FOLLOW THE LOBBY MONEY

Who really pays for America's *data-center* boom?

Inside the influence campaign surrounding Congress' Ratepayer Protection Act — and the five-page legislative rewrite that reveals how technology companies, utilities and industrial giants are fighting to decide who inherits the power bill.

53	50	206	$42.4M
LOBBYING FILINGS	ORGANIZATIONS	NAMED LOBBYISTS	Q2 LOBBYING SPEND

BY ALAN SHIMEL

PART ONE OF A CONTINUING INVESTIGATION

ABOVE *A hyperscale data-center campus at dusk, with its dedicated substation visible at right. The buildings are the visible half of the story. The financial arrangements that pay for their power are the half this investigation follows.*

THE OPENING

A five-page bill. A four-way fight.

Everybody seems to agree that America needs more data centers. The AI companies need them. The utilities want to power them. Elected officials describe them as essential infrastructure in a global race against China. But who receives the profits — and who ultimately gets the power bill?

BY **ALAN SHIMEL** • A TECHSTRONG INVESTIGATION • PUBLISHED BY TECHSTRONG GROUP, A FUTURUM COMPANY

This is the first installment of *Follow the Lobby Money*, a Techstrong investigation into the financial and political forces driving America's data center boom. We are going to follow the trail from congressional lobbying and federal policy into state tax incentives, utility rate cases, power plant approvals and local zoning fights. We will look at the companies building the data centers, the utilities supplying the electricity, the manufacturers protecting their existing power arrangements, the politicians promising jobs and the communities being asked to live with the consequences.

Our first trail leads to **H.R. 9340, the Ratepayer Protection Act**. It is a five-page bill with a reassuring name, bipartisan sponsors and an apparently

uncontroversial premise: if a company places an extraordinary new demand on the electric grid, that company — not families, farmers or small businesses — should pay for the generation, transmission and distribution infrastructure required to serve it.

That sounds simple enough.

It attracted **53 verified federal lobbying filings** representing 50 organizations and 206 named lobbyists. That is the first sign that nothing about this will be simple.

> *"A modest five-page ratepayer bill sat inside an influence apparatus representing tens of millions of dollars in quarterly lobbying activity."*

THE SCALE OF THE FIGHT

THE LOBBYING BOOM BEHIND THE BOOM

More than 200 disclosures — and one bill in the middle of them all

Politico reported this week that more than 200 companies, trade associations and advocacy groups disclosed lobbying on data center issues during the second quarter of 2026, more than double the number during the same period last year. One lobbyist told Politico that "almost all my clients are lobbying on this." We went underneath that broader number and concentrated on H.R. 9340.

Our review of second-quarter federal LD-2 disclosures found 53 filings representing 50 underlying organizations that expressly mentioned either H.R. 9340 or the Ratepayer Protection Act. Combining searches for the bill number and its title — and removing false positives — produced the more complete dataset.

The resulting influence map is far broader than the familiar picture of Big Tech sending a few lobbyists to Capitol Hill.

22
UTILITIES, GRID OPERATORS & ELECTRICITY ASSOCIATIONS

14
INDUSTRIAL & MANUFACTURING INTERESTS

8
DATA CENTER FIRMS & TECH TRADE GROUPS

6
ENERGY SUPPLY, EQUIPMENT, LABOR & OTHER

The filings named 206 individual lobbyists. **Twenty-five disclosed previous government positions.** Together, the organizations reported approximately $42.4 million in quarterly federal lobbying expenditures — a number that must be handled with care. It is not $42.4 million spent on H.R. 9340. Federal disclosures generally report the total a client or registrant spent across all federal lobbying issues

during the quarter, not the amount devoted to a particular bill. The figure may also contain some duplication when both a client and an outside firm report related payments.

