MEETING AGENDA

CITY OF POCATELLO

HEARING EXAMINER

MAY 14, 2026 | 5:30 PM

POCATELLO CITY HALL | COUNCIL CHAMBERS | 911 NORTH 7TH AVENUE

In accordance with the Americans with Disabilities Act, it is the policy of the City of Pocatello to offer its public programs, services, and meetings in a manner that is readily accessible to everyone, including those with disabilities. If you are disabled and require an accommodation, please contact Skyler Beebe with two (2) business days' advance notice at 208.234.6248, sbeebe@pocatello.gov or 5815 South 5th Avenue, Pocatello, Idaho. Advance notification within this guideline will enable the City to make reasonable arrangements to ensure accessibility.

The Hearing Examiner is a citizen advisory group to the City Council. The Hearing Examiner is charged with making decisions for conditional use permit and variance applications. All Hearing Examiner meetings are recorded for record retention and transcription.

The following is the official agenda of the Hearing Examiner meeting. Discussion and action will be limited to those items on the agenda. Any citizen who wishes to address the Hearing Examiner shall first be recognized by the Hearing Examiner, and shall give his/her name for the record. If a citizen wishes to read documentation of any sort to the Hearing Examiner, he/she shall first seek permission from them. Oral testimony may be restricted to no more than 3 minutes per person.

1. DISCLOSURES.

Disclose who was talked to, the basic substance of the conversation, and whether the conversation had any influence. Disclose if there is anything personally or professionally that would not allow an impartial or unbiased decision. Disclose if a site visit was done, location(s) of the visit, and what was seen.

2. ACTION ITEM: PUBLIC HEARING: CONDITIONAL USE PERMIT (CUP) – FILE CUP26-003.

This time has been set aside for the Hearing Examiner to hear comments from the public regarding a CUP request by Gus Schultz. The subject property, known as 1800 River Park Way (PARCEL NO. RPPGW000100 AND RPCPP044853, entails 59 acres (more or less) and is zoned of Industrial (I) with a Future Land Use designation of Industrial (I). The request is to allow a potential data center to be built on these parcels. City use classifications do not include data centers and city staff have determined that the proposed use requires a CUP application. (Quasi-Judicial Public Hearing)

HEARING EXAMINER
HEARING: MAY 14, 2026
STAFF REPORT

FILE: CUP26-003

APPLICANT:	Gus Schultz
OWNER:	Portneuf Capital, LLC
REQUEST:	Conditional Use Permit for potential data center
LEGAL DESCRIPTION:	RPPGW000100 and RPCPP044853
GENERAL LOCATION:	1800 River Park Way
STAFF:	Jennifer Flynn, Assistant Planner

SUMMARY & CONDITIONS:
In consideration of the application, staff concludes that the proposed use is **compliant** with Pocatello City Code Section 17.02.130.D. A full analysis is detailed within this staff report.

Staff recommend the following conditions that are outlined in code for this type of use:

1. All applicable standards of the City of Pocatello Municipal Code not herein listed and applicable shall apply;
2. Any activity requiring a separate development or building permit shall comply with applicable regulations;
3. The applicant shall coordinate with the applicable City Departments prior to the submittal of a building permit to address any site improvements that may be required; and
4. Idaho Power's impact analysis for power generation and construction be provided to the City once complete.

OPTIONAL MOTIONS:
1. Approval of the Application: "Move to recommend **approval** of the Conditional Use Permit application from Gus Schultz to authorize a l data center for RPPGW000100 and RPCPP044853, finding the application meets the standards for approval under section 17.02.130.D of Pocatello City Code.

2. Denial of the Application: "Move to recommend **denial** of the Conditional Use Permit application from Gus Schultz, finding the application **does not** meet the standards for approval under section 17.02.130.D of Pocatello City Code **(state reason for denial)**.

GENERAL BACKGROUND:
Request: Gus Schultz is requesting permission to develop land for a data center on the subject property, known as 1800 River Park Way, entailing two parcels encompassing ~59 acres and is zoned Industrial (I) with a Future Land Use Map designation of Industrial. The request is to allow a potential data center to be built on these parcels. City use classifications do not include data centers and the Planning Director as well as the mayor have determined that the proposed use requires a CUP in accordance with 17.01.160.C.

Per code **17.01.160: USE CLASSIFICATIONS:**
A. Purpose: The purpose of this section is to classify uses into a limited number of use types on the basis of common functional, product, or compatibility characteristics, thereby providing a basis for the regulation of uses in accordance with criteria that are directly relevant to public health, safety, and general welfare.

