

DATA CENTER ALLIANCE OF MARYLAND
Powered by the Maryland Tech Council

Data Centers in Washington County

Strong Economy. Strong Communities.

Why Data Centers are in Demand

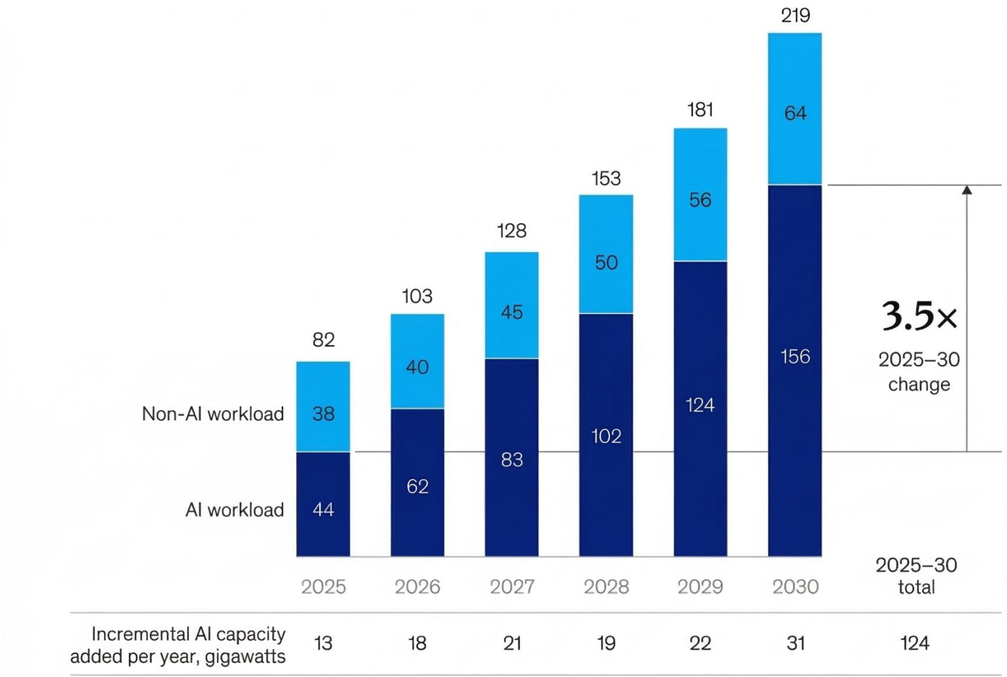
Explosive growth in digital commerce, cybersecurity, and scientific R&D.

Non-AI data center workloads increase by 63% from 2025 to 2030. Demand is not driven solely by AI.

Data center industry is responding to our demand.

Both AI and non-AI workloads will be key drivers of global data center capacity demand growth through 2030.

Estimated global data center capacity demand, 'continued momentum' scenario, gigawatts



Incremental AI capacity added per year, gigawatts	13	18	21	19	22	31	124

Note: Figures may not sum to totals, because of rounding.
Source: Gartner reports; IDC reports; Nvidia capital markets reports; McKinsey Data Center Demannd Model

