BlackRock's climate endangering role in Meta's El Paso data center finance

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BlackRock, in a nutshell

BlackRock is the world's largest asset manager, overseeing roughly $10 trillion in assets—an extraordinary concentration of financial power. To put that scale in perspective, BlackRock manages assets worth more than three times the annual economic output of Texas, whose economy is approximately $2.9 trillion, and an amount equivalent to roughly one-third of the entire U.S. economy, with U.S. GDP at about $30 trillion in 2025.

The comparison illustrates the extraordinary concentration of financial resources under the management of a single global asset manager and BlackRock's influence also extends across corporate America. Alongside Vanguard and State Street, forms the "Big Three" asset managers, with a portfolio of investment in thousands of publicly traded companies. Together, the Big Three are the largest shareholders in approximately 88 percent of companies in the S&P 500. This combination of immense scale and extensive ownership stakes gives BlackRock a significant presence across virtually every major sector of the U.S. economy.

In January of 2024, BlackRock acquired private equity firm Global Infrastructure Partners (GIP) for $12.5 billion. With this purchase,came the fundamental transforming of BlackRock from the world's largest passive investor, investing predominately in stocks and other types of public financing, into an entity with active private control over critical energy infrastructure including utilities, pipelines, power plants, and now, data centers. BlackRock's CEO, Larry Fink, made clear that the GIP acquisition is designed to grow his company's private infrastructure business substantially, saying:

> "*We are in the early part of this infrastructure revolution. We wanted to have the scale, we wanted to have the operational expertise of GIP marrying that expertise with*

BlackRock's global relationships with companies and governments…This will be one of the fastest-growing areas of our industry over the next 10 years."

More recently, BlackRock CEO Larry Fink has acknowledged that the AI boom risks further concentrating wealth and economic power. In his 2026 Letter to Investors, Fink wrote that "the companies with the data, infrastructure, and capital to deploy AI at scale are positioned to benefit disproportionately." While arguing that technological change and shifts in market leadership are not inherently problematic, Fink identified a more fundamental concern: "The broader question is who participates in the gains. When market capitalization rises but ownership remains narrow, prosperity can feel increasingly distant to those on the outside."

Fink's feel-good letter about how more people need to benefit from AI expansion is in contrast to what BlackRock Senior Managing Director, board member and GIP CEO Adebayo Ogunlesi said speaking at a 2025 infrastructure industry conference about a similar topic,

"*For those of you who are competitors, I feel sorry as all the deals are going to come to us, given [that] BlackRock is either a shareholder or bondholder in all companies. But we'll try and leave some crumbs for the rest of yo*u."

Ogunlesi also serves on the Board of Directors of OpenAI, which is developing a data center, known as Project Jupiter, in southern New Mexico.

BlackRock's leadership publicly recognizes the risk that AI-generated wealth will accrue disproportionately to those who already control capital, infrastructure, and ownership. At the same time, BlackRock is using its enormous financial reach to secure a major position in precisely those assets. BlackRock and GIP are making huge investments in data centers and AI, including a massive purchase of Aligned Data Centers, BlackRock made alongside United Arab Emirates-investment firm MGX for a total purchase value of $40 billion. BlackRock is also part of a partnership with NVIDIA and a handful of other private equity companies to "mobilize $500 billion of third-party capital for the buildout of AI infrastructure over time".

BlackRock's involvement in Meta's El Paso data center

Part of BlackRock's growing footprint in energy infrastructure and AI includes its recent investment in Meta's El Paso data center. BlackRock contributed about $4.9 billion to the project and will own 80% of the data center once built.

This project poses inherent risks to the climate, local communities, and working Americans whose retirement savings are backing this project. Notably, only a fraction of the El Paso data center is fully covered by insurance. Even though the project secured hundreds of millions of dollars in insurance coverage, the project is exposed to billions of dollars in potential costs if the data center experiences extreme property damage from natural disasters, terrorism, or other legal liability. According to reporting from Financial Times, "BlackRock executives reassured potential lenders that severe weather events were rare in the El Paso area and that modern disaster-proof data centres were unlikely to suffer total losses even during catastrophes".

BlackRock's climate track record

According to the 2026 Private Equity Climate Risks Scorecard, BlackRock, via its subsidiary GIP owns/operates over 100 fossil fuel assets globally which are responsible for over 64 million CO2e of emissions every year. This is the equivalent emissions from over 7 million gallons of gasoline every year. Explore all BlackRock GIP fossil fuel holdings *here*.

BlackRock's existing investments in fossil fuels not only have an impact on global climate change but locally on the people who have to live, work, and play near these facilities. BlackRock's investments in Rio Grande LNG highlight exactly this:

Rio Grande LNG – Cameron County, Texas
BlackRock's Global Infrastructure Partners (GIP) has a substantial $3.5 billion investment in Rio Grande LNG, making the firm the largest investor with a minimum 46% ownership stake in the project. The Rio Grande LNG terminal is planned to be built on land the Carrizo Comecrudo Tribe of Texas considers sacred. The facilities would significantly degrade local fishing, shrimping, and natural tourism industries, putting communities' livelihoods at risk.

The Carrizo Comecrudo Tribe of Texas has been voicing their concerns about this project directly with GIP and investors at the Oregon Investment Council and the Washington State Investment Board. Despite this, GIP announced a significant additional investment in Rio Grande LNG; another investor, TotalEnergies, reportedly will not invest further in the project. In February 2025, TotalEnergies CEO Patrick Pouyanne had expressed interest in investing in Rio Grande LNG Trains 5, 6, and 7. However, by early August, Reuters reported, based on two sources "familiar with the matter," that TotalEnergies had decided not to invest in a fifth LNG facility or purchase its LNG, stating that the company was prioritizing lower-cost LNG development elsewhere. TotalEnergies declined to comment on the article.

BlackRock GIP Seeks to Increase its Fossil Fuel Holdings with new AES acquisition
In March of 2026, BlackRock GIP, alongside EQT, CalPERS, and the Qatar Investment Authority, has announced a $10.7 billion bid to acquire AES Corporation—one of the largest utility companies, which operates utilities in Indiana, Ohio, and El Salvador, and operates and/or owes at least 26 fossil fuel power plants in Puerto Rico, the Dominican Republic, Chile, Panama, US, Argentina, Mexico, Vietnam, Jordan, and Bulgaria. The AES power plant portfolio includes seven coal power plants, two pet coke-fired power plants, seven gas/diesel power plants, and ten gas power plants. Explore the interactive AES power plant map *here*.

AES Fossil Fuel Power Plants
by generating capacity (MW)

500 ○ ○ 1000



Private Equity Climate Risks