Amazon Data Center **Overview**

Hobart, Indiana



Amazon plans to invest $15 billion in Northern Indiana, including in Hobart, to build new data center campuses. This investment will create 1,100 high-skilled jobs and support thousands of local electricians, construction workers, fiber-optic technicians, and other community roles. This builds on the previously announced investment in St. Joseph County and expands our infrastructure to new sites across the state, reflecting our long-term commitment to Indiana's workforce, local communities, and economic growth.

What is a data center?

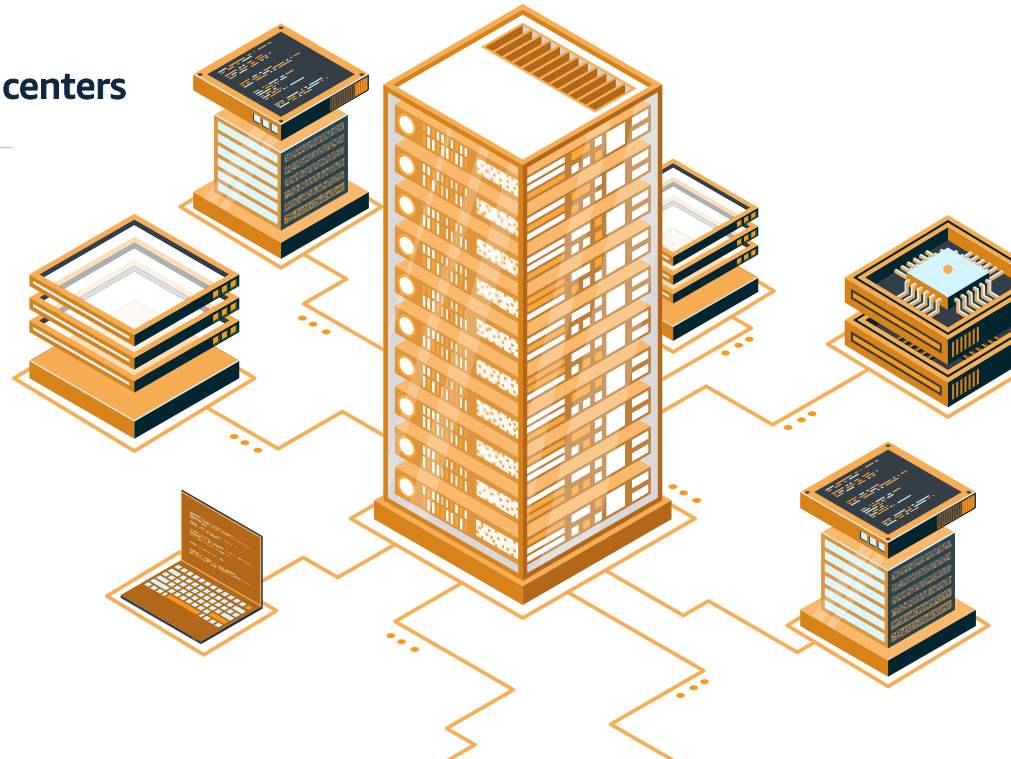
Data centers are secure facilities filled with powerful computers that store and process information. They're the engine rooms of the internet and today's digital economy, keeping local and global communication active, critical information flowing, and basic services used by billions highly available, powering everything from online banking, GPS navigation, health care services, core transportation applications, and first responder services.

Learn More

Amazon's data centers serve millions of customers including small businesses, government agencies, healthcare systems, and more. Right here in Indiana, companies like Eli Lilly and universities like Notre Dame rely on Amazon's cloud infrastructure to support innovation, while keeping information safe and instantly available.

Artificial intelligence and data centers

AI helps computers learn from information and make decisions, like when your phone suggests the fastest route home on GPS or enhanced diagnostics in healthcare. Data centers provide the computing power needed to train and run these AI tools. They use specialized equipment, cooling systems, and AI to optimize these workloads while meeting environmental standards and conserving water.



Energy

Data centers require electricity to power servers that process and store data around the clock, ensuring applications and critical services remain available.

Amazon works closely with utilities and grid operators to plan for and invest in the regional power infrastructure required to reliably serve our load. This infrastructure, like new or upgraded substations, transmission lines and capacity assets, extends beyond our immediate needs and helps modernize and strengthen the broader electricity grid that serves all users.

Ratepayer Study

Amazon and NIPSCO have established an innovative energy partnership that powers Amazon data centers in Indiana while delivering approximately $1 billion in cost savings over 15 years to existing NIPSCO customers. Through NIPSCO Generation LLC, Amazon will cover all costs for new power plants, lines, and equipment needed for the project, protecting residents and businesses from additional costs. The agreement adds up to 3 gigawatts of new capacity (exceeding Amazon's 2.4 gigawatt needs), enhancing grid reliability for all customers while creating thousands of jobs, expanding the tax base, and positioning Indiana as a leader in AI and advanced computing infrastructure.

Key Takeaways

- Modern data centers are increasingly becoming grid assets that enhance stability. Reliability is critical for Amazon's operations, and as such, we work closely with utility partners to evaluate innovative ways to support and enhance grid reliability. Our investments in new and upgraded transmission lines and substations typically benefit reliability for all grid consumers.
- Amazon measures data center energy efficiency through Power Usage Effectiveness (PUE) and is constantly working to increase the power efficiency of our data centers to reduce the total energy use. The lower this number, the more efficient the facility, meaning less energy wasted to deliver the same computing power to customers. Amazon's data centers achieved a global PUE of 1.15, lower than the industry average of 1.25.
- Amazon is the world's largest purchaser of renewable energy. Globally, Amazon has invested in more than 700 renewable energy projects that directly feed clean power into the grid.
  For more information: sustainability.aboutamazon.com/climate-solutions/carbon-free-energy

FAQs

Q. Will the data center impact my electricity rates?

A. Amazon pays its full electricity costs while making substantial investments in building new energy generation and transmission infrastructure that benefits everyone in our communities. We're working with grid operators, utilities, and other partners to ensure the grid is prepared to meet future demand and that costs are not passed on to ratepayers.