McKinsey & Company

1 McKinsey & Co., "Data Center Demand Charts," May 2025

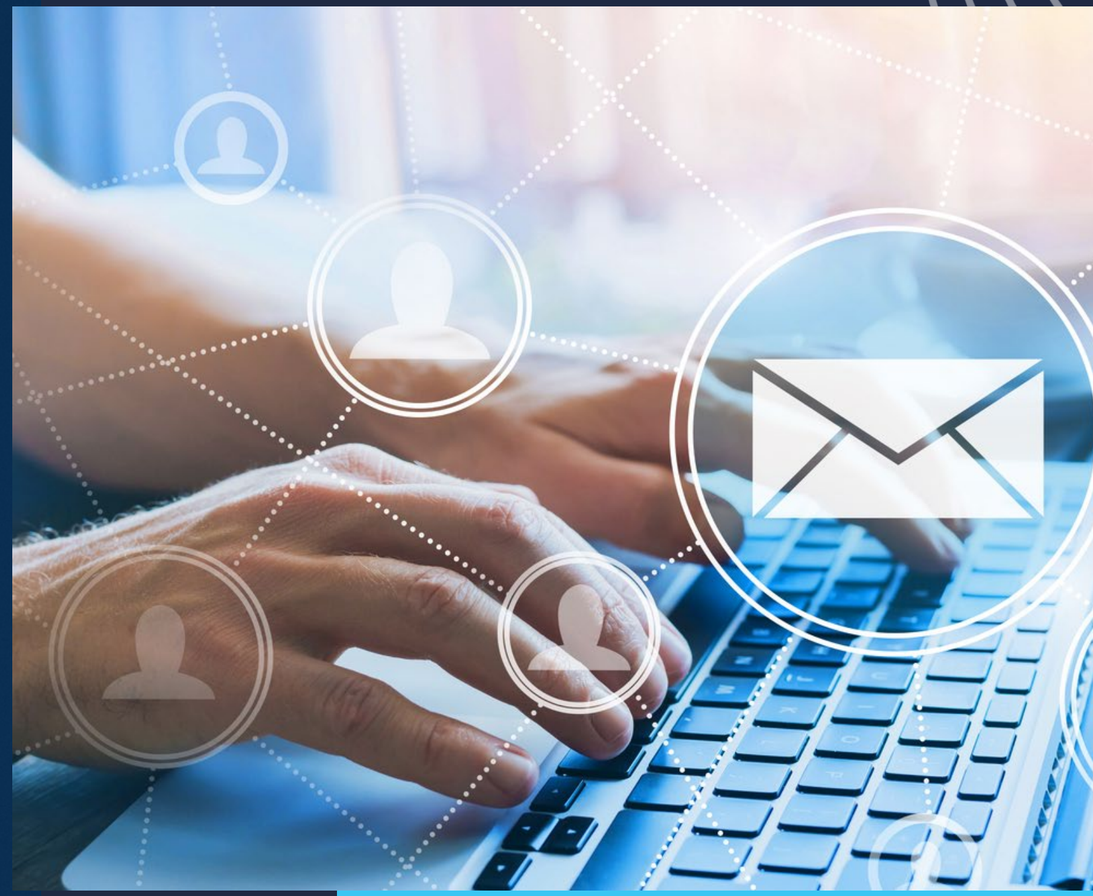
Why We Need Data Centers

If you engage in any of the following activities, you rely on a data center:

1. Sent an email
2. Watched video online
3. Used GPS (e.g. Google Maps)
4. Shared a photo online
5. Purchased an item online

If you support any of the following initiatives, they only happen with data centers:

1. Precision medicine and personalized treatments
2. Continous glucose monitoring for diabetic care
3. Cyber security to protect personal information
4. Weather forecasting and severe storm warnings
5. 911 emergency response



Economic Impact in Washington County



4,000+

Direct & Indirect Jobs During Construction



$791M

Economic Activity



256

Permanent Jobs Supported Once Operational

Sage Policy Group, The Economic & Fiscal Impact of a Data Center Development in Washington County, October 2026

Washington County: Local Tax Revenue

Sage Policy Group studied a proposed 660,000 sq. ft. data center in Washington County.

Estimated $5.5 million for the county each year once operational and $7.1 million for the City of Hagerstown.[3]

That is the equivalent property tax revenue from more than 2,100 new median-priced homes.

