Policy Committee Meeting Agenda
Clean Water Council
August 22, 2025
9:30 a.m. – 12:00 p.m.
WebEx Only

Policy Committee: John Barten, Rich Biske (Chair), Gail Cederberg, Kelly Gribauval-Hite, Chris Meyer, Peter Schwagerl, Marcie Weinandt, and Jessica Wilson

9:30 Regular Business

- Introductions
- Approve today's agenda
- Approve minutes of previous meeting(s)
- Chair update
- Staff update

9:45 Public Comment

Members of the public who would like to provide comment about something not on the agenda are welcome to do so at this time.

10:00 Large-volume water users policy statement

The policy statement has been updated based on Policy Committee input in the last meeting and to reflect the standard format of other recent policy statements. It has also been shared with some external stakeholders for review. Committee members are asked to come prepared to either finalize the statement or isolate the specific changes desired in order to move the statement on to the full Council in the future.

10:45 BREAK

11:00 Scoping the next policy statement: Funding implementation for private well users

This first conversation for the next policy statement will begin to outline its content and, importantly, key questions that would need to be answered. Discussion will stay at a higher level in order to identify possible speakers or resources to bring in for future meetings.

12:00 Adjourn

Large-volume water users

Policy Statement

The Clean Water Council encourages the improved data, enhanced data sharing, local government capacity building, and broader interagency collaboration to protect groundwater resources in a way that also provides rapid responses for industry decision making.

Problem

Individual large-volume users of water, or those using more than 100 million gallons of water per year, are not new to Minnesota. It makes sense. As a state, Minnesota has an identity synonymous with water, and there is a perception that water is abundant and limitless. However, there are areas of the state where water is already being used faster than it is being replenished, and increased interest from large-volume water users, particularly data centers, have raised concerns about siting large-volume water users in location where sustainable supply could become (or already is) an issue. The concern becomes more acute when groundwater is the source of water for local water supply.

The environmental nonprofit, Freshwater, notes in their data center-focused fact sheet that "a single data center can use 1 to 5 million gallons of water per day, as much as a small to medium size city." The addition of one data center alone can dramatically impact local groundwater levels. The addition of multiple within a single community (or adjacent communities)—in addition to the water needs of that existing city for today and future generations—can create significant impacts on local and regional groundwater sustainability, population growth, and economic development.

While the demand for new data centers has spurred the development of this policy statement, the Council is looking at this more holistically in considering high-volume water users in general. Additionally, while concerns exist around energy, air pollution, long-term economic development, and other issues, the Council is interested in the implications specific to water.

A series of challenges have become abundantly clear over the last couple of years:

- Large-volume water users are being attracted to Minnesota and specific areas without consideration of water needs or limitations
- Private industry does not have adequate understanding of or access to information to support sound decisions for where to site new developments based on water considerations
- Communities have limited resources and time for evaluating proposals, and nondisclosure agreements can make it challenging to access important information
- When large-volume water users utilize existing municipal infrastructure and water supply, there are impacts to water availability for future population growth and there is the potential that the use cannot be separated out or shut off when water use restrictions are activated

- Existing information available does not match the level of granularity needed, is out of date, or does not include planned-but-not-built developments
- We do not have a good way to understand the cumulative impact of large volume water users on a regional basis
- Use of municipal water supply, rather than drilling new wells, can impact use during droughts or other emergencies

At the end of the 2025 legislative session, the State Legislature set new expectations for pre-application and early coordination with the Department of Natural Resources for any new data centers. While this can help to address some siting concerns, additional action is needed to safeguard water availability for today and the future.

