

Press Coverage | August 5, 2026

Texas' 474GW Data Centre Ramp up in Doubt as Governor Pumps the Brakes

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Troutman Pepper Locke's [John Arnold](#), [Brandon Lobb](#), and [Rachael Beavers](#)'s article, "[Texas Hits Pause on Data Center Grid Connections Amid Growing Oversight Push](#)," was quoted in the August 5, 2026, *Recharge* News article, "[Texas' 474GW Data Centre Ramp up in Doubt as Governor Pumps the Brakes](#)."

The move injects a dose of risk into one of the most business-friendly regulatory environments in the US as now "active ERCOT interconnection queue participants face a delay of indeterminate duration," said law firm Troutman Pepper Locke in a memo.

Investors financing transmission, generation, or grid infrastructure tied to large-load projects "should assess how this suspension affects project viability, lender security interests, and committed capital deployment schedules – including counterparty termination rights," Troutman said.

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"The path to that outcome is now materially less certain," Troutman said. ERCOT covers around 90% of the total Texas grid.

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"Clients who structured project milestones, financing drawdowns, or land closing schedules around the 7 August deadline should review how the impact of a suspension of each deadline impacts their project documents," Troutman warned.

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The regulator has indicated it will seek expanded authority over data centres, and "the governor's sustained engagement with this issue over recent months suggests strong support for that effort," Troutman said.

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