

THE WRONG PLACE FOR A DATA CENTER

How taxpayer subsidies are funding industrial development on the edge of Great Salt Lake

Comment Period Open Now | Draft Permit UT0026409 | Utah Division of Water Quality

A private developer is using the Utah Inland Port Authority (UIPA), a state authority created by the Utah Legislature: to build a massive data center and industrial complex on the shoreline of Great Salt Lake, one of the most ecologically sensitive and water-stressed sites in the West.

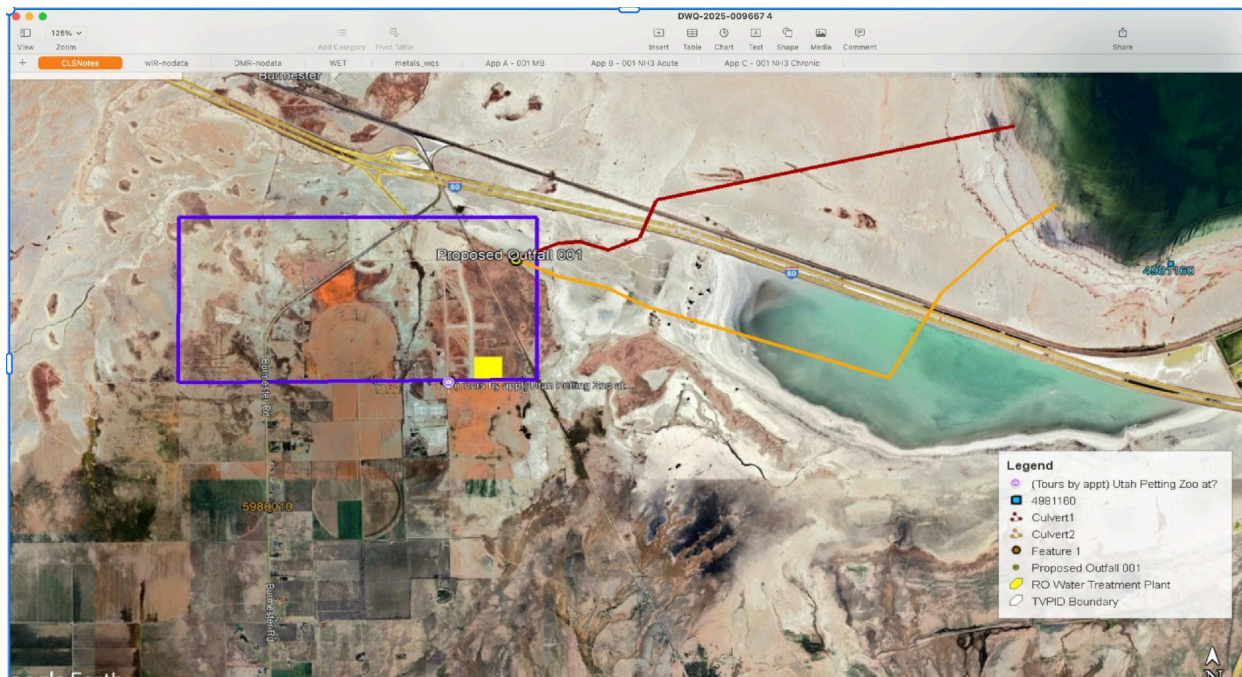
The water comes from a closed basin declared over-appropriated in 1996 that is already failing nearby towns. The subsidies come from Utah taxpayers. And a state permit now proposes to let the facility dump concentrated brine directly into the wetlands the GSL ecosystem depends on.

- **The Governor's Executive Order says this is exactly what state agencies must prevent.**
- **The public comment period is open now. Your comment can stop this permit.**

THE LOCATION: AS CLOSE TO THE LAKE AS YOU CAN GET

The Tooele Valley Public Infrastructure District (TVPID) is a new state-created industrial district at the Burmester/I-80 interchange in Tooele County:

- **1.6 miles from Class 5E Great Salt Lake transitional wetlands**
- **3.25 miles from the open water of Gilbert Bay**
- **Adjacent to thousands of acres of remaining GSL shoreline wetlands**
- **Within the GSL closed basin: all groundwater here flows toward the lake**



Source: Utah DWQ GRAMA file DWQ-2025-009667. Purple outline: TVPID boundary. Yellow: RO Water Treatment Plant. Red/orange lines: discharge pathway to Great Salt Lake (upper right).

This is not a location that anyone applying normal siting judgment would choose for large-scale industrial development. It is being built here because UIPA gives developers access to tax increment financing, grants, low-interest loans, and the ability to create Public Infrastructure Districts that issue tax-exempt bonds and finance infrastructure at public expense. Without those tools, this project does not exist.