Solution

The Council has a statutory role to foster coordination and cooperation as part of the Clean Water Legacy Act. It has as a part of it's Strategic Plan (adopted 2024) the following goals, strategies, and actions:

- Goal 2: Ensure groundwater use is sustainable and avoid adverse impacts to surface water features due to groundwater use.
    - Strategy: Develop a cumulative impact assessment and support planning efforts to achieve a sustainability standard for groundwater.
        - Action: Prioritize areas of high water use intensity.
            - Measure: Groundwater Management Areas (GWMA), highly sensitive areas, and areas of high water use intensity from agricultural irrigation are designated.
    - Strategy: Develop and carry out strategies that promote sustainability of groundwater use
        - Action: Implement water efficiency BMPs, water use reduction, and irrigation water management in areas of high water use intensity by agricultural irrigators, highly sensitive areas, Groundwater Management Areas (GWMAs), and highly vulnerable Drinking Water Source Management Areas (DWSMAs).
            - Measure: DNR has tools needed to address conflicts on use of groundwater for economic and ecological purposes.
            - Measure: Monitoring wells have upward trend or no change in all six groundwater provinces.
    - Strategy: Identify options that will accelerate progress to achieving a sustainable groundwater standard in line with circular water economy principles.
        - Action: Clean Water Council Policy Committee biennial policy recommendations.
        - Action: Research and foster support for circular water economy practices.

Given these charges, the Council is interested in protecting aquifers across jurisdictional boundaries and encourages improved data sharing, local government capacity building, and broader interagency collaboration. Doing so would protect groundwater in a way that also provides rapid responses for industry decision making.

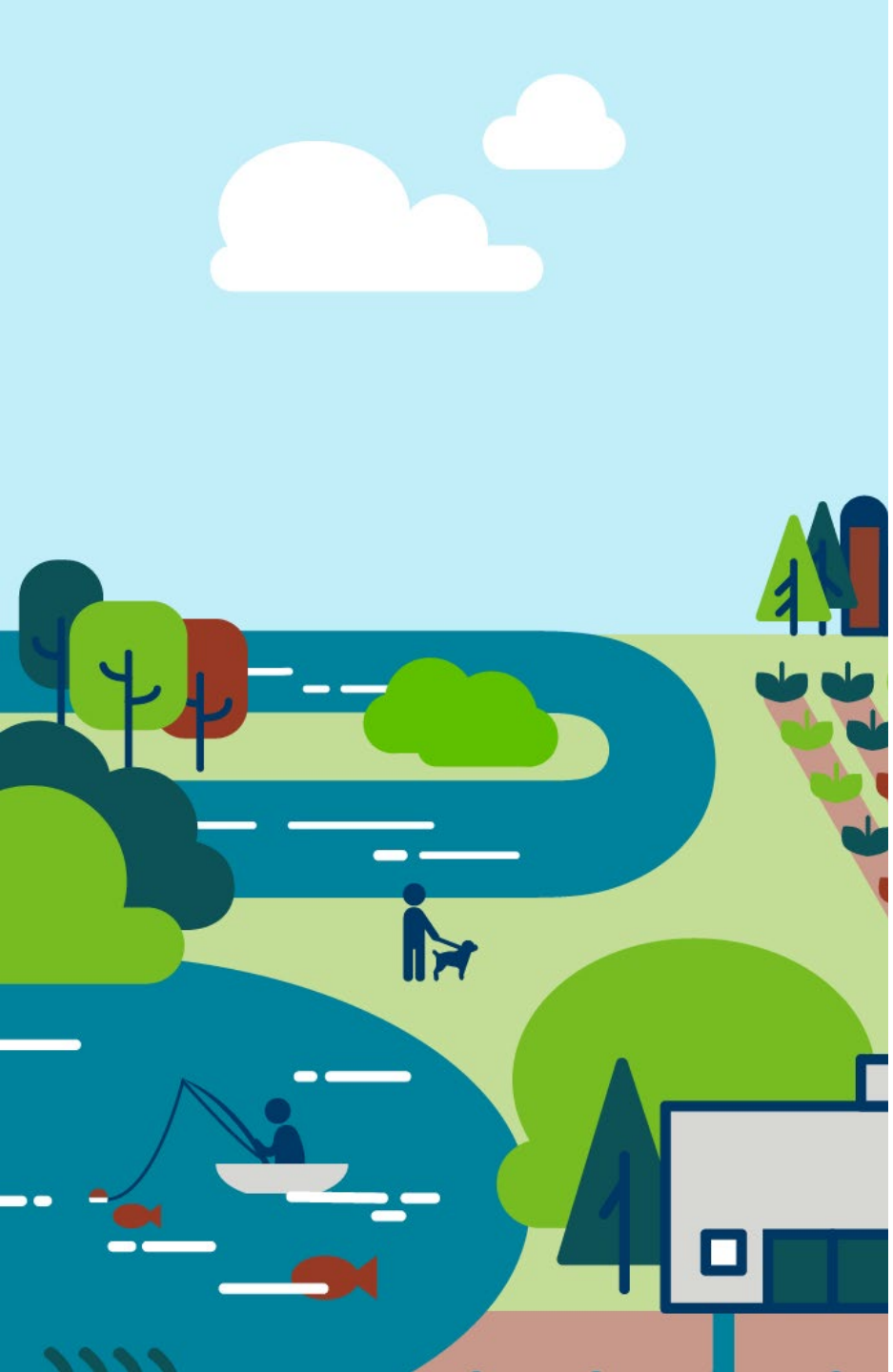
To address these concerns, the Council recommends the following.

