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## Beale Infrastructure Confirms Updated Plan for Sustainable Digital Infrastructure Investment in Pima County

- New air cooled design will utilize a closed-loop system and will not otherwise consume any water for industrial cooling
- Updated design reflects robust and ongoing engagement with Board of Supervisors and local community

Beale Infrastructure today announced an updated project design for its proposed data center project in Pima County. The updated design, which was developed in partnership with the Pima County Board of Supervisors, incorporates air cooling technology that utilizes a closed-loop system. The initial phase of the project is located in Pima County's Southeast Employment and Logistics Center.

"Beale is focused on bringing long-term value to the region, and we are committed to continuing to partner with stakeholders to ensure that this project reflects the community's values and priorities. We appreciate the dialogue with the Pima County Board of Supervisors about the project plan and will be soliciting and implementing feedback from members of the community," said Michael Nudelman, Chief Development Officer at Beale Infrastructure. "This revised project plan is designed to the highest standard of sustainable facility operations, utilizing existing clean energy resources and incorporating air cooling technology. It will enable transformative investment in southern Arizona to meet the region's expanding digital infrastructure needs."

Over the past several weeks, Beale has evaluated alternative project designs with the objective of preserving the project's commitments to sustainable design, clean energy sourcing and core economic and job-creation benefits, all while addressing feedback the community has shared. After this review, Beale selected an **air cooling technology that uses a closed-loop system**. This system uses minimal amounts of water that are continuously recirculated, thereby eliminating water loss and the need to consume water for industrial purposes. **Beale's air cooled design will otherwise consume no water, potable or otherwise, for industrial cooling.** Water will be used only for domestic purposes, such as kitchens, bathrooms, and fire suppression, which is required for employees' health and safety, on a similar scale to any other business.

Sandra Watson, President and CEO, Arizona Commerce Authority said, "This historic \$3.6 billion investment in Southern Arizona's digital infrastructure will power next-gen discoveries and technologies, enhance the region's economic competitiveness, and significantly benefit local residents and community institutions like schools and public safety. We commend the thoughtful, collaborative planning that has enabled this project to advance in a sustainable and responsible way and are proud to work with local partners to support its success."

There will be no changes to the Energy Supply Agreement that Tucson Electric Power (TEP) filed with the Arizona Corporation Commission (ACC) on August 25, 2025. That agreement will provide up to 286 megawatts, the same amount as under the project's previous design, and ensures important protections for TEP customers:

- The project will not raise rates for other TEP customers.
- No new power plants will be required; power will be drawn from existing resources and new clean energy systems in development.
- The project will pay for all new electric infrastructure dedicated to its service.
- Termination fees, minimum payments and financial guarantees will ensure the project carries no financial risk to others

"Our energy supply agreement ensures that this project will have only positive impacts for our customers," said Susan Gray, TEP's President and CEO. "This is what balanced growth looks like: welcoming new investment while protecting longtime residents; building for the future while strengthening the present."

Energy for future phases of the project would be provided through a second agreement with TEP that would be subject to separate review and approval by the ACC. As previously confirmed by Beale [\[link\]](#), it will work with TEP to support the development of new carbon-free energy resources to accelerate the region's progress toward a clean energy future.

"In Southern Arizona, we care deeply about balancing growth with responsibility. This project reflects that balance. Beale listened, adapted, and delivered a plan that limits water use, embraces clean energy, and responds to community priorities. Beyond the environmental improvements, this \$3.6 billion investment will create thousands of jobs and generate more than \$150 million in tax revenues over the next decade—funding better schools, stronger public services, and more opportunities for local families. The Chamber is proud to support a project that honors our values today while showing that this region is on the cutting edge of innovative data center development for the future," said Joe Snell, President & CEO of the Southern Arizona Chamber.

Ted Maxwell, President & CEO of Southern Arizona Leadership Council said, "At SALC, we believe strong communities and economic prosperity go hand-in-hand. In today's digital age, visionary communities can achieve generational impact by partnering with innovative data center developers. By listening to broad-based feedback, revising its design, and staying true to its sustainability values, Beale Infrastructure has proven they are a partner committed to our regional success. Now it is our turn to be bold and move this project forward."

The project's economic benefits are substantial. Independent economic analysis projects that the initial phase will generate:

- **\$3.6 billion total capital investment** during the multi-year construction period.
- **\$152 million in tax revenues** over 10 years, including **\$58.5 million to Pima County** and \$93.5 million to the State of Arizona.
- **3,000 construction jobs** extending for a multi-year period, with an emphasis on sourcing local skilled union and trade labor and partnering with local workforce development programs.
- **180 on-site data center campus jobs** by 2029 with an average annual salary of \$64,000.
- **Increased tax revenue that directly benefits local schools** and expands bonding capacity for all Pima County school districts.

“This investment is a massive win for Southern Arizona. It will create high-quality jobs, expand digital infrastructure, and strengthen the region’s competitiveness for decades to come,” said Danny Seiden, president and CEO of the Arizona Chamber of Commerce & Industry. “We especially commend Beale Infrastructure for listening to the community and advancing a project that drives growth while cutting industrial water use and running on clean energy. That’s the kind of smart investment that ensures Arizona remains the best place in the country to live, work, and build.”

“IBEW members are proud to help build the future of Southern Arizona,” said Joshua DeSpain, Business Manager, IBEW Local 570. “This project brings not only high-quality union jobs to our region, but also reflects a strong commitment to sustainability. By utilizing air cooling and investing in clean energy, the project proves that economic growth and environmental responsibility can go hand in hand.”

Beale is committed to ongoing engagement and community feedback as it continues to shape the project. Beale is actively exploring philanthropic initiatives that align with Pima County’s growth strategy and make a positive, lasting impact in the community.

Beale will continue to provide further updates as the project moves forward.

#### **About Beale Infrastructure**

Beale Infrastructure develops digital infrastructure for the world’s leading technology companies, partnering closely with customers, communities and utilities to enable innovative data center solutions with sustainable long-term impact.

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