Every concern that drove 7,500 Utahns to sign against Stratos (water, proximity to Great Salt Lake, taxpayer subsidies, industrial scale) are all present here. The difference is this project has been advancing quietly for two years, and its permitting is now at a critical decision point.

WHERE IS THE WATER COMING FROM?

This is the question nobody in the permitting process has been required to fully answer. Here is what we know: and what is being hidden.

The Aquifer: Closed, Over-Appropriated, and Already Failing

TVPID Well No. 1 taps a deep brackish artesian aquifer beneath the Tooele Valley. This is not a new or untapped water source. It is a basin the State of Utah formally declared over-appropriated nearly thirty years ago.

UTAH DIVISION OF WATER RIGHTS, OFFICIAL POLICY, IN EFFECT SINCE 1996

"Tooele Valley is closed to appropriations except for small amounts of shallow groundwater less than 10 feet from the surface that would otherwise flow to Great Salt Lake. New diversions and consumptive uses must be accomplished by change applications filed on owned or acquired rights."

The basin was closed because appropriated water rights already exceeded the aquifer's safe yield. That was before UIPA-backed industrial development.

The 1996 Groundwater Management Plan found total annual recharge and discharge each at approximately 60,000 acre-feet: and that existing approved water rights already totaled 62,000 acre-feet per year, exceeding sustainable yield even before a single data center was planned.

Nearby Towns Are Already Running Out of Water

The stress on this aquifer is not theoretical. It is playing out right now in communities a few miles from the TVPID site:

Stockton, Tooele County (pop. ~900): Placed under a building moratorium in 2023 because its spring-fed water system was failing. Flows that once delivered 500 gallons per minute had dwindled to 130 gallons per minute. The town needed \$2.4 million from the Legislature just to drill a new well.

The springs didn't dry up because of drought alone. Historical USGS data for Tooele Valley shows the same pattern going back decades: between 1938 and 1962, well discharge tripled: and spring discharge fell by 25%. More pumping means less spring flow. Less spring flow means less water reaching Great Salt Lake.

Utah Geological Survey Special Study 117 (2006) identified 5,600 acre-feet per year as the critical buffer, the point at which increased groundwater withdrawal begins causing measurable harm to the wetlands connecting the aquifer to Great Salt Lake. That buffer is already being consumed, and this project adds to the load.

The Developer's Answer: And Why It Doesn't Hold Up

Developer Chuck Akerlow has said publicly: "We are in an area where there's lots of water rights available for sale... agricultural land transitioning into other uses... we purchased the water and we have enough water to service our project."

Purchasing existing agricultural water rights is the only legal path available in a closed basin. It does not solve the problem:

- **The status of the purchased rights is unknown.** If the agricultural rights were fallowed or unused at the time of purchase, activating them for full industrial use in an already over-appropriated basin could represent genuinely new demand on the aquifer, not a conversion of existing consumption.
- **Even if the rights were actively used, the demand profile changes.** Industrial consumptive use runs 24 hours a day, 365 days a year. Much flood irrigation returns to the aquifer and sustains wetland vegetation. Industrial use does not. That water is gone.
- **No independent analysis has been filed.** The TVPID permit contains no aquifer impact study, no drawdown modeling, no assessment of effects on neighboring wells, and no evaluation of cumulative impacts with other UIPA-area development.

How Much Water Will Actually Be Used?

The permit only covers the reject brine from the RO treatment plant, not the total water demand of the development. Working backwards from the permit's own numbers reveals the true scale:

Water Flow	Volume	Source
RO reject water(permitted discharge)	260,000 gal/day(282 acre-ft/yr)	Draft permit UT0026409;UTVPID Level II ADR (March 2026)
Total groundwater pumped(calculated)	~1.0–1.1 million gal/day(~1,100 acre-ft/yr)	Calculated from permit design flow;standard RO recovery rate of ~75%
Data center cooling(500 MW, air-cooled)	50–150 acre-ft/yr	Uptime Institute / Oracle AI Data Centers(2026); industry standard range
Data center cooling(500 MW, evaporative)	500–1,500 acre-ft/yr	MOST Policy Initiative (2026);Shehabi et al. (2024); WUE 1.8 L/kWh avg
On-site gas power plant(500 MW, evaporative cooling)	500–700 acre-ft/yr	U.S. EIA (2023): nat. gas combined-cycleavg 2,803 gal/MWh withdrawal;Cal. Energy Commission plant records

The RO plant alone draws roughly 1,100 acre-feet per year from the closed basin — about 20% of the UGS-identified 5,600 AF/yr buffer before GSL wetlands are measurably harmed. The data center cooling and gas plant figures above represent additional demand on top of that. None of it has been disclosed to or reviewed by any regulator.

