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Smith: Working the Clock, AI Data Centers Game to Take Texas Water Before They Can Be Stopped

In this guest column, Glenn Smith argues that with growing water demands of data centers, “2027 is the last session in which new rules can still be written to protect our water. Wait until 2029 and the game is over.”

AI data centers and their friends in government are meeting public resistance with surprisingly empty spin. Their public relations efforts don't seem aimed at persuading. They're just patting the heads of concerned citizens while the real trouble goes on behind the backs of the public.

The industry realizes it just needs to distract and discombobulate long enough for the Texas Legislature to come and go in 2027. By that time, it will be well on the way to securing massive water rights that the state will never be able to buy back, whatever the consequences for the rest of us from the lost water.

Here is some of the empty spin. Reacting to local concerns about the data centers' enormous water demands, Gov. Greg Abbott's spokesman said “these facilities are required to bring their own water.” Bring their own water? From where? From whom? That was the first head pat.

Abbott then issued some recommendations that changed “bring their own water” to reusing water with closed-loop technology. Closed-loop means the data center fills its cooling system once and then recirculates the same water repeatedly to cool the servers. It's filled once, topped off (with more water) thereafter. Sounds good, right? But look again.

Closed-loop reduces water use in the server building but it uses more electricity to do so, and that takes more water. In fact, most of a data center's water is consumed not at the server building but at its power source. This is one of the industry's most misleading claims. It says “new technology” will lower water use, but it won't. It just shifts the water demand elsewhere. In their spin, it stays out of sight.

The industry's trade group, the Data Center Coalition, welcomed Abbott's plan. We can see why: it's water off their backs.

Let's look at a couple of more examples of the data centers' working-the-clock spin.

In Hood County, the developer of the Comanche Circle project told the local groundwater district that the campus would need 95 million gallons to fill its system, then 150,000 gallons a day. But when the Texas Tribune reported those numbers, the developer wrote to say the figure he had submitted to the district was incorrect; it would use just 50,000 gallons a day. One figure for the formal application, another for the press.

Here's another example. When a Denver company called AmpZ proposed a data center at an old paper mill site in Angelina County, the city handed the neighbors a fact sheet to put them at ease. It said the campus would use about 500 gallons of water per day, equivalent to three houses. Who could begrudge three houses? But the figure is misleading. Five hundred gallons a day is only what the closed loop sips regularly to top itself off; it says nothing about the one-time gulp it takes to fill the system in the first place, and nothing about the far larger draw of water at the power plant that runs it.

It appears that State Sen. Charles Perry of Lubbock, chair of the committee charged with studying data centers' water use, has been misled along with the press and public. He told E&E News that

data centers' water use is "significantly less than the narrative," that the technology is "better and more efficient." More efficient at what? At spending water where no one can add it up, apparently.

The deceptions of the head-pat strategy appear to have been recommended by the national Data Center Coalition, the industry's advocacy group. The closed-loop, we-don't-use-much-water claim has been appearing across the country and it has intensified as polls showed the data center industry behind 30-70 with the public. The industry knows the spin won't hold forever. It is intended to buy time, to delay government action that might inhibit its grandiose plans for our water.

To begin with, according to the Texas Water Development Board's draft 2027 water plan, Texas is running a significant water deficit. Deficits are measured against the worst drought on record, and the TWDB says by that measure the state water deficit could be on the order of 1.2 trillion gallons a year by 2030. And that estimate does not even include the huge new demands of the data center industry. Of course, it doesn't mean our taps run dry. But it does mean the shortfall keeps growing as we keep pumping aquifers faster than they refill. Supply falls and demand rises. The TWDB says it would take about \$174 billion in new water supplies and conservation over the next fifty years to keep up. Outside experts say that underestimates the cost.

As noted, that's without a measure of what the water data centers use now and will use in the future. So, how much is it? A lot. The Houston Advanced Research Center estimated that Texas data centers already consume about 25 billion gallons of water a year, roughly seventy-seven thousand acre-feet, and that figure already includes the power plant: 8 billion gallons cool the servers, and 17 billion is burned making their electricity. By 2030, HARC says data centers could be using 29 to 161 billion gallons. Some estimates are even higher.

It's beginning to be clear why the industry wants to delay. The Legislature meets in 2027 and not again in regular session until 2029. Water contracts keep growing over that time. And, every bit of water the data center industry acquires becomes its private property. It cannot be regulated retroactively. It would have to be purchased by the state. With our tax money. That's Texas law.

That means a legislative fix passed in 2029 is not a rule or regulation; it is a purchase. And that makes 2027 the last session in which new rules can still be written to protect our water. Wait until 2029 and the game is over. Texas government will have surrendered. By the time lawmakers next sit in regular session, the industry will have locked up something like a quarter-million acre-feet of water. That's more than three times what every data center in Texas consumes today.

It's an urgent message to the 2027 legislative session: act now or face consequences Texas simply can't afford.

A quarter-million acre-feet is enough to supply the entire city of Austin, with a population of more than a million, for close to two years. Two years of a big city's water, bought with a few head pats and tummy rubs. And if Texas ever wants it back, it will take real cash in hand the state does not have.

Local water authorities' power is limited by law. And, they are frightened by litigation threats so they aren't much protection against the water grab. Some, recognizing the threat, are already asking the Legislature for help. Another note: The state is subsidizing a massive increase in semiconductor manufacturing in Texas. The "fabs" as they're called, use an enormous amount of water, too.

Incidentally, all the figures discussed above are freely available to the public. Almost all have already been reported by the press. The industry's spin should not be working. And it won't if folks will just turn away from the head pats and look.

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By Glenn Smith, guest columnist

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