

Why Are Data Centers Coming to Texas?

Data centers have been the hot topic in many north Texas counties over the past couple of years. Many are asking why more data centers are coming to Texas.

I hope this article can help answer some of the questions and provide some insight and highlight some of the reasons why Texas is seeing the huge growth. I would like to start out by stating this article is not meant to be a political or conspiracy theory rant but instead is based on years of experience working around and in data centers and projects since the early 1980's. I want to start with a clean slate and try to put aside all the hype and theories that have been floating around out there in social media and the sorts.

I would very much like to see everyone reading this article to learn one very key and basic truth; you are not fighting against data centers! Data centers are nothing more than concrete, steel, brick, wire, cable, and equipment. What you are fighting against is the so called "elected establishment and system of corruption"!

A Little Background History About Data Centers

It may be a surprise to many out there to know that data centers have been around a long time. Many reading this have probably driven past one or more and never even knew it was there. Data centers are located in places, and they have done a lot of good for business and society as a whole. Where data centers have been located in the past is strictly based on the financial benefit and reliability and long-term use of the data center. This is still true today but with a lot more inputs to the equation and some of these are quite troubling to say the least. The idea that AI is driving all of the data center expansion is based on speculation and false information. AI will require data center space but not like what is being built and being proposed today.

Past Key Attributes Contributing to Location of Data Centers

- Strategic financial benefit and best outcome for the investment
- Isolation from possible natural disasters such as, hurricanes, tornadoes, or earthquakes
- Best infrastructure available i.e., power, water, roads accessibility to airports etc.
- Security for data centers used in the financial sector and commerce
- Availability of talent and workforce to operate the data center

Data centers in the past were well thought out and planned and based on solid financial principals. Data centers used in the financial sector are critical to maintaining sound and solid banking and investment strategies and keeping the economic engine running smoothly. Things have changed in this country and a lot of the changes are very scary and have created an environment of uncertainty.

Forty to fifty years ago the US economy operated on a completely different set of values and principles that have been ignored and forgotten since then. The US economy is nothing short of a crapshoot today based on speculation and “hopeium” that is certain to a complete financial collapse because of short-sided decisions and being propped up by out-of-control spending, money printing and inflation. All of this not to mention the complete lack of moral character and good judgement by elected leaders.

Data Center Location(s) Today and the “Big Why”

To many this section is going to go against the social media myths and conspiracy theories. Rather or not, one chooses to believe anything stated here is up to the individual, but I will bet safe money anyone reading this section will walk away with some information and thoughts they did not have before reading this. I thought and studied for the past several months about what I’m stating in this article. It has caused me to step back and try to encompass a picture that is much larger than what we can see by simply looking up to close to the problem.

There is a lot of hype surrounding new data centers today. Americans have been sold a bill of goods you might say from elected leaders and Wall Street executives and investors backing and funding very large-scale data centers today. To say that everything we have been told is a lie is a stretch but a large part of what has been pitched to the public is simply to distract those listening from what is really behind a lot of the current proposed and under construction data centers across the US. The title of this article points out this article is strictly in regard to those data centers being proposed or under construction in Texas at the time this article was written.

New and Key Reasons Why Data Centers Are Being Built and Located Today in Texas

- Texas is a “Red” state. Texas has always bragged about being a state that is business friendly. Like it or not the majority of those in control in Austin align with the Republican Party. This is just simply the facts. We know that major businesses and business leaders have moved to Texas because of the “business friendly” environment such as Telsa and Samsung who receive billions of dollars of tax abatements.
- Texas has now entered into its own version of the Wall Street stock market.
- Texas has a large land mass that allows data centers to be located inland away from shorelines suspect to hurricanes and other natural disasters.
- Texas has a large military presence and economy based on military functions and need and this includes data center capacity.
- Texas has been in the process of expanding electrical power generation by subsidizing the “Green Energy” industry for solar and wind farms across the state for over two decades.
- Top Republican leaders have been very generous to the Green Energy industry for decades. They have allowed lucrative tax abatements to solar and wind farm owner/investors be awarded while overregulating the fossil fuel generating plants and not offering the same tax abatements until now.

- Large data centers being proposed in Texas today are being designed with onsite power generation for reliable power. Information obtained recently from air permits with the TCEQ have provided some new information and insight into what is happening with these large-scale facilities.
 - Energy companies such as NRG Prairie Energy LLC have requested air quality permits to construct large scale peaking power plants to supply data centers and the grid with excess power generated by these new natural gas-powered plants.
 - The permit allows a new natural gas-powered generating plant(s) to be constructed. Excess power can be sold on the grid. The owner/investors are riding the “coattails” of the tax abatements awarded for data centers to be relieved of the tax liabilities. It appears this is a “end-around” move to subsidize the generating plants.
- The conversion to digital currency. The problems facing the US and financial markets today and the US debt clock leaves lawmakers no other choice but to switch to a digital based currency and monetary system. This transfer will happen and there is no voiding it and when it does trillions of dollars of debt will be wiped out and cleared off the books. It will trigger a worldwide event that is going to cause major problems around the globe. US owned and operated data centers will be backbone of this conversion and system. Without data center capacity the transfer to digital cannot take place in the best interest and time as far as the US and Texas is concerned.
 - Texas is positioning itself to become a separate and sovereign entity from the union. This idea has been floated around for many years by many people and groups. It never gained any real attention or thought until now. Things are different today there are many reasons to look at the possibilities and reasons why leaders in Texas would ever consider becoming an independent and sovereign nation state.
 - The US government has grown and become unsustainable and beyond repair.
 - Geo-political strife across the globe is growing.
 - US economic policies and obvious spending problems are not solvable.
 - The US debt cannot be repaid. Texas has its own debt problems it will have to deal with and face the reality it is in serious trouble.
 - Texas has a diverse landmass and economic base that could sustain the population with some changes to leadership and legislation that will allow businesses to operate more freely.
 - Texas is huge energy producer and has access to ports along the gulf coast.

Texas will need to have a solid power grid, more power generation, and data center capacity in order for it to become an independent nation state. These are some of the reasons I believe data centers are coming to Texas and I’m probably missing many other important points. But it does not make sense for the sudden rush and expansion without a very serious and major reason for doing so. I do believe without a doubt it is part of a much bigger plan and goal. Anyone paying attention knows there are problems facing this nation and many are very serious and will have a long-lasting impact on the country and citizenry.

