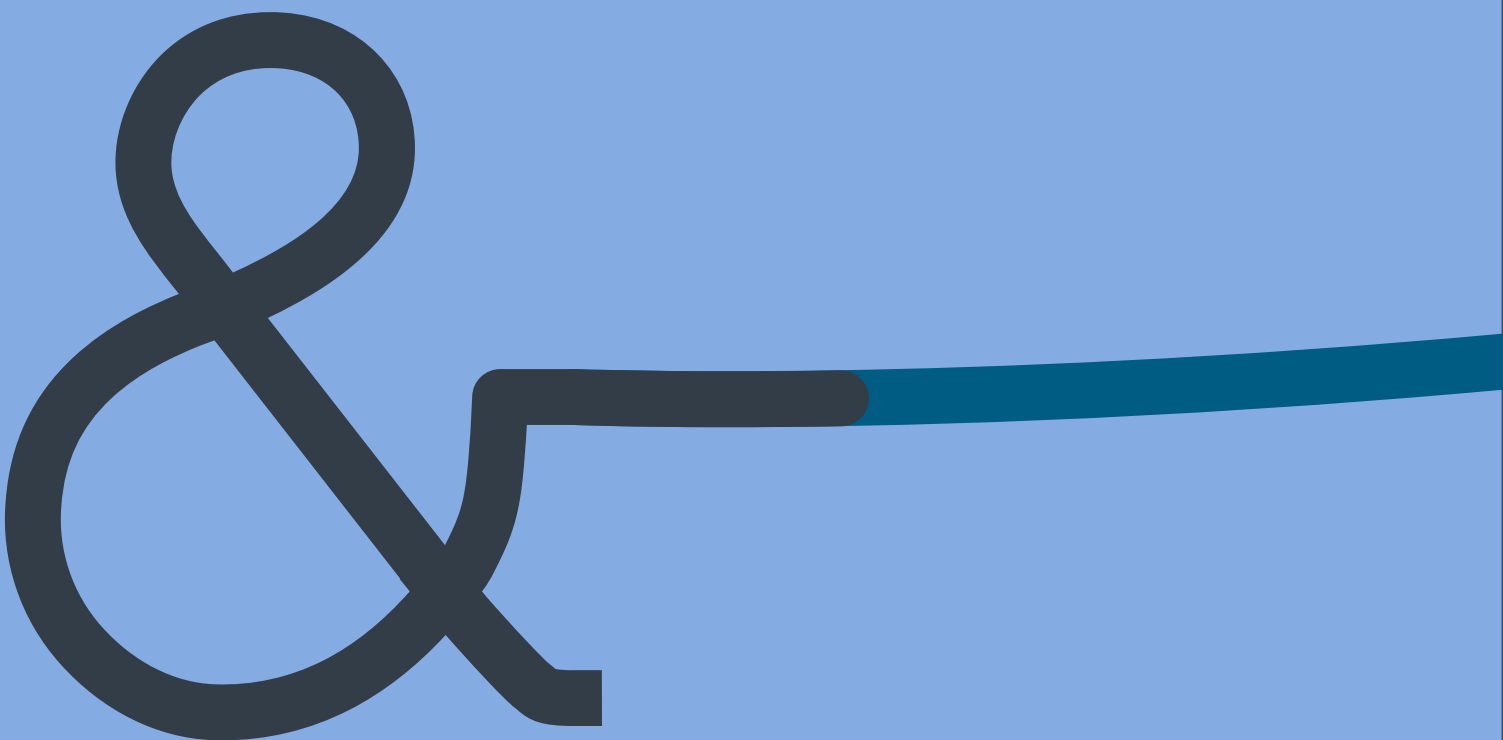


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New Lombardy Region Guidelines on Data Centre Location

12th July 2024



Development of Data Centres. New Guidelines for Municipalities in the Lombardy Region

With Resolution No. XII/2629 of 24/06/2024, the Lombardy Region approved the Guidelines, which are currently being published in the BURL (Lombardy regional official gazette).

