EDCUTAH INDUSTRY PROFILE | 23 - 24

DATA CENTERS

IN UTAH



EDCUtah ECONOMIC DEVELOPMENT CORPORATION OF UTAH

Governor's Office of Economic Opportunity

ON THE COVER

University of Utah Data Center

Hosted at the University's downtown data center, Cloudlab — made via a $10 million grant from the National Science Foundation — is dedicated to the study of cloud computing.

Low Risk. Low Cost. Great Access.

Facebook Data Center - In June, 2017 Facebook announced their plans to build a 1 million-square-foot data center in Eagle Mountain, UT, bringing $750 million in capital investment.

Industry

- Utah is proud to be home to data center companies such as **Loomen, DataBank, Syptec, Flexential**, and **Voonami**, among others. Utah is a prime location for data center construction, with a superior climate and low natural disaster risk.
- Just two of Utah's efforts to align education and industry are the **Utah Technology Council (UTC)** which is Utah's premier technology association, and the **Utah Data Center Consortium (UDCC)** which supports the growth and sustainment of Utah's burgeoning Data Center Industry.
- Utah has a robust IT industry and is nationally recognized as one of the up-and-coming tech hubs. Utah's tech industry experienced 19% job growth over the last five years, nearly double the national rate. **Utah's tech sector is referred to as the next "Silicon Valley."**