- For all proposals for new large-volume water users, require sufficient information regarding anticipated water use and intended source to evaluate proposals as a part of early coordination with the Minnesota Department of Natural Resources (and the Met Council, where appropriate). This would allow them to review for appropriateness and/or assist with siting of new facilities from a groundwater availability and water supply perspective.
    - Develop a framework or tool to aid the private sector in better evaluating water risk and more strategically site or design large-volume water use industries:
    - As is relevant and useful, utilize existing resources
    - Enhance regional groundwater models
    - identify locations with plentiful groundwater where cooling use will not interfere with other higher priority uses
    - identify where there might co-location opportunities with a beneficial industry
    - identify opportunities for recharge, and
    - incentivize use of alternate water supply sources beyond groundwater for cooling, including surface water and reclaimed water
    - Include large-volume water users as considerations in Groundwater Restoration and Protection Strategies (GRAPS) and the development or amendment of comprehensive watershed management plans (One Watershed One Plan or other approved plans). Groundwater use and discharges to surface waters from data centers should be of particular interest. Encourage amendments for comprehensive watershed management plans in areas which have recently seen an increased interest from developers.
- Include large-volume water users as considerations for municipal planning efforts, including Wellhead Protection Plans, Water Supply Plans, Local Water Plans, and Local Comprehensive Plans in the metro area. When new large-volume water users are proposed, the DNR should review impacts on high-priority current and future water use and, in the metro area, the Metropolitan Council should review whether impacts to water availability will require a change to population forecasts or service availability.
- Encourage closed loop geothermal systems, water reuse, or other innovative approaches that maximize water use efficiency and provide multiple benefits. This may require possible modification of once-through cooling prohibitions in the Minnesota Groundwater Protection Act (Minn. Stat. §103G.271 Subdivision 5.) Modifications could encourage closed loop geothermal systems, water reuse, or other innovative approaches that provide multiple benefits.

- As a fifth priority user, if a new large-volume water user is seeking to use existing municipal infrastructure and supply, require the local water supplier to have a mechanism and policy protection to shut off water supply in the event of an emergency in order to protect high-priority water users (Minn. Stat. §103G.261). If this is not possible, require the developers to drill their own well.
- Develop and proactively promote capacity building programs or activities for local governments so that they can evaluate risks to groundwater supplies more quickly. The Metropolitan Council and state associations such as the League of Minnesota Cities and the Coalition of Greater Minnesota Cities would be logical partners for proactive outreach and training opportunities.

