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November 19, 2024

Via Hand Delivery and Electronic Mail Emily Ragsdale, AICP, CZA, Director Community Development Office Pittsylvania County 53 N. Main Street Chatham, Virginia 24531

Re: Application for Rezoning submitted by Balico, LLC

Dear Ms. Ragsdale:

Our firm represents Balico, LLC (the "Applicant"), which seeks to rezone assorted parcels totaling more than 760 acres in the Banister District (the "Properties") to serve as a data center campus.

Specifically, the Applicant seeks approval for construction and operation of private electric power generation infrastructure and, with a subsequent special use permit, a collection of data centers powered by such infrastructure.

The Applicant previously withdrew, without penalty, an application with a larger scope; as indicated at the time, the Applicant has not abandoned its plans and now resubmits this application that includes a more modest footprint and which will address the concerns of many neighboring property owners.

Application Materials

In support of this request, please find enclosed the following items (together, the "Application"):

- Applications for Rezoning from the owners of the Properties (the "Owners");
- Petitions to the Board of Supervisors from the Owners;
- Executed Sign Affidavits from the Owners;
- Special Powers of Attorney from the Owners;
- A list of Adjoining Properties;Site plans for the Properties; and
- An application Fee in the amount of \$300.00.

Our intention has been to provide each item required for consideration of the Application. To the extent that any item has been overlooked, we will gladly and promptly supplement the enclosed documents.

Relevant Background Information

In recent months, Pittsylvania County has taken steps toward welcoming significant capital investment in the form of data centers, with the Board of Zoning Appeals approving the County's first data centers during its meeting last Thursday. Such centers are increasingly essential to the local, national, and international businesses operating in our cloud-based economy.

Importantly, these projects generate significant tax revenue for localities without requiring the level of County-provided services that a traditional project of this size would necessitate. Nearby Mecklenburg County serves as a prime example of the benefits that such development can offer, allowing a locality to make important investments in education while minimizing the burden on taxpayers.

In order to operate, data centers require reliable, robust sources of power, and such sources are in short supply. The Applicant is a Virginia-based company with a track record of developing complicated energy projects efficiently, which is exactly the skill set needed to facilitate additional data center investment in Pittsylvania County. The Applicant has secured a Letter of Intent from EQT, owner of the Mountain Valley Pipeline, for the supply of a sufficient volume of natural gas to fuel the power plant proposed for the campus.

With this Application, the Applicant – with the support of all Owners whose properties are included – proposes rezoning more than 760 acres in the Banister District to M-2, Industrial to provide for private electric power generation and, ultimately, a series of data centers (should a subsequent request for a special use permit be approved). The graphic enclosed as <u>Exhibit 1</u> identifies the Properties that constitute such acreage. It is important to note that this project abuts existing M-2, Industrial zoning.

The project in its current form envisions three distinct uses of the acreage:

- On the right side of the graphic (east of Chalk Level Road and north of Transco Road), acreage will be used for private electric power generation and data centers (the "Eastern End"). Current site design anticipates a combination of aeroderivative mobile gas turbines (some of which will be replaced by permanent turbines) and data centers.
- On the left side of the graphic (north of Chalk Level Road), acreage will be developed for end users of data centers (the "Western End"). This acreage would also provide a connection to existing gas pipeline infrastructure. This gas would power the turbines mentioned above.
- In the middle, the southern portions of the included acreage would be used to connect the eastern and western components of the project, transmitting gas through an underground, lateral pipeline to be constructed for this project. Electric and water infrastructure would also be constructed and buried, and a service road would run parallel to the infrastructure. These parcels are intended to retain their agricultural character and use moving forward.

Power Generation

As an initial matter, because this is envisioned as a private generation project, the Applicant would not sell energy on the open market. Rather, the power generated would be used for the data centers clustered on the campus.

If the rezoning is approved, the Applicant would acquire mobile gas turbines to provide up to 300 megawatts of power. These turbines are designed to limit advance site preparation and reduce the cost and time needed for installation.

The turbines would be regulated by the Virginia Department of Environmental Quality (DEQ), not the U.S. Environmental Protection Agency (EPA), and the Applicant has engaged in preliminary permitting discussions with DEQ. It should be noted that these turbines meet Best Available Control Technology (BACT) as defined by the EPA.

The enclosed site plans have also been designed to allow for the installation of permanent turbine infrastructure should the Applicant choose to pursue such course of action.

Site Plan Highlights

The Applicant appreciates that the project's neighbors are a mix of industrial, agricultural, and residential uses.

In recognition of this diversity, the Applicant has – in its site plans – met or exceeded required setbacks and endeavored to maximize screening and buffering so that any disruption is minimized. In particular, where existing agricultural and silvicultural uses can be maintained, the Applicant intends to do so.

In addition to these considerations, the Applicant is committed to developing an appropriate list of proffers to mitigate concerns with respect to the project. While exact terms would be the result of discussions with County officials, the Applicant would initially expect such proffers to include, but not necessarily be limited to, restrictions on the permitted and special uses on the parcels in question, specific buffers/screening, and appropriate protections for neighbors with respect to light and sound.

Local Engagement

For several months, the Applicant has worked to solicit the support of the Owners for this rezoning and has kept County officials apprised of its progress in this regard.

Following the filing of this Application, the Applicant will continue its efforts – previously begun during two community engagement meetings – to build broader community support, making the case regarding both the need for, and the considerable benefits of, the project that is being proposed.

Thank you in advance for your consideration of this Application. Should you or your staff have any questions, do not hesitate to let me know. We look forward to discussing the Application with the Planning Commission in January.