As noted in section C:

C. Unlisted Use; Authorization of Similar Use:

1. Purpose: It is not possible to contemplate all of the various uses that will be compatible within a zoning district; therefore, unintentional omissions occur. The purpose of these provisions is to establish a procedure for determining whether certain specific uses would have been permitted in a zoning district had they been contemplated and whether such unlisted uses are compatible with or similar to the listed uses.

2. Process: The director shall render an interpretation, as governed by section 17.02.180 of this title.

3. Approval Standards: Approval or denial of an unlisted use application by the director shall be based on findings of whether:

a. The use is consistent with the intent and purpose of the applicable zoning district;

b. The use is similar to and of the same general type as the uses listed in the zoning district;

c. The use has similar impacts as the uses listed in the zoning district; and

d. The use has similar impacts on the community facilities as the uses listed in the zoning district. Community facilities include, but are not limited to, streets, schools, libraries, hospitals, parks, police and fire stations and water, sanitary sewer and storm drainage systems.

4. Other Provisions: The director shall not authorize an unlisted use in a zoning district if the use is specifically listed in another zoning district as either a permitted use or a conditionally permitted use.

Physical Characteristics of the Site: 1800 River Park Way, entails two parcels encompassing ~59 acres and is zoned Industrial (I) with a Future Land Use Map designation of Industrial.

Notification: Notice was posted on the subject property and published in the Idaho State Journal on April 28, 2026. All property owners within three hundred feet (300') of the external boundaries of the subject property have been provided notice of the public hearing in order that they may provide comment on the proposed Conditional Use Permit. No written comments were received from the public prior to the publishing of this staff report.

Hearing Examiner Authority to Grant: The Hearing Examiner may approve, approve with conditions, or deny an application for a Conditional Use Permit. The decision may be appealed by the applicant or other affected persons (according to the provisions of Idaho Code section 67-6521) to the City Council pursuant to the process outlined in Pocatello City Code section 17.02.400: Appeals.

ATTACHMENTS:

A. Application Documents

CRITERIA FOR REVIEW: The Hearing Examiner shall review the facts and circumstances of each proposal in terms of the standards listed in the table below:

Table 1. Conditional Use Permit Review Criteria Analysis

REVIEW CRITERIA (17.02.130.D):				
Compliant			**City Code and Staff Review**	
Yes	**No**	**N/A**	**Code Section**	**Analysis**
☒	☐	☐	**17.02.130.D1**	**Is conditionally permitted within the subject land use district and complies with all of the applicable provisions of this code unless modified through the CUP process.**
			Staff Review	Yes, this land is zoned Industrial. According to 17.01.160.4.b.2: Heavy industrial: Manufacturing, processing and assembling of semi-finished or finished products from raw materials. A substantial proportion of activities and storage may be undertaken outdoors

				with resulting noise, glare, vibration, and other potentially adverse impacts. Examples include, but are not limited to, production or processing of chemical, rubber, leather, clay, bone, plastic, stone or glass materials or products; manufacturing and production of large scale machinery; energy production facilities; concrete batching and asphalt mixing; production of metals or metal products including enameling and galvanizing; production of cars, trucks, recreational vehicles, or mobile homes; feed manufacturing; and wood processing. Data centers are an unlisted use in the zoning ordinance. In accordance with 17.01.160.C the Planning Director and the Mayor have determined a CUP is required.
			Applicant Response	The proposed data center use complies with the applicable provisions of Pocatello City Code through the framework established in Section 17.01.160 for authorization of unlisted uses. While "data center" is not explicitly identified as a permitted or conditional use within the zoning ordinance, the proposed use meets all required approval standards for similar uses. Specifically, the proposed development is consistent with the intent and purpose of the applicable zoning district, which is to accommodate employment-generating, infrastructure-supported commercial and industrial activities. The data center is functionally similar to permitted uses such as warehouse, light industrial, and utility-related facilities in that it operates within an enclosed structure, has limited on-site staffing, and generates minimal external impacts. The operational characteristics- including low traffic generation, controlled access, and reliance on existing utility infrastructure- are consistent with or less intensive than those of permitted uses. Additionally, the project's infrastructure demands can be adequately supported by existing and planned public facilities. As such, the proposed use satisfies all criteria for approval as an unlisted use under Section 17.01.160.
☒	☐	☐	**17.02.130.D2**	**Is consistent with the goals and policies of the comprehensive plan of the city.**
			Staff Review	Future Land Use designates the subject property to be industrial for future use. Data centers are most similar to Heavy Industrial uses as described in 17.01.160.
			Applicant Response	The proposed data center is consistent with the goals and policies of the City of Pocatello Comprehensive Plan, particularly those related to economic development, land use efficiency, and infrastructure utilization. The project represents a significant investment in technology infrastructure and contributes to the diversification of the local economic base by introducing a high-value, low-impact employment use. Data centers are widely recognized as essential infrastructure supporting modern commerce, communications, and digital services. The proposed location within an established commercial/industrial area aligns with the Comprehensive Plan's intent to concentrate

