

ONE HUNDRED NINETEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115

Majority (202) 225-3641
Minority (202) 225-2927

July 28, 2026

Elon Musk
Chief Executive Officer
SpaceXAI
1 Rocket Road
Starbase, TX 78521

Dear Mr. Musk:

I write to raise serious concerns regarding SpaceXAI's development and operation of its existing data centers and plans to further develop these data centers and their power sources. Communities across the nation are frustrated and angry about the pace of giant data centers being constructed in their back yards. Americans are concerned about what data centers and Big Tech's push for more AI means for their communities, jobs, property values, and future. Electricity prices are skyrocketing, the electric grid is strained, our clean air and water are being polluted, and noise is wearing on communities' health and patience.

My Committee staff and I have been examining the rapid proliferation of data centers around the nation, speaking with communities, nonprofits, AI companies, and other stakeholders. While those conversations continue, it is already clear that the unrestricted growth of data centers poses serious risks to the health and well-being of our communities. We need to be putting real, substantial federal guardrails in place to restrict their impacts on monthly power bills, the power grid, and our air and water. If Congress does not act to put sufficient guardrails in place, we may need a moratorium on data centers.

What has also become apparent from my examination of data centers is your company's disregard for the health and well-being of local communities. Your rapid rollout of gas-powered turbines into vulnerable communities without adequate oversight or regulation creates a massive health risk to those communities. And any potential savings to the community's electricity costs resulting from trucking in off-grid gas turbines comes at great cost to their health. This is an unacceptable trade-off.

From the outset, your construction of data centers in Tennessee and Mississippi drew alarm, particularly due to the significant number of gas turbines that quickly came online without

any pre-construction or operating air permits.¹ Beginning in June 2024, xAI, now part of SpaceX and rebranded as SpaceXAI, began construction on the Colossus 1 facility in Memphis, Tennessee, repurposing an existing structure that had once been a factory.²

By June 12, 2024, at least 16 gas turbines had been installed at Colossus 1, indicating a generating capacity of 105 megawatts (MW) and the potential to emit hundreds of tons of nitrogen oxide per year.³ This made Colossus 1 the third-largest source of pollutant emissions in Shelby County, ahead of a nearby refinery and power plant.⁴ Turbines continued to be added to the site between June 2025 and March 2026, ultimately reaching a total of 35 natural gas turbines.⁵ Despite the rapid increase in turbines and their accompanying emissions, the Shelby County Health Department (SCHD) stated that these turbines were exempt from permitting, without providing more clarity on exactly what exemption applied.⁶

Finally, on January 3, 2025, your company applied for a permit for 15 turbines, six of which appeared to have already been in use.⁷ SCHD issued a permit for those 15 turbines on July 2, 2025.⁸ There has not been any explanation or clarity provided, however, as to what authority SpaceXAI had invoked to operate its 35 gas turbines at Colossus 1.

Approximately five miles from Colossus 1 and just on the other side of the Tennessee border in Mississippi, SpaceXAI has trucked in even more gas turbines to power your Colossus 2 data center. By “copying and pasting” the strategy from Colossus 1, as one SpaceXAI employee put it, gas turbines were rapidly deployed near the Colossus 2 site without permits.⁹ And you personally recently spent around \$1 billion to acquire an owner and operator of “one of the

¹ *Up Against Musk's Colossus Supercomputer, A Memphis Neighborhood Fights for Clean Air*, NBC News (May 15, 2025).

² *Id.* For simplicity and clarity given xAI's acquisition and rebranding, xAI, SpaceX, SpaceXAI, any other predecessor companies, and any subsidiaries are all referred to as SpaceXAI throughout.

³ Letter from KeShaun Pearson, Director, Memphis Community Against Pollution, LaTricea D. Adams, Founder, CEO, and President, Young, Gifted & Green, Rita Harris, Chair, Sierra Club Chickasaw Group, Patrick J. Anderson, Senior Attorney, Southern Environmental Law Center, Amanda Garcia, Senior Attorney, Southern Environmental Law Center to Dr. Michelle Taylor, Director and Health Officer, Shelby County Health Department (Apr. 9, 2025).

