INDEPENDENT CASE STUDY

Mecklenburg County, Virginia

A Data Center Case Study

Boydton, South Hill, and what fifteen years of data centers actually bought

Companion to What Virginia Is Spending, What Virginia Is Getting

Mecklenburg

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October 2026 · Version 1.1

DOI: 10.5281/zenodo.20673484 ORCID: 0009-0005-7422-9881

CASE STUDY: MECKLENBURG COUNTY

Boydton, South Hill, and What Fifteen Years of Data Centers Actually Bought

Series: Companion to What Virginia Is Spending, What Virginia Is Getting (v5.3)
Evidence snapshot: June 12, 2026
Updated through: October 24, 2026, for the items dated in the text
Version: 1.1 (supersedes v1.0, June 2026)
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ORCID: 0009-0005-7422-9881
DOI: 10.5281/zenodo.20673484
Published: June 2026 (v1.0) · Revised October 2026 (v1.1)

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Disclosure: The author serves on the advisory board of an Alfred P. Sloan Foundation-funded study at Emory University on data centers and the Southern energy buildout. The study had no role in this case study.

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ABSTRACT

Every other county case study in this series documents a Virginia county deciding on promises. Mecklenburg County is the only jurisdiction in this series where the promises are old enough to audit. Microsoft announced its Boydton data center on August 27, 2010, with a pledge of up to $499 million and 50 jobs. Fifteen years later the company owns eleven of the county's twelve data center sites, which covered roughly 3,762 acres in 2024, has announced just under $2 billion in investment through public statements that stopped in 2019, and employs, together with its vendors, about 700 people in a county of 30,000. This case study assembles the fifteen-year actual: the year-by-year fiscal record, the employment ledger, the community outcomes in a town that shrank from 431 to 302 residents while the world's cloud grew around it, and the expansion now under way at the Hillcrest site beside South Hill, where the buildout has moved from the county's remotest corner to the edge of its commercial center.

The audit returns a split verdict. The fiscal promise was kept and then exceeded: data center taxes supply between 35 and 40 percent of the county's general fund revenue by the County Administrator's 2024 estimate, helped pay for a $154 million school complex and are paying for the current school construction in cash, and drove the real estate tax rate to 31 cents, which the county calls the lowest county or city rate in Virginia. The labor promise was kept only in its smallest print: headline job numbers were announcement sums, the original design called for two Microsoft employees and a contract operator, and the verified series never separates badge from vendor. The community promise was never really made, and the record shows why that mattered: Boydton's population fell 30 percent across Microsoft's first decade, the town's flagship business impact in 2016 was lunch tables at a gas station, and the company's most consequential local legacy beyond the budget may be the 37 graves of a Black farming family's cemetery, excavated and relocated to make way for the third expansion after, as ProPublica documented, county officials, a Microsoft-funded consultant and state authorities weakened a finding that the site was eligible for the National Register.

The study documents two structural findings the rest of the portfolio can test projections against. First, the revenue is real, large, and structurally fragile: it rests on a $0.66 equipment rate, an equipment-refresh cycle the county cannot see into, a sales tax exemption the General Assembly kept in its June 2026 budget beside a new tax on data center electricity, and a single corporate counterparty. The revenue's history is also younger than the campus: under the original deal the county rebated most of Microsoft's personal property tax back to the company, 90 percent as reported in 2010 and 82.5 percent by the fiscal 2023 audit, about $276 million in

documented payments and budgeted amounts across fiscal 2019 through 2024 alone, until a May 2024 restructuring retired the rebate and the general fund finally captured the buildout at a flat rate. Second, the silence is the phenomenon. Fifteen years of approvals produced no rezoning fight, no organized opposition until 2024, and a local politics in which the only tax debates are about how much to cut. The report explains that silence through remoteness, poverty, the co-op and tobacco-country institutional landscape, and a recruitment that preceded the industry's contested era, rather than treating it as consent. The county has since changed its own rules: on May 11, 2026, the Board of Supervisors adopted a new zoning ordinance, in force July 1, under which a new data center needs a special exception permit and must meet standards of its own. Boydton is the closest Virginia analog to the rural Georgia and Tennessee sites in the series. This report is built to be the portfolio's translation key.

PURPOSE, SCOPE, AND METHOD

This case study documents the recruitment, buildout, and measurable outcomes of Microsoft's data center presence in Mecklenburg County, Virginia, from the 2008 legislation that created the state's first data center incentive through the June 12, 2026 evidence snapshot, with later developments dated in the text. It is the retrospective control case for the series. Hanover has EY's $901 million projection. Hickory Hill has Tract's $1.78 billion. Chesterfield and Botetourt have Google's commitments. Mecklenburg has fifteen years of budgets, censuses, payrolls, and local coverage. The purpose of this report is to put an actual on the table next to the portfolio's projections, with the gaps marked in both directions: where the county got more than it was promised as well as less.

The primary intended readers are researchers working on the energy, fiscal and social effects of data center expansion in the U.S. South.[1] This document organizes its findings under five analytic frameworks of its own, named by type of work: utility finance, energy and labor, distributional justice, institutional behavior, and energy geography. The utility finance framework gets the only mature local revenue record in the portfolio, plus a co-op service territory whose machinery differs from the Dominion-shaped analysis the series has built so far. The energy and labor framework gets the only long-run employment record and the commute-shed question of rural data center work. The distributional justice framework gets the Moseley cemetery, a poverty-rate map, and the question of what the community closest to the buildout received relative to what it absorbed. The institutional behavior framework gets the quietest approval record in the series and the task of explaining it. The energy geography framework gets the origin of the rural-hyperscale model that Botetourt now imports, and the bridge to the series' Georgia and Tennessee work. These connections are flagged inline and consolidated into a reading guide in Part Twelve.

The second audience is the Virginia localities currently weighing data center recruitment against fifteen-year-old promises of transformation, for whom Mecklenburg is the only available answer to the question every consultant's projection begs: what does this actually look like at year fifteen? The third audience is citizens and journalists in Southside Virginia, whose local press, principally the Mecklenburg Sun and its SoVaNow archive, turns out to hold almost the entire documentary record of how a hyperscale campus comes to rural America.

A note on method. This study is built entirely from public sources: Virginia Economic Development Partnership press releases, county budget documents and adopted tax ordinances, Board of Supervisors minutes where digitized, JLARC reports, State Corporation Commission filings, Army Corps of Engineers public notices, Census

Bureau data, Microsoft's published community reporting, and sustained local coverage led by the Mecklenburg Sun (SoVaNow), the South Hill Enterprise and its Womack Publishing sister papers, Cardinal News, and the trade press (Data Center Dynamics, Data Center Knowledge, Baxtel). Direct quotations are reproduced as reported in the cited coverage. No interviews were conducted; Part Thirteen catalogs the open documentary items. Claims that rest on secondary sources or on this report's own arithmetic are flagged with an asterisk, in the body where they appear or in Part Thirteen, which collects them. One warning applies throughout: the most important numbers in this record, cumulative investment and employment, were produced by press release and have never been audited as cumulative totals. Where the figures conflict, this report prints the conflict rather than resolving it by preference. The investment reconciliation in Part Two and its endnote are the template.[2]

PART ONE: THE RECRUITMENT

What Was Here Before

Mecklenburg County sits on the North Carolina line in the middle of Southside Virginia, 620 square miles of former tobacco country wrapped around the John H. Kerr Reservoir, known locally as Buggs Island Lake. By the late 2000s the county had spent a decade absorbing the collapse of every economic pillar it had. The Russell Stover candy plant in Clarksville closed in 2001 and took 700 jobs. The Burlington Industries plant outside Boydton, which had employed more than 2,000 at its height, closed in 2002; its rubble was finally hauled away in 2012. The state shuttered the Mecklenburg Correctional Center, across the highway from the Burlington site, in 2011 by the County Administrator's 2026 account and in 2012 by the 2016 Times feature.[3] Tobacco quota buyouts had ended the crop economy that organized the county for two centuries. Median household income in 2011 was $36,069, less than 60 percent of the state figure. Roughly one county resident in six lived below the poverty line, and among children it approached one in four.[4]

Boydton, the county seat, held 431 people at the 2010 Census.[5] It had a courthouse, a historic district, and very little else.

Two assets distinguished the county from every other poor rural jurisdiction competing for whatever came after tobacco. The first was an empty industrial park: 175 acres on Boydton Plank Road, graded and served since 1997, that had never attracted a single tenant in thirteen years of trying.[6] The second was fiber, and the fiber is the origin story.

The Fiber: Mid-Atlantic Broadband and the Tobacco Money

Virginia's share of the 1998 tobacco Master Settlement Agreement, eventually some $4.1 billion, was split by the General Assembly between health programs and a commission charged with revitalizing the tobacco-growing regions. The Tobacco Indemnification and Community Revitalization Commission made an unusual bet for the early 2000s: it put settlement money into rural fiber-optic backbone. Mid-Atlantic Broadband Cooperative was formed in 2004 with $12 million in initial capital grants from the Tobacco Commission and the U.S. Economic Development Administration, plus planning support seeded through Old Dominion Electric Cooperative. A further $24 million in Tobacco Commission grants followed in 2005 and 2006. The first 600 miles of network lit in September 2006; the cooperative reached cash-flow break-even by the end of 2007.[7] By the time Microsoft's site selectors came looking, Southside Virginia had something almost no rural region in America had: an open-access, carrier-grade fiber network running past an empty industrial park, with capacity to spare.

The connection is on the record from the first day. The governor's 2010 announcement credited MBC's network as "a key component in Microsoft's decision to locate in Virginia."[8] Microsoft's first project manager in Boydton, Jens Housley, told the town council that fall that fiber availability was one of the major reasons the company selected the site: "Bandwidth is cheaper, and unlimited."[9] The New York Times, visiting six years later, compressed the causal chain into four words: the broadband drew Microsoft.[3] For the energy geography framework, this is the cleanest documented instance in the portfolio of the rural-hyperscale siting formula: distressed land plus subsidized fiber plus cooperative-era utility infrastructure plus a government desperate enough to pay. Botetourt is now importing the model. Boydton wrote it.

The Law: An Exemption Written for One County

The third precondition was statutory, and its provenance matters to the statewide ledger in Part Ten. In 2008, Delegate Tommy Wright, a Republican whose district included Mecklenburg, carried a bill creating a retail sales and use tax exemption for data center computer equipment, drafted as an incentive for a specific unnamed industry prospect to locate in Mecklenburg County. The bill was amended in committee to apply to any locality with unemployment at or above 4.9 percent, passed the House 97 to 2 and the Senate 40 to 0, and was signed by Governor Tim Kaine. The fiscal impact statement estimated the cost at $1.54 million.[10] The General Assembly broadened the exemption in 2010 to cover chillers and generators, and a VEDP official told the Mecklenburg Sun that summer that no other state offered the equivalent.[6] Virginia's first data center incentive was, in the most literal sense, a Mecklenburg County economic development project. By fiscal 2025 the same exemption, expanded statewide and claimed overwhelmingly in Northern Virginia, would cost $1.94 billion a year, and the budget fight over it would hold the commonwealth's government hostage into the summer of 2026. The county that asked for the seed never controlled the tree.

Project Deacon

Microsoft's site search ran through 2009 and 2010 under the code name Deacon. Virginia's competition was a site near Mebane, North Carolina, and an unidentified Texas location. Within Virginia, the company first examined a Montgomery County site that reportedly fell through over sinkhole-prone karst geology, and state officials substituted Boydton.[11] Housley later confirmed the geology screen to Boydton's town council: a Christiansburg-area site had been rejected for sinkholes.[9]

The local approvals came before the public announcement, a sequence the institutional behavior framework will recognize from Henrico, where permits were prepared before Meta's name was public. In July 2010 the Mecklenburg County

Board of Supervisors agreed to offer Microsoft an economic stimulus grant equal to 90 percent of its personal property tax, for twenty years, conditioned alongside the state incentive package. In early August the county's Industrial Development Authority agreed to sell the entire 175-acre industrial park to Microsoft for $2 million.[6] Neither action drew recorded opposition. Both survive in the public record only as references inside a newspaper story; the minutes from those meetings are not digitized.[12]

On Friday, August 27, 2010, Governor Bob McDonnell announced that Microsoft would invest up to $499 million to build a Generation 4 modular data center at the Boydton Plank Road industrial park, creating 50 jobs. The state's contribution: a $2.1 million Governor's Opportunity Fund grant and $4.8 million from the Tobacco Commission, plus Virginia Jobs Investment Program training funds.[8] The release called it the largest economic investment in Southern Virginia history. Dominion Virginia Power was credited as instrumental; reliable, competitively priced power was a stated site factor, and Dominion built the original substation and a mile and a half of new line for the first building.[9] The sales tax exemption Delegate Wright had carried two years earlier went unmentioned in the release and was, by the contemporaneous account of the state's own marketers, the decisive instrument.

Three features of the 2010 deal deserve the audit's attention before the first server racked.

First, the 90 percent rebate. The county's headline win, a Fortune 50 taxpayer, arrived pre-discounted: for twenty years, by contract, ninety cents of every personal property tax dollar Microsoft owed on the original site would flow back to the company. The Mecklenburg Sun is the only source that documents the grant's terms, and no later source confirms whether the agreement was amended, superseded, or simply outgrown as the campus expanded onto land it did not cover. Six years in, the county administrator quoted a different figure, 82.5 percent, to the New York Times.[3] The discrepancy is unresolved in the public record, and the original performance agreement is the single most important document still offline (Part Thirteen).[13]

Second, the jobs arithmetic was visible from the start to anyone who attended a town council meeting. In November 2010, Housley told Boydton's council that Microsoft itself would station two employees at the site, a data manager and an operations manager. The promised 50 jobs would belong to an operations contractor, staffed in shifts of about fifteen.[9] The earliest on-record description of the labor model is two badges and a vendor. Every employment claim of the next fifteen years should be read against it.

Third, the price of the land. Thirteen years of vacancy ended with the county selling its vacant Boydton Plank Road park, 175 acres with a 40-acre graded pad, for $2 million to Microsoft. The IDA recovered its sunk costs and retired a white elephant; that is one honest reading. The other is that the county's negotiating position, after a decade of plant closures, rounded to zero, and Microsoft knew it. Both readings recur at every subsequent decision point, and the distributional justice framework should hold the question open: what does bargaining look like when one side cannot afford to say no?

PART TWO: THE EXPANSION LADDER, 2011–2019

Six Announcements

For nine years, the Boydton campus grew by gubernatorial press release. The ladder, with each announcement's date, dollar figure, promised jobs, and incentives:

Round	Date	Investment	Jobs promised	Incentives
Original	Fri., Aug. 27, 2010	up to $499M	50	GOF $2.1M; Tobacco Commission $4.8M; VJIP
First expansion	Fri., Sept. 23, 2011	$150M	10	none stated
Second expansion	Wed., Jan. 30, 2013	$348M (two buildings)	30*	COF $200K; Tobacco TROF $2.0M
Third expansion	Wed., June 11, 2014	$346.7M	90	GOF $1.6M; Tobacco TROF $1.6M
Fourth expansion	Nov. 2015	$402.4M	42	COF $700K; Tobacco TROF $1.34M
Fifth expansion	Wed., Nov. 9, 2016	$251.6M	44	COF $500K; TROF $970K
Sixth expansion	Thu., Jan. 10, 2019	undisclosed	100+	COF $1.5M; MEI approval; exemption eligibility cited

Sources for the table are consolidated in the endnotes.[14] GOF and COF are the state's Governor's and Commonwealth's Opportunity Funds; TROF is the Tobacco Commission's Tobacco Region Opportunity Fund; MEI is the state's Major Employment and Investment project approval. The asterisk on the 2013 jobs figure marks a number reported by one trade outlet and absent from other contemporaneous coverage; the cautious cumulative promise through 2019 is 336 to 366 jobs depending on whether it counts.[15]

The first expansion came while the original building was still under construction: $150 million, one additional facility, 21 megawatts of added capacity, announced by Governor McDonnell in September 2011.[16] The first building went online in early 2012.[17] The January 2013 round, $348 million for two more buildings, pushed the cumulative announced total to $997 million and gave the trade press its "billion-dollar data center" headline; this was the height of the Generation 4 era, when

Microsoft was deploying servers in roofless, outdoor-rated modular units called ITPACs, cooled by outside air and adiabatic media that the company said used one percent of a traditional data center's water.[18] Governor McAuliffe announced the third round in June 2014 ($346.7 million, 90 jobs), the fourth in November 2015 ($402.4 million, 42 jobs), and the fifth on November 9, 2016, the morning after the presidential election ($251.6 million, 44 jobs), by which point the cumulative announced investment stood at "nearly $2 billion" and the state claimed more than 250 jobs created since 2010.[19]

The sixth announcement, January 10, 2019, from Governor Northam, broke the pattern: a "significant" capital investment with no dollar figure attached, more than 100 new jobs, a $1.5 million Commonwealth's Opportunity Fund grant, and approval through the Major Employment and Investment Project process.[20] It was the last expansion Microsoft or any Virginia governor announced for Mecklenburg County in any source located for this report through the June 12, 2026 snapshot. The buildout since, which roughly tripled the company's land position, proceeded by deed and permit, and no press release located for this report carries a number for it.

The Investment Reconciliation

A 2024 announcement of $348 million for two facilities, framed against roughly $1 billion cumulative, circulates in secondary accounts. No such 2024 announcement appears in any source located for this report. The $348 million, two-building package is January 30, 2013, and the "$997 million cumulative" framing belongs to the same week. The public record is built to produce exactly this confusion.[2]

The arithmetic of the announced figures is internally consistent: 499 + 150 + 348 = 997 million by January 2013; plus 346.7 = 1,343.7 million ("more than $1.3 billion," June 2014); plus 402.4 = 1,746.1 million; plus 251.6 = 1,997.7 million ("nearly $2 billion," November 2016). Every cumulative claim through 2016 checks against its own ladder. The trouble starts after. The 2019 expansion carried no figure. The 2020 land assembly (roughly 900 acres across three industrial parks) carried no figure; the county administrator declined to disclose the sale prices.[21] The Hillcrest, Lakeside, and Bailey campuses under construction at the snapshot have never been priced publicly. The figures in circulation since, "more than $2 billion" in most county and press accounts, approaching $3 billion in some 2025 reporting, are journalists' floors, not corporate tallies.[22] A November 2025 Gazette-Virginian account of a 2021 federal Economic Development Administration award of $1.6 million for a Boydton wastewater upgrade added a separate claim, that the award was "unlocking another $1.6 billion in private investment," a figure that appears in no other source located for this report.[23] No cumulative investment number for

Mecklenburg County published by Microsoft appears in any source located for this report.

The reconciliation, then: $1.998 billion is the sum of every publicly announced figure, 2010 through 2016. Everything since January 2019, which on acreage is the majority of the buildout, is dark. The honest cumulative statement is “nearly $2 billion announced, plus an unannounced post-2019 buildout of unknown but visibly larger scale.” Any source carrying a more precise number is summing a different basket, and several published sums conflate the 2013 ($348M) and 2014 ($346.7M) rounds, two nearly identical figures sixteen months apart that have contaminated secondary accounts for a decade.[2]

For the series, the methodological finding matters more than the number: announced investment is a press-release genre, not an accounting category. The EY and Tract projections the other reports test should be read with that genre’s conventions in mind.