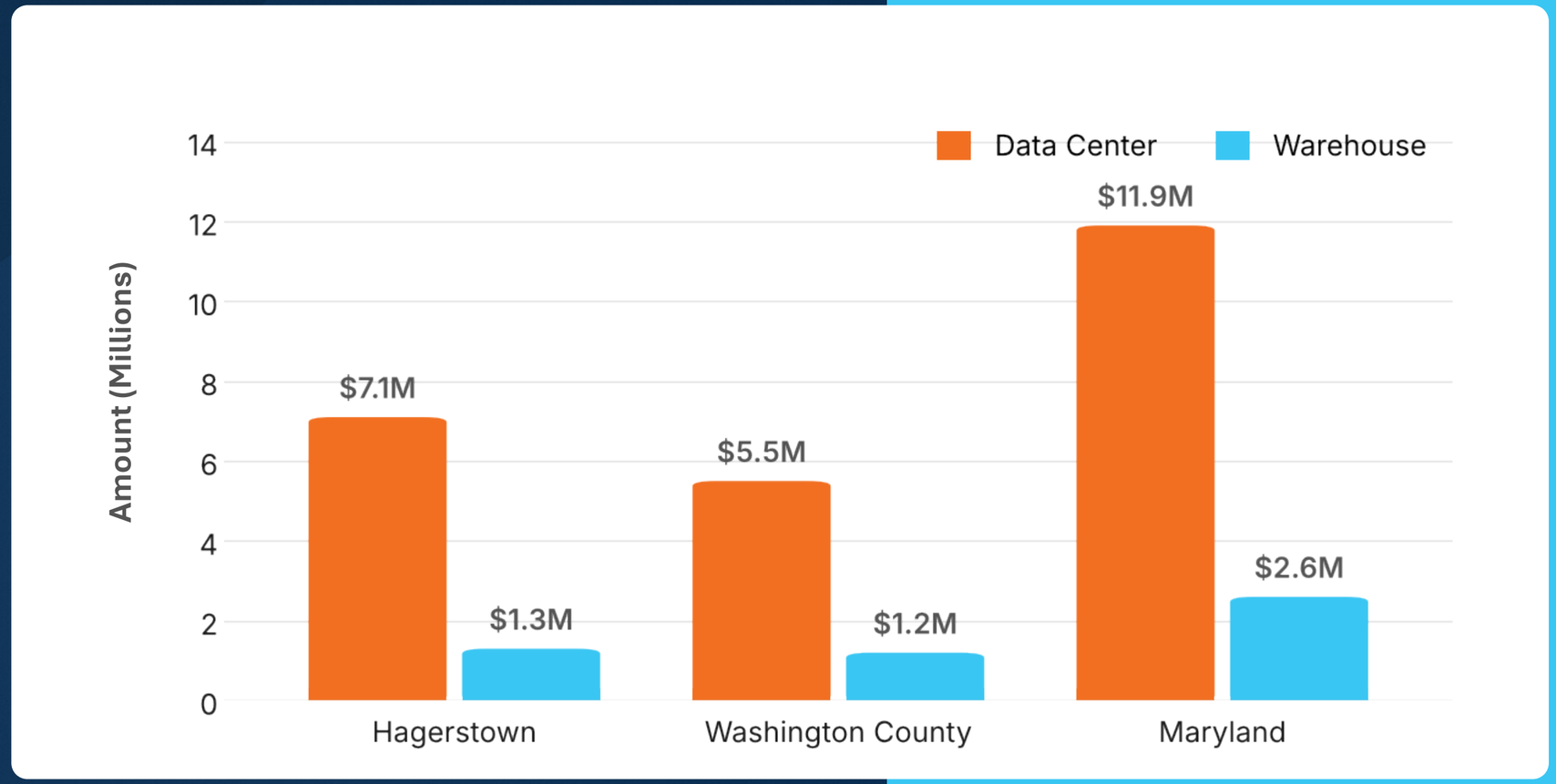


Combined City & County Tax Revenue Increases by $12.6 Million Annually

3 Sage Policy Group, The Economic & Fiscal Impact of a Data Center Development in Washington County, October 2026. Assumes annexation into Hagerstown.

Data Center vs. Warehouse: Annual Tax Revenue

The site is already zoned Industrial. A data center would generate $19.4M more in local and state tax revenue every year. That is a 380% increase in tax revenue compared to a warehouse.



Annual State Tax Revenues from One Data Center



145
Police Officer Salaries



165
Firefighter Salaries



140
Teacher Salaries

Based on a proposed 660,000 square foot data center in Washington County, which would generate $11.9 million in annual state tax revenue

* U.S. Bureau of Labor Statistics, Annual Mean Wages, May 2024
* Sage Policy Group, The Economic & Fiscal Impact of a Data Center Development in Washington County, October 2026

Current Economic Activities in Maryland

300-400 electrical workers employed across Quantum Frederick and LTW sites in Hanover, MD.

100 new workers hired at prefabrication facility for Quantum Frederick

IBEW launched **apprenticeship classes** at Frederick Community College

240 apprentices accepted in Year 1 — all are employed today.

IBEW projects **1,200 electrical workers** for Quantum Frederick's core and shell work.

