Microsoft

Welcome

Thank you for joining the Racine County open house and presentation about the Microsoft datacenter projects

5:15-6:15 PM: Open house, networking

6:15-6:30 PM: Microsoft in Wisconsin presentation

6:30-7:30 PM: Open house resumes, connect with technical experts

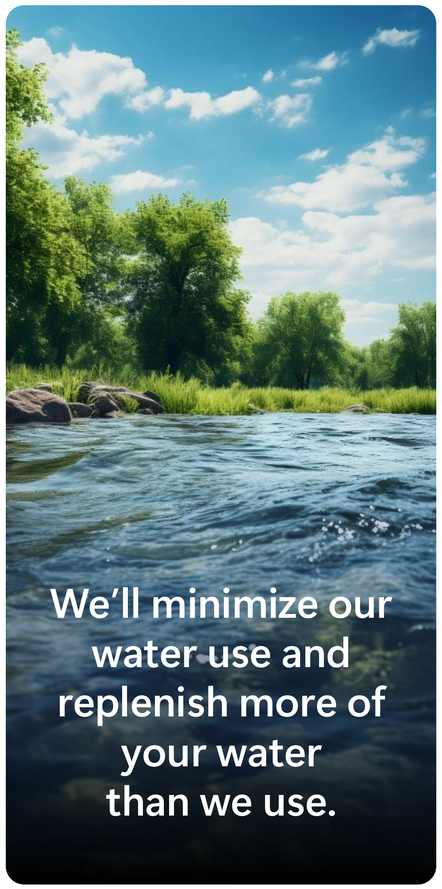
Tonight's meeting has two components: an open house and a brief presentation. Questions from the public will be addressed during the open house, where you can visit the stations, view the materials, and talk with our staff.

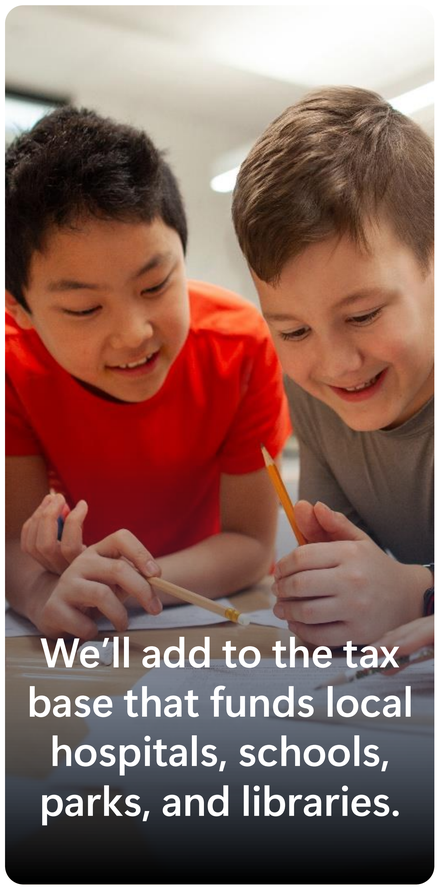
We would be delighted to answer questions you may have.

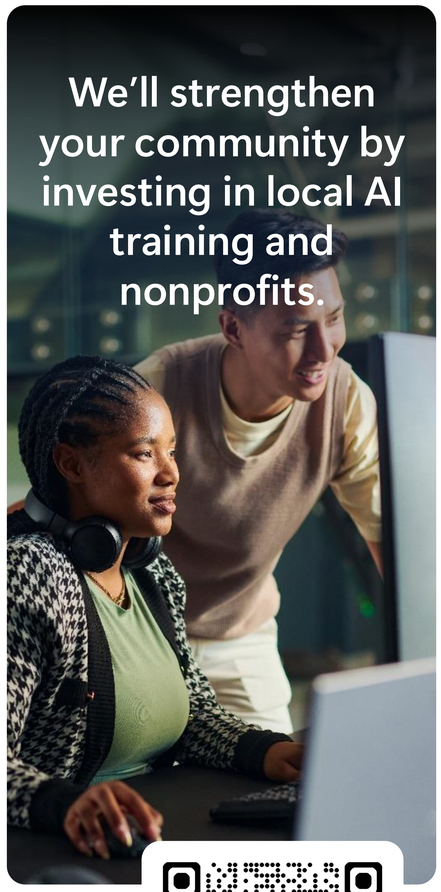
Microsoft

Building Community-First Infrastructure

The Microsoft Community-First Infrastructure initiative centers on being a good neighbor in the communities where we build, own, and operate our datacenters.







Scan the QR code to learn more

Microsoft

Datacenters are the infrastructure that delivers the cloud

The cloud plays **a significant role in our everyday lives**: enabling remote work, learning, and global collaboration; supporting discovery and innovation; and, importantly, powering critical life and safety services.

Datacenters have become integral to our lives, from connecting us with family and friends to facilitating contactless payments and remote working. Our modern lives are reliant on the functionality datacenters provide and demand is growing.

Organizations in Wisconsin rely on the Microsoft Cloud, including companies large and small, startups, governments, hospitals, banks, schools, and more.

Datacenters power our digital world

Microsoft

Who uses the Microsoft Cloud

The Microsoft Cloud serves over **1 billion** customers and over **20 million** companies worldwide.

Over **95% of Fortune 500** companies run Microsoft Azure.

Many companies and public sector agencies with strong ties to Wisconsin use the Microsoft Cloud to modernize and digitize their operations.

Nonprofit and IGO	the contingent	National Zakat Foundation™
Defense and Intelligence	Kelly Johnson Joint All-Domain Innovation Center	AEXA
Retail and consumer goods	Murdoch's Ranch & Home Supply	L&M Fleet Supply
Telecommunications and media	Gurtz Electric Co.	AT&T
Professional business services	accenture	American Engineering Testing
Education and healthcare	Intermountain Health	Community Health Network

Source: https://customers.microsoft.com/

Microsoft

Community-first commitments

Microsoft's five-point plan to partner with local communities across the United States

1

We'll pay our way to ensure our datacenters don't increase your electricity prices.

- Pay utility rates that are high enough to cover our electricity costs
- Collaborate with utilities on plans to add the electricity we will need
- Innovate to make our datacenters more efficient
- Advocate for public policies needed for affordable, reliable, and sustainable power

2

We'll minimize our water use and replenish more of your water than we use.

- Reduce the amount of water our datacenters use
- Replenish more water than we use
- Provide greater local transparency
- Advocate for public policy that helps minimize water use

3

We'll create jobs for your residents.

- Invest in partnerships to train local construction workers
- Expand our Datacenter Academy program to train more individuals for ongoing operations roles
- Encourage local policymakers to support new job opportunities

4

We'll add to the tax base that funds first responders, schools, parks, and libraries.

- We won't ask municipalities to reduce their local property tax rates for datacenters
- We'll support policies to invest the added taxes we pay in the vital services the community cares about

5

We'll strengthen your community by investing in local workforce training and nonprofits.

- Partner with schools, community colleges, and universities to provide workforce training
- Support adults with modern tools and skills through learning hubs in local libraries
- Support technology skills training for businesses
- Invest in local nonprofits

Microsoft

Our community-first work is already underway across Wisconsin

We pay our own way so our datacenters don't affect your electricity bills.

We are working with We Energies to **pay for infrastructure to serve our load,** protect energy reliability for local customers, and add new in-state power supply.

We minimize our water use.

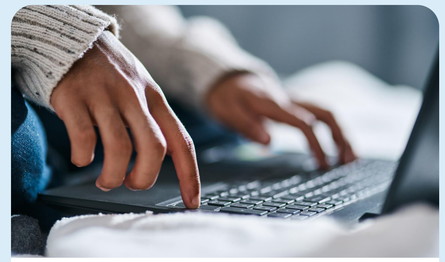
Our first datacenter water use is modest, requiring roughly the same amount of water as a **typical restaurant uses annually.** Our facilities in Wisconsin are designed to use mostly zero-water cooling solutions, with a smaller fraction of servers using direct evaporative cooling.

We create local jobs.

Our **first Wisconsin datacenter employed over 3,000 construction workers at its peak.** We expect about 500 employees and contractors by the end of 2026, growing to around 800 once the second datacenter is complete. Construction will continue in phases over several years, supporting ongoing job creation.

We contribute to local taxes.

