United States Senate

WASHINGTON, DC 20510

March 13, 2026

Toby Neugebauer
Fermi America
Chief Executive Officer
620 S. Taylor Street, Suite 301
Amarillo, TX 79101

Dear Mr. Neugebauer:

I write to request information about Fermi's plans to power a hyperscale data center in Texas with new gas-fired power generation facilities. At 11 gigawatts, Project Matador will emit thousands of tons of health-harming local pollutants and millions of tons of greenhouse gases every year. You are undoubtedly aware that your local air pollutants—including nitrogen oxides, volatile organic compounds, particulate matter, carbon monoxide, and benzene—will pollute the air surrounding the project, creating health issues for your neighbors, including asthma, heart attacks, stroke, reproductive issues, and cancer, with possible lethal effects.[1] You must also know that the millions of tons of greenhouse gases that Project Matador will emit every year will create climate harms lasting generations.

It's well established that climate upheaval and huge economic impacts will result if we fail to limit global temperature increase to no more than 1.5 degrees Celsius above pre-industrial levels.[2] That requires reducing greenhouse gas emissions by 45% by 2030 and reaching net zero by 2050,[3] which in turn means that advanced economies' energy sectors must achieve overall net-zero emissions by 2035.[4]

I would ask that you explain how your actions are consistent with this goal, and if they are not, why you don't think that matters. It appears that if all the gas projects currently under

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[1] *See*, *e.g.*, Environmental Protection Agency, "Health and Environmental Effects of Particulate Matter (PM)" (May 23, 2025), https://perma.cc/T58A-748U; Li Yang et al, "Long–term exposure to particulate matter pollution and incidence of ischemic and hemorrhagic stroke: A prospective cohort study in Eastern China", Environmental Pollution, Vol. 358 (Oct. 1, 2024), https://www.sciencedirect.com/science/article/abs/pii/S0269749124011606; U.S. EPA, "Basic Information about Carbon Monoxide (CO) Outdoor Air Pollution", https://www.epa.gov/co-pollution/basic-information-about-carbon-monoxide-co-outdoor-air-pollution; American Lung Association, "Volatile Organic Compounds", https://www.lung.org/clean-air/indoor-air/indoor-air-pollutants/volatile-organic-compounds; EPA, "Basic Information About NO2", https://www.epa.gov/no2-pollution/basic-information-about-no2; Centers for Disease Control and Prevention, "Benzene", https://www.cdc.gov/chemical-emergencies/chemical-fact-sheets/benzene.html.

[2] United Nations, Climate Action: "For a livable climate: Net-zero commitments must be backed by credible action", https://www.un.org/en/climatechange/net-zero-coalition.

[3] *Id.*

[4] *See generally* the International Energy Agency's comprehensive study finding that in order to achieve a net zero world by 2050, advanced economies must achieve overall net-zero emissions in their electricity sectors. International Energy Agency, "Net Zero by 2025: A Roadmap for the Global Energy Sector", IEA (Oct. 2021), https://iea.blob.core.windows.net/assets/deebef5d-0c34-4539-9d0c-10b13d840027/NetZeroby2050-ARoadmapfortheGlobalEnergySector_CORR.pdf at 20.

development in the United States, including yours, are completed, they will add a combined 12.1 billion tons of carbon dioxide emissions in their lifetimes,[5] double the annual emissions from *all other sources* in the U.S. today.[6]

Please describe your consideration of measures to capture or offset emissions from gas-fired generation, or investing instead in renewable energy and storage. Solar and wind are the cheapest and most abundant sources of energy available[7] and can be coupled with energy storage systems, whose costs have dropped significantly in recent years and are continuing to fall.[8]

Other large hyperscale projects have invested in renewable options like these as well as in zero-carbon nuclear energy.[9] And other gas projects are implementing 90 percent carbon capture, a proven and scalable approach to significantly reduce greenhouse gas emissions from fossil-powered projects.[10] Some gas suppliers are reducing methane leaks, vents, and releases, certified by third party accounting of their embedded emissions intensity. You may know that without adequate methane mitigation measures in place, combusting gas to generate electricity can have an equivalent carbon intensity to combusting coal.[11]

To help us better understand your decision-making process and plans related to Project Matador, please provide responses to the following interrogatories and document requests by March 13, 2026:

1. Why did you decide to rely on gas to power your hyperscale data center, rather than carbon-free energy sources such as solar, wind, storage, geothermal, and nuclear power? Do you dispute the health and climate harms described above that will result from your decision?