⁴ *Id.*

⁵ *People Living Near xAI's Dirty Data Centers Are Pissed About the SpaceX IPO*, Wired (June 11, 2026); *Elon Musk's xAI Powering Its Facility in Memphis with 'Illegal' Generators*, The Guardian (Apr. 9, 2025).

⁶ *Permits Not Required for Temporary xAI Turbines*, Daily Memphian (Aug. 10, 2024).

⁷ Shelby County Health Department, Construction Permit for CTC Property LLC, 01156-019C (July 2, 2025); Letter from Patrick J. Anderson, Senior Attorney, Southern Environmental Law Center, Amanda Garcia, Senior Attorney, Southern Environmental Law Center to Elon Musk, CEO, X.AI. Corp d/b/a xAI, Brent Mayo, Representative, CTC Property LLC, Dan Rowland, Representative, CTC Property LLC (June 17, 2025).

⁸ Shelby County Health Department, Construction Permit for CTC Property LLC, 01156-019C (July 2, 2025).

⁹ *xAI Official Updates Colossus 2 Plans in Memphis, But Not How Site Will Be Powered*, Memphis Commercial Appeal (July 15, 2025).

world's largest mobile gas turbine fleets," indicating that you and SpaceXAI intend to continue and expand this approach.¹⁰

Documents published in litigation show the frantic pace with which these turbines were brought online and the ever-increasing plans to generate more power—all without any air permits. On August 18, 2025, a consultant working for SpaceXAI informed the Mississippi Department of Environmental Quality (MDEQ) that 13 turbines were being brought online by early September with a “plan [] to have a total of 16 temporary [t]urbines.”¹¹ By August 29, 18 turbines were on site.¹² By September 6, the consultant wrote to MDEQ that the number of projected turbines had been increased to an “overall plan [of] a total of 17 turbines” even though 18 were already apparently on site.¹³ Between November 30, 2025 and January 6, 2026, another nine turbines were brought on site, bringing the total to at least 27.¹⁴ Between March 24, 2026, and May 9, 2026, the number of turbines more than doubled, shooting up from 27 to 57 turbines.¹⁵ Three more were added in June.¹⁶ In less than a year, a “plan to have a total of 16” turbines powering Colossus 2 exploded into at least 60 turbines, all operating without air permits.¹⁷

¹⁰ *What to Know About Elon Musk's Billion-dollar Turbine Deal*, Latitude Media (July 15, 2026).

¹¹ Exhibit C-1 (Apr. 14, 2026), *NAACP and NAACP Mississippi State Conference v. X.AI Corp. and MZX Tech LLC*, N. D. Miss. (No. 3:26 CV 00074).

¹² Exhibit C-5 (Apr. 14, 2026), *NAACP and NAACP Mississippi State Conference v. X.AI Corp. and MZX Tech LLC*, N. D. Miss. (No. 3:26 CV 00074).