Microsoft's development is supporting local priorities by funding Tax Incremental District No. 5 (TID 5) and helping to pay those obligations in full and ahead of schedule. Once TID 5 is retired, our tax revenues will benefit a broad group of stakeholders and **support local services, including emergency services, schools, hospitals, and more.**



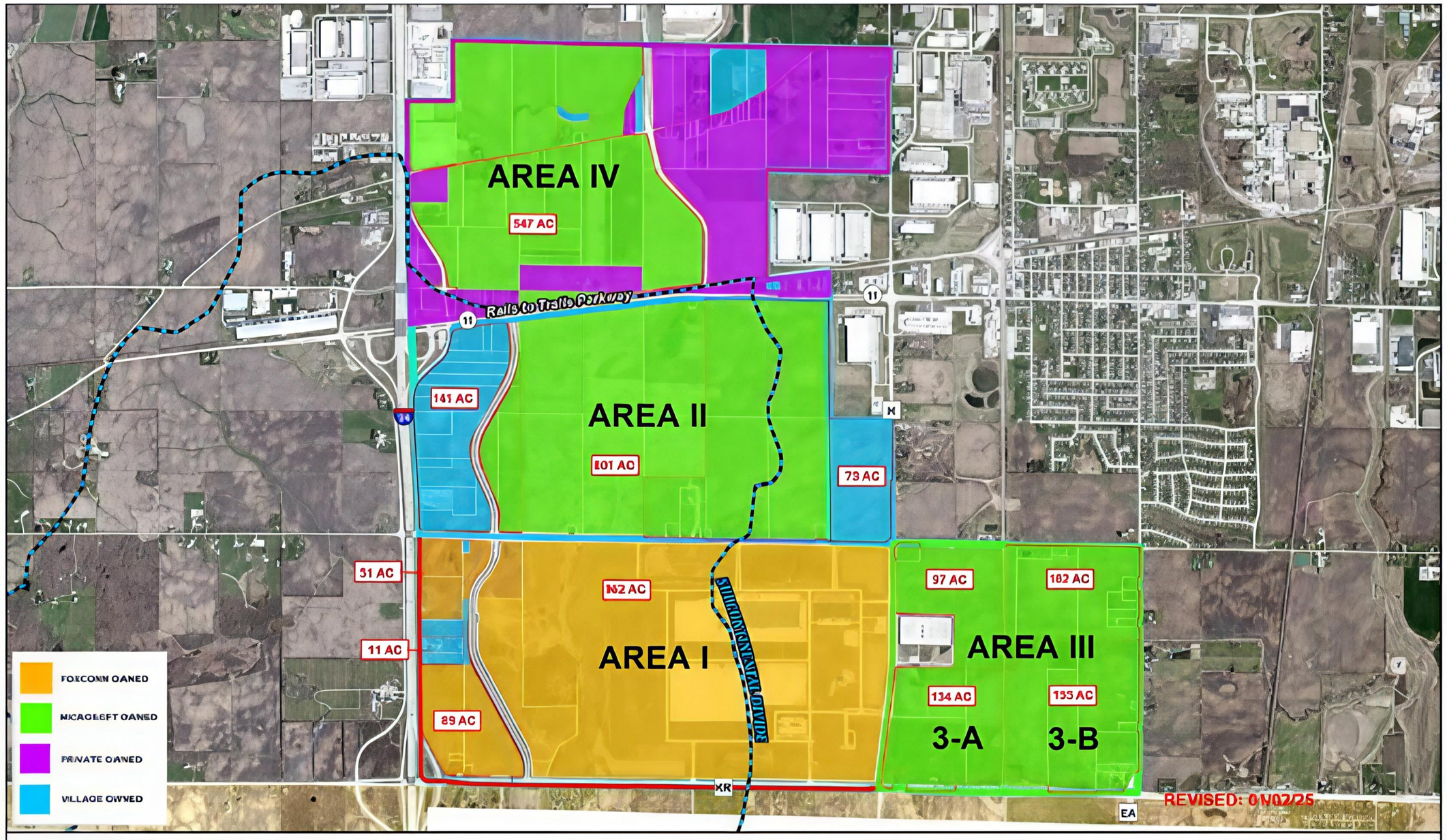
We invest in local training and nonprofits.

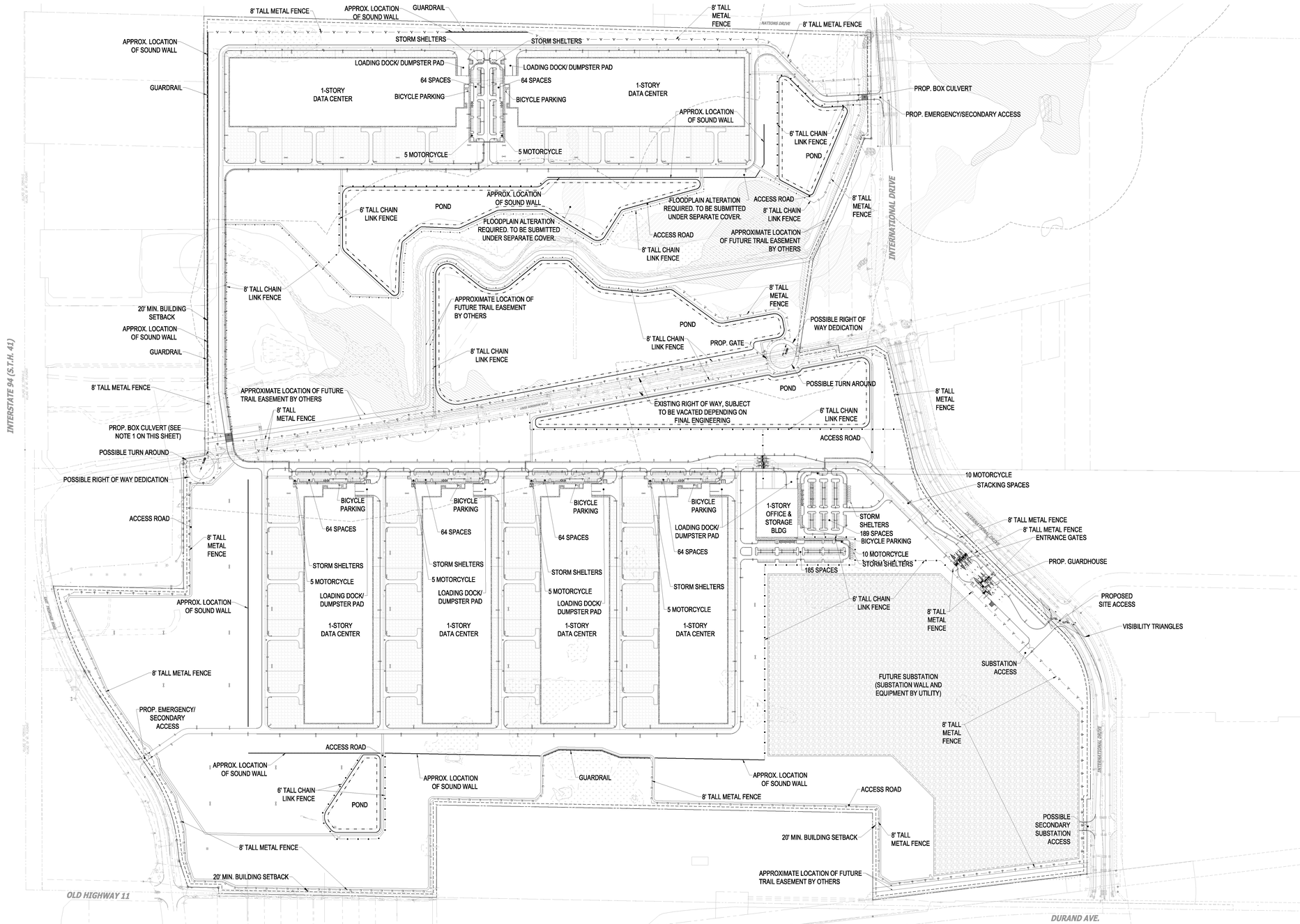
Microsoft is investing in Wisconsin, collaborating with over 40 local organizations, like United Way of Racine County and the Racine Unified School District. We're also working with **Gateway Technical College to launch the Datacenter Academy and train more than 1,000 students** in five years, helping residents build skills for local technology careers.

