Committee on Energy and Commerce

Opening Statement as Prepared for Delivery
of
Subcommittee on Energy Ranking Member Kathy Castor

Hearing on "AI and the Grid: Meeting Growing Power Demand While Protecting Ratepayers"

April 29, 2026

I hope this hearing is the start of a bipartisan effort to efficiently grow our energy resources and lower electric bills because hardworking American families are really suffering right now. More than 80 million Americans are struggling to keep up with cost of housing, health care, food, and keep the lights on at the same time.

The President's war in Iran is causing gasoline prices in the United States to climb to their highest level in four years, and the price spikes are rippling throughout the economy and touching every neighbor back home.

At the same time, electricity demand in the United States is rapidly growing at a rate we haven't seen in decades. Cleaner, cheaper energy is what is most available right now to meet forecasted electricity demand right now, and studies point to the fact that we should improve transmission at six times the rate we have been over the past few years.

That would help lower costs for everybody and provide more power, but the President and Republicans in Congress have sabotaged a lot of new clean energy - don't like it, they don't want it and don't seem to care that Americans have to pay a lot more.

So I hope we can find common ground by upgrading and utilizing more of the existing grid. Most of the U.S. power grid was built in the 1960s and 70s. It's reaching the end of its life – which means we need to make significant investments in our grid transmission infrastructure.

For every $1 invested in well-planned, long-distance high-capacity transmission, we get $5 in reliability and economic benefits.

It's abundantly clear that the President and Gop-controlled Congress are only interested in oil, gas and coal to power the AI boom. It is unwise and costly for Administration to sabotage hundreds of cleaner, cheaper energy projects and do little to use modern tools or think big to modernize the grid. It's working families who will pay the costs in higher electricity bills. It's also just not physically possible – we simply cannot build enough energy to meet our goals regarding expanding AI and domestic manufacturing.

But there is so much more we can agree on to make the existing grid more efficient by utilizing modern fast-emerging tools. In doing so, families and businesses can save money while

we power our homes, the vehicles we drive and AI. So let's dive into how we squeeze more out of the existing grid.

The current generation, transmission and distribution system is built for the peak – the hottest summer days, the coldest winter nights – but most of the time the U.S. electric grid operates at just 53% of its total capacity. That's right, it sits idle much of the year. It's like building a highway for every car and truck that exists in America, but of course every vehicle is not on the road at the same time.

Recent studies have analyzed the problem and suggest that if we increase grid utilization, existing ratepayers could save more than $100 billion over the next decade. This is a win-win-win: saves families money, provide the abundant energy we need, and most efficiently use the grid that we all already have paid for.

The good news is that we have quick, ready-to-deploy solutions: batteries, grid-enhancing technologies (GETs) and distributed systems. The challenge is that barriers to deployment and savings stand in the way especially the misaligned incentives that reward utilities for selling as much power as possible and making large capital investments rather than efficiently using the right power, in the right place at the right time.

We should also be rapidly scaling virtual power plants – using the batteries, smart thermostats, and electric vehicles distributed in communities across the country to provide grid reliability faster and at lower cost. These are big opportunities – the Department of Energy estimated that scaling VPPs could serve 10-20% of peak load and save $10 billion annual in grid costs.

Large load customers like data centers should be a part of this solution, and in some places they are, and we should be able to agree that data centers must foot the bill for their grid upgrades rather than offload that cost on the families we represent. Together, we must find ways to require them to be good citizens of the grid, rather than impose costs on others, and help us solve real problems like interconnection queues, financing, supply chains, and permitting.

Some of the bills we're discussing today move us in the right direction but don't really meet the moment. We need real reforms to federal transmission planning, permitting, and a major focus on utilizing the grid we have now.

I hope that today's hearing is a starting point.

I yield back.