

New Hill Digital Campus Recap, Press Analysis + Inquiries

Website Inquiries

Name: [REDACTED]

Email: [REDACTED]

Comment: Can you provide a map of the location of planned development?

Hi [REDACTED] and thank you for your interest in the planned development. Attached are a couple graphics that identify the location of the property. These are also posted on the website and can be accessed by visiting www.newhilldigitalcampus.com and scrolling to the bottom of the page.

Name: [REDACTED]

Email: [REDACTED]

Comment: Less than 1 mile from the proposed facility is a therapeutic horse facility, using horses to serve over 100 people a week with disabilities. Both the horses and some of the clients with disabilities are far more impacted by sound than the average person. I'd like to see that these special horses and the people they serve are protected. Even through the town of Apex lacks robust sound ordinances for people, how would you propose to protect the users and equine staff at Horse and Buddy?

Hi [REDACTED] and thanks for reaching out to us about this. We have engaged a sound engineer and will discuss this issue with them to see how best to approach. Although the Town of Apex doesn't currently have a robust sound ordinance, our design approach starts with our commitment to design the facility so that the average sound level we are generating at adjoining property lines is no more than 55 dB(A).

Name: [REDACTED]

Email: [REDACTED]

Comment: I would like to better understand how other similar sized projects compared to planning and ordinances 1-2 years after completion? Once built and live, will additional facilities be added to this property or neighboring/ adjacent land to expand this campus?

Hi [REDACTED], we cannot speak for other property owners in the area but we do not have plans to expand this facility beyond what is being proposed today. Our request for power is limited to 300 MW, which would limit the campus to the 4 building design we have presented.

Name: [REDACTED]

Email: [REDACTED]

Comment: I believe your reference to "Western Lake" Regional Water Reclamation Facility is incorrect.

Thank you, [REDACTED] we appreciate you pointing that out, and we have corrected the graphic on the website.

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Name: [REDACTED]

Email: [REDACTED]

Comment: As a concerned resident of Wake County in nearby Holly Springs, I appreciate your transparency in the approval process.

I read recently that data center developers were asking host municipalities to sign non-disclosure agreements. Would hope that's incorrect, but if so, what information would be subject to the agreement?

Thank you for your feedback.

[REDACTED] *while it is true that non-disclosure agreements (commonly called "NDA's") are entered into in some instances for a variety of reasons, we have not entered into an NDA in this case with either the Town of Apex or Wake County.*

Name: [REDACTED]

Email: [REDACTED]

Comment: CORRECTION NEEDED ON WEB PAGE

One of the maps on your web page has a misspelling that needs to be corrected. The map with red labels marking the Digital Campus, the nuclear plant, and the water treatment plant misspells "Western Lake Regional Water Reclamation Facility." It should be "Wake" not "Lake."

[REDACTED], *thanks very much for bringing this to our attention. We have made the correction to the graphic on the website. We appreciate it.*

Name: [REDACTED]

Email: [REDACTED]

Comment: Would like to see an independent full economic impact study performed prior to moving forward

Thanks [REDACTED], a full economic study has been prepared and is being released to the public shortly. The economic study was prepared by Sage Policy Group, which is a third-party economic consulting firm. We engaged them to perform the study. The assumptions used in their analysis are included in the study and will be available for review when it is released. We will post a copy on our website (www.newhilldigitalcampus.com) upon its release.

Name: [REDACTED]

Email: [REDACTED]

Comment: Hey! I'm an NC native, my grandmother lived in New Hill my entire life until she had a stroke earlier this year, and the thought of your company building a data center in a beautiful rural

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area that I grew up loving is absolutely abysmal. I find it sad that you're so desperate to keep up with the AI BUBBLE that you're willing to desecrate a beautiful area. No local residents want to see this data center be built. The only reason YOU want to see it is because you're money hungry. Stop destroying the environment for your own monetary gains. [REDACTED]

*Hi [REDACTED], we're sorry to hear that about your grandmother. With respect to why we chose this location, we'd like to call your attention to the Town of Apex 2045 Land Use Map, which **identifies this property for future Industrial Employment**. The property is adjacent to the Nuclear Power Plant and the Western Wake Regional wastewater treatment facility. A copy of the map is attached for your reference. The town has been planning for this area to develop as industrial for a decade now.*

Name: [REDACTED]

Email: [REDACTED]

Comment: I'm the Director of Engineering and Business Development for [REDACTED] headquartered in Knightdale, NC. We design and manufacture modular enclosures and electrical skids purpose built for data centers. I'd welcome a chance to speak with Natelli Holdings about the construction method of prefabrication used by the largest Hyperscale and Colo providers. With our North Carolina facility we can be a partner to achieve the specific project goals and address the concerns of the community.

Hi [REDACTED], thanks for reaching out to us. As things unfold here we will keep you in mind. We need to secure zoning in order to be able to move forward and would appreciate your support as we proceed. I'd also like to point out that one of our affiliated companies, Natelli Communities, is developing The Allen Park residential community in Knightdale now.