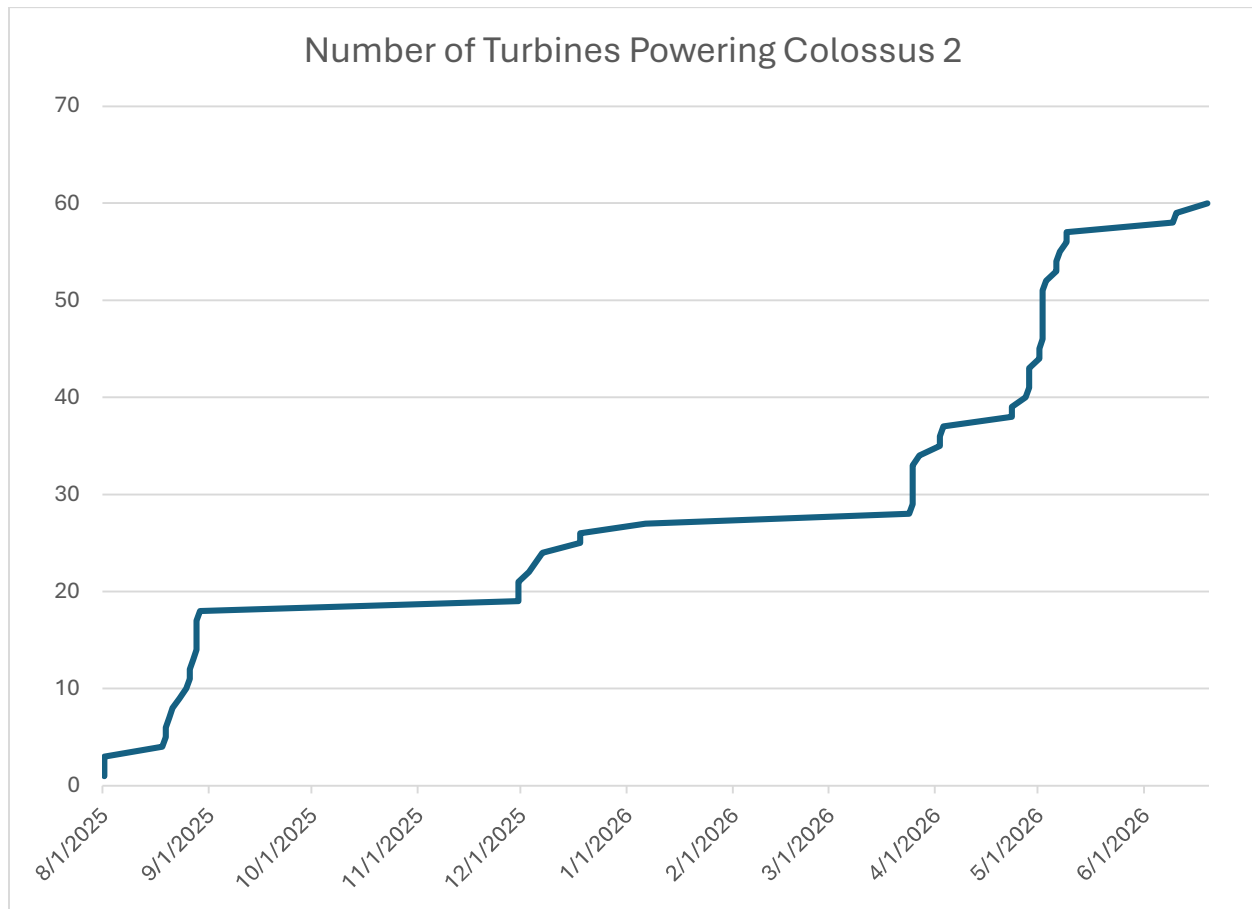
¹³ Compare Exhibit C-2 (Apr. 14, 2026), *NAACP and NAACP Mississippi State Conference v. X.AI Corp. and MZX Tech LLC*, N. D. Miss. (No. 3:26 CV 00074); Exhibit C-5 (Apr. 14, 2026), *NAACP and NAACP Mississippi State Conference v. X.AI Corp. and MZX Tech LLC*, N. D. Miss. (No. 3:26 CV 00074) with Amended Exhibit 2 (July 13, 2026), *NAACP and NAACP Mississippi State Conference v. X.AI Corp. and MZX Tech LLC*, N. D. Miss. (No. 3:26 CV 00074).

¹⁴ Amended Exhibit 2 (July 13, 2026), *NAACP and NAACP Mississippi State Conference v. X.AI Corp. and MZX Tech LLC*, N. D. Miss. (No. 3:26 CV 00074).

