



**SIERRA
CLUB**

WISCONSIN CHAPTER

THIRSTY POWER

***Coal and gas will leave us
high and dry***

Coal, gas, and nuclear power plants are already responsible for 73% of Wisconsin's annual water withdrawal.

Now the boom in hyperscale data centers has ushered in five new gas plant proposals that will use millions of additional gallons of water.

Vast, but Vulnerable

Little is more essential to healthy, safe lives than clean water, and our region abounds with it.

While Wisconsin isn't as boastful as our neighbors, water is a key part of our identity. Surrounded by the Mississippi River, Lake Superior and Lake Michigan, home to 15,000 lakes, 84,000 river miles and millions of acres of wetlands, our waters spur a \$27 billion tourism industry, support millions of jobs, provide drinking water, and are beloved places to swim, fish, boat, kayak and so much more.

The Great Lakes hold 84 percent of the US supply of surface freshwater and 21 percent of the world's supply. They provide 48 million people with clean drinking water. Rare and sensitive species call the Great Lakes home, and the lakes are an intrinsic part of life and culture in the region. All of these water systems are interconnected— feeding and interacting with one another to keep us alive.

Nearly half of Wisconsin's waterways are federally listed as impaired due to pollution. There are dangerous health concerns related to water contamination from pollutants like nitrate, PFAS, lead, and arsenic. These toxic contaminants cause lifelong harm, from developmental delays in children to cancer and chronic illness.

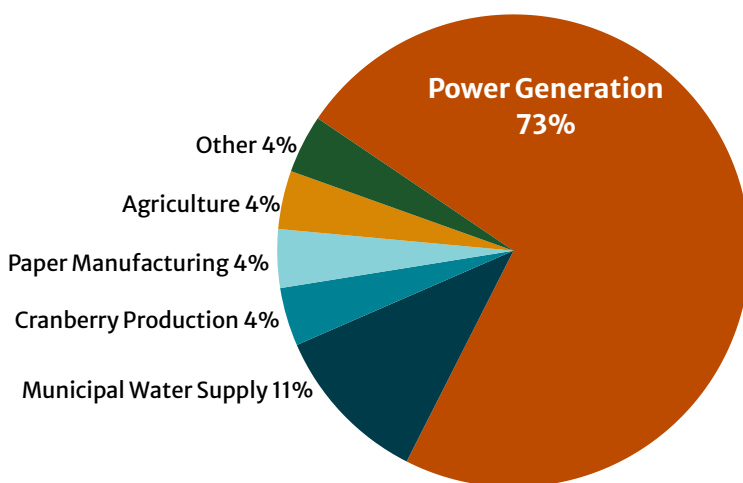
One of the key threats to Wisconsin's waters is our own water use. While Wisconsin's water is plentiful, climate change has brought long periods of hot days and drought. These droughts and water shortages raise added concerns. According to the National Integrated Drought Information System, impacts of a drought include limited barge transportation on major rivers, decreased agricultural production, challenges for municipal water supply quantity and quality, and reduced hydropower.

73% of our state's annual water withdrawal is used for power generation.

The Department of Natural Resources' (DNR) [2024 Water Withdrawal Report](#) shows that 73% of our state's annual water withdrawal is used for power generation.

This staggering amount is more than 7 times all of the municipalities in Wisconsin combined, and 18 times more than agricultural irrigation.

2024 Withdrawals By Use Total Withdrawals = 1.65 Trillion Gallons



Most Wisconsinites depend on groundwater as a source for drinking water. Stored in massive underground aquifers, these ancient reservoirs of groundwater were formed millions of years ago and can take decades to refill. In the past, wells would draw water at a sustainable pace, allowing enough water to seep back into the aquifer to maintain historical levels and provide water for the foreseeable future.

But high-capacity wells and excessive pumping practices threaten our water supply. These intensive wells can pump hundreds of thousands of gallons of groundwater per day or more, with some sucking up one or two million gallons per day. As a result, groundwater levels in many areas of southeastern Wisconsin have dropped more than 500 feet below original levels. This unbridled pumping lowers surface water levels as well.

These impacts may not be as far into the future as one would think. This year, the City of Menomonie issued a ban on irrigation after the city had issues with water pressure due to the demands on the system during summer heat and drought.

Climate change will only exacerbate these concerns. In recent years, Wisconsin has seen a lot of flooding due to climate change. However, Wisconsin has also seen periods of drought; as climate change worsens, these droughts will extend and bring drinking water limitations, public health concerns and disease, and environmental impacts with them.

