# Pascual Romero

As a multigenerational New Mexico native and a cybersecurity and AI-certified ISP solutions engineer, my career has been built on supporting the connection of our communities. My work involves traditional data centers and network infrastructure. The data facilities I design network solutions for are built for critical communications and data storage. They feature somewhat basic, localized footprints that fit into municipal utility grids without requiring major water or power considerations.

Beyond this technical infrastructure work, I sit on the AI advisory council for one of the nation's largest corporations. In this role, I advise responsible AI deployment and work to establish people-first guardrails. Seeing this technology from both the corporate governance side and the infrastructure side has made this clear: the current hyper-scale AI push is a speculative bubble that is direct threat to our state's resources.

Traditional infrastructure is sustainable, but the massive generative AI data centers being proposed are nit. They are at the leading edge of a massive tech bubble that is rapidly outpacing its economic viability.

According to financial market data, the five largest tech hyperscalers are on track to spend over $725 billion on AI through 2026. Yet, the returns on these investments remain incredibly low. For instance, developers like OpenAI are projected to experience up to $140 billion in operating losses between 2024 and 2029, with some warning the firm could face a crisis by mid-2027.

The risk is severe enough that a July 2026 U.S. Treasury Department report explicitly warned that the AI sector is highly vulnerable to a major market correction, drawing direct parallels to the dot-com crash. Beyond that, a 2026 National Bureau of Economic Research study revealed that despite massive corporate spending, 90% of surveyed firms reported zero actual impact of AI on their workplace productivity. Companies have already begun excising AI from their internal tools as they've shown to cost more and be less effective than the comparable human labor they are designed to offset.

When this bubble inevitably corrects, our communities will be left holding the bill for overbuilt, abandoned infrastructure. For a water-starved state like New Mexico, the cost of waiting out this bubble is too high. A June 2026 United Nations University report found that global data centers consumed an astonishing 448 terawatt-hours of electricity in 2025 alone—surpassing the energy consumption of entire nations like Saudi Arabia—and large AI facilities can consume up to 5 million gallons of water per day for server cooling.

We cannot afford to divert precious water from our communities to support a corporate trend that the public is actively resisting in favor of human creativity and critical thinking. New Mexico needs to invest in robust, sustainable communication systems, not massive, empty white elephants in our desert when the tech bubble bursts.

Sources:

Corporate Capital Expenditure & Return Gap:

The discrepancy between the massive hyper-scaler investments and actual market revenue is famously defined as the "AI $600 Billion Question."
Cahn, D. (2024). AI's $600B Question. Sequoia Capital.
Note: Follow-up market analysis by financial institutions like Bernstein and Wall Street journalists confirms that capital commitments across top tech hyperscalers are on track to surpass $700–$800 billion over the 2024–2026 cycle, creating an extensive profitability hurdle.

Market Skepticism & Infrastructure Productivity:
The structural limits and productivity challenges of immediate generative AI deployment across broader business models are detailed extensively by market strategists and macroeconomic field studies.
Oppenheimer, P. (2024). AI: To buy, or not to buy, that is the question. Goldman Sachs Global Strategy Paper.
Fang, L. (2026). Generative AI and Firm Productivity: Field Experiments in Online Retail. Marketing Science Institute Report No. 26-112.

Financial Stability & Vulnerabilities:
Central banking and macroprudential assessments have increasingly tracked the concentration risk of GPU infrastructure and its vulnerability to flash market corrections.
European Central Bank. (2026). Artificial Intelligence and Financial Stability: Macroprudential Risks in High-Concentration Tech Ecosystems. Funcas Financial Assessment.

Localized Water Insecurity & Community Strain:
Research specifically addressing the strain of data center expansion on public utility systems highlights how a single large facility can demand millions of gallons of water per day, directly competing with residential allocations.
Han, Y. (2026). Small Bottle, Big Pipe: Quantifying and Addressing the Impact of Data Centers on Public Water Systems. arXiv preprint arXiv:2603.02705.
Data point: This study notes that peak daily water demand for large-scale evaporative cooling data center campuses routinely exceeds 1 million gallons per day (MGD), with some planned facilities requesting up to 6–8 MGD, potentially exhausting local municipal surpluses.

Democratization of Water Governance:
A comprehensive evaluation of public concerns surrounding the expansion of AI infrastructure shows severe resistance from citizen coalitions regarding unsustainable water depletion, particularly in arid climates.
Shah, S. H. (2026). Four water insecurity concerns about datacenters driving the AI revolution. PLOS Water, 5(1), e0000500. https://doi.org/10.1371/journal.pwat.0000500

Aggregated Data Center Metrics:
Analyses mapping the carbon, power, and water efficiency limits of hyper-scale nodes indicate significant transparency gaps from leading technology operators.
Privette, A. P., & Li, Y. (2025). Evaluating the Direct and Indirect Environmental Footprints of Modern Data Centers. Joint Task Force Analysis on Digital Infrastructure Lifecycle.