We look forward to continuing our investment in projects like these in Wisconsin

Microsoft

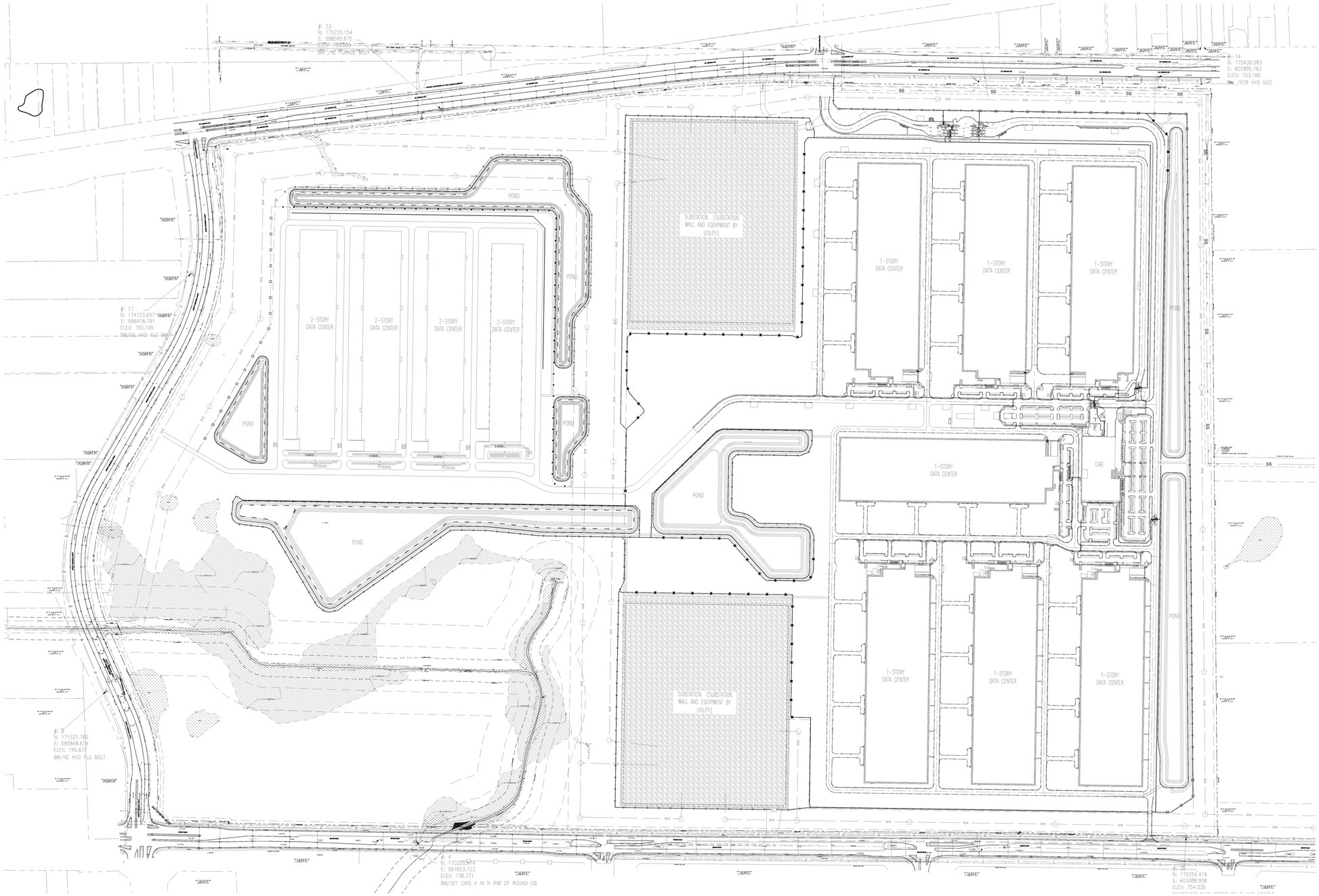
Microsoft-owned parcels in Mount Pleasant





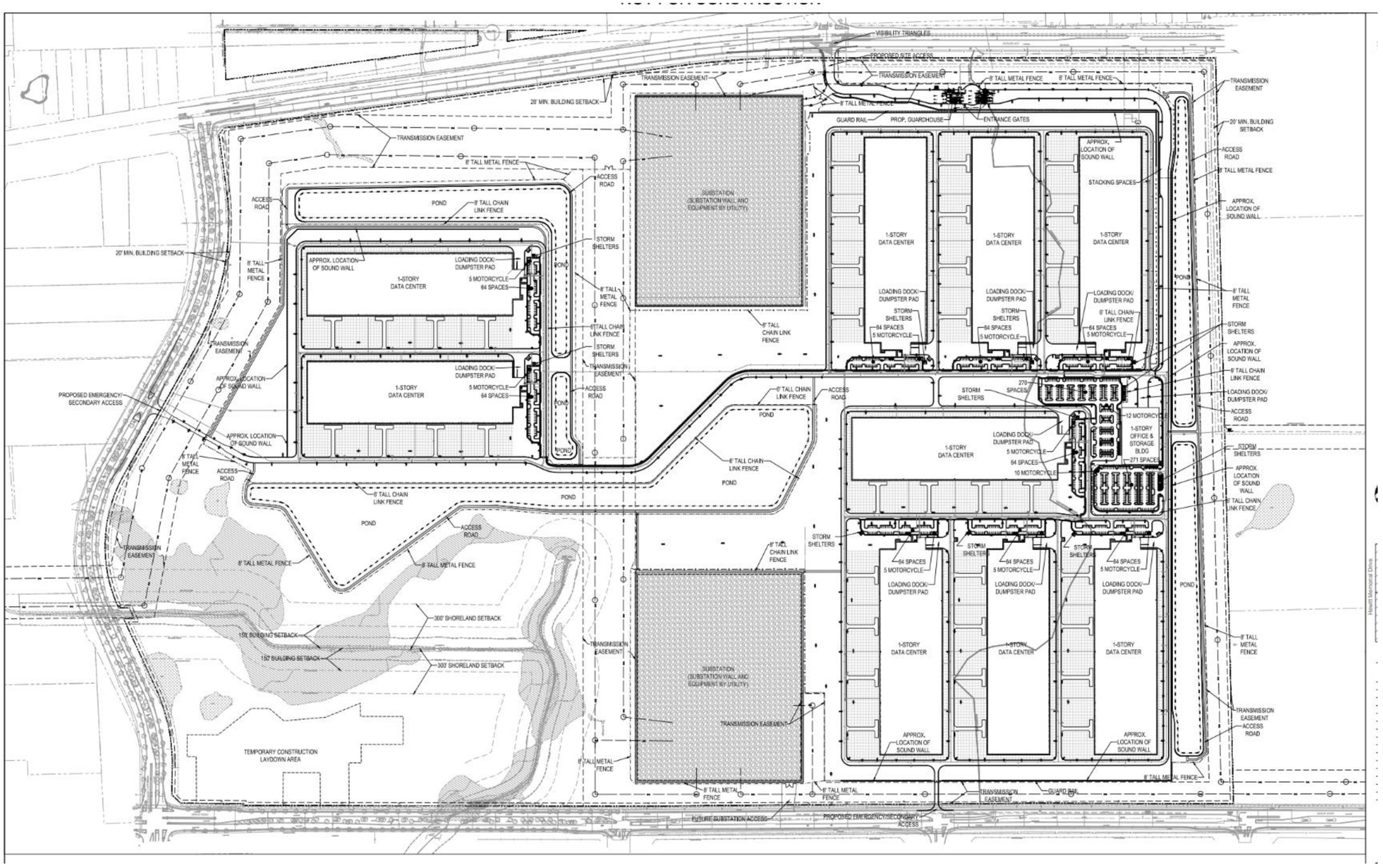
Approved preliminary site plan (earth work phase) Area 4/North