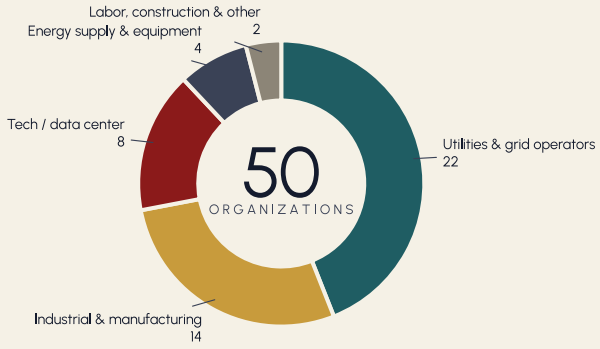
What the number establishes is *scale*. A modest five-page ratepayer bill sat inside an influence apparatus representing tens of millions of dollars in quarterly lobbying activity. That is not proof of wrongdoing. It is proof of consequence.

The question is what those interests wanted, what they got, and who is being asked to pay for the arrangement they negotiated.

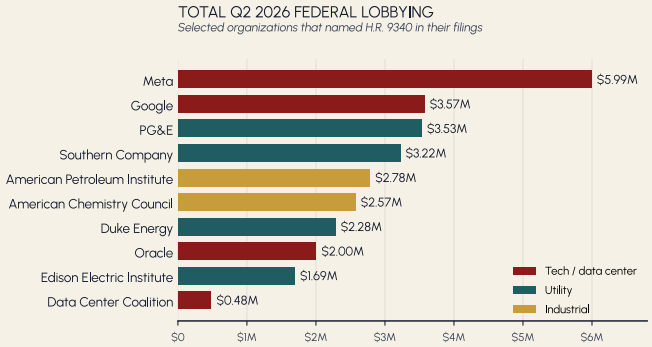
THE INFLUENCE MAP

The room around a five-page bill.

Three industries, one negotiating table. Utilities and grid operators sent the biggest delegation, but their interests do not align with the manufacturers — or with the technology companies who put the bill in front of Congress in the first place.



The 50 organizations that named H.R. 9340 in Q2 2026 LD-2 filings. Utilities dominated. ***Techstrong review of Senate Office of Public Records disclosures.***



Total Q2 2026 federal lobbying reported by 10 organizations named in the filings. Figures reflect each org's overall federal spend, not the bill alone. ***Federal LD-2 disclosures.***

A CAUTIONARY NOTE ON THE NUMBERS

$42.4M does not mean $42.4M spent on this bill.

Federal LD-2 disclosures report quarterly totals across all federal lobbying issues, not amounts allocated to a single bill. The same activity can appear in both a client filing and an outside firm's filing, so aggregating without care produces duplication.

The rigorous claim is smaller and more important: 50 organizations found H.R. 9340 significant enough to include it, by name or number, in filings that collectively cost their treasuries tens of millions of dollars in a single quarter. The bill was not floating quietly through Congress. It was a negotiating table, and nearly every industry with something at stake wanted a seat.

THE COALITION

A bill everyone could support — briefly.

Representatives Gabe Evans, a Colorado Republican, and Kathy Castor, a Florida Democrat, introduced the Ratepayer Protection Act with bipartisan cover and a clean, populist frame. The original bill placed a proposed federal standard into PURPA, the Public Utility Regulatory Policies Act of 1978. Rates for a covered large-load customer would recover the *full, incremental cost* of generation, transmission and distribution upgrades needed to serve that customer. The utility would also require financial assurances or contributions before building those upgrades, protecting other customers if the large user abandoned the project or stopped purchasing electricity.

