

APPLICANT RESPONSE: The Applicant is not requesting any tax incentive packages or abatements for this project.