POLICY TIP SHEET

Protecting and Fortifying Our Electrical Grid

Debunking Special Interest Opposition

July 2024

1. This legislation is anti-free market and creates more restrictive government.

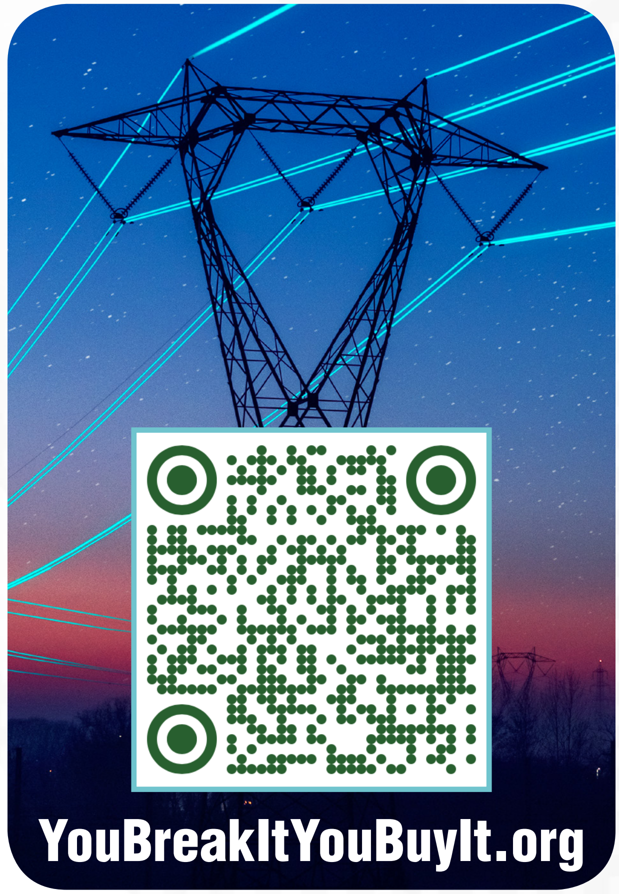
Consistent with free-market principles, this bill holds those who are responsible for imposing the most costs and strains on the grid accountable by paying for the development of reliable energy infrastructure that their technology will require. This bill ensures these costs will not be socialized across ratepayers who are neither responsible for the increased demand nor for the harm caused by previous policies that led to intermittent supply.

We do not presently have a “free market” for energy. If a free energy market is the goal, then tax subsidies and incentives for the transfer of energy to green energy and electric vehicles should be revoked. In a truly free market, reliable energy sources would survive and thrive, with expensive and intermittent sources—which require massive redundancies—relegated to the margins.

2. This legislation allows the government to trivially pick winners and losers.

This legislation does not pick winners or losers; it only holds those responsible for the projected increase in energy demand accountable for mitigating the rising costs associated with increased demand.

The government has already trivially picked winners and losers by requiring the retirement of reliable conventional energy plants while rewarding utilities with large profit margins for the construction of intermittent energy sources. Much of the push for green energy is funded and advocated for by Big Tech companies.



3. This legislation unnecessarily targets the technology and electric vehicle industries.

This policy addresses the new demand for electricity, which is primarily driven by the new large-scale data centers, AI-engine technologies, and electric vehicle operations. This legislation does not unnecessarily target certain industries. Rather, this bill triages energy demand by assessing where the hemorrhage is coming from and treating the demand from the associated industries accordingly.

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4. This legislation would shut down day-to-day life for most Americans, including schools, manufacturing, hospitals, small business web platforms, banking, et cetera.

This is patently untrue. This legislation is aimed at new and developing energy demand, not previously existing demand. The grid has had few, if any, problems supporting hospitals, schools, banks, manufacturing, and all facets of American life for the last 50 years. Only after the advent of these technologies and green policies have these blackouts and brownouts become a substantial issue.

5. Other industries utilize larger percentages of energy—why target Big Tech?

Big Tech companies are not only responsible for this new and significant demand for energy; they have also been one of the largest proponents of dismantling our reliable energy sources for decades.

It is intellectually and morally disingenuous to fund and propagate policy that would weaken our grid system while also censoring those who spoke in opposition of that same propagation—only to ask to drain the same grid without repercussion.

6. This legislation would push businesses out of states that enact this legislation—and potentially even out of the country. Therefore, the scope of this issue is international in nature.

Current energy policy, driven largely by Big Tech companies, rewards China by making us reliant on technologies and fundamental minerals that China controls the mining and/or refining of. Increasing domestic energy production from sources we dominate should lead to less offshoring of production and technology, especially with laws in place that require infrastructure to be produced in the United States, as well as tariffs on imported goods and services that seem likely to rise regardless of who resides in the White House.

7. This legislation would impose new taxes and costs down to the consumers.

No part of this legislation calls for the imposition of new costs and taxes. At its core, this legislation is pro-ratepayer. Moreover, this is not meant to handle the issue of energy costs but rather energy reliability, which is equally if not more important to constituents. To the extent that this legislation does impose new costs, it does so only on those businesses requiring and profiting from grid expansion.

The rising cost of energy is not pleasant, but at the rates Americans are paying, they should at least expect their energy to be reliable and not siphoned off to Big Tech companies' projects and interests.

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