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Id.*



(June 15, 2026, Declaration of Steve Worthington, SpaceXAI Court Filing)¹⁸

To put into context how massive this pop-up power plant is, these turbines—according to your company’s own representations—can collectively generate at least 1,445 MW of power, which places it among the largest natural gas power plants in the entire nation.¹⁹ While air permits were sought and ultimately awarded for an entirely separate set of 41 turbines that will be used to create a permanent power plant for Colossus 2, a behemoth power plant burning fossil fuels has been cobbled together with these individual “temporary” turbines in an apparent attempt to evade regulations that would protect the community.²⁰

Taken together, the turbines at Colossus 2 are capable of annually pumping out approximately 5,000 tons of nitrogen oxide, over 7,000 tons of carbon monoxide, nearly 200 tons of sulfur dioxide, hundreds of tons of volatile organic compounds, hundreds of tons of particulate

¹⁸ *Id.*

¹⁹ *Id.*; see U.S. Energy Information Administration, *Preliminary Monthly Electric Generator Inventory* (https://www.eia.gov/electricity/data/eia860m/xls/may_generator2026.xlsx) (accessed July 21, 2026).

²⁰ *Elon Musk’s xAI Wins Permit to Build Power Plant in Mississippi Despite Pollution Concerns*, CNBC (Mar. 10, 2026).

matter, and over 40 tons of formaldehyde, which is toxic even in small amounts.²¹ This represents an astounding increase in emissions in the Memphis area making it a major source of criteria and hazardous air pollutants.²² According to one analysis, this makes the Colossus 2 turbines the largest source of pollution in the Memphis area—five times as polluting as the next largest source, the Memphis airport.²³ It also makes this site “[t]he largest emitter of [nitrogen oxide] in Mississippi, Tennessee, and Arkansas.”²⁴ These emissions present numerous health risks to the population, including aggravation and development of asthma, respiratory infections, and cardiovascular disease.²⁵

In addition to being harmful to the nearby communities and the environment, the strategy that SpaceXAI has repeatedly deployed also appears to be illegal. The position that SpaceXAI has apparently taken, and that local regulators seem to have accepted, is that because the gas turbines are located on trailers, they constitute “mobile sources” of pollution and may therefore be utilized without permits for up to one year under the Clean Air Act.²⁶ But this reading of the Clean Air Act—whether by SpaceXAI or a state or local regulator—is clearly wrong.

The Clean Air Act distinguishes between “stationary” and “mobile” sources.²⁷ SpaceXAI has taken the position that because its gas turbines are located on trailers, they are therefore “mobile” and not subject to the same permitting requirements as if they were not located on trailers.²⁸ This is an incorrect reading of the law. “Mobile sources” primarily encapsulates vehicles and engines used in equipment in order to make that equipment move.²⁹ It does not mean that an otherwise stationary-source turbine could be placed on wheels and suddenly exempt from permitting requirements. EPA reaffirmed as much in a January 2026 rule stating in part that “the EPA has not regulated combustion turbines, even those that may be portable, as

²¹ Exhibit 4 (July 13, 2026), *NAACP and NAACP Mississippi State Conference v. X.AI Corp. and MZX Tech LLC*, N. D. Miss. (No. 3:26 CV 00074).

²² 42 U.S.C. §§ 7412(a)(1) and 7479(1); *see also* 40 C.F.R. §§ 51.166(b)(1)(i) and 63.2.

²³ Exhibit B (June 10, 2026), *NAACP and NAACP Mississippi State Conference v. X.AI Corp. and MZX Tech LLC*, N. D. Miss. (No. 3:26 CV 00074).

²⁴ *Id.*

²⁵ Environmental Protection Agency, *Air Pollution and Cardiovascular Disease Basics* (Mar. 4, 2026) (<https://www.epa.gov/air-research/air-pollution-and-cardiovascular-disease-basics>); Environmental Protection Agency, *Basic Information About NO2* (June 24, 2026) (<https://www.epa.gov/no2-pollution/basic-information-about-no2#Effects>).