The 2021 Assessment Report by the Wisconsin Initiative on Climate Change Impacts gives a glimpse into this future:

*“During multi-year periods of drought, water levels and stream flows drop. Wetlands can become disconnected from other surface waters, and decreased groundwater inputs to surface waters can result in warmer temperatures and altered chemistry. Lower lake levels reduce water volumes, concentrating nutrients and algae. **Drinking water wells may dry up or suffer from water quality problems due to increases in dissolved solids, concentrated contaminants, and water-borne pathogens.** As the climate continues to warm, water withdrawals for human use need to account for variability in climatic conditions and available water resources. **Water conservation practices are key to minimizing drought impacts.**”*

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July 15, 2026

Low Water Pressure Event

The City of Menomonie is responding to a low water pressure event caused by exceptionally high water demand.

To help restore and maintain reliable water pressure throughout the community, a full lawn irrigation ban is now in effect through August 1.

There is NOT a boil water notice in effect at this time. Drinking water remains safe to use.

Please discontinue all lawn irrigation.

Read the full press release and stay informed of future updates here: <https://www.menomonie.gov/377/Press-Releases-Notices>

More Water for More Power

Like much of the country, we're seeing proposals for hyperscale data centers pop up all over Wisconsin. These facilities often consume as much energy as mid- or large-sized cities, can use an enormous amount of water, and occupy hundreds or even thousands of acres. In response to concerns about the massive water use, some data center companies are planning to use "closed-loop" systems to reduce their water usage. For example, the Vantage and Mt. Pleasant data center websites refer to their planned Wisconsin facilities as "near-zero" water use. The tradeoff for many of these closed loop systems is an even higher demand for electricity. Unfortunately, many of these data centers are likely to be powered by a new thirsty and polluting gas plant. These gas plants (called natural gas by the fossil fuel industry to mask its environmental impacts) burn and leak methane – which is 86 times more potent as a greenhouse gas than carbon dioxide over a 20-year time frame.

Building more gas power plants would increase Wisconsin's water use at a time when we're facing both national and local concerns about drought, heatwaves, and water access as the climate crisis intensifies. When we analyze just how much water Wisconsin's nuclear, coal, and gas plants use to operate, while more water-efficient clean energy options exist, it's clear that our state must stop clinging to dirty fossil fuel power generation.

Permitting thirsty data centers and gas plants is not in line with the water conservation practices recommended in the DNR report. Wisconsin should be pursuing and adopting energy resources and practices that use little or no water, like wind, solar, batteries, energy efficiency, and energy conservation. These technologies will not only protect our water resources, they will reduce air and climate pollution and related health concerns, and reduce electricity bills for all Wisconsinites.

Gas Generation and Water Use in Wisconsin

Water Use Definitions

Withdrawal

**Water removed from water source,
can be returned to water source**

Consumption

**Water that evaporates,
leaving the local water system**

Discharge

**The water from withdrawal that is
returned to the water source**

Currently, in Wisconsin there are seven large gas plants and seven coal plants that consume staggering volumes of water. These plants need water for cooling when they generate electricity. Just how much water depends on the type of power plant and the cooling system that it uses. When evaluating how power plants use water, we typically look at three types of use:

- **Withdrawal:** water that's taken from the water source, of which some may be consumed and some discharged or reused, depending on the cooling system.
- **Consumption:** water that forcibly evaporates due to the energy production process and effectively leaves the local water system.
- **Discharge:** water that is returned to the water source, likely at a higher temperature.

To produce energy, some gas plants and most coal plants burn gas or coal underneath large pipes filled with water. The heat causes the water to boil and turn to steam, building up pressure to turn turbines that power a generator. The generator produces electricity that is sent to the grid via transmission lines. But what happens to all that steam?

If a plant made no effort to cool the steam and turn it back into water, its water losses would be astronomical, much like a kettle left to boil off on the stovetop. So modern power plants condense the steam back into water. After leaving the boiler and turning the turbines, the superheated steam enters a condenser, where a different stream of cool water absorbs some of the steam's heat so that the steam returns to liquid and circulates back to the boiler. After doing its job, that cooling water can be over 100°F.