Preliminary—subject to change



Approved site plan with Proposed Changes (construction phase) Area 2

Preliminary—subject to change



Approved site plan (construction phase)
Area 2

Preliminary—subject to change

Microsoft

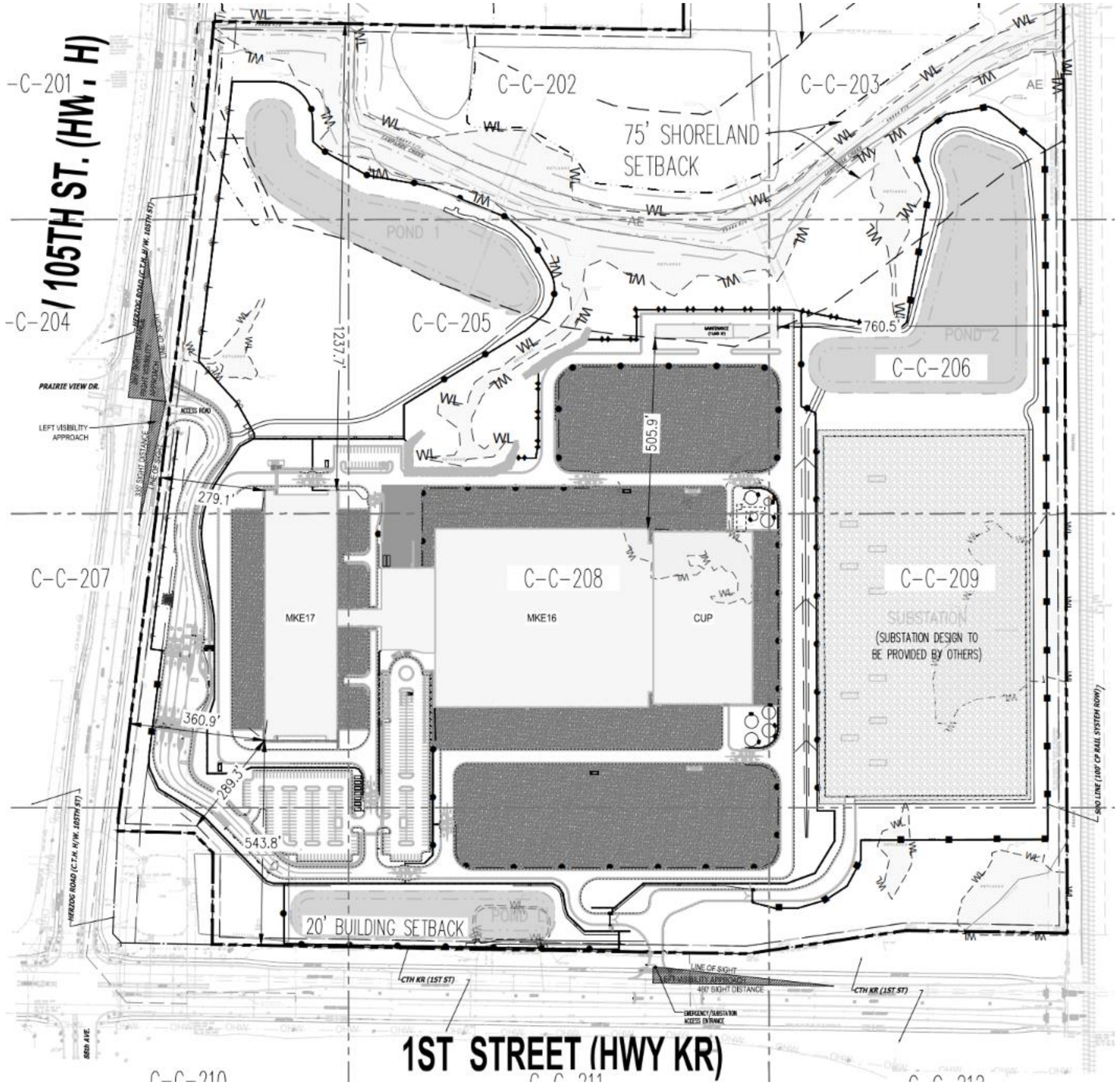
North East View - Durand Avenue

Microsoft

North West View - Durand Avenue

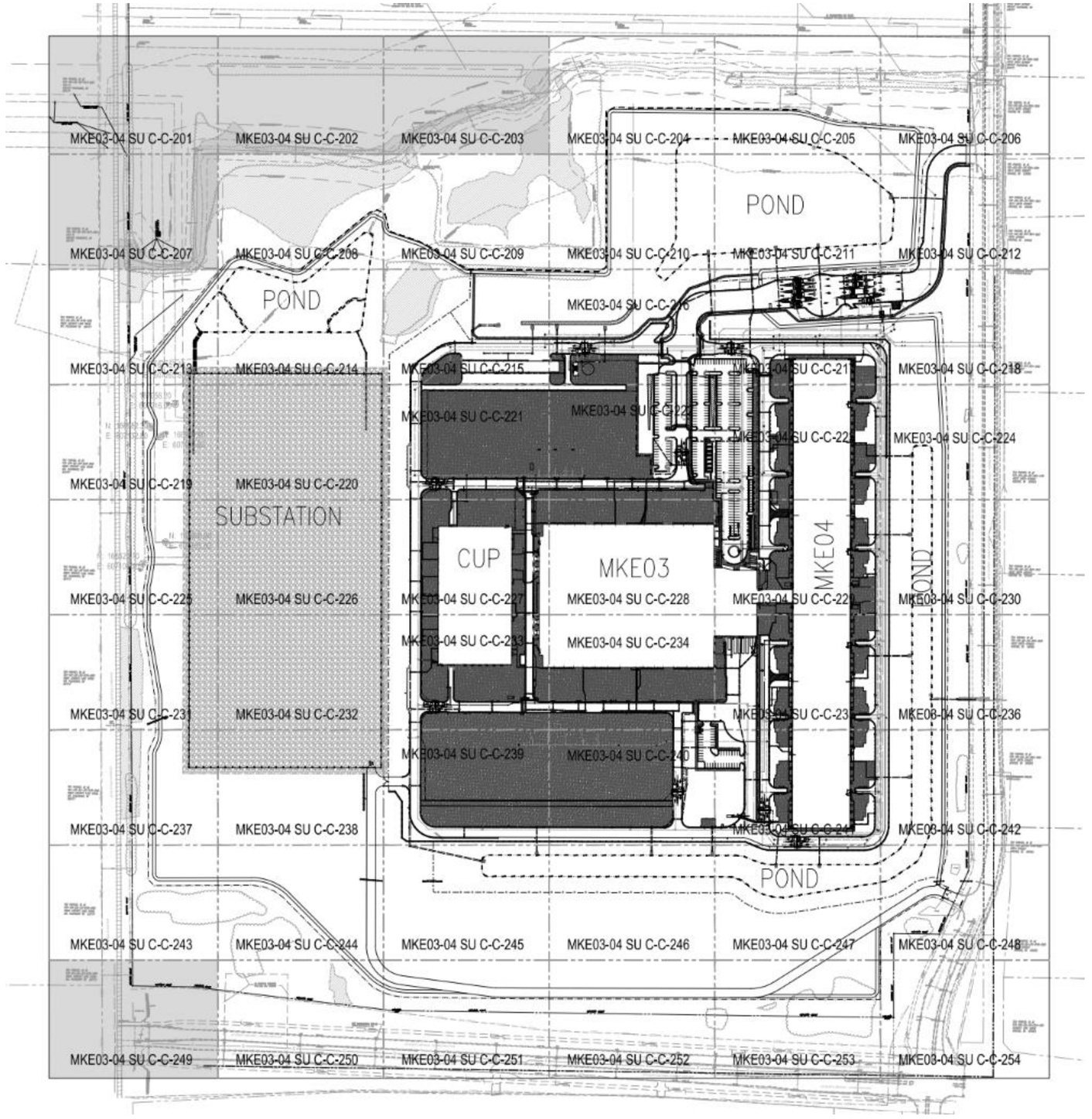
Microsoft

Preliminary—subject to change



Approved site plan (construction phase)
Area 3A

Preliminary—subject to change



Approved site plan (operation phase)
Area 3B

Preliminary—subject to change

Next steps

There are six steps to establishing a new datacenter location. For our current parcels we are here:

→ We are currently in the land development and building construction phases for various parcels.

→ We are advancing earthwork and constructions on already approved parcels within the village.

→ Our first parcel is moving into operation, while others will be under construction throughout the next few years.

Estimated timeline for Area 3A

- Early mass grading begins
- Install fencing and develop site access in process

Spring 2025 through the Early Summer

Late Fall 2025 through the end of 2026

Early Site Preparation

- Building foundation/concrete work
- Erect steel for datacenter buildings and facilities
- Equipment testing
- Power projects begin (e.g., substation, transmission lines)

- Vertical construction on additional buildings is on-going
- Buildings one (1) through three (3) are planned for completion mid 2028

2027 throughout 2028

Prepare initial datacenter buildings to become operational

Notes:

- Construction timelines and milestones are estimates and subject to change
- Timeline dependent on permit approval
- Construction completion date does not indicate datacenter operation/availability
- Subsequent build timing is unconfirmed

Estimated timeline for Area 2

Spring 2025 through the Early Summer

- Early mass grading begins
- Install fencing and develop site access in process

Summer 2026 through Mid 2027

Early Site Preparation

- Building foundation/concrete work
- Erect steel for datacenter buildings and facilities
- Equipment testing
- Power projects begin (e.g., substation, transmission lines)

2027 throughout 2028

Prepare initial datacenter buildings to become operational

- Vertical construction on additional buildings is on-going
- Buildings one (1) through four (4) are planned for completion late 2028
- Additional phases will follow sequentially throughout 2028-2030

Notes:

- Construction timelines and milestones are estimates and subject to change
- Timeline dependent on permit approval
- Construction completion date does not indicate datacenter operation/availability
- Subsequent build timing is unconfirmed

Estimated timeline for Area 4/North

- Early Site Clearing begins
- Geotech Study begins

TBD – Not confirmed

Summer 2026 through late 2027

Early Site Preparation

- Building foundation/concrete work
- Erect steel for datacenter buildings and facilities
- Equipment testing
- Power projects begin (e.g., substation, transmission lines)

Prepare initial datacenter buildings to become operational

TBD – Not confirmed

Notes:

- Construction timelines and milestones are estimates and subject to change
- Timeline dependent on permit approval
- Construction completion date does not indicate datacenter operation/availability
- Subsequent build timing is unconfirmed

Lamparek Creek stream restoration

~5,430 linear feet stream channel restoration
~768 linear feet preservation
~10.80 acres floodplain restoration

Water quality improvement

- Absent intervention, severe bank erosion increases nutrient and sediment loads in streams, contributing to harmful algal blooms, oxygen depletion, and aquatic habitat loss.
- Stream restoration improves water quality by restoring natural hydrologic processes, filtering pollutants and sediment, and reducing nutrient runoff through riparian buffers.

