

Data Centre Community Checklist & Template

Updated April 2026 · Francis Syms, P.Eng.

! **Important disclaimer.** This checklist is provided for general informational and educational purposes only. It is not legal, regulatory, financial, or professional advice of any kind. Every data centre proposal, community context, and regulatory environment is different. Before making any decisions, communities and elected officials are strongly encouraged to seek independent legal counsel and consult a qualified energy consultant. The questions and templates on this page are **illustrative examples only** — they do not represent a complete or legally sufficient framework for any particular situation. Francis Syms accepts no liability for decisions made in reliance on this material.

PART 1

The Community Checklist

Fourteen questions every Maritime community should demand answers to — in writing — before approving a data centre proposal. Use the checkboxes to track your review.

ENERGY & GRID

01

Is the power coming from NEW renewables — or drawing down existing clean supply?

Additionality matters. Claiming to run on "100% renewable energy" by buying credits from existing wind farms adds nothing to the grid. Nova Scotia's Green Choice PPA is the right model.

02

Who pays for grid upgrades, substation work, and transmission — the developer or existing ratepayers?

In Virginia, residential bills are projected to rise \$444/year by 2040 because grid upgrade costs were socialized. The developer funds their own connection — full stop.

03

What is the Power Usage Effectiveness (PUE) target — and who audits compliance independently?

PUE measures efficiency. At 150MW, the gap between PUE 1.2 (best in class) and PUE 1.5 (global average) is 37MW wasted on cooling — enough to power 32,000 Nova Scotia homes.

04

What is the backup generation strategy — and what are the air quality implications for the community?

Diesel generators emit 200–600× more NOx than natural gas plants. In Virginia, generators at just 7% of permitted capacity cost an estimated \$150M/year in public health impacts reaching as far as Florida.

JOBS & ECONOMIC BENEFITS

05

What is the binding permanent jobs commitment — specific number, timeline, and penalty clause?

A \$1B facility may employ only 50–200 people permanently. Construction work is temporary and often brings workers from outside the region. The number needs to be in the approval, not the press release.

06

Is there a binding local hiring requirement for both construction and operations?

Without it, the economic benefit flows elsewhere. A community benefit agreement can require a defined percentage of hires to come from within the region, with verified reporting.

07

Does the developer commit to funding local workforce training — through which institutions, and starting when?

Data centre technicians take years to credential. A responsible developer partners with local colleges before construction begins, not after the facility opens.

WATER & ENVIRONMENT

08

Has an independent water impact assessment been completed and made public before approval?

A 150MW facility using evaporative cooling withdraws roughly 125,000 litres per hour — an Olympic pool every 20 hours. This must be assessed before, not after, the decision is made.

09

Is a closed-loop cooling system required — or is evaporative cooling being proposed?

Closed-loop systems dramatically reduce water consumption. Where water availability matters, closed-loop cooling should be a condition of approval, not a developer option.

10

Have Mi'kmaw and First Nations communities been meaningfully consulted — not just notified?

Meaningful consultation means early, ongoing, and properly resourced engagement. A letter sent after approvals are in process is not consultation. Aboriginal rights regarding water and land must be addressed substantively.

<p>11</p> <input type="checkbox"/>	<p>Is there a fully executed Community Benefit Agreement — not a letter of intent — before final approval?</p> <p><i>A letter of intent has no legal force. A CBA is a binding legal agreement with specific obligations, timelines, and remedies. Require the signed agreement before the vote, not a promise of one afterward.</i></p>
<p>12</p> <input type="checkbox"/>	<p>Does the CBA include a security deposit and a clawback clause if commitments are not met?</p> <p><i>Without financial security, a CBA is largely unenforceable in practice. A deposit held in trust, released upon verified milestone completion, gives the community real leverage after groundbreaking.</i></p>
<p>13</p> <input type="checkbox"/>	<p>What independent body monitors compliance after construction — and who funds it?</p> <p><i>Self-reporting is not sufficient. A third-party compliance monitor — agreed to and funded by the developer — should verify job numbers, water use, emissions, and training commitments on a published schedule.</i></p>
<p>14</p> <input type="checkbox"/>	<p>What happens to the facility, the land, and the grid infrastructure when the lease expires or the operator exits?</p> <p><i>Data centre leases run 10–20 years. Without a developer-funded decommissioning plan, site remediation and grid asset costs fall on the community and ratepayers.</i></p>

PART 2 **Community Benefit Agreement — Key Provisions**

The table below outlines the minimum provisions a CBA for a data centre project should address, along with the language objective for each clause and a suggested priority level. This is a starting framework for discussion with your legal counsel — not a substitute for it.

Reminder: This template is an illustrative example only. It has not been reviewed by legal counsel and does not constitute legal advice. Engage an independent lawyer experienced in community benefit agreements before relying on or adapting this material. Requirements vary by provincial jurisdiction.