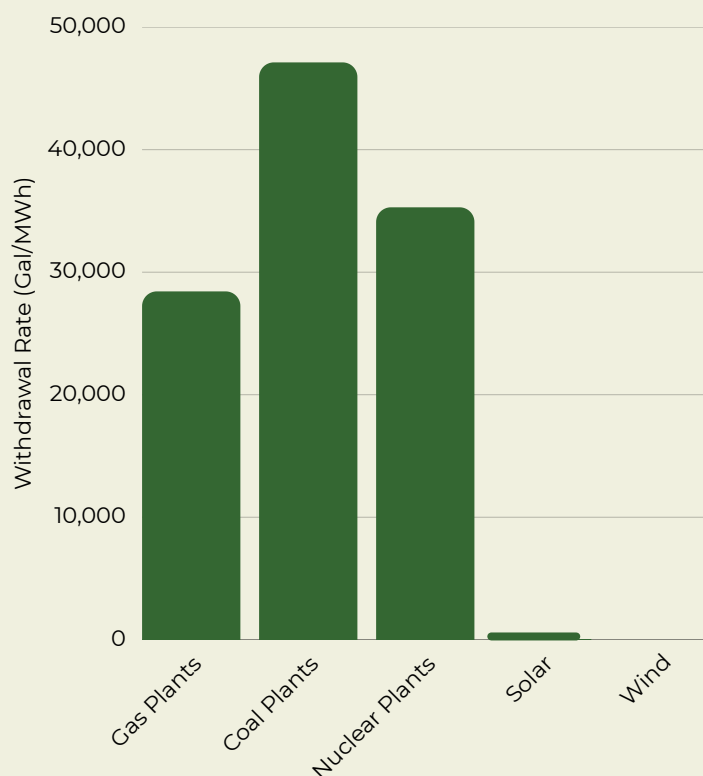
Other gas plants use air rather than (or in addition to) steam to generate energy. The cooling systems for these plants often don't consume water; however, the generators may still use some water to cool the air they intake in order to run more effectively. While these don't use nearly as much water as the other types of gas plants, they are most likely to be used on the hottest summer days, when the air is dry, and energy demand is high.

Using data from the U.S. Energy Information Administration (EIA) Forms [860](#) and [923](#) on electricity, the Sierra Club analyzed water consumption by thermal power plant operations in Wisconsin and the entire United States. This analysis of coal, gas, and nuclear plants is available to the public via an online [dashboard](#).

In 2024, the most recent year for which complete data is available, Wisconsin's last 7 remaining coal plants withdrew a staggering 756,316 million gallons of water alone. Plants running primarily on gas withdrew another 227,603 million gallons, and nuclear plants withdrew 358,109 million, for a thermal plant total of **1.34 TRILLION gallons of water withdrawn in a single year**. This is 3.67 billion gallons of water every single day. **Meanwhile, solar and wind use so little water that the EIA doesn't even track their usage.**

These plants withdraw an astonishing amount of water each year, and as mentioned above, together with other thermal plants in the state, they made up 73% of our state's water withdrawal in 2024.

Average water withdrawal by power source



Annual water use of Wisconsin Coal, Gas, and nuclear plants

 WI Coal Plants	Operator	Location	Plant Size	Withdrawal*	Consumption*
Elm Road Generating Station	We Energies	Oak Creek	1,403 MW	271,927	0
Columbia Energy Center	Alliant Energy	Pardeeville	1,112 MW	157,978	5,156
South Oak Creek	We Energies	Oak Creek	642 MW	139,574	0
John P Madgett	Dairyland Coop	Alma	387 MW	114,180	0
Edgewater Station	Alliant Energy	Sheboygan	414 MW	55,162	0
Weston Generating Station	WPS	Weston	946 MW	1,726	1,282
Manitowoc Power Plant	Manitiowoc (City)	Manitowoc	117 MW	15,769	0

Total Coal Use

5,021 MW

756,316

6,438

 WI Gas Plants	Operator	Location	Plant Size	Withdrawal*	Consumption*
Port Washington Station	We Energies	Port Washington	1,230 MW	178,584	0
Valley Power Plant	We Energies	Milwaukee	275 MW	40,867	0
Blount Street	Madison Gas & Electric	Madison	100 MW	5,212	0
Fox Energy Center	WPS	Wrightston	619 MW	1,011	734
West Riverside Energy	Alliant Energy	Beloit	728 MW	952	846
Riverside Energy Center	Alliant Energy	Beloit	675 MW	803	607
Whitewater Station	We Energies	Whitewater	284 MW	174	130

Total Gas Use

3,911 MW

227,603

2,317

 WI Nuclear Plants	Operator	Location	Plant Size	Withdrawal*	Consumption*
Point Beach Nuclear Plant	NextEra	Two Rivers	1,311 MW	358,109	0

Total Nuclear

358,109

0

*in millions of gallons per year

1.34 Trillion Gallons of Water for Dirty Energy ⁶



Hyperscale Data Centers & Water

As outlined above, power plants already account for nearly 75% of water use in Wisconsin. To make matters worse, the boom in hyperscale data center proposals has brought with it a boom of thirsty new gas plant proposals.

Data centers themselves can use enormous amounts of water to keep cool. To keep their servers from overheating, many use evaporative cooling, which cools air by the same process as a human sweating on a hot day. Evaporative cooling consumes water as it evaporates into the ambient air. Under peak demand conditions, data centers employing evaporative cooling can directly use 1 – 5 million gallons of water per day alone, or as much as a town of 30,000 – 50,000 people. (The City of Wausau uses about 4.2 million gallons of water per day.) If these data centers are powered by fossil fuels, the combined water use can be massive.

Furthermore, the specific projected amount of water use can keep growing. For example, the Financial Times reported that in 2023, Virginia's Loudoun County data center hub consumed at least 1.85 billion gallons of water compared to 1.13 billion gallons in 2019—relying on treated potable water because the reclaimed water capacity was insufficient.