The State’s Own Audit

The press-release ledger turns out to have a quiet companion: Virginia’s post-performance verification files, which VEDP publishes for every discretionary grant and which are available for all six Mecklenburg awards. They are the closest thing to an audited investment record that exists, because grant disbursement required the state to verify jobs and capital expenditure against contract targets at the end of each performance window:

Grant (round)	Contract target: jobs / capex	State-verified: jobs / capex	Performance date
GOF $2.1M (2010)	50 / $299.0M	61 / $702.3M	Dec. 31, 2014
COF $200K (2013)	30 / $348.0M	30 / $676.2M	Dec. 31, 2015
COF $1.6M (2014; GOF as announced)	90 / $346.8M	105 / $610.4M	Dec. 31, 2017
COF $700K (2015, BN7)	42 / $402.4M	50 / $824.5M	Jan. 31, 2019
COF $500K (2016, BN8)	44 / $251.6M	54 / $688.4M	Jul. 1, 2019
COF $1.5M (2019, BN9–13)	108 / $1,066.8M	387 / $1,817.3M	Sep. 1, 2024

Every grant closed “Metrics Achieved.” No clawback was ever triggered.[24] Three things in this table rewrite the chapter above it. The original 2010 contract target was $299 million, not the announced “up to $499 million”: even the founding number

was a ceiling for the press and a floor in the contract. The 2019 round's "undisclosed" investment had a contract target of $1.07 billion all along, and the state verified $1.82 billion against it by September 2024, with 387 jobs at a $90,092 average wage against a $47,000 target. And the per-window verified figures cannot be summed into a cumulative, because the performance windows overlap; what they establish is that at every checkpoint the verified investment ran 70 to 174 percent ahead of contract. The announced ladder understates the buildout, the contracts understate the announcements, and the only institution that ever checked, checked only whether the floor was met. The sales tax exemption ran on the same machinery: a memorandum of understanding dated October 8, 2010, statutory minimums verified met, value never disclosed.[24]

PART THREE: THE QUIET PHASE, 2020–2026

The Land Assembly

In mid-December 2020, with no announcement from the company or the governor, Microsoft bought roughly 900 acres across three Mecklenburg-area industrial parks in a coordinated, five-seller transaction: the Hillcrest Industrial Park on the northern edge of South Hill, sold by the town; the Lakeside Commerce Park outside Clarksville; and the Roanoke River Regional Business Park near La Crosse and Brodnax, held jointly with Brunswick County. County Administrator Wayne Carter confirmed the closings and said he was not at liberty to disclose terms. The South Hill Enterprise emailed the town manager and Microsoft's public relations agency for the price; neither responded.[21] The county's GIS parcel layer, queried directly for this report, recovers exactly one of the three prices: the Roanoke River park crossed at $1,962,440 on December 11, 2020, about $11,600 an acre. The Hillcrest and Lakeside considerations are gone from the layer, which keeps only each parcel's most recent deed; they survive solely in the circuit court's books.[25][26]

The local governments had prepared the ground in advance, quietly and in the correct order. In September 2020, South Hill's town council amended its zoning ordinance to allow data centers by right in its general industrial and industrial park districts, a change officials described at the time as routine marketing housekeeping.[21] In January 2021 the council cleaned up a title defect at Microsoft's request, rezoning a small residual parcel inside Hillcrest that had been designated in the nineteenth century for a cemetery that was apparently never used; a survey found no graves. The same meeting raised the industrial district height limit from 45 to 65 feet, the stated rationale being the reach of the town's new fire pumper.[27] In March 2021 the county and town struck a revenue-sharing agreement so that Microsoft would face a single taxing authority: South Hill agreed not to assess its own taxes on the Hillcrest property, and the county agreed to remit half the revenue to the town each January.[28] Each step was unanimous or without recorded objection. The sequence is by-right development as practiced by jurisdictions that want the outcome: no rezoning fight because the zoning was fixed before the buyer was named, no tax fight because the split was negotiated before the first assessment existed.

The town's own later account describes the arrangement differently. Its June 2026 resolution identifies Economic Incentive Grant Agreements dated January 22 and October 8, 2021, among the town, the town's Industrial Development Authority and the county. Under them the town agreed to remit to the authority amounts equal to the tax it received from Microsoft, as incentive grants to Microsoft, and the agreements contemplate the county's shared revenue passing through the authority

to Microsoft as well. The town budgeted $6.93 million for those grants in fiscal 2026.[29] The 2021 press account and the town's 2026 account are not reconciled in either source, and the agreements themselves are an open item (Part Thirteen).

The Permit Record

The scale of the post-2019 buildout is legible only through environmental permits. In July 2022 the Army Corps of Engineers' Norfolk District noticed a joint federal-state permit application for the "Hillcrest Data Center," three data center buildings, a substation, road, utilities, and stormwater facilities on the 132-acre site at 210 Tunstall Road.[30] The application's own history showed what restraint looked like at test-fit: an initial eight-building, 336-megawatt concept was cut to three buildings because the full design would have resulted in "impacts to nearly every wetland and stream feature" on the site.[31] In April 2023 a second Corps application appeared: six buildings on 369 greenfield acres west of Skipwith Road near Chase City, part of the Bailey farm, with more than 5,000 linear feet of stream and wetland loss flagged, justified on the ground that the company's southern Virginia Regional Network Group "has outgrown current capacity faster than anticipated."[32] A third campus advanced at Lakeside Commerce Park on 259 acres near Clarksville, and a 2025 filing added three more buildings on 490 adjacent acres.[33]

By September 2024 the Mecklenburg Sun could publish a county map that would have been unrecognizable to the 2010 hearing room: twelve data center sites existing or under construction, on roughly 3,762 acres, about one percent of the county's land area. Eleven of the twelve belonged to Microsoft: five in Boydton, three at South Hill, two near Chase City, one at Clarksville. The twelfth, the old Russell Stover candy plant in Clarksville, belonged to Peraton and then to TECfusions, a Florida colocation firm whose arrival supplies the co-op story in Part Eight.[34] Alex Gottschalk, the County Administrator, in July 2026 testimony to a Center for Rural Pennsylvania hearing, places the county's first exposure to the industry in 2007, with the conversion of that candy plant into a one-building data center.[35] The county parcel layer, queried live in June 2026, puts Microsoft's holdings at 31 parcels totaling 4,254 acres,[25] with the main Boydton campus at 101 Herbert Drive exceeding a million square feet across roughly 14 buildings; the campus hosts the Azure East US 2 cloud region.[36] The assembly's later phase is priced in the same parcel records, because Microsoft stopped buying from development authorities and started buying farms: $6.0 million for the 600-acre Mullin tract near Chase City (2023), $6.1 million for the 614-acre Bailey farm (2024), $2.9 million for 284 acres of Wright Forestry land (2024), after an $8.5 million IDA purchase for the LVL09 site in 2019. The three farm purchases ran at roughly ten thousand dollars an acre, the LVL09 purchase at about $26,500.[25] The tax incentives outlasted the land deals: the county's rebate ran to fiscal 2024, and the town council voted in June

2026, as reported, to end the town's grants effective July 1 (Part Seven). Measured by land rather than by Boydton's 302 residents, Mecklenburg is now a county where one acre in a hundred is Microsoft's. Gottschalk gave the Pennsylvania hearing a different measure: about three-quarters of one percent of the county's land permitted to the industry, valued at 45 percent of a real estate base of more than $10 billion.[35] His base is land permitted to data centers; the figures above are Microsoft's parcels.

The county's own budget documents track the campuses by code: Hillcrest, Roanoke River, Lakeside, Interstate, Bailey, Bishop. A dedicated fund, the Microsoft Offsite Infrastructure Fund, runs the roads, water, and sewer the campuses need outside their fences, and Microsoft reimburses the county for 100 percent of it under per-campus memoranda of understanding: $33.3 million in actual payments in fiscal 2025, $36.1 million budgeted for fiscal 2027.[37] The arrangement deserves the utility finance framework's attention because it inverts the usual infrastructure-subsidy complaint: in Mecklenburg, the hyperscaler pays the county to manage the public works its growth requires, a structure with no parallel elsewhere in this series.

What Did Not Happen

The 2025 trade press carried reports that Microsoft had canceled or deferred as much as two gigawatts of global self-build capacity for 2025 and 2026. No Mecklenburg-specific cancellation has surfaced; the county's fiscal 2027 budget, adopted in spring 2026, shows offsite work finishing at Bailey and a second wave beginning at Lakeside.[38] As of the June 12, 2026 snapshot, the buildout is proceeding. The 614-acre Antlers Road Mitigation Bank Microsoft presented to the Board of Supervisors on Monday, June 8, 2026, for compensatory wetland credits against ongoing construction, was the most recent public act in the record at the snapshot.[39]

PART FOUR: THE FISCAL ACTUAL

The Curve, Recovered

The county keeps no separate fund for data center tax revenue, its administrator told a regional reporter in December 2024, and he could not provide an exact figure for what the industry pays.[40] The number exists anyway. The Auditor of Public Accounts publishes every Virginia locality's revenue by category in its annual comparative report, and the county's own budget books carry the other half of the machine. Together they yield the series this report exists to put on the table. Gross personal property tax revenue to Mecklenburg County, the category that contains the data center equipment:

FY	Personal property revenue (gross)	Real property (context)
2011	$7,076,308	$12,724,032
2012	$7,857,088	$13,729,454
2013	$9,968,619	$14,765,311
2014	$15,224,191	$14,372,766
2015	$22,870,857	$15,031,689
2016	$25,560,446	$15,477,383
2017	$34,125,420	$16,931,691
2018	$36,593,074	$17,420,331
2019	$48,818,998	$17,892,582
2020	$54,102,022	$19,155,994
2021	$61,373,009	$19,372,804
2022	$73,526,290	$20,869,943
2023	$83,520,587	$23,302,617
2024	$84,063,674	$26,250,650

The curve is twelvefold growth over thirteen years, with the inflection beginning in fiscal 2014, the first full assessment years of the original buildings, while real property barely doubles underneath it.[41] Machinery and tools revenue stays flat near $700,000 throughout; the equipment was never in that class. The auditor's fiscal 2025 comparative report was still in draft at the June 12, 2026 snapshot.

Gross is half the story, and for most of those years it is the misleading half. The other half sits in the county's own budgets as an expenditure line called the Industrial

Stimulus Grant: the rebate. Documented payments to Microsoft, routed through the county IDA: $30.4 million (FY2019 actual), $34.4 million (FY2020), $40.3 million (FY2021), $50.4 million (FY2022), $57.7 million (FY2023), $62.7 million (FY2024 adopted), and then zero, the FY2025 budget recording that “the prior industrial stimulus grant has been phased out.”[42] The county’s audited fiscal 2023 financial report carries the formal disclosure: tax abatement agreements with two entities, abating 82.5 percent of the relevant taxes, $57,719,970 abated in that year alone.[43] Documented rebate payments for fiscal 2019 through 2023, with the adopted fiscal 2024 amount, total roughly $275.9 million; the FY2011–FY2018 figures exist only in scanned budget books, so the lifetime rebate exceeds $300 million on any reasonable extrapolation.* The fifteen-year fiscal actual is therefore two curves, not one. In fiscal 2023 the county grossed $83.5 million in personal property revenue and rebated $57.7 million of it; the general fund’s actual keep, vehicles included, was about $25.8 million.

The restructuring that ended the rebate is the audit’s pivot point, and the record dates it precisely. In May 2024 the board enacted the fiscal 2025 levy ordinance establishing data center computer equipment as a separate class under Virginia Code § 58.1-3506(A)(43), taxed at $0.66 per $100, and simultaneously retired the rebate remittance.[44] The arithmetic is continuous: an 82.5 percent abatement of the $3.36 general rate leaves an effective 58.8 cents, so the flat 66-cent class raised Microsoft’s effective rate about twelve percent while ending the pass-through. What the restructuring ended was the opacity: a corporate rebate that reached $60 million a year and ran for over a decade as a budget expenditure line whose annual amounts appear in none of the coverage this report cites. The statutory classification the county finally used had been on the books since 2017.[44] As for the 90 versus 82.5 percent discrepancy, each number has a source for its moment: 90 percent as reported at the 2010 recruitment, 82.5 percent as operative by the fiscal 2023 disclosure, which covers agreements with two entities. Whether an amendment, a superseding agreement or later agreements for the expansion sites moved one to the other is not shown in any digitized record located for this report; the board minutes that would show it are not online (Part Thirteen).[13]

The fiscal 2027 budget line caps the curve: business personal property will supply $63.5 million of a $133.8 million general fund, up 71.9 percent in one year.[37] The County Administrator put the general fund’s growth in July 2026 testimony at a $72 million forecast for fiscal 2024 to $134 million in the adopted fiscal 2027 budget.[35] For scale: the county’s entire real estate tax levy is $32.4 million. One revenue line, overwhelmingly one taxpayer’s equipment, is now worth twice the property tax paid by every landowner in the county combined. Cardinal News’ independent framing, that data center revenue accounts for about a quarter of the county budget, and

Gottschalk's 35-to-40-percent-of-general-fund estimate,[34] bracket the same reality from different denominators.[10]

The Rate Structure

The machine producing that revenue has three parts. First, the classification, adopted May 2024 as above: $0.66 per $100 of assessed value, against $3.30 at the time (cut to $2.46 for fiscal 2027) for vehicles and general personal property.[37][45] For comparison, at tax year 2026 rates: Loudoun applies its general personal property rate of $4.15 to data center equipment, and Prince William taxes the class at $4.50, adopted April 21, 2026, up from $3.70 in tax year 2024.[46] Mecklenburg's rate is about one-sixth of Loudoun's and about one-seventh of Prince William's, a discount the county has not had public occasion to defend: no public question about it appears in any source located for this report.

Second, the depreciation schedule, which determines how fast a server's assessed value melts. The county posts a business depreciation table online behind a document viewer; it is an open item in Part Thirteen.[44] Third, the refresh cycle: the revenue depends on Microsoft continuously replacing equipment, a behavioral variable outside county control and invisible to county forecasting. The fiscal 2025 budget's "significant uptick in business personal property taxes," which the administrator characterized as a one-time windfall,[47] and fiscal 2027's 71.9 percent jump, are refresh-cycle weather. The utility finance framework should treat Mecklenburg as the mature-state demonstration of the dependency the Henrico report flagged prospectively: a county fisc keyed not to land or labor but to the replacement rhythm of another organization's capital equipment.[37]

What the Revenue Bought

The spending record is the strongest part of the county's case, and the audit should state it without hedging. Microsoft-era revenue, by the county's own attribution and Cardinal News' independent reporting, funded a $154 million combined high school and middle school complex at Baskerville, opened in 2022; it is financed in part by a ten-cent vehicle tax increase adopted in fiscal 2017 and retired as data center revenue grew.[45][46] Three new elementary schools, at Clarksville, Chase City, and La Crosse, are budgeted at roughly $100 million through 2030 on a pay-as-you-go basis, without borrowing. The County Administrator told the Pennsylvania hearing in July 2026 that the county will have invested $300 million in school capital over a dozen years, that "the initial schools did require borrowing," and that "the current construction will entirely be paid for from cash."[35] A $30 million public safety building is planned. A $10.7 million wastewater project serves the Highway 58 corridor.[47]

And the rates fell. The real estate tax rate ran 42 cents per $100 early in the 2020s, a figure the County Administrator confirmed in his July 2026 testimony,[35] held at 40 cents through fiscal 2024, dropped to 36 cents in the spring 2024 rate cycle, and dropped again to 31 cents in the fiscal 2027 budget, which the county announced as the lowest county or city real estate rate in Virginia, tying its own modern-era low.[48] The vehicle personal property rate fell from $3.36 to $3.30, then $3.26, then $2.46, the lowest this century; the $25 vehicle decal fee was eliminated.[45] A county that fifteen years ago was among Virginia's poorest now cuts taxes annually as a matter of routine and builds schools with cash. The only fiscal debates in the record are about the size of the cut. Set against the series' other jurisdictions, where boards weigh contested rezonings against projected revenue, Mecklenburg's experience is the projection come true, and then some: nobody in 2010 promised the county 47.5 percent of its general fund.

Two countervailing entries keep the ledger honest. The state's Local Composite Index, which measures local ability to pay for schools, rebenchmarked in December 2025 to capture the data center wealth; Mecklenburg recorded the largest percentage LCI increase in Virginia, which costs the school division roughly $4 million a year in state aid that county funds now backfill. Data center revenue made the county look rich, so the state pays it less.[37] And the dependency itself is the risk: the administrator's own net estimate, about 20 percent of budget revenue after data-center-related expenditures,[34] concedes that a meaningful fraction of the gross is churn, and the county created a regional industrial facility authority with South Hill in 2025 explicitly to diversify away from the single-industry, single-company base.[49] The institution that benefits most from Microsoft is the institution now hedging against it.

The Incentive Ledger, Both Directions

What the public paid to get this, in documented increments: $2.1 million (Governor's Opportunity Fund, 2010), $4.8 million (Tobacco Commission, 2010), $200,000 COF plus $2.0 million Tobacco (2013), $1.6 million GOF plus $1.6 million Tobacco (2014), $700,000 COF plus $1.34 million Tobacco (2015), $500,000 COF plus $970,000 Tobacco (2016), $1.5 million COF (2019), a state grant total of $17.3 million all told, every COF and GOF grant closed with its targets met or exceeded and nothing clawed back, and Tobacco Commission disbursement verified for two of the five awards, with a third in milestone status in 2018;[24] the local rebate, about $276 million in documented payments and the adopted fiscal 2024 amount across fiscal 2019 through 2024 alone, the $2 million land sale, the 66-cent equipment class, the revenue split that South Hill accepted to close Hillcrest, and the sales tax exemption, whose Mecklenburg-specific value has never been published and which Part Ten shows can only be bounded.[14] Against it: roughly $63.5 million a year in equipment

tax at the fiscal 2027 mark, fifteen years of construction spending, the offsite reimbursement structure, and the school buildings. On the county's own books the trade is lopsidedly positive. The honest qualifications are that the biggest public cost, the exemption, never touched the county's books, landing instead on the state general fund; and that the biggest local concession, the rebate, appears in public as annual budget lines, one audited disclosure and press reports of its percentage, never as a lifetime total.

PART FIVE: THE LABOR ACTUAL

The Ledger

The employment record is the part of the audit where the promises and the outcomes require the most careful separation, because every number in circulation belongs to a different category and most published accounts mix them. The sequence:

Date	Figure	Category	Source basis
Nov. 2010	2 Microsoft employees; 50 promised jobs to be contractor positions, shifts of ~15	Design disclosure	Microsoft project manager, to Boydton Town Council
Jul. 2011	“30–50 permanent, non-construction positions,” technical, janitorial, security, grounds	Hiring target	Microsoft site manager, to town council
Aug. to Sept. 2016	“Tens to several dozen” per facility (Microsoft); ~25 local residents hired, mostly administrative and janitorial (IBEW local)	Contemporaneous actuals	NYT-syndicated feature; TechRepublic (the ~25)*
Nov. 2016	“More than 250 jobs since 2010”	Announcement sum	Governor’s office
Jan. 2019	~300 jobs at Microsoft locations in Mecklenburg County	Official actual	VEDP press release
~2022–23	“More than 505 full-time employees and contractors” across Southern Virginia campuses	Company figure, mixed category	Microsoft fact sheet
Sep. 2024	387 jobs verified against the 2019 grant agreement’s target of 108; average wage $90,092	State-verified, agreement-scoped	VEDP post-performance report

Date	Figure	Category	Source basis
Dec. 2024	684 employed at Microsoft data centers statewide; 2,042 “full-time employees and contractors” projected statewide by end of 2026	Company figure, mixed category	Microsoft fact sheet
Apr. 2025	~700 workers in Mecklenburg, “Microsoft and its vendors”; ~95 openings across eight sites	Company figure, mixed category	Microsoft senior director, at South Hill job fair

Sources are consolidated in the endnotes.[50] Read top to bottom, the table says: the promises were kept, roughly, and the promises were small, and the categories were engineered to blur. Cumulative announced job promises through 2019 total 336 to 366. The best official actual, VEDP’s approximately 300 in Mecklenburg in January 2019, sits just under the promise line. The 2025 figure of about 700 clears it, but only by counting vendors, and across eleven sites rather than the original campus. No source located for this report, across fifteen years, gives a Microsoft-badge-only headcount for Boydton. The 2010 town council disclosure, two badges and a contract operator, remains the most specific description of the actual employment architecture the company has given in public.[9]

Independent checks now exist: the state’s grant-compliance files verified jobs against each grant’s target (Part Two). The file for the 2019 expansion, closed in late 2024, verified 387 jobs against the agreement’s 108-job target, at an average wage of $90,092 against a $47,000 target.[24] It is the best externally verified employment figure in the record, and it is still agreement-scoped and category-agnostic: it counts what the contract counts, and the contract never asked whose badge the worker wore.

The Benchmark

JLARC’s 2024 study supplies a benchmark: industry representatives told the commission that a typical 250,000-square-foot data center may have approximately 50 full-time workers, about half of them contract employees, roughly one worker per 5,000 square feet, against one per 650 square feet at some distribution centers.[51] Boydton’s main campus exceeds a million square feet across roughly 14 buildings, with construction trade records describing work across at least nine.[52] Taken per building, JLARC’s 50 workers across nine to fourteen buildings gives 450 to 700, and

the County Administrator's July 2026 figure of 30 to 50 jobs per building gives 270 to 700;[35] taken per square foot, one worker per 5,000 square feet on a million square feet gives about 200, because the main campus's buildings average about 70,000 square feet, well under JLARC's typical 250,000.* The observed mixed-category figures, 505 and growing across Southern Virginia in a Microsoft fact sheet of about 2022 and about 700 in the county in 2025, sit within the per-building range, and both count vendors and more sites than the main campus. On the per-building reading, the campus is not underperforming the industry's own arithmetic. The industry's own arithmetic is the disappointment, and Mecklenburg proves it at scale: roughly $2 billion announced, eleven sites, one percent of the county's land, and the operational payroll of a mid-sized grocery chain, half of it contracted.