Flood protection

- Reconnected floodplains and wetlands absorb excess stormwater and reduce the severity of floods by distributing water over large, vegetated areas and releasing it gradually.
- Riparian vegetation roots stabilize soil and absorb/store floodwater, reducing the rate at which water reaches downstream areas.

Habitat creation

- Reintroduction of natural stream features (like pools, riffles, woody debris) creates aquatic habitat.
- Riparian buffers provide nesting, shelter, and foraging areas for small mammals, birds, reptiles, and amphibians.

Microsoft

Prioritizing sustainability in our datacenters

Energy

- **We met our 2025 renewable energy goal** by purchasing enough renewable energy to match 100% of the electricity used across our datacenters, buildings, and campuses.
- Growing **new** renewable energy generation capacity through power purchase agreements (PPAs).
- Eliminating the use of diesel for backup power by 2030.

Water

- Designing datacenters with direct-to-chip cooling technology, which **uses zero water for onsite cooling**.
- Collecting rainwater for use where feasible.

Waste

- Diverting **90%** of datacenter operational waste by 2030.
- Building Circular Centers to **reuse servers and hardware**.

LEED Gold certifications

Microsoft pursues LEED Gold certification for all newly built datacenters.

Power

"Very Large Customer" energy rates are now approved by state regulators:

- The PSC approved the VLC tariff in May 2026 requiring datacenters to **cover the full costs of energy infrastructure** needed to serve their load—**not other ratepayers.**

- The tariff assigns **Microsoft the long-term risk of any new energy assets** built to serve us and prevents stranded asset costs from being shifted to other customers.

Portage Solar—250MW project in Portage County, Wisconsin

We will match every kWh from fossil fuel with **carbon-free energy** on the regional grid. To deliver on that promise, Microsoft has signed contracts that enable **1.45 GW of carbon free energy to be constructed in Wisconsin.**

- Microsoft recently executed agreements with WE Energies to bring **1.2 GW of new solar and battery projects online in Wisconsin** starting in December 2028.

- In 2024, Microsoft executed a power purchase agreement with Geronimo Power to develop a **250-MW solar project in Portage County, Wisconsin.**

Microsoft

Operating our backup generators responsibly

What are backup generators?

A backup generator is a **large industrial engine** (most often diesel or natural gas-powered) connected to an electrical generator.

When utility power goes down, the generator quickly kicks in to supply electricity to the entire facility or key systems.

We monitor and maintain equipment to keep generators running clean, efficiently, and safely.

How often are backup generators used?

Backup generators are used infrequently and only when needed to maintain reliability during rare power emergencies.

They are not used for everyday operations as a primary power source.

Engines are run periodically for testing and maintenance purposes, **typically for much less than 24 hours per year.**

Testing is typically scheduled during daytime hours.

Ensuring safety through permitting and regulatory compliance

Microsoft uses generators that meet or exceed EPA standards and strict emission limits, and we secure and comply with all required federal, state, and local permits for construction and operations.

These permits set clear limits on equipment operating hours and emissions to protect local air quality and human health.

Wisconsin and Microsoft

Southeast Wisconsin is classified as nonattainment for ozone.

Microsoft voluntarily installs state-of-the-art pollution control equipment on all backup generators to reduce smog causing pollutants, such as oxides of nitrogen (NOx).

Selective catalytic reduction (SCR) systems reduce NOx emissions from the backup generators by more than 90%.

Microsoft

How Microsoft designs datacenters to meet local noise standards

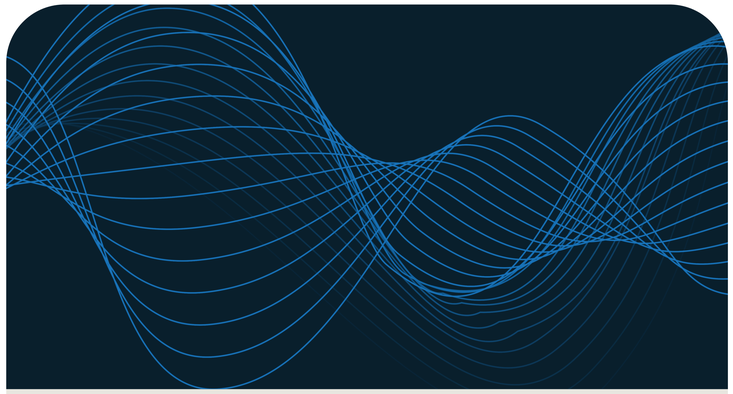
We design every project to ensure compliance with all national, state, and local laws, while reducing sound at nearby property lines.

Our commitment

- **Meeting local regulations**: We design datacenters to be compliant with applicable local noise standards.
- When local noise ordinances apply, we design to those requirements.
- Many projects are designed to perform below requirements through sound modeling, setbacks, equipment placement, and engineered noise-reduction measures.

How we reduce sound

- **Attenuation enclosures** reduce sound from equipment.
- **Sound walls, berms, and landscaping** help block and absorb noise.
- **Distance** lowers sound as it travels from the source.
- **Site layout** is planned to minimize off-site sound.



How we evaluate performance

- Sound is evaluated during design using modeling tools.
- Modeling helps predict how sound travels across the site.
- We can test sound levels at the property line during daytime hours.
- Testing confirms the design is performing to meet local regulations.

Each site is evaluated based on local requirements, site conditions, and nearby land uses.

Microsoft

Datacenter cooling

Datacenters are filled with thousands of powerful computers called servers, and when they run, they produce heat. To keep them working properly, the servers must stay at the right temperature, which requires cooling. At Microsoft, we cool our datacenters using as little water as possible. We use a mix of cooling approaches depending on where the datacenter is located.

These are the cooling types featured in our Wisconsin projects

Air-cooled

Air-cooled chillers rely only on air, similar to air conditioning in your home or car, with zero water use.

Evaporative cooling

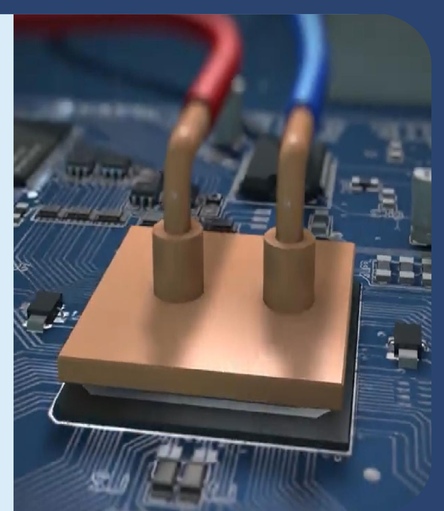
When temperatures stay below 85°F (29°C), we can cool our datacenters using outside air alone—no water needed.

In Wisconsin, the existing buildings using this technology use water for cooling less than 5% of the year.

On these days, some of the water evaporates—much like how sweat helps cool your body—while the rest is returned to the local utility to be treated just like household wastewater.

Closed loop cooling

Our latest innovation circulates liquid directly to each chip in a closed loop—eliminating evaporation, supporting all three of the cooling methods, and meeting AI demands while saving water.