Water use from a given data center depends on its design, operations, and location. A recent assessment by one developer showed that 80 – 90% of water used by data centers is drawn from “blue” water sources such as lakes, rivers, or aquifers—often the same sources providing community drinking water. In fact, many data centers simply hook up to the local water mains. One study found that in some cases potable water accounted for 57% of the water used by data centers. There are also growing concerns about PFAS contamination and other pollutants resulting from data center operations. More research is needed to understand all the impacts on health and our water.

The Dirty Secret of Data Center Closed-Loop Systems

In response to concerns about water usage, some data center companies have said they will use “closed-loop,” or air-cooled, systems that recycle water and use very little water. For example, the Vantage and Mt. Pleasant data center websites refer to their planned Wisconsin facilities as “near-zero” water use.

Is this true? It’s true that in closed-loop systems, water circulates in sealed pipes or coils that cool the servers. A growing number of data centers are now shifting to using recycled water expressly for this reason. But the real answer isn’t that simple.

The real secret is that these closed-loop cooling systems in data centers trade water consumption for higher electricity usage. By eliminating evaporative towers, these systems require more energy-intensive mechanical chillers and fans to continuously transfer heat to the outside air, making cooling more power-heavy, particularly in the peak summer months. (In addition, they add heat to the surrounding area.) If these data centers are powered by fossil fuel power plants, they will still indirectly result in huge amounts of water consumption. That’s why it’s critical that data center electricity growth is paired with clean energy generation to mitigate impacts. **So the dirty, thirsty secret of closed-loop systems is that they use more electricity.** Unfortunately, that often means more thirsty fossil fuel plants to power them.

This means that, in addition to the concerns regarding the gas plants that are proposed or under construction to power Wisconsin’s new hyperscale data centers, the impacts of hyperscale data center cooling systems warrant added scrutiny regarding water use.

“Near Zero” Water Use



CONSTRUCTION OPERAT

One of the primary reasons that Vantage favors dry cooling over evaporative cooling is that as a rule, evaporation has the biggest impact in hot dry climates – those where water is generally scarce and of poorer quality (for evaporative purposes). Because of this, we design our building systems to run without the use of evaporation. By coupling dry heat rejection with liquid cooled servers, we are able to strike a good balance of high energy efficiency and near-zero water usage.



Microsoft in your community



- Our facilities in Wisconsin will be built to use mostly zero-water cooling solutions, with a smaller fraction of servers using direct evaporative cooling.
- Zero water evaporated direct-to-chip cooling uses a closed-loop system where water remains in the circuit to be reused over time for cooling. Direct evaporative cooling uses water for cooling less than 5% of the year when the temperature is above 85 degrees Fahrenheit.

Both the Vantage and Microsoft websites boast about limited water use. But the real secret is that these closed-loop cooling systems in data centers trade water consumption for higher electricity usage. Unfortunately, that currently means more thirsty gas plants to power them.

Hyperscale Data Centers Bring a Rush of New Gas Plants

Unfortunately, Wisconsin electric utilities are currently planning to build five new gas plants, in part, to help power data centers. While these plants are not like traditional gas plants that use water-intensive steam power, they use water to cool the air for efficiency. This means that while they withdraw less than their counterparts, all of the water they withdraw is consumed and taken out of the local water system.

Of the five new proposed gas plants, there's a range of information available from publicly available documents— companies' applications and agency environmental reviews— from which we've pulled out the relevant pieces. Where information was unavailable or unspecified in the environmental reviews, we assumed that the plants would operate similarly to one of the other planned plants of comparable size. **These five proposals would produce almost 4 GW of power – that's enough electricity to power about 3 million average homes.** To put that in context, Wisconsin only has 2.84 million homes. In addition to these new plants, 4 coal plants in Wisconsin (two that were scheduled to be shut down) are converting to gas.

Here's what's proposed in Wisconsin:

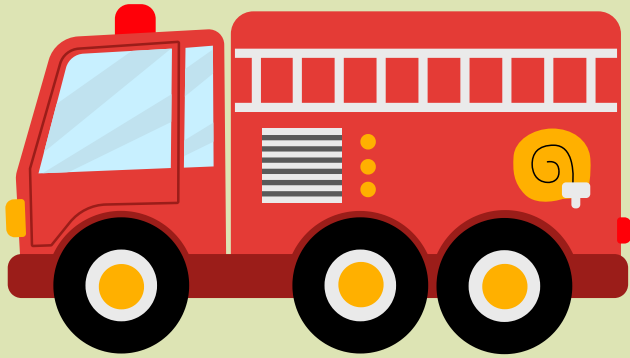
Proposed gas plants to power data centers in Wisconsin					
Proposed Gas Plant	Status	Plant Size (MW)	Expected Capacity Factor*	Estimated Annual Consumption (Gallons)	Estimated Maximum DAILY Consumption (Gallons)
South Oak Creek	In Construction	1,100	15%	14,454,000	242,182
Paris RICE Plant	In Construction	132	50%	34,164,000	23,954
Foundry Ridge Energy Center (Darien)	Pending PSC Approval	303	20%	4,951,152	55,152
Red Oak Ridge (Kenosha)	Pending PSC Approval	1,210	20%	19,447,200	266,400
Unnamed Calumet Gas Plant	Awaiting Application	1,203	66%	69,735,555	264,859
		3,948 MW		142,751,907	852,547