Sincerely,

Steven P. Gould

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Enclosures

c: J. Vaden Hunt, Esq. (w/encls.) [via electronic mail]
Balico, LLC (w/encls.) [via electronic mail]
Fred O. Shanks, III (w/encls.) [via electronic mail]
Hilton Motley (w/encls.) [via electronic mail]

Exhibit 1

List of Adjacent Property Owners

2426-39-7349	Delois W. Johnson	No Address listed	OFF ST RD 1439 .02 AC DB590-683 MAP DB590-685 SURV
2426-39-7003	Sylvia A. Miller	180 Jackson Ln.	NR ST RD 976 1.00 AC DB685/783
2426-39-6382	Delois W. Johnson	178 Jackson Ln.	
2426-39-6127	Joan D. Smith, et. al.	180 Jackson Ln.	ST RD 976.50 AC
2426-38-7801	George William Keates, et. al.	No Address listed	CHERRYSTONE 2.85 AC DB528-198
2436-88-4627	Archie Wayne Motley	No Address listed	MOTLEY RD/691 TRACT 3
2436-58-9698	Warren Scott Hearn	No Address listed	MOTLEY RD/691 TR A1
2436-58-3897	Joseph Albert Motley	265 Motley Rd.	
2436-27-3793	James R. Hankins Life Tenant, et. al.	No Address listed	HWY 685 TR 3 68.62 AC
2427-90-6398	James R. Hankins Life Tenant, et. al.	No Address listed	LITTLE CHERRYSTONE CREEK 7.00AC
2427-71-7879	Wayne Winston Davis, Jr.	1918 Mill Creek Rd.	
2426-87-3293	Reebbit Farms, LLC	No Address listed	OFF ST RD 685 35.00 AC
2426-77-2167	Reebbit Farms, LLC	No Address listed	TANYARD BRANCH PT TR 19-20
2426-55-2214	Ralph E. Pierce	221 Pierce Ln.	
2426-47-3279	John W. Webster, Jr.	No Address listed	OFF HWY 29 TRACT 4
2426-39-9533	Joyce Ann Gregory Clark	127 Jackson Ln	
2426-39-5341	Luther Lenwood Wilson	176 Jackson Ln	
2426-38-4053	Charles B. Morton Trustee	837 Lanier Ln	OFF HWY 832 LOTS 1-6
2426-38-2613	James A. Chalmers	480 Neighborhood Rd.	
2436-36-9728	Jennifer Morgan East	No Address listed	ST RD 685 TRACT 2 2.79 AC
2436-46-1629	Jennifer Morgan East	No Address listed	ST RD 692 TRACT 3 2.40 AC
2436-46-2791	Jennifer Morgan East	No Address listed	ST RD 692 TRACT 4 1.54 AC
2436-46-5691	Samuel D. East	2011 Transco Rd.	
2436-35-2395	Jennifer Morgan East	CHATHAM, VA 24531	CHALK, LEVEL RD/685 106.89 AC
2436-56-2464	Carroll Boyd Owen	1781 Transco Rd.	
2436-56-5125	Lynne Shelton	1713 Transco Rd.	
2436-37-8919	Cemetery		ST RD 685
2427-60-2634	Morris D. Deshazor	118 Robin Ct.	
2427-60-0669	Morris D. Deshazor	116 Robin Ct.	
2427-50-9864	Glendora Harris Johnson	114 Robin Ct.	
2427-51-8071	Tasia M. Younger	112 Robin Ct.	
2427-51-8124	BOARD OF SUPERVISORS OF PITTSYLVANIA COUNTY VA	110 Robin Ct.	
2427-51-7274	Ella P. Jones	108 Robin Ct.	
2427-51-7344	David B. Jones	106 Robin Ct.	
2427-51-7403	Inez J. Hanks	104 Robin Ct.	
2427-51-6551	George Saunders	102 Robin Ct.	
2427-51-5671	Morris D. Deshazor	100 Robin Ct.	

2427-51-4778	2427-51-4778 Harold O. Graves	1435 Mill Creek Bd.
2427-51-3887	2427-51-3887 Gladys H. Mease Life Tenant et. al.	1422 Mill Creek Rd.
2427-51-2826	2427-51-2826 Gladys H. Mease Life Tenant et. al.	No Address listed
2427-51-0816	Elix Carson Stephens	1350 Mill Creek Rd.
2427-41-8857	2427-41-8857 Lloyd Jones, Jr.	No Address listed
2427-41-7864	2427-41-7864 Lloyd Jones, Jr.	No Address listed
2427-41-3358	Christopher E. Coles	No Address listed
2427-31-7296	Delores Berger Rhyne	273 Little Cherrystone Ln.
2427-31-8132	Ella Mae Robertson, et. al.	No Address listed
2427-30-5083	2427-30-5083 Joe Louise Fitzgerald, et. al.	533 Neighborhood Rd.
2427-30-9081	Juanita W. Clark	195 Jackson Ln.
2436-39-4174	2436-39-4174 Motley Dairy, Inc.	No Address listed
2436-38-9879	2436-38-9879 Joseph Albert Motley	No Address listed
2427-60-4748	2427-60-4748 Avery G. Carter	120 Robin Ct.

ST RD 691.50 AC DB555-447 ST RD 691.32 AC DB437-518 DB843-664 SURV ST RD 691 TAN YARD LOT 6

ST RD 691.36 AC

NEIGHBORHOOD RD/1431 34.00 AC

	107		
ST RD 685	ST RD 685.13 AC DB572-107		
No Address listed	No Address listed	120 Robin Ct.	