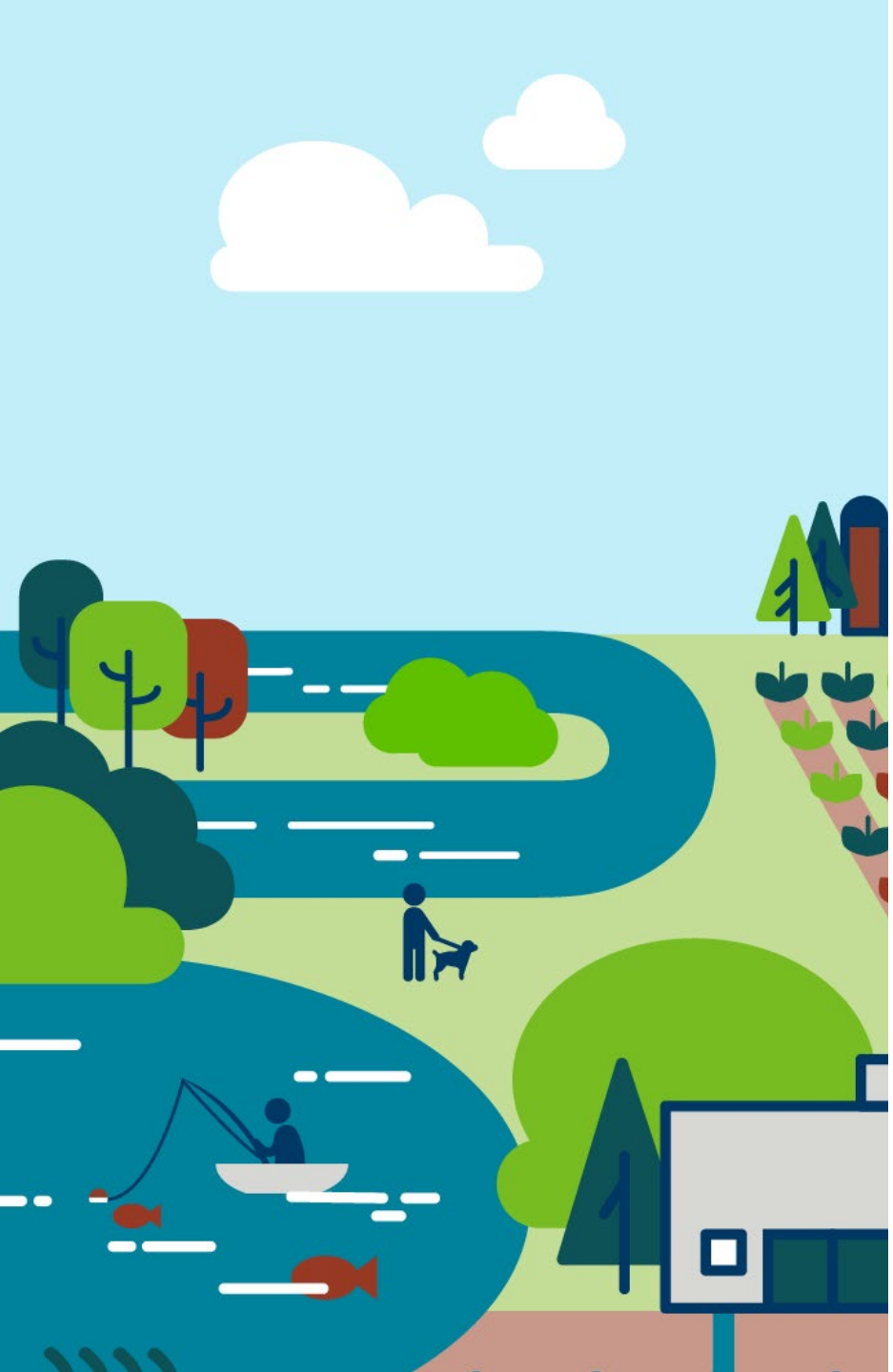
Large-volume water users policy statement