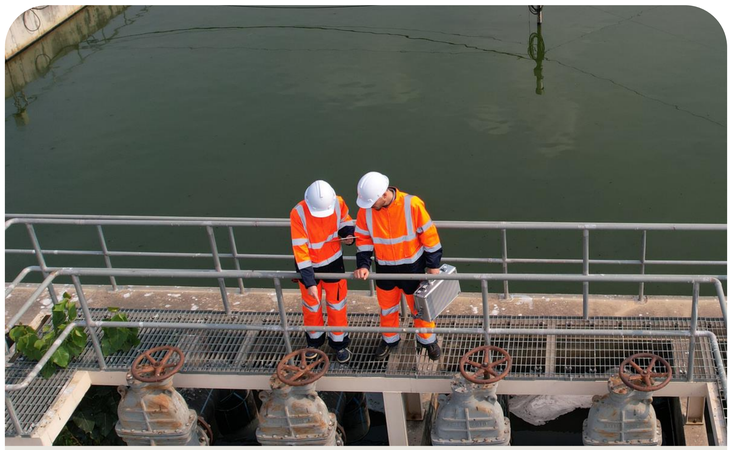


Microsoft

Responsible local water use and planning

Infrastructure upgrades

Microsoft pays for upgrades. We take responsibility for sourcing any water we use so our datacenters don’t strain the community’s water supply or raise utility bills.



Planning for demand

We work with local utilities to make sure there is capacity available for our demands.

That might mean investing in necessary infrastructure such as water pipes or pumps to supply water to the datacenter.

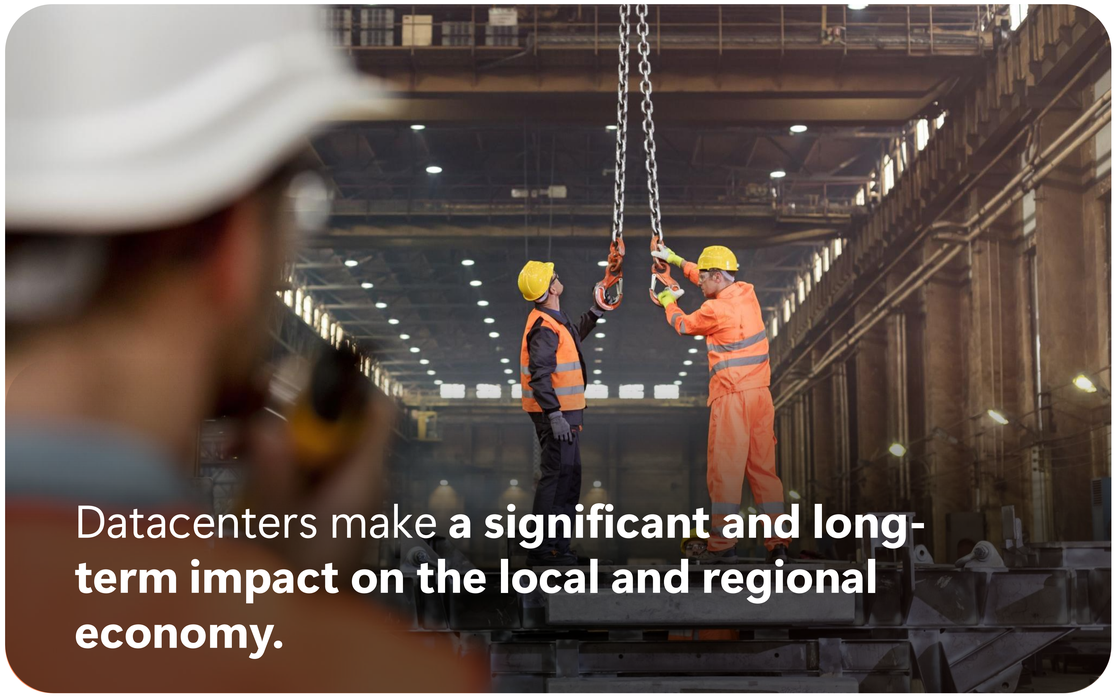
Water use

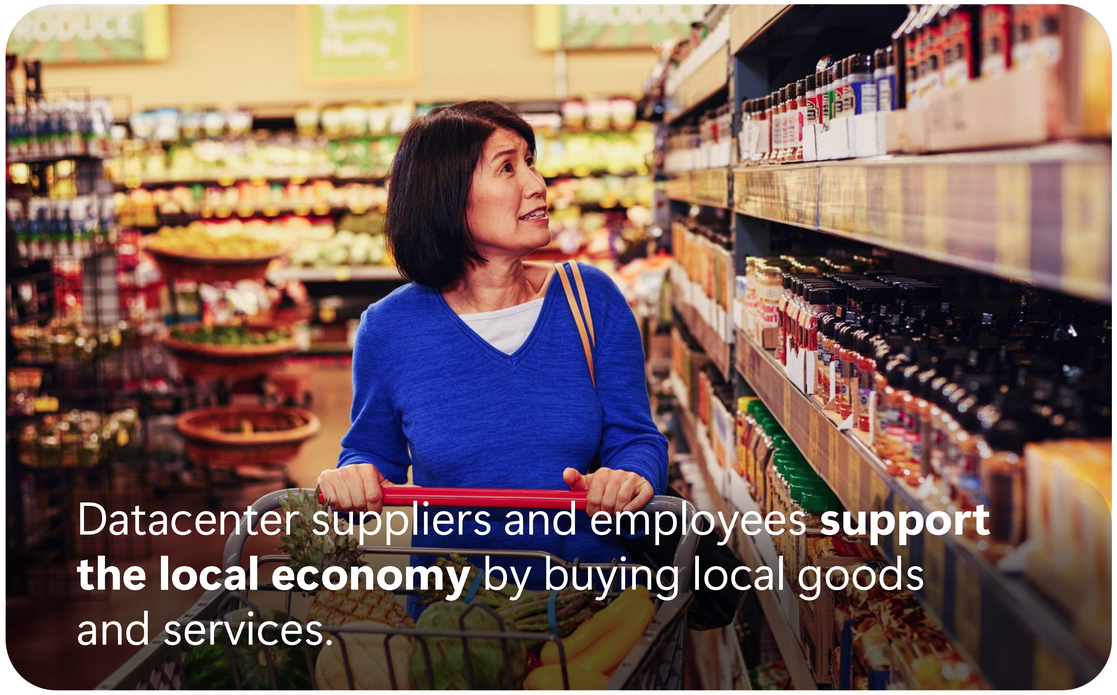
At Microsoft’s newest datacenters, water is used primarily for supporting people—things like drinking water, handwashing, and restrooms.

Some water use occurs during the construction and testing of the datacenter, after which routine operations use very little water.

Microsoft

Creating jobs and supporting local businesses





Microsoft

Datacenter jobs span two employment areas including construction and operations jobs

Datacenter construction and hiring is led by our partners

- Electricians
- Plumbers and pipefitters
- Carpenters
- Structural iron and steel workers
- Concrete
- Earth movers

Datacenter operations

- Campus management
- People management
- Critical environment operations
- Learning and development
- IT operations
- Mechanical engineers
- Electrical engineers
- Security contractors
- Building maintenance

Cloud services help us stay connected, informed, productive, and power critical needs like hospitals, banking, and emergency services. As customer demand grows for cloud services, Microsoft is expanding our datacenter footprint, driving the need for skilled workers.

Microsoft datacenters represent a capital-intensive investment and long-term commitment to the community, bringing hundreds of highly skilled full-time and contractor jobs to build and operate our datacenters.

We want to hire local community members to help us build and operate our datacenters.

In several locations, Microsoft offers digital skills training and support in collaboration with local education partners to prepare community members for work in the IT sector, including datacenter jobs.

Historically, datacenter construction has continued for multiple years as Microsoft grows to meet customer demand.

Review the full list of job types on the next page and learn more about Microsoft roles at careers.microsoft.com.

Datacenter jobs span two employment areas including construction and operations

40+ types of jobs are required to **build a datacenter**

27+ types of jobs are required to **operate a datacenter** on an ongoing basis

On average, Microsoft datacenters provide **300-400** jobs annually depending on the size of campus and type of construction activity.

