



10 Key Considerations for Choosing a Colocation Provider

Designed for Control. Built to Scale.

Infrastructure is now a Strategic Decision

Where infrastructure lives has never mattered more.

Rising hardware costs, increasing power density, and the rapid expansion of hybrid cloud strategies are forcing IT leaders to rethink long-standing assumptions about where workloads should run. *Colocation* has become a central part of that conversation, not simply as an alternative to on-premises environments, but as a foundation for performance, scalability, and long-term control.

At its core, colocation allows organizations to retain ownership of their infrastructure while placing it inside secure, professionally managed data centers. But what defines a modern colocation provider has changed. Today, it's not just about the facility, it's about how that facility connects, scales, and supports the broader infrastructure ecosystem.

At US Signal, colocation is designed as part of a more integrated model. It's where data centers, fiber connectivity, and hands-on operational support work together to create a more flexible and resilient environment.

"The global colocation market is projected to grow from roughly \$84-\$105 billion in 2025 to more than \$200 billion by 2030, driven by cloud expansion, AI workloads, and rising infrastructure demands. Choosing the right provider is no longer a facilities decision. It's a strategic one."

– Source: *Markets and Markets*

To help guide that decision, here are 10 key considerations every IT leader should evaluate when selecting a colocation provider.

Table of Contents

04	Start with Your Use Case
06	Reliability is Expected. Resilience is What Matters.
08	Sustainability is Now Tied to Scale
10	Stability Should Not be an Afterthought
12	Compliance is Built into the Environment
14	Location is About Access, Not Just Proximity
16	Scalability Needs to be Part of the Design
18	Connectivity is What Turns Colocation into a Platform
20	High-Density Workloads are Redefining Requirements
22	Support is Still the Difference Maker
24	Final Thought: Colocation Should Work the Way You Do



