

Trump Administration Protects American Ratepayers

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Rainey
Center





Emergency Power Auction Attempts to Unlock More Solutions to Address Grid Strain

The Trump Administration announced a bipartisan agreement to urge PJM to pursue an “**emergency power auction**” that would require technology giants to fund approximately \$15 billion in new power plant construction across the PJM grid region. This initiative represents commonsense conservative governance: those who benefit from infrastructure should bear its cost.



THE PROBLEM

More Power Consumption for AI Dominance is Straining the Electric Grid

Artificial intelligence data centers are consuming electricity at an unprecedented rate, straining the nation's power grid and driving up costs for ordinary Americans.

Issue	Impact
Historic Grid Failure	PJM—serving 67 million Americans across 13 states—failed for the first time in history to meet projected electricity demand
Supply-demand Gap	Grid operator projects less electricity than needed between June 2027 and May 2028
Rising Utility Bills	Virginia rates increased 9%; New Jersey bills jumped over 20%
Root Cause	Runaway demand from data centers, driven by AI expansion

"I never want Americans to pay higher electricity bills because of data centers."

PRESIDENT TRUMP



THE SOLUTION

Market-based Accountability

The Administration's approach uses market mechanisms—not heavy-handed regulation—to ensure corporations pay their fair share.

Element	Details
Emergency Auction	PJM was urged to hold special one-time auction by end of September
Long-term Contracts	Tech companies bid on 15-year contracts for new electricity generation capacity
Investment Scale	\$15 billion in new power plant construction
Bipartisan Coalition	Governors of Pennsylvania, Ohio, Virginia, and other states signed statement of principles with Trump's National Energy Dominance Council





WHY THIS MATTERS

Conservative Principles in Action

Principle	Application
Free-market Accountability	Companies that benefit from infrastructure pay for it through competitive auction—not taxpayer subsidies or mandates
Consumer Protection	Middle-class families should not subsidize corporate expansion through higher electricity bills
Energy Independence	\$15 billion in new domestic power generation strengthens American energy security
Federalism in Action	Bipartisan cooperation between federal administration and state governors demonstrates effective governance



Key Facts

PJM's network spans 13 states from the Mid-Atlantic to the Midwest, serving more than 67 million Americans.

Google alone announced \$25 billion in data center investments across the PJM grid in July 2025.

Unlike standard 12-month PJM auctions, this backstop sale would lock in long-term payments and require data center companies to pay for contracted capacity for the full term whether they use it or not. The generation is technologically neutral.

This is not anti-technology. It ensures tech growth does not come at ratepayers' expense.





CONCLUSION

The Trump Administration's emergency power auction demonstrates that pro-growth policies and consumer protection are not mutually exclusive.

By leveraging market mechanisms, this initiative protects American families from bearing the cost of Silicon Valley's AI expansion while ensuring continued investment in domestic energy infrastructure.

This is what America First energy policy looks like: expanding supply, protecting consumers, and ensuring those who benefit from our infrastructure pay their fair share.





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