Comments from interested parties



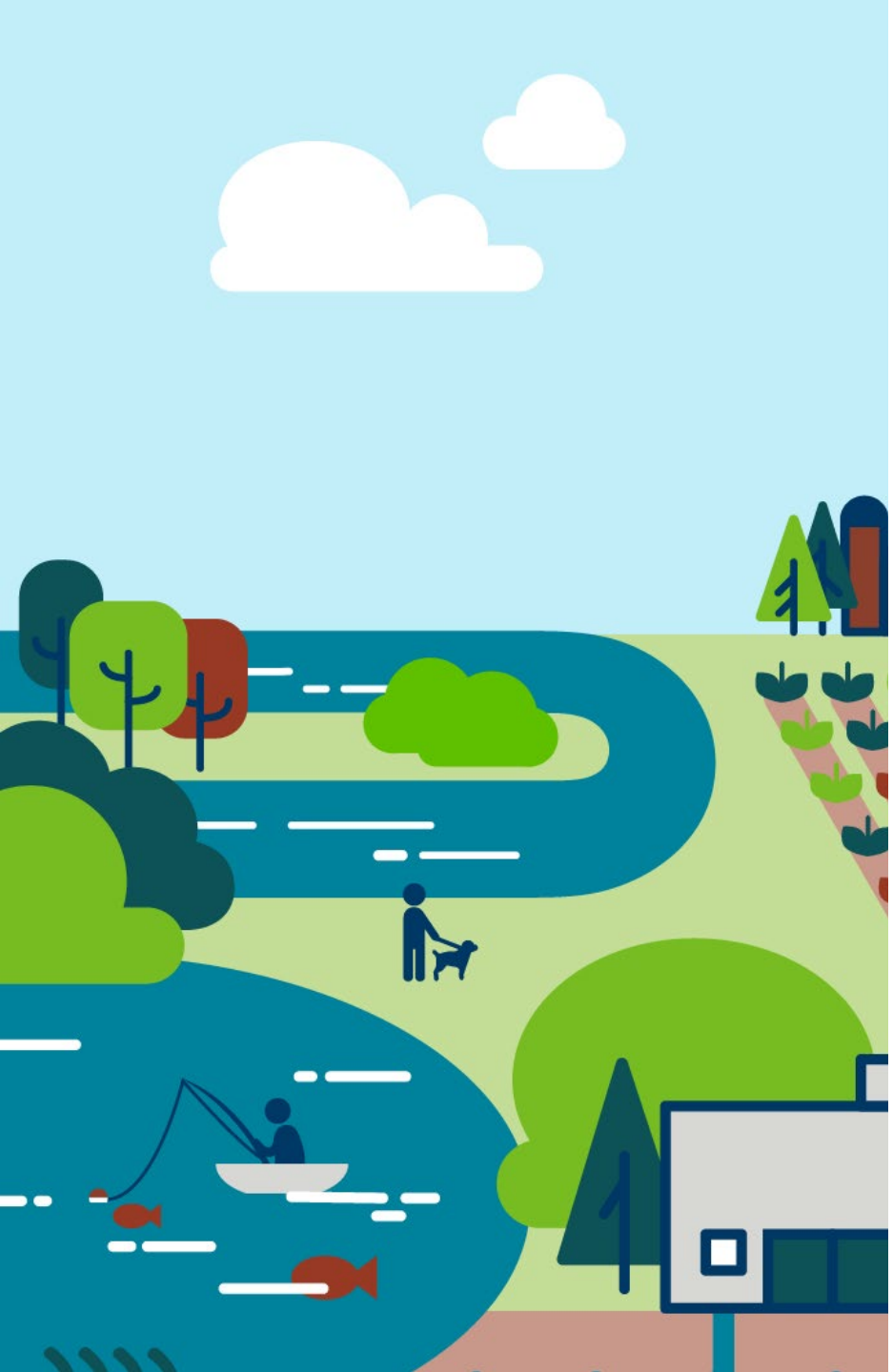
Overall

- FW: Thank you for applying this to large water users, not just data centers.
- MCEA: Thank you for your consideration of this important topic, and for your work to ensure that Minnesota's groundwater is sustainably used to supply the needs of current and future generations and to protect groundwater-dependent ecosystems.



