GOVERNANCE

Governance and Independence Policy

Draft for adoption at incorporation. Published September 4, 2026.
Nothing in this document is in force until a board exists to adopt it. It is published now so that the standard's readers can judge the structure before the structure exists.

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Why This Document Exists

A standards body is worth exactly as much as its independence is believed to be. This venture has a structural conflict that will be found by the first journalist or operator counsel who looks: the founder of the nonprofit that certifies facilities also owns a for-profit that sells the community program those facilities need. The financial audit industry spent two decades pretending that kind of conflict could be managed by internal walls, and the result was Enron and Arthur Andersen.

The answer is not to hide the conflict. It is to design the governance so that the founder cannot influence a certification outcome, publish the conflict everywhere it is relevant, and make the for-profit one option among several rather than the house consultancy.

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1. Legal Form

Target: a 501(c)(3) public charity incorporated in a state with a mature nonprofit statute.

Why (c)(3) rather than (c)(6): the Council's core functions are a public standard, public scorecards, and community benefit funds directed to host regions. Those are charitable and educational purposes. A 501(c)(6) trade association would be simpler for a pure standards body, but it would make the Council look like an operator trade group, which is the opposite of the required posture, and it complicates the fund.

Open questions for counsel before filing:

- Whether certification fee income is related business income or unrelated business income
- Whether the Council should act as grantor to regional fiscal agents or only as the rule-setter under fund agreements
- State charitable solicitation registration if the Council ever receives contributions directly
- Trademark filing for the certification mark, and whether certification marks require a separate application

Do not publish a fee schedule as final until counsel has answered the first question.

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2. Board of Directors

Size at formation: seven seats. Odd, and large enough that the founder is one vote among many.

Composition:

Seats	Who	Why
2	Community and public interest: a resident of a current or proposed data center host region, and a person from a community development or environmental justice organization	The audience that holds veto power over credibility needs real seats, not a listening session
2	Technical: a licensed engineer with data center experience, and an energy systems or grid specialist	Without them the technical pillars do not survive scrutiny
1	Enterprise sustainability: a current or former corporate sustainability or ESG lead	The paying audience needs a voice in what is citable
1	Policy or academic: someone who has published on data center community benefit, siting, or energy policy	Institutional credibility
1	Founder	Continuity of purpose

Independence rule: a majority of the board must be independent, meaning no compensation from the Council beyond expenses, no ownership or employment relationship with any recognized program designer, and no employment by an operator with a certified or applicant facility.

Operators do not sit on the board. Founding operator members sit on the Standards Advisory Committee (Section 4 below). This is the single most important structural choice in the document, and it should not be traded away to land a founding member.

Terms: three years, staggered, two-term limit. Founder seat is exempt from the term limit but not from annual conflict review.

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3. Certification Committee

The Certification Committee, not staff and not the board, decides whether a facility is certified and at what tier.

- Three members, appointed by the board, none of whom is the founder or an employee of the Council
- At least one member with technical assessment background, at least one with community development background
- Reviews the assessment report and the second assessor's review, and may return a report for further work
- Decisions are by majority; the decision and its reasoning are recorded and summarized on the scorecard
- Hears appeals from operators and complaints from communities, with the original assessors excluded from the appeal decision

The Executive Director presents to the committee and does not vote.

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4. Standards Advisory Committee

Founding operator members, engineers, community practitioners, and policy researchers who shaped the draft standard.

- Advisory only. Recommends revisions; does not adopt them

- Named publicly as contributors to the standard
- Revisions are adopted by the board after a 60-day public comment period, on a two-year cycle
- Members may not vote on a revision that would change the tier of a facility they own or operate

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5. Founder Conflict of Interest

Jason Maggio founded the Council and owns Baseload Commons, a for-profit recognized program designer.

Disclosed:

- On the Council website governance page
- In the conflict register, published annually
- On the scorecard of every facility that used Baseload Commons

Recusal:

- Takes no part in any certification decision, assessor assignment, appeal, or complaint involving a facility that has used Baseload Commons within the prior three years
- Does not sit on the Certification Committee under any circumstances
- Does not participate in board votes on the recognized program designer list, its criteria, or any related-party transaction
- Does not have access to draft assessment reports for such facilities before the Certification Committee decision

Review: the board's independent directors review all related-party matters annually and publish a one-page summary.

Exit condition: if the board determines at any point that the dual role is damaging the Council's credibility, the founder either divests from Baseload Commons or steps down from the Council board. That choice is written down now so it is not negotiated under pressure later.

6. Recognized Program Designers

The Council does not design community programs. It lists firms that do and audits their work like anyone else's.

Listing criteria:

- Demonstrated experience in participatory community planning or community benefit agreement design
- Agreement to the Council's needs assessment methodology and reporting format
- No fund custody: designers never hold or disburse community money
- Disclosure of ownership and of any relationship with the Council or its directors

Terms applying to every listed designer equally:

- Listing confers no advantage in assessment
- A designer's client is audited by assessors with no involvement in the designer's work
- The scorecard names the designer used
- The Council may delist a designer whose programs repeatedly fail Pillar Four

Baseload Commons is listed on these terms and no others. The list should have at least one other firm on it before the first certification is issued, even if that firm has to be recruited.

7. Fund Governance

- Matched contributions are paid to a restricted fund at a community foundation or equivalent fiscal agent in the host region, under a fund agreement with the Council
- The Council never takes direct custody of community money
- The community advisory council, facilitated by a Council-contracted facilitator, recommends distributions within priorities it set through the needs assessment
- The Council confirms recommendations fall within fund rules; the fiscal agent disburses
- Up to 7% of annual inflows is retained to cover facilitation, assessment, and custody; this fee is published
- Quarterly inflow and outflow statements are published on the facility scorecard
- Neither the operator nor any program designer votes on distributions

8. Public Disclosure and Conflict Register

Conflict register, September 2026: one entry. Jason Maggio, convener, owns Baseload Commons LLC (in formation), a for-profit community program design firm that will seek listing as a recognized program designer. No facility has been assessed, so no recusal has yet been exercised. The register is updated annually and on any change.

Published on the Council website, updated at least annually:

- This policy
- Board members and their affiliations
- Certification Committee members
- The conflict register
- The recognized program designer list, with ownership disclosures
- The fee schedule
- Every scorecard, including suspended and re-tiered facilities
- Fund statements by region
- The public complaint channel and how complaints are handled

9. Transition Before Incorporation

Until the Council is incorporated and the board is seated:

- The founder acts as convener and author, and says so
- The standard is published as a public comment draft, not a certification instrument
- No facility is described as certified, assessed, or pending
- Founding members are named as contributors to a draft, not as members of a council that does not yet exist
- Baseload Commons does not sign a client whose facility is a likely early certification candidate, to avoid the first certified facility being a founder-conflicted one

The first three certifications should, if at all possible, be facilities that did not use Baseload Commons.