Visit local.microsoft.com to see profiles of datacenter employees.

a Microsoft datacenter

ndor field specialist jobs:

- Roofers
- Asphalt crews
- Fencing erectors, gates, and barriers
- Carpenters
- Structural steel workers
- Concrete laborers
- Reinforcement steel fixers
- Surveyors and setting crews
- General labor
- Lift and shift crews
- Ground logistics crews
- Soft landscape and gardeners
- Office administration
- Security Guards
- Catering staff
- Cleaning staff
- Security system installers
- Electricians
- Plumbers and pipefitters
- Fiber crews
- Fit out specialist – ceilings, internal walls, and doors
- Audio visual installers
- Fire stopping specialist
- Painters and finishing crews
- Specialist jobs

directly contracted field specialist jobs:

ıment Suppliers) Equipment installers

te a Microsoft datacenter

Security
- Security Responder
- Security Operations Center Supervisor
- Administrative Officer
- Site Security Manager

Critical Environment team
- CE Program Managers
- CE Field Service Engineers
- Mechanical Engineer
- Electrical Engineer
- Shift Technician
- Shift Lead
- Technical Supervisor Electrical/Mechanical

IT team
- DC Project Manager
- Senior Support Technician
- DC Technician
- Senior DC Technician
- Shift IT Technician
- Senior Shift IT Technician

Inventory & Asset Management
- DC Inventory & Asset Technician
- DC Inventory & Asset Senior Technician
- DC inventory & Asset Lead

- Critical Environment Operations Manager

Learning and development
- L&D Trainer
- L&D Team lead

Datacenter-jobs-fact-sheet.pdf

Scan to learn more

Or visit **careers.microsoft.com**

Microsoft

Long-term community investment in Wisconsin

Our local community team continues to invest in Racine County organizations on an ongoing basis. Helping to create local jobs, generating economic growth, providing skills training and education for kids and adults, and creating new opportunities for local businesses and organizations. To date, Microsoft has invested over $6 million in community projects across Wisconsin.

Nonprofit grant funds

We collaborate with **United Way of Racine County** by implementing the Equity Through Technology and Essential Supports grant funds to support STEM skilling mini-grants, and funding to enhance **STEAM** related programs and support organizations that help meet people's daily needs.

Datacenter Academy

The Mt. Pleasant datacenter campus has integrated Wisconsin's first **Microsoft Datacenter Academy** program. The academy will have a simulated datacenter lab with de-commissioned equipment and other materials for educational training. Microsoft offers scholarships through Gateway to support students. The curriculum was launched officially in fall 2025.

Ecological restoration

Microsoft supports environmental sustainability by working with **Root Pike WIN** to fund over 20 ecological restoration projects. Microsoft's Mt. Pleasant datacenter campus intersects with the Lamparek Creek restoration project, which was completed in October 2025.

Digital skilling

We have partnered with **gener8tor Skills** to offer digital skills training through the gener8tor Skills Accelerator Training program to support digital and jobs skills training in the community. Microsoft also partnered with **Racine County** to distribute 750 free laptops to residents with an expressed need, who are pursuing education and/or jobs training.

Our team is proud to support community initiatives including:

Root Pike WIN

Gener8tor Skills Accelerator Training Program

Gateway Technical College

United Way of Racine County

Racine County Summer Youth Employment Program

Bridge to Success

Community @ 1240

Learn to Animate

Next Level Mentoring Program

Stop Child Abuse and Neglect (SCAN)

The Training Center

Tutoring Laptops at Racine Literacy Council

Digital Coalition of Southeast Wisconsin

Microsoft

Economic impact of datacenter investment across Wisconsin

$700 million in spending on direct construction suppliers in Racine county

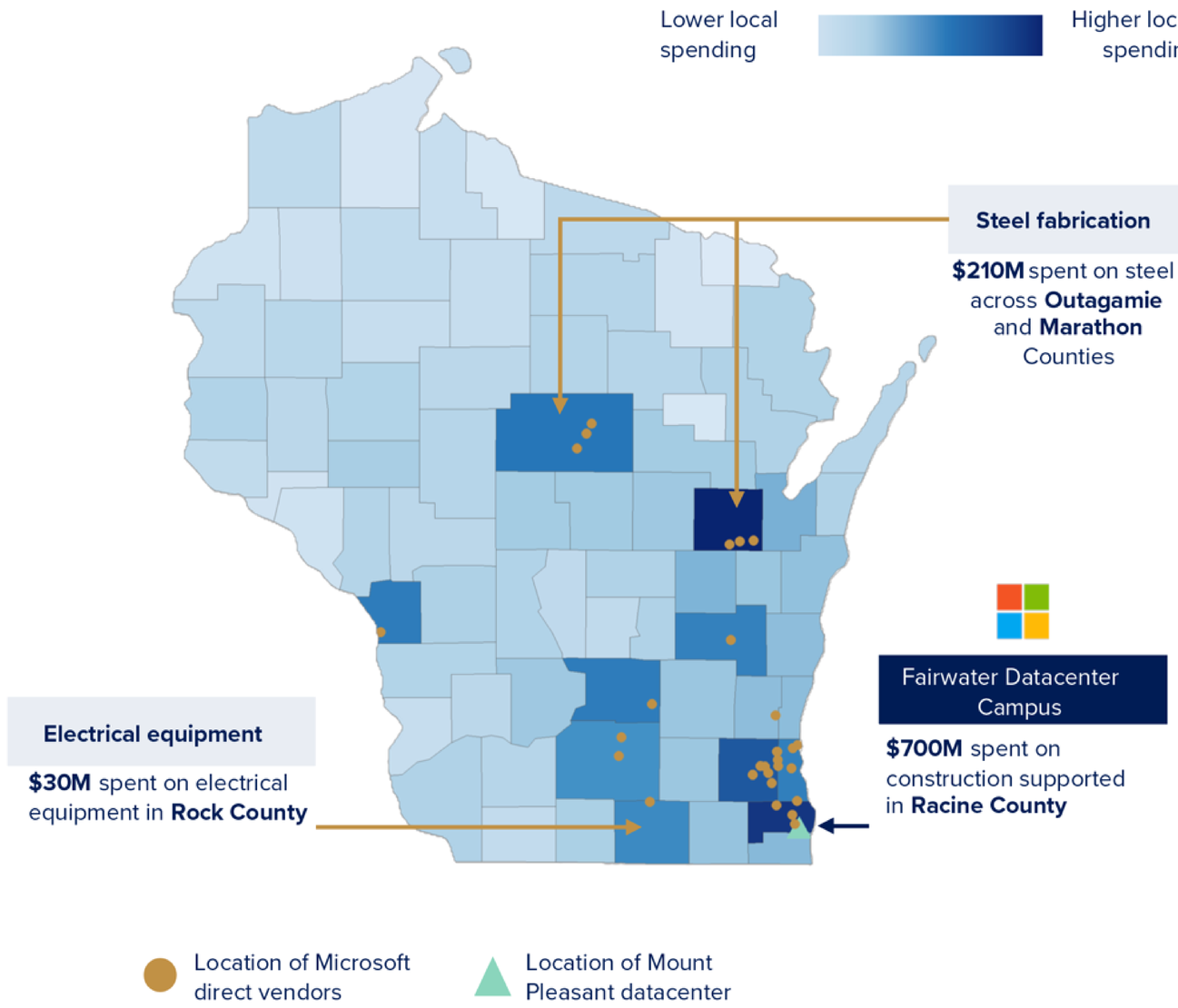
Microsoft's direct procurement spending has driven significant opportunities for a dense cluster of local suppliers in Racine County.

29 local businesses affected by Microsoft

Across Wisconsin, Microsoft has directly purchased from 29 different businesses, spanning 11 counties.

Distribution of economic impacts across Wisconsin counties

Wisconsin, 2023 -2025, based on actual spending to date



MANDALA

In May 2026, Mandala consultants completed a report commissioned by Microsoft titled *Demonstrating the local benefits of AI Infrastructure in Wisconsin*. Scan the QR code to see the full report.

Microsoft

How we're addressing your local concerns

Microsoft is addressing local resident concerns regarding water and energy use by paying the full costs of their usage and supporting low-carbon energy.