Community Meeting Questions (Asked & Submitted on Note Cards)

1. Request to send\post results of the Sound Study from the site, including information related to pre-construction and post-construction noise levels.

We will make this information publicly available as part of our zoning, site plan submission, and review process with the Town of Apex.

2. Request to provide information related to sound impact on wildlife and family pets in the areas surrounding data center.

We can be better positioned to answer this question once our sound study is complete, and we will ask our sound engineer for guidance on how best to address this question.

3. Request to provide additional information related to "water polishing" on site, including all chemicals that will be stored\used at the data center.

We are still early in the process of evaluating and designing the reclaimed water system, so we do not yet know the specific treatment steps that may be required to meet data center water quality standards. It is likely that the system will include filtration or treatments to improve the water

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quality before use. Regardless of the final design, we will need to work with the Town of Apex to ensure that our system meets all applicable requirements and that the reclaimed water returned to the treatment plant remains fully acceptable under the Town's standards.

4. Request to provide location(s) of comparable data centers that residents can visit to see how they are integrated into the environment.

A good example currently under development that we are involved with is at the Quantum Frederick project, located in Frederick, Maryland.

5. Request to provide a visual graph for water usage\evaporation related to fluctuating air temperatures.

A graph of water usage for evaporative cooling plotted against outdoor temperature would generally show the following pattern: near-zero water use at cooler temperatures, gradually increasing as temperatures rise, with peak usage and evaporation limited to the hottest summer hours.

Because the specific cooling-system design and control strategy, it is difficult to produce a precise graph until the final design is completed.

As part of the ordinance amendment, we are also discussing committing to a reasonable Water Usage Effectiveness (WUE) target, which governs water usage and ensures that even during the warmest periods, cooling water use remains within a defined, industry-standard efficiency limit.

6. Request to respond to assertions that the Apex waste water facility has an underground pipeline to supply non-potable water to the city of Cary, which is used for watering lawns.

The Western Wake Regional Water Reclamation Facility—located directly adjacent to the property—does not supply reclaimed water to Cary or Apex through a piped distribution system. The facility does generate reclaimed water on site, but it is currently used only for on-site bulk purposes, such as filling water trucks. Our proposal would expand on this existing on-site reclaimed water use by constructing a dedicated distribution line from the plant property to serve our site.

Separately, Cary maintains its own reclaimed water distribution network, which is supplied by reclaimed water produced at the North Cary and South Cary Water Reclamation Facilities, not by the Western Wake plant.

For further information, please see section 2 of the most recent Annual Interbasin Transfer Certificate for the Towns of Cary and Apex, which verifies that the Western Wake plant does not currently have a reclaimed water distribution system:

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<https://www.deq.nc.gov/water-resources/planning-section/water-supply-planning/ibt/2024-caryap-ex-ibt-annual-report/open>

7. Provide a list of all data center projects completed or currently under development by Natelli Holdings [REDACTED]

Hi Stephanie, we are involved in a range of data center developments in various stages of completion, either directly or in supporting roles. For instance, we are investors in the 2,000 acre Quantum Frederick data center campus in Maryland. Tom Natelli serves on the board of the entity developing the campus, and our company provides support to the project development team. We also developed two data centers in Frederick located in our 2,000 acre Urbana mixed-use project several years ago. The Urbana project integrates industrial, residential and retail in a comprehensive community plan.

Quantum Frederick Campus – Frederick, MD 21703

8999 Bennett Creek Drive, Frederick, MD 21704

9107 Bennett Creek Blvd, Frederick, MD 21704

A number of other sites in Maryland, NC and Texas that are in various stages of entitlement

8. Request\Demand for full disclosure and documentation of proposed tax revenue for Apex. Also, when comparing proposed tax revenue to other already developed data centers, has there been postmortem analysis of actual tax revenue. And if not, why?

We will be releasing an economic and fiscal impact study prepared by Sage Policy Group in the near future and will make this available to the public. There is an extensive amount of information available in public records that documents the revenues collected from data centers, most notably in Loudoun County, Virginia.

9. Why do you believe the property should be used for light industrial when current zoning is residential? Just because a realtor marketed it as light industrial does not make it so.

The property is designated for future Industrial Employment in the Town of Apex 2045 Land Use Plan. The Town already made the long-term planning decision to locate industrial in this corridor.

10. Have you engaged with the current property owners to tie their hands and remove their ability to discuss or entertain other sales opportunities? If yes, what would it take to release them from their handcuffs?

The sellers of this property were marketing it for sale. We entered into a purchase and sales agreement with the sellers of the property on terms that are agreeable to both parties.

11. How many homes are within a 2 mile radius around the 2,000 acre data center complex currently under development (??).

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The site is located in Frederick, Maryland and is close to the towns of Adamstown and Buckeystown, and is just outside of the City of Frederick. We believe there are around 1,250 to 1,500 homes within 2 miles of the site.

12. How much is the selling price to the end user?

Although we are engaged in discussions with potential end users, there is no final deal currently in place with an end user, but the terms of any future deal will not be publicly disclosed.

