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No Set Plans for Data Center Project at STAR Campus in Newark

Newark, DE (July 24, 2013) – The City of Newark, along with state officials, has been meeting with The Data Center Company for over a year about plans for the reportedly highly reliable state-of-the-art data storage facility at STAR Campus. However, plans have yet to be submitted to the city. Neither have environmental nor noise and other permit applications been submitted to DNREC, to the city’s knowledge. “At this time, Newark has only determined that a Data Center facility and some form of accessory power generation meet the zoning requirements of the Science and Technology Campus now located at the former Chrysler site,” says Planning and Development Director Maureen Feeney Roser. Newark has spent much of its time with the company discussing power needs that would require relocation and improvements to the existing substation as well as provide increased reliability improvements to the southern area of the city.

It is Newark’s intention to hold a public meeting, or meetings, when more firm information is available. City Manager Carol Houck says, “During the period that city staff have discussed the project with The Data Center representatives, their plans have been continually evolving.” Additionally, a formal negotiation to determine the feasibility of entering into a Purchase Power Agreement with the Delaware Municipal Electric Corporation (DEMEC), of which Newark is a full requirements member along with eight other cities in the state, has only recently become fully engaged and also awaits final design plans to begin serious talks. “Any agreement we enter into with The Data Center to purchase power must be in the best interest of all of our members and fit into our long term power requirements,” says DEMEC President Pat McCullar. “We have made this clear to both Newark and company representatives.” Contract negotiations also have yet to begin with Delmarva Power and an application has yet to be made to PJM for injection rights. Both of which may have a long queue for project review and approvals.

A few residents have asked for meetings to take place now. However, city officials do not feel there is reliable information to share until plans are submitted. It is the city’s understanding that the company continues to finalize its financing package that would make the project possible. “Company representatives have assured us that they will proactively participate in the public outreach that we fully intend to offer,” says Houck.

Additionally, the residents have raised concerns about the water needs of such a facility that requires on-site generation to fulfill its business model. “Newark does not supply water to the site since

it is serviced by United Water; therefore, such a project will not have an impact on Newark's water supply," says Houck. "Nor has Newark entertained discussions regarding tax abatements for the company."

"If all the remaining issues for the company are met, we will welcome them to Newark. We are simply not going to put the cart before the horse and waste our residents' time inviting them to a meeting where we have no plans or answers to share," says Houck.

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