²⁶ Defendants’ Motion to Dismiss Under Federal Rule of Civil Procedure 12(b)(6) (June 15, 2026), *NAACP and NAACP Mississippi State Conference v. X.AI Corp. and MZX Tech LLC*, N. D. Miss. (No. 3:26 CV 00074).

²⁷ Clean Air Act, Pub. L. No. 119-21.

²⁸ *See* note 27; Exhibit B-2 (Apr. 14, 2026), *NAACP and NAACP Mississippi State Conference v. X.AI Corp. and MZX Tech LLC*, N. D. Miss. (No. 3:26 CV 00074).

²⁹ Environmental Protection Agency, *Basic Information About the Emission Standards Reference Guide for On-Road and Nonroad Vehicles and Engines* (Feb. 12, 2026) (<https://www.epa.gov/emission-standards-reference-guide/basic-information-about-emission-standards-reference-guide-road>).

nonroad engines, but rather as stationary sources.”³⁰ As the EPA recognized “...an exemption for temporary or portable combustion turbines without ensuring a workable framework for compliance [as a nonroad engine] could leave these engines subject to no emission standards at all.”³¹

Local authorities and the Trump Administration appear to be willing participants in this misreading of the Clean Air Act, allowing communities to be harmed while unpermitted turbines spew pollution into the air. In fact, on June 15, 2026, the United States Department of Justice intervened in one of the lawsuits against SpaceXAI, arguing that “[t]he claims pressed and the relief sought by the NAACP’s complaint threaten artificial-intelligence innovation, plus the energy needed to power it” and that the “attempt to cut off the power that supports Grok also threatens national security because . . . Grok provides critical support for the Department of War’s military operations.”³²

The Trump Administration has essentially claimed that it alone decides whether SpaceXAI and other companies get a free pass to pollute unimpeded. But just because the Trump Administration will bend over backward to give tech companies free rein over community air, water, and land does not make your actions legal. And a future administration with a desire to actually protect and serve the American people may well choose to take action within the Clean Air Act’s five-year statute of limitations period.

Despite the rapid pace with which you were able to deliver and begin operation of dozens of polluting gas-powered turbines, your commitments to the community have been delayed. When construction on Colossus 1 began in 2024, your company committed to building an \$80 million wastewater recycling facility.³³ At that time, President and CEO of Memphis Light, Gas, and Water Doug McGowen and Greater Memphis Chamber President and CEO Ted Townsend both stated that “xAI is verbally on the hook” for the treatment plant.³⁴

As recently as March 2026 SpaceXAI CEO Gwynne Shotwell said at the White House that SpaceXAI “will build state of the art water recycling plants that will protect approximately 4.7 billion gallons of water in the Memphis aquifer each year.”³⁵ This is particularly notable as

³⁰ Environmental Protection Agency, *New Source Performance Standards Review for Stationary Combustion Turbines and Stationary Gas Turbines*, 91 Fed. Reg. 1910 (Jan. 15, 2026) (final rule).

³¹ *Id.*

³² Memorandum In Support of the United States; Motion for Intervention and Dismissal (June 15, 2026), *NAACP and NAACP Mississippi State Conference v. X.AI Corp. and MZX Tech LLC*, N. D. Miss. (No. 3:26 CV 00074).

³³ *Musk Promised His Data Center Would Reuse Water. That’s Now Stalled.*, Politico (May 5, 2026).

³⁴ *Inside Elon Musk’s Mad Dash To Build A Giant xAI Supercomputer In Memphis*, Forbes (July 17, 2024).