				employment-generating uses in appropriate districts where infrastructure capacity exists. The project promotes efficient use of land and utilities while minimizing conflicts with residential or sensitive land uses.
☒	☐	☐	**17.02.130.D3**	**Is compatible with existing and permitted land uses within the general area.**
			Staff Review	This corridor is industrial and if a potential data center use is approved, would be compatible with other industrial uses.
			Applicant Response	The proposed data center is compatible with existing and permitted land uses within the surrounding area. The River Park Complex is characterized by a mix of commercial, industrial, and service-oriented uses, many of which involve similar building forms, operational characteristics, and infrastructure needs. The data center will operate entirely within an enclosed building, with limited employee presence and minimal customer or public access. Compared to many permitted uses in the area, such as retail, distribution, or manufacturing, the data center generates significantly less traffic, noise, and activity. Because of its low-intensity operational profile and industrial/commercial nature, the proposed use is consistent with and compatible with surrounding land uses and will not introduce conflicts within the area.
☒	☐	☐	**17.02.130.D4**	**Could be adequately served by public facilities and services such as thoroughfares, transportation facilities, police and fire protection, drainage, refuse disposal, water/sewer and schools, to ensure that the proposed use would not be detrimental to public health, safety, and welfare.**
			Staff Review	Public and private utilities have been notified about this potential development. Needed quantities of water and sewer disposal have not been provided. Once design and calculations have been drafted, this development would need to meet standards and conditions set by Water and Sewer. Officials with the City's Water Pollution Control submitted the following: How much wastewater will be discharged? A ballpark number in gallons. Will any pretreatment be required? Will there be any chemicals being discharged? The City's primary wastewater interceptor line runs alongside/through this property. Full 24/7 access must be provided as well as direct access to all of the manholes connected to the interceptor. The Fire department commented that a secondary access will be required. Applicant is working with Idaho Power and Intermountain Gas to determine a plan to provide power. Up to 100 megawatts of power will be needed to run the data center which will not be available immediately. Idaho Power has commented that 100 megawatts is comparable to the amount of power utilized by the entire city of Pocatello in one year. In the interim, power will be supplemented by gas turbines.
			Applicant Response	The proposed data center can be adequately served by existing public facilities and services, including transportation infrastructure, utilities, and emergency services.

				Traffic generation associated with the use is minimal, consisting primarily of periodic employee access and occasional service or maintenance visits. This is substantially lower than many permitted commercial or industrial uses and will not place undue demand on the surrounding roadway network. The site is located within an area already served by necessary infrastructure, including water, sewer, storm drainage, and electrical systems. The project will be engineered to meet all applicable utility and service requirements, ensuring reliable and efficient operation. Police and fire services can adequately serve the site, and the facility will incorporate modern safety and security systems. Overall, the proposed use will not overburden public facilities and will operate within the capacity of existing infrastructure.
☒	☐	☐	**17.02.130.D5**	**Would be harmonious in scale, mass, coverage, density, and intensity with all adjacent permitted land uses.**
			Staff Review	Adjacent land uses are similar and fit within the industrial use classification. Landscape buffers will be required per City standards.
			Applicant Response	The proposed data center will be harmonious in scale, mass, coverage, density, and intensity with adjacent permitted land uses. The building design will be consistent with typical commercial and industrial structures in the area, such as warehouses and similar large-format buildings. While the structure may have a comparable footprint, its operational intensity is significantly lower due to limited staffing and reduced activity levels. The project will incorporate appropriate site planning, setbacks, and design considerations to ensure compatibility with neighboring properties. Overall, the development will fit cohesively within the existing built environment without creating visual or operational conflicts.
☒	☐	☐	**17.02.130.D6**	**Would not adversely affect the environment to a greater degree than had a use permitted outright by the ordinance been established.**
			Staff Review	Based on the limited information provided, environmental impacts will be limited as technology advances. City will defer to utilities and other agencies to address environmental impacts; some concerns that will need to be fully addressed meeting local, state, and federal standards are emissions, power demands, water utilization, and wastewater discharge.
☒	☐	☐	***Applicant Response***	The proposed data center will be harmonious in scale, mass, coverage, density, and intensity with adjacent permitted land uses. The building design will be consistent with typical commercial and industrial structures in the area, such as warehouses and similar large-format buildings. While the structure may have a comparable footprint, its operational intensity is significantly lower due to limited staffing and reduced activity levels. The project will incorporate appropriate site planning, setbacks, and design considerations to ensure compatibility with neighboring properties. Overall, the development will fit cohesively within the

