From: Alaina Helton <ahelton@cityoflufkin.com>
Subject: FW: Data Center Frequently Asked Questions
To: Rosie Maldonado <rmaldonado@cityoflufkin.com>
Sent: October 23, 2026 9:42 PM (UTC+00:00)
Attached: Data Center FAQ.pdf

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City of Lufkin
300 E Shepherd | Lufkin, TX 75901

From: Alaina Helton
Sent: Monday, February 9, 2026 9:42 AM
To: Alaina Helton <ahelton@cityoflufkin.com>
Cc: Rosie Maldonado <rmaldonado@cityoflufkin.com>
Subject: Data Center Frequently Asked Questions

BCC: P&Z Commission

Good afternoon,

The City of Lufkin and Angelina County have been approached by a company interested in constructing a data center at the site of the old paper mill on 103. While there are still many details to be developed, it is important we ensure the information shared with the public is correct and factual in nature. As a representative of the City of Lufkin, you may be contacted by our residents regarding this project. The attached frequently asked questions document should cover most of the questions people are asking.

If you have any further questions, or someone asks you questions that are not answered here, please don't hesitate to reach out to our Economic development Director, Larissa Philpot-Brown.

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DATA CENTER FREQUENTLY ASKED QUESTIONS

1. What is being proposed for the former Southland/Abitibi Paper Mill site?
Construction of a data center is being considered at the former paper mill site located just outside of the city limits of Lufkin. The project is currently in the planning phase and has not been approved for construction. The scope and layout are still being developed.

2. Who is the developer?
The developer is **AmpZ (Amp Z Champion Data Center Holdings)**.

3. How many jobs would this project create?
Current estimates include 30 permanent, full-time jobs once the facility is operational with 500 construction jobs over the first several years.

4. How will this affect residential electric bills?
Oncor has different rate classes based on the type of customer. Residential and commercial rates are different classes than industrial users like a data center. The costs incurred by industrial users stay within the industrial rate class. Additionally, any upgrades to facilities dedicated to one customer are paid for by that customer. State law requires facilities like data centers to be one of the first customers "turned off" when the grid needs to conserve power. This enables ERCOT to divert power to more critical facilities when needed.

5. How much water will the data center use?
The developer has indicated the facility is being designed with a closed-loop cooling system to minimize water usage. Estimated treated water consumption is 500 gallons per day, which is roughly equivalent to 3 residential homes.

6. Will this impact Lufkin's water supply?
No. The site's water use is small and is not expected to affect the community water supply.

7. Will there be other impacts?
The project developers will be following all state and federal guidelines for development related to clean water, noise, emissions, etc. Given the site's long-standing industrial use, a data center is expected to generate less impact than many other industrial uses that could develop on the site. The site is located outside the city limits and is not subject to City zoning or permitting.

8. How will this project affect taxes?
Due to its large valuation, the project has the potential to positively impact the county tax base. Being outside of the city limits the City of Lufkin will not receive sales or property tax revenue directly from the development.