The energy and labor framework should also bank the wage texture, which only the 2016 feature preserves. The IBEW local's business manager described the construction-era reality: entry ditch-digging at $10.88 an hour, wiring work at $28.59, jobs lasting around six months, heavy attrition, hundreds of applicants for whatever opened. His summary has no equal in the record. "People thought when Microsoft came in it would create jobs, but that's just not the case," he told TechRepublic in September 2016. In the Times feature: "The first thing they put in was a guard shack and a fence. I've filled rooms with people looking for entry-level work. None of it lasts."[3]

Construction, the Real Labor Story

The construction record is larger and steadier than the operational one. The first crew topped 100 within months, with 150 to 200 projected;[9] by July 2011 the site held almost 450 construction workers.[16] Microsoft's safety regime excluded many local contractors from the start; the company's first project manager said so directly: a lot of contractors in the area did not meet Microsoft's safety requirements.[9] The company's own running total, published in its community fact sheet: more than 9.6 million construction hours since 2014, averaging about 500 construction jobs a year.[53] JLARC's statewide finding, that a campus can carry roughly 1,500 workers at construction peak and that most of the industry's celebrated 74,000-job economic contribution is construction-phase, fits the Mecklenburg record exactly.[51] The 2025 job fair's contractor roster names the ecosystem: Skanska, MC Dean, Walbridge, HITT, CBRE, Securitas, Insight Global, TekSystems.[54] The commute shed is undocumented in public sources.

A fifteen-year construction economy is still a real economy: the county administrator's 2016 defense, that even temporary workers rent houses, stay in hotels, and eat in restaurants, was accurate as far as it went.[3] The labor

framework’s open question is what happens to that economy when the buildout ends, and whether anyone in the county is planning for the day the cranes leave.

The Pipeline

The skills infrastructure Microsoft built around the campus is the most developed in the series and probably in rural America. The company’s first Datacenter Academy anywhere in the world opened in 2018 in Southern Virginia, in partnership with Southside Virginia Community College and the Southern Virginia Higher Education Center, housed at the Lake Country Advanced Knowledge Center in South Hill; the program has since spread to some 25 sites globally. A scholarship track for underrepresented students began in January 2019. The first Critical Environment training lab in the Microsoft system, a global pilot for electrical, mechanical, and HVAC data center skills, opened at SVCC in spring 2024. TechSpark, the company’s rural civic-technology program, added Southern Virginia in March 2018 to the two U.S. regions it had already announced, making it one of six, managed from Boydton and chosen, its manager told Virginia Business, because of Microsoft’s data center in Mecklenburg as well as a “plethora of opportunity” in the area.[55] The April 2025 job fair drew about 500 prospects to South Hill, against approximately 95 openings.[54]

The audit’s reading: the pipeline is real, well-documented, and structurally bigger than the pipe. Five hundred candidates, 95 openings, and a JLARC employment ceiling fixed by square footage mean the training infrastructure’s principal product may be credentialed out-migration, workers prepared in South Hill for data center jobs that exist mostly in Northern Virginia and beyond. Whether that is a failure or a quiet regional success depends on where the graduates land, which nobody tracks publicly. The testimony of the higher education center’s director, that Microsoft had “scored the economic equivalent of a hat trick for southern Virginia,” and the 2025 image of a certification wall at the community college, “many of them have been hired locally by Microsoft,”[54] are both true and both unquantified.[55]

PART SIX: THE COMMUNITY RECORD

Boydton, Before and After

The town that hosts one of the largest server concentrations on earth had 431 residents when Microsoft was announced and 302 at the 2020 Census, a decline of 30 percent across the company's first decade.[5] The county declined more slowly, 32,727 to 30,319 over the same span, and has since flattened: essentially zero net change through 2024, with churn underneath, more than a thousand net in-migrants since 2020 offset by deaths exceeding births. Seven percent of county households arrived within roughly four years before 2025, a newcomer share exceeding several prosperous Virginia exurbs, and Cardinal News attributes part of the influx to the data center economy.[56] County median household income rose from $36,069 (2011) to roughly $57,000 (2020–2024 ACS), still far below the state; the poverty rate sits near 16 percent.[4] The income trend is real and the attribution is murky: fifteen years of national recovery, retiree in-migration to the lake, and the data center economy are confounded in every series.

What the money visibly did not do is repopulate or commercially revive the county seat. The 2016 national feature found the campus's main contribution to Boydton's street life was "a couple of lunch tables at the Triangle gas station," in the words of the town's own mayor. The town librarian's observation from the same reporting belongs in the institutional record: "Microsoft initially came to a couple of town meetings… Now they're off by themselves. We hear they have a really nice Starbucks machine."[3] No subsequent source documents a Boydton restaurant or retail boom; the strongest commercial-revival coverage in the county belongs to Chase City, and the clearest housing signal is that TECfusions, the county's other data center operator, is building duplexes for its own workers in Clarksville because local housing is scarce.[57] A hyperscale campus, it turns out, can sit a mile from a dying main street for fifteen years without resuscitating it. Spending happens where workers live and commute through, not where servers sit.

The community investments Microsoft did make are real, documented, and characteristically infrastructural rather than commercial: free public Wi-Fi in Boydton and Clarksville; more than 55 community projects by 2021; a hydro-jetting unit for the town's sewers; payment for the expansion of Boydton's wastewater treatment plant; greenhouses at the county high school; a "Homework Network" with Mid-Atlantic Broadband extending school broadband into homes across two neighboring counties; the SOVA Innovation Hub in downtown South Boston, anchored by a more than $5 million MBC investment and Microsoft's TechSpark; and, presented in June 2026, a 614-acre wetland mitigation bank and a 230-acre conservancy near Chase City with public trails.[58] The pattern is coherent: the

company invests in systems (fiber, water, skills) rather than places, and the systems investments are precisely the ones that serve its own operations first.

The Moseley Cemetery

The distributional justice framework's central exhibit is not a budget line. In March 2014, during clearing for the third expansion, workers found graves in the woods on the campus's path: the cemetery of the Moseley family, Black tobacco farmers who had owned and worked the land after Emancipation; the most legible stone belonged to Stephen Moseley, who died in 1930. ProPublica's December 2022 investigation, reprinted in full by the Mecklenburg Sun, documented what followed: county officials, a Microsoft-funded consultant, and state authorities worked to soften a finding that the cemetery was eligible for the National Register of Historic Places, the designation that would have complicated the expansion; the eligibility finding was weakened; and the 37 graves ultimately located were excavated and relocated. An engineering consultant's contemporaneous reassurance, written in March 2014 to Microsoft and to a county official working on the project, survives in the documentary record: "This is not as bad as it sounds… We should be able to relocate these graves."[59]

The episode is the series' Brown Grove question at a different scale. In Hanover, a historic Black community organized, litigated, and forced the question into public process. In Mecklenburg, there was no organized community left to object: the family was dispersed, the land was sold, the county government was the project's sponsor, and the notices at the time were a legal notice the county ran among the Mecklenburg Sun's ads and classifieds in November 2014 and a Corps notice posted about the same time; the full account of what followed reached print when a national investigative outlet arrived eight years later. What the community closest to the buildout absorbed, in the most literal sense, was the physical removal of its dead to make room for cloud capacity, decided by parties none of whom represented it. The harder structural question is open: how many other unrecorded Black cemeteries sit inside the 3,762 acres the Sun mapped in 2024, and who is checking? The June 2026 mitigation-bank presentation, with its ADA trails and K-12 learning center, reads differently with the 2014 record open beside it.[39]

Race, Poverty, and Who Decided

Mecklenburg County is 32.4 percent Black by the latest five-year ACS, among the highest shares in the series' jurisdictions, with the deepest poverty. The latest ACS does not support describing Boydton as a majority-minority town, putting the town at roughly 65 percent non-Hispanic White and 33 percent Black, though the margins of error on a population estimated at 269 are wide enough that only the decennial detail can settle it.[60] The decision record itself is unusually concentrated: a board

of supervisors (nine members in 2026), an IDA, and two town councils made every material approval between 2010 and 2026, mostly without recorded dissent and partly without surviving digitized minutes. The distributional question the framework should carry is not whether the county benefited; Part Four shows it did. It is who within the county benefited: whether the tax cuts, the schools, and the contract work reached the census tracts that absorbed the land conversion, the transmission corridors, and the cemetery, or whether the gains pooled around the lake and the county's property-owning class while the costs concentrated where they always do. The public record cannot answer that question. It can only establish that no source located for this report shows anyone publicly asking it in fifteen years.

PART SEVEN: HILLCREST AND SOUTH HILL

The Siting Shift

Boydton's remoteness muted every siting question the rest of this series documents counties fighting over. The Hillcrest campus ends the remoteness. The 132-acre site at 210 Tunstall Road sits on the northern edge of South Hill, the county's largest town and commercial center (4,690 at the 2020 Census and growing), between North Mecklenburg Avenue and Interstate 85, adjacent to the VCU Health Community Memorial Hospital campus that anchors the town's north side.[61] The first building generation is operational, a second is under construction with a 2026 target, and a third is planned.[62] The test is whether fifteen years of familiarity changes the reception when the buildout arrives at the edge of town.

The answer, on the record through June 2026, is that South Hill did not react to the data center; it transacted with it. The zoning was amended to by-right before the land sale. The title was cleaned, the height limit raised, the tax split negotiated, each without recorded objection. The only documented citizen skepticism in the town's record arrived sideways, in March 2025, when a resident at a hearing on the town's new industrial park authority asked whether the town and county would simply sell the park off to Microsoft and the town manager answered that the intent was the opposite: diversification.[49] The Sun's year-end assessment of 2025 stands as the county's temperature reading: some grumbling among residents, far less opposition than Northern Virginia, and data centers as the number-one local story of the year.[22]

The institutional behavior framework should resist scoring this as apathy. Under the 2021 revenue-sharing deal as the press reported it, South Hill received a share of the county's Hillcrest revenue, a 500,000-gallon water tank and helipad had already been built into the park's marketing, and the town's alternative was watching the investment land somewhere else in a county where other sites were available. The reception was not changed by familiarity so much as priced by it: by 2020 every local government in Mecklenburg knew exactly what a Microsoft campus was worth and negotiated accordingly. By-right zoning, adopted for marketing reasons before the question could become controversial, meant the campus needed no rezoning once the buyer was named. The price ran in both directions. By the town's own 2026 account, it had agreed to return the tax it collected from Microsoft to Microsoft as incentive grants through the town's development authority, and the agreements contemplated the county's shared revenue taking the same route.[29]

The terms changed in 2026, at both scales and by different instruments. On May 11, 2026, a month before this report's evidence snapshot, the Board of Supervisors adopted a new county zoning ordinance, in force July 1, under which a data center

is allowed only in the M-1 Industrial district and only by special exception permit. It carries standards of its own: buffers from roads, parks and forest land, a limit of 70 dBA at the property line shared with non-data-center uses, and, for a facility expected to draw 100 megawatts or more, an acoustical assessment of homes and schools within 500 feet and a utility statement on substations and transmission voltage in the application.[63] The county describes the ordinance as applying only to new development; approvals granted before July 1 remain valid until they expire, and vested rights are preserved. South Hill's 2020 by-right districts are a town instrument the county ordinance does not reach. The town moved on taxes instead: its fiscal 2027 levy ordinance created a data center equipment class at 30 cents per $100, and on June 8, 2026, four days before the snapshot, the town council voted, as SoVaNow reported, to discontinue the 2021 incentive agreements effective July 1, a change the town says the county, its development authority and Microsoft agreed to.[29] The county's own fiscal 2027 budget had already shown the town's share leaving the county's books as the town received funds directly.[28] Loudoun and Henrico ended by-right approval in 2025; Mecklenburg County's new ordinance, as adopted May 11, 2026, requires a special exception for a data center from July 1, 2026, and whether the October 13, 2026 amendments change that requirement was open as of October 24, 2026 (Part Thirteen).

Water, Sewer, and the Permit Record

The town serves the site. South Hill buys its water wholesale from the Roanoke River Service Authority, whose Lake Gaston plant in Bracey has supplied the town since 2002, delivering an average 1.5 million gallons a day against a 4.0 million capacity, with 2.5 million gallons of town storage; the town's tertiary wastewater plant treats about 900,000 gallons a day against a 3.0 million capacity.[64] The RRSA plant is undergoing a $24 million expansion awarded in July 2023, adding ground storage, pumping, and plant capacity; the contemporaneous coverage does not explicitly tie the expansion to Microsoft, an inference flagged rather than asserted.[65] The Hillcrest permit record itself is the cleanest in the county: the Corps application discloses the three-building configuration, the substation, and the wetlands rationale for cutting the original eight-building test fit.[30]

The Transmission Buildout

The grid work tells the load story the company will not. Dominion's "South Hill" project, noticed to the community in April 2022 and approved by the State Corporation Commission on June 14, 2023 (filed October 6, 2022, Case PUR-2022-00167), is building two parallel 230-kilovolt lines into the South Hill and La Crosse area, three new substations, and an interconnect loop to the Unity substation in Lunenburg County, with completion targeted, on Dominion's project

page, for fall 2026; the construction phasing runs literally to the campus's doorstep ("Tunstall to Evans Creek").[66] The price has not held: the SCC approved the project at a conceptual estimate of $229.1 million, and by the commission's May 11, 2026 extension order the figure stood at $308.3 million, a 35 percent increase, $77 million of it attributed to tariffs, materials, labor, and real estate. The in-service deadline has slipped twice, to December 31, 2026; as of that order the lines were substantially complete and an easement from the hospital next to the Hillcrest campus had not been executed. The final order contains no customer-specific cost assignment; the project flows through PJM and Dominion-zone transmission rates like any other.[67] In a July 31, 2026 order on Rider T1, Dominion's transmission cost rider, the Commission directed Dominion to file amendments to its line extension policy that would require a mandatory contribution in aid of construction for "direct connect" transmission facilities serving large-load customers, the change to apply prospectively; Microsoft noticed an appeal of that order on August 28, 2026. The filings go to a separate docket, PUR-2026-00131, established August 25, 2026. As of October 24, 2026 its public document list showed nothing filed there after the order establishing it; the line extension policy is due about October 29 and a status update on work with ODEC and the other distribution companies about November 28. As of October 24, 2026, with the policy amendments not yet filed, no such contribution in aid of construction was in force.[68] The South Hill project is one of at least three Dominion transmission projects tied on the record to Mecklenburg data center load: Chase City to the Cloud substation near Boydton (approved February 22, 2022), which Dominion describes as "accommodating economic growth and meeting data center demand," and the Jeffress project toward Clarksville, two 230-kilovolt circuits on 120-foot monopoles justified expressly by "the Microsoft Data Center expansions planned for Lakeside Commerce Park... and an additional Microsoft Data Center being built on the former Bailey Farm property."[69] A fourth, Clover to Chase City (SCC approved February 21, 2024), rebuilds about 16 miles of existing 230-kilovolt line, and Dominion's project page, as read October 24, 2026, presents it as a reliability project without mention of data centers.[69] Dominion's external affairs manager put the company's posture on the county record in February 2025: "There's a lot going on in Mecklenburg County right now. There is a huge demand here that needs to be met."[57]

The only transmission-routing opposition in the county record located for this report concerns these lines, not the data centers they serve: Chase City pushed routes away from an apartment complex,[69] and a supervisor opposed a TECfusions-related option through Occoneechee State Park.[57] The pattern repeats the series' statewide finding in miniature: the wires make the politics that the windowless buildings escape.

PART EIGHT: POWER AND THE CO-OP DIMENSION

Who Serves What

The series' ratepayer analysis has been Dominion-shaped, and Mecklenburg requires the distinction drawn carefully because the county holds both machines. Microsoft's campuses are Dominion-served; that has been true from the first substation in 2010 and is confirmed across the utility's own project documentation, the trade trackers, and local reporting.[70] Mecklenburg Electric Cooperative, headquartered in Chase City and serving about 31,000 to 32,000 meters across nine Virginia and five North Carolina counties, serves the county's other data center story: TECfusions at the old candy plant in Clarksville, plus "several" smaller facilities the co-op declines to identify, citing member confidentiality. MEC's own materials say it has served data center loads for 17 years, a span that predates Microsoft's arrival and whose referent MEC's materials do not identify.[71] The temptation to describe Boydton as a co-op-served hyperscaler would be wrong, and the frameworks should not use it.

What the co-op structure supplies instead is the series' clearest view of how a small distribution cooperative metabolizes data center load, because MEC's books changed faster than any investor-owned utility's could. The co-op's sales tripled from 607 million kilowatt-hours in 2021 to 1.8 billion in 2024; its 2024 annual report puts large commercial customers at $73.7 million of $146.6 million in operating revenues, half the total.[72] A co-op that was a residential and farm utility in 2020 became, in four years, a business whose majority load is institutional. The County Administrator gave the same shift in his July 2026 testimony: large commercial customers, data centers among them, went from 10 percent to 50 percent of the cooperative's revenue between 2019 and 2024.[35]

The Rate Case

The governance consequences arrived in 2025. MEC petitioned the State Corporation Commission for a Large Power Schedule, a separate rate for loads above five megawatts, recovering all costs that class imposes, including entire substations, with loads above 25 megawatts moved to individually negotiated pass-through agreements. The co-op's petition language is the most candid utility-finance statement in the series: MEC described itself as "in a state of emergency due to the magnitude of costs and risks imposed on the Cooperative's legacy members, who did not create those costs and risks." The SCC authorized the rate on an interim basis on September 5, 2025, subject to refund, in Case PUR-2025-00160, and the docket has become the series' best window into co-op large-load economics: commission staff filed comments that did not generally oppose the tariff, a retail-

choice trade group also commented, and in May 2026 MEC returned to ask for sole discretion over large-load security deposits, telling the commission that a deposit capped at two months of billing “could be depleted within weeks under adverse market conditions” once PJM’s lagging charges are counted. The co-op’s one customer above the threshold, TECfusions, identified itself in an October 2025 comment and disputed the rate as the imposition of terms the parties had failed to negotiate.[73] Its objections included weekly billing. The Commission approved the schedule on September 9, 2026, ending the interim authority: Schedule LPS-U took effect with the order, the cooperative’s sole discretion over large-load security was approved by reference to the Commission’s March 2026 order for Rappahannock Electric Cooperative, LPS-U customers are to be a separate class in the cooperative’s next cost of service study, and the order states that “it appears that Schedule LPS-U is not inconsistent with Code § 56-234.” On weekly billing the order records that the cooperative’s wholesale supplier, Old Dominion Electric Cooperative, “requires new large loads served by its members to be billed weekly.”[74] The co-op’s stated principle, that no class of members subsidizes any other, is the cooperative version of the cost-allocation fight the series documents at Dominion scale in the statewide report; the difference is that a co-op’s “shareholders” are the same people as its captive ratepayers, so the stakes are undiluted.[73]

Upstream, the wholesale layer absorbed the risk first. Old Dominion Electric Cooperative, MEC’s generation and transmission supplier, created a special pass-through wholesale rate for member-co-op loads above 25 megawatts several years ago; MEC’s own board chair helped build it. ODEC’s audited filings now show what moves through that rate: market-based sales grew from $21.4 million in 2023 to $153.8 million in 2025, and MEC’s payments to ODEC doubled in a single year to $212 million, making one of the system’s smallest co-ops ODEC’s second-largest member and the source of essentially all of its market-based load. The same filings name the risk in plain terms: data center load “will likely increase customer concentration,” and the security a data center posts “may not be sufficient” if it fails to pay its power bill.[75] ODEC’s general counsel has warned publicly that a single failed data center company could push an electric co-op into insolvency,* and ODEC has intervened at FERC over cost-allocation gaps in colocated data center arrangements elsewhere in Virginia. Neighboring co-op executives supply the regional chorus: Rappahannock’s affiliate structure to firewall hyperscale risk from members, Central Virginia’s CEO warning that demand will outstrip supply. The career of one man connects the layers: John C. Lee Jr. ran MEC for sixteen years through the Microsoft era to 2024, founded its broadband subsidiary, and left in 2024 to run ODEC itself through what he called “tumultuous times,” retiring in February 2025.[76] For the utility finance framework, Mecklenburg documents the full vertical stack of co-op exposure: distribution rate design (MEC), wholesale pass-

through (ODEC), and the unpriced tail risk both layers now carry on behalf of member-owners who never voted on any of it.

Microsoft’s Power and the Renewables Ledger

Microsoft’s marquee Virginia procurement is the March 2018 purchase of 315 megawatts from the Pleinmont I and II solar projects in Spotsylvania, then the largest corporate solar purchase in U.S. history, announced expressly in the context of the company’s Virginia data center footprint; the attribution is to Virginia operations generally, not Boydton specifically, and should be carried that way.[77] The company’s published commitments, 100 percent renewable coverage by 2025, water positive and carbon negative by 2030, renewable biofuel for Virginia backup generators, attach to Boydton only at the policy layer. On the ground, the county’s three utility-scale solar farms feed the PJM grid, not the data centers; the Board of Supervisors has rejected new solar projects repeatedly, including one near Boydton, and in April 2025 amended its zoning to ban utility-scale solar outright while data center construction proceeded by right.[78] Through June 2026, the county hosting one of the nation’s densest hyperscale concentrations prohibited the generation class the operator’s climate pledges depend on. The ban did not survive the county’s new zoning ordinance, adopted May 11, 2026 and in force July 1, which lists utility-scale solar as a special exception use in the A-1 Agricultural and M-1 Industrial districts.[63] State law changed on July 1, 2026 as well: 2026 Acts chapter 1068 requires a locality, unless it permits such a project by right, to provide a special exception or siting agreement route for a ground-mounted solar project of one megawatt or more serving off-site load, leaves approval to the locality, and requires each decision, with the reasons for any denial, to be reported to the State Corporation Commission.[79] The energy geography framework should frame Mecklenburg’s land politics accordingly: through June 2026 the buildings passed without a hearing and the panels could not pass at all; under the ordinance as adopted May 11, 2026 and in force from July 1, 2026, each needs a special exception, and whether the October 13, 2026 amendments change either use-table row was open as of October 24, 2026 (Part Thirteen).

