

SCOTLAND MUST CLOSELY SCRUTINISE DATA CENTRE OVERSEAS OVERTURES

Scotland is endowed with a centuries-old enthusiasm towards practically anything hinting at innovation.

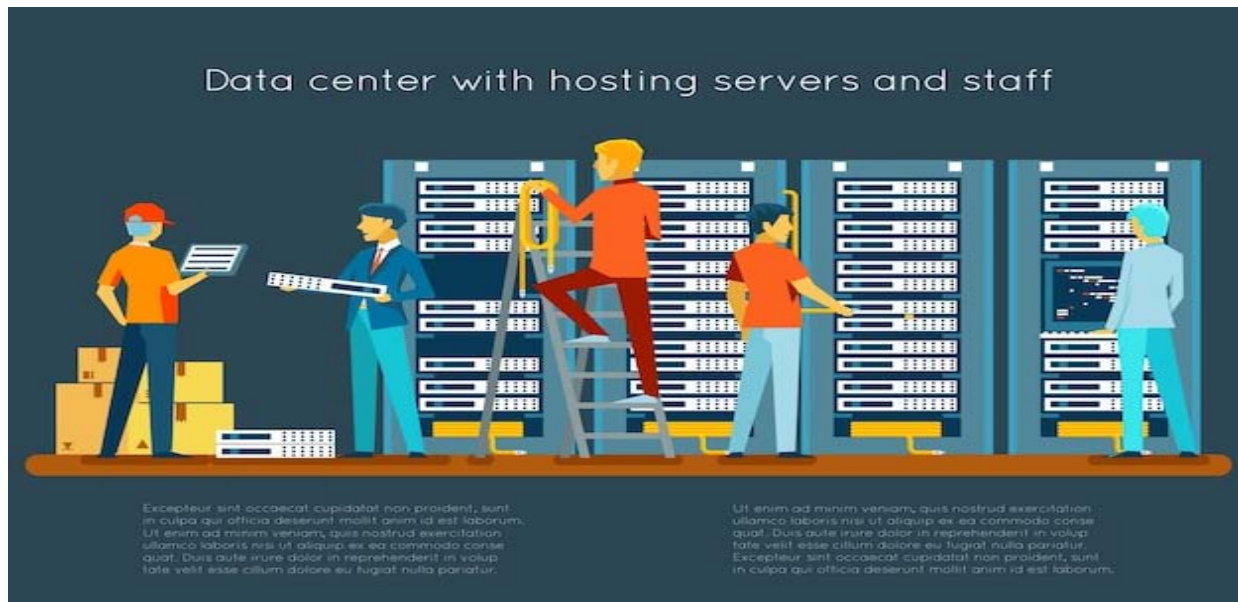
However extreme caution is advised when it comes to responding to overtures from the States and elsewhere to what's become quite compelling but might very well prove costly data centre energy demands.

Such powerhouses are increasingly being implemented to facilitate global financial and other online transactions requiring whip-fast connections and solutions.

All fuelled by the next wave of generative artificial intelligence that, to some, is a blessing, others a curse. It may help society, harm it, or both that's likely.

Politico website reports OpenAI's Sam Altman kicking off 2025 about a "glorious future of superintelligence" describes by the website as "at once thrilling and scary" adding AI outperforming humans across the board and adapting to new challenges as the human brain does.

Already labelled AGI, the site responds: "A massively hyped, long-sought milestone for the technology..critics worry it could lead to massive job displacement, social disruption and possibly disastrous existential consequences."



Beyond Hype AI's Paradoxical Reality

Alasdair Hendry, managing director of Scotland's leading indigenous digital, cloud and AI transformational company, warns organisations should remain clear-minded about AI and associated data centre infrastructure.

"AI promises unprecedented opportunities for improved operational efficiencies, reliability and service delivery. However, a paradoxical reality hides beyond the hype: it's far from straightforward to implement in an established, governance-led enterprise IT environment."

From across the Pond an influential report by datacenters.com places Scotland at the digital epicentre of such future activity probably carrying with it hard-to-resist major investments.

The Colorado-headquartered global tech solutions provider showers praise on a country that, to date, hosts eight data centres and a quartet of providers.

"Situated at the crossroads of Europe with direct access to transatlantic submarine cables Scotland's geographic location is a major draw for companies looking to establish a presence in the region." There's more.

"Such strategic positioning not only facilitates connectivity with major European cities. It also serves as a gateway to North America. Making Scotland an ideal hub for international business operations."

Data Centre Pressures

This contrasts starkly with a Bloomberg UK warning US AI data center energy demands are distorting power to millions of homes.

McKinsey & Co goes further. By the of the decade data center power needs are expected to grow by three times current capacity. "Skyrocketing compute and data demands (are) accelerating."

Former Scottish Data Lab chief executive Brian Hills, co-founder of Vault Labs, says pressure is growing nearer home.

Scotland is being urged "to aspire to be more like the Irish on the tech front." Ireland hosts 50 centres and has been described as a microcosm of what many countries face over the next decade.

AP reports of "dozens of massive data centers humming at the outskirts of Dublin consuming more electricity than all the urban homes in Ireland.

"A country that made itself a computing factory for Amazon, Google, Meta, Microsoft and TikTok is wondering whether it was all worth it."

It seems a long way away from the heady "Tiger Economy" days when Ireland on the technology front could do no wrong.

I recall standing on the top of State Street Dublin building being told how Apple and Google were building respective overseas headquarters nearby.

I squinted at the comms guy, my look said it all: if Scotland had a piece of such Big Tech investment - it would be

transformational.

Wind forwards matters onto today.

Fears of rolling blackouts and ever-rising electricity costs have led grid operators to halt the building of new centres near Dublin until 2028.

University College Cork energy researcher Paul Deane describes Ireland as a "microcosm of what many countries could be facing over the next decade.,"



Overseas potential multi-million deals might very well appear on the horizon. Yet Digital Scotland should take note and stay alive to a real danger of businesses and consumers alike scrambling around for candles. Desperately attempting to keep the lights on as electrical power, we all take for granted, is sucked up by yet another data centre/center..

Euro battery UK-wide energy investment

Scotland has been chosen in an £800 million major investment to build two of the largest battery storage projects in Europe on sites once producing deep mined and opencast coal.

They will together be able to supply enough energy to the grid providing electricity equivalent to over 4.5 million households.

Copenhagen Infrastructure Partners' Coalburn 2 will be built in South Lanarkshire whilst the Devilla project will be constructed near Kincardine.

Scots First Minister John Swinney says projects such as batteries and pumped hydro storage can move Scotland to net zero directly supporting communities around them.

"Scotland is open for business when it comes to new investments in the technologies and systems that will play a role in our just energy transition."

CIP partner Nischal Agarwal: "Our investments in Scottish battery energy storage will support the UK's pursuit of a clean power system by 2030 and delivering a net zero carbon economy by 2050."