

Waterford data center plan is a winner



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By **The Day Editorial Board**

This plan is much better.

About a year ago the Groton Town Council, facing strong public opposition, ended discussions about building a massive data center there. Now the same developer, NE Edge, LLC, is pursuing a data center project in Waterford.

The Waterford proposal gets right many of the things the Groton version got wrong.

In a March 2022 editorial, we backed the Groton council's decision to pull the plug on the data center proposal there. The site, near a reservoir, was a poor choice. It would have chewed up forested land and detracted from the quality of life for those living nearby.

While recognizing the necessity of these data centers and defending the legislature's decision to offer incentives so that Connecticut could compete with other states in attracting them, our editorial also called for more sensible decision making in choosing where to build them.

Building data centers in "former industrial sites, existing industrial parks, or repurposed warehouses" made more sense than cutting down trees or squeezing them near residential locations, the editorial argued.

The Waterford proposal calls for construction of a large data center at an existing industrial site, the Millstone Power Station. Even better.

The Waterford Board of Selectmen, in a Feb. 23 joint session with the Representative Town Meeting, **approved a deal** with NE Edge that will send \$231 million to the town over 30 years. To attract data centers the legislature waived local property taxes, leaving it to municipalities to negotiate revenue deals. Even though NE Edge gets a discount over what it would pay if fully taxed by Waterford, it will still be second only to Millstone in terms of the revenue it generates for the town.

This is a terrific location. Electricity for the energy-hungry data center will come from the two Millstone reactors, a power source free of greenhouse emissions. The deal NE Edge signed with Millstone owner Dominion Energy — details were not disclosed — will strengthen its business standing and help assure its operation well into the future.

The Millstone reactors are critically important, both as a major source for the region's electricity needs and as climate-friendly power generators.

Planned are a pair of massive two-story data facilities. The first will be 568,000 square feet, the second 214,000 square feet. Despite their size, they will occupy only a small fraction of the 500-acre Millstone site.

Providing cloud and other data storage, such centers are critical to life and economic growth in the digital age, allowing the accessing, sharing and storage of enormous amounts of information.

This project would be a major job creator, generating upwards of 2,000 construction jobs and as many as 500 full-time positions when in operation.

Congratulations to First Selectman Rob Brule for negotiating and closing this deal.

While the financial terms of the deal are settled, the project still needs various local, state and federal approvals. As things stand now, however, this project looks like a winner. With data centers, as with real estate, it is all about location, location, location.

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