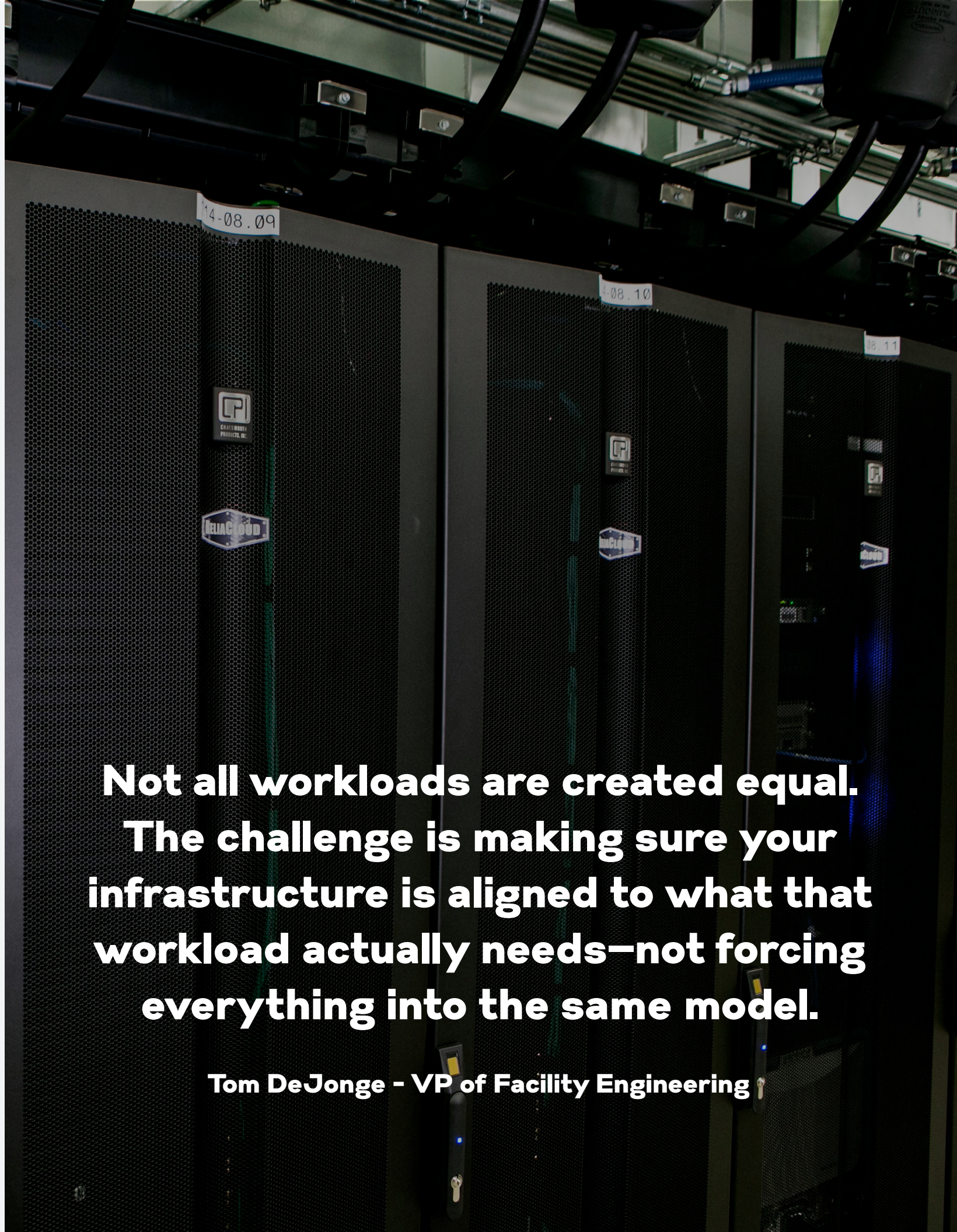


1. Start With Your Use Case

Every effective colocation strategy begins with clarity around the use case. Whether the goal is to extend an existing data center footprint, support hybrid cloud, or establish a disaster recovery site, those objectives shape everything from power requirements to connectivity needs.

What's changed is how dynamic those use cases have become. Infrastructure decisions today must account for how workloads will evolve, especially as organizations introduce higher-density compute, increase data movement, and integrate more closely with cloud platforms.

This is where colocation environments that are tightly integrated with connectivity and cloud services begin to stand apart. Instead of forcing organizations to stitch together multiple vendors, they provide a more cohesive foundation that can evolve over time.

A photograph of a data center aisle with several server racks. The racks are dark with perforated doors. Labels are visible on the racks, including '14-08.09', '08.10', and '08.11'. There are also logos for 'ReliaCloud' and 'ELECTRONIC PRODUCTS INC.' on the racks. The lighting is dim, with some blue light emanating from the racks.

**Not all workloads are created equal.
The challenge is making sure your
infrastructure is aligned to what that
workload actually needs—not forcing
everything into the same model.**

Tom DeJonge - VP of Facility Engineering



2. Reliability is Expected. Resilience is What Matters.

High availability is a baseline expectation. Most providers will point to uptime guarantees, often framed around “five nines.” But reliability today is about more than a percentage, it’s about how systems behave when something goes wrong.

Resilience comes from a combination of infrastructure design, operational discipline, and responsiveness. Redundant power systems, advanced cooling, and proactive monitoring all contribute, but so does the ability to recover quickly and maintain performance under pressure.

That’s why modern colocation environments are designed with multiple layers of protection. From diverse power feeds and UPS systems to generator backup and ongoing maintenance practices that reduce the likelihood of disruption in the first place.

More than 90% of mid-size and large enterprises report that a single hour of downtime now exceeds \$300,000, with 41% estimating losses between \$1 million and \$5 million per hour.

ITIC 2024 Hourly Cost of Downtime Survey

3. Sustainability is Now Tied to Scale

Sustainability in the data center is no longer just about environmental responsibility. It is about whether infrastructure can scale at all.

As compute demands increase, particularly with AI and high-performance workloads, power and cooling have become real constraints. In many markets, the limiting factor is no longer space. It is the ability to deliver and manage power efficiently at higher densities without compromising performance.