Additional 800 workers estimated for tenant work

Source: International Brotherhood of Electrical Workers-Maryland

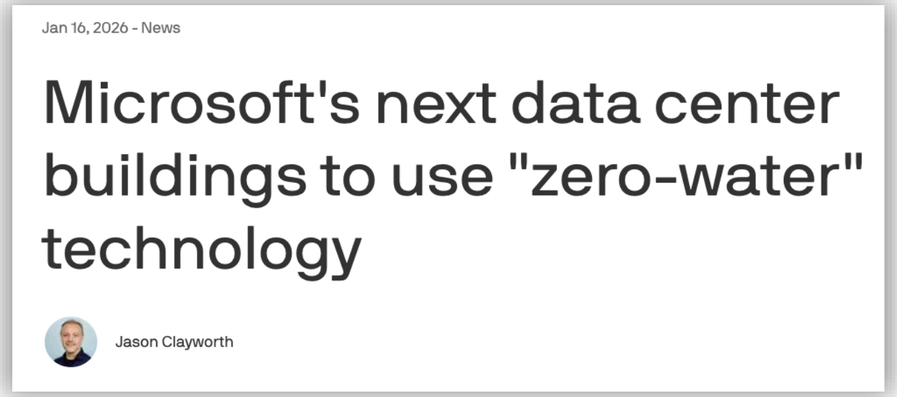
Conserving Water



Amazon to expand number of data centers using recycled water to 120

Company currently uses wastewater for cooling at 20 sites

June 09, 2025 By: Dan Swinhoe Have your say



Jan 16, 2026 - News

Microsoft's next data center buildings to use "zero-water" technology

Jason Clayworth

Data centers use water, air, or liquid to cool servers.

Three new innovations **reduce or eliminate water use** for data center cooling:

- Closed loop systems
- Reclaimed wastewater
- Air Cooling

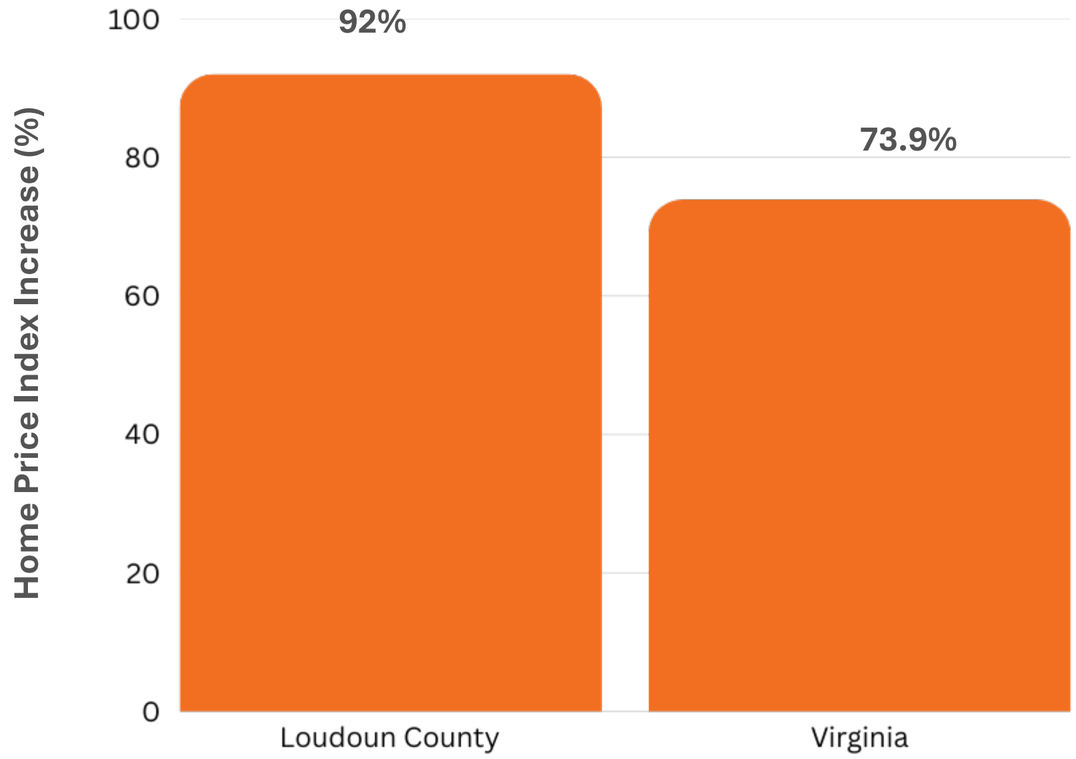
Example: Aligned's PHX-13 site in Arizona, previously a rose farm, is delivering 73% water use reduction compared to prior use.

Home Prices

Home prices rose alongside data centers in Loudoun County, Va.