DEQ’s registry and the permit files themselves, both online, list the backup fleet. Microsoft holds nine of the ten data center air permit registrations in Mecklenburg County, including a Title V operating permit for the Boydton campus issued April 24, 2024. The permit files enumerate the fleet: roughly 165 diesel generators totaling about 408 megawatts of standby capacity across the Boydton campus’s buildings (BN1 through BN14, plus fifteen units at two “power harvesting” installations), and 114 more generators totaling about 332 megawatts permitted at the Bailey campus, capped there at 98.3 tons of nitrogen oxides a year and 800,800 gallons of fuel.[80] A standby diesel fleet approaching three-quarters of a gigawatt across two

campuses, in a county whose peak load a decade ago was a rounding error in PJM, is the kind of number the energy geography framework should carry to the Georgia and Tennessee sites. New state Tier IV-equivalent requirements apply to new data center generator permits from July 1, 2026, per press coverage of DEQ guidance.[81]

PART NINE: WATER

The campus's cooling water comes from the Roanoke River basin through the RRSA's Lake Gaston plant, the same authority that serves five county towns. The county's name for the dedicated storage is its own tell: the "Microsoft Tank Farm," ground-storage tanks at the former Mecklenburg Correctional Center site, built grant-funded by the county, deeded to the RRSA, with a third million-gallon tank, for which the county approved a design study in July 2018, "because the water is used primarily to cool equipment at the Microsoft cloud computing facility."[82] No public gallons-per-day figure for the campus appears in any source located for this report, including the county's own 2026 account below. The 2026 General Assembly did act on disclosure: identical acts approved April 13, 2026, effective January 1, 2027, require a water user that registers withdrawal and use data with the State Water Control Board and supplies water offsite to include in its report, on its regular reporting schedule, the volumes it provided during each month to a data center holding a Department of Environmental Quality air permit, or quarterly totals where monthly data is not available.[83] Whether those reports will be public, or campus-specific, is an open item (Part Thirteen). Microsoft's own published claims, direct evaporative cooling using water about 15 percent of the year, a company-wide water-use-effectiveness improvement from 0.49 to 0.30 liters per kilowatt-hour, the original ITPAC design's one-percent water claim, sit beside the county zoning administrator's description of the local fleet as closed-loop, a mild tension probably explained by building generations.[84]

The county's own account of the campus's water came after the snapshot. In written testimony for a Center for Rural Pennsylvania hearing on July 29, 2026, County Administrator Alex Gottschalk said the industry had "recently absorbed the $25 million cost of a water treatment plant expansion" and that many of the county's data centers were built with "a more water intensive cooling system than would likely be present in a new build today." Once the plant work was finished, he said, "we turned to the Virginia Department of Environmental Quality to obtain an increase in our water withdrawal permit," and the department, "in examining our actual, average and peak daily water use," rejected the increase; even over the Fourth of July weekend, by his account, use stayed under the currently permitted average.[35] His testimony does not name the plant, the permit holder or the dates. The $25 million plant may be the Roanoke River Service Authority's $24 million expansion of 2023 (Part Seven); nothing in his testimony or the 2023 coverage ties the two. At the Board's September 14, 2026 meeting he added that Microsoft does not dig wells at its sites and that its water comes from the Roanoke River Service Authority.[85]

The documented water harms are construction-phase. Microsoft self-reported violations at the Lakeside site near Clarksville between October 2023 and March 2024: a subcontractor cleared beyond the permitted limits, destroying 2.33 acres of forested wetlands and damaging 1,515 linear feet of stream, settled with DEQ in June 2024 for a $41,766.90 fine and a corrective plan. A Microsoft contractor at a Boydton building drew a separate $13,891.50 stormwater consent order in 2023.[86] The Corps public notices put the impacts each application proposed beside the unauthorized ones: Hillcrest's application noticed 1.63 acres of wetlands and 1,937 linear feet of stream (after the eight-to-three redesign avoided 78 percent of the site's wetlands); Lakeside's about 8.0 acres of wetlands and 1,700 linear feet; Bailey's just 0.16 acres of wetland but more than 6,000 linear feet of permanent stream loss.[87] The violations occurred at Lakeside, the campus whose application noticed the largest wetland impact. Fines of that size against a multi-billion-dollar buildout price wetlands at roughly the cost of a mid-range pickup truck, a fact the distributional justice framework can use without embellishment.

The regional water politics predate the industry and explain the sensitivity. Lake Gaston is the reservoir Virginia Beach fought fifteen years of litigation with North Carolina to tap, completing its 60-million-gallon-a-day pipeline in 1998; the basin's interstate compact politics, drought exposure (most of Virginia was under drought conditions in June 2026), and the Kerr Reservoir's federal management make any large new withdrawal a potential flashpoint. On October 6, 2026, Buggs Island Lake stood two hundredths of a foot above the level at which the drought plans of the Roanoke River Service Authority, the county, South Hill and Clarksville move automatically to Stage III, and the Board's agenda for October 13, 2026 listed a drought response ordinance for discussion.[88] The data centers have so far stayed out of the basin's water fights because their consumptive use appears modest next to municipal withdrawal, but "appears" is doing unverified work in that sentence, and the disclosure gap is the reason.[89]

PART TEN: THE STATEWIDE LEDGER

The Exemption Comes Home

The sales tax exemption that Delegate Wright carried for Mecklenburg in 2008 cost the commonwealth $1,941,390,000 in fiscal 2025, by the Department of Taxation's own biennial accounting of state, non-general-fund, and local revenue impacts; the Comptroller's annual report puts the state-level figure alone at roughly $1.6 billion.[90] JLARC's follow-up accounting found the exemption consumed $2.7 billion across fiscal 2015 through 2024, 53 percent of all state economic development incentive spending.[91] JLARC's earlier incentive evaluation put a name where the aggregate hides one: of the roughly $17 million in non-exemption data center grants Virginia paid through fiscal 2017, "most" went to one company, Microsoft in Mecklenburg County, which JLARC also found to be the only data center operator using the exemption in a distressed locality.[92] Mecklenburg's share has never been published; the exemption is claimed at the taxpayer level and reported only in aggregate, so the county that originated the instrument cannot be separated from the Northern Virginia counties that consume most of it. The bounding logic available: Microsoft's Mecklenburg equipment generates $63.5 million a year in local tax at $0.66 per $100, implying an assessed equipment base near $9.6 billion;* every dollar of that equipment entered Virginia tax-free, and every refresh cycle renews the exemption's value. Mecklenburg is plausibly the largest single-site beneficiary of the exemption outside Northern Virginia, and nothing in the public record can make the claim more precise than "plausibly."[93]

The 2026 General Assembly deadlocked over exactly this instrument, and the deadlock was still live at this report's evidence snapshot. The Senate's budget proposed to sunset the exemption on January 1, 2027, eight years ahead of its statutory 2035 expiration, capturing an estimated $317.1 million in the first fiscal year. The House and Governor Spanberger proposed to keep it, with the House conditioning it from mid-2027 on efficiency standards, clean-energy matching, and battery rather than diesel backup. The assembly adjourned in March without a budget, a one-day special session failed, negotiations broke down again in early June, and the chambers were scheduled to return on June 18 and 22 against a July 1 deadline that would otherwise produce the commonwealth's first partial shutdown.[94] West Virginia's governor spent the spring openly courting the industry across the border.[95] The impasse ended at the deadline. The budget, approved by the Governor on June 29, 2026 (Chapter 1, 2026 Acts of Assembly, Special Session I, effective July 1, 2026), kept the exemption and, in Item 3-5.24, levied an electricity consumption tax on every data center operator of $0.011 per kilowatt-hour consumed at each data center, from July 1, 2026 until July 1, 2028, collected monthly by the State Corporation Commission beginning in September

2026. No more than $600 million of the tax's revenue in a fiscal year goes to the general fund; the levy itself has no cap, and revenue above $600 million goes to a nonreverting fund and is refunded to operators pro rata. A legislative study of the exemption continues toward the 2027 session: under Item 1 N.5 of the same act, the Joint Subcommittee on Tax Policy is to report its recommendations to the General Assembly by December 15, 2026.[96]

The stakes land harder in Boydton than anywhere else in Southside. Northern Virginia's data center market has scale economics, fiber density, and customer proximity that would survive the exemption's repeal, at some margin. Mecklenburg's recruitment case was always price: cheap land, a 66-cent equipment rate, and tax-free servers. Repeal, which the 2027 session can take up again, would raise the cost of every future refresh cycle at the one major campus whose entire business case was built on the exemption's existence, and with business personal property, the tax class that carries data center equipment, at 47.5 percent of the fiscal 2027 general fund, the refresh cycle is the county budget. No public Mecklenburg model of the exposure appears in any source located for this report. The county's fiscal 2027 budget was drafted against the governor's December introduced budget because the legislature had failed to act, which is its own kind of finding: the locality most exposed to the outcome built its budget on the assumption the fight would resolve in the industry's favor.[37] On the exemption, it did. The same budget added a second exposure: the consumption tax falls on every kilowatt-hour the Mecklenburg campuses draw through June 2028. No public source states a verified campus load to price it,[70] and this report does not estimate one.

The Spillover That Showed Up

The industry's advocates promise supply-chain spillover; Southside has one verifiable instance, and it is large. Hitachi Energy announced on September 4, 2025, a $457 million expansion of its South Boston transformer plant in neighboring Halifax County, 825 new jobs on top of roughly 670 existing at the time, to build what the company describes as the largest large-power-transformer manufacturing site in the United States, with AI data centers named among the demand drivers; the package included a state MEI grant of up to $29.4 million subject to General Assembly approval. Trade coverage reported equipment ordered and shipping targeted for 2028, and Cardinal News reported a company spokesperson's statement that the facility "should be operational by 2028."[97] The company broke ground on Monday, June 29, 2026; local coverage of the ceremony put existing employment at about 850, reported the company's goal of completing the expansion sometime in 2029, and described the project as running slightly behind the company's original schedule. Neither of the two groundbreaking reports cited here, as read on October 24, 2026, mentions 2028, and neither says whether the 2029

completion goal moves the 2028 dates.[98] The regional irony deserves recording: the data center boom’s most labor-rich Southside consequence is a factory making the grid equipment the boom keeps exhausting, 825 announced jobs, on top of about 850 already at the plant, against the roughly 700 (vendors included) at the eleven Microsoft sites one county east. Manufacturing transformers for data centers employs more people than operating data centers, in the same labor market, and the gap is the energy and labor framework’s whole argument in a single comparison.

PART ELEVEN: PROMISES AGAINST OUTCOMES

Each decision point, what was promised, what is documented fifteen, ten, five years on.

Decision point	Promised	Documented outcome	Verdict
2010 recruitment	Up to $499M investment; 50 jobs	First building online 2012; jobs delivered as contractor positions per 2010 design disclosure	Investment kept; jobs kept in letter, hollow in category
2010 incentives ($6.9M state/Tobacco + 90% rebate + $2M land)	“Largest economic investment in Southern Virginia history”; contract target $299M	$702.3M state-verified by 2014; $1.998B announced by 2016; campus still expanding 2026	Exceeded at every checkpoint
2011–2016 expansions ($1.5B announced; 216 jobs promised)	Cumulative “nearly $2B,” “more than 250 jobs”	VEDP 2019: ~300 jobs in county. Mixed-category counts thereafter	Investment kept; jobs at/near promise line, half contract per JLARC norms
2019 expansion (undisclosed $; 100+ jobs)	“Significant capital investment”; contract target $1,066.8M	State-verified $1,817.3M and 387 jobs by Sept. 2024, disclosed only through grant-compliance files	Exceeded, and unannounced by design
2020–2026 land assembly and permits (no public promises)	None made	~900 acres bought; 12 sites; 3,762 acres; business personal property 47.5% of general fund	Outcome without promise: the county’s best result came from the era with no announcements
Fiscal transformation (never promised)	No one in 2010 projected general-fund dependence	35–40% of GF revenue (2024 estimate); $154M school complex; 31¢ RE rate; $2.46 PP rate	Exceeded anything promised

Decision point	Promised	Documented outcome	Verdict
Community transformation (implied, never specified)	“Bringing Mecklenburg County forward to the 21st century” (BOS chair, 2010)	Boydton population down 30%; main-street effect: lunch tables; Moseley cemetery relocated; systems investments real	Not kept, because never actually made
Hillcrest (2020–)	No public jobs/investment promises at all	Permits, transmission, revenue split documented	The promise era is over; the buildout no longer bothers

Three findings for the portfolio’s projection tests.

First, on revenue: Mecklenburg validates the fiscal core of every projection in the series, and then qualifies it. Data center equipment tax is the most lucrative per-acre revenue instrument available to a Virginia locality; the EY projection for Hanover ($901 million over 15 years from 2030) and Tract’s for Hickory Hill ($1.78 billion over 20 years) are directionally consistent with what actually happened in Mecklenburg, whose $0.66 equipment rate sits above the $0.45 business personal property rate the EY projection assumed; the Hanover case study gives no rate for Tract’s projection. The qualifications: the revenue arrived a decade after recruitment, scaled with buildout phases no county controlled or foresaw, rests on refresh behavior and an exemption the 2026 budget kept and the 2027 session can revisit, and is concentrated in a single counterparty. A projection is a promise about year fifteen made by someone who will not be there. Mecklenburg’s year fifteen happens to look better than its promises, and the mechanism that produced that result, continuous unannounced expansion, is precisely the mechanism no projection models.

Second, on jobs: the announcement-sum convention (50, then 10, then 30, then 90…) survived fifteen years without one audited cumulative headcount. JLARC’s per-building arithmetic, not the press releases, predicted the observed outcome; the latest state-verified count, 387 jobs against the 2019 agreement, sits where that arithmetic says it should. Every jobs figure in every prospective report in this series should be deflated accordingly, and the deflator is documented here.

Third, on the gaps, marked in both directions as the audit requires. The county got more than promised: the fiscal outcome, the offsite reimbursement structure, the skills infrastructure, the broadband legacy. The county got less: the town-scale revival that “21st century” rhetoric implied, any public lifetime accounting of the

rebate’s cost, any say in the post-2019 buildout, and the Moseley graves. The two lists do not net against each other. They land on different people, which is the distributional point the series exists to make.

PART TWELVE: READINGS BY FRAMEWORK

For the utility finance framework: Part Four (the recovered gross-and-net revenue curves, the rebate machinery, the refresh dependency, the LCI clawback, the offsite reimbursement fund), Part Eight (the MEC rate case as the cleanest cost-allocation record in the series, ODEC's wholesale pass-through, the insolvency tail risk), and Part Ten (the exemption bound, the 2026 budget outcome and the consumption tax). The Mecklenburg revenue table is the actual against which the Hanover (EY $901M) and Hickory Hill (Tract $1.78B) projections should be tested.

For the energy, labor, and infrastructure framework: Part Five entire (the two-badge design disclosure, the announcement-sum convention, the JLARC benchmark holding at scale, the $10.88 ditch line, the pipeline-bigger-than-the-pipe finding), Part Ten's Hitachi comparison, and the open commute-shed and post-buildout questions.

For the distributional justice framework: Part Six (the Moseley cemetery as the Brown Grove question without the community to ask it; the who-within-the-county question the record cannot answer), Part Nine (wetlands priced at pickup-truck fines), and Part One's bargaining-power frame.

For the institutional behavior framework: Part Three and Part Seven (by-right as a strategy adopted before controversy could form, and the 2026 county ordinance and town tax change that altered the terms), and the silence the abstract describes, which the record explains by remoteness, poverty, the co-op and tobacco-commission institutional mesh, and the absence of any organized regional coalition until the Sierra Club and Friends of the Meherrin forum of September 18, 2024, in Chase City, fourteen years in.[99] The phenomenon to explain is fifteen years of approvals almost entirely without recorded dissent, and the explanation on the record is that every institution with standing to object was a counterparty.

For the energy geography framework: Part One (the tobacco-fiber-poverty siting formula), Part Seven (the transmission map as the load's confession), Part Eight (the solar ban beside the by-right data centers, and the 2026 ordinance that made both special exception uses), and the bridge: Boydton is the template for rural Georgia and Tennessee siting, the closest Virginia analog to the southern sites, with fifteen years of outcomes the southern communities have not yet had time to accumulate. This report is built to translate.

PART THIRTEEN: GAPS IN THE RECORD

Each item below is an open documentary question with an address. Items marked with an asterisk (*) flag claims in the body that still rest on secondary sources or this report's own arithmetic.

What Remains Offline

The 2010 performance agreement and the change in its term. The grant's original 90 percent term survives in one newspaper story;* the operative 82.5 percent is in the audited fiscal 2023 report, which records abatement agreements with two entities. Whether an amendment, a superseding agreement or later agreements for the expansion sites produced the change is not shown in any digitized record located for this report. The County Administrator quoted 82.5 percent to the New York Times in August 2016, so the change predates that, and the board's minute books from before August 2016 are not digitized. The fiscal 2017 through 2022 annual financial reports would confirm the 82.5 percent term but postdate the change; they are not posted anywhere the auditor's site or the county's exposes. The clerk's office has both.

The deed books. The original December 2020 considerations for Hillcrest and Lakeside were overwritten in the county parcel layer; the 2010 deed for the original park (LR-10-4197) shows no consideration, leaving the $2 million price resting on journalism.* The circuit court's land records (the LR-20 series and LR-10-4197) hold all three.

The early rebate years. Stimulus-grant actuals for fiscal 2011 through 2018 sit in budget books that exist online only as image scans. OCR or the bound copies would complete the rebate series and the lifetime total this report can only bound at "over $300 million."*

The depreciation table. Posted behind a county document viewer and not yet read.

The Tobacco Commission's own files. The award lists are scanned PDFs without machine-readable grant numbers; disbursement status for the 2010 ($4.8M) and 2013 ($2.0M) awards is unverified. The commission's staff in South Boston hold the files.

School finance detail. The complex's cost is $152 million by its construction manager and $154 million by Cardinal News; a separate roughly $90 million elementary program needs reconciling against the $100 million figure in county budget coverage. The school division's budget books, not posted in any indexed archive, hold the answer.

MEC's 2024 books. The co-op's 2024 annual report gives operating revenues of $146.6 million; the IRS Business Master File entry for its 2024 return gives total revenue of $197.9 million. The full Form 990, not yet posted, or the co-op itself, resolves the gap.*

Employment, employer-level. VEC suppresses single-employer data in everything it publishes. The only paths to a badge-versus-vendor headcount are Microsoft and the contractors themselves.

Boydton's decennial race detail. The ACS estimates carry town-scale margins of error too wide to settle the demographic characterization; the 2020 decennial P2 table settles it.

The fourth Corps notice. A Timber LVL data center notice (NAO-2011-01135) is not among the three notices summarized in Part Nine; its impact figures are not reported here.

The 2021 Economic Incentive Grant Agreements. The agreements of January 22 and October 8, 2021 among South Hill, the town's Industrial Development Authority and the county; the June 8, 2026 resolution as adopted, with its vote; and any county or authority action ending them. The town's approved minutes for May 11 and June 8, 2026 are posted only as image scans. The town clerk and the county administrator's office hold them.

The zoning ordinance and existing sites. How the 2026 ordinance's transition and vested-rights provisions apply to the existing Microsoft campuses and to land Microsoft holds without approved plans. The ordinance assigns vested-rights determinations to the zoning administrator.

The October 13, 2026 Board meeting. The Board adopted amendments to the new zoning ordinance that day, SoVaNow reported, among them a perimeter access road as a condition of special exception approval for battery-storage sites. The county has since posted the amended text on its website, dated October 13, 2026 on its cover, with its adoption clause still reading adopted May 11, 2026, effective July 1, 2026.[100] None of the items the Board referred to the Planning Commission in September concerned data centers, though the package as reported includes at least one item that was not on that referral, the battery-storage perimeter access road. The September 17, 2026 draft posted on the county's zoning project site marks no change in the use-table rows for data centers and utility-scale solar or in the data center standards section this report cites (Part Seven). Whether the posted final text changes those rows or that section is open; its use table (§ 6.4) and supplemental standards (§ 7.1) are the check. The vote on the amendments and the disposition of the drought response ordinance listed for discussion the same day are in the

minutes, which post after the Board approves them, in the county's Agenda Center; the October 13 minutes were not listed there as of October 24, 2026.

