LAKE ERIE FOUNDATION

Water Policy Recommendations for Data Center Development

OUR POSITION

The Lake Erie Foundation recognizes that data centers are critical infrastructure for America's digital economy. **Our position is not anti-data center. Our priority is ensuring that development in the Lake Erie watershed proceeds responsibly, transparently and without compromising the long-term health of Lake Erie.** LEF believes that the time to establish clear water-protection standards is before projects are built, not after environmental problems occur.

LAKE ERIE FOUNDATION POLICY RECOMMENDATIONS

1. WATER-USE & WASTEWATER-DISCHARGE STANDARDS

Water use: Require data centers to publicly disclose the source and anticipated volume of water required for cooling and other operations, including expected peak usage.
Wastewater discharge: Require disclosure to the Ohio EPA, the expected frequency and volume of wastewater discharges, where the wastewater ultimately goes, and whether it enters a municipal wastewater system, or a tributary within a watershed.

- Require ongoing testing on a bi-weekly or monthly basis at a minimum.
- This policy would be required of all new data centers. Existing facilities would have a 12-month period to put the appropriate monitoring systems in place before they would be required to comply.

2. DISCLOSURE OF WASTEWATER CHEMICALS AND CONTAMINANTS

- Require data centers to monitor and disclose all chemicals, additives, cooling agents, and contaminants (including glycol and PFAS) contained in wastewater.
- Require testing to be provided through independent water-testing consultants meeting Ohio EPA requirements.

3. MONITORING, PUBLIC REPORTING & TRANSPARENCY

- Require data centers to be subject to appropriate monitoring and public reporting requirements, to the Ohio EPA and the local municipal wastewater treatment facilities that may receive and treat the data center wastewater discharge.
- Require monitoring to be provided through independent water-testing consultants meeting Ohio EPA requirements.
- Development agreements involving public incentives, infrastructure, water resources, or environmental impacts should be publicly accessible. The use of nondisclosure agreements (NDA's) which prevent public officials from answering legitimate public questions should be eliminated.

4. CLOSED LOOP COOLING SYSTEMS

Require the use of closed-loop cooling systems for all new data center construction, as at this point in time, it appears to be the type of cooling system that minimizes water use and wastewater discharge compared to other available systems such as evaporative cooling systems.

5. MAKE DEVELOPERS RESPONSIBLE FOR WATER-SYSTEM IMPACTS

Data-center developers should bear appropriate costs associated with impacts on public water supplies and related infrastructure, rather than shifting those costs to existing residents and utility customers.

6. ADDRESS FLOATING, OFFSHORE & SUBMERGED DATA CENTERS IN ADVANCE

Ohio and other Great Lakes jurisdictions should include offshore floating and submerged data centers in regulations and legislation now - before developers begin proposing projects for Lake Erie or the Great Lakes. Any future in-water project should be subject to requirements addressing thermal impacts, water withdrawals and discharges, chemical and spill risks, aquatic habitat, drinking-water intakes, emergency response, and eventual removal and restoration.

DEVELOPMENT AND ENVIRONMENTAL PROTECTION CAN COEXIST

Ohio does not have to choose between technological development and protecting Lake Erie. The goal should be responsible data-center development supported by strong environmental safeguards, measurable standards, and public transparency.

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ADDENDUM

Why Great Lakes Policy Should Address Floating and Underwater Data Centers Now

Supporting rationale for Policy Recommendation No. 6

No floating, offshore or submerged data center is currently known to have been proposed for Lake Erie or elsewhere in the Great Lakes. LEF views that absence as an opportunity to establish sensible safeguards before the first project is proposed - not as a reason to wait.

- **The pace of development is accelerating.** LEF's review identified 20 publicly reported offshore data-center projects or concepts in development worldwide over the prior two years. An August 13, 2026, review by Aegir Insights identified 11 new offshore data-center concepts announced in only the preceding six months.
- **U.S. activity is emerging quickly.** The review identified 4 projects or concepts in planning stages for U.S. waters announced within the preceding six months.
- **The trend is no longer limited to research experiments.** A project review shows technology progressing toward funded commercial deployments, permitting, construction, classification approvals and larger-capacity designs.
- **Lake Erie presents issues that should be considered before siting begins.** Potential concerns include heat transfer to surrounding water that is already under threat from Harmful Algal Blooms, cooling-water withdrawals and discharges, leaks of coolant, fuel or battery-related chemicals, effects on fish and habitat, drinking-water protection, lake-bottom infrastructure, storms and ice, emergency response, and decommissioning.
- **Proactive standards give both the public and developers greater certainty.** Establishing regulations before a developer selects a Great Lakes site allows environmental safeguards to be built into the project design.
- **LEF can support innovation while protecting Lake Erie.** The recommended policy does not call for a ban. It asks policymakers to ensure that floating and submerged facilities are covered by clear environmental standards and regulatory review before the technology reaches Great Lakes.

LEF POLICY CONCLUSION

The rapid acceleration of floating and underwater data-center development supports acting before a Great Lakes proposal appears. LEF recommends that Ohio and other Great Lakes authorities include floating, offshore and submerged data centers within future data-center standards, regulations and legislation, with environmental review and safeguards established in advance.

Sources:

The following sources are representative of LEF's review of publicly reported floating, offshore and undersea data-center projects and concepts from November 2024 through October 17, 2026:

- Aegir Insights. August 13, 2026. Review identifying 11 new offshore data-center concepts announced during the preceding six months.
- Reuters. October 15, 2026. *"The Climate Tech That's Cutting Data Center Energy Use."*
- Samsung Heavy Industries. April 24, 2026. *"SHI Seeks Entry into the U.S. Market with Floating Data Centers."*
- Keppel. April 2026. Floating Data Centre project, Singapore — construction commenced.
- Bureau Veritas / Seatrium. July 27, 2026. 30 MW Floating Data Center Concept — Approval granted.
- DeepGreen — Western Passage, Maine. 2026. Proposed 51 MW undersea data-center project off the Maine coast; entered the federal regulatory process.
- DeepGreen — Cook Inlet, Alaska. September 2026. Proposed subsea computing project involving 66 underwater computing "hives."

Source Note: These examples illustrate the accelerating development of floating and submerged data-center technology internationally and, increasingly, in U.S. waters. LEF has identified no officially announced floating or submerged data-center proposal for Lake Erie or elsewhere in the Great Lakes as of October 17, 2026.