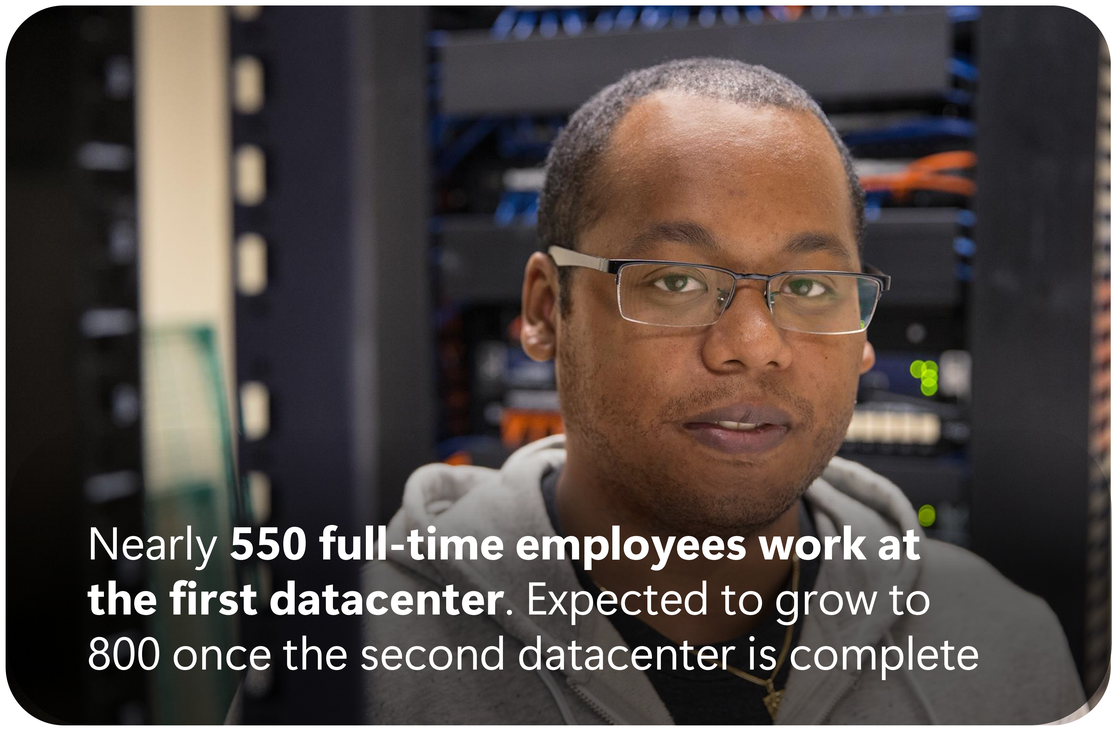
Local concern area

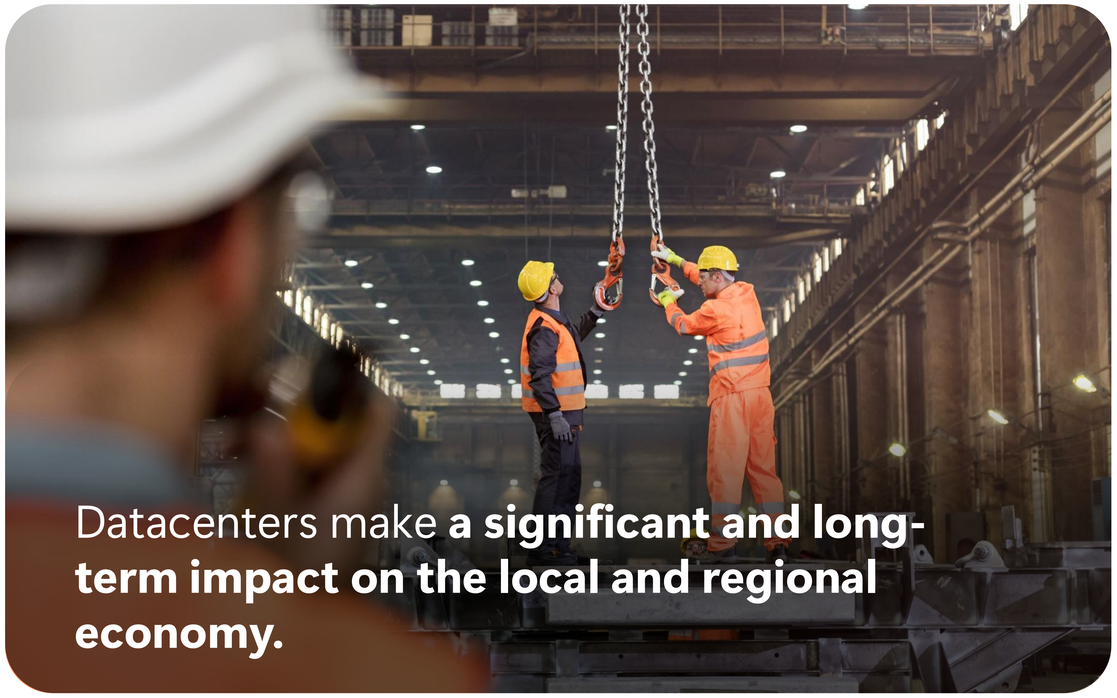
Energy	Electricity price impacts	1 **Pay utility rates that are high enough to cover electricity costs.** Microsoft is working with utility companies and state commissions to ensure that ratepayers are protected from the costs of datacenters requiring and using new electricity infrastructure.
		2 **Support access to affordable and sustainable power.** Microsoft is working with energy providers to support community-articulated and community-led sustainability needs (such as energy affordability, energy efficiency, weatherization) through a $20 million community fund as part of its power purchase agreement (PPA) with Geronimo Power.
	Decarbonization impacts	3 **Collaborate with utilities to add sustainable electricity.** Microsoft is investing to grow Wisconsin's electricity supply by contracting with renewable energy projects such as the 250-MW Portage Solar Project. Microsoft has backstopped energy infrastructure investment which will be recovered under the Very Large Customer tariff once approved (~April 2026).
Water	Scale of water consumption	4 **Innovate to reduce water use.** More than 90% of servers will rely on innovative closed-loop cooling, using water that is filled during construction and recirculated continuously. The remaining servers will only draw on water during peak temperatures.
	Water and environmental impacts	5 **Replenish more water than it uses.** Microsoft has spent $6.2 million to date on environmental credits. It is also investing $4.2 million on the Phase 1 restoration of Lamparek Creek and partnering with the Root-Pike Watershed Initiative Network to help prairie and wetland restoration in Racine and Kenosha counties.

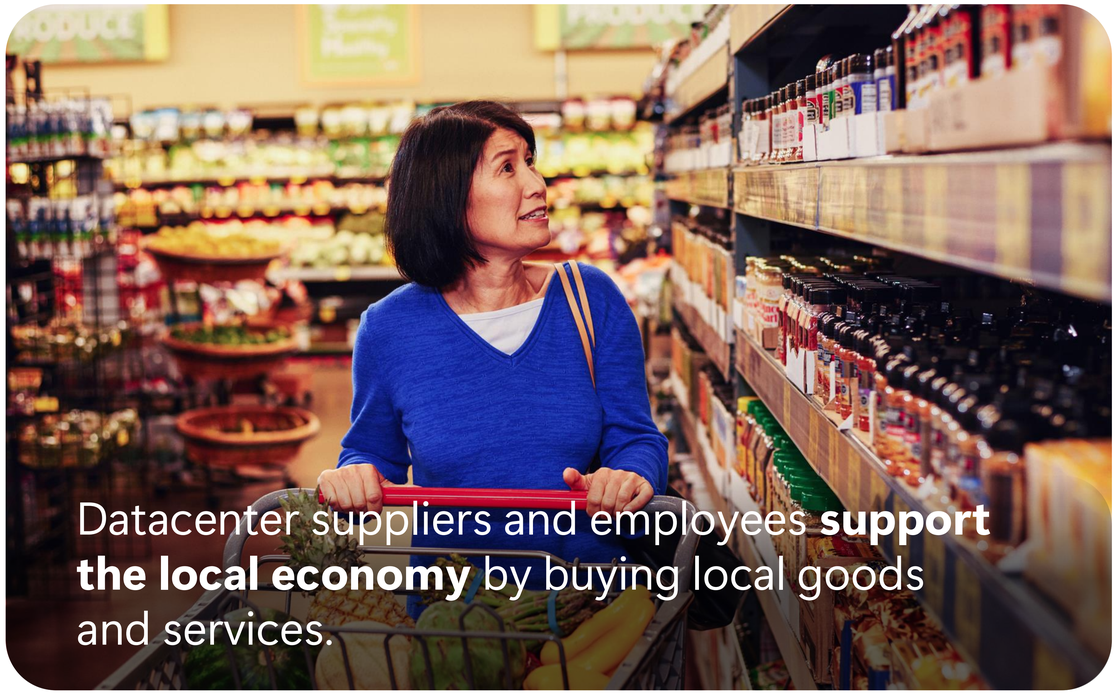
Source: Microsoft (2026) *Building Community-First AI Infrastructure*; Wisconsin Public Radio (2025) *Microsoft datacenters will use up to 8.4M gallons of water each year, records show*; Daily Cardinal (2025) *Wisconsin's new AI datacenters spark transparency, environmental concerns*.

Microsoft

Creating jobs and supporting local businesses







Microsoft

Thank you

Thank you for participating in our community meeting, we hope you found it useful and informative.

Feedback

If you have any further questions or comments, please contact the Microsoft Community Affairs team at:

608-535-3569

WisconsinDC@microsoft.com

For more information about Microsoft datacenters, scan the QR code or visit:

local.microsoft.com/Wisconsin