

UM's \$1B supercomputer project is caught up in data center resistance

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FULL TEXT

A major national security project and research boon for the University of Michigan is caught up in the recent local pushback against data center projects.

The Ann Arbor-based university inked a deal in 2024 to partner with the U.S. Department of Energy's Los Alamos National Laboratory to build a computational facility in Michigan. Since then, it has run into opposition to both the site it initially selected and the premise of the project entirely.

The \$1.2 billion planned laboratory would be Los Alamos' first facility outside its famed home in New Mexico — known for its role in developing the first atomic bomb in the 1940s. Construction wouldn't start until 2027, with a completion date in 2029.

UM identified a site on the north side of Textile Road in Ypsilanti Township, across from the Ford Rawsonville Components plant and adjacent to land it already owns. But the township's board of trustees asked the university to also restart discussions with the American Center for Mobility about property on its 500-acre site at Willow Run Airport.

The township's board of trustees approved a largely symbolic resolution in October opposing the construction of the center at the Textile Road site due to its proximity to the Huron River watershed. But the project is now running afoul of Ypsilanti Township residents as well, who are swept up in the anti-data center sentiment brewing locally and across the country. In December, some state lawmakers even attempted to cancel \$100 million allocated to the project from the Michigan Strategic Fund, though they were not successful.

Beyond the state funding, additional funding includes \$300 million from Los Alamos and \$850 million from UM, which will directly contribute \$220 million and facilitate the financing of \$630 million.

Two public meetings on the project were held last week. Ypsilanti Township hosted an informational session Jan. 28 at the Ypsilanti Township Civic Center, and on Jan. 29, the project leads for UM addressed residents' concerns in their own public open house at the Ann Arbor Marriott Ypsilanti at Eagle Crest.

"The project got started before the recent AI and data center evolution came about," Steve Ceccio, professor of engineering and lead on the project for UM, told Crain's. "But we got wrapped up in the discourse. So we really want to reiterate what our mission is. It's a challenge to sort of break through and make sure folks can hear the facts. There's a wide range of opinions on what we're doing and we want to address them."

Pitching the project as a public asset

The university is calling the projected 290,000-square-foot facility an advanced computational research center, avoiding putting it in the same category as a data center, though functionally, both are a warehouse for computer servers and GPUs.

Ceccio argues their project is simply different than other proposed data centers across the state, such as the \$7 billion project proposed nearby in Saline Township.

The Oracle Stargate project, which is being heavily debated by residents, the state attorney general and legislators, plans to use 1.4 gigawatts of energy, or about 13% of DTE Energy's entire output.

The UM/Los Alamos project at its peak would consume 100-110 megawatts, about 1,100% less energy consumption than the Saline Township project. The roof of the facility is also expected to be built with a solar array to produce on-

site energy.

Michigan residents have protested data centers due to evidence from other states that residents face higher electricity costs after they open, though DTE Energy has cited new laws designed to protect residential customers from subsidizing data centers' power use.

Chris Kolb, vice president of government affairs for UM, said it's important to understand that the computational center is a public asset. It's not a commercial data center, which hosts private social media data, and would not serve as the backbone for private-sector artificial intelligence platforms, Kolb said.

"Ours is for research, theirs is for commercial purposes," Kolb said. "This will attract the best and brightest in the world. Most of the LANL people have security clearance. Something we don't have a lot of is a talent pipeline with those clearances. This will lure that talent, and employers will find that very attractive."

The UM/Los Alamos facility will be separated into a non-classified site to be used by UM faculty and students, and a classified site where Los Alamos researchers and those with security clearance plan to research national security issues using massive computing power, such as climate change and the spread of infectious diseases.

The site will effectively operate supercomputers and provide Los Alamos researchers access to UM's custom generative AI tools developed at the university.

The public is also skeptical of the proposed site's potential role in advancing military technology and research on nuclear weapons, stemming from the Los Alamos lab's role as the scientific arm for the Manhattan Project, according to reporting by UM's student-led newspaper, The Michigan Daily.

UM said the site will not manufacture weapons, according to an FAQ on its website, but did not rule out whether research performed at the site could advance weapons technology.

Ceccio said the research that will be done at the site may not even be dreamed up yet.

"A lot of the work that Los Alamos has done is declassified, and much of it has focused on materials, weather and other important advancements," Ceccio said. "We learn from that. So whatever kind of science requires computation, we will perform. When we envisioned this, it was before the AI revolution taking place. Computation is now even more vital to everything. Having world-leading experts together (at the site) really opens up opportunities we can't even think of today."

UM does not require approval from the residents or the township trustees for its project. As a nonprofit, UM is exempt from zoning regulations and property taxes.

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