				existing built environment without creating visual or operational conflicts.
☒	☐	☐	**17.02.130.D7**	**Would not be detrimental to the public interests, health, safety, or welfare of the city in its proposed location, size, design, and operating characteristics.**
			Staff Review	Impact to public interests is being considered. Based on technological advances, water use will be minimized. The greatest public impact appears to be power usage. Data to support these claims shall be provided by applicant prior to permits being issued.
			Applicant Response	The proposed data center will not be detrimental to the public interest, health, safety, or welfare in its proposed location, size, design, or operating characteristics. The facility represents a low-impact, secure, and professionally managed use that contributes positively to the local economy while placing minimal demands on public infrastructure. Its operational characteristics- low traffic, limited noise, and controlled access- reduce the potential for adverse impacts on the surrounding community. Additionally, the project supports broader economic and technological development goals by providing critical digital infrastructure. The proposed use aligns with the City's interest in promoting responsible growth and sustainable land use patterns.

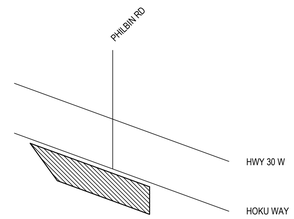
1 SITE PLAN

1" = 300'-0"

N

0' 300' 600' 1200'

VICINITY MAP



PROJECT INFORMATION

APN:	RPRPCPP044853
ADDRESS:	PHILBIN ROAD AND HOKU WAY POCATELLO, IDAHO 83201
ZONING:	(I) INDUSTRIAL
LOT SIZE:	59.75 ACRES
LOT COVERAGE:	--
BUILDING COVERAGE:	--
REQUIRED BUILDING SETBACKS	
STREET:	--
SIDE:	--
SIDE:	--
REAR:	--
PROVIDED BUILDING SETBACKS	
STREET:	--
SIDE (EAST):	--
SIDE (WEST):	--
REAR:	--
BUILDING HEIGHT:	--
REQUIRED PARKING:	--
PARKING PROVIDED:	--

EDIFICE
922 N GILBERT RD, SUITE 103
MESA, AZ 85203
T 480.580.1116

26009

3/19/2026 3:10:40 PM - PLOT DATE

POCATELLO AI DATA CENTER

OWNER'S NAME

PHILBIN ROAD AND HOKU WAY
POCATELLO, IDAHO 83201

PROJECT TEAM

ARCHITECT
EDIFICE
922 N GILBERT RD,
SUITE 103
MESA, AZ 85203
T 480.580.1116
CONTACT: DANE ASTLE

#	DESCRIPTION	DATE

PROGRESS SET
03.19.2026

ARCHITECTURAL SITE PLAN

A011

AFFIDAVIT OF LEGAL INTEREST

I, Chad D. Hansen (on behalf of Portneuf Capital, LLC) reside at 225 E. Lemon Street,

in the City of Lakeland, in the State of Florida, being first duly sworn upon Oath, depose and say: I am the owner of record of the property described as:

1800 River Park Way

and I grant permission to: Gus Schultz/Lex Developments LLC, who resides at _____,

in the City of _____, in the State of ____, to submit the following application(s) and represent the owner pertaining to the property (check all that apply):

[ ] Preliminary Plat	[ ] Variance
[ ] Final Plat	[✓] Conditional Use Permit
[ ] Short Plat	[ ] Zone Map Amendment
[ ] Planned Unit Development	[ ] Comprehensive Plan Map Amendment
[ ] Annexation	[ ] Other: _____

I agree to indemnify, defend and hold the City of Pocatello and its employees harmless from any claims to liability resulting from any dispute as to the statements contained herein or as to the ownership of the property, which is the subject of the application.

Property owner signature: _____, MANAGER

STATE OF ~~Idaho~~ FLORIDA)
ss
County of ~~Bannock~~ POLK)

Dated this 17th day of April, 2026, the property owner CHAD HANSEN (MANAGER) has SUBSCRIBED AND SWORN before me on this day and year the authorization and information above written.

Yolanda R. Heipp
NOTARY PUBLIC FOR ~~Idaho~~ FLORIDA
Residing at: Lakeland, FL
Commission Expires: _____

(seal)

YOLANDA R. HEIPP
MY COMMISSION # HH 569871
EXPIRES: August 2, 2028

Approved by Legal on 8.26.2024

Sources for IV West AI Data Center Project

City of Pocatello | Conditional Use Permit Meeting | April 2026

All claims verified against primary 2025–2026 sources.

