

Colorado's Digital Future: Data Center Development and Grid Modernization Act

A transformative opportunity to tackle climate imperatives, technological revolution, and infrastructure modernization in Colorado.



Powered by:





A growing coalition of Data Center Operators, Developers, Real Estate Professionals, Renewable Energy Companies, and Energy Storage Companies with a strong interest in approaching the enticement of data center investment differently – leveraging challenges into strategic opportunities.

A Growing Coalition

Data Center Operators

Major tech companies seeking sustainable computing infrastructure with reliable power sources and favorable regulatory environments.

Developers & Real Estate

Land acquisition specialists identifying optimal sites that balance technical requirements with community impact considerations.

Renewable Energy Partners

Solar and wind developers eager to pair generation capacity with consistent, large-scale power consumers.

Energy Storage Companies

Innovative firms providing grid stability solutions that enable reliable operations while supporting broader infrastructure resilience.

The Opportunity



AI Revolution

\$500 billion Stargate Project in Texas highlights the urgency of AI infrastructure investment.



Colorado's Position

Only 2% of national data center investment despite natural advantages.

Colorado can take a holistic approach



Reimagining Infrastructure

Opportunity to align technological advancement with public benefit.



Modern Day Manufacturing

Manufacturing has evolved beyond traditional assembly lines to produce data, embracing technology, innovation, and partnerships to drive progress and prosperity.

Colorado's Opportunity



Strategic Location

Colorado offers abundant land and proximity to tech ecosystem.

Natural climate advantages provide efficient cooling for data operations.



Renewable Resources

Rich renewable energy potential with established wind and solar resources.

Existing energy infrastructure creates foundation for data center power needs.



Economic Growth

Potential for substantial tax base expansion and high-skilled job creation.

Diversification beyond traditional industries strengthens county's financial future.



The Infrastructure Imperative

Transmission Investments

CETA identified \$4.5 billion in necessary investments through 2045.

Distribution Modernization

Xcel Energy announced a \$5 billion plan to accommodate electrification.

Data Centers as Allies

Reimagine data centers as active partners in building the grid of the future.



A New Partnership Model



Strategic Infrastructure Alliance

Enable private capital to accelerate public grid modernization.



Climate Action Acceleration

Position data centers as accelerants for clean energy transition.



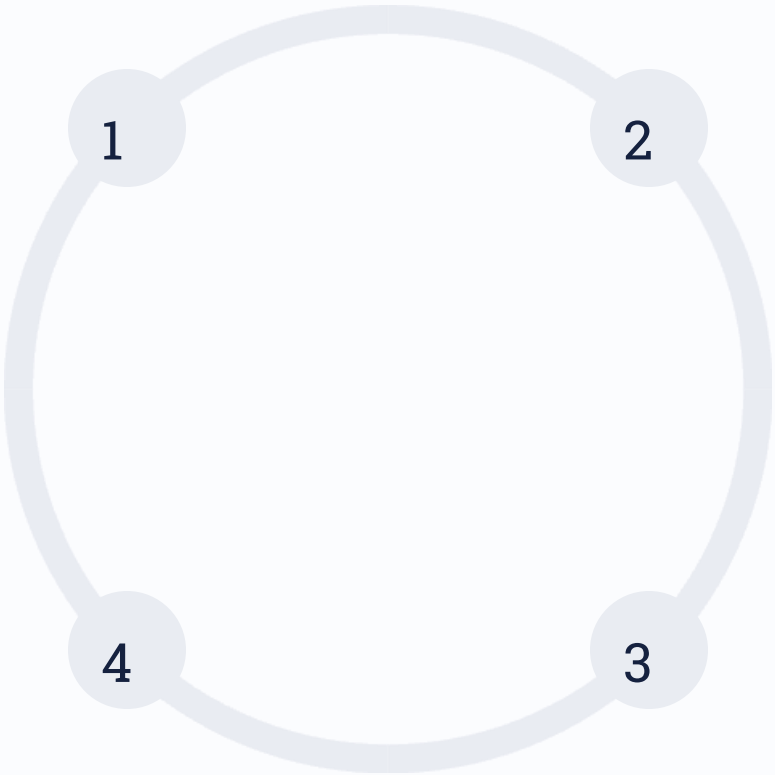
Economic Transformation

Create high-wage employment and support just transition initiatives.