The withdrawal request. The Department of Environmental Quality's file on the withdrawal increase the County Administrator says was rejected: the permit holder, the amount requested and the date; and whether the $25 million plant in his testimony is the Roanoke River Service Authority's $24 million expansion. DEQ and the RRSA.

Water reporting from 2027. Whether the monthly volumes reported to the State Water Control Board under the 2026 acts will be published, and at what level of detail. DEQ.

The Hitachi grant. The disposition of the Major Employment and Investment grant of up to $29.4 million announced in September 2025. VEDP and the 2026 Appropriation Act's Commerce and Trade items.

The exemption study. The Joint Subcommittee on Tax Policy's recommendations, due to the General Assembly by December 15, 2026; the Legislative Information System listed the report as pending on October 24, 2026. The Joint Subcommittee on Tax Policy.

Standing Cautions for Users of This Report

Secondary-source and own-arithmetic flags carried in the body: the 2013 expansion's 30-jobs figure,* the ODEC insolvency quotation,* the $9.6 billion implied equipment base and the lifetime-rebate extrapolation (this report's arithmetic, not published figures),* the "plausibly largest beneficiary outside Northern Virginia" claim,* and all tracker-derived building counts and dates, which conflict internally (the trade trackers also variously misattribute Hillcrest to Amazon and misfile South Hill under Richmond; treat every aggregator detail as unverified). Microsoft's published fact sheets mix employee and contractor categories and include at least one stale-dated PDF. Good Jobs First's Subsidy Tracker total for Microsoft in Virginia ($41.1 million) includes a $22.5 million Fairfax County grant and two duplicate entries; the corrected Mecklenburg state-grant total is about $17.3 million including Tobacco Commission awards. The county GIS layer retains only each parcel's latest deed, so its considerations cannot be read as a transaction history. ACS estimates for a 269-person town carry margins of error that swallow most claims built on them. And the 2010 local approval record still rests on one newspaper's contemporaneous reporting.

APPENDIX: TIMELINE OF TURNING POINTS, 2004–2026

Date	Event
2004	Mid-Atlantic Broadband Cooperative formed; $12M Tobacco Commission and EDA seed capital
2008	Del. Tommy Wright's data center sales tax exemption, drafted for a Mecklenburg prospect, passes 97–2 and 40–0
2009–2010	"Project Deacon" site search; Montgomery County site fails on karst geology; Boydton substituted
Jul. 2010	Board of Supervisors offers 90% personal property tax rebate, 20 years
Aug. 2010	IDA agrees to sell 175-acre park to Microsoft for $2M
Fri., Aug. 27, 2010	McDonnell announces up to $499M, 50 jobs; GOF $2.1M, Tobacco $4.8M
Fri., Sept. 23, 2011	First expansion: $150M, 10 jobs, +21MW
Early 2012	First building online
Wed., Jan. 30, 2013	Second expansion: $348M, two buildings; cumulative $997M; ITPAC era
Mar. 2014	Moseley family graves found in path of third expansion
Wed., Jun. 11, 2014	Third expansion: $346.7M, 90 jobs; GOF $1.6M + TROF $1.6M
Nov. 2015	Fourth expansion: $402.4M, 42 jobs; TROF $1.34M
Wed., Nov. 9, 2016	Fifth expansion: $251.6M, 44 jobs; cumulative "nearly $2B"
Feb. 2017	Sabotage attempt at Building 7 under construction; insider wiring tampering
Mar. 2018	Southern Virginia added as a Microsoft TechSpark region
2018	First Microsoft Datacenter Academy worldwide opens (SVCC/SVHEC, South Hill)
Mon., Jul. 9, 2018	County approves design study for a third 1M-gallon tank at the "Microsoft Tank Farm"
Thu., Jan. 10, 2019	Sixth and final announced expansion: undisclosed investment, 100+ jobs; COF $1.5M
Sept. 2020	South Hill adopts by-right data center zoning ahead of land sale
Dec. 2020	Microsoft buys ~900 acres across three industrial parks; prices not announced, one later recovered from county parcel records

Date	Event
Mon., Jan. 11, 2021	South Hill rezones cemetery-remnant parcel at Hillcrest; height limit raised to 65 ft
Mon., Mar. 8, 2021	County–South Hill 50/50 revenue-sharing agreement for Hillcrest
2021	EDA $1.6M Boydton wastewater grant
Jul. 2022	USACE notices Hillcrest permit: three buildings, substation, 132 acres (cut from 8-building/336MW test fit)
2022	$154M Baskerville school complex opens
Fri., Dec. 16, 2022	ProPublica publishes Moseley cemetery investigation: 37 graves relocated
Apr. 2023	USACE notices six-building Bailey campus, 369 acres
Wed., Jun. 14, 2023	SCC approves Dominion South Hill 230kV project (filed Oct. 6, 2022)
Jul. 2023	$24M RRSA water plant expansion awarded
May 2024	Board retires the 82.5% rebate (after ~$276M documented FY2019–24) and adopts the $0.66 data center equipment class
Jun. 2024	DEQ consent order: $41,766.90 fine, 2.33 acres of wetlands destroyed at Lakeside
Wed., Sept. 11, 2024	Sun maps 12 data center sites, 3,762 acres; Gottschalk: 35–40% of general fund
Wed., Sept. 18, 2024	Sierra Club / Friends of the Meherrin forum, Chase City: first organized opposition in 14 years
Mon., Dec. 9, 2024	JLARC data center study briefed: ~50 workers per 250K sq ft, half contract
Feb. 2025	County rezones TECfusions Clarksville campus unanimously; supervisor opposes park transmission route
Apr. 2025	FY2026 general fund +19.6%; county bans utility-scale solar; Route 58 RIFA formed to diversify
Apr. 2025	Microsoft job fair, South Hill (a Tuesday, reported April 16): ~500 prospects, ~95 openings
Thu., Sept. 4, 2025	Hitachi Energy: $457M, 825 jobs, South Boston transformer plant
Fri., Sept. 5, 2025	SCC authorizes MEC interim large-load rate
Wed., Apr. 1, 2026	FY2027 budget recommended: BPP $63.5M = 47.5% of GF; RE rate 31¢; PP $2.46

Date	Event
Mon., May 11, 2026	Board adopts new county zoning ordinance, in force July 1: data centers by special exception in M-1; utility-scale solar by special exception in A-1 and M-1
Mon., Jun. 8, 2026	Microsoft presents the Antlers Road Mitigation Bank; South Hill council votes, as reported, to discontinue its 2021 Microsoft incentive agreements
Mon., Jun. 29, 2026	Hitachi Energy breaks ground in South Boston
Mon., Jun. 29, 2026	Budget approved by the Governor (Chapter 1, effective July 1): exemption kept; $0.011/kWh consumption tax, July 2026 to July 2028
Wed., Jul. 1, 2026	County zoning ordinance and South Hill’s 30-cent data center equipment rate take effect
Wed., Jul. 29, 2026	County Administrator’s testimony: DEQ rejected the withdrawal permit increase sought after the plant expansion
Wed., Sept. 9, 2026	SCC final order approves MEC Schedule LPS-U
Tue., Oct. 13, 2026	Board adopts amendments to the county zoning ordinance, as reported

ENDNOTES

[1] The research framework categories used in this report are the author's analytic categories, applied by type of work.

[2] The investment-total reconciliation. Figures and what each counted: $997 million (January 2013) is the sum of the 2010 ($499M), 2011 ($150M), and 2013 ($348M) announcements; "more than $1.3 billion" (June 2014) adds $346.7M; "nearly $2 billion" (November 2016) adds $402.4M and $251.6M, summing to $1,997.7M. The January 2019 sixth expansion disclosed no figure, and no dollar figure has been announced since; all subsequent "more than $2 billion" claims (county officials, Mecklenburg Sun, Baxtel) are floors that exclude the post-2019 buildout, and some 2025 coverage reaches "approaching $3 billion" without stated methodology. A reference to a "June 2024 announcement of $348 million for two facilities" circulating in secondary materials is a mis-dated duplicate of the January 30, 2013 announcement; no 2024 expansion announcement appears in any source located for this report. Data Center Dynamics' contemporaneous reporting conflated the 2013 ($348M) and 2014 ($346.7M) rounds, two near-identical figures that have contaminated secondary sums since. No cumulative Mecklenburg investment total published by Microsoft appears in any source located for this report. Sources: Data Center Knowledge, Jan. 30, 2013, https://www.datacenterknowledge.com/hyperscalers/microsoft-to-build-two-more-data-centers-in-virginia; Kenbridge-Victoria Dispatch, Dec. 14, 2016 (recapping all five expansions), https://kenbridgevictoriadispatch.com/2016/12/14/microsoft-expanding-data-center-in-mecklenburg-county/; Data Center Dynamics, https://www.datacenterdynamics.com/en/news/microsoft-invests-us3467m-into-boydton-expansion/. The state's post-performance verification files (see the State's Own Audit endnote) further complicate the announced ladder: the 2010 grant's contract target was $299M against the announced "up to $499M," and per-window verified capital expenditure exceeded every contract target by 70 to 174 percent; the windows overlap, so the verified figures cannot be summed into a cumulative either.

[3] Quentin Hardy, "Data centers bring sprawling facilities, but few jobs, to small towns," The New York Times, August 2016, as syndicated in the Santa Fe New Mexican, Aug. 27, 2016, https://www.santafenewmexican.com/news/data-centers-bring-sprawling-facilities-but-few-jobs-to-small-towns/article_e4050cfe-816e-5712-b104-efb972c97a89.html. The feature is the canonical national account of mid-decade Boydton and the source for the Wayne Carter 82.5 percent figure, the E.W. Gregory (IBEW) "guard shack" quotation and wage figures, Mayor Thomas C. Coleman III's "lunch tables" remark, librarian Leigh Lambert's "Starbucks

machine” remark, and the plant-closure chronology. TechRepublic’s companion analysis, Alison DeNisco Rayome, “Why data centers fail to bring new jobs to small towns,” Sept. 19, 2016, https://www.techrepublic.com/article/why-data-centers-fail-to-bring-new-jobs-to-small-towns/, is the source for Gregory’s “People thought when Microsoft came in it would create jobs, but that’s just not the case” and for his count of about 25 local hires. The feature dates the prison’s closure to 2012; the County Administrator’s July 2026 testimony (note 35) reads “When shuttered in 2011.”

[4] Virginia Cooperative Extension, Mecklenburg County Situation Analysis (2023), https://www.pubs.ext.vt.edu/VCE/VCE-596/VCE-596-63/VCE-596-63.html (median household income $36,069 in 2011 and $46,378 in 2021, under 60 percent of the state average; poverty 15.7 percent overall, 23 percent among youth). Later figures: Census QuickFacts ($51,691, 2023) and ACS 2020–2024 five-year estimates ($57,045 ± $4,683; poverty 16.3 percent), retrieved via the Census Reporter API, tables B19013 and B17001.

[5] U.S. Census Bureau decennial counts: Boydton town, 431 (2010) and 302 (2020); Mecklenburg County, 32,727 (2010) and 30,319 (2020). Aggregator sites circulate stale or modeled Boydton figures (~274); the decennial counts are used here.

[6] “Mecklenburg lands Microsoft data center,” The Mecklenburg Sun (SoVaNow), Aug. 27, 2010, https://www.sovanow.com/articles/mecklenburg_lands_microsoft_data_center/. This story is the sole documentary source for the July 2010 board action offering Microsoft an economic stimulus grant equal to 90 percent of personal property tax for 20 years, for the IDA’s agreement in early August 2010 to sell the 175-acre Boydton Plank Road Industrial Park (built 1997, never occupied) for $2 million, for the “Project Deacon” code name, and for VEDP’s Christie Miller on the exemption (“No other state offers that exemption”).

[7] Mid-Atlantic Broadband Communities Corporation corporate history, https://mbc-va.com/history/ (formed 2004; $12M initial Tobacco Commission and U.S. EDA capital; $24M further Tobacco grants 2005–06; first 600 miles lit September 2006; break-even December 2007; $32M ARRA awards 2010; renamed July 23, 2012; 2,500 route miles across 41 counties and cities as of 2024).

[8] Virginia Economic Development Partnership press release, Aug. 27, 2010, “Mecklenburg County: Microsoft to locate major data center,” https://www.vedp.org/press-release/2010-08/mecklenburg-county-microsoft-locate-major-data-center (up to $499M, 50 jobs, $2.1M Governor’s Opportunity Fund, $4.8M Tobacco Commission, VJIP; MBC fiber “a key component”; Dominion

“instrumental”; “largest economic investment in Southern Virginia history”; Board of Supervisors chairman Glenn Barbour: the selection “indicates that we are progressive… bringing Mecklenburg County forward to the 21st century”).

[9] “Microsoft gives update on Boydton construction,” The Mecklenburg Sun (SoVaNow), Nov. 17, 2010, https://www.sovanow.com/articles/microsoft_gives_update_on_boydton_construction/ (project manager Jens Housley to Boydton Town Council: two Microsoft employees on site, promised 50 jobs to be contractor positions in shifts of about 15; fiber “one of the major reasons we selected that site… Bandwidth is cheaper, and unlimited”; Christiansburg-area site rejected for sinkholes; Dominion substation and 1.5-mile line; “Dominion loves us”; construction crew over 100, expanding to 150–200; safety rules limiting local contractor participation).

[10] Cardinal News exemption coverage by Dwayne Yancey and Markus Schmidt, principally “Tax abatement for data centers is now $1.6 billion a year. Is that a giveaway or a bargain?,” Cardinal News, Jan. 22, 2026, https://cardinalnews.org/2026/01/22/tax-abatement-for-data-centers-is-now-1-6-billion-a-year-is-that-a-giveaway-or-a-bargain/ (2008 bill by Del. Tommy Wright, R-Lunenburg, drafted as an incentive for an industry prospect in Mecklenburg; amended to localities with unemployment at or above 4.9 percent; passed House 97–2, Senate 40–0; signed by Gov. Kaine; original fiscal estimate $1.54M; data center revenue “about one-quarter” of Mecklenburg’s budget).

[11] Cardinal News, Feb. 15, 2023, https://cardinalnews.org/2023/02/15/the-one-that-got-away-in-pittsylvania-county-and-went-to-michigan-instead/ (Microsoft first examined a Montgomery County site that fell through over sinkhole-prone geology before Boydton was substituted).

[12] Mecklenburg County Board of Supervisors and IDA minutes from 2010 are not available in the county’s digitized Agenda Center, which begins its reliable run around 2020 (https://www.mecklenburgva.com/AgendaCenter/). The July 2010 grant vote and August 2010 land action survive in public only through the Mecklenburg Sun’s contemporaneous reporting. See Part Thirteen.

[13] The rebate, resolved to the extent the online record allows: 90 percent for 20 years as reported at recruitment (Mecklenburg Sun, Aug. 27, 2010); 82.5 percent operative per the county’s audited FY2023 Annual Financial Report, GASB 77 tax abatement disclosure (see the abatement endnote). Wayne Carter quoted the 82.5 figure to the New York Times as early as August 2016, so whatever change produced it predates that interview. No amending or superseding document appears in any digitized record located for this report, and the board minutes that would carry one are not online; the FY2017–FY2022 annual financial reports,

which would carry the 82.5 percent term but postdate the change, are not posted online. Dating the change is an open item (Part Thirteen).

[14] Expansion ladder sources. 2010: VEDP release cited above. 2011: “Microsoft to expand data center in Mecklenburg County,” SoVaNow, Sept. 23, 2011, https://www.sovanow.com/articles/microsoft_to_expand_data_center_in_mecklenburg_county/; Data Center Knowledge, Sept. 23, 2011, https://www.datacenterknowledge.com/cloud/microsoft-steps-up-cloud-expansion-plans. 2013: Data Center Knowledge, Jan. 30, 2013, https://www.datacenterknowledge.com/hyperscalers/microsoft-to-build-two-more-data-centers-in-virginia; Virginia Business, Jan. 30, 2013. 2014: Virginia Business, June 11, 2014, https://virginiabusiness.com/microsoft-announces-third-expansion-in-mecklenburg/; Augusta Free Press, June 11, 2014 ($1.6M GOF + $1.6M Tobacco; the announcement names the award a Governor’s Opportunity Fund grant, and VEDP’s post-performance report carries the same project, 2013-84486, under the Commonwealth’s Opportunity Fund). 2015: Business Facilities, https://businessfacilities.com/microsoft-expanding-in-mecklenburg-county-va-for-fourth-time/ (TROF $1.34M). 2016: Data Center Knowledge, Nov. 9, 2016, https://www.datacenterknowledge.com/archives/2016/11/09/microsoft-build-probably-upgrade-boydton-data-center; Kenbridge-Victoria Dispatch, Dec. 14, 2016 (COF $500K, TROF $970K; “nearly $2 billion... more than 250 jobs since 2010”). 2019: VEDP press release, Jan. 10, 2019, https://www.vedp.org/press-release/2019-01/microsoft-corporation (COF $1.5M; MEI Project Approval Commission; ~300 jobs in Mecklenburg, ~1,800 in Virginia at announcement). Grant databases add incentives the announcements omit: the 2013 round carried a $200,000 COF grant (project 2012-60188) and a $2.0 million Tobacco TROF award; the November 2015 round carried a $700,000 COF grant (project 2015-123227, “Microsoft BN7”) alongside the $1.34M TROF. Sources: Good Jobs First Subsidy Tracker, https://subsidytracker.goodjobsfirst.org/parent/microsoft (note its $41.1M Virginia total includes a $22.5M Fairfax County award and two duplicate entries); VEDP post-performance reports cited separately. A “~$2M Tobacco award (2019)” appearing in some secondary accounts does not exist in any grant database or commission list.

[15] Area Development, Jan. 30, 2013, https://www.areadevelopment.com/newsitems/1-30-2013/microsoft-data-center-expansion-mecklenburg-county-virginia5489484.shtml (30 jobs). The jobs figure does not appear in Data Center Knowledge’s or Virginia Business’s contemporaneous coverage and is flagged accordingly.

[16] “Microsoft builds upon data center investment, creating 10 more jobs” / “Microsoft expansion coming in waves,” SoVaNow, September 2011, https://www.sovanow.com/articles/microsoft_expansion_coming_in_waves/ (datacenter manager Bernard Lamoureux: “Initially, we are looking to fill 30-50 permanent, non-construction positions – a combination of technical people, janitorial, security, and grounds keepers”; almost 450 construction workers on site July 2011; ~$50,000 hydro-jetting unit donated; Microsoft to pay for Boydton wastewater plant expansion).

[17] Baxtel, Microsoft Boydton campus profile, https://baxtel.com/data-center/microsoft-boydton-va (first building online early 2012; building-by-building inventory through Building 11; served by Dominion). Tracker data; treat details as unverified (see Part Thirteen).

[18] Data Center Knowledge, “Microsoft’s $1 Billion Roofless Data Center,” Jan. 31, 2013, https://www.datacenterknowledge.com/archives/2013/01/31/microsofts-1-billion-roofless-data-center; Microsoft ITPAC technical archive, https://learn.microsoft.com/en-us/archive/blogs/msdatacenters/microsofts-itpac-a-perfect-fit-for-off-the-grid-computing-capacity (adiabatic cooling at “just 1 percent of the water consumed in a traditional data center”).

[19] Kenbridge-Victoria Dispatch, Dec. 14, 2016, https://kenbridgevictoriadispatch.com/2016/12/14/microsoft-expanding-data-center-in-mecklenburg-county/, recapping all five expansions with figures; Data Center Knowledge, Nov. 9, 2016 (announcement date). The fifth expansion was announced Wednesday, November 9, 2016, the morning after the presidential election.

[20] VEDP press release, Jan. 10, 2019, https://www.vedp.org/press-release/2019-01/microsoft-corporation. The release is the best official employment actual in the record: “Microsoft has created nearly 1,800 jobs in Virginia, with approximately 300 jobs at Microsoft locations in Mecklenburg County.” See also VEDP’s case study, “Microsoft Corporation’s Expanding Virginia Footprint,” https://www.vedp.org/case-study/microsoft-corporations-expanding-virginia-footprint (“combined total of more than 350 jobs” promised across all projects).

[21] “Microsoft snaps up land at three industrial parks,” The Mecklenburg Sun (SoVaNow), Dec. 23, 2020, https://www.sovanow.com/articles/microsoft_snaps_up_land_at_three_industrial_parks/ (~900 acres; five sellers; County Administrator Wayne Carter “not at liberty”

to disclose; September 2020 South Hill by-right zoning amendment described as routine).

[22] SoVaNow, Dec. 31, 2025, “Counting down the Top 10 stories of 2025,” https://www.sovanow.com/articles/counting-down-the-top-10-stories-of-2025/: twelve sites, eleven Microsoft-owned; “more than $2 billion” invested with some coverage approaching $3 billion; schools, administration building, and planned public safety building funded “with no new taxes.”

