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Subject: PUBLIC COMMENT — PROPOSED IMPERIAL DATA CENTER PROJECT / IMPERIAL VALLEY COMPUTER MANUFACTURING, LLC — REQUEST FOR RATEPAYER AND ENVIRONMENTAL PROTECTIONS BEFORE ANY POWER SERVICE AGREEMENT

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West Shores Advisory Council & Committee

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April 21, 2026

Imperial Irrigation District

Board of Directors

c/o Raquel Najera, Board Secretary

333 East Barioni Blvd.

Imperial, CA 92251

RE: PUBLIC COMMENT — PROPOSED IMPERIAL DATA CENTER PROJECT / IMPERIAL VALLEY COMPUTER MANUFACTURING, LLC — REQUEST FOR RATEPAYER AND ENVIRONMENTAL PROTECTIONS BEFORE ANY POWER SERVICE AGREEMENT

Dear Honorable Members of the Board of Directors:

I am a concerned Imperial County resident, and I respectfully submit this written public comment to the Imperial Irrigation District ("IID") Board of Directors regarding the proposed Imperial Data Center Complex to be located at Aten Road and Clark Road, near the City of Imperial, California. As the Board is aware, the Imperial County Board of Supervisors approved Lot Merger #00191 on April 7, 2026, in a 4-1 vote, clearing a major hurdle for the developer, Imperial Valley Computer Manufacturing, LLC ("IVCM"). However,

IID is now the critical gatekeeper in determining whether this project moves forward. IVCM does not have a power contract and cannot operate without IID-supplied electricity. I urge this Board to exercise its full authority to protect ratepayers, the electrical grid, and the environment before entering into any power service agreement with IVCM.

I. UNPRECEDENTED ENERGY DEMAND AND GRID RELIABILITY

The proposed data center would demand approximately 330 megawatts (MW) of electrical power. To put this figure in perspective, 330 MW is nearly double the total electricity consumed by all of Imperial County in 2024, according to state energy data. This is not a routine industrial load — it is an unprecedented demand that would fundamentally alter IID's generation, transmission, and distribution obligations.

IID's own feasibility study has found that supplying this load may require importing power from external sources, as IID may lack sufficient generation capacity to meet the data center's needs while continuing to reliably serve its existing customer base. IID currently serves over 160,000 customers throughout the Imperial and Coachella Valleys. These existing ratepayers — families, farmers, small businesses, schools, and municipalities — must not bear the cost of massive infrastructure upgrades needed to serve a single private developer.

The risks to grid reliability and ratepayer costs are not speculative. A joint study by researchers at Carnegie Mellon University and North Carolina State University found that data centers could increase the average cost of producing electricity by 8% nationwide. For a smaller, more constrained utility like IID, the impact could be far greater. Any disruption to grid reliability or upward pressure on electricity rates would disproportionately burden the low-income communities that IID serves — communities that already face some of the highest rates of energy poverty in California.

Furthermore, IID is actively engaged in high-stakes negotiations over the future of Colorado River water allocations — negotiations that will shape the region's economic and environmental future for decades. Adding a massive new industrial electricity load

introduces additional risk and complexity to an already precarious situation and could compromise IID's bargaining position and operational flexibility.

II. RATEPAYER PROTECTION

In January 2026, the IID Board adopted a resolution establishing safeguards to protect ratepayers and setting parameters for evaluating large new industrial loads. I commend the Board for this foresight and urge the Board to rigorously enforce every provision of that resolution in its dealings with IVCM. The principles articulated in that resolution must not be treated as aspirational — they must be binding conditions of any power service agreement.

Specifically, I urge the Board to require the following protections:

- **Full cost allocation to IVCM.** Any power service agreement must be structured so that IVCM bears 100% of the cost of all infrastructure upgrades, transmission improvements, substation construction, and system reinforcements required to serve the data center. No portion of these costs may be passed through to existing ratepayers, directly or indirectly, through rate increases, surcharges, or cost-sharing mechanisms.
- **Adequate financial security.** IID must require IVCM to post adequate financial security — including performance bonds, irrevocable letters of credit, or equivalent instruments — before any construction begins. This security must be sufficient to cover all infrastructure costs, potential decommissioning expenses, and environmental remediation obligations.
- **Public ratepayer impact analysis.** IID must conduct a full, independent ratepayer impact analysis and make the results available to the public before approving any power service agreement. Ratepayers have a right to understand how this project will affect their electricity rates, service reliability, and long-term costs.

- **Stranded-cost protections.** Any agreement must include robust provisions protecting ratepayers from stranded costs in the event that the project is abandoned, downsized, or fails to meet its contractual obligations. IID's ratepayers must not be left holding the bill for infrastructure built to serve a project that does not materialize.