Strategic Infrastructure Alliance

Private Capital
Accelerate public grid modernization
through data center investment.

Ratepayer Protection
Enable essential investment while
safeguarding consumer interests.



Coordinated Planning
Optimize intersecting needs of data centers,
utilities, and Colorado.

Advanced Technology
Establish frameworks for deploying cutting-
edge grid technologies.



Climate Action Acceleration

1

Renewable Demand

Establish predictable demand for clean energy sources.

2

Innovative Deployment

Enable co-location of data centers with renewable energy projects.

3

Water Conservation

Mandate closed-loop systems for efficient water use.

4

Environmental Innovation

Create market forces driving broader sustainability improvements.

Economic Transformation

1

Rural Development

Provide enhanced incentives for data centers in rural areas.

2

High-Wage Employment

Create technology jobs with above-average compensation.

3

Just Transition

Support communities transitioning from traditional energy economies.

4

Technology Clusters

Enable formation of regional innovation ecosystems.



The Political Balance

Market Mechanisms

Utilize voluntary incentives rather than mandates.

Ratepayer Protection

Preserve consumer interests while enabling grid investment.

Environmental Standards

Set clear goals with operational flexibility for data centers.

Local Control

Maintain municipal autonomy with structured benefit requirements.



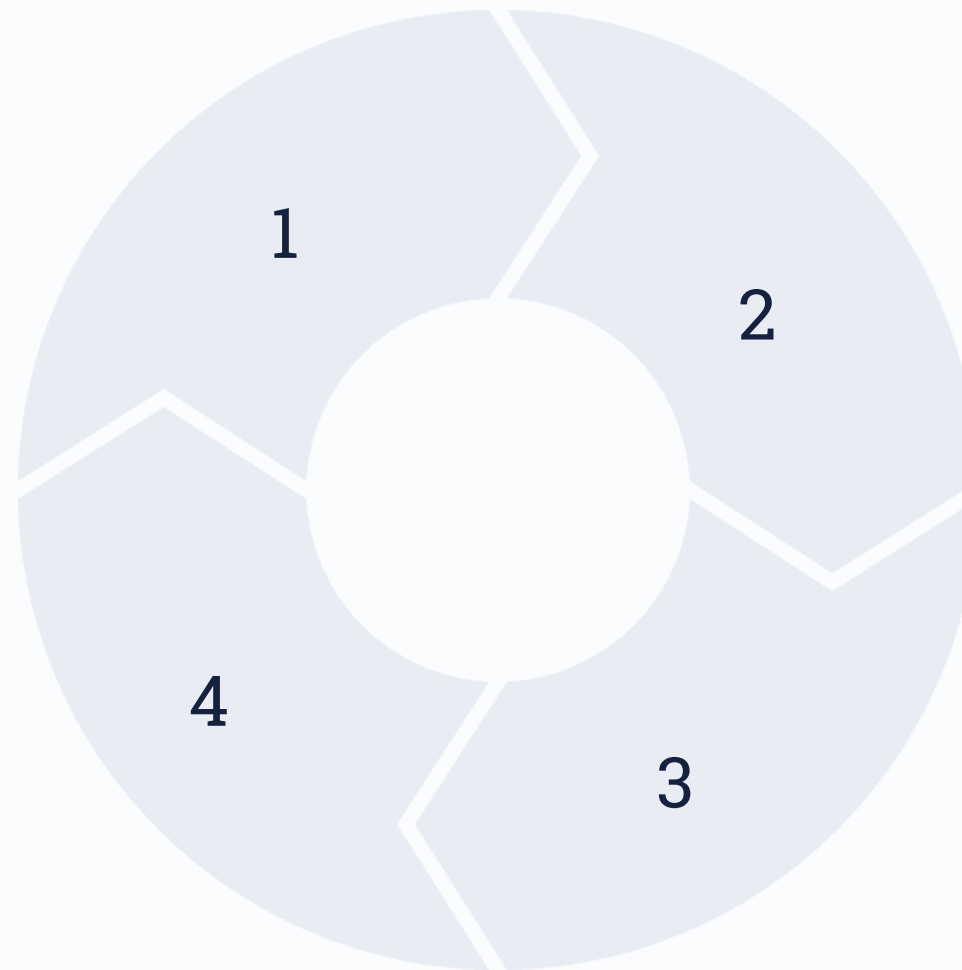
Program Framework

Clear Criteria

Establish transparent qualification standards for data centers.

Implementation Flexibility

Allow adaptability to meet diverse project needs.



Predictable Process

Create streamlined application and certification procedures.

Administrative Consistency

Ensure uniform implementation across state agencies.



Base Certification Requirements

1 Capital Investment

\$250 million within 60 months of approval.

3 Grid Support

Implement demand response and load management systems.

5 Base Certification Benefits

100% State Sales Tax Exemption

Standard Utility Rate Incentives

2 Job Creation

25 new full-time jobs at 110% of county average wage.

4 Sustainability

Obtain green building certification within 24 months.

Utilize closed loop and recycled water systems

Align with host utility clean energy plan



Enhancement Certification

Grid Enhancement

Minimum \$10 million investment in advanced grid technologies.

Community Programs

Invest in workforce development and local supplier initiatives.

Enhanced Benefits:

10% Grid Investment Tax Credit

plus 5% for investment in Rural Colorado

Enhanced utility rate incentives



The Physics of Proximity

1 Local Computing Capacity

Speed-of-light limitations demand proximate infrastructure for AI and quantum computing.

