

EMERGENCY ORDINANCE # 2026- 17



BE IT ORDAINED BY THE QUORUM COURT OF THE COUNTY OF CARROLL, STATE OF ARKANSAS, AN EMERGENCY ORDINANCE ENTITLED:

AN ORDINANCE ESTABLISHING A TWELVE-MONTH TEMPORARY MORATORIUM ON THE APPROVAL OF HIGH-IMPACT INDUSTRIAL AND HIGH-INTENSITY DIGITAL INFRASTRUCTURE FACILITIES IN THE UNINCORPORATED AREAS OF CARROLL COUNTY PENDING DEVELOPMENT OF A COMPREHENSIVE PERMITTING PROCESS AND NOTICE OF INDUSTRIAL IMPACT AND INTENT REGULATORY FRAMEWORK; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES.

Article 1. Title. This Ordinance shall be known as the “Carroll County High-Impact Industrial and High-Intensity Digital Infrastructure Moratorium Ordinance”.

Article 2. Authority. This Ordinance is adopted pursuant to:

- a. Arkansas Constitution Amendment 55.
- b. Arkansas Code §14-14-801.
- c. Arkansas Code provisions governing county planning and land-use authority.

And is intended to preserve the public health, safety, and welfare while Carroll County evaluates and adopts permanent regulations governing high-impact industrial and high-intensity digital infrastructure use.

Article 3. Legislative Findings. The Quorum Court finds:

- a. High-impact industrial and high-intensity digital infrastructure (HIDI) facilities, including, but not limited to, data centers, artificial intelligence computing facilities, cryptocurrency mining operations, cloud computing campuses, and related large-scale digital processing facilities, are industrial land uses with infrastructure demands significantly different from traditional commercial, office, warehouse, agricultural, and other industrial land uses with respect to utility demand, infrastructure requirements, environmental impacts, emergency response requirements, and fiscal impacts.
- b. Such facilities may require extraordinary electrical demand, water consumption, telecommunications infrastructure, emergency response capacity, road improvements, and utility infrastructure investments.
- c. Industrial facilities exceeding fifteen (15) megawatts of electrical demand may require substations, transmission upgrades, distribution system modifications, backup generation systems, and specialized fire suppression systems.
- d. HIDI facilities may require electrical loads ranging from tens to hundreds of megawatts.

- e. A HIDI facility requiring fifty (50) megawatts of continuous electrical demand may consume approximately 438,000 megawatt-hours annually.
- f. HIDI facilities exceeding one hundred (100) megawatts may consume electrical energy comparable to that used by substantial residential populations or major industrial operations.
- g. Utility infrastructure necessary to support high-impact industrial and HIDI facilities may include dedicated substations, new transmission facilities, distribution system upgrades, switching stations, transmission interconnections, and long-term generation commitments.
- h. HIDI facilities frequently contain substantial concentrations of electrical equipment, battery systems, transformers, backup generation equipment, fuel storage systems, and cooling infrastructure.
- i. Carroll County presently lacks a comprehensive regulatory framework governing the siting, review, permitting, monitoring, and mitigation of impacts associated with high-impact industrial and HIDI facilities.
- j. Existing development regulations do not adequately address:
 - 1. Electrical demand impacts;
 - 2. Utility infrastructure requirements;
 - 3. Water consumption impacts;
 - 4. Fire suppression and emergency response needs;
 - 5. Noise and thermal impacts;
 - 6. Transportation impacts;
 - 7. Fiscal impact on County services;
 - 8. Ratepayer protection considerations.
- k. Rural fire districts and emergency response providers serving unincorporated Carroll County may face substantial operational and infrastructure demands associated with high-impact industrial and large-scale digital infrastructure facilities.
- l. The County has a legitimate governmental interest in understanding and evaluating the impacts of concentrated electrical demand on infrastructure planning, public services, economic development, other land uses, and to what extent, if any, that proposed high-impact industrial and HIDI projects will result in material subsidization of required electric infrastructure by existing ratepayers (meaning allocation of high-impact industrial or HIDI project-specific infrastructure costs to the general rate base that would not be incurred but for high-impact industrial or HIDI projects).
- m. The County has a legitimate governmental interest in determining whether and to what extent hyperscale infrastructure projects (meaning those above 50 megawatts) may require substantial utility investments extending beyond project boundaries, may affect

adjacent land uses, roadway corridors, agricultural lands, residential lands, and environmentally sensitive areas.

- n. The County has a legitimate governmental interest in determining whether and to what extent transmission corridors, substations, and utility infrastructure for high-impact industrial and HIDI facilities may produce visual, noise, maintenance, safety, and land-use compatibility impacts.
- o. High-impact industrial and digital infrastructure facilities may utilize significant quantities of water for cooling operations. Water consumption may vary substantially depending upon facility size, climatic conditions, cooling technology, operating schedules, and computing intensity. Certain facilities may utilize evaporative cooling systems, chilled-water systems, hybrid cooling systems, or other technologies requiring substantial water withdrawals.
- p. Water demand associated with large-scale HIDI facilities may affect local water supply planning, infrastructure capacity, drought resiliency, and future development opportunities.
- q. The County has a legitimate governmental interest in evaluating anticipated water demand and cooling technologies before development approvals are granted.
- r. High-impact industrial and HIDI facilities frequently contain substantial concentrations of electrical equipment, battery systems, transformers, backup generation systems, fuel storage systems, and cooling systems. Certain battery technologies may present unique fire suppression and emergency response challenges. Emergency incidents involving high-impact industrial or digital infrastructure facilities may require coordination among fire departments, rural and primarily volunteer fire districts, emergency management agencies, utilities, and law enforcement agencies. The County has a legitimate governmental interest in evaluating fire and emergency medical response capabilities before approving such facilities.
- s. Cooling equipment, mechanical systems, backup generators, transformers, substations, and related high-intensity digital infrastructure may generate continuous or intermittent noise. Such impacts may affect neighboring residential, agricultural, institutional, recreational, and conservation land uses.
- t. High-impact industrial and high-intensity digital infrastructure facilities may generate electronic waste, construction waste, and operational waste streams requiring proper management. Large-scale digital facilities may alter development patterns, infrastructure demands, and land-use compatibility with surrounding areas.
- u. The County has a legitimate governmental interest in ensuring compatibility between high-impact industrial and HIDI facilities and surrounding land uses.

- v. High-impact industrial and HIDI development proposals may generate direct and indirect demands upon County services and infrastructure. County review of large-scale projects would require engineering, legal, environmental, planning, and consulting expertise. Existing county fee structures do not exist to adequately recover costs associated with review and monitoring of high-impact industrial and HIDI facilities.
- w. The County has a legitimate governmental interest in ensuring that project review and regulatory costs are not shifted to County taxpayers. Development of cost recovery mechanisms, review fees, escrow requirements, and monitoring and enforcement fees warrants further study.
- x. Existing County ordinances and regulations were not envisioned or designed to address the unique characteristics of high-impact industrial and digital infrastructure facilities. County officials presently lack a standardized mechanism for receiving advance notice concerning utility infrastructure requirements associated with those facilities.
- y. Advance notice of utility demands, water requirements, cooling technologies, transmission infrastructure needs, emergency response requirements, phased development plans, and environmental impacts is necessary for informed and fair-minded governmental decision-making.
- z. A permitting process and a Notice of Industrial Impact and Intent (NOII) process and framework would provide transparency, advance notice, meaningful opportunities for public participation and intergovernmental cooperation, and will assist the County in evaluating and coordinating infrastructure impacts before high-impact industrial and HIDI development approvals are issued.
- aa. The County needs time to evaluate the adoption of a high-impact industrial and high-intensity digital infrastructure permitting process and Notice of Industrial Impact and Intent (NOII) regulatory framework to address these impacts.
- bb. Any construction of, or approval of high-impact industrial and high-intensity digital infrastructure facilities before completion of that review may result in irreversible infrastructure commitments, inadequate mitigation of impacts, and inconsistent land-use decisions.
- cc. A temporary moratorium is necessary to preserve the status quo while the County completes its planning and regulatory process.

Article 4. Definitions.

- a. High-Intensity Digital Infrastructure (HIDI) Facility. Any facility or campus primarily engaged in:
 - 1. Data center operations.
 - 2. Artificial intelligence computing.
 - 3. Cryptocurrency mining.

4. Blockchain processing.
 5. Cloud Computing.
 6. High-performance computing; or
 7. Similar digital processing activities and having either: Electrical demand of fifteen (15) megawatts or greater or water demand of one hundred thousand (100,000) gallons per day or greater.
- b. High-Impact Industrial Use. Any use meeting one or more of the following objective criteria: Electrical demand of fifteen (15) (MW) or greater or water use of 100,000 gallons per day or greater.
 - c. Moratorium. A temporary suspension of the construction in the county related to high-impact industrial and high-intensity digital infrastructure facilities.
 - d. Construction. Any clearing of land, excavation, relocation of utilities, grading, construction of access roads, erection of any structure to facilitate a high-impact industrial facility or high-intensity digital infrastructure facility, erection of any energy generation components structure to facilitate a high-impact, and/or any positioning or location of equipment to accomplish same.

Article 5. Moratorium.

- a. During the term of this Ordinance, no construction related to high-impact industrial and high-intensity digital infrastructure facilities shall commence.
- b. During the term of this Ordinance, no county department, board, commission, official, or employee shall approve, issue, grant, or authorize:
 1. Conditional use permits.
 2. Development permits.
 3. Land disturbance permits.
 4. Site plan approvals.
 5. Rezoning requests.
 6. Subdivision approvals; or
 7. Other discretionary County approvals for construction, development, redevelopment, or expansion of high-impact industrial and high-intensity digital infrastructure facilities within the unincorporated areas of Carroll County.
- c. No application submitted after the effective date of this Ordinance shall be approved until expiration or termination of the moratorium.

Article 6. Intent. In accordance with Arkansas Act 851 of 2023 (also known as the Arkansas Data Centers Act), this moratorium is not intended to be and should not be construed as a ban or prohibition on HIDI projects, but is intended to be a recognized permitted tool for preserving the status quo so the County can undertake and complete a period of regulatory study. The Quorum Court finds that a temporary moratorium is the least restrictive available means of preserving the status quo while development of a comprehensive regulatory framework is completed.

Article 7. Study and Regulatory Development. During the moratorium period, Carroll County may:

- a. Evaluate and develop:
 1. A permitting process for high-impact industrial and high-intensity digital infrastructure facilities.
 2. A Notice of Industrial Impact and Intent (NOII) process.
 3. Utility coordination procedures.
 4. Infrastructure impact standards.
 5. Emergency response standards.
 6. Water and wastewater review standards.
 7. Fee and cost-recovery mechanisms.
 8. Monitoring and enforcement provisions.
 9. Public participation procedures; and
 10. Other regulations necessary to protect the public health, safety, and welfare.
- b. Provide quarterly progress reports to the Quorum Court.

Article 8. Duration. This moratorium shall remain in effect for twelve (12) months from the effective date of this Ordinance unless repealed earlier by the Quorum Court.

Article 9. Non-Retroactivity. This Ordinance shall not apply to projects that: (a) have executed binding utility interconnection agreements; or (b) have received final County approvals; or (c) have submitted complete interconnection applications and received final utility study acceptance before the effective date of this Ordinance. For purposes of this Ordinance and any related Notice of Industrial Impact and Intent (NOII) or permitting framework, “final utility study acceptance” means the issuance by the applicable utility provider of a written determination, approval, facilities study agreement, service commitment, interconnection agreement, utility service agreement, construction authorization, or other final action indicating that:

- a. All material engineering, feasibility, system impact, load flow, facilities, capacity, transmission, distribution, water, wastewater, or other utility studies required by the utility provider have been completed;
- b. The utility provider has identified the infrastructure, upgrades, facilities, easements, transmission facilities, distribution facilities, water system facilities, wastewater system facilities, or other infrastructure improvements necessary to serve the proposed project;
- c. The utility provider has determined that utility service can be provided subject only to identified conditions, construction requirements, tariffs, regulatory approvals, or contractual obligations.
- d. The applicant has accepted, or has been offered the opportunity to accept, the utility provider’s identified utility service conditions and infrastructure requirements; and;
- e. No additional discretionary utility feasibility, system impact, facilities, capacity, or engineering study required by the utility provider remains pending that could materially

1. Preliminary inquiries;
2. Expressions of interest
3. Nonbinding correspondence;
4. Conceptual utility study service discussions;
5. Preliminary load reviews;
6. Preliminary feasibility reviews;
7. Screening studies;
8. Requests for information;
9. Letters indicating only that utility studies will be performed; or
10. Any provider communication that expressly states that utility service availability, required utility infrastructure, costs, capacity, timing, or interconnection feasibility remain subject to further study or approval.

Article 11. Repealer. All laws and parts of laws in conflict with this Ordinance are hereby repealed.

APPROVED: David Writer
David Writer, Carroll County Judge

ATTEST: Connie T. Doss
Connie T. Doss, Carroll County Clerk

DATE: 6-16-2024 SPONSORS: Jack Deaton/Harrie Farrow

This publication is paid for by the Quorum Court of Carroll County, Arkansas. §14-14-116 §

	YES	NO
JP 1	✓	
JP 2	✓	
JP 3	✓	
JP 4		VAB
JP 5	✓	
JP 6	✓	
JP 7	✓	
JP 8	✓	
JP 9	✓	
JP 10		VAB
JP 11	✓	