THE NUMBER NOBODY IS DISCLOSING

The only part of the water story that has gone through any regulatory process is the reject stream disposal: the waste. The water that is actually consumed by the data center, the truck stop, the hotel, and all other tenants is unquantified, unregulated, and disclosed to no agency.

→ **DWQ should require full water consumption disclosure before issuing** any permit. Approving the waste stream without knowing the total demand is approving the project with eyes deliberately closed.

HEAT AND AIR: AN INDUSTRIAL FURNACE NEXT TO A FRAGILE ECOSYSTEM

Data centers are not quiet office buildings. A 500 MW facility generates as much waste heat as a medium-sized power plant. In an arid, water-stressed environment 1.6 miles from Great Salt Lake wetlands, that heat has nowhere to go but the surrounding air and landscape.

Air Cooling Doesn't Make the Heat Disappear

Akerlow has said the campus will use air cooling rather than evaporative towers. That is better for water, but not better for the thermal environment:

- A 500 MW facility rejecting heat entirely to air requires massive arrays of fans and cooling equipment operating continuously, generating industrial-scale heated air discharge at ground level around the clock.
- Ambient summer temperatures in the Tooele Valley already exceed 100°F. Air-cooled heat rejection adds a localized thermal plume to air that has no capacity to absorb it without affecting the surrounding microclimate.
- The GSL shoreline is thermally sensitive. Evaporation rates, salinity, and habitat quality are all temperature-dependent. Industrial heat loading 1.6 miles from transitional wetlands has not been analyzed by anyone.
- No thermal impact analysis exists for this site. None has been required.

The Power Plant Nobody Is Talking About

At 500 MW, the TVPID data campus cannot be served by Rocky Mountain Power: the same constraint driving every large data center in northern Utah toward on-site gas generation. The near-certain outcome is a natural gas power plant adjacent to the GSL shoreline:

- A 2025 Utah law created a "private generation system" pathway allowing large data centers to build their own gas plants while bypassing Public Service Commission oversight. This project would almost certainly use that pathway.
- No air quality permit has been sought or disclosed for power generation at this site. No cumulative analysis includes this load.
- The same combination: data center plus on-site gas plant: is what triggered the Stratos Project backlash in Box Elder County. The same combination is being built here, on land 1.6 miles from the lake.

YOUR TAX DOLLARS: THE SUBSIDIES THAT MAKE THIS POSSIBLE

This project would not exist without a scaffolding of public financing built specifically for one developer. Here is the public money at stake:

Mechanism	What It Does	Amount
UIPA Tax Increment Financing(Tooele Valley Project Area)	Diverts property tax growth away from local schools, roads, and services to UIPA for 25 years	~\$54 million over 25 years
Tooele Valley PID Bonds	Tax-exempt bonds backed by public tax increment finance infrastructure for the developer	Up to \$80 million authorized
Interstate Technology Park PID Bonds	Second public financing district carved out specifically for the data center footprint; same developer-controlled board	Up to \$100 million authorized
Savage Tooele Railroad Loan	UIPA Authority Infrastructure Bank loan for rail connection serving the site	\$10 million

TOTAL PUBLIC EXPOSURE	Conservative estimate across known mechanisms	\$240 million+
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WHO CONTROLS THE PUBLIC MONEY?

The two PIDs that issue public bonds are governed by boards whose members are Chuck Akerlow and his business partners: the same people who own the land the bonds finance.

One developer simultaneously:

- Owns the land
- Controls the public financing boards
- Benefits from the 25-year tax diversion
- Gets infrastructure built at public expense

This is the same MIDA/UIPA structure that drove legislative reform demands at the Capitol in 2026, and it is operating without binding constraints here.

On May 29, 2026, Governor Cox signed Executive Order 2026-03, "Establishing a Higher Bar for Data Center Development in Utah," in direct response to public outcry over UIPA-backed development. The order creates a Data Center Framework and directs all state agencies to adhere to it. The Framework's principles include:

- **Principle (i):** "Protect the Great Salt Lake and other water resources across the state by ensuring that water consumption is not increased and that water quality is protected."
- **Principle (ii):** "Protect air quality and airsheds across the state, including not impacting existing non-attainment areas."
- **Principle (iv):** "Mitigate wildlife impacts."
- **Principle (viii):** "Provide transparent, meaningful and thorough opportunities for public comment."