*Capacity factor (CF) is the ratio of actual generation to maximum possible generation, and effectively represents the amount of time that a plant will operate. For example, a plant with a 15% CF will operate 15% of the year.

142 million gallons a year

Taken together, at their peak, when operating at all time, these plants could collectively use 852,546 gallons of water in a single day. Currently, We Energies and Invenergy anticipate using 142 million gallons a year, expressly for data centers. That's a lot of water and the equivalent of:

142,000 fire trucks



(Most fire trucks are 1,000 gallons of water)

Drinking water for 284 million



(Assuming 8 glasses of water a day)

8.3 million showers



(Based on an average of 8-min showers)

40.6 million tooth brushings



Were you ever told to make sure to turn the water off when you brush your teeth?

In one day. On the driest days. For data centers.

Bad Timing

And one of the key questions here is when this water use will be used. Peak electricity demand usually occurs in summer, when air conditioners are operating on hot days. And when you look at water use, peak energy demand and hot summers together, the impact is doubly concerning.

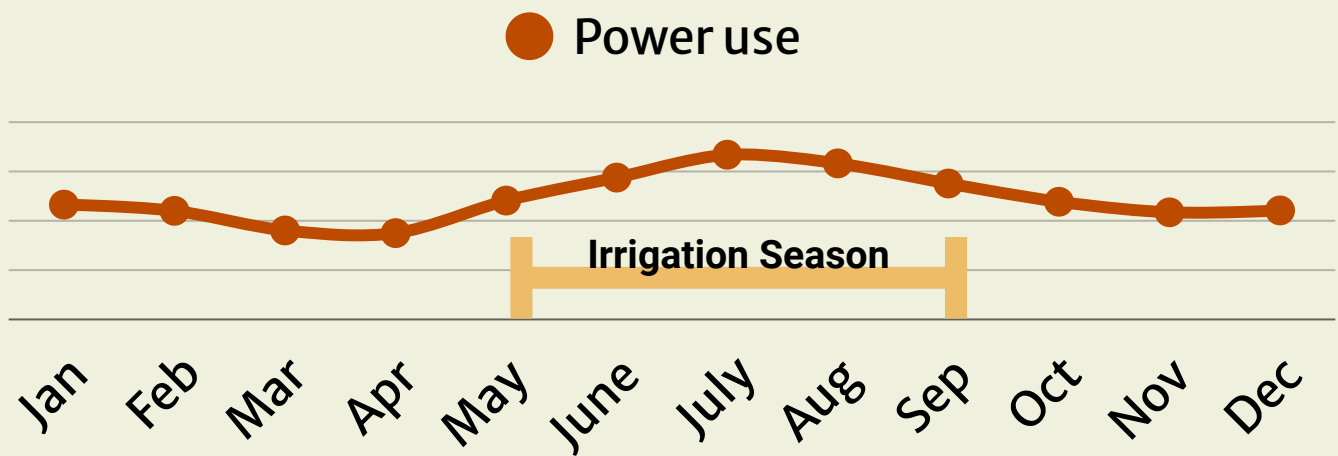
According to the Wisconsin Initiative on Climate Change Impacts (WICCI), Wisconsin is already experiencing more frequent and intense heat waves, hotter, wetter days, and droughts. WICCI predicts “an annual increase of 20–30 days with 90–plus degrees Fahrenheit over the next 50 years.” Summer heat impacts not only our communities, but also the agricultural sector.

The extreme heat takes a toll on our health as we struggle to cope with high temperatures and humidity. Animals and crops are impacted as well. Extreme heat causes heat stress in livestock and crops and reduces germination, resulting in crop loss.

To offset the impacts, farmers have begun irrigating their lands. According to the DNR, the largest spikes in high-capacity well construction coincide with droughts in 1976–1977 and 2012. In a report from last year, a striking headline made news – “Wisconsin growers used the most water ever reported to irrigate crops in 2023”. The story reminds us of the water shortage in 2012, when excessive agricultural water use “caused some lakes and streams to dry up in the Central Sands region” and references the impact power plants have on Wisconsin waters.