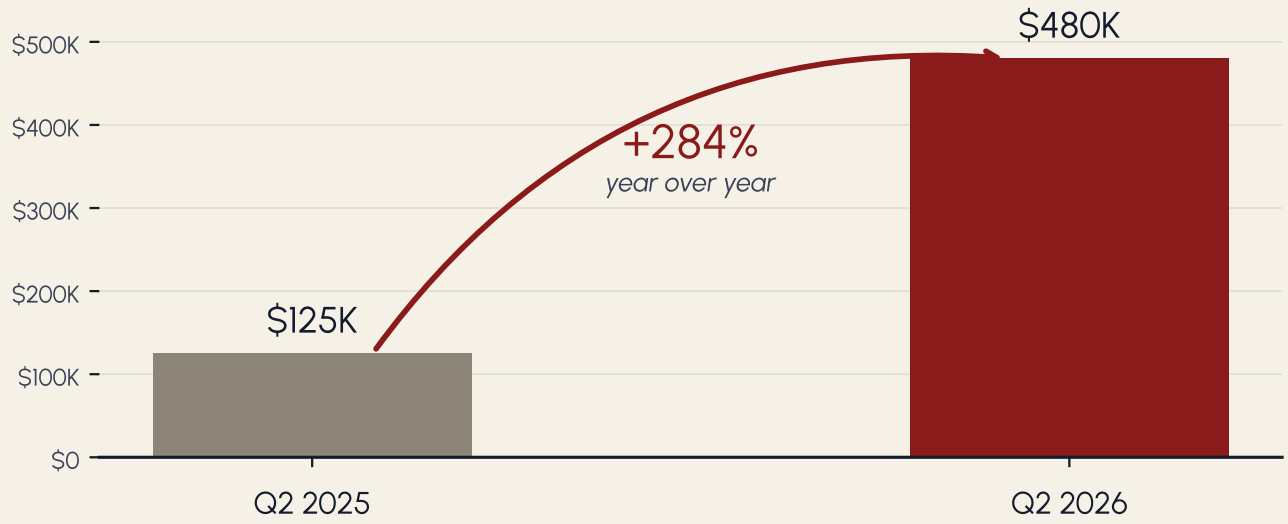
The idea addresses one of the largest and least discussed financial risks in the AI infrastructure boom: **the stranded-asset problem**. Utilities are being asked to plan new power plants, substations, transformers and transmission lines around forecasts of unprecedented future demand. Some individual data center campuses are requesting more power than entire cities. If a project is canceled, delayed, downsized or rendered unnecessary by changes in technology, somebody may be left paying for infrastructure built in anticipation of a customer that never arrived.

Brookings has warned that as much as half of the announced 2026 pipeline for large data centers may not materialize, arguing that enforceable protection ultimately depends on state legislatures and utility commissions translating broad promises into actual tariffs, contract provisions and cost-allocation rules.

The original H.R. 9340 attempted to establish a federal policy framework around that risk. But it did not apply only to data centers. It defined a "large-load customer" as any nonresidential electricity consumer entering a new power agreement for facilities with an aggregate peak demand of at least **100 megawatts** at a single site or campus. There was nothing in the original definition about servers, storage, cloud computing or artificial intelligence.

A steel mill could qualify. So could a chemical plant, semiconductor fab, aluminum facility or paper mill. That broad definition explains why the original coalition was so large — and why it was about to fracture.

DATA CENTER COALITION FEDERAL LOBBYING
Quarterly reported spend, Q2 year-over-year



The Data Center Coalition — the industry's principal trade association — reported a 284% year-over-year jump in Q2 federal lobbying, though the filing does not allocate spending among issues. H.R. 9340 sat alongside permitting, interconnection, tax, supply-chain and workforce matters. Source: *Q2 2026 and Q2 2025 federal LD-2 filings.*

