DATA CENTERS IN BELL COUNTY: FREQUENTLY ASKED QUESTIONS OF THE BELL COUNTY COMMISSIONERS COURT

The following questions were posed to the Bell County Commissioners Court during the June 1, 2026, workshop session. Questions were received as public comments during the discussion of workshop item c.ii., *Discuss data center moratorium*. The Bell County Commissioners Court is sensitive to any negative impacts of large-scale commercial development on Bell County residents, and seeks to mitigate such impacts where legally possible.

Local Impact

How many members of the Commissioners Court have spoken with data center developers?

Data center developers have attended Commissioners Court meetings to discuss proposed projects. In this way, all members of the Bell County Commissioners Court have spoken with data center developers.

Three members of the Court have had phone conversations and/or site visits with data center developers outside of Commissioners Court meetings to gain a better understanding of data center operations, the integration of sustainable technologies, and impact concerns. Commissioner Greg Reynolds, Precinct 3, has spent hours in conversation with both Meta and Rowan engineering staff to gain an understanding of each location's design and operations, including cooling methods, water consumption, and electrical demand.

Is Bell County capable of addressing fire concerns related to the use of lithium-ion batteries in data centers?

Yes. Although Bell County does not operate a fire department, fire suppression, containment, and extinguishment measures can be incorporated into abatement covenants. Measures may include suppression technology, training for first responders, and other mechanisms as identified by best practices.

How much data center-related water and energy consumption can the Bell County geographic area support?

At any given moment, water and energy supply vary. Water and energy supply are not limited to any geographic region of the State, as both have the capacity and capability to be transported.

The Texas Water Development Board State Water Plan indicates there is approximately 31.5 million acre-feet of water capacity in the State. Many factors impact how much of that capacity is available at any given moment. As of June 13, 2026, there were approximately 28.6 million acre-feet of water in the 122 major water supply reservoirs across the State. The management of water supply is

conducted state-wide by individual water purveyors, such as river authorities, cities, and water supply corporations.

With regard to energy, the State, through the Electric Reliability Council of Texas (ERCOT), manages the state-wide electricity supply and demand, again without regard to any limitations relating to geographic regions or political subdivision boundaries. On June 13, 2026, the ERCOT Dashboard indicated approximately 125 megawatts of power available at the day's forecasted peak time, with demand peaking around 75 megawatts.

Multiple entities within the Bell County geographic area are actively assessing the water and energy demand, consumption, storage, and generation patterns impacting residential and commercial users. While limited data exists on the long-term impacts of large-scale data center developments, Bell County is considering taking precautionary measures to safeguard local water resources by requiring certification from the anticipated water supplier that water is available to meet the development needs. With regard to energy, Bell County is considering requiring on-site energy generation for large load users. Both requirements would be imposed with the only tool the County has to prescribe: tax abatement agreements. The protective resource covenants are being drafted and are anticipated to become a universal term sheet.

County Perspective

Can Bell County issue a moratorium on data center development?

No. Texas counties, including Bell County, do not have the statutory or regulatory authority to issue a moratorium on data center development.

What is Bell County's long-term vision for large-scale commercial development, to include data centers?

Bell County is committed to responsible and sustainable economic development to expand and diversify employment options, industry, and the tax base. Success in economic development ensures Bell County's long-term financial ability to provide quality services and infrastructure to residents and corporate citizens alike.

Insofar as these objectives are generally served by the enhancement and expansion of the local economy, the County will, on a case-by-case basis, consider providing economic incentives as a stimulus for large-scale commercial development to the benefit of Bell County residents. The Bell County Commissioners Court may issue economic incentives in accordance with the procedures and criteria outlined in the adopted Tax Abatement Economic Development Incentive Policy.

What is Bell County's stance on open-loop systems?

Bell County supports the use of the most current water-efficient technologies in large-scale commercial development. As of the date of this publication, open-loop systems in data centers are not considered water-efficient, and are therefore not supported by the Commissioners Court.

How will Bell County address the issue of large-scale commercial development with the State of Texas?

The Bell County Commissioners Court is actively seeking and supporting legislative change that prioritizes responsible economic development, including appropriately designed and sited data center facilities. The Commissioners Court is also asking the State of Texas to provide additional regulatory authority to counties so that tax abatements would not be the only mechanism by which counties could prescribe certain land use controls.

The Court further supports that legislative change in the State of Texas should be conditioned upon the following:

- The implementation of comprehensive, enforceable safeguards;
- Transparent reporting of anticipated and actual energy demand, water usage, and infrastructure impacts;
- Rigorous, independent assessments on grid reliability, transmission capacity, water availability, drought contingency, ecological and agricultural impacts, infrastructure impacts, and effects on surrounding land uses; and
- The adoption of sustainable statewide planning and regulatory standards.

General Impact of Data Centers

In the event of a drought or other water deficit, what will data centers do?

For the data centers in Bell County (Rowan and Meta), both have stated that they are committed to sustainable water practices. Both would be subject to any drought restrictions and regulations as issued by their water supplier, the City of Temple, as would any other commercial or industrial business.

Rowan asserts that their facility will employ "fully closed-loop systems" that require an initial drawdown of 1 to 2 million gallons to be recirculated for up to ten years, "eliminating evaporation and the need for a continuous supply." Rowan also states that the City of Temple has limited daily use to 4,000 gallons after the cooling system has been initialized.

Meta announced a goal of becoming "water positive" by 2030. Company leaders plan to reach this milestone by restoring more water than the company consumes, in part by minimizing water use at its data centers. Meta has pledged that its Temple facility will capture and utilize rainwater and employ cooling technologies that are more water-efficient than the industry standard.

What regulations exist for data centers and artificial intelligence?

As of the date of this publication, few state and federal regulations directly address data centers and artificial intelligence, and those that do are generally related to economic development and utilities. Increased public interest has led state and federal leaders to pay special attention to these issues, with data center and AI regulations as likely focal points in upcoming legislative sessions.

Texas Tax Code § 151.359 outlines a tax exemption for which some data center projects qualify. House Bill 2482, passed by the 88th Texas Legislature, updated portions of § 151.359 and extended some eligibility provisions. The Jobs, Energy, Technology and Innovation Act (JETI) was also

passed by the 88th legislature, aiming to attract major project investment throughout the state by incentivizing companies with tax appraised value limitations from certain taxing agencies.

The primary regulatory hurdles for large-scale commercial developments are through the Electric Reliability Council of Texas (ERCOT) and the Public Utility Commission of Texas (PUCT). Developers must demonstrate that projects are real before ERCOT and PUCT will approve connection to transmission infrastructure, including evidence of land acquisition, equipment procurement, and interconnection studies. Senate Bill 6, passed by the 89th Texas Legislature, directed the PUCT to adopt formal standards for large load projects such as data centers.

On June 10, 2026, Governor Greg Abbott issued a directive to both PUCT and ERCOT to review existing and recommend new policies to ensure data centers in Texas employ the most sustainable, effective, and safe practices. Further, the directive safeguards Texas residents, ensuring we are not burdened with increased electrical costs as a result of data center development.

What cyberattack defense strategies do data centers employ?

To mitigate potential cyberattacks, data centers do not publicize details of their cybersecurity protocols.