Core 2026 Industry Benchmarks

• **2026 Data Center Knowledge Base** (March 31, 2026) – JLL, Cushman & Wakefield, FERC, Enverus. Rack densities (50–140 kW AI), PUE targets (1.05–1.10 liquid-cooled), water usage (3–5M gal/day evaporative vs. near-zero closed-loop).

Specific Company & Technology Examples (2025–2026)

• **Oracle AI Data Centers** (Feb 9, 2026) – Direct-to-chip closed-loop non-evaporative systems. Ongoing community water use effectively zero.

• **Microsoft Azure** – Sealed chip-level liquid cooling (2025 deployments). >125 million liters saved per facility annually; 80% WUE improvement; new builds zero-water.

• **ZutaCore HyperCool** – Two-phase direct-to-chip achieving PUE 1.05–1.07 (OCP white paper, 2025–2026).

Pocatello Local Non-Potable Water Sources (Key Advantage)

• **Pocatello Water Pollution Control Facility (WPCF)** – Treats ~7.5 MGD average (design 12 MGD). High-quality treated effluent approved by Idaho DEQ for non-potable industrial reuse, including cooling.

• **J.R. Simplot Don Plant (Pocatello area)** – Major phosphate facility. Active wastewater treatment, recovery, and reuse program under 2023 EPA settlement. Large volumes available for beneficial industrial reuse.

• **Regional Potato Processing Wastewater** – Simplot's Caldwell plant treats 2.3 MGD with MBR technology. Idaho National Laboratory (INL) research supports potato wastewater treatment for industrial applications. Similar streams near Pocatello available.

• **Idaho DEQ Reuse Guidelines** + **EPA Water Reuse Action Plan 2.0** (April 2026) – Prioritize reclaimed water for data center cooling.

Pocatello Climate & Free Cooling Data

• **US Climate Data / NOAA** – Pocatello, ID (1991–2020 normals). Oct–May free cooling feasibility (5,000–7,000+ hours/year via dry coolers). Industry standard for cold-climate sites.

Additional Regulatory & Market Context

• FERC Large-Load Reports (2026) • 12+ state hybrid/dry cooling mandates • Hyperscaler RFPs (AWS, Microsoft, Google, Meta 2025–2026) • JLL/Cushman 2026 Benchmarks • World Economic Forum (Nov 2025) – up to 91% water / 50% energy reduction with liquid cooling • IBM/Cray historical records (1960s liquid cooling in HPC).

AI Data Center

Pocatello, Idaho

Conditional Use Permit – Public Meeting Presentation

Modern AI Cooling

How it works
& why it's required

Water Stewardship

Reduced potable
water impact

Regulatory Protection

How Pocatello &
the treatment plant
are protected

Community Benefit

Jobs, tax base,
responsible growth

Prepared for City of Pocatello | 2026

The Challenge: Modern AI Chips Run Much Hotter Than Old Computers

Think of it like upgrading from a single light bulb to a stadium spotlight — the heat produced is in a completely different league.

Traditional Data Center

10–20 kilowatts per rack

- Think: hair dryers running simultaneously
- Regular air conditioning handles it fine
- Like cooling a busy office building
- Standard fans and vents work well

5–10× more

Modern AI Data Center

50–140+ kilowatts per rack

- Think: industrial furnaces in a small space
- Air conditioning physically cannot keep up
- Liquid cooling is now required — no choice
- Like cooling a jet engine, not a bedroom

Source: JLL/Cushman & Wakefield 2026 AI Data Center Benchmarks; Network World March 2026

Why Air Conditioning Alone Can't Handle Modern AI — 3 Simple Reasons

1

Extreme Heat — Like Fitting a Forge in Your Living Room

Modern AI chips produce 700–1,000+ watts each. One rack of 72 chips can reach 140,000 watts (140 kW). Blowing air over that heat is like trying to cool a campfire with a fan — physically inadequate.

2

Performance Throttling — A $3M Computer Slows Itself Down

If AI chips overheat, they automatically slow down to protect themselves. This wastes the enormous investment in the hardware. Liquid cooling keeps temperatures optimal so the equipment works as designed.

3

Energy Waste — Air Cooling Wastes 20–30% More Electricity

"PUE" (Power Usage Effectiveness) measures how efficiently a data center uses electricity. Air-cooled AI often wastes 50%+ in overhead. Liquid cooling achieves 5–10% overhead — a major efficiency gain for the community grid.