ANATOMY OF A REWRITE — A DOCUMENTED SEVEN-DAY SEQUENCE

DAY 0	**The bill is introduced**	Reps. **Gabe Evans (R-CO)** and **Kathy Castor (D-FL)** introduce H.R. 9340. The definition covers *any* 100-MW nonresidential load — data centers, but also steel, chemicals, semiconductors, aluminum, paper.
DAY 5	**Manufacturers object — and supply language**	**Industrial Energy Consumers of America** writes committee leaders urging "critical changes" and provides a replacement definition limiting coverage to loads driven *primarily by information-technology equipment*. The **American Iron and Steel Institute** sends a parallel letter opposing the original bill.
DAY 7	**Data centers publicly endorse the broad version**	**Data Center Coalition** president Josh Levi says the industry is "committed to paying the full cost of the energy we use." **Google** and **Microsoft** also endorse the original legislation. The consensus, briefly, holds.
DAY 12	**A substitute amendment appears**	Drafting metadata dates a substitute amendment one week after the manufacturer letters. The 100-MW threshold and single-site/campus structure remain. But the definition now requires the load to be *primarily for information technology infrastructure and systems related to data storage and computational applications and services.*
DAY 12+	**The coalition changes sides**	**AISI** thanks lawmakers for "hearing our concerns and narrowing this bill." The **Data Center Coalition** moves from support to opposition, arguing the amendment would "single out the data center industry."
COMMITTEE	**Advanced 52 – 0**	The House Energy and Commerce Committee passes the amended bill unanimously. Some members acknowledge the gap between rhetoric and text but vote yes anyway.

> *"That is not proof of authorship. It is evidence of influence."*

ON WHAT THE TIMELINE CAN — AND CANNOT — ESTABLISH

THE REVERSAL

Why did the data center industry change sides?

Before the amendment, the coalition said its members were committed to paying their full energy costs. After the obligation was narrowed specifically to computational loads, its principal trade association opposed the bill.

That leaves a question the industry will need to answer: if data center companies are committed to paying the full incremental costs they create, why did their principal trade association support the obligation when it applied broadly but oppose it when data centers became the principal covered industry?

There may be a good answer. Perhaps the coalition fears that exempting other large loads will leave data centers subsidizing grid investments that benefit manufacturers. Perhaps it believes the rewritten definition is politically convenient but economically unsound. Perhaps individual members still support the amended bill even though the association does not.

Those possibilities should be explored. But the public promise and the public opposition cannot simply be presented in isolation. They are two positions taken by the same organization on two versions of the same bill, and the definition separating those versions determines which industries may receive the bill.

ANALYSIS · THE FOUR-WAY STRUGGLE

DATA CENTERS · UTILITIES · INDUSTRY · EVERYONE ELSE

INSIDE *A hyperscale server hall. Every rack is a computational load. How Congress defines that load — and which industries the definition covers — determined which coalition wanted the bill, and which one turned against it.*

This is not Big Tech vs. regulation. It is a four-way fight over a definition.

The lobbying record shows a more complicated reality than the standard framing allows. Every large user of electricity has an interest in how "large-load customer" is defined — and every interest has a different answer.

01 · DATA CENTER OPERATORS

Speed, capacity — and a fair share, defined narrowly.

Need extraordinary amounts of electricity on timelines much shorter than utilities traditionally use to build new generation and transmission. Want predictable interconnection rules and enough infrastructure to serve future AI demand.

Say they are prepared to pay their fair share, but do not want to be charged for grid needs attributable to other customers or for broader system investments that would have happened anyway.

02 · UTILITIES & GRID OPERATORS

Serve the load — and earn a return on it.

Face the obligation to serve enormous new loads while protecting existing customers. Also stand to build enormous amounts of new infrastructure.

Investor-owned utilities are generally allowed to earn returns on approved capital investments. New generation, transmission and distribution can expand the rate base on which those returns are calculated. The real question is not whether they profit, but who assumes the risk if demand changes.

03 · EXISTING INDUSTRIAL USERS

We are not data centers — and please don't treat us like one.

Do not want residential customers to absorb the cost of AI infrastructure. Also do not want those costs shifted onto manufacturers. And — most consequentially — do not want Congress to use the AI buildout as an occasion to impose new financial assurances on their own facilities.