PROVISION	WHAT THE CLAUSE SHOULD REQUIRE	PRIORITY
PARTIES & STRUCTURE		
Parties and legal names	Full legal names of developer entity, community organization(s), and any government signatories. Avoid shell	ESSENTIAL

PROVISION	WHAT THE CLAUSE SHOULD REQUIRE	PRIORITY
	company names without parent guarantors.	
Effective date and term	When obligations begin, milestone schedule, and when/how the agreement terminates or renews. Include change-of-ownership clause.	ESSENTIAL
Dispute resolution	Mediation before arbitration. Specify jurisdiction, governing law (provincial), and allocation of costs.	STRONG
ENERGY & GRID		
Grid infrastructure funding	Developer funds 100% of grid upgrades, substation work, and transmission required for connection. Explicit prohibition on cost recovery from general ratepayers.	ESSENTIAL
Energy additionality	Energy supply must be matched by new renewable generation. No offset credits from existing facilities. Reference NS Green Choice PPA or equivalent mechanism.	ESSENTIAL
PUE efficiency standard	Binding PUE target (recommend ≤ 1.3 , aspirational ≤ 1.25). Annual third-party audit. Developer remediation obligations if target is missed for two consecutive years.	STRONG
Backup generator restrictions	Annual operating hour limits on diesel generators. NOx emission caps consistent with local air quality standards. Community notification minimum 48 hours before planned testing.	STRONG
JOBS & ECONOMIC BENEFITS		
Permanent jobs commitment	Specific minimum number of full-time permanent operations roles. Definition of "full-time permanent." Timeline. Reporting mechanism. Penalty for non-compliance.	ESSENTIAL
Local hiring requirement	Minimum percentage of construction and operations roles filled by residents of defined local area. Definition of "local" (municipal boundary, county, or region). Third-party verification annually.	ESSENTIAL

PROVISION	WHAT THE CLAUSE SHOULD REQUIRE	PRIORITY
Workforce training commitment	Number of apprenticeship positions per year. Named partner institutions (local colleges/polytechnics). Program start date — before construction, not after opening. Annual reporting.	STRONG
WATER & ENVIRONMENT		
Water use limit and monitoring	Maximum daily and annual water withdrawal in litres. Cooling technology required (closed-loop preferred). Quarterly reporting to community. Public disclosure of reports.	ESSENTIAL
Independent water impact assessment	Developer-funded, third-party assessment completed and publicly available before approval is granted. Community right to commission supplementary assessment at developer cost.	STRONG
Indigenous consultation protocol	Specific obligations for ongoing consultation with Mi'kmaw / First Nations communities beyond statutory minimums. Resource funding for community participation. Record of engagement required.	ESSENTIAL
ENFORCEMENT & EXIT		
Security deposit	Amount held in trust (typically 1–3% of project value). Conditions for milestone-based release. Conditions for partial or full forfeiture. Trustee named in agreement.	ESSENTIAL
Clawback provisions	Specific financial penalties for non-compliance with each material obligation — jobs, local hire percentage, water, PUE. Amounts should reflect the economic value of the obligation.	ESSENTIAL
Compliance monitor	Named third-party monitor selected jointly. Developer-funded. Annual public report. Community right to trigger special audit on reasonable grounds.	STRONG
Decommissioning plan	Developer-funded site remediation obligations. Timeline and financial security for decommissioning (held in escrow). Obligations survive change of ownership.	STRONG

PROVISION	WHAT THE CLAUSE SHOULD REQUIRE	PRIORITY
Amendment process	How the agreement can be modified, who must consent (both parties), and minimum notice/consultation period. No unilateral material amendments.	STANDARD

PART 3 Key Terms Explained

Additionality

New renewable energy that would not have been built without the data centre's purchase commitment. Buying credits from existing wind farms is not additionality — it adds nothing to the grid.

Power Usage Effectiveness (PUE)

Total facility power ÷ IT equipment power. 1.0 = perfect (impossible). 1.2 = Singapore/Amsterdam standard. 1.5 = global average. Every watt above 1.0 is overhead — not computing.

Green Choice PPA

Nova Scotia's additionality mechanism. The data centre signs a long-term contract with NS Power to fund new wind generation built specifically for that load — not drawn from existing supply.

Community Benefit Agreement (CBA)

A binding legal contract between a developer and community organizations specifying jobs, training, environmental protections, and other obligations — with financial penalties for non-compliance.

Clawback Clause

A CBA provision requiring the developer to return money or benefits already received if they fail to meet agreed commitments — such as missing local hiring targets.

NOx (Nitrogen Oxides)

Air pollutants from diesel combustion, linked to respiratory disease. Diesel generators emit 200–600× more NOx per unit of electricity than natural gas plants. Large campuses may have hundreds of generators.

Closed-loop vs. Evaporative Cooling

Evaporative cooling expels water vapour — high consumption. Closed-loop systems recirculate water with far less loss. A 150MW evaporative facility uses ~125,000 litres/hour.

Decommissioning Plan

A developer-funded commitment to restore the site and retire grid infrastructure at lease end. Without it, remediation costs fall on taxpayers when the facility closes.

PART 4

Further Reading

NS Green Choice Program

Nova Scotia's additionality PPA mechanism — how data centres access new renewable generation without burdening existing ratepayers



JLARC Virginia: Data Centres in Virginia (Dec 2024)

The most comprehensive independent audit of data centre impacts on ratepayers, grid, and communities — source of the \$444/yr household projection



TD Economics: Data Centres in a Grid-Constrained World

Canadian context — grid planning gaps, offshore wind opportunity, and the case for Atlantic Canada



World Resources Institute: How Data Centre Growth Affects US Communities (Feb 2026)

Jobs, rates, water, air quality, noise — the most complete community impact summary available



IMDA Singapore: Green Data Centre Roadmap

The world's most complete competitive permitting framework — PUE requirements, water efficiency, talent development scoring



Brookings Institution: Why CBAs Are Necessary for Data Centres

Policy framework and model CBA provisions specifically developed for data centre development



NAACP: Stop Dirty Data Centres

Environmental justice framing and CBA template language, particularly on air quality and community health equity