Bottom line: Liquid cooling is not a luxury — it is an engineering requirement for modern AI infrastructure.

Energy Efficiency & Pocatello's Cold Climate Advantage

What Is PUE (Power Usage Effectiveness)? (Like MPG for Data Centers)

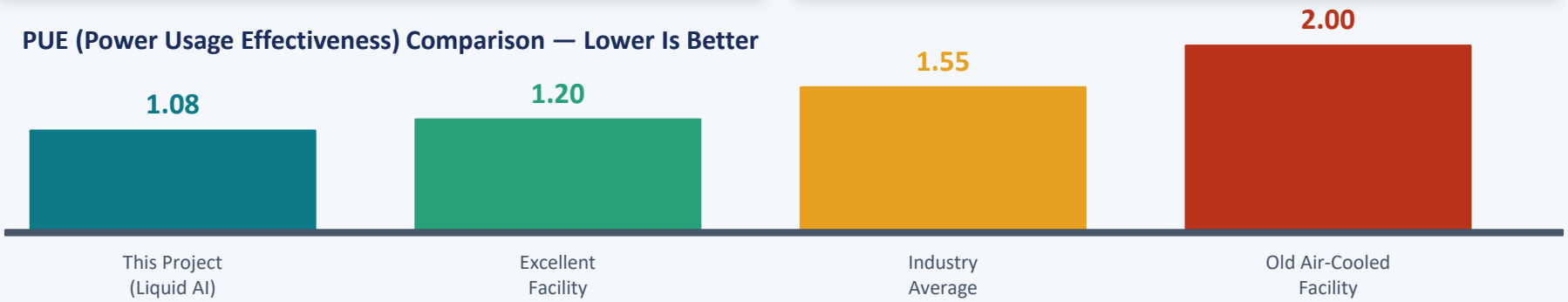
PUE = 1.0 Perfect (impossible in practice)
PUE = 1.05–1.10 World-class (liquid AI cooling)
PUE = 1.2 Excellent
PUE = 1.5–1.6 Industry average (older facilities)
PUE = 2.0+ Poor — wastes more power than it uses for computing

Pocatello's Built-In Climate Advantage

Winter Outdoor Air Utilization (Oct – May):
Pocatello's cold winters allow outdoor air to assist in cooling the data center for ~5,000–7,000 hours per year, significantly reducing the need for electricity-powered mechanical cooling. December through February provides near-continuous natural cooling assist.

What this means: Lower electricity bills, less strain on the local power grid, and reduced environmental impact.

PUE (Power Usage Effectiveness) Comparison — Lower Is Better



Note: A PUE of 1.08 represents the project goal based on the planned liquid cooling design. Actual PUE will vary depending on final system configuration, load levels, and operating conditions. This figure is a target estimate, not a performance guarantee.

Source: Industry PUE benchmarks (Network World 2026, Hanwha Data Centers 2025)

Water Use: What Changed and What It Means for Pocatello

OLD Method: Evaporative Cooling

3–5 million gallons per day
(peaks of 8 million on hot days)

How it works: Like a swamp cooler — water evaporates to remove heat, and that water is gone forever.

Problem: Massive, continuous drain on the local water supply. Risky in drought conditions.

→ 80–95% Reduction

NEW Method: Closed-Loop Liquid Cooling

Near-zero ongoing potable water use

How it works: Like the coolant in your car's engine — the same liquid circulates continuously and is never consumed. Water goes in once at construction; that's it. The system is sealed and self-contained.

Key advantage: Because no water evaporates, the facility's ongoing potable water demand for cooling is dramatically reduced compared to traditional methods.

Historical context: Closed-loop liquid cooling has been used safely in high-performance computing since the 1960s (IBM mainframes, Cray supercomputers). Mass adoption by Amazon, Microsoft, Google, and Meta accelerated from 2022 onward as AI workloads required it.

Source: Oracle Feb 2026; Microsoft Dec 2024; IBM/Cray historical records

This Is the 2026 Industry Standard — Not Experimental Technology

The world's largest technology companies have already adopted exactly this approach. Pocatello would be joining proven, responsible infrastructure.

Oracle

Zero Ongoing Potable Water

Oracle published in February 2026 that its new AI data centers — including facilities in New Mexico, Michigan, Texas, and Wisconsin — deploy closed-loop, non-evaporative cooling. Once filled at construction, the system circulates indefinitely. Ongoing community water use for cooling is effectively zero.