Critically, Section 5(d) of the order requires agencies to "coordinate and communicate frequently across agencies and other governmental entities, including the Utah Inland Port Authority (UIPA)... to ensure consistent implementation of the Framework." DWQ cannot issue this permit without considering how it squares with the Framework as applied to a UIPA project.

"Utahns deserve confidence that water resources, air quality, utility rates, wildlife, and quality of life will be protected."

- Governor Spencer Cox, Executive Order 2026-03, May 29, 2026

This permit violates each of the four Framework principles above. Water consumption from a closed, over-appropriated basin is not being measured, let alone ensured not to increase. Air quality impacts from the near-certain on-site gas plant have not been analyzed. Wildlife impacts on the GSL shoreline are unaddressed. And no public hearing has been scheduled. DWQ issuing this permit without correcting these deficiencies would place it in direct conflict with the Governor's own order.

WHAT THE PERMIT GETS WRONG

The draft discharge permit (UT0026409) is deficient on its own terms, separate from the larger question of whether this project should exist at all:

- **No limits on salt, chloride, or arsenic.** The brine discharges at zero dilution into protected wetlands with no enforceable concentration limits on its primary constituents.
- **No pre-discharge baseline.** No water quality measurements have ever been taken in the receiving channel. No agency can detect harm if there is no baseline to compare against.
- **No wetland or wildlife analysis.** Class 5E transitional wetlands and Wilson's phalarope habitat (a shorebird proposed for ESA listing) are completely unaddressed.
- **Legally insufficient antidegradation review.** The applicant acknowledged a less-polluting alternative (evaporation ponds) but rejected it solely to save \$2.6 million, which is not a permissible basis under Utah law.
- **No disclosure of total water demand.** The permit covers only the waste stream. The total groundwater extraction powering the development has not been reviewed or regulated by any agency.
- **No cap on future expansion.** The permit authorizes up to 260,000 gpd at full buildout with no mechanism to limit growth as the industrial complex scales.

HOW TO COMMENT: AND WHY IT MATTERS

A public comment is a legal record. DWQ must respond to every substantive comment. If enough people request a public hearing, DWQ must hold one. Your comment creates accountability that cannot be ignored.

WHERE TO SEND YOUR COMMENT

DEADLINE: Close of business, July 8, 2026

Email: wqcomments@utah.gov

Mail: Jordan Bentley, UPDES Individual Permits Section
Utah Division of Water Quality
PO Box 144870, Salt Lake City, Utah 84114-4870

Subject line: Draft UPDES Permit UT0026409 / DWQ-2026-002395

Questions: Jordan Bentley | jkbentley@utah.gov | 385-552-0539

What to Say

State your name and address. Say you oppose issuing permit UT0026409 in its current form. Tell them why in your own words: your personal connection to Great Salt Lake matters. Some angles to consider:

- **This is the wrong location.** A closed basin on the GSL shoreline cannot support industrial-scale water extraction. The aquifer is already failing nearby towns.
- **The water math doesn't add up.** A basin declared over-appropriated in 1996 cannot absorb over 1,000 additional acre-feet per year of industrial pumping with no independent review.

- **Taxpayers shouldn't pay for this.** Over \$240 million in public subsidies are financing a development whose full environmental costs have never been disclosed to any regulator.
- **The Governor's order requires better.** EO 2026-03 Framework Principles (i), (ii), (iv), and (viii) directly require protection of GSL water quality, air quality, wildlife, and thorough public engagement. This permit fails all four. DWQ must adhere to the Framework under Section 5(a).
- **Request a public hearing.** Under UAC R317-8-6.5, state that this permit raises unresolved questions about water supply, GSL wetland impacts, and the adequacy of the antidegradation review.

Sample Hearing Request: Copy and Use This

"I request that the Utah Division of Water Quality hold a public hearing on draft UPDES Permit UT0026409 for the Tooele Valley Public Infrastructure District. This permit authorizes a new industrial discharge at the edge of Great Salt Lake from a development drawing on a closed, over-appropriated aquifer that is already failing communities in Tooele County. It raises unresolved questions about total water consumption, Class 5E wetland impacts, protected shorebird habitat, and the adequacy of the antidegradation review. Issuing this permit without a hearing would place DWQ in direct conflict with Executive Order 2026-03, which requires agencies to ensure water consumption is not increased (Principle i), mitigate wildlife impacts (Principle iv), and provide transparent, meaningful and thorough opportunities for public comment (Principle viii). A public hearing is required before any permit is issued."