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[5] Oliver Milman, "US leads record global surge in gas-fired power driven by AI demands, with big costs for the climate", *The Guardian* (Jan. 29, 2026).
[6] *Id.*
[7] United Nations, "Renewables: Cheapest form of power" (July 19, 2022), https://www.un.org/en/climatechange/renewables-cheapest-form-power; "Renewable energy remains cheapest power builds as new gas plants get pricier", *Reuters* (June 16, 2025), https://www.reuters.com/sustainability/climate-energy/renewable-energy-remains-cheapest-power-builds-new-gas-plants-get-pricier-2025-06-16/.
[8] Center for Climate and Energy Solutions, "Electric Energy Storage", https://www.c2es.org/content/electric-energy-storage/.
[9] *See, e.g.*, "Power Hungry Data Centers Are Driving Green Energy Demand", *Bloomberg NEF* (Aug. 26, 2025), https://about.bnef.com/insights/clean-energy/power-hungry-data-centers-are-driving-green-energy-demand/; Jeffrey Tomich, "Google, Xcel pitch large-scale renewables for data center", *E&E Energywire* (Feb. 25, 2026), https://subscriber.politicopro.com/article/eenews/2026/02/25/google-xcel-pitch-large-scale-renewables-for-data-center-00795911.
[10] Dominic Genetti, "2025: Taking carbon capture and storage from momentum to impact", ExxonMobil (Jan. 26, 2026), https://corporate.exxonmobil.com/news/viewpoints/2025-taking-carbon-capture-and-storage-from-momentum-to-impact; Mathilde Fajardy, Carl Greenfield, and Josephine Tweneboah Koduah, "CCUS projects around the world are reaching new milestones", International Energy Agency (Apr. 30, 2025), https://www.iea.org/commentaries/ccus-projects-around-the-world-are-reaching-new-milestones.
[11] Analysis from the Rocky Mountain Institute (RMI) found that a methane leak rate of just 0.2% puts the climate risk of natural gas on par with coal. Deborah Gordon, Shannon Hughes, "Reality Check: Natural Gas's True Climate Risk", RMI (July 13, 2023), https://rmi.org/reality-check-natural-gas-true-climate-risk/.

2. Are you planning to implement 90 percent carbon capture at Project Matador, or otherwise reduce greenhouse gas emissions by 88.4% by 2032 as required under existing law? Are you planning to implement any carbon capture? If yes, what percent of total carbon emissions do you plan to capture?

3. Do you plan to trace your natural gas suppliers' actual emissions intensity? Will you use only certified gas suppliers who responsibly reduce their methane leaks, vents, and releases?

4. Do you plan to use combined-cycle gas fired turbines, or do you plan to use mobile gas-fired generators, aeroderivative turbines, or reciprocating turbines? How did you make your decision?

5. Do you have plans in place to offset your greenhouse gas emissions, including the embedded emissions associated with the fuel you purchase? If yes, please describe in detail. If not, why not?

6. Did you conduct or commission any analyses, data, or calculations to assess whether the new gas plants realized through your plans align with the IPCC's directive for a net-zero world by 2050? If yes, please produce all relevant documents. If not, why not?

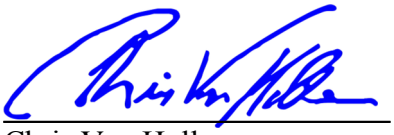
7. Reporting suggests that hyperscale data center operators often experience significant rates of return on investment.[12] Please disclose your expected rate of return on this project. Would your project fail financially if you took any of the above responsible steps to reduce pollution and emissions?

Sincerely,

Sheldon Whitehouse
United States Senator
Ranking Member
Committee on Environment
and Public Works

Martin Heinrich
United States Senator
Ranking Member, Committee
on Energy and Natural
Resources

[12] Software company Accordant reported in July of last year that internal rates of return for "ground-up hyperscale projects [were] tracking between 25 percent and 40 percent over three-to four-year hold periods." Accordant, "Numbers Supporting 30%+ IRR Returns in Hyperscale Data Center Development", (July 3, 2025), https://www.accordantinvestments.com/blog/the-numbers-supporting-30-irr-returns-in-hyperscale-data-center-development#:~:text=*30%25+%20IRR%20Returns%E2%80%9D%20refers,8.



Chris Van Hollen
United States Senator