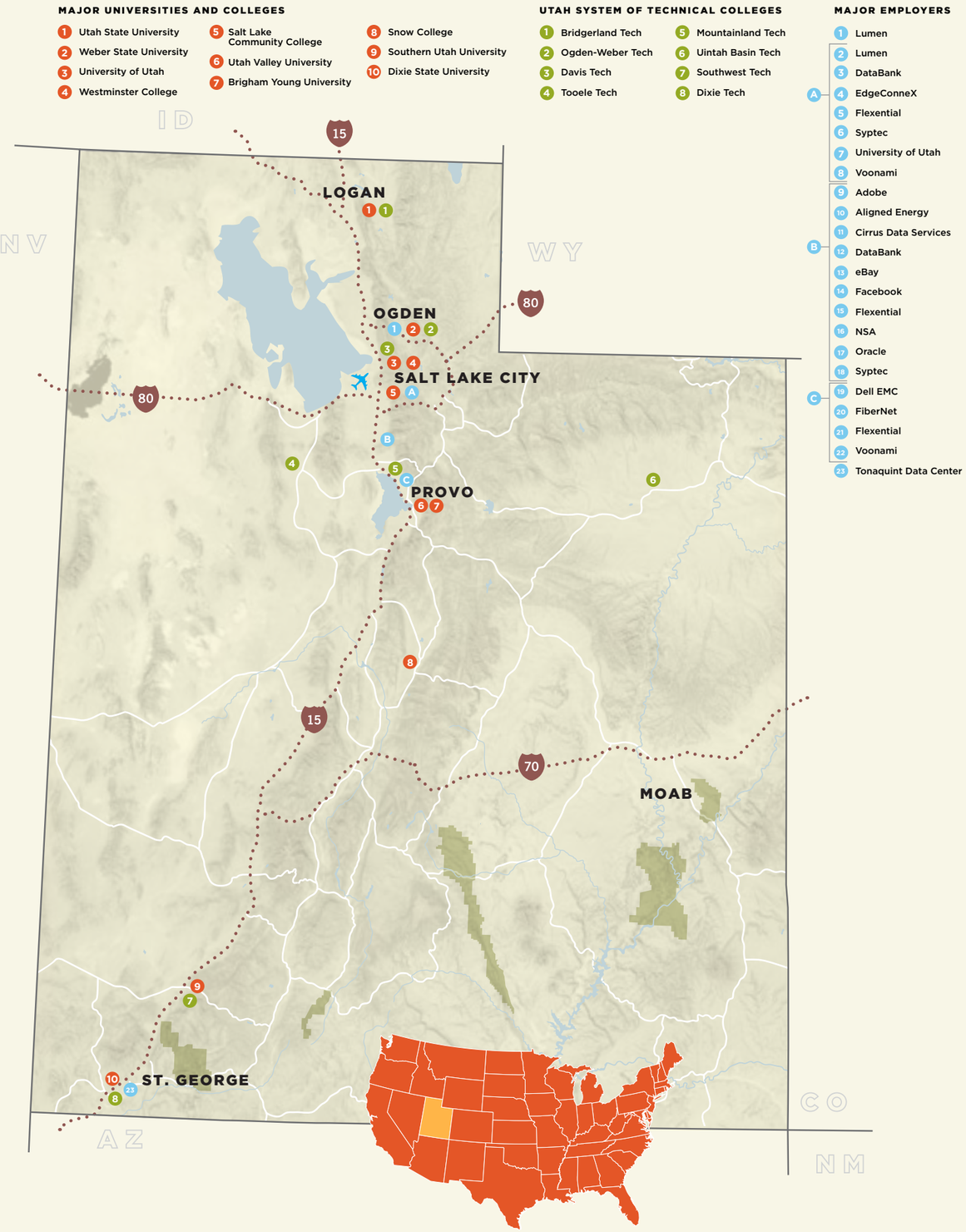
Business Climate



- Forbes magazine has recognized Utah as **"The Best State for Business"** six of the past eight years, ranking 3rd in 2019.
- In 2017, Utah's post-performance tax incentives facilitated nearly **11,000 new jobs and more than $70M in new state revenue**.

Workforce

- Utah has high employee concentrations of **software developers, web developers, computer and information research scientists** and many other IT-related occupations.
- There are a wealth of Software and Information Technology resources in Utah, with **11 major institutions offering programs related to Software and IT.**
- Utah has an **abundance of Software Publishing companies**, with more than 13,000 people employed in the industry.



Major Employers: Colocation Data Centers

COMPANY	# OF UTAH LOCATIONS	DESCRIPTION
Aligned Energy	1	Aligned Energy is an infrastructure technology company that offers colocation and build-to-scale services to cloud, enterprise, and service providers.
Cirrus Data Services	2	Cirrus Data Services is a subsidiary of Gardner Company based in Salt Lake City, UT and was established to help meet the growing demand for wholesale and hyperscale collocation data centers.
DataBank	5	DataBank is a leading provider of enterprise-class business solutions for data center, managed services, and cloud services. In January 2017, DataBank acquired C7 Data Centers.
EdgeConneX	1	EdgeConneX delivers innovative edge infrastructure by providing space, power, and connectivity for digital content.
FiberNet	1	FiberNet is an internet service company specilizing in colocation, cloud environment, managed hosting, and SEO.
Flexential	7	Flexential is one of the largest privately-held data center providers in the nation, providing a comprehensive suite of colocation, complex hosting, cloud, and managed services.
Lumen	3	Lumen is a telecommunications company that offers communications, network services, security, cloud solutions, voice, and managed services.
Syptec	2	Syptec is an IT company utilizing the latest technology in their two Utah colocation data centers located in Bluffdale and Salt Lake City.
Tonaquint Data Center	1	Tonaquint Data Center, located in a disaster safe zone in St. George, Utah, specializes in colocation, cloud hosting, SAN storage, and data disaster prevention and recovery.
Voonami	2	Voonami is an experienced data center solutions, cloud computing, and managed services company with two colocation data centers in Utah.
Xmission	1	Xmission is a provider of high-quality internet connections, web and email hosting, digital phone, professional services, and colocation to residents and businesses.

Major Employers: In-House Data Centers

COMPANY	# OF UTAH LOCATIONS	DESCRIPTION
Adobe	1	Adobe provides creative, marketing, and document solutions through a suite of software programs and could platforms.
Dell EMC	1	Dell EMC designs, builds, and manages flexible, scalable, and secure information infrastructures. Their Pleasant Grove facility specializes in servers, storage, and cyber-security technologies.
eBay	1	eBay's South Jordan data center allows them to deliver improved capabilities to hundreds of millions of users across its many websites.
Facebook	1	Facebook announced plans to open a 970,000 square foot data center facility in Eagle Mountain, UT, producing over $750 Million in capital investment.
NSA	1	The Utah NSA Data Center is the first "Intelligence Community Comprehensive National Cyber-security Initiative (IC CNCI)" data center in operation.
Oracle	1	Oracle is known as a top-tier computer hardware and technology company, and recently have completed construction on a 200,000 square foot data center in South Jordan.
University of Utah	1	The University of Utah completed a new data center in 2015 that significantly increased their storage and server capabilities.