2 Innovation Economy

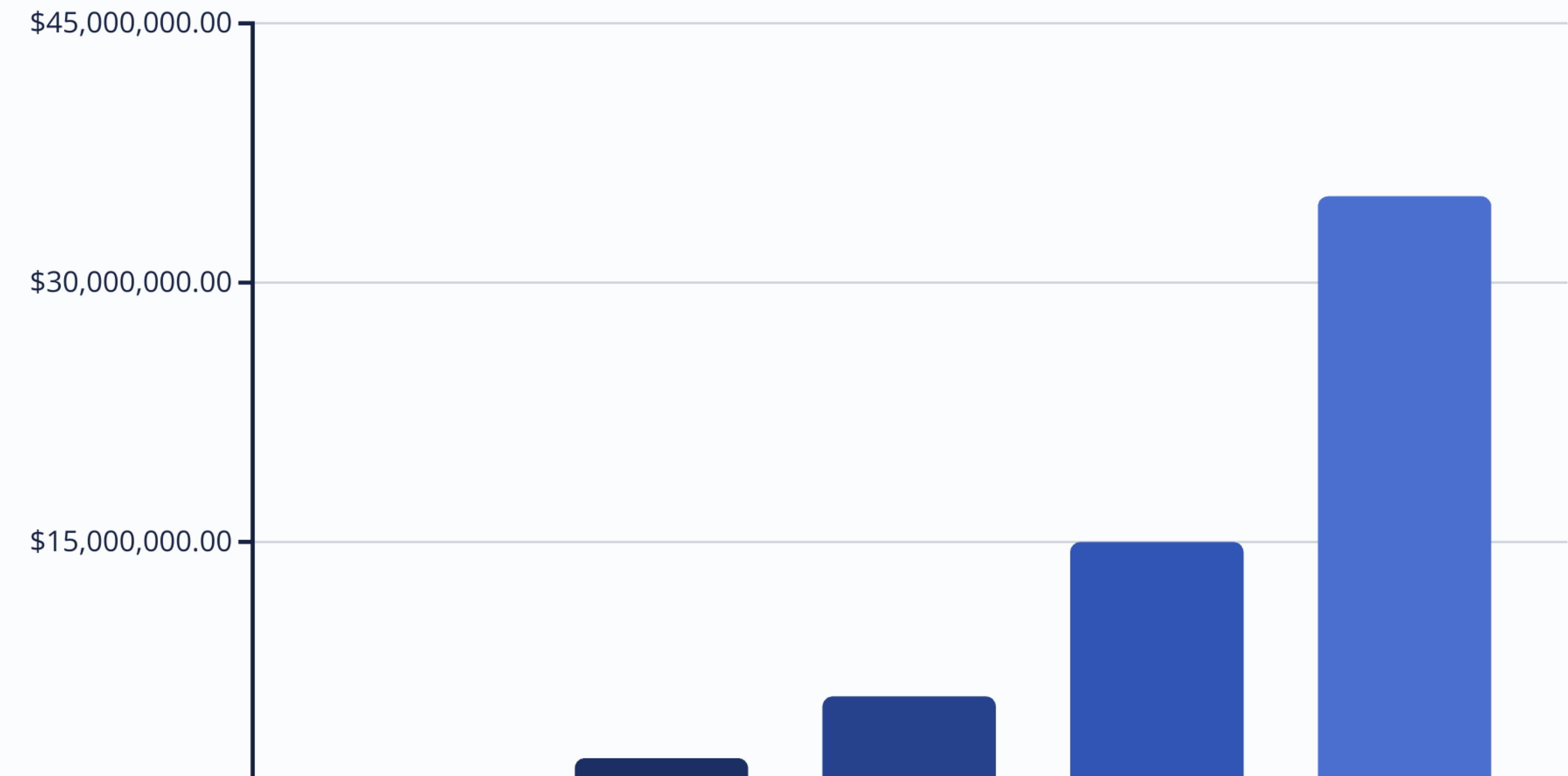
Colorado's tech sector growth depends on local computing resources.

3 Strategic Development

Without local infrastructure, risk becoming an importer of computing resources.

County and School District Revenue Potential

Data centers represent a significant property tax opportunity for counties and school districts, generating reliable long-term revenue with minimal service demands.



Hyperscale Data Center Revenue

\$1.5B

Average Investment

Typical hyperscale data center represents substantial capital investment in facilities and equipment.

29%

Assessment Rate

Colorado's commercial property assessment creates significant taxable value.

\$39M

Annual Tax Revenue

Potential yearly property tax from a single hyperscale facility.

