IDEM and Data Centers

An Overview of Environmental Requirements

As Indiana's environmental regulator, IDEM protects human health and the environment, supports safe operations across key sectors, issues permits in compliance with federal and state regulations, and monitors compliance at permitted facilities. The Indiana Department of Environmental Management (IDEM) has seen a rise in data center proposals across the state, each presenting environmental considerations that may require regulatory oversight.

Regulatory Considerations for Data Centers

Pre-Operation and Development

- **Construction-Related Permitting:** A Construction Stormwater General Permit (CSGP) is required for any construction activity that results in the disturbance of one (1) acre or more of total land area. Applicants are required to file a Notice of Intent (NOI) and produce a Construction/Stormwater Pollution Prevention Plan. The CSGP program helps protect Indiana waterways from runoff from construction sites.

- **Wetland Permitting:** An Isolated Wetland Permit may be required if the construction project impacts a protected wetland. Indiana allows developers to propose mitigation to offset the functional impacts to wetlands and streams. Mitigation ratios are used to help offset what is lost within the watershed.

Water Quality

Water/Wastewater: Data centers frequently use water as a cooling mechanism for equipment on-site. Operators must adhere to environmental regulations when discharging process water into Indiana waterways. Activities require a permit depending on how the water is discharged. The permit application requires a detailed analysis of the wastewater's composition and the intended treatment methods.

- **Direct to Water Bodies:** IDEM's Office of Water Quality (OWQ) is responsible for issuing National Pollutant Discharge Elimination System (NPDES) permits for direct discharges into streams, lakes, and other water bodies in Indiana.

- **Discharge to Sewer System/POTW:** WWTPs that receive wastewater from external sources are required to inform the OWQ Permits Branch of their intent to accept wastewater (including noncontact cooling water). OWQ determines if any changes to the WWTP's NPDES permit are needed.

These permits ensure discharges do not violate water quality standards and specifies monitoring and reporting requirements.

Air Quality

Generators/Air Emissions: Data centers often have backup generators and cooling towers, which require the obtainment of air permits. The specific permit required depends on the facility's potential to emit (PTE) air pollutants, the location of the project, and the capacity of the equipment.

Land Quality

Waste Management: Data Centers must comply with regulations concerning the proper storage or disposal of solid waste, hazardous waste, and e-waste. In rare situations, Data Center operations may require permits from IDEM's Office of Land Quality if operating as a processing or disposal facility.

Brownfield Redevelopment: Some proposed data center locations may be on properties with historical contamination. In these cases, Indiana's Brownfields Program and other remediation programs may have already established Environmental Restrictive Covenants to ensure long-term environmental protection.

Redeveloping these sites may involve meeting certain obligations, such as proper soil management, maintaining stormwater controls, or preserving existing protective barriers.

Free Confidential Compliance Assistance

The Compliance and Technical Assistance Program (CTAP) is Indiana's business assistance program. CTAP is a non-regulatory program that provides free, confidential compliance and technical assistance to regulated entities. CTAP has expertise in air, water, and waste regulations and can provide program-specific contacts for pre-application meetings with developers to help clarify permit requirements, especially for complex projects.

Local Oversight

IDEM does not have regulatory authority over local zoning decisions. Our role is to review the permit to determine whether the proposed operations comply with applicable state and federal environmental laws. These laws are designed to protect public health by minimizing risks to air, land, and water quality.

Additionally, noise from operational processes is often subject to local ordinances, but outside of IDEM's regulatory purview.