Areas of Excellence

Nine key contributors to the success of Utah's Data Center industry:



1. Low Natural Disaster Risk – Compared to many states, Utah has a low natural disaster risk. Utah ranks 5th in the nation for national disaster safety.



2. Superior Access – Salt Lake City International Airport is the nation's #1 airport for "ease of access" and is also one of the nation's fastest airports for curb-to-plane time. The airport has direct, daily flights to the 19 busiest airports in the U.S. and is currently undergoing a $1.8 Billion expansion.



3. Beneficial Geography – Salt Lake City is known as the "Crossroads of the West," and provides excellent access to the entire western region of the United States. Additionally, 2.25 million of Utah's 3 million residents live along the Wasatch Front—a vertical corridor along the Wasatch mountains extending from Ogden in the north to Provo in the south. This densely populated area provides excellent infrastructure and a diverse, growing economy.



4. Communications Infrastructure – Utah ranks 2nd in the nation and 3rd in the world for the fastest Internet connectivity speeds, with an extensive fiber infrastructure. Google Fiber chose both Salt Lake City and Provo City for their pilot program out of the thousands of communities who solicited for this service.



5. Low Power Rates – Utah enjoys some of the cheapest electricity and natural gas rates in the nation. Utah mines its own power sources in natural gas and coal, which saves in transportation costs. Utah's power plants have transitioned to natural gas and steam over the last 15 years, and renewable energy sources, such as solar and wind, are rapidly growing.



6. Low Operation Costs – Relative to other regional data center hubs, such as Portland, Phoenix, Las Vegas, or Denver, Utah offers lower costs for labor, construction, land, permits, and other vital operation and development costs.



7. Low Water Costs – Utah has some of the lowest water utility rates in the nation, with a water price index score of 46 (USA = 100).



8. Prime Natural Environment – Much of Utah is classified as a cold desert, allowing for ambient air cooling. Humidity levels are perfect for data center operations without requiring extra infrastructure to control it.