Taken together, we see a situation in which all of these factors play off each other– and not in a good way. Hot summer days are usually when energy demand peaks to run air conditioners and cooling systems. This added fossil fuel use not only exacerbates the climate crisis, but also results in increased water use. The need for irrigation also occurs in the same months when increased energy demand leads to added water consumption, resulting in major strains on our hydrologic systems.

Water use of Power and Agricultural Sector



The concerns raised here are critical for communities across Wisconsin, and they must be addressed by decision-makers across the state, who are being called on by Wisconsinites to do their duty and protect the state’s climate, water and air.

Spotlight: Red Oak Ridge Energy Center

Power plant builder Invenergy is proposing two new gas plants: Foundry Ridge and Red Oak Ridge. Both gas plants are listed as “bespoke” resources that We Energies will purchase to provide power for the Mt Pleasant and Vantage data centers. The Public Service Commission and the Department of Natural Resources will be tasked with deciding whether to grant Invenergy permits to build these gas plants and whether to allow We Energies to take ownership of the plants. A report by the Union of Concerned Scientists found that for these two gas plants, utilities are taking advantage of a regulatory loophole to develop new fossil fuels without meaningful public input or scrutiny.

The proposed Red Oak Ridge Energy Center would be a massive 1,210 MW gas plant, making it the second-largest gas plant in Wisconsin if built. The Village of Somers would annex the land from the Town of Paris for the plant. Despite its size, Invenergy says it would primarily run on those days when energy demand is high. The plant would operate similarly to the Foundry Ridge gas plant, as discussed above. Given the enormous size, it would consume an estimated 266,400 gallons of water per day when it runs at full capacity.

Invenergy has offered two different locations for the plant, with two different water sources. Invenergy’s “preferred” site would use water from the Village of Somers Sewer and Water Utility, which sources water from the City of Kenosha. Because the City of Kenosha gets its water from Lake Michigan, it would need approval from the Great Lakes Compact governing bodies. One concern this raises is that this diversion would be for industrial use, rather than public water use, the main goal of the compact. A similar concern was raised several years ago regarding a diversion of water for Foxconn Technology Group.

Invenergy has suggested an alternative site if the Public Service Commission won’t approve their ‘preferred site.’ In that case, the water would come from a new high-capacity well. Invenergy has already applied for and received a permit from the DNR for the high-capacity well. Similar to the Foundry Ridge plant, it would consume groundwater in a region already dominated by agriculture and facing growing pressure on its water supplies. There are additional concerns about how this water would be discharged, and what the impact of thermal pollution would be.

Despite concerns about the plant, the Trump Administration is attempting to fast-track the approval. The Sierra Club has filed a lawsuit to stop this fast-tracking.

“Bespoke Resources”

PSC Filings indicate the Foundry Ridge and Red Oak Ridge gas plants will be used to provide power to the Mt. Pleasant and Vantage data centers:

PSC REF# 584429: This is a procurement agreement between We Energies and Invenergy. See Exhibit A, which is a timeline of major milestones for the project. Next to 5/31/26, it says, “PSCW approves each Service Agreement (with or without changes); at which time it is expected **Microsoft and We Energies** will promptly execute each Service Agreement.”

PSC REF# 595119: This document is a response to a request for information from the PSC. The response includes the following. “Based on the Commission’s Final Decision in docket 6630-TE-113 regarding the Very Large Customer (VLC) and Bespoke Resource tariffs, the VLC customer subscribing to this project has determined it will continue to subscribe to **100% of the project as a Bespoke Resource**.”

Spotlight: Foundry Ridge Energy Center

The proposed Foundry Ridge Energy Center would be a 303-megawatt gas plant in the small Town of Darien in Walworth County. It would primarily run on those days when the demand for energy is high. It would consume groundwater to run its cooling system in a region already dominated by agriculture and facing growing pressure on its water supplies.

Darien has about 1,200 to 1,500 residents, and it's located squarely in a county with several hundred farms, as of 2022. Foundry Ridge is proposed to be built on land historically used for row crops, which means a major industrial facility would be dropped into a working rural landscape where water, land, and reliable wells are central to daily life.

Running Foundry Ridge would require tapping a deep sandstone aquifer beneath Darien. The company plans to use an existing on-site well that can pump up to 30 gallons per minute, and to drill a new low-capacity well designed to pump 35 gallons per minute. Together, these wells would serve as the exclusive water source for plant operations, as the project does not currently plan to use current municipal or surface water supplies.