Microsoft

125 Million Liters Saved Per Facility Per Year

Microsoft's December 2024 announcement confirmed that all new data center designs from August 2024 use closed-loop liquid cooling with zero water evaporation. Pilot facilities launching in Phoenix, AZ and Mt. Pleasant, WI in 2026. Water savings: 125M+ liters/facility/year versus prior designs.

EPA Water Reuse Action Plan 2.0 (April 2026)

Federal Government Prioritizes This Approach

The U.S. Environmental Protection Agency's WRAP 2.0 specifically identifies reclaimed (treated wastewater) water for data center cooling as a priority use. Pocatello's WPCF effluent reuse aligns directly with this federal framework.

Next, we'll look at exactly how these companies handle any wastewater from their systems — and how this technology compares to other industries already operating under the same rules.

Sources: Oracle (Feb 2026, oracle.com/news); Microsoft (Dec 2024, microsoft.com/en-us/microsoft-cloud/blog); EPA WRAP 2.0 (April 2026)

How the World's Largest Tech Companies Handle Closed-Loop Wastewater

These are not experimental approaches — they are the documented, operating practices of companies already running this technology at scale.

Oracle

Oracle, Feb 2026 (oracle.com/news)

One-Time Fill — Zero Ongoing Discharge

Oracle's AI data centers are filled with coolant once during construction. The sealed loop circulates indefinitely. There is no ongoing wastewater output during normal operation — the water never leaves the system.

Microsoft

Microsoft Local (local.microsoft.com), 2026

Glycol Hauled by Licensed Contractor — Other Water Returned to Utility

Where propylene glycol is used, Microsoft collects and hauls it to a licensed disposal facility when removed. All other cooling water is returned to the local utility for treatment identical to household wastewater. Reclaimed water and rainwater are used as input sources where available.

Amazon Web Services (AWS)

Florida Water & Pollution Control Operators Assoc., citing AWS 2023

Treated Municipal Wastewater In — Returned to Treatment Plant After Use

AWS in Virginia cools data centers with treated municipal wastewater instead of potable (drinking) water. After use, that water goes back to the treatment plant to be cleaned and reused again — a fully circular loop. AWS plans to expand this to 120+ facilities by 2030, saving an estimated 530 million gallons of fresh water per year.

Google

ProChem Water, Jan 2026

Recycled Municipal Wastewater — Purpose-Built Reuse Infrastructure

Google's data center in Douglas County, Georgia uses recycled municipal wastewater for all cooling. New Google campuses are now designed from day one with water reuse infrastructure built in.

Microsoft / City of Quincy, WA

U.S. EPA Water Reuse Case Study (epa.gov/waterreuse), July 2025

EPA-Documented Closed-Loop Brine Management — 138 Million Gallons Saved Per Year

The most detailed public case study available. Microsoft and the City of Quincy built a joint industrial wastewater treatment system. Mineral-rich brine is concentrated in lined evaporation ponds and solidified — nothing discharges to the city's sewer or waterways during operation. Permitted by the Washington State Dept. of Ecology.

This Technology Is Not New — It's Used Across Dozens of Industries

The same closed-loop chemicals, the same disposal methods, and the same federal pretreatment rules have governed these industries for decades.

Hospitals & Healthcare Facilities

Same chemicals: Propylene glycol (chosen specifically because it is safer around potable water systems than ethylene glycol), nitrite corrosion inhibitors, biocides
Disposal: Glycol collected by licensed reclamation services for reuse or certified disposal. Water-only loops discharged to sewer after lab testing under pretreatment permits.

Universities, Arenas & Large Campuses

Same chemicals: Nitrite, molybdate, glycol — identical formulation to data center closed loops — used in chilled water and hot water HVAC systems
Disposal: Industrial User Permits with the local POTW (wastewater treatment plant). Lab testing required before any sewer discharge. Glycol hauled by licensed contractor.

Pharmaceutical Manufacturing Plants

Same chemicals: Same corrosion inhibitors, pH buffers, and biocides used in process cooling loops throughout production facilities
Disposal: Full federal pretreatment program (Clean Water Act). On-site pre-treatment or licensed hauler. Same Industrial User Permit framework as this data center would operate under.

Food & Beverage Processing Facilities

Same chemicals: Closed-loop cooling systems with the same nitrite/molybdate/glycol chemical profile used to cool process equipment
Disposal: On-site pretreatment required before sewer or land discharge. Subject to the same sewer surcharge and pretreatment rules under the Clean Water Act.

Iron, Steel & Heavy Manufacturing

Same chemicals: Large-scale cooling water systems with corrosion inhibitors and biocides — the original industrial use case for these chemicals, dating to the mid-1900s
Disposal: Pretreatment agreements with municipal treatment plants. On-site treatment trains for high-concentration streams. The federal pretreatment program was designed for these facilities first.

