

Committee on Energy and Commerce
Opening Statement as Prepared for Delivery
of
Full Committee Ranking Member Frank Pallone, Jr.

Markup of 8 Bills, Subcommittee on Energy

June 24, 2026

Most of the bills on today's agenda are framed around trying to minimize the impact of data centers on our nation's power grid. I think in general these bills are a useful first step.

But compared to the challenges the American power grid is facing, they are not nearly enough.

Energy consumption from data centers doubled between 2017 and 2023 – that's a six-year period, and that's just the beginning, if Big Tech gets its way. Last week, Berkeley Lab put out a report claiming that data centers may be responsible for over 15 percent of our nation's total electricity use by 2030 – just four years from now. The North American Electric Reliability Corporation put out its most severe warning last month, saying that data centers cause significant risks to the reliability of our power grid.

These data centers consume a lot of electricity, driving up monthly energy costs for hardworking American families. Across the country, electricity prices are 18 percent higher than they were when President Trump was inaugurated. Promises by the data center industry and Big Tech that these facilities will bring down costs have fallen flat.

Instead, the grid operator for the mid-Atlantic region estimated that ratepayers – including families in New Jersey – paid over \$9 billion last year for the electricity that data centers and Big Tech need to fuel their AI ambitions.

And then there are the environmental impacts. We are seeing data centers running on dirty diesel generators that drive up pollution, while the Trump Administration runs roughshod over the Clean Air Act's critical community protections all to shield Elon Musk from accountability. There are reports of data centers being approved without any analysis of their water use, even in water stressed communities. Those living and working near data centers complain of chronic noise pollution and increased light pollution. And now the Environmental Protection Agency (EPA) is even trying to fast track the approval of chemicals – like new PFAS – for use in data centers, putting the health of Americans across the nation at great risk.

This simply cannot continue. That is why I am in favor of a national AI data center moratorium until we can find a way to ensure they don't harm our nation's air, water, and power bills.

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Towns in my district are way ahead of this Congress in seeking a moratorium. Asbury Park, Red Bank, Old Bridge and Sayreville all have taken this bold step. The City of New Brunswick put a stop to a data center plan after the community stood together to oppose the project.

We need to follow in their footsteps here in Congress.

Americans across the county have expressed concern and opposition to the rampant construction of AI data centers, and Congress should take this political groundswell seriously with a data center moratorium. That's what we need.

Even President Trump has realized he has a data center popularity problem, but instead of trying to drive real change, Trump asked Big Tech to sign a so-called "Ratepayer Protection Pledge" with no enforcement. At a time when Americans are seeing their bills skyrocket, we need action, not toothless promises from Big Tech. Last week's action by the Federal Energy Regulatory Commission (FERC) to craft rules of the road may have promise, but it will take months, if not years, to come to fruition.

Americans need help now, not in two years.

Democrats have been clear: families around the country should not see their power bills rise by a single cent because of data centers. Real families are suffering real harm because of the pace of this buildout.

Unfortunately, I don't think Republicans believe that. Just a few weeks ago, Committee Republicans initiated an investigation insisting that China is somehow the reason that Americans oppose an unlimited buildout of data centers. Well, that's not the case. In fact, when I go home to New Jersey, I talk to constituents who are concerned about data centers. These are real people, with real worries, not paid Chinese actors or people unwittingly tricked by the Chinese Communist Party.

The Committee has to take more aggressive action to ensure that data center developers are held accountable and that consumers aren't left holding the bill.

Finally, I want to address pipeline safety. I'll have more to say later in the markup, but I do want to thank Chairmen Guthrie and Latta and their staff for working together constructively to find a bipartisan path forward. We're not quite there yet, but we have momentum, and I'm confident we can eventually craft a product all of us can support.

Thank you, Mr. Chairman, and I yield back the balance of my time.