Even though the plant's cooling system is described as "closed-cycle," the project still creates a net loss of groundwater. The plant uses cooling water to cool the air, to make the turbines run faster, creating more electricity. **The plant would consume an estimated 55,152 gallons of water every day that it's running at full capacity.**

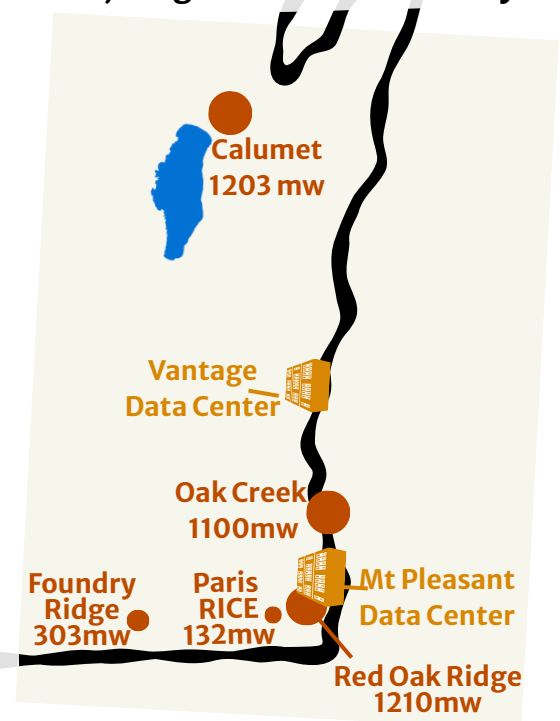
Much of this consumptive water is lost as vapor through forced evaporative cooling and other processes, with some water leaving the site as wastewater, so that water is also effectively gone from the local aquifer that nearby homes and farms depend on. In addition, Foundry Ridge's hydrogeologic study identifies dozens of nearby residential and private wells within about three-quarters of a mile, including at least one irrigation well used for agriculture. Their modeling shows continuous pumping over a 30-year plant life, creating 1.9 to 2.6 feet of drawdown in local wells, which they describe as acceptable—but which still represents a measurable lowering of water levels for neighboring farms and households.

"Bespoke Resource"

PSC Filings indicate the Foundry Ridge and Red Oak Ridge gas plants will be used to provide power to the Mt. Pleasant and Vantage data centers:

PSC REF# 590022: This "Payment, Cancellation, and Financing Cost Agreement for Bespoke Resource (Foundry Ridge)" is an agreement between **We Energies** and a customer whose name has been redacted in all but one place. The confidentiality clause on page 16 identifies the customer as **Vantage**.

PSC REF# 594996: This document is a response to a request for information from the PSC. The response includes the following. "Based on the Commission's Final Decision in docket 6630-TE-113 regarding the Very Large Customer (VLC) and Bespoke Resource tariffs, the VLC customer subscribing to this project has determined it will continue to subscribe to 100% of the project as a **Bespoke Resource**."



Gas plants mean more air and climate pollution, higher bills

While this report focused on the immense water use of powering data centers with gas plants, there are a number of other concerns about this investment in gas in Wisconsin.

Rising Electricity Costs

Gas prices are highly volatile, leaving consumers and businesses exposed to unpredictable fuel costs and market fluctuations. In contrast, the cost of clean energy technologies such as wind, solar, and battery storage has steadily declined and is expected to continue falling as innovation, economies of scale, and deployment increase.

At the same time, growing climate commitments from governments, utilities, and businesses are driving policies that place greater financial pressure on fossil fuels through stricter emissions standards, carbon pricing, and other regulatory measures. As these trends continue, investments in gas infrastructure risk becoming more expensive to operate and maintain, while clean energy offers greater price stability, lower long-term costs, and reduced exposure to future climate-related regulations, risking that an investment in gas plants become a stranded asset.

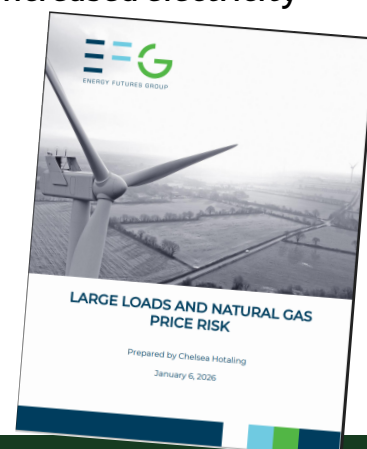
A stranded asset is infrastructure that customers must continue paying for, even though it's not being used. These costs are passed directly to ratepayers, locking them into higher bills and prolonging their dependence on expensive fossil fuels, rather than investing in cleaner, cheaper alternatives.

Supply and Demand

Earlier this year, the Public Service Commission (PSC) approved a new rate structure or “tariff” for “Very Large Customers” (VLC), like hyperscale data centers, in We Energies’ territory. The Commission determined that data center companies will be required to pay for the full cost of building and running the infrastructure that powers them, like the gas plants mentioned earlier in this report. This was an important step in protecting ratepayers from rising energy bills due to the influx of data centers.