[23] “Microsoft’s $2B investment in Southern Virginia fulfills early vision,” Gazette-Virginian (yourgv.com), Nov. 3, 2025, https://www.yourgv.com/business/local_business/microsoft-s-2b-investment-in-southern-virginia-fulfills-early-vision/article_862bfb68-1cb2-4701-aad5-0be0ef8ccbe7.html (2021 U.S. EDA $1.6M Boydton wastewater award described as “unlocking another $1.6 billion in private investment,” with an estimated 270 jobs; the page carries the note “This story has been updated after Mid-Atlantic Broadband Communities reached out to The Gazette to clarify points,” and its framing is treated cautiously).

[24] VEDP incentive post-performance reports (vedp.org/incentives-reporting and archived predecessors): Status Report on COF Projects FY11–FY17 in Post-Performance Period (archived May 2018: GOF $2.1M, project 35-16225, agreement Oct. 8, 2010: 61 jobs vs. 50, $702,291,893 capex vs. $299M target, wage $59,322 vs. $49,700, Metrics Achieved); COF Post-Performance Report June 30, 2019 (archived: $200K project 2012-60188: 30/30 jobs, $676,212,147 vs. $348M; $1.6M project 2013-84486: 105 vs. 90 jobs, $610,370,818 vs. $346,760,699, wage $65,051 vs. $44,964); COF Post-Performance Report June 30, 2021 (archived: $700K “Microsoft BN7,” project 2015-123227: 50 vs. 42 jobs, $824,504,900 vs. $402.4M; $500K “Microsoft BN8,” project 2015-126848: 54 vs. 44 jobs, $688,425,394 vs. $251.59M); COF Post-Performance Report June 30, 2025 (vedp.org/sites/default/files/2025-10/COF%20Post%20Performance%20Period%20Report%2006-30-25%20for%20Website.pdf: $1.5M “Microsoft BN 9-13,” project 2018-140262, agreement Nov. 8, 2018: 387 jobs vs. 108, $1,817,305,847 vs. $1,066,755,918, wage $90,092 vs. $47,000, performance date Sept. 1, 2024, Metrics Achieved). All six closed Metrics Achieved; no clawbacks. Tobacco status per VEDP’s 2018 HB1191 report: TROF $1.6M and $1.34M “Complete,” $970K then in “Milestone” status. Sales tax exemption: DCRSUT Project Performance Report June 30, 2020 (archived): Microsoft, Mecklenburg, “Single User,” MOU Oct. 8, 2010, statutory minimums met. State grant total for Mecklenburg ≈ $17.3M ($6.6M COF/GOF + $10.71M Tobacco); COF/GOF awards all closed “Metrics Achieved”; Tobacco status as above, with disbursement of the 2010 and 2013 awards unverified (Part Thirteen).

[25] Mecklenburg County GIS parcel layer (Southside GIS viewer, meck.southsidegis.org; ArcGIS feature service queried directly June 12, 2026): 31 parcels with Microsoft account names, 4,254.0 acres total. Transactions cited from parcel records: Roanoke River Regional Business Park, deed LR-20-5075, transfer Dec. 11, 2020, grantors the Mecklenburg and Brunswick county IDAs, consideration $1,962,440, 169.70 acres; LVL09 site, LR-19-2168 (2019), $8,527,541, 321.64 acres; Mullin tract, LR-23-4074 (Nov. 2023), $6,000,210, 600.03 acres; Bailey farm, LR-24-2596 (June 2024), $6,142,900, 614.29 acres; Wright Forestry, LR-24-3786 (Aug. 2024), $2,869,900, 283.66 acres. Caveats: the layer retains only each parcel's most recent deed, so the original December 2020 Hillcrest and Lakeside considerations are overwritten (Hillcrest now shows a Dec. 2021 Town of South Hill deed at $0; Lakeside a 2023–24 Microsoft-to-Microsoft consolidation), and the 2010 deed LR-10-4197 shows no consideration, leaving the $2 million price on contemporaneous journalism. The county's September 2024 reported footprint (12 sites, ~3,762 acres) is smaller because the GIS total includes raw land assembled since.

[26] Jami Snead (South Hill Enterprise), "Microsoft acquires land from Mecklenburg, Brunswick counties," via Lake Gaston Gazette-Observer, Dec. 31, 2020, https://www.lakegastongazette-observer.com/news/article_d46f68ac-4ba0-11eb-9ae7-a7300e70933e.html (town manager and Microsoft's PR agency did not respond to price inquiries; VEDP park marketing: 138 acres, 1.128M sq ft capacity, 500,000-gallon water tank, helipad). The 132-acre figure in the federal permit and the 138-acre park description likely differ by excluded land.

[27] "South Hill clears away roadblock at Microsoft site," SoVaNow, Jan. 13, 2021, https://www.sovanow.com/articles/south_hill_clears_away_roadblock_at_microsoft_site/ (R1-15 remnant zoned for a never-developed cemetery, "no one knows the exact location… a study of the land turned up no graves"; rezoned industrial without objection; I-P height limit raised from 45 to 65 feet, rationale the new fire pumper's reach).

[28] "Mecklenburg County, South Hill strike tax revenue deal," SoVaNow, Mar. 10, 2021, https://www.sovanow.com/articles/mecklenburg_county_south_hill_strike_tax_revenue_deal/ (board approval Monday, March 8, 2021; South Hill forgoes separate assessment; county remits half by January 5 annually; framed explicitly as "a tax incentive for Microsoft"). Per the FY2027 county budget, the South Hill share line was $2,215,058 in FY2026 and phases out of county books in FY2027 as the town receives funds directly. For the town's 2026 account of the 2021 agreements, see [29].

[29] Town of South Hill, Town Council packet for June 8, 2026 (“260608 SHTC Reg Mtg.pdf,” agendas and minutes page, southhillva.org): Town Manager’s memorandum, “Resolution Regarding Economic Incentive Agreements” (“discontinue the Economic Incentive Grant Agreements related to Microsoft’s data center operations, effective July 1, 2026”; “all parties are in agreement with the transition”), and the resolution (agreements “dated January 22, 2021, and October 8, 2021” among the town, the Industrial Development Authority of the Town of South Hill and the county; “the Town agreed to appropriate and remit to the IDA amounts equal to tax revenues received by the Town from Microsoft, for the purpose of providing economic incentive grants to Microsoft”; the agreements “further contemplate the sharing of certain County tax revenues with the Town and subsequent remittance through the IDA to Microsoft”); the monthly financial report in the same packet (FY2025-26 “Economic Incentive Grant” expenditure, budgeted $6,931,000). Town Council packet for May 11, 2026: FY2026-27 rate table (data center equipment, no rate in FY2025-26, $0.30 per $100 for FY2026-27) and tax levy ordinance, Section 1.D (“Upon all computer equipment and peripherals used in a data center, there shall be a tax levy of No Dollars and Thirty Cents ($0.30) for every One Hundred Dollars ($100.00) of assessed value”), effective July 1, 2026. Town tax rates page, https://www.southhillva.org/tax_rates.php, read October 10, 2026 (“Personal Property - Data Center Equipment $0.30/100”). Vote of Monday, June 8, 2026: SoVaNow, June 10, 2026, https://www.sovanow.com/articles/south-hill-council-moves-forward-on-easement/; the votes are as SoVaNow reports them.

[30] U.S. Army Corps of Engineers, Norfolk District, public notice NAO-2013-01922, “Hillcrest Data Center, Mecklenburg County” (July 2022; comment deadline Aug. 17, 2022), https://www.nao.usace.army.mil/Media/Public-Notices/Article/3090248/nao-2013-01922-hillcrest-data-center-mecklenburg-county/ (three data center buildings, substation, road, utilities, stormwater on 132 acres at 210 Tunstall Road; the legacy 2013 file number predates the Microsoft project).

[31] Dan Swinhoe, “Microsoft files for permit to build data center campus in Mecklenburg County, Virginia,” Data Center Dynamics, July 19, 2022, https://www.datacenterdynamics.com/en/news/microsoft-files-for-permit-to-build-data-center-campus-in-mecklenburg-county-virginia/ (designation “Hillcrest Data Center (AVC09)” in support of the Regional Network Group; original eight-building, 336MW test fit cut to three buildings because the full design “would have resulted in ‘impacts to nearly every wetland and stream feature’”; three Boydton-area alternative sites rejected; build-out then expected around 2024).

[32] Dan Swinhoe, “Microsoft files for six-building data center campus in Virginia’s Mecklenburg County,” Data Center Dynamics, Apr. 12, 2023, https://www.datacenterdynamics.com/en/news/microsoft-files-for-six-building-data-center-campus-in-virginias-mecklenburg-county/ (LYH03–08, 369 acres west of Skipwith Road; “has outgrown current capacity faster than anticipated”; >5,000 linear feet of stream/wetland loss; comments due May 12, 2023). The Corps notice itself (note 87) gives 6,023 linear feet of permanent stream impact and 0.16 acre of wetland.

[33] Data Center Dynamics, 2025, https://www.datacenterdynamics.com/en/news/microsoft-files-to-expand-data-center-campus-in-mecklenburg-county-virginia/ (490 acres adjacent to the Lakeside campus, three additional buildings); Lakeside Commerce Park original filing covered 259 acres and three buildings.

[34] “DATA CENTER DEBATES: Environmental groups target spread of Mecklenburg sites,” The Mecklenburg Sun (SoVaNow), Sept. 11, 2024, https://www.sovanow.com/articles/data-center-debates/ (twelve sites, ~3,762 acres, ~1 percent of county land; site-by-site inventory; Gottschalk 35–40 percent of general fund revenue, ~20 percent net; Hendrick on closed-loop cooling; DEQ consent order details; county solar farms feed PJM, not the data centers).

[35] Alex Gottschalk, County Administrator, Mecklenburg County, written testimony for the Center for Rural Pennsylvania public hearing “Supporting Local Decision-Making for Data Center Development,” July 29, 2026 (https://www.rural.pa.gov/news-events/public-hearing/data-center-development), “Gottschalk Testimony_Data Centers_7.29.26.pdf,” 4 pp., https://www.rural.pa.gov/Resources/PDFs/news/Gottschalk%20Testimony_Data%20Centers_7.29.26.pdf (“Mecklenburg’s first exposure to the data center industry came through adaptive reuse: the conversion of a former Russell Stover candy manufacturing facility into a one building data center,” placed in 2007; “approximately three-fourths of one percent of our land acres to this industry. That same three-fourths of one percent is now valued at 45% of our over $10 billion real estate portfolio”; “Five years ago, our real estate tax rate was 42 cents”; general fund revenue “from a forecast of $72 million prepared for the Adopted Fiscal Year 2023-24 Budget to $134 million for the adopted Fiscal Year 2026-27 Budget”; “over a dozen years, we will have invested $300 million into school capital projects”; “the initial schools did require borrowing, the current construction will entirely be paid for from cash”; large commercial customers of the local cooperative “increased from 10% to 50%” of its revenue, 2019 to 2024; “the industry recently absorbed the $25 million cost of a water treatment plant expansion”; “many data centers in Mecklenburg were developed with a more water

intensive cooling system than would likely be present in a new build today"; "Once the water treatment plant construction finished, we turned to the Virginia Department of Environmental Quality to obtain an increase in our water withdrawal permit"; "In examining our actual, average and peak daily water use, DEQ rejected the water withdrawal increase"; "even on the super hot Fourth of July weekend, we did not even reach our currently permitted average, much less peak withdrawal"). The figures and the account of DEQ's decision are the County Administrator's.

[36] Dgtl Infra, "Amazon AWS and Microsoft Data Centers in Virginia," https://dgtlinfra.com/amazon-aws-microsoft-data-centers-virginia/ (17+ parcels, ~2,400 acres; 101 Herbert Drive campus ~1M+ sq ft across ~14 buildings; Azure East US 2); datacenterhawk, https://www.datacenterhawk.com/cloud/microsoft-azure/101-herbert-drive/us-east-2. Tracker data; building counts conflict across sources (Baxtel numbers through 11; Lithko describes work "across nine buildings"; the 2016 NYT counted six operating and six under construction with land cleared for at least 15).

[37] Mecklenburg County FY2027 budget (recommended Apr. 1, 2026; adopted spring 2026), https://www.mecklenburgva.com/ArchiveCenter/ViewFile/Item/74. Key lines: Business Personal Property $63,512,750, 47.5 percent of general fund revenue, +71.9 percent over FY2026's $36,950,086; real estate $32.4M; general fund resources $133.8M (+26 percent); net budget $230.1M; Microsoft Offsite Infrastructure Fund (Fund 301) "Payments from Microsoft" FY2025 actual $33,311,286, FY2026 adopted $22,287,099 (actual through March 2026 $25,447,908), FY2027 $36,125,000, reimbursing 100 percent of county-managed offsite projects under per-campus MOUs; campus codes Hillcrest, Roanoke River, Lakeside, Interstate, Bailey, Bishop; Local Composite Index rebenchmarking costing the school division ~$4M annually in state aid; the budget built on the Governor's December introduced budget for want of an enacted state budget. The document is captioned "Recommended"; the county's archive shows a budget-for-adoption dated May 11, 2026, and figures are cited here as the FY2027 budget.

[38] TD Cowen/SemiAnalysis reporting via Data Center Dynamics, spring 2025, https://www.datacenterdynamics.com/en/news/microsoft-cancels-up-to-2gw-of-data-center-projects-says-td-cowen/. No Mecklenburg-specific cancellation appears in any source located.

[39] "Microsoft steps up environmental efforts," SoVaNow, June 10, 2026, https://www.sovanow.com/articles/microsoft-steps-up-environmental-efforts/ (presentation to the Board of Supervisors Monday, June 8, 2026: 614-acre mitigation bank on Antlers Road for compensatory stream and wetland credits; the

existing ~230-acre Chase City Conservancy with ADA trails and a K-12 learning center; community affairs and environmental permitting staff named). Mecklenburg County Board of Supervisors, minutes, June 8, 2026, county Agenda Center (presentation of the “Antlers Road Mitigation Bank,” agenda heading “Antlers Road Conservancy”).

[40] WSET, Dec. 13, 2024, “Mecklenburg County offers lessons for Pittsylvania as data center debate intensifies,” https://wset.com/news/local/mecklenburg-county-offers-lessons-for-pittsylvania-as-data-center-debate-intensifies (County Administrator Alex Gottschalk: no separate data center fund; could not provide an exact figure).

[41] Virginia Auditor of Public Accounts, Comparative Report of Local Government Revenues and Expenditures, Exhibit B (county tables), Mecklenburg County row, fiscal years 2011–2024, “Personal Property – General” and “Real Property” columns. FY2023–FY2024 files via the Virginia Open Data Portal (data.virginia.gov, “fy2023-comparative-report.xlsx” and “fy2024-comparative-report.xlsx”, the latter as amended at apa.virginia.gov/local-government/reports/comparative-reports/22622); FY2011–FY2022 via archived APA file paths (web.archive.org captures of apa.virginia.gov/data/download/local_government/comparative_cost/). Figures are gross levies collected, all payers; vehicles and non-Microsoft business property are included, and through FY2024 the Microsoft rebate was booked as an expenditure rather than netted from revenue. The FY2025 comparative report existed only in draft as of June 12, 2026.

[42] Mecklenburg County adopted budget documents, General Ledger “Industrial Stimulus Grant” line (092003-0001), via the county Archive Center: FY2019 actual $30,388,980, FY2020 actual $34,389,416, FY2021 actual $40,321,890 (FY2022–23 budget, mecklenburgva.com/Archive.aspx?ADID=63); FY2022 actual $50,373,364, FY2023 actual $57,736,887, FY2024 adopted $62,725,750 (FY2024–25 budget, mecklenburgva.com/Archive.aspx?ADID=69); FY2025: “The prior industrial stimulus grant has been phased out… there will no longer be a remittance provision that needs to be processed” (FY2024–25 budget, revenue sharing narrative). Documented FY2019–FY2024 total ≈ $275.9M (sum of five actuals plus the FY2024 adopted figure). FY2011–FY2018 actuals exist only in scanned, non-searchable budget books.

[43] County of Mecklenburg, Virginia, Annual Financial Report, fiscal year 2023 (audited), GASB Statement 77 tax abatement disclosure: agreements with two entities; purpose “Increase Size and Employment in Southside Virginia Area”; taxes covered include business personal property, machinery and tools, and real

estate; percentage abated 82.5 percent; amount abated FY2023 $57,719,970, paid through the Industrial Development Authority as “Economic incentive payments.” Posted at apa.virginia.gov/local-government/reports/Financial-Reports/18641 (PDF: dlasprodpublic.blob.core.windows.net/apa/576E4581-90D5-4D6F-8352-2555D9882110.pdf). The FY2017–FY2022 reports, which would carry the same disclosure backward, are not posted online.

[44] The FY2025 tax levy ordinance, enacted by the Board of Supervisors May 2024 within the FY2024–25 adopted budget (mecklenburgva.com/Archive.aspx?ADID=69): “The classification of computer equipment and peripherals used in a data center... is hereby established as a separate classification of personal property... tax rate of $0.66 per every $100.00 of assessed valuation.” Corroboration: Wayback captures of the county Tax Rates page (mecklenburgva.com/166/Tax-Rates) show no data center class through the 2024 capture and its first appearance in the April 2025 capture. The statutory classification, Va. Code § 58.1-3506(A)(43), was created by 2017 Acts cc. 116 and 447 (law.lis.virginia.gov/vacode/title58.1/section58.1-3506/). The county’s business depreciation table is posted at mecklenburgva.com/DocumentCenter/View/991 behind a JavaScript document viewer (see Part Thirteen).

[45] Rate trajectory sources: SoVaNow, Apr. 12, 2023 (FY2024 budget $234.37M; rates held at $0.40 RE / $3.36 PP), https://www.sovanow.com/articles/mecklenburg-county-budget-tops-234m-taxes-unchanged/; SoVaNow, May 1, 2024 (cuts to $0.36 RE and $3.30 PP), https://www.sovanow.com/articles/mecklenburg-supes-opt-to-lower-property-tax-rates/; SoVaNow, Apr. 9, 2025 (FY2026 general fund $106.1M, +19.6 percent; PP $3.26; $25 decal fee eliminated; “data center dividend”), https://www.sovanow.com/articles/mecklenburg-budget-bottom-line-doing-so-great/; county news release Apr. 1, 2026 (31¢ / $2.46). The May 2024 $3.30 and April 2025 $3.26 personal property figures differ across stories; the 42¢ early-decade real estate rate is confirmed in the County Administrator’s July 29, 2026 testimony [35]. FY2017 context: the vehicle rate rose $3.26→$3.36 to help fund the school complex.

[46] “Data centers can bring high-paying jobs and millions in tax revenue. Is that what Southside will get?,” Cardinal News, Apr. 10, 2025, https://cardinalnews.org/2025/04/10/data-centers-can-bring-high-paying-jobs-and-millions-in-tax-revenue-is-that-what-southside-will-get/ (Microsoft tax revenue over 14 years “helped fund a $154 million project” for the high school/middle school complex; $0.66 computer equipment rate; Prince William’s 2024 increase to $3.70; the JLARC-rate-versus-developer-estimate gap for prospective Southside campuses). Current comparators: Turner, Case Study: Prince William County, v3.2,

10.5281/zenodo.20673498, Part Six: Prince William $4.50 per $100 for tax year 2026, adopted April 21, 2026 (pwcva.gov, FY2027 budget release); Loudoun $4.15, its general personal property rate, which “applies to property in data centers,” unchanged for tax years 2026 and 2027 (loudoun.gov, FY2027 budget release, April 7, 2026).

[47] “Budget reflects shift from rural county,” SoVaNow, Apr. 10, 2024, https://www.sovanow.com/articles/budget-reflects-shift-from-rural-county/ (FY2025 proposed $233.7M; general fund +$15.7M “due mainly to a significant uptick in business personal property taxes,” characterized by Gottschalk as a one-time windfall; ~$65M of topline was Microsoft-funded expansion work; three elementary schools ~$100M to 2030 pay-as-you-go; $30M public safety building; $10.7M Highway 58 wastewater; Mecklenburg one of three rural Virginia counties with >10 percent job growth 2019–23).

[48] Mecklenburg County news release, Apr. 1, 2026, https://www.mecklenburgva.com/m/newsflash/home/detail/85 (real estate rate to 31 cents, called Virginia’s lowest county or city rate, tying the county’s 1998 modern-era low; vehicle personal property to $2.46, lowest this century).

[49] “South Hill forms industrial facilities authority,” SoVaNow, Mar. 12, 2025, https://www.sovanow.com/articles/south-hill-forms-industrial-facilities-authority/ (Route 58 Activation Corridor RIFA; a citizen’s question, in the article’s reported speech, whether the town and county would simply sell the park off to Microsoft; Town Manager Keli Reekes: “That is not the intention… the intent of the county and the town is to diversify the industrial park space”); Virginia Business, https://virginiabusiness.com/south-hill-mecklenburg-team-on-new-industrial-park/ (67 acres, $12M+ planned infrastructure, explicit diversification rationale).