³⁵ *WATCH: Trump Hosts AI Leaders to Sign Pledge That Households Won’t Bear Utility Bill Increases*, PBS (Mar. 4, 2026); Senate Democrats, *TRANSCRIPT: President Trump Delivers Remarks at an Energy Ratepayer Protection Roundtable* (Mar. 4, 2026) (<https://www.democrats.senate.gov/newsroom/trump-transcripts/transcript-president-trump-delivers-remarks-at-an-energy-ratepayer-protection-roundtable-3426>).

the Memphis aquifer is the only source of drinking water for the community and already vulnerable to pollution and strained by industrial use and droughts.³⁶

But just one month later, on April 9, the X account xAI Memphis posted “The team is currently prioritizing other more immediate projects at the site but our plans to build the water plant have not changed.”³⁷ The same day, you posted on X “We need to focus on finishing Colossus 2 and ensuring it is extremely stable, then will build the water recycling plant.”³⁸ The abrupt stop surprised even SpaceXAI’s project manager, who initially stated that “[w]e have been going at this project full bore” only to later state that he could not comment on the situation as he was “under a strict gag order.”³⁹

In a meeting with my Committee staff in early June, SpaceXAI representatives said the delay announced in April would have a four-month impact on construction of the wastewater facility, indicating that construction would resume in August. Only two weeks after that representation was made, however, the mayor of Memphis announced after a meeting with SpaceXAI President Michael Nicolls that construction on the wastewater treatment facility would resume as late as March 2027.⁴⁰ These repeated delays demonstrate that the health and well-being of the communities in which Colossus 1 and Colossus 2 operate is clearly not a priority to SpaceXAI, and it remains to be seen if this timeline slips yet again.

The local communities are clearly frustrated by this disregard and have fought back, filing lawsuits regarding both air pollution as well as “pervasive and inescapable” noise pollution caused by these facilities.⁴¹ And these legal fights have provided some of the only transparency into how SpaceXAI has been operating and its rampant disregard for the communities in which it is operating.

While these lawsuits may provide some additional transparency and, ultimately, relief for the communities, Congressional oversight of SpaceXAI’s actions and the implications for data centers around the nation is critical. My Committee staff has engaged with a number of companies regarding their AI and data-center strategies, energy consumption, and commitments

³⁶ See note 34; Memphis Chamber, *xAI Marks Its Spot in Memphis* (Jan. 12, 2026) (<https://memphischamber.com/economic-development/xai/>).

³⁷ SpaceXAI Memphis (@SpaceXAIMemphis), X (Apr. 9, 2026, 9:26 AM) (<https://x.com/xAIMemphis/status/2042172234215645552>).

³⁸ Elon Musk (@elonmusk), X (Apr. 9, 2026, 5:05 PM) (<https://x.com/elonmusk/status/2042287889166532819?s=20>).

³⁹ See note 34.

⁴⁰ Paul Young (@mayorpaulyoung), X (June 23, 2026, 1:30 PM) (<https://x.com/mayorpaulyoung/status/2069412743841497255>).

⁴¹ *'This Noise Is Pervasive' | Mississippi Residents Claim xAI Data Center Makes Daily Life 'Impossible' in Lawsuit*, WCNC (June 10, 2026); Complaint (Apr. 14, 2026), *NAACP and NAACP Mississippi State Conference v. X.AI Corp. and MZX Tech LLC*, N. D. Miss. (No. 3:26 CV 00074); Complaint for Damages Demand for Jury Trial (June 8, 2026), *Jason Haley, Preston Herrington, and Taylor Logsdon v. X.AI Corp., Space Exploration Technologies Corp., and MZX Tech LLC*, N. D. Miss. (No. 3:26 CV 00148).

to local communities. Many of those conversations are ongoing in order to assess what federal guardrails need to be put into place to ensure data centers are not causing harm to communities. In its meeting with my Committee staff, however, SpaceXAI was—by far—the worst prepared, the most unwilling to engage in serious discussion, and the least knowledgeable about the company’s actions and plans.