This is where the definition of sustainability has shifted. It is not just about reducing energy use. It is about using energy more intelligently by maximizing output per watt, optimizing cooling efficiency, and ensuring infrastructure can support continued growth without driving up costs or introducing risk.

For IT leaders, this means looking beyond surface-level sustainability claims and understanding how facilities are actually designed and operated. That includes how airflow is managed, how cooling systems are maintained, and how effectively power is distributed and monitored across the environment.

At US Signal, this shows up in the day-to-day operation of the facility through proactive management of cooling and environmental systems, optimized airflow strategies, and ongoing maintenance of critical infrastructure like UPS and power systems. These are not one-time design decisions. They are continuously managed to support both current workloads and increasing density over time.

Efficiency isn't just about doing the right thing anymore. It is about whether you will have the capacity to support what is coming next.

Tom DeJonge - VP of Facility Engineering





4. Stability Should not be an Afterthought

Colocation is a long-term commitment. Once infrastructure is deployed, moving it is complex, costly, and disruptive. It impacts not just systems, but people, processes, and business continuity.

That makes provider stability a critical factor. Organizations should evaluate not only current capabilities, but also whether a provider has the financial strength, operational maturity, and long-term strategy to support evolving infrastructure needs. This includes understanding how long they have been operating, how they are investing in their facilities and network, and whether they are keeping pace with increasing demands around power, density, and connectivity.

At US Signal, this long-term approach is reflected in continued investment across both data centers and fiber infrastructure. Expanding capacity, modernizing facilities, and building out high-capacity network connectivity are all part of ensuring customers are supported not just today, but as their requirements evolve.

Rapid growth in the colocation market is driving both expansion and consolidation, increasing the importance of choosing a stable provider.

Research and Markets, 2024

5. Compliance is Built into the Environment

While organizations remain responsible for their own compliance, the colocation provider plays a critical role in enabling it.

Physical security, environmental controls, and operational processes all contribute to meeting regulatory requirements. Providers that maintain certifications such as SSAE 18, HIPAA, and PCI, and undergo regular third-party audits, create a stronger foundation for compliance.

US Signal colocation facilities incorporate these standards across locations, supported by layered security measures including badge access, video monitoring, and biometric controls.

Data center leaders are increasingly prioritizing risk management, resilience, and regulatory alignment as infrastructure complexity grows and AI-driven demands accelerate.

Uptime Institute Global Data Center Survey, 2025





6. Location is About Access, Not just Proximity

Location decisions are no longer just about distance. They are about latency, risk distribution, and access to reliable power.

A geographically diverse footprint allows organizations to place workloads closer to users, build more effective disaster recovery strategies, and avoid dependency on a single region. It also creates flexibility as infrastructure needs shift over time.

For many organizations, that balance comes from working with providers that combine strong regional density with reach into other strategic markets. A footprint anchored in the Midwest, for example, with extensions into Colorado, Arizona, and Oregon, allows for both proximity and geographic diversity—without overextending infrastructure.

This is the model US Signal has built across its 17 data centers, giving customers the ability to align location decisions with both performance needs and long-term resiliency planning.

In many US markets, power availability—not space—is now the primary constraint for new data center capacity.

TechRadar, 2025





7. Scalability Needs to be Part of the Design

Infrastructure requirements do not stay static. As organizations grow, adopt new technologies, or shift workloads across environments, the ability to scale quickly and without disruption becomes essential.

That scalability needs to be built into the environment from the start. It is not just about adding more space. It is about having access to additional power, the ability to support higher-density deployments, and the flexibility to expand without introducing downtime or forcing a redesign of the environment.

For IT leaders, this means evaluating how providers handle both incremental growth

and step-change expansion. Can you add a few cabinets as demand increases? Can you scale into larger deployments or dedicated spaces when workloads require it? And just as important, can that growth happen within the same environment, without migrating to a new facility or reworking your architecture?