The new Guidelines outline a detailed framework for the location, construction and management of Data Centres, with particular attention to urban planning, environmental and energy aspects. This document provides precise indications for municipal administrations and operators in the sector, with the aim of ensuring a sustainable and coordinated development of IT infrastructures in the Lombardy region.

Purpose and Importance of Data Centres

The Guidelines outline first of all the current framework, providing a definition of data centres - or data processing centres (DPC or *CED - centri di elaborazione dati*) - which are facilities hosting IT equipment such as servers and storage systems. These infrastructures are crucial for processing, storing and managing data, and also support the implementation of artificial intelligence applications. Data centres therefore play a crucial role in technological innovation, contributing to industrial development and environmental sustainability, and creating quality employment.

Data Centre classification

The document then classifies Data Centres into different categories, each with specific characteristics:

- **Hyperscale:** Large-scale facilities with an energy requirement of more than 100 MW. These centres are usually owned by large industry operators and are used for advanced applications such as artificial intelligence and machine learning. They also include HPCs (High Performance Computing), which require high computing capacity.
- **Colocation:** Medium-sized facilities with an energy requirement of more than 5 MW. These Data Centres are operated by service operators and customers who place their own equipment there.
- **Edge:** Small facilities, often containers, with an energy requirement of less than 1 MW. They are located close to end users or data generation sites to reduce latency and improve data access speed.
- **HPC (High Performance Computing):** They vary in size and energy requirements, but generally require high computing power for complex operations such as artificial intelligence and machine learning.
- **Crypto-mining:** Often consisting of containers or small buildings, these centres have high energy requirements but are relatively easy to manage. They are mainly used for cryptocurrency mining.

Regulations and Authorisations

In order to ensure that the construction and operation of Data Centres are carried out in compliance with current regulations and with a controlled environmental impact, the document emphasises the importance of obtaining the necessary authorisations:

- **Integrated Environmental Authorisation (AIA):** Necessary for facilities with a nominal heat output of emergency power units of more than 50 MW.
- **Environmental Impact Assessment (VIA):** Required for plants with a total capacity exceeding 150 MW.
- **Strategic Environmental Assessment (VAS):** To be verified in the context of municipal planning for medium and large data centres.

Relationship between Municipality and Data Centre Operator

The document then highlights the importance of **cooperation between municipal administrations and operators** intending to build Data Centres. Applications for medium and large-scale facilities must be assessed in **interdepartmental conferences (conferenze di servizi)**, with the participation of the Province or Metropolitan City territorially concerned. This process ensures that decisions are based on an overall assessment of the compatibility of the intervention with the territory.

Localisation Criteria

For the localisation of Data Centres, the Guidelines propose specific criteria to be considered by municipalities:

- **Infrastructure and Energy Availability:** Preference for sites with adequate existing infrastructure and availability of low-cost energy, preferably from renewable sources.
- **Environmental Impact:** Environmental risk assessment and minimisation of negative impacts on the landscape and local ecosystems.
- **Accessibility:** Proximity to transportation infrastructure, aqueducts, power lines and other technological pipelines.
- **Economic Benefits:** The presence of other data centres or economic activities that could benefit from the new facility should be considered.

Recommendations

Finally, for medium and large-sized Data Centres (Hyperscale and Colocation), the Region wishes to apply forms of **inter-municipal territorial equalization (perequazione)**, as provided for by Article 11, paragraph 2-ter of Regional Law no. 12/2005. This approach aims at fairly distributing the benefits and burdens of new infrastructures among different local communities.

Conclusions

The “Guidelines for the Implementation of Physical Infrastructure in Lombardy” therefore represent an important step towards a sustainable and coordinated development of IT infrastructures, while promoting technological innovation, to be balanced with environmental protection.

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