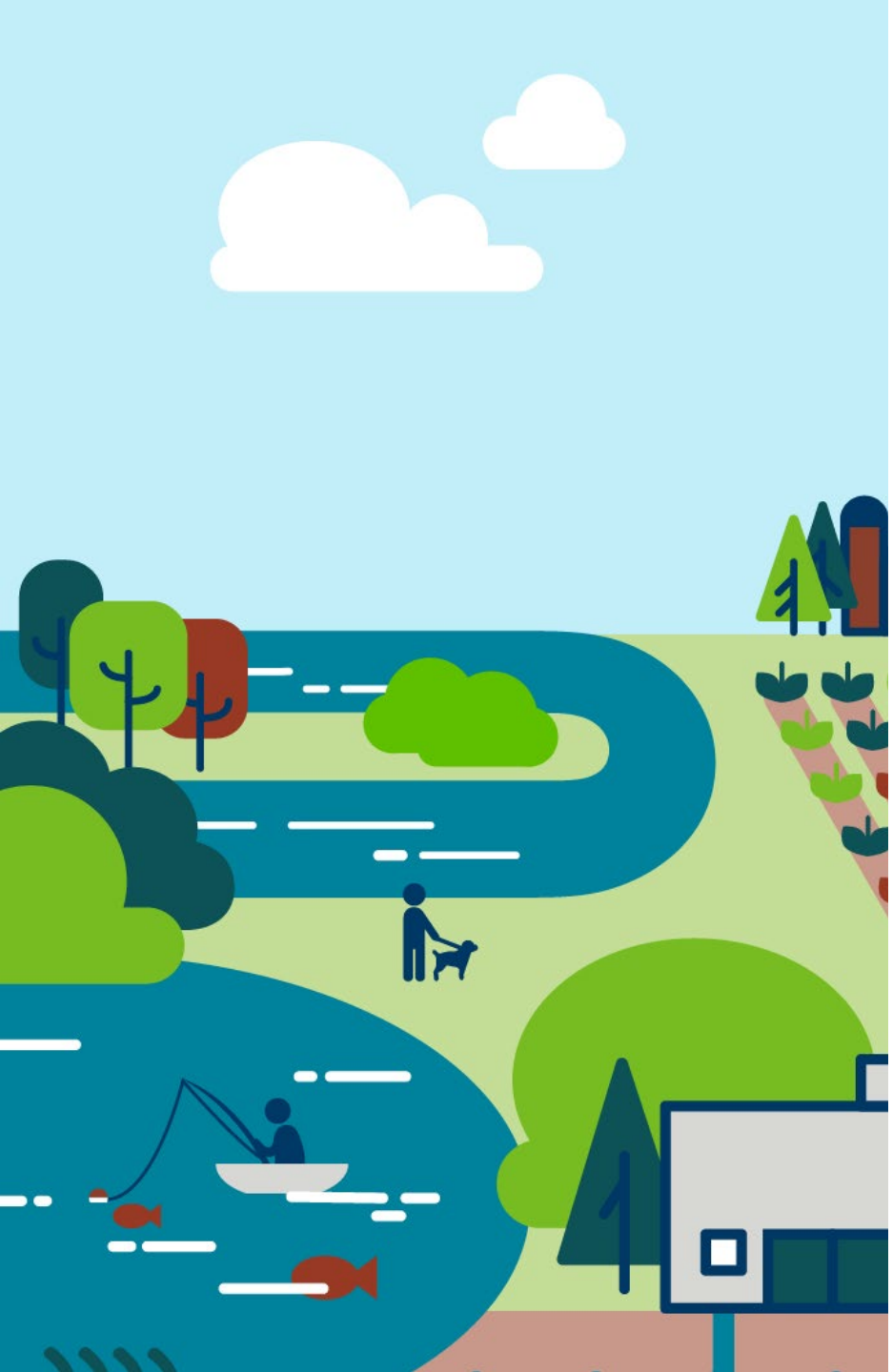
Opening Policy Statement

- FW: can you add a goal for more regional water planning? This is especially important for areas where they don’t have regional groundwater planning agencies outside of the Met Council region.