That kind of flexibility reflects a broader shift in how colocation is being used. What was once a fixed footprint is now expected to evolve alongside the business. Environments need to support everything from small deployments to large-scale infrastructure, often within the same facility.

We can still support the one or two cabinets. But when customers are ready to scale, it is a different conversation. Give me 20 or 30 racks, or even a full room, and we can deliver that without any trouble.

**Nate Ohrt
Data Center Manager, US Signal**



8. Connectivity is What Turns Colocation into a Platform

Colocation is no longer just about housing infrastructure. It's about how that infrastructure connects.

As organizations adopt hybrid and multi-cloud strategies, the underlying network becomes just as important as the facility itself. Carrier diversity, fiber depth, and proximity to cloud platforms all influence performance and reliability.

What's increasingly separating providers is how they approach that network. Some rely heavily on third-party connectivity, while others continue to invest in building and expanding their own fiber infrastructure to support long-term demand.

That distinction matters. Owning and expanding a high-capacity fiber network, like the one US Signal continues to build across the Midwest, creates a more scalable and controllable foundation for high-performance connectivity, particularly for data-intensive and latency-sensitive workloads.

More than 80% of enterprises now operate in hybrid or multi-cloud environments, increasing the importance of high-performance interconnection.

Flexera, 2025





AI workloads can require 2-5x more power per rack than traditional enterprise environments, driven by GPU-intensive compute and higher-density architectures.

McKinsey, 2024

9. High-density Workloads are Redefining Requirements

AI and high-performance workloads are fundamentally changing what organizations need from colocation. These environments require significantly more power and generate far more heat than traditional enterprise applications, pushing many legacy facilities beyond their design limits.

This shift is not incremental. It is architectural. Racks that once operated within standard power thresholds are now being replaced with deployments that demand dramatically higher density, more efficient cooling, and tighter control over environmental conditions.

For IT leaders, this means evaluating whether a facility is truly built for modern workloads or simply adapting older infrastructure. High-density readiness is not just about available power. It includes how power is delivered and distributed, how airflow is managed, and whether cooling systems can consistently support increased thermal loads without impacting performance.

In practice, supporting these workloads requires more than capacity. It requires coordination between power infrastructure, cooling systems, and ongoing operational management. Facilities must be designed to handle higher loads while maintaining efficiency and reliability over time.

“We’re seeing a real shift toward higher-density environments that require completely different approaches to cooling and power.”

Tom DeJonge, VP Facility Engineering, US Signal



10. Support is Still the Difference Maker

Even with the right infrastructure in place, day-to-day operations depend on the people supporting it. When issues arise, responsiveness and expertise determine how quickly they are resolved and how much impact they have.

Colocation providers that prioritize hands-on support and maintain experienced technical teams around the clock create a more stable operating environment. This includes not only reactive troubleshooting, but also proactive management of critical systems like power, cooling, and environmental controls.

In practice, that level of support means having access to real expertise 24/7/365. Teams that can step in quickly, provide guidance, and help keep systems running smoothly without requiring constant oversight. That's the standard US Signal operates to, treating support as an extension of the customer's team rather than a separate function.

As infrastructure complexity grows, operators report increasing reliance on experienced teams and operational expertise to maintain performance, resilience, and uptime.

Uptime Institute Global Data Center Survey, 2025





Final Thought: Colocation Should Work the Way You Do

Colocation is no longer just about offloading infrastructure. It's about enabling it.

The most effective environments bring together facility design, connectivity, geographic reach, and operational support in a way that reduces complexity and improves performance. When those elements are aligned, infrastructure becomes easier to manage, more cost-effective to scale, and better prepared for what comes next.

That's the model US Signal has built.

By combining secure, scalable *data centers* with a resilient *fiber network* and hands-on support, US Signal helps organizations move beyond traditional colocation and into a more connected, flexible infrastructure strategy.

Because the goal isn't just to place infrastructure somewhere else.

It's to run it smarter, with more control, more visibility, and more room to grow.



[Explore our Locations](#)