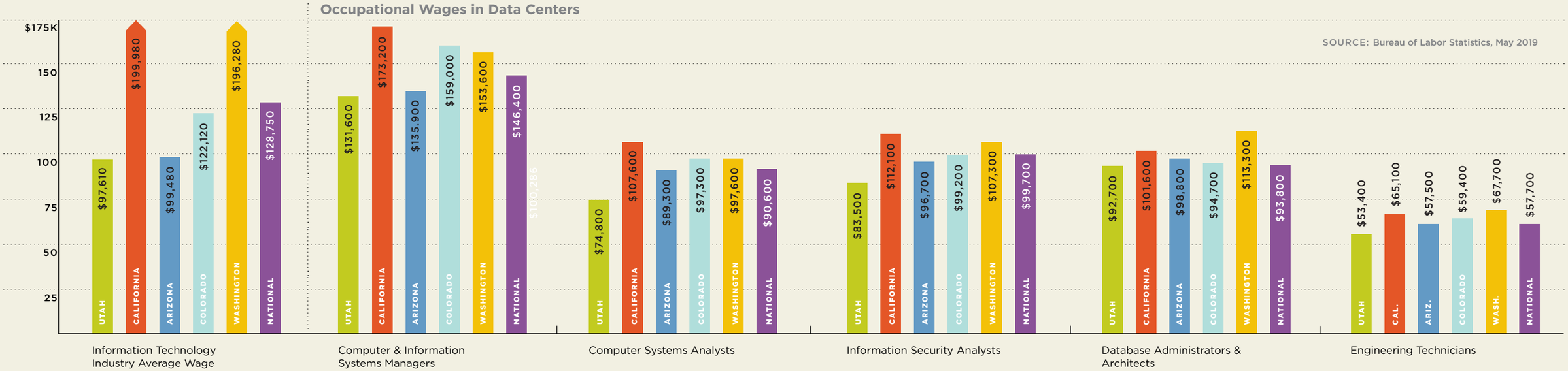


9. Superior Quality of Life – Utah boasts a tremendous quality of life. Cost of living is cheaper than the national average. Utah is recognized as one of the greatest states in the nation for outdoor sports and recreation, and is home to five national parks and a combined 45 heritage, scenic, and recreation state parks. Utah has many of the nation's best ski resorts, with 11 world-class ski resorts only 45 minutes from the Salt Lake International Airport.

SOURCES: WalletHub, Federal Aviation Administration, Akamai Technologies, Circle of Blue, U.S. Census Bureau

Cost Profile

Occupational Wages in Data Centers

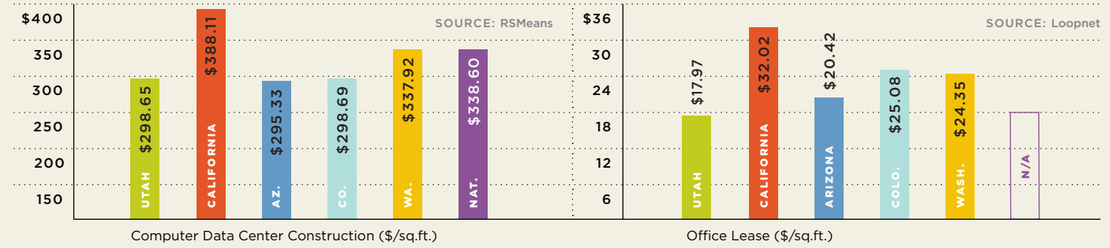


Other Comparative Wages in Data Centers

OCCUPATION	UTAH	CALIFORNIA	ARIZONA	COLORADO	WASHINGTON	NATIONAL
Computer & Information Research Scientists	$95,800	$134,700	$107,300	$118,900	$142,200	$122,800
Network & Computer Systems Administrators	$77,800	$95,200	$79,800	$84,900	$90,800	$83,500
Computer Network Architects	$106,600	$125,600	$103,400	$118,700	$112,600	$112,700
Computer User Support Specialists	$47,100	$65,400	$48,700	$56,500	$57,600	$52,300
Computer Network Support Specialists	$53,400	$71,200	$52,200	$70,600	$80,400	$63,500
Electrical Engineers	$86,900	$113,500	$93,600	$97,300	$113,400	$98,500
Mechanical Engineers	$89,500	$102,000	$91,800	$93,000	$92,900	$88,400
Mechanical Engineering Technologists & Technicians	$37,900	$65,500	$57,500	$63,900	$65,800	$57,000

*SOURCE: Bureau of Labor Statistics, May 2019

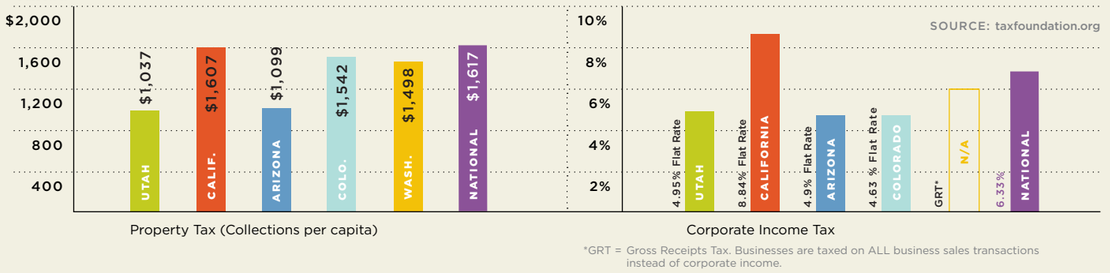
Real Estate



Utilities



Taxes



*GRT = Gross Receipts Tax. Businesses are taxed on ALL business sales transactions instead of corporate income.



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Have questions about the Data Center industry in Utah?
Call us at 1-800-574-8824.

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