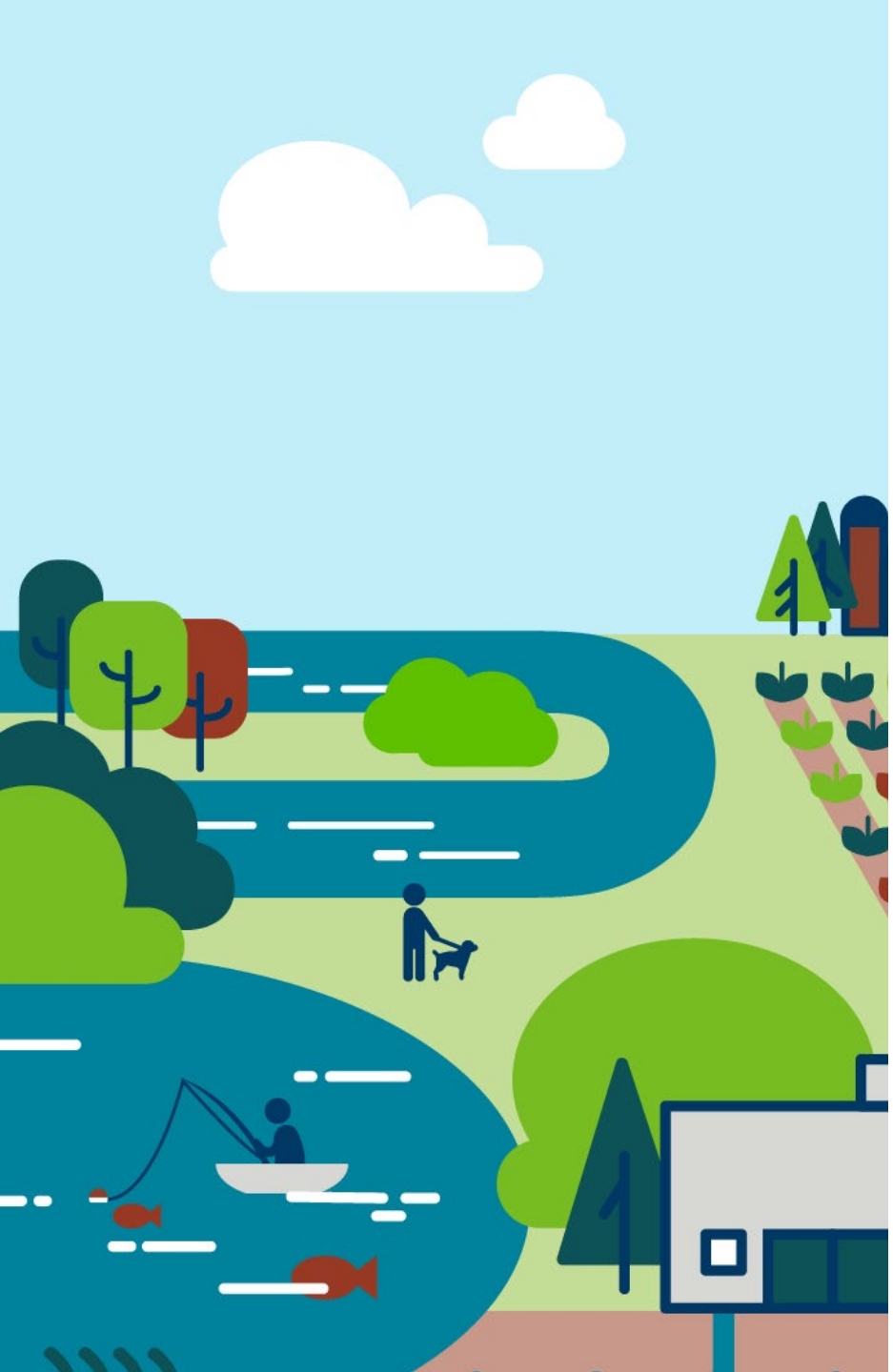
Problem

- FW: Include that the local information for water supply and discharge may already exist
- FW: A complicating factor for data transparency: sometimes a developer is bringing the project forward (think Tract), and they don't have a final end user yet, so they don't have specific details on the end user's specific water use and discharge. Cities say this happens a lot. And they have a hard time evaluating specifics in this case. Could be air cooling, could be water cooling, could be another technology, etc.
- FW: broaden it up to water supply *and* discharge. For example: Meta in Rosemount switched to air cooling based on limited wastewater discharge capacity.
- FW: Want to add that there is confusion around permitting and roles and responsibilities?
- Want to add that community groups want more input?