Given the inability of SpaceXAI to provide adequate time and information in that meeting and in order to bring much-needed transparency to SpaceXAI’s operations at Colossus 1 and Colossus 2, please provide responses to the below requests by August 11, 2026. My Committee staff will also reach out to discuss dates when I and my Committee staff can visit the Colossus 1 and Colossus 2 sites, including their energy generation sites.

1. Provide a list of all turbines that have been in use at any point between January 2024 and the present for purposes of powering either the Colossus 1 or Colossus 2 sites. For each turbine, specify:
 - a. The model of the turbine;
 - b. The year in which the turbine was manufactured;
 - c. The date(s) and location(s) that the turbine was online;
 - d. Whether and when a permit for the turbine had been applied for;
 - e. Whether and when a permit for the turbine had been approved;
 - f. Whether and what emissions controls were used on the turbine along with the date that emissions controls were implemented;
 - g. Whether and what emissions monitoring is being used on the turbine;
 - h. Whether you intend to discontinue the turbines once it reaches 12 months of operation; and
 - i. Whether you intend to relocate the turbine to another site once it has reached 12 months of operation.
2. Provide a list of all turbines that are planned to be put into use between the present and the end of 2028 for purposes of powering the Colossus 1 or Colossus 2 sites. For each specify:
 - a. The model of the turbine;
 - b. The year in which the turbine was manufactured;

- c. The projected date(s) and location(s) that the turbine will be placed online;
 - d. Whether and when a permit for the turbine had been applied for;
 - e. Whether and when a permit for the turbine had been approved;
 - f. Whether and what emissions controls will be used on the turbine as well as whether emissions controls will be implemented prior to bringing each turbine online; and
 - g. Whether and what emissions monitoring will be used on the turbine.
- 3. Provide a list of all other turbines not listed in response to the above questions that are owned, leased, rented, or otherwise controlled by you or SpaceXAI. For each specify:
 - a. The model of the turbine;
 - b. Whether the turbine has been in use at any facilities owned by you or SpaceXAI in the past 12 months and, if so, which facility(s); and
 - c. Whether the turbine is planned to be in use at any facilities owned by you or SpaceXAI in the next 12 months and, if so, which facility(s).
- 4. Provide all communications and records relating to Colossus 1 or Colossus 2, including the Colossus 2 power-generation site, between any employee, contractor, or representative of SpaceXAI and any employee or representative of the following:
 - a. The Shelby County Health Department;
 - b. The city of Memphis;
 - c. The state of Tennessee;
 - d. The Mississippi Department of Environmental Quality;
 - e. The state of Mississippi;
 - f. The United States Department of Justice;
 - g. The United States Environmental Protection Agency;
 - h. The United States Department of Energy;
 - i. The United States Department of Commerce; and

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j. The White House.

5. Provide all documents and records relating to SpaceXAI's determination whether it was required to seek permits from any authority for the natural gas turbines that powered, are currently powering, or are planned to power Colossus 1 or Colossus 2.
6. Provide all analyses, reports, memoranda, or any other documentation of projected or actual emissions caused by power generation at Colossus 1 or Colossus 2.
7. Provide all analyses, reports, memoranda, or any other documentation of projected or actual power consumption at Colossus 1 or Colossus 2.
8. Provide all analyses, reports, memoranda, or any other documentation of projected or actual water usage at Colossus 1 or Colossus 2.
9. Provide all analyses, reports, memoranda, or any other documentation of projected or actual water contamination caused by development or operations at Colossus 1 or Colossus 2.
10. Provide all communications and records regarding the delay of the construction of the wastewater treatment plant at Colossus 1.

I look forward to your Company's timely and comprehensive response. If you have any questions about this request, please contact the Committee Democratic staff at (202) 225-2927.

Sincerely,

A handwritten signature in blue ink that reads "Frank Pallone, Jr." in a cursive, slightly stylized script.

Frank Pallone, Jr.
Ranking Member

cc: The Honorable Brett Guthrie
Chairman