Opening Statement of Chairman Rich McCormick

Investigations and Oversight Subcommittee Hearing
Powering America's AI Future: Assessing Policy Options to Increase Data Center Infrastructure
February 24, 2026

Good morning. Thank you all for being here.

Today, we are discussing an issue at the intersection of energy policy, innovation, and national competitiveness. Artificial intelligence requires enormous computing power, and that means enormous amounts of electricity. That is not up for debate. What is important to discuss is whether our approval processes to build infrastructure can meet that demand within a meaningful timeframe. Right now, they are not—we need to understand why and what Congress can do about it.

Consider transmission line projects, which are essential to delivering power to new data centers. Permitting for these projects currently averages about four years. In some cases, it stretches beyond a decade. Meanwhile, federal environmental reviews under NEPA averaged 26 months in 2024—more than two years before construction even begins. That is a serious concern when infrastructure must keep pace with rapidly advancing technology.

Then there is litigation. Even when agencies ultimately prevail—which they do roughly three-quarters of the time—the process itself can add years to project timelines.

Meanwhile, China is building data center and power infrastructure at considerable speed through centralized planning. Its data center electricity consumption is projected to grow dramatically over the next five years.

I am not suggesting we adopt their system. But we should acknowledge that our competitors are not operating under the same constraints.

Schools like the College of Engineering at the University of Georgia are helping respond to China's surge by developing AI-enabled transmission planning tools designed to accelerate complex grid studies while preserving reliability. Using AI to help plan the infrastructure that powers AI is exactly the kind of innovation we should be encouraging.

Last year, the Trump Administration issued Executive Order 14318 to address some of these delays by prioritizing permitting for large data centers and improving coordination across agencies. That is a positive step.

For agencies under this Committee's jurisdiction— including NIST, DOE, and NASA—the implications are significant. However, executive action has limits. The underlying statutes—NEPA, the Endangered Species Act, and the Clean Water Act—remain unchanged.

There are also practical consequences. Several projects have encountered substantial permitting hurdles despite their strategic importance. These delays affect not only private companies but also the federally supported research ecosystems those facilities are meant to anchor.

Cost allocation is another issue. Data centers consume vast amounts of electricity—sometimes 10 to 50 times more per square foot than traditional buildings. Under traditional utility rate structures, infrastructure costs are spread across all customers. That raises the question of whether residential ratepayers could end up subsidizing upgrades that primarily serve high-intensity industrial users.

Some companies are addressing this proactively. Google has partnered with utilities to fund new generation capacity directly rather than shifting costs to ratepayers. Other companies are exploring space-based computing platforms that could operate outside of traditional terrestrial permitting frameworks. While still early-stage, these concepts highlight how regulatory friction can influence where and how infrastructure is developed.

We should also consider how this conversation extends beyond major metropolitan regions. Much of rural Georgia—and rural America—still operates on cooperative grid infrastructure originally built under mid-20th century electrification policy. That system was not designed for compute-intensive infrastructure. If AI integration expands into agriculture, logistics, and public services, rural grid capacity could become a binding constraint.

So what needs to happen? We must evaluate whether a permitting framework largely designed in the 1970s is suited to infrastructure that is now central to national security and economic competitiveness in 2026. That includes reviewing litigation timelines and considering whether AI-related infrastructure warrants differentiated treatment.

I am not advocating the elimination of environmental review. But we should ask whether the current process is meeting its intended goals efficiently—or simply creating unnecessary delay.

This Committee's responsibility is to understand how regulatory frameworks affect innovation, research infrastructure, and American competitiveness in critical technologies. That is the purpose of today's hearing. Our witnesses can help us clarify both the scale of the challenge and potential solutions. I appreciate their willingness to be here.

I look forward to a substantive discussion about how Congress can ensure America maintains its technological leadership while addressing legitimate regulatory concerns.