III. ENVIRONMENTAL AND SAFETY CONCERNS

The proposed project raises grave environmental and public safety concerns that must be fully evaluated before IID enters into any agreement to supply power.

The project includes a Battery Energy Storage System ("BESS") comprising 220 Tesla Megapack 2XL units with a total storage capacity of 862 megawatt-hours (MWh), as well as 132 Caterpillar G3520 natural gas backup generators capable of producing 330 MW of power. Both components present significant risks to public health and safety.

BESS facilities have experienced catastrophic fires at installations across the United States and around the world. Lithium-ion battery thermal runaway events can produce highly toxic gases — including hydrogen fluoride and phosphoryl fluoride — that pose immediate and serious dangers to surrounding communities, first responders, and the environment. Siting a BESS facility of this scale in close proximity to residential areas demands the most rigorous safety analysis and the most conservative setback requirements.

The 132 natural gas backup generators will produce significant emissions of nitrogen oxides (NO_x), fine particulate matter (PM_{2.5}), and carbon dioxide (CO₂). These emissions are of particular concern because the Imperial Valley is already classified by the U.S. Environmental Protection Agency as a **severe nonattainment area** for both PM₁₀ and ozone. Imperial Valley is already one of the most pollution-burdened regions in the State of California. CalEnviroScreen, the state's environmental justice screening tool, ranks many Imperial County census tracts in the top 10% statewide for cumulative pollution burden. Adding a major new source of air pollution to this community is unconscionable without a full accounting of the health impacts.

Additionally, the project's estimated consumption of 750,000 gallons of water per day raises serious concerns in a region facing chronic water scarcity and the ongoing, historic drought affecting the Colorado River basin. Water is the lifeblood of the Imperial Valley's agricultural economy and its communities. Any new industrial demand of this magnitude must be evaluated in the context of the region's long-term water security.

IV. IVCN'S INTERFERENCE IN IID ELECTIONS

The Board should be aware of — and deeply concerned by — IVCN's unprecedented efforts to influence the composition of the very public body that must decide whether to approve its power contract.

IVCN's Chief Executive Officer, Sebastian Rucci, has publicly stated his intention to "support candidates who are committed to advancing responsible economic development, including the data center project." IVCN has spent \$20,000 to back Carlos Duran — the company's own spokesperson — in a bid to unseat an incumbent IID director in the June 2026 election. Three of the five IID directors are up for reelection this year.

This represents an unprecedented attempt by a private developer seeking a major public contract to directly influence the outcome of elections for the governing board that must approve that contract. The public has a right to know whether IVCN's political activities are intended to secure favorable treatment from a reconstituted Board.

I urge the Board to be fully transparent about any and all communications between IID directors or staff and IVCN, its agents, consultants, lobbyists, or political operatives. Public trust in the integrity of IID's decision-making process demands nothing less.

V. REQUESTS

In light of the foregoing, I respectfully request that the Board take the following actions:

1. Do not approve any power service agreement with IVCN until a full, independent environmental impact analysis has been completed, publicly circulated, and subjected to meaningful public review and comment.

2. Conduct and publish a comprehensive ratepayer impact analysis before entering into any agreement with IVCM, and make the analysis available to the public with sufficient time for review before any Board vote.
3. Require IVCM to bear 100% of all infrastructure, transmission, and system upgrade costs associated with serving the data center — with no direct or indirect cost pass-through to existing ratepayers.
4. Require IVCM to post adequate financial security, including performance bonds and irrevocable letters of credit, before any construction of project-related infrastructure begins.
5. Include robust stranded-cost protections in any agreement to fully protect ratepayers in the event that the project is abandoned, downsized, or fails to meet its contractual commitments.
6. Publicly disclose all communications between IID directors, IID staff, and IVCM or its agents, consultants, lobbyists, and political operatives, including but not limited to emails, letters, meeting notes, and records of telephone calls or in-person meetings.
7. Hold a dedicated public hearing on any proposed power service agreement with IVCM, with adequate advance notice and a meaningful opportunity for community input before any Board vote.

The Imperial Irrigation District has a solemn obligation to its ratepayers and to the communities it serves. This Board must not allow a single private developer to jeopardize grid reliability, increase costs for existing customers, or degrade the environment and public health in one of California's most vulnerable communities. The stakes are too high, and the consequences of a poorly structured agreement would be borne by the people of the Imperial and Coachella Valleys for decades to come.

Thank you for your consideration of this public comment. I reserve all rights to submit additional written comments and to attend and participate in future public hearings on this matter.

Respectfully submitted,

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