
2026

Data Center Development in North Dakota

Data center development is accelerating across the United States, driven by growing demand for cloud computing, artificial intelligence, data security, and high-performance computing. North Dakota's reliable energy resources, cold climate, available land, and pro-business environment have positioned the state as an attractive location for these projects.

For agriculture, the most important issues are protection of private property rights, water availability and quality, maintaining affordable and reliable power, preserving local control, and ensuring rural communities understand both the opportunities and risks of large-scale data center development.

WHAT ARE DATA CENTERS?

- **Definition and Primary Uses:** Data centers are specialized facilities that house large numbers of computer servers, networking equipment, and supporting infrastructure used to store, process, and transmit digital information. They support cloud services, artificial intelligence, high-performance computing, financial systems, e-commerce, streaming, and some cryptocurrency or blockchain operations.
- **Scale, Power, and Cooling:** Modern data centers can range from tens of megawatts to hundreds of megawatts, with some campuses reaching gigawatt-scale potential. They require continuous power and significant cooling. North Dakota's cold climate may improve energy efficiency, and newer cooling technologies can reduce or nearly eliminate ongoing freshwater use.
- **Land Footprint and Employment:** Large campuses may occupy several hundred acres. Construction employment can be substantial, while permanent operational jobs are usually fewer and more specialized.
- **Decommissioning and Restoration:** Development agreements may include bonds or letters of credit for equipment removal, decommissioning, and site restoration at the end of a project's useful life.

CURRENT LANDSCAPE IN NORTH DAKOTA

- **Applied Digital — Ellendale:** The Polaris Forge 1 campus is operating at roughly 180 MW, with phased expansions underway and longer-term development potential discussed at much larger scale.
- **Applied Digital — Harwood/Fargo Area:** The Polaris Forge 2 campus includes a 280 MW initial phase under construction, with initial operations targeted for late 2026 and full initial capacity in 2027.
- **Core Scientific — Grand Forks:** A 100 MW high-density data center supporting AI and research is operational.
- **Atlas Power — Williston Area:** Focused on cryptocurrency mining and recognized as one of the first major data center developments in the state.

REGULATORY AND POLICY LANDSCAPE

- **Local Authority:** Counties and townships currently hold primary authority over data center siting and performance standards through land use codes, zoning districts, conditional use permits, and development agreements.
- **State Legislation and 2027 Session:** The 2025 Legislature primarily addressed large-load grid impacts through study rather than new statewide permitting authority. Additional legislation related to data center regulation is anticipated in the 2027 legislative session. Key topics expected to be addressed include cooling system requirements, standardized noise and light regulations, setback considerations, and questions around the limits or scope of local zoning autonomy.

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- **Interim Committee:** The Legislature established an interim Artificial Intelligence and Data Center Committee in June 2026 to examine issues surrounding data centers, artificial intelligence, and their implications for North Dakota.
 - **Key Policy Balance:** The legislature seeks to balance economic development opportunities with protection of agricultural interests, water resources, power affordability, property rights, and local control.

QUESTIONS TO CONSIDER

Data center development is becoming a larger policy discussion in North Dakota, with potential impacts on agriculture, infrastructure, local decision-making, and rural communities.

- ▶ How should NDFB evaluate data center development in North Dakota?
- ▶ What factors should be considered when data center projects are proposed in rural areas?
- ▶ How should local and state decision-makers approach questions around land use, water, power, and infrastructure?
- ▶ What role, if any, should NDFB play in future discussions about data center development?