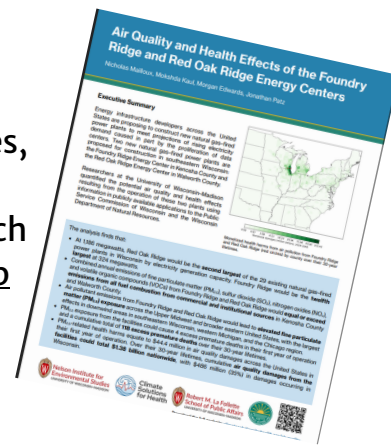
However, if the data centers are primarily powered by gas plants, that could still impact electricity rates for Wisconsin residents. During the VLC proceeding, GridLab released a report showing that if new gas plants are built to power data centers, all Wisconsin residents could see increased electricity bills. Key findings of the report include:

- Serving large data center loads with gas **exposes the whole system — all ratepayers, not just data centers — to volatile gas prices**
- **Adding more renewables and storage reduces vulnerability to fuel price risk**, and even when assuming no federal renewable tax credits.
- **The report concludes that if large-load customers (e.g., data centers) invest in gas, the financial risk (especially for fuel cost) can be shifted onto other customers**, including households and small businesses.



Health Impacts

Gas-fired power plants emit harmful pollutants like nitrogen oxides, sulfur dioxide, and particulate matter. These emissions trigger severe health issues, including asthma attacks, heart disease, and premature death. These air pollutants disproportionately harm communities and vulnerable groups such as children and older adults. A report by the Climate Solutions for Health Lab at the University of Wisconsin-Madison found that the air pollution from these proposed gas plants could lead to more than 100 premature deaths.



Climate Change

This new fossil fuel infrastructure will lock Wisconsin into these carbon impacts for decades to come. When released into the atmosphere, methane acts as a greenhouse gas, trapping UV rays from the sun and heating the air, and is the second most prevalent greenhouse gas emitted in the U.S. behind carbon dioxide (CO₂). Although methane has a shorter lifespan in the atmosphere than CO₂ (approximately 12 years compared to CO₂'s potential of thousands of years), it is a much more potent greenhouse gas.

The United States Senate Committee on the Budget and the House Committee on Oversight and Accountability Democrats released a report in April of 2024 called, Denial, Disinformation, and Doublespeak: Big Oil's Evolving Efforts to Avoid Accountability for Climate Change. The report looked at the oil and gas industry's (referred to as "Big Oil" in the report) "decades-long deception campaign" to "deceive the public and investors about their knowledge of the effects of their products on climate change and to undermine efforts to curb greenhouse gas emissions."

The findings of the report include:

- Documents demonstrate for the first time that fossil fuel companies internally do not dispute that they have understood since at least the 1960s that burning fossil fuels causes climate change and then worked for decades to undermine public understanding of this fact and to deny the underlying science.
- Big Oil's deception campaign evolved from explicit denial of the basic science underlying climate change to deception, disinformation, and doublespeak. The fossil fuel industry evolved from denying climate science to spreading disinformation and perpetuating doublespeak about the safety of gas and its commitment to reducing greenhouse gas emissions.
- New documents demonstrate that Big Oil companies seek to position "natural gas" as a "bridge fuel" between coal and cleaner, renewable energy, while enmeshing gas in the U.S. energy economy for the long-term; seek to portray gas as a green, climate-friendly fuel, while internally acknowledging that there is significant scientific evidence that the lifecycle emissions from gas are as bad as coal and are incompatible with scientific emissions reduction targets.



Moving Forward

Leaning more into clean energy and battery storage to power Wisconsin would reduce pollution and save our state billions of gallons of water every single year. Getting there will largely depend on our state officials as well as the power companies themselves. There are also other options available including grid power management, aggregating excess grid power, and investing in energy efficiency that would also reduce costs and air, water, and health impacts.

As rural communities struggle with the threat of some of their landscapes changing, residents and officials should consider just how much water clean energy and other options could save for future generations of Wisconsinites – from farmers to urban communities – during hot summers. Coal and gas literally release tons of pollution year after year – and almost all of the proposed gas plants are in rural areas – places where farmers rely on groundwater for their livelihoods, as the need to irrigate their farm fields grows. These gas plants also cause climate change while using millions of gallons of water across our state every year. Conversely, clean energy solutions don’t pollute our communities and can provide the same power with significantly less water use. During July 2025’s heatwave, clean energy in our region saved energy users \$45 million and saved millions of gallons of water in the process.

Wisconsin’s water is too precious and important to allow it to be used and polluted when there are safer, water-conserving, and cleaner alternatives to create power. In addition to transitioning to clean, renewable energy, decision-makers need to be careful about permitting data centers in Wisconsin without fully studying the impacts. Currently, data center permits are being fast-tracked without the necessary environmental review, including an in-depth understanding of the direct and indirect water usage.

People can’t drink kilowatts nor eat data. Every data center proposal should be carefully analyzed to determine if they’re using best practices to minimize water impacts and are being powered with new clean energy resources.

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