Q. Will the data center impact my electric reliability?

A. No. Amazon's investments in new substations and transmission infrastructure strengthen grid reliability for all customers — and Amazon is funding 100% of these costs. We are also adding up to 3 GW of new generation capacity beyond our 2.4 GW demand, supporting grid resiliency through operating reserves that help keep the lights on during hot summer days and cold winter nights.

Q. Why do data centers use backup diesel generators?

A. Amazon data centers serve millions of customers — hospitals, first responders, energy systems, and national security agencies — all requiring uninterrupted, 24/7 operations. Backup generators exist for emergencies only. Grid disruptions are rare events, but when they occur, backup power ensures life-saving care, emergency communications, and critical infrastructure stay online without interruption. Amazon's generators are equipped with advanced emission control systems and are fully compliant with all EPA, Indiana Department of Environmental Management (IDEM), and local air quality regulations.

Water Usage

Amazon's data centers are engineered to use as little water as possible. In Northern Indiana, we rely on outside natural air cooling for about 98% of the year and only use water-based cooling during the hottest periods, which is less than 2% of annual operations.

Besides cooling, data centers use water for everyday needs like bathrooms, cleaning, and fire suppression systems.

Water Usage Facts

In Indiana, we have innovative water projects that are expected to conserve or improve the quality of at least 100 million gallons of water annually. The first project establishes a "smart wetland" in partnership with The Wetlands Initiative within the Kankakee River Watershed, designed to filter excess nutrients from agricultural runoff before they reach local waterways, thereby enhancing overall water quality.

The second initiative deploys advanced sensors across 7,000 acre of irrigated farmland to collect real-time data on weather conditions, crop health, and irrigation operations. This data is processed using AI technology on the AWS cloud, enabling crop-intelligence company Arable to provide farmers with actionable insights that optimize irrigation practices and preserve water resources in the Kankakee Aquifer.

Key Takeaways

- Amazon designs data centers to significantly reduce water usage compared to industry averages.
- Amazon data centers use natural air cooling [filtered ambient air] for 98% of the year and only use water-based evaporative cooling during peak heat periods, minimizing water consumption.
- Our discharges meet all applicable local and state water quality standards, and the water is treated by the city's wastewater facility before returning to the environment.

FAQs

Q. What is the source of the water used for cooling?

A. Our data center will source water from the Indiana American Water. There will be no use of groundwater for our operations. The cooling water will be discharged to the city of Hobart's sewer system.

Q. How is Amazon responsible with the community's water?

A. We design and operate our data centers to achieve industry-leading efficiency in both water and power usage. In this region's climate, our design will use water for less than 2% of the year, during periods of peak summer temperatures. For the other 98% of the year, we will use natural air from the outside and push it directly to the servers for cooling. This approach reduces our electricity demand by 25-35% precisely when the grid experiences peak summer loads and regional power demand is at its highest.

Q. Will data centers impact my water rates?

A. No. Amazon pays directly for all water and sewer infrastructure required to support our development, creating an additional revenue stream for the utility rather than a burden on existing ratepayers

Environment

Amazon is committed to environmental responsibility in building and operating our data centers. Prior to site selection, Amazon conducts thorough assessments evaluating wetlands, waterways, protected species and their habitats, and sensitive ecosystems - with flood risk, air quality, and cultural resources also assessed where applicable. These findings directly shape site selection and design decisions, ensuring environmental impacts are avoided or reduced as much as possible, and all regulatory requirements are met from initial planning through the full data center lifecycle. We work closely with environmental agencies to ensure we meet and often exceed all applicable environmental and public health standards.

Key Takeaways

- We conduct comprehensive ecological studies, including wetlands and protected species habitat surveys in an effort to avoid environmentally sensitive areas in site planning.
- Our backup generators are used rarely (average less than 15hrs per generator per year) and are well-maintained and meet all regulatory requirements. We also invest in advanced Tier 4 emission control systems - reducing NOx emissions by more than 90% compared to Tier 2 generators - ensuring the cleanest, most compliant backup power available.
- Amazon maintains full compliance with all environmental regulations through dedicated on-site environmental professionals. Their primary focus is compliance, delivering rigorous training programs, systematic data collection, comprehensive environmental reporting, and proactive compliance management to meet every local, state, and federal regulatory requirement.

Sound

Some data centers may produce sound primarily from cooling systems which circulate air to keep servers at safe operating temperatures. Amazon designs and operates our data centers in compliance with local ordinances. We take several measures to minimize sound, including conducting extensive acoustic modeling, implementing sound mitigation techniques and systems, working with suppliers to design equipment to reduce sound, and performing regular maintenance to ensure all systems operate as designed.

Key Takeaways

- Amazon implements comprehensive sound solutions by developing site-specific acoustic mitigation strategies tailored to each data center location.
- We take a scientific approach to sound management through detailed sound assessments that follow industry standards and best practices.
- Amazon also provides an educational program that delivers scientifically grounded acoustic facts to communities and addresses common misconceptions about data center sound.

FAQs

Q. Is the sound regulated?

A. Yes. Many jurisdictions have noise ordinances, and Amazon data centers comply with local sound level limits.

Q. Do you use sound and visual buffers?

A. Yes. We include thoughtful sound and visual buffers as part of our design. This often includes landscaped berms, trees, and other screening features that help reduce noise and soften the visual presence of the facility, so it blends naturally with the surrounding area.