Commercial HVAC (Office Buildings, Hotels, Convention Centers)

Same chemicals: Nitrite, molybdate, glycol — standard industry formulations used in every large commercial building in cold climates, including all across Southeast Idaho
Disposal: Water-only loops discharged to sanitary sewer after lab testing. Glycol-containing water collected and hauled by licensed waste contractor. Identical to the data center protocol.

Sources: ChemREADY Water Treatment 2023; Metro Group Inc. Glycol Guidelines; HOH Water Technology 2026; Valicor Environmental 2025; VLS Environmental 2022; PMC Industrial Wastewater Review 2024; U of Michigan EHS Jun 2023

The Economic Case: What a 200 MW AI Data Center Means for Pocatello

Construction Investment

Total shell & core investment: ~$2.26 billion

At $11.3M per MW — JLL 2026 Global Data Center Outlook

Peak construction workers: 140–400 local tradespeople

0.7–2.0 workers per MW during 18–36 month build phase

Construction wages: 30%+ above standard rates

Electricians on data center sites earning $120,000–$150,000 (ConstructConnect 2025)

Note: Technology fit-out (servers, racks) is additional investment beyond shell & core

What Stays in Pocatello

Shell & site work (local scope): ~$472M (20.9% of total)

Foundations, concrete, structural steel, paving, site work

Est. locally sourced materials: ~$94M

Approx. 20% of shell scope: concrete, aggregate, gravel, paving (Red Hills Strategies / Consumer Energy Alliance, 2025)

Local install labor (MEP): ~$822M

Even nationally-sourced equipment requires local electricians, plumbers, and HVAC tradespeople for installation

Local subcontract opportunities: Civil, concrete, electrical install, site work, security, ongoing maintenance

Property Taxes — 100% Stay Local

Bannock County combined levy rate: ~1.2% of assessed value

Covers all 5 local taxing districts (Satterfield Realty / Bannock County, 2025)

Tax split (approximate): School Dist. #25 ~30% · City of Pocatello ~26% · Bannock County ~26% · Roads & Ambulance ~18%

Zero goes to state or federal: All property taxes stay in Bannock County

Idaho State Tax Commission: all property tax is spent by local governments

Benchmark — Loudoun County, VA: $0.04 in city services per $1 of data center tax revenue vs. $0.25 for traditional businesses

Wye Economic Development Council, March 2025

Ongoing Operations

Permanent local jobs: ~150–300+ (scales with facility size)

U.S. Chamber of Commerce Technology Engagement Center benchmark

Annual local wages: $7.8M+ annually

Operations, maintenance, security, facilities management

Annual local economic activity: $32.5M+ per year

U.S. Chamber of Commerce / ConstructConnect

Ongoing contracts: Maintenance, security, landscaping, utilities — available to local firms long-term

All figures are estimates based on current industry benchmarks and available data. Actual construction investment, job numbers, wages, tax revenue, and local spend will vary based on final project scope, contractor selections, market conditions, and Bannock County Assessor valuations. These figures are not a guarantee of performance or outcome.

Complete Summary: What the City and Public Can Count On

- ✓ Liquid cooling is an engineering requirement — not a preference. Modern AI racks at 50–140+ kilowatts (kW) cannot be air-cooled.
- ✓ Oracle, Microsoft, AWS, and Google all operate closed-loop systems with verified wastewater protocols — documented and publicly confirmed.
- ✓ Dozens of industries — hospitals, pharmaceutical plants, food processors, steel mills, commercial buildings — have used these same cooling chemicals and disposal methods for decades under the same federal rules.
- ✓ The federal pretreatment program (Clean Water Act) was specifically designed to handle exactly this type of industrial cooling system and has done so successfully for decades.
- ✓ The economic figures in this presentation — including construction investment, local job numbers, wages, and tax revenue projections — are estimates based on current industry benchmarks. Actual numbers will vary based on final project scope, contractor selections, market conditions, and Bannock County Assessor valuations. These figures are not a guarantee.
- ✓ Pocatello's cold winters are estimated to allow outdoor air to assist in cooling for approximately 5,000–7,000 hours per year, potentially reducing the need for mechanical cooling. These figures are estimates based on current climate data and are not a guarantee of performance.

Sources: Pocatello WPCF (pocatello.gov) · Oracle Feb 2026 · Microsoft 2026 · AWS 2023 · Google 2026 · EPA Water Reuse Case Study Jul 2025 · 40 CFR Part 403 · Idaho DEQ · KETOS 2025 · U of Michigan EHS Jun 2023