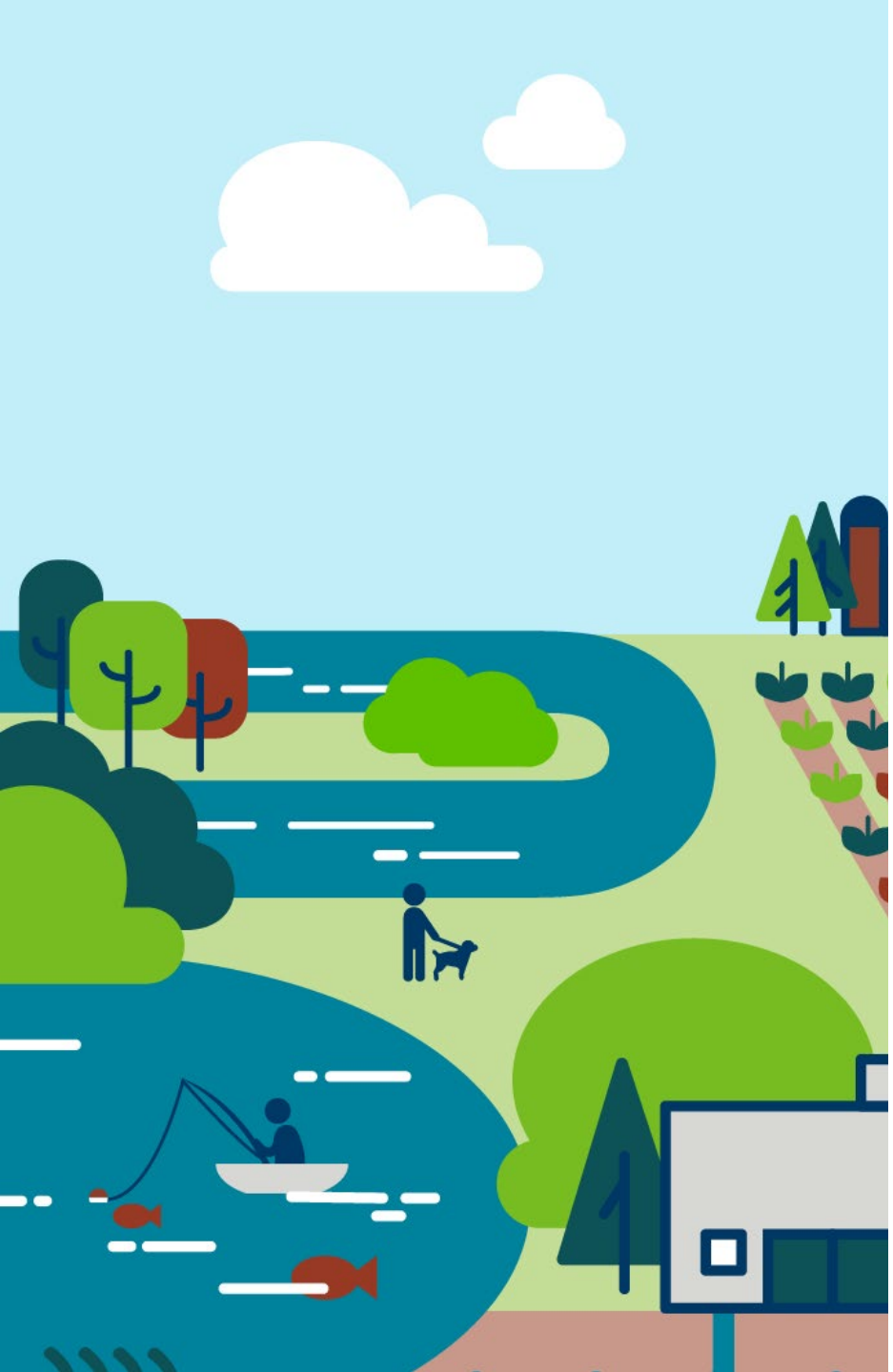
Problem

- MCEA: Provide specific examples of the “significant impacts on local and regional groundwater sustainability” that large-volume water users can have.



Solution

- FW: Wonderful suggestions for action steps!
- FW: Want to add a role for MN DEED Business First stop with coordination? They were also named in the data center bill and said they have funding for better mapping to do initial siting on power and water with businesses.
- MCEA: Outline in greater detail the tools that the Minnesota DNR has the authority to use to address groundwater use conflicts.



Solution

- MCEA: Require an EIS for hyperscale data centers to evaluate their impact on water resources, energy and mineral demand, and the local communities where they are sited.
- MCEA: Recognize the strong legal standard for groundwater sustainability established in Minn. Stat. 103G.287 and identify additional tools needed to achieve this standard, such as a separate permit requirement for large-volume water users.
- MCEA: Organize recommendations into sub-categories for greater clarity, and clarify the status of Minnesota state law on closed loop systems.