

Hidden Costs of Data Centers In North Carolina

- Consume massive electricity & drive new gas, coal & nuclear projects
- Use millions of gallons of freshwater daily: worsen drought
- Produce toxic air pollution & constant noise
- Create very few permanent jobs
- Trigger higher utility bills for everyone
- Reinforce surveillance, policing & military violence through AI
- Drain public budgets through huge tax giveaways

The U.S. South is now the epicenter of data center development, with \$200 billion in projects underway. More than 230 U.S. data centers are located in communities already overburdened by pollution.

Low-income Black communities face the greatest pollution exposure, while Black workers hold jobs most threatened by AI automation—risking a future \$43 billion annual widening of the racial wealth gap.

Artificial Intelligence (AI) & Repression: Machine surveillance is being supercharged by large AI models. Big Tech provides the cloud & algorithms ICE uses to target, detain, kidnap, & deport people. Data centers & AI have already become one backbone of military violence.



Economic Equity: The AI boom could represent the 'most efficient upward redistribution of wealth' in modern history & AI infrastructure is competing directly with housing for capital. Data centers & AI, rather than deliver efficiency, productivity, & progress, deliver higher bills, frozen markets, & hidden costs.

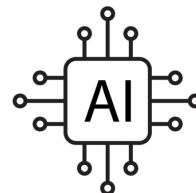
In NC (to date): North Carolina currently has 52 data centers, the majority of which are small scale compared to the hyperscale data centers that are currently being proposed, 24 in total as of June, 2026.

As of August 2026, NC municipalities and counties have passed a total of 35 moratoriums.

- For an updated list of NC moratoriums, proposals and more please visit tinyurl.com/NCDC-data
- For a listing of the multitude of harms from AI Data Centers, please visit tinyurl.com/NCEJN-AIDCHarms
- For a list of resources please visit tinyurl.com/NCDC-resources
- To join the NC Data Center Accountability Network, please visit tinyurl.com/NCDCN-join

What Do Data Centers Really Do?

What is a Data Center? A data center is a massive warehouse of networked computers that powers AI, cloud services, & digital tools, predominately for Big Oil, Big Tech, & the military. They consume enormous amounts of electricity, water, & land. Big Tech companies—Amazon, Microsoft, Google, Meta—dominate the industry, using data centers to fuel highly resource-intensive AI systems.



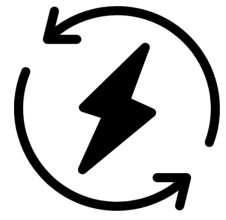
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ENVIRONMENTAL
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For more information visit: www.ncejn.org

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Energy: Data centers already consume 8.9% of U.S. electricity, projected to reach 12% by 2028, more than half from fossil fuels. National electricity bills could rise 8%—& up to 25% in some regions—by 2030. New gas pipelines, nuclear reactors, & coal infrastructure are spreading across the South to meet data center demand. Duke Energy predicts data center growth equivalent to powering 4–6 nuclear plants, & is recently seeking rate hikes for consumers while boosting shareholder profits. Data centers account for about 80% of Duke Energy's projected energy demand!



Water: Data centers require fresh drinking water—other sources corrode equipment or breed bacteria—and the water cannot be recycled. Many centers are permitted to use several million gallons per day—more water than 49,000 Americans typically use.

Only 50% of operators track their water use at all. 40% of data centers have been sited in areas of high or extremely high water stress. 97 of NC's 100 counties are experiencing drought conditions; & Edgecombe County is one of 72 counties in severe drought.

Data Centers also contribute to PFAS pollution directly & indirectly through their use of PFAS gas (F-gas) in the cooling section.

Noise: Cooling systems run 24/7, generating 85–95 dBA, well above World Health Organization safety guidelines. Continuous exposure including to infrasound (below 20 Hz) can cause stress, anxiety, sleep loss, heart risks, & hearing damage.



Air Quality: Facilities rely on diesel or natural-gas backup generators that emit hazardous pollutants linked to asthma, cancer, heart attacks, & cognitive decline. Data center emissions could trigger nearly 20,000 asthma symptom cases annually.

Cumulative Health impacts: By 2030, pollution from data centers could cause 600,000 additional asthma cases & 1,300 premature deaths annually in the U.S. Annual public health costs from data-center-related energy use could reach \$5.7B–\$9.2B. Low-income Black communities bear the brunt of this burden.

Jobs: Data centers create very few permanent positions; most are temporary construction jobs. They produce 100x fewer jobs per unit of energy than other industries. Every \$1.95 million in subsidies yields one permanent job.

Cost to the county & the state: NC grants major sales-tax exemptions to data centers—diverting revenue away from communities & public schools. Public schools are funded primarily from state sales tax & local property taxes! 36 states offer these exemptions - NC included; 10 states lose over \$100M annually. NC does not disclose the full cost of its subsidy program. No other form of state spending is so out of control. Because data centers replace equipment every 2–5 years, sales-tax exemptions become an enormous, recurring corporate giveaway.

Google's data center in Lenoir paid only \$5 million in county taxes over 10 years but received \$73 million back in tax rebates—14 times what the county received. The city also abated \$51 million in property taxes over eight years.

Local Policy Tools that have been used nationwide include:

- Pass moratoriums or bans on development and expansion of data centers
- Update zoning ordinances to restrict siting
- Regulate noise, water, & energy use
- Require transparency, full public notice, & open hearings
- Ban non-disclosure agreements between local governments & developers
- Require developers to pay all infrastructure costs
- Restrict diesel backup generators
- Repeal or limit tax incentives
- Establish local labor protection

**How Do We
Protect Our
Communities?**