13. Does the end user have to legally follow all the guidelines and requirements that are set by the developer, or do we have to go through this process all over again? [REDACTED]

Yes, the end user will be required to comply with all zoning and site plan restrictions that are conditions of the approvals we obtain for the property.

14. Why are you not planning on using renewable power sources? [REDACTED]

We will be securing power from the grid, which is being supplied by multiple sources of power including nuclear, solar and gas. There is not enough space on the site to install renewable sources at the scale needed to supply power for the site. However, it is likely that power purchase agreements will be entered into which include energy generated by solar and wind in other locations to support the total load requirement of the facility.

15. Please send presentation and answers to all questions asked in 11\12 meeting to [REDACTED]

This document is being circulated to those who requested it in a number of different ways.

16. Have you considered moving this project to the old IBM site in Research Triangle Park?

No, we haven't pursued the IBM site for development and do not know what the ownership of the IBM property plans for that site.

17. How long has Natelli Holdings been developing data centers and once you build it how long before it is expanded? [REDACTED]

Our affiliated entities have been developing data centers for over a decade. We do not have any plans to expand this facility. The power allocation we have requested will only support the campus we have proposed for this site.

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18. What is the final, enforceable decibel limit you are proposing – 55dBA or 60dBA – and at what measurement point will it apply (data center property line, nearest home, or another location)?

We are proposing 55 D(B)a measured at the property lines of adjoining properties.

19. Will the noise standard include C-weighted or low-frequency limits to address tonal hum and vibration-sensitive frequencies?

Low-frequency limits are not typically included in sound ordinance requirements, but we are nonetheless evaluating low-frequency sounds as part of our overall sound study and can be prepared to discuss it further once the study is complete.

20. Where can residents visit an existing, comparable data center at a similar scale to experience real-world noise impacts? Provide specific sites?

We suggest visiting both older and newer facilities in Northern Virginia to see firsthand how data centers have evolved and how modern facilities differ from prior generations.

21. Do you have evidence from completed facilities showing that modeled noise predictions match post-construction measurements? If so, please provide.

We don't have specific evidence we can share from any of the facilities we have worked on, however, our sound consultant has told us that it is highly unusual for post-construction measurements to exceed pre-construction projections because the assumptions that are used for pre-construction are very conservative. In the unlikely event that our post-construction levels exceed the noise standards, we will be required to add additional measures until we are compliant.

22. Will you provide an environmental analysis of the evaporative plume, including particulate drift, humidity load, and potential air quality changes?

We will comply with the NCDEQ and EPA air permitting requirements for the systems to be used at the facility. Any data required pursuant to the current regulations will be prepared and submitted as part of our permit applications.

23. How will your reclaimed-water usage impact the regional reclaimed water cycle, including municipal reuse programs in Cary, Chatham County and Apex?

Our usage of reclaimed water will not impact any existing reclaimed water distribution capacity because the Western Wake plant does not have a reclaimed water distribution system serving other customers. The Towns of Cary and Apex need to work with us on planning, permitting, and design, and will need to ensure that any existing municipal needs utilizing the on-site reclaimed water system can be met.

24. Please provide documentation showing how daily and seasonal water usage will remain within the applicable Inter Basin Transfer Limits.

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Please refer to the NCDEQ Interbasin Transfer Certificate at www.deq.nc.gov/water-resources/planning-section/water-supply-planning/ibt/2024-caryapex-ibt-annual-report/open

25. What is the expected impact of a 300 MW continuous load on regional electricity prices for residential customers? Please provide modeling or third-party analysis.

The cost of electricity in North Carolina governed by the North Carolina Utility Commission.

26. Has Duke Energy confirmed that the local transmission system can reliably serve a continuous 300 MW customer without affecting grid stability? Please provide that confirmation in writing.

Yes.

27. What safety or reliability assessments have been performed regarding locating a 300 MW hyperscale data center adjacent to the Shearon Harris Nuclear Plant?

The site is located over 1 mile from the SHNP, outside of the safety zone established around the Nuclear Plant.

28. Will the traffic impact analysis include Old US-1, US-1 and intersections more than one mile from the site, where congestion is already significant?

The intersection locations will be worked out with staff in a scoping meeting once we get into a site plan process. The Town's ordinance will set forth the limits we will have to study.

29. What roadway improvements will be required as a result of your traffic volume?

We don't know that yet and it would be determined after zoning, when we are in the site plan approval stage of the process.

30. Why was this site – adjacent to thousands of nearby homes – selected instead of an industrial park or an area without residential proximity?

The area we are proposing to locate this facility is designated for future industrial employment in the Town of Apex's 2045 growth plan.

31. What alternative locations were considered, and why were they rejected?

This site is adjacent to a nuclear power plant and a water reclamation facility. It's planned for future industrial employment.

32. Have other municipalities or counties rejected similar proposals from your firm? If so, which ones and for what reasons?

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We have not been rejected in other municipalities or counties.