Median home price index up 92 percent from 2010 - 2024, faster than state average of 73.9 percent.[4]

Loudoun County in top 2 percent of U.S. for median home prices ($775,457).



4 Federal Reserve Bank of St. Louis, All-Transaction House Price Index, Loudoun County and Virginia

National Association of Realtors Study

Study found “**no single data center effect**” because markets across the country differ dramatically from one another.

Counties with more data centers generally have higher home values, higher incomes and stronger long-term job growth than counties without them.



4 Federal Reserve Bank of St. Louis, All-Transaction House Price Index, Loudoun County and Virginia

Respecting Landscapes

Thoughtful planning balances rural heritage and economic growth

Frederick County Plan:

- Limits data centers to less than 1% of county landmass.
- Developers put 5 acres of farmland into preservation for every 1 acre rezoned for data center development.
- Restricts data centers to 500+ ft. from residential neighborhoods

Additional Best Practices:

- Noise buffers, tree plantings

Respecting Landscapes: Sound Levels

Local jurisdictions set noise ordinances.

Data centers must comply with these ordinances.

Many data centers operate below ordinance.

Sound reduction techniques:

- Tree plantings
- Noise shrouds
- Property line setbacks

ACTIVITY	SOUND LEVEL
Jet Taking Off	**140 decibels**
Loud Radio	**80 decibels**
Normal Conversation	**60 decibels**
Typical Data Center (from property line)	**55-60 decibels**
Rain	**40 decibels**
Whisper	**20 decibels**

New Maryland Law

“It is the intent of the General Assembly that residential retail electric customers in the state should not bear the financial risks associated with large load customers interconnecting to the electric system serving the state.”[4]

– Utility Relief Act of 2026

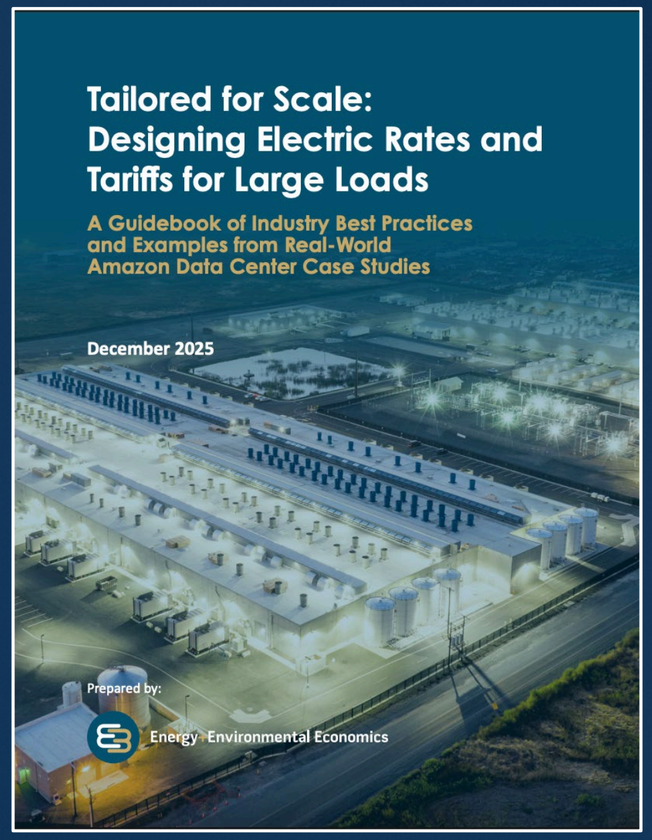
Energy: Data Centers Pay for Grid Upgrades

Data centers require energy—but must pay for it.

MD requires data center developers to pay for electric grid upgrades needed to serve their facility.

Today’s data centers are far more energy efficient than decentralized data servers.

Study: Data Centers Take Up More Fixed Costs



Surplus electricity revenue data centers generate can be returned to ratepayers.

A single 100 MW data center can generate **over $3.4 million in annual surplus value** that can be reinvested in customer savings.

Why? More data centers = more large customers to pay for grid upgrades.

* ” Tailored for Scale: Designing Electric Rates and Tariffs for Large Loads

Prices are Declining in Many U.S. States



Pacific Gas & Electric **cut electric rates by 11%**, citing data center growth as a driver.



Indiana Michigan & Power is **reducing base electric rates** citing new revenue from data centers in its service area.



Dominion Power: Northern VA residential electric customers **pay 10% below the national average** on transmission costs because of data centers.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