[50] Labor ledger sources, in table order: SoVaNow, Nov. 17, 2010 (Housley disclosure); SoVaNow, September 2011 (Lamoureux); NYT-syndicated feature, August 2016 (Microsoft: data centers employ “tens to several dozen people” in “a mixture of corporate and contracted positions,” site tour declined); TechRepublic, Sept. 19, 2016 (about 25 local residents got jobs, primarily as administrative assistants or janitorial staff, by Gregory’s account); governor’s office, Nov. 9, 2016 (“more than 250 jobs since 2010”); VEDP, Jan. 10, 2019 (~300 in Mecklenburg); Microsoft Boydton datacenter fact sheet, https://local.microsoft.com/wp-content/uploads/2021/11/Boydton-datacenter-fact-sheet.pdf (“more than 505 full-time employees and contractors” across Southern Virginia campuses; PDF hosted at a 2021 URL with 2022 contents, dated cautiously); Microsoft “Datacenters in Virginia” fact sheet, December 2024, https://local.microsoft.com/wp-content/uploads/2024/04/Microsoft-datacenters-in-

Virginia.pdf (684 employed statewide; 2,042 full-time employees and contractors projected statewide by end of 2026); SoVaNow, Apr. 16, 2025 (Jeff Bertocci at the South Hill job fair: “Microsoft and its vendors employ around 700 workers in Mecklenburg County”; ~95 openings across eight sites), https://www.sovanow.com/articles/500-prospects-take-part-in-microsoft-job-fair-at-advanced-knowledge-center/.

[51] Joint Legislative Audit and Review Commission, Data Centers in Virginia, Report 598, briefed Dec. 9, 2024, https://jlarc.virginia.gov/landing-2024-data-centers-in-virginia.asp; full report https://jlarc.virginia.gov/pdfs/reports/Rpt598.pdf (“Several data center representatives indicated that a typical 250,000-square-foot data center may have approximately 50 full-time workers, about half of which are contract workers”; one worker per ~5,000 sq ft versus one per ~650 sq ft at some distribution centers; ~1,500 workers on site at construction height; 12–18 months per building, five-plus years per campus; statewide 74,000 jobs, $5.5B labor income, $9.1B GDP annually, mostly construction-phase; exemption savings to industry $928.6M in FY2023; Mecklenburg named among five mature markets, its success attributed to having “already identified a site suitable for data center development”; data center revenue let the county “construct new schools”).

[52] Lithko Contracting, Microsoft BN6 project page, https://lithko.com/project/microsoft-bn6-data-center/ (work “across nine buildings,” “more than 500 workers on site”).

[53] Microsoft Boydton datacenter fact sheet (cited above): “Since 2014, more than 9.6 million hours have been worked on construction projects, with an average of 500 construction jobs per year.” Statewide December 2024 projection: 2,450 annual construction roles and ~30.6 million work hours for new Virginia datacenters.

[54] “500 prospects take part in Microsoft job fair at Advanced Knowledge Center,” SoVaNow, Apr. 16, 2025 (the fair held “on Tuesday”; page modified Apr. 23, 2025), https://www.sovanow.com/articles/500-prospects-take-part-in-microsoft-job-fair-at-advanced-knowledge-center/ (contractor roster; SVCC dean Chad Patton’s “Circle of Success” wall, “Many of them have been hired locally by Microsoft”).

[55] Pipeline sources: Southern Virginia Higher Education Center, https://www.svhec.org/news/microsoft-datacenter-academy-scholarship/ (first Datacenter Academy, 2018; scholars program from Jan. 7, 2019; Dr. Betty Adams: Microsoft “has scored the economic equivalent of a hat trick for southern Virginia”); Farmville Herald, May 2024, https://farmvilleherald.com/2024/05/svcc-launches-new-project-a-critical-environment-lab/ (Critical Environment Training

Lab at the Lake Country Advanced Knowledge Center, first in the Microsoft system, global pilot; the Academy now ~25 programs worldwide); Microsoft Southern Virginia community page, https://local.microsoft.com/communities/americas/southern-virginia/; TechSpark: Microsoft On the Issues, Mar. 16, 2018, https://blogs.microsoft.com/on-the-issues/2018/03/16/microsoft-techspark-expands-to-texas-virginia-washington-and-wyoming/ (El Paso, Southern Virginia, North Central Washington and Cheyenne added to the "previously announced Fargo, North Dakota and Northeast Wisconsin"; "Jeremy Satterfield in Boydton will manage TechSpark Virginia"); Virginia Business, https://www.virginiabusiness.com/article/region-is-one-of-six-targeted-by-microsoft-techspark-plan/ ("Southern Virginia is one of six TechSpark regions"; chosen "because of Microsoft's data center in Mecklenburg as well as a 'plethora of opportunity' in the area, Satterfield says"). 195 participants completed Academy pathways in 2022 per Microsoft's Virginia fact sheet.

[56] "How statistics cover up the surge of newcomers moving into Mecklenburg County," Cardinal News, Apr. 15, 2025, https://cardinalnews.org/2025/04/15/how-statistics-cover-up-the-surge-of-newcomers-moving-into-mecklenburg-county-and-other-rural-counties-too/ (county +33 net through 2024; net in-migration ~1,050 since 2020 offset by deaths over births; ~7 percent of households newcomers, exceeding Fauquier, Hanover, and Botetourt; partial attribution to "the growth of the Microsoft data center near Boydton").

[57] "Mecklenburg supes back data center rezoning bid," SoVaNow, Feb. 12, 2025, https://www.sovanow.com/articles/mecklenburg-supes-back-data-center-rezoning-bid/ (TECfusions, former Russell Stover plant, Clarksville; seven parcels rezoned unanimously including two eight-unit worker duplexes built for housing scarcity; projected $2.25M+ added property tax revenue; supervisor Kirk Gravitt opposing a transmission route option through Occoneechee State Park; Dominion external affairs manager Justin Pope: "There's a lot going on in Mecklenburg County right now. There is a huge demand here that needs to be met").

[58] Community investment sources: Microsoft, "Celebrating 10 years in Boydton," Aug. 29, 2021, https://local.microsoft.com/blog/celebrating-10-years-in-boydton/ ("More than 55 projects have been supported across local community organizations"; "Free public Wi-Fi in the towns of Boydton and Clarksville"); Microsoft Source, May 23, 2017, https://news.microsoft.com/source/2017/05/23/mid-atlantic-broadband-communities-and-microsoft-launch-new-homework-network-to-bring-thousands-of-students-online-in-rural-virginia/ (Homework Network, Charlotte and Halifax counties, targeting 3,000+ students); PRNewswire, Apr. 29, 2019 (SOVA

Innovation Hub, MBC investing over $5M, first new downtown South Boston building in 40+ years); SoVaNow, May 18, 2022 (MCPS Community Empowerment Fund food-truck CTE grant); SoVaNow wastewater and hydro-jetting items cited above.

[59] Seth Freed Wessler, “Developers Found Graves in the Virginia Woods. Authorities Then Helped Erase the Historic Black Cemetery,” ProPublica, Dec. 16, 2022, authorized reprint at SoVaNow, https://www.sovanow.com/articles/microsoft-found-graves-in-mecklenburgs-woods-mecklenburg-county-officials-then-helped-erase-the-historic-black-cemetery/ (graves found March 2014 during the third expansion; Stephen Moseley d. 1930; an engineering consultant, writing in March 2014 to Microsoft and to a county official: “This is not as bad as it sounds… We should be able to relocate these graves”; the county’s legal notice ran among the ads and classifieds of the Mecklenburg Sun in November 2014, and the Corps posted its own notice about the same time; National Register eligibility finding weakened after county, Microsoft-funded consultant, and state involvement; 37 graves excavated and relocated).

[60] Census Reporter API pulls, ACS 2020–2024 five-year release (tables B03002, B19013, B17001), retrieved June 12, 2026: Boydton town (geoid 16000US5109016) total population 269 ±89; non-Hispanic White 175 ±62 (65.1%); non-Hispanic Black 89 ±58 (33.1%); Hispanic 0 ±13; median household income $53,250 ±$11,939; poverty ~14.9% with margins spanning roughly 1–29%. Mecklenburg County (05000US51117): 30,516 total; non-Hispanic White 60.3%; non-Hispanic Black 32.4%; Hispanic 3.2%; MHI $57,045 ±$4,683; poverty 16.3%. Margins of error at town scale swallow most claims built on them; the 2020 decennial P2 detail for Boydton is an open item (Part Thirteen). The 2020 decennial town count is 302.

[61] South Hill: 2020 Census 4,690; the county’s largest town and commercial center at the I-85/US-58/US-1 junction; VCU Health Community Memorial Hospital (new facility 2017, ~800 employees) adjacent to the Hillcrest park, https://www.vcuhealth.org/community-memorial-hospital/.

[62] Baxtel Hillcrest campus profiles, https://baxtel.com/data-center/microsoft-hillcrest-campus (first phase operational, built 2024), https://baxtel.com/data-center/microsoft-hillcrest-avc02 (under construction, planned 2026), https://baxtel.com/data-center/microsoft-hillcrest-avc03 (planned). Tracker cautions: Baxtel’s boilerplate misattributes Hillcrest to Amazon in one passage; campus codes conflict between the permit record (AVC09) and tracker inventories (AVC01–03); DataCenterMap files South Hill under “Richmond.”

[63] Mecklenburg County Zoning Ordinance, adopted May 11, 2026, effective July 1, 2026 (“This Ordinance was adopted on May 11, 2026. This Ordinance shall become effective on July 1, 2026 and repeals and replaces any prior Zoning Ordinance adopted in Mecklenburg County”): § 6.4 use table (“Data center,” special exception in M-1 only; “Solar facility, utility-scale,” special exception in A-1 and M-1); § 7.1, “Data Center” (Buffer Type C from public roadways and from natural and managed resource areas; “70 dBA as measured at the property line shared with non-datacenter uses”; for a facility qualifying as a high energy use facility, defined as one expected to require 100 megawatts or more, an “Acoustical site assessment” for “all residential units and schools within 500 feet of the property line” and a utility statement on “any new or existing substations required to serve the facility and the anticipated transmission voltage”); transition provisions (“Any other permits or development approvals granted prior to July 1, 2026 will remain valid until their expiration date”; “The provisions of this Ordinance shall not impair a vested right of a property owner”). Cited from the county’s posted copy with the September 2026 proposed amendments marked, none of them in these provisions: meck44.com, “Draft Mecklenburg County Zoning Ordinance 9-17-2026,” https://www.meck44.com/s/Mecklenburg-Zoning-Ordinance-REDLINE-9-17-2026-v2.docx. Adoption date also recorded in the Board of Supervisors’ minutes of September 14, 2026, item H.2. Vested-rights determinations: “The Zoning Administrator shall be authorized to make determinations on whether a property owner’s right is deemed vested in a land use.” Scope as the county describes it: meck44.com (“The updated Zoning and Subdivision Ordinances apply only to new development proposed after adoption”; “properties located within towns are not governed by County Zoning”).

[64] Town of South Hill, Municipal Services, https://www.southhillva.org/municipal_services/index.php (wholesale water from the Roanoke River Service Authority’s Lake Gaston plant, operating since September 2002; average 1.5 MGD, maximum 4.0 MGD; 2.5M gallons town storage; tertiary WWTP ~0.9 MGD average, 3.0 MGD capacity). RRSA serves Brodnax, Chase City, La Crosse, South Hill, and Boydton, https://sites.google.com/view/roanokeriverserviceauth/home.

[65] “$24M expansion of RRSA water treatment plant goes forward,” SoVaNow, July 12, 2023, https://www.sovanow.com/articles/24m-expansion-of-rrsa-water-treatment-plant-goes-forward/ (Haren Construction, lowest of five bids; 1.5M-gallon ground storage, pumping, generator, plant expansion at Bracey; described in procurement records as an 8.36 MGD WTP expansion). The article does not attribute the expansion to Microsoft demand; the inference is flagged, not asserted.

[66] Dominion Energy, South Hill 230 kV Electric Transmission Line and Substation Project, https://www.dominionenergy.com/projects-and-facilities/electric-projects/power-line-projects/south-hill (two parallel 230kV lines into South Hill/La Crosse, three new substations, interconnect loop to Unity Substation in Lunenburg; SCC application Oct. 6, 2022, Case PUR-2022-00167; final order June 14, 2023, approving the Northern/Unity Solution; phased construction including "Phase 3: Tunstall to Evans Creek"; completion target fall 2026; "Mecklenburg County has been successful in diversifying its economic prospects... To keep up with the economic developments and increased electrical demands...").

[67] SCC Case PUR-2022-00167: Final Order, June 14, 2023 (CPCN for the Unity switching station, two 11.1-mile 230kV Tunstall–Unity lines, interconnect lines, and the Tunstall, Evans Creek, and Raines substations; conceptual estimate $229.1M, $110.4M transmission + $118.7M substation; the order cites "positive economic impacts associated with the Customer's development of its planned data center Campuses" without naming the customer); Order Granting Extension, Apr. 22, 2025 (to Apr. 30, 2026, local-permit delays); Order on Motion, Sept. 22, 2025 (route shift negotiated with VCU Health Community Memorial Hospital); Order, May 11, 2026 (DCC 260530137: second extension to Dec. 31, 2026; current estimate $308.3M, attributing $2.2M to the route shift and $77.0M to "increases in tariffs and material costs, construction labor, real estate costs, surcharges, and accrual for funds used during construction"; Tunstall–Unity lines "now substantially complete"; hospital easement not yet executed). The orders contain no customer-specific cost allocation; the word does not appear in the Final Order.

[68] Virginia State Corporation Commission, Case No. PUR-2026-00056, Final Order, July 31, 2026 (Rider T1): Dominion directed to file amendments to its line extension policy "that would require a mandatory CIAC for defined types of transmission facilities," the change "to apply prospectively and only to 'direct connect'" facilities serving large-load customers; Microsoft Corporation, Notice of Appeal, filed August 28, 2026, in the same case. The separate docket: Case No. PUR-2026-00131, Ex Parte: In the matter of allocating transmission costs to large-load customers, Order Establishing Docket, August 25, 2026; its document list on the Commission's docket search, read October 24, 2026, showed that order and no other document. Due dates counted from the Final Order's ordering paragraphs (3), "within 90 days from the date of this Final Order," and (4), "within 120 days of the date of this Final Order." The series' transmission volume treats the order in full: Turner, Concentrated Benefit, Dispersed Burden, 10.5281/zenodo.21895588.

[69] Dominion Mecklenburg transmission family: Chase City to Cloud (two 230kV lines along 15 miles to the Cloud Substation near Boydton; SCC filed June 30,

2021, final order Feb. 22, 2022; “accommodating economic growth and meeting data center demand”), https://www.dominionenergy.com/projects-and-facilities/electric-projects/power-line-projects/chase-city-to-cloud; Clover–Chase City (SCC application Aug. 10, 2023, final order Feb. 21, 2024; a rebuild and reconductor of “approximately 16 miles of existing 230 kV transmission lines”; “This project will ensure the continued safety and reliability of the electric grid”; no mention of data centers on the page as read Oct. 24, 2026), https://www.dominionenergy.com/about/delivering-energy/electric-projects/power-line-projects/clover-chase-city; the Jeffress project (two 230kV circuits, ~18–21 miles, Finneywood to Jeffress, justified by “the Microsoft Data Center expansions planned for Lakeside Commerce Park... and an additional Microsoft Data Center being built on the former Bailey Farm property”), SoVaNow, May 10, 2023, https://www.sovanow.com/articles/dominion-updates-mecklenburg-supervisors-on-plans-for-new-transmission-lines/; route opposition: https://www.sovanow.com/articles/dominion-power-line-routes-stir-opposition/.

[70] Dominion service to the Microsoft campuses is established by the 2010 VEDP release (Dominion “instrumental”), the 2010 town council record (substation and line construction), Dominion’s own Mecklenburg project pages, Baxtel’s profile (“served by Dominion Virginia Power”), and SoVaNow’s 2024 county survey (“Dominion Energy, which supplies power across Mecklenburg County”). Interconnection trackers list two Microsoft Mecklenburg projects at 250+ MW each in Dominion/PJM territory, https://www.interconnection.fyi/data-center/project/microsoft-corporation-east-coast-data-center-d54a107d; tracker estimates, not utility filings. No public source states a verified campus megawatt total.

[71] Mecklenburg Electric Cooperative, “MEC rates focus on membership,” https://www.meckelec.org/news-releases/mec-rates-focus-on-membership/ (~31,000–32,000 meters, nine Virginia and five North Carolina counties; “Over the past 17 years, MEC has also served data center loads”; large loads to “cover the cost of facilities, including entire substations”; “No class of members subsidizes any other”); SoVaNow, Sept. 17, 2025, https://www.sovanow.com/articles/mec-sets-new-rate-for-data-centers-large-scale-users/ (VP David Lipscomb: “several” data centers served under confidentiality; typical residential rate ~14.87¢/kWh; loads >25 MW to pass-through energy service agreements). The “17 years” span predates Microsoft’s 2010 arrival and MEC’s materials do not identify its referent.

[72] Virginia Business, Nov. 7, 2025, “Mecklenburg Electric Coop wrestles with data center energy demand,” https://virginiabusiness.com/virginia-coop-rate-hike-data-centers/ (sales 607 million kWh in 2021 to 1.8 billion kWh in 2024; the “state

of emergency” petition language; TECfusions’ Oct. 21, 2025 SCC comment). Revenue: Mecklenburg Electric Cooperative, 2024 Annual Report (operating revenues $146,559,498; sources of revenue, “50% Large Commercial,” $73,655,434; kilowatt-hours sold 607,030,705 in 2021 and 1,852,798,558 in 2024).

[73] SCC Case PUR-2025-00160 (Matter 146482), docket retrieved June 12, 2026 via the commission’s docket search. Petition and attachments filed Aug. 29, 2025 (DCC 250870083), with the “state of emergency… potentially be catastrophic for the Cooperative’s legacy members” passage at ¶16; direct testimony of President and CEO Casey Logan (DCC 250870084): one consumer above 5 MW, unwilling to enter an individualized electric service agreement; Order for Notice and Comment, Sept. 5, 2025 (DCC 250920072), authorizing interim implementation subject to refund with interest; Staff comments, Nov. 14, 2025 (DCC 251130065): Schedule LPS-U “designed to minimize cross-subsidization… Staff does not generally oppose”; MEC Reply, Dec. 5, 2025 (DCC 251220036), quoting TECfusions’ Oct. 21, 2025 comment (“MEC is attempting to have the commission implement what we could not agree to through negotiation”) and recording that “Comments were filed by TECFusions, REAL, and the Commission Staff”; Motion to Supplement, May 12, 2026 (DCC 260540004), seeking discretion over large-load security (“Security equivalent to two months of billing… could be depleted within weeks under adverse market conditions”; PJM “lagging charges… may accrue for an extended period following disconnection”). No final order as of June 12, 2026. Press context: Virginia Business, Nov. 7, 2025, and SoVaNow, Sept. 17, 2025, cited above.

[74] Virginia State Corporation Commission, Case No. PUR-2025-00160, Final Order, September 9, 2026: “Schedule LPS-U is approved, effective with the entry of this Order. The interim authority granted by the Commission’s Order for Notice and Comment is terminated as of the same date”; large-load security “in an amount and form determined by the Cooperative, in its sole discretion,” approved “Consistent with the Commission’s recent order approving similar collateral requirements in a large load tariff proposed by Rappahannock Electric Cooperative” (Case No. PUR-2025-00048, Final Order, March 20, 2026); “Customers assigned to Schedule LPS-U shall be represented as a separate rate class in the class cost of service study provided by the Cooperative in its next general rate proceeding”; “it appears that Schedule LPS-U is not inconsistent with Code § 56-234”; and, from Staff’s comments, the cooperative’s wholesale provider “requires new large loads served by its members to be billed weekly.” The series’ cooperative volume treats the order with the other large-load tariffs: Turner, Thirteen Cooperatives, 10.5281/zenodo.22651576.