90

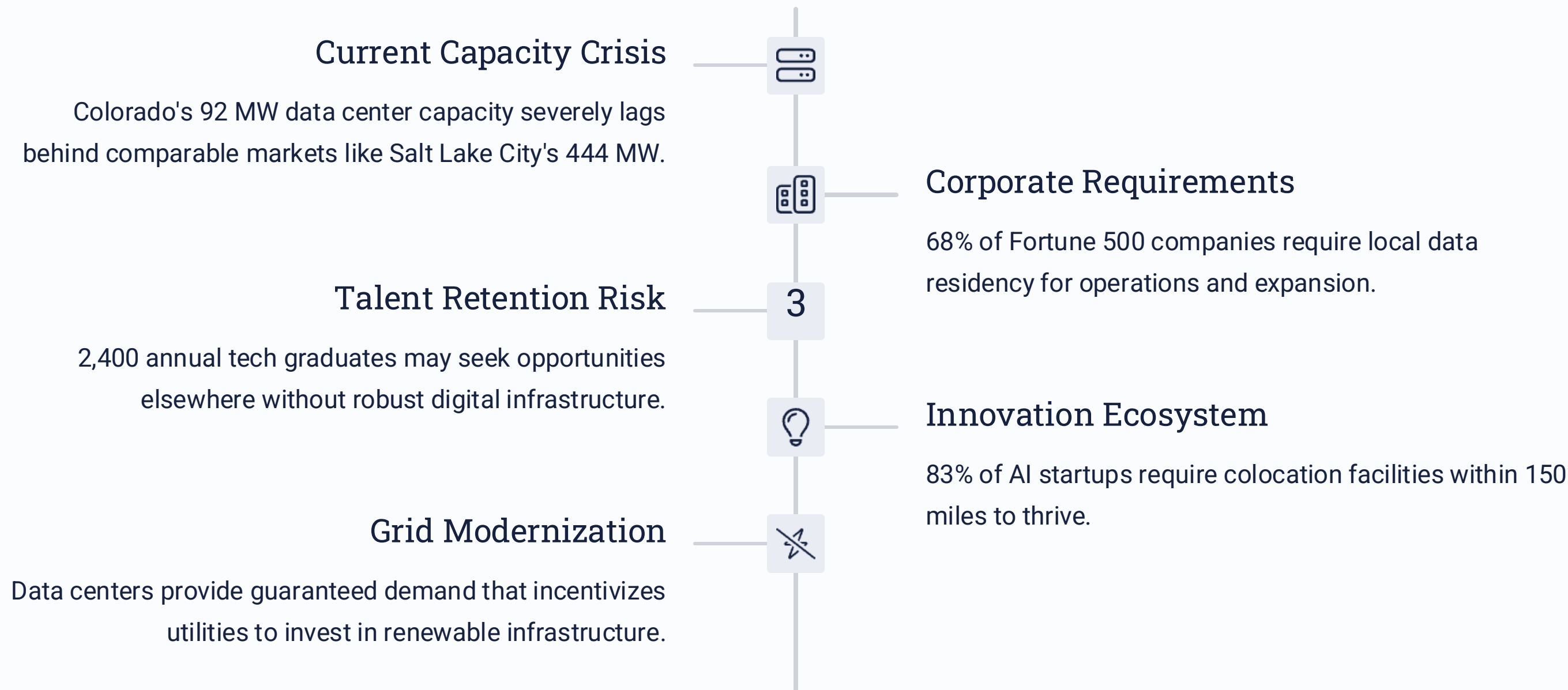
Mill Levy

Average tax rate across Weld County's 1,500+ tax districts.

Data centers deliver exceptional tax-to-service ratios. They generate substantial revenue while requiring minimal public services like schools, police, or infrastructure.

Even with potential incentives reducing tax burden by 10-25%, facilities could contribute \$29-35 million annually to county coffers.

Colorado's Economic Competitiveness



Data Center Impact



Low Service Demands

Data centers require minimal emergency services compared to other developments.

They generate few calls to police and fire departments.



Infrastructure Benefits

Investment in power grid upgrades benefits entire communities.

Fiber optic expansions improve rural connectivity options.



Tax-to-Service Ratio

Data centers generate substantial property tax with minimal service usage.

Each facility contributes millions without straining other government resources.



Workforce Considerations

Limited job creation means minimal stress on schools and housing.

Specialized positions may require county workforce development programs.



Community Benefits



Workforce Development

Partner with local institutions for training and career pathways.



Economic Integration

Support regional planning and technology cluster formation.



Local Coordination

Preserve municipal authority and facilitate information sharing.



Leading in Data Center Development



Infrastructure Innovation

Reimagine how development can advance multiple policy objectives.



Economic Transformation

Position Colorado as a leader in the AI and quantum computing revolution.



Climate Leadership

Accelerate clean energy transition through strategic partnerships.



Revenue Opportunity

Secure much needed local tax revenue for school and local communities



For More Information



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