October 4, 2024

The Honorable Joseph R. Biden President of the United States The White House 1600 Pennsylvania Avenue, NW Washington, DC 20500

The Honorable Jeffrey D. Zients Chief of Staff The White House 1600 Pennsylvania Avenue, NW Washington, D.C. 20500

The Honorable Lael Brainard Director, National Economic Council The White House 1600 Pennsylvania Avenue, NW Washington, D.C. 20500

Delivered via email

Dear President Biden, Chief of Staff Zients, and Director Brainard:

As organizations who advocate for the public good and conduct independent research on the social implications of technology, we write to express our concern regarding the recent White House roundtable on U.S. Leadership in AI Infrastructure held on September 12, 2024, with executives from technology and energy corporations. After meeting with these special interest groups, the White House announced a set of priorities on data centers and energy infrastructure. We are alarmed about the lack of inclusive representation from key stakeholders in this process, and are concerned resulting policies will benefit the largest tech and energy monopolies at the expense of people and the planet.

The rapid growth of Big Tech's data centers, coupled with the interests of investor-owned utility monopolies and the fossil fuel industry, could threaten our ability to transition away from dirty energy in the coming years, reversing hard won progress by the Administration. A handful of tech corporations are rapidly building data centers that each use as much electricity as small or even large cities, and at the same time, our energy infrastructure is already failing to meet existing capacity and climate demands. Coal plants that would have been retired are staying open, closