

Ingenium Consulting

<u>Team Member Name</u>	<u>Year</u>	<u>Major</u>
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Lexi Sheynin	Junior	Business Law
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Advisor(s): Dr. Lauren Ross

Topic Title: Shared Resources, Unequal Burdens: The Ethics of Data Center Growth

Audience: Iron Mountain's Board of Directors

Sustainable Development Goal

SDG #6: Clean Water and Sanitation: Ensure availability and sustainable management of water and sanitation for all

SDG #12: Responsible Consumption and Production: Ensure sustainable consumption and production patterns

Executive Summary

Iron Mountain is expanding its data center operations in Phoenix, Arizona to meet the growing demand for digital storage. These facilities require large amounts of water to cool servers, and all four of them are located in a drought-stricken region where water resources are already limited. Large data centers consume millions of gallons of water each day, which places additional pressure on local aquifers and surrounding communities. As communities and local governments become more concerned about water scarcity, data centers' expansion increasingly faces public scrutiny and regulatory pressure. The key issue is how Iron Mountain can continue to grow while also protecting Arizona's water resources and maintaining public trust. If water is used faster than aquifers can replenish, both communities and businesses face long-term risks, including water shortages, rising utility costs, and delays in future development approvals. This creates both an environmental challenge and a business risk for the company.

To address this issue, we propose an aquifer recharge requirement that would require Iron Mountain to replace the water lost through data center cooling systems. This approach ensures that water used by Iron Mountain is returned to the same Active Management Area (AMA), protecting local water supplies and supporting long-term sustainability. By investing in recharge infrastructure and transparent water reporting, Iron Mountain can reduce their environmental impact while also preventing regulatory backlash and community opposition.