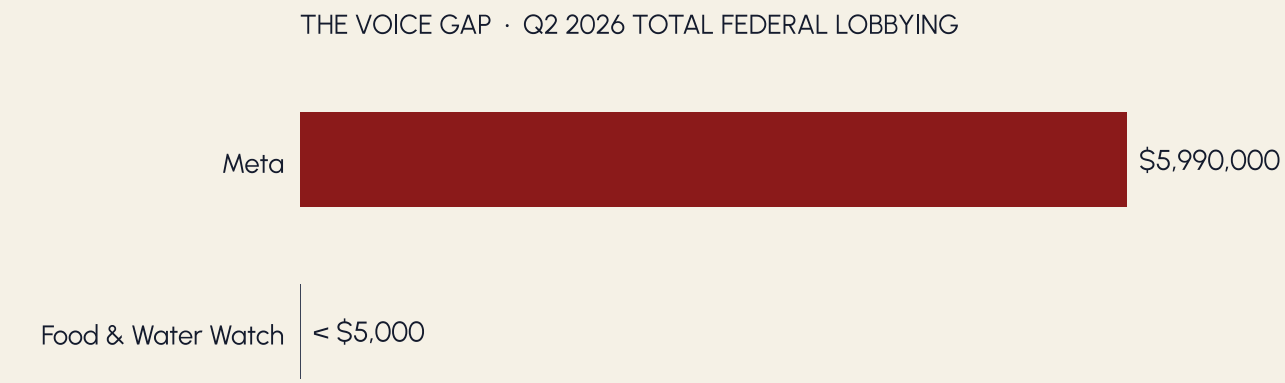
Their case is that an established steel mill is not the same kind of risk as a speculative hyperscale campus. In many cases that may be true. But a categorical exemption replaces a risk-based test with an industry label.

04 · EVERYONE ELSE

Households, farmers, small businesses — the fewest lobbyists in the room.

Want reliable power at an affordable price. Do not want their electric bills used as a financing mechanism for the wealthiest technology companies in the world. Do not want to inherit the cost of an abandoned substation, an underused gas plant or a transmission line built around a data center announcement that never became an operating facility.

They are also the group with the least organized influence surrounding the bill.



One of the largest tech firms named in H.R. 9340 filings, versus the most visible consumer group.

Q2 2026 total federal lobbying reported by one of the largest technology firms named in H.R. 9340 filings versus the most visible consumer organization opposing rapid data center expansion. Source: *Federal LD-2 disclosures.*

> *"The people most likely to receive the bill still have the fewest lobbyists in the room."*
>
> THE VOICE GAP

POLICY · A PROMISE, A PROCESS, AND THE SPACE BETWEEN

WHITE HOUSE PLEDGE · PURPA · STATE COMMISSIONS

THE GRID *A dedicated substation adjacent to a data-center site. The transformers, transmission lines and financial assurances required to serve loads like this one are the physical infrastructure behind the pledge — and the escape hatch in the bill.*

"Will ensure" is not the same as "must consider."

The lobbying fight is unfolding against an unusually sweeping public promise. The White House Ratepayer Protection Pledge says leading hyperscalers and AI companies will build, bring or buy the generation needed to satisfy their new demand. They will pay for required power-delivery infrastructure. They will negotiate separate rate structures and continue paying for power and infrastructure brought online to serve them *even if they do not use it*.

The White House says companies will pay the full cost of their energy and infrastructure "no matter what." Amazon, Google, Meta, Microsoft, OpenAI, Oracle and xAI are among the companies associated with the pledge. By late July, the administration had expanded participation to utilities, developers and governors.

It is an impressive statement of principle. It is also voluntary.

That distinction matters because the history of infrastructure development is filled with confident demand projections, celebrated investment announcements and public-private commitments that changed once financing became difficult or markets moved in another direction. The pledge says companies will negotiate protective arrangements with utilities and state governments. It does not itself establish those arrangements. It does not prescribe a universal tariff. It does not prevent a utility commission from deciding that a portion of a proposed upgrade benefits the broader system and should therefore be spread across other customers. **It is a promise to negotiate protections, not the protection itself.**

THE NUMBER CONSUMER ADVOCATES KEEP POINTING AT

$6.3 billion

Reuters reported that data centers accounted for approximately $6.3 billion — nearly 40% — of the capacity-market charges in PJM's latest auction. Those charges ultimately flow into customer bills across the grid operator's territory. Consumer advocates described the expanded White House pledge as a "pinky promise."

WHAT THE BILL ACTUALLY DOES

A federal "consideration," not a federal mandate.

H.R. 9340 would place a proposed large-load standard into PURPA. It would require state regulatory authorities and nonregulated utilities to begin considering the standard within one year and complete their consideration within two years. *Consideration is not adoption.*

The bill requires regulators to conduct a process and make a determination. It does not require every state to adopt the standard. It does not establish one national tariff or a uniform method for calculating incremental costs. It does not give a federal agency the authority to reject a state's decision because the protection it provides is too weak. This is not an accidental loophole. Rep. Evans said during the committee process that the bill does not impose a

federal mandate. It offers a standard for states to consider.

There is a constitutional and regulatory reason for that. Retail electricity rates are primarily established by states and state utility commissions. Congress cannot simply pretend that this deeply state-based system does not exist. But the political language surrounding the bill frequently moves past that limitation. "Will ensure" is not the same as "must consider."

The House Energy and Commerce Committee's own press release contains both formulations. Its headline and quotations describe the bill as ensuring that data centers pay their own way. Its summary says the legislation would require public utility commissions to "consider a strategy." The difference between those formulations is the difference between a guarantee and a process.

Rep. Castor, to her credit, has also called the bill "an important first step." That is a more accurate description. It may be a useful first step. It could force states to hold proceedings, create a public record and confront risks they have ignored. It may give consumer advocates and regulators a stronger framework for developing tariffs. But it is still a first step. Washington may be converting a voluntary corporate pledge into a discretionary state regulatory consideration and marketing the result as enforceable protection.

The bill advanced out of committee by a vote of 52–0. That unanimous vote allows lawmakers from both parties to tell constituents they supported ratepayer protection without imposing a binding federal allocation of costs. Some committee members acknowledged the gap. Rep. Frank Pallone said the proposals "don't go far enough" to ensure that data center owners pay for the demand they create. Rep. Paul Tonko was blunter: "We are not doing what this moment demands of us." Those members still supported the legislation.

There is nothing wrong with voting for an incomplete bill if it advances a worthwhile policy. There is something wrong with allowing the public to believe that a completed protection has been delivered when the difficult decisions have merely been sent back to the states.

THE GAP, IN ONE SENTENCE

A voluntary industry pledge was folded into a bipartisan bill, narrowed to a single industry, softened from a guarantee to a "consideration," and then sent to the states to decide what any of it actually means for an electric bill.

THE PLEDGE

Voluntary. Marketed at the White House by AI companies. Never legally enforceable on any single project.

THE BILL

Federal. Applies only to computational loads. Directs states to "consider a strategy" — not to guarantee one.

THE STATES

State utility commissions decide what rates, tariffs and cost allocations actually appear on the electric bill.

§ § §

THE RECORD

Seven questions Congress should answer — on the record.

These are not accusations of corruption. They are basic questions about how a consequential piece of legislation took shape, and the answers belong in the public record before any state utility commission is asked to convert this bill's principle into a tariff.

WASHINGTON *The House Energy and Commerce Committee advanced H.R. 9340 by a vote of 52–0. The unanimous vote does not settle who drafted the substitute amendment, whose language moved into it, or what consumers were actually guaranteed. These are questions for the record.*

ON THE RECORD — QUESTIONS FOR THE HOUSE ENERGY AND COMMERCE COMMITTEE

Who wrote it, who negotiated it, and what will consumers actually be guaranteed?

01 Who drafted the final substitute amendment to H.R. 9340?

02 Which committee members and staff negotiated the narrowed definition, and who else participated?

03 Did IECA's proposed language move directly into congressional drafting, or did staff and other organizations independently reach a similar formulation?

04 What meetings or communications occurred between the manufacturer letters and the substitute amendment?

05 Were utilities consulted about the consequences of restricting the definition to computational loads?

06 Why should a new 150-MW data center automatically face financial-assurance requirements while a new 150-MW industrial facility does not?

07 And what, precisely, will consumers be guaranteed if the bill becomes law?

WHAT COMES NEXT

The fight is moving closer to the electric bill.

Washington is only the beginning. Congress can declare a principle. State utility commissions decide how that principle is translated into tariffs, minimum-purchase commitments, exit fees, interconnection agreements and cost allocations. Governors and state legislatures decide whether to give data center developers tax exemptions, subsidized land or expedited permits. Local governments decide whether to rezone farmland, approve water use and tolerate the noise of backup generation.

The next installments of *Follow the Lobby Money* will trace the same interests into those proceedings.

DATA CENTER ALLEY *Northern Virginia hosts the country's largest concentration of data centers. State by state, the fight over who pays for the load is now moving to utility commissions, legislatures and local zoning boards.*

NEXT IN THE SERIES

The state trail — five markets to watch.

Virginia — the country's largest data center market, and the clearest laboratory for the relationship among hyperscalers, Dominion Energy, state tax incentives, local governments and residential bills.

Ohio — the fight over AEP's large-load tariff, data center tax exemptions and the political effort to protect manufacturers while courting more computational infrastructure.

Louisiana — Meta, new gas generation, an unusual financing structure involving Blue Owl and the long-term question of who inherits the infrastructure if demand does not last.

Texas & Pennsylvania — multibillion-dollar incentive battles, behind-the-meter generation proposals and attempts to condition subsidies on ratepayer protections.

Those state cases will tell us whether "pay your own way" is becoming an enforceable economic rule or merely the phrase every participant uses while trying to move its own costs somewhere else. They will also take us beyond electricity. Data centers consume land and water. They require roads, substations, transmission corridors and public-safety services. They receive tax benefits justified by investment figures that can be enormous even when permanent employment is relatively modest. They arrive in communities that often lack the lawyers, engineers and financial expertise needed to challenge the assumptions behind a proposed project.

There are real national interests on the other side. The United States needs computing infrastructure. AI has become part of the economic and national-security competition with China. Cloud services, financial systems, healthcare platforms and government operations all rely on data centers. A blanket refusal to build would carry its own costs. *That is precisely why the financial arrangements deserve scrutiny.*

"Necessary" should not become a magic word that makes ordinary accounting disappear. A project can be strategically important and still be structured badly. A company can create jobs and still receive an excessive subsidy. A utility can need new generation and still shift too much risk to its existing customers. An AI company can sincerely promise to pay its own way while lobbying over what "its own way" includes.

The data center boom is not one transaction. It is a chain of transactions connecting corporate balance sheets, utility rate bases, public incentives and household bills. The money moves through all of them.

§ § §

America's AI infrastructure will not be free.

The companies, utilities and politicians involved all say the same thing: ordinary Americans should not have to pay for it.

Now we are going to find out whether they mean it.

ABOUT THIS INVESTIGATION

Follow the Lobby Money is a Techstrong investigation into the financial and political forces driving America's data center boom. Part One is based on a review of second-quarter 2026 federal LD-2 lobbying disclosures filed with the Senate Office of Public Records, on the introduced and substitute texts of H.R. 9340, on committee statements and press releases, and on public letters from Industrial Energy Consumers of America and the American Iron and Steel Institute. Reported dollar figures reflect the total federal lobbying disclosed by each organization for the quarter and are not allocated to a specific bill.

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