April 23, 2026

The Honorable Pete Stauber
Chairman, Subcommittee on Energy and Mineral Resources
House Committee on Natural Resources
1324 Longworth House Office Building
Washington, DC 20515

The Honorable Yassamin Ansari
Ranking Member, Subcommittee on Energy and Mineral Resources
House Committee on Natural Resources
United States House of Representatives
Washington, DC 20515

RE: Powering the 21st Century with American Copper

Dear Chairman Stauber and Ranking Member Ansari:

On behalf of the Software & Information Industry Association (SIIA), the principal trade association for the software, data, and digital content industries, we are writing to share views on the importance of copper for the future of artificial intelligence (AI) and America's energy needs in connection with the Subcommittee's upcoming hearing, *Powering the 21st Century with American Copper*. SIIA represents nearly 400 companies ranging from global technology leaders to innovative startups that are at the forefront of developing AI and the digital infrastructure that powers the global economy. Our members design the AI models, build and operate the data centers, and deliver the cloud services whose growth now depends directly on reliable and affordable access to refined copper, making the Subcommittee's inquiry a matter of acute commercial and national security interest to our industry.

We appreciate the Subcommittee drawing attention to the importance of copper. Often overlooked, copper is an indispensable material for the electrified, AI-enabled economy. The supply chain for copper has become critical for U.S. economic and national security. As detailed in a recent S&P Global report, *Copper in the Age of AI*, the demand for copper is growing at a rapid pace.[1] This is due to many factors, including the move to electrification around the world — S&P Global estimates that global electricity consumption will increase by nearly 50% by 2040. Part of this growth is attributed to the needs of the AI economy. Data centers require robust energy supply to support the industrial, commercial, consumer, and other applications that are powered by energy-intensive AI models. Copper has an essential role to support this AI infrastructure both directly — copper is used as a key component

[1] S&P Global Energy & Market Intelligence, *Copper in the Age of AI: Challenges of Electrification* (Jan. 2026).

within data centers for cooling and heat dissipation systems, for power transmission and supply equipment, and for plumbing the substantial water usage, among other things — and to enable the electric grid infrastructure that data centers rely on. S&P Global predicts that the growth in global demand will lead to a supply shortfall by 2040 without actions to increase copper supply.

As the Subcommittee considers the importance of copper and the role that Congress can play to ensure the United States has sufficient, reliable, and affordable copper supply to support the AI economy, and the national security, commercial, and societal needs that will benefit from a robust AI economy, we offer the following suggestions.

- **Establish a Strategic Copper Reserve**: Congress should authorize and direct the Department of Energy to develop a Strategic Copper Reserve. Beyond commercial stocks, this reserve would serve as a vital buffer against export controls and geopolitical licensing shocks. Strategic stockpiling in the United States provides a critical safety net for infrastructure projects, stabilizing market resilience during supply disruptions and ensuring the uninterrupted deployment of the essential electric grid and AI infrastructure.
- **Modernize Regulatory Classifications for Advanced Recycling**: To help mitigate the global supply shortfall S&P Global predicts by 2040, Congress should support legislation clarifying under federal environmental statutes that secondary copper recovery, including metallurgical processing of scrap, is a manufacturing activity rather than waste treatment.. Eliminating this regulatory ambiguity and harmonizing federal and state permitting will incentivize the private investment necessary to scale secondary supply and help close the projected 10 million metric ton supply gap projected by S&P Global.
- **Implement "Friend-Shoring" Frameworks to Secure Mineral Flows**: Addressing the global copper supply challenge requires international collaboration. Congress should advance policies to support the Executive Branch in building a robust network of allies and partners and provide highly targeted funding for associated copper infrastructure. This could be incorporated into the State Department's Pax Silica initiative. By actively "friend-shoring" mineral flows, the United States can reroute critical supply chains away from foreign adversaries.

Thank you for the Subcommittee's attention to this important issue. SIIA and our member companies stand ready to serve as a resource as the Subcommittee develops legislation, and we look forward to working with you to ensure the United States maintains the copper supply chain its AI economy, electric grid, and national defense will soon require.

Sincerely,

Paul Lekas
Executive Vice President, Global Public Policy & Government Affairs
Software & Information Industry Association