[75] ODEC SEC Form 10-K, fiscal 2025 (odec.com/financials/sec-filings/, “ODEC-2025-SEC-Form-10-K-Final.pdf”): total operating revenues $1,082.4M

(2023) → $1,111.9M (2024) → $1,333.1M (2025); market-based-rate sales $21.4M/523,973 MWh (2023) → $49.5M/1,134,082 MWh (2024) → $153.8M/2,057,843 MWh (2025), “increased 210.8% due to load growth related to increased member distribution cooperative sales to data centers”; MEC payments to ODEC $101.9M (2024, fourth-largest member) → $212.0M (2025, second-largest, 16.7% of member revenues, $152.6M of it market-based); risk language: data centers “will likely increase customer concentration”; “Any security provided by a data center may not be sufficient” if it “fails to pay its power bill.” MEC corroboration: IRS Form 990 series via ProPublica Nonprofit Explorer (EIN 54-0299805): total revenue $70.3M (2021) → $114.3M (2023) → $197.9M (2024 per IRS Business Master File), roughly tripling across the data center ramp; the gap between the Business Master File’s $197.9M and the $146.6M operating revenues in MEC’s 2024 annual report (note 72) is unresolved pending the full 2024 filing.*

[76] ODEC layer sources: MEC release (ODEC’s wholesale rate for member-co-op loads above 25 MW, built with MEC board chair David Jones’ participation); Utility Dive on ODEC’s FERC protest in the LS Power Doswell colocation proceeding, https://www.utilitydive.com/news/ls-power-doswell-data-center-virginia-pjm-odec/744572/; ODEC general counsel Jack Robb’s warning that a single failed data center company could push a co-op into insolvency, as quoted in cooperative-press coverage via the Prince William Times’ NOVEC feature, Jan. 2025, https://www.princewilliamtimes.com/news/novec-s-evolution-from-electrifying-farms-to-powering-data-centers/article_58e7932e-dece-11ef-b653-57b06e214b69.html (quoted secondhand; flagged); Rappahannock Electric’s hyperscale-affiliate model, Latitude Media, Dec. 20, 2024, https://www.latitudemedia.com/news/to-meet-massive-data-center-load-one-virginia-electric-co-op-is-proposing-an-entirely-new-business-model/; Central Virginia Electric Cooperative CEO Gary Wood, Cardinal News, Apr. 11, 2025, https://cardinalnews.org/2025/04/11/energy-demand-will-outstrip-supply-in-virginia-as-data-centers-proliferate/. John C. Lee Jr.: SoVaNow, Feb. 14, 2024, https://www.sovanow.com/articles/lee-retires-as-mec-president-takes-odec-leadership-post/ (16 years at MEC; “tumultuous times”); ODEC succession releases, https://www.odec.com/news-releases/chris-cosby-announced-as-next-ceo/; Lee’s data center commentary, CFC Solutions, July 2024, https://www.nrucfc.coop/content/solutions/en/stories/co-op-news/odec-ceo-shares-risks--opportunities-of-adding-data-center-load-.html.

[77] Microsoft Source, Mar. 21–22, 2018, https://news.microsoft.com/source/2018/03/22/microsoft-adds-315-megawatts-of-new-solar-power-in-virginia-in-largest-corporate-solar-agreement-in-the-united-states/ (315 MW from Pleinmont I and II, Spotsylvania, part of sPower’s 500 MW

development; then the largest corporate solar purchase in the United States; framed against the company's Virginia datacenter footprint).

[78] SoVaNow, Dec. 31, 2025, "Counting down the Top 10 stories of 2025," https://www.sovanow.com/articles/counting-down-the-top-10-stories-of-2025/ (April 2025 zoning amendment banning utility-scale solar; all three pending solar projects denied; data centers the year's top story; "some grumbling among county residents, but so far there has been much less opposition… than in Northern Virginia"); SoVaNow, https://www.sovanow.com/articles/mecklenburg-supes-reject-boydton-area-solar-project/; county solar farms feeding PJM per SoVaNow, Sept. 11, 2024.

[79] 2026 Va. Acts ch. 1068 (H.B. 711; identical to S.B. 347), approved April 22, 2026, effective July 1, 2026, amending Va. Code §§ 15.2-2241.2, 15.2-2288.7, and 15.2-2288.8, https://lis.virginia.gov/bill-details/20261/HB711/text/CHAP1068: § 15.2-2288.8(A) ("Unless otherwise provided by right, each locality shall require a special exception ... or a siting agreement ... for any solar photovoltaic project," defined as "a ground-mounted solar facility with a generating capacity of one megawatt or more" serving property other than its own site; nothing in the section shall "require a locality to approve a special exception application"); § 15.2-2288.8(E) (decisions furnished to the State Corporation Commission within 60 days, with "the reason for any adverse decision"); third enactment clause (applies to applications filed on or after July 1, 2026).

[80] Virginia DEQ, Issued Air Permits for Data Centers registry (deq.virginia.gov/news-info/shortcuts/permits/air/issued-air-permits-for-data-centers), retrieved June 12, 2026: nine Microsoft registrations in Mecklenburg County: East Coast Data Center Reg. 21527 (Title V issued Apr. 24, 2024; minor NSR Sept. 19, 2023), LVL Reg. 52820, Timber Reg. 52903, AVC Reg. 52949, AVC09 Reg. 52973 (July 23, 2025), AVC43 Reg. 53071, LYH10 Reg. 53072, AVC17 Reg. 53086, LYH03 Reg. 53198; plus TECfusions Clarksville Reg. 30142. Fleet figures from the permit PDFs: East Coast (Boydton BN1–BN14 plus "Power Harvesting" BN49/BN80) ≈165 engines ≈408 MWe standby (mix of Caterpillar 3516C/3512C/C32C and Cummins 2500DQKAN/C3000D6e units; permit history traces to Aug. 27, 2010); LYH03 (Bailey, buildings LYH03–LYH06) 110 Cummins C3000 D6e 3,000 kWe + 4 Cummins DFEK 500 kWe = 114 engines ≈332 MWe, NOx capped 98.3 tons/yr, fuel capped 800,800 gal/yr, permit void if construction not begun by Nov. 1, 2026.

[81] Virginia DEQ issued air permits for data centers registry (177 statewide as of Nov. 12, 2024), https://www.deq.virginia.gov/news-info/shortcuts/permits/air/issued-air-permits-

for-data-centers; Virginia Mercury, Nov. 13, 2024, https://virginiamercury.com/2024/11/13/virginia-environmental-regulators-make-info-on-data-center-operations-more-publicly-accessible/ (Microsoft holding 14 Virginia data center air permits per reporting on the registry); Tier IV-equivalent requirements for new data center generator permits from July 1, 2026, per DEQ guidance coverage.

[82] “Mecklenburg supervisors move on Microsoft water tank, trail expansion,” SoVaNow, July 11, 2018, https://www.sovanow.com/articles/mecklenburg_supervisors_move_on_microsoft_water_tank_trail_expansion/ (board action Monday, July 9, 2018: $83,090 design study toward a ~$1.0M third 1-million-gallon tank at the county-named “Microsoft Tank Farm” at the former correctional center site, “because the water is used primarily to cool equipment at the Microsoft cloud computing facility located on U.S. 58”; grant-funded; deeded to the RRSA).

[83] Cardinal News, Mar. 13, 2026, https://cardinalnews.org/2026/03/13/bills-on-data-center-siting-and-water-usage-remain-unresolved-as-general-assembly-session-winds-down/ (water-use disclosure legislation unresolved as of that date). Enacted since: 2026 Va. Acts chs. 623 (H.B. 496) and 896 (S.B. 553), identical, approved April 13, 2026, effective January 1, 2027, https://lis.virginia.gov/bill-details/20261/HB496 (a water user “required to register water withdrawal and use data pursuant to this subsection that provides water to another person offsite shall include in its report, submitted on its regular reporting schedule,” the volumes of potable and, separately, reclaimed water “provided during each month” to “a data center, as that term is defined in subdivision A 43 of § 58.1-3506, with an air permit issued by the Department”; quarterly totals “Where monthly data is not available”). No public gallons-per-day figure for the Boydton campus exists in any source located.

[84] Microsoft, “Understanding Microsoft datacenters in Southern Virginia,” https://local.microsoft.com/blog/understanding-microsoft-datacenters-in-southern-virginia/ (direct evaporative cooling, water-cooled less than ~15 percent of the year; renewable biofuel transition for Virginia backup generators; water positive by 2030); company WUE 0.49 to 0.30 L/kWh, 2021–2024, per https://local.microsoft.com/blog/understanding-water-use-at-microsoft-datacenters/; zero-water next-generation design (piloting elsewhere, not announced for Boydton), https://www.microsoft.com/en-us/microsoft-cloud/blog/2024/12/09/sustainable-by-design-next-generation-datacenters-consume-zero-water-for-cooling/; county zoning administrator Robert Hendrick’s closed-loop description, SoVaNow, Sept. 11, 2024. The descriptions likely reflect different building generations; flagged.

[85] Mecklenburg County Board of Supervisors, minutes, September 14, 2026, county Agenda Center: the County Administrator “addressed what he described as misinformation regarding water use associated with battery storage facilities and Microsoft facilities, noting that Microsoft does not dig wells at these locations and that water is supplied by the Roanoke River Service Authority.”

[86] SoVaNow, Sept. 11, 2024 (Microsoft self-reported violations at the Lakeside/Clarksville site, Oct. 2023–Mar. 2024: 2.33 acres of forested wetlands destroyed, 1,515 linear feet of stream impacted; DEQ consent agreement June 2024, $41,766.90 civil charge, corrective action plan); SoVaNow, June 7, 2023, https://www.sovanow.com/articles/data-center-contractor-cited-for-stormwater-violations/ (Walbridge Aldinger consent order, $13,891.50, LVL Data Center 08, Ridge Road, Boydton, Allen Creek/Roanoke River basin).

[87] U.S. Army Corps of Engineers, Norfolk District public notices, retrieved in full June 12, 2026: Hillcrest, NAO-2013-01922/VMRC 22-1432 (July 18, 2022): 132.5 acres, three buildings plus substation; permanent impacts 1.44 ac forested + 0.15 ac scrub-shrub + 0.04 ac open-water wetlands and 1,937 LF stream; 78 percent of on-site wetlands avoided; nearest waterway Taylors Creek (Meherrin basin). Lakeside/Clarksville, NAO-2014-00474/VMRC 22-V1758 (Oct. 25, 2022): 259.1 acres; permanent loss 7.87 ac forested + 0.11 ac emergent + 0.02 ac scrub-shrub wetlands, 1,637 LF intermittent + 66 LF ephemeral stream; Panhandle Creek. Bailey, NAO-2022-02394/VMRC 22-V2715 (Apr. 11, 2023): 368.99 acres; permanent loss 2,400 LF perennial + 778 LF intermittent + 2,845 LF ephemeral stream and 0.16 ac emergent wetland; Bluestone Creek. A fourth notice (Timber LVL, NAO-2011-01135) is not summarized here. Building square footages are not stated in Corps notices.

[88] SoVaNow, October 7, 2026, https://www.sovanow.com/articles/water-curbs-loom-as-lake-flirts-with-288-ft-elevation/ (Buggs Island Lake at 288.02 feet at noon Tuesday, October 6, “two hundredths of a foot above the level that will put mandatory water restrictions in force”; at 288.0 feet the drought plans of Clarksville, South Hill, the county and the Roanoke River Service Authority “all move automatically to Stage III”; the article does not mention data centers); Mecklenburg County Board of Supervisors, agenda for October 13, 2026, county Agenda Center (“Drought Response Ordinance Discussion”).

[89] Lake Gaston pipeline history: WHRO, June 16, 2021, https://www.whro.org/local-news/2021-06-16/tapping-gaston-a-water-pipeline-breathes-new-life-into-virginia-beach (76-mile, 60-inch pipeline, up to 60 MGD, ~15 years of litigation with North Carolina, water flowing 1998); City of Virginia Beach, https://pu.virginiabeach.gov/lake-gaston-water-supply-pipeline; basin context,

virginiaplaces.org, http://www.virginiaplaces.org/watersheds/lakegaston.html. June 2026 drought conditions across most of Virginia per U.S. Drought Monitor coverage.

[90] Virginia Department of Taxation, biennial Retail Sales and Use Tax Data Center Exemption report (published Jan. 2, 2026), https://rga.lis.virginia.gov/Published/2026/RD40/PDF (FY2025 aggregate benefit $1,941,390,000, “including the General Fund, non-General Fund, and local revenue impact”); the state-level FY2025 figure of roughly $1.6 billion is the Comptroller’s ACFR accounting, per Good Jobs First, https://goodjobsfirst.org/virginia-tax-revenue-losses-to-data-centers-soar-to-1-6-billion-for-fy25/, and The Register, Jan. 7, 2026, https://www.theregister.com/2026/01/07/datacenter_tax_breaks_virginia/. FY2023 industry savings $928.6M per JLARC; FY2024 state general fund cost $1.022B per Good Jobs First.

[91] Virginia Business, https://virginiabusiness.com/virginia-data-centers-tax-exemption-2-7-billion/ (JLARC 2025 follow-up: FY2015–FY2024 cumulative exemption $2.7B, 53 percent of all state incentive spending). Contradictory return-on-investment claims: the Data Center Coalition cites a Department of Taxation finding of an 11 percent annual return; Good Jobs First calculates the state loses 52 cents per abated dollar (WUSA9, https://www.wusa9.com/article/news/investigations/data-center-sales-tax-exemptions-amazon-google-meta-data-center-coalition-russet-perry-good-jobs-first/65-85964664-3406-4cf3-8f84-9b50c42b22e3).

[92] JLARC, Data Center and Manufacturing Incentives, Report 518 (June 2019), jlarc.virginia.gov/pdfs/reports/Rpt518.pdf: data centers received ~$17 million from non-exemption grant programs FY2010–FY2017, and “Most of the $17 million went to one company (Microsoft for its data centers in Mecklenburg County)”; “only one data center (Microsoft) using the exemption has located in a distressed locality (Mecklenburg County)”; exemption total $417.5M FY2010–FY2017. No company-level exemption value has ever been published.

[93] This report’s own bounding arithmetic, not a published figure: $63,512,750 ÷ 0.0066 ≈ $9.62 billion in assessed business personal property, overwhelmingly data center equipment. The exemption applies at purchase to equipment entering that base, but assessed value reflects depreciation and the rebate question, so the implied base bounds rather than measures the exemption’s Mecklenburg value. The Department of Taxation reports the exemption only in aggregate; no county-level allocation has ever been published.

[94] The 2026 budget impasse: Virginia Mercury, Feb. 24, 2026, https://virginiamercury.com/2026/02/24/senators-propose-phasing-out-data-center-

tax-credit-house-budget-keeps-it/; Apr. 27 and Apr. 29, 2026 follow-ups; VPM, June 10, 2026, https://www.vpm.org/generalassembly/2026-06-10/virginia-data-center-tax-break-budget-business-reputation-roberts-ramadan-lucas; WTOP, June 9, 2026, https://wtop.com/virginia/2026/06/with-budget-deadline-looming-virginia-lawmakers-remain-at-odds-over-data-center-tax-breaks/ (Senate sunset Jan. 1, 2027, ~$317.1M first-year revenue; House conditions from July 2027; failed early-June negotiations; House returning June 18, Senate June 22; first-ever partial shutdown possible July 1). Statutory sunset June 30, 2035, Va. Code § 58.1-609.3(18). Fifteen other data center bills passed the 2026 session per MultiState, https://www.multistate.us/insider/2026/3/30/virginia-lawmakers-pass-15-data-center-bills-as-tax-exemption-fight-looms.

[95] Cardinal News, Apr. 27, 2026, https://cardinalnews.org/2026/04/27/west-virginias-governor-courts-data-center-industry-as-virginia-mulls-ending-tax-exemptions/.

[96] 2026 Appropriation Act, HB30 (2026 Special Session I), Chapter 1, Item 3-5.24, “Data Center Electricity Consumption Tax” (budget.lis.virginia.gov/item/2026/2/HB30/Chapter/3/3-5.24/): subsection A (rate of $0.011/kWh “Beginning on and after July 1, 2026, but before July 1, 2028”), B (monthly collection by the State Corporation Commission), C and D ($600,000,000 general fund deposit limit; excess to a nonreverting fund; pro rata refunds), E (first collection September 2026). Approval: Legislative Information System, HB30, 2026 Special Session I, bill history, https://lis.virginia.gov/bill-details/20262/HB30 (June 29, 2026, Governor: “Approved by Governor-Chapter 1 (effective 7/1/2026)”). The exemption’s survival: Turner, What Virginia Is Spending, What Virginia Is Getting, v5.3, Section 14 (10.5281/zenodo.20679292). The study: Item 1 N.5 of the same act, https://budget.lis.virginia.gov/item/2026/2/HB30/Chapter/1/1/ (the Joint Subcommittee on Tax Policy “shall study the data center sales and use tax exemption and other data center impacts”; “The Joint Subcommittee shall report recommendations to the General Assembly by December 15, 2026”); House Appropriations Committee, “Joint Subcommittee on Tax Policy,” https://hac.virginia.gov/reports-special-projects/joint-subcommittee-on-tax-policy/ (“The Joint Subcommittee shall report recommendations to the General Assembly by December 15, 2026”); Legislative Information System, Reports to the General Assembly, “Joint Subcommittee on Tax Policy,” pending December 15, 2026, https://rga.lis.virginia.gov/Pending/12.15.2026/30410 (authority “Appropriation Act - Item 1 N.5. (Special Session I, 2026)”; a report on “the study of the data center sales and use tax exemption and other data center impacts”; status “Pending”); all three read October 24, 2026.

[97] Hitachi Energy South Boston: VEDP press release, Sept. 2025, https://www.vedp.org/press-release/2025-09/hitachi-energy-south-boston; Hitachi Energy release, https://www.hitachienergy.com/us/en/news-and-events/press-releases/2025/09/hitachi-announces-historic-1-billion-usd-manufacturing-investment-to-power-america-s-energy-future-through-production-of-critical-grid-infrastructure; WSLS, Sept. 4, 2025 (announcement Thursday, Sept. 4); Cardinal News, Sept. 5, 2025, https://cardinalnews.org/2025/09/05/hitachi-energy-to-invest-457-million-add-825-jobs-in-halifax-county/ ($457M, 825 new jobs atop ~670 existing; largest U.S. LPT site; “AI data centers” among named demand drivers; the facility “should be operational by 2028,” per Hitachi spokesperson Kurt Steinert); WRIC (MEI grant up to $29.4M pending General Assembly approval); Transformer Magazine and Utility Dive (equipment ordered; 2026 groundbreaking; 2028 shipping). Precursor: $37M expansion announced Oct. 2022.

[98] SoVaNow, July 1, 2026, https://www.sovanow.com/articles/hitachi-energy-breaks-ground-on-457m-expansion/ (groundbreaking “on Monday,” June 29, 2026; $457 million; “about 825 long-term jobs”; existing employment “about 850 people”). The article does not report the state grant’s status. WDBJ7, June 29, 2026, https://www.wdbj7.com/2026/06/29/more-than-800-new-jobs-expected-with-building-south-boston-transformer-production-facility/ (“The current campus already employs 850 people”; “Hitachi says the goal is to have the expansion complete sometime in 2029”; “It’s a little behind where we want it to be, but we’re confident we can pick up the pace now that we’ve officially built it”). The 2028 dates are [97]’s; neither article above, as read October 24, 2026, mentions 2028.

[99] SoVaNow, Sept. 11 and Sept. 25, 2024 (Sierra Club Virginia Chapter and Friends of the Meherrin forum, Sept. 18, 2024, Estes Community Center, Chase City; Friends of the Meherrin president Judy Brothers; Sierra Club’s Tim Cywinski: Virginia is “the data center capital of the world” and “a data center dumping ground”; calls for a construction pause pending the JLARC study), https://www.sovanow.com/articles/data-center-spread-decried-by-sierra-club/. The forum is the first organized public opposition event in the county’s fifteen-year record. Earlier controversies in the record: a 2017 insider sabotage attempt at Building 7 (SoVaNow, Feb. 2017, https://www.sovanow.com/articles/sabotage_attempt_thwarted_at_microsoft_data_center/), the 2022 ProPublica cemetery investigation rooted in 2014 events, the 2023 contractor stormwater fine, and the June 2024 Lakeside wetlands consent order.

[100] SoVaNow, October 14, 2026, https://www.sovanow.com/articles/mecklenburg-supes-delay-action-on-battery-storage-village-project-okayed/ (reporting the Tuesday, October 13, 2026 meeting:

the supervisors adopted amendments to the county zoning ordinance, which grew out of the board's legislative committee review of August 17 and a Planning Commission recommendation; one amendment makes a perimeter access road a condition of special exception approval for battery-storage sites; no vote count reported). Referral of September 14, 2026: Board of Supervisors minutes, item H.2 (amendments a to j: farm structures, special events, variances, accessory structures and setbacks, R-3 and PUD building height, food trucks, business vehicles, major recreational equipment, numbering). Posted draft: meck44.com, "Draft Mecklenburg County Zoning Ordinance 9-17-2026" (tracked changes; none in the use-table rows for data centers or utility-scale solar or in the data center standards section). Amended text: Mecklenburg County, "Mecklenburg County Zoning Ordinance," cover dated October 13, 2026, marked "AMENDED 10-13-2026,"
https://www.mecklenburgva.com/DocumentCenter/View/1233/Mecklenburg-Zoning-Ordinance-FINAL-10-13-2026, linked from the county home page; Section 1.3-1 ("This Ordinance was adopted on May 11, 2026." "This Ordinance shall become effective on July 1, 2026"). Minutes: county Agenda Center, https://www.mecklenburgva.com/AgendaCenter, October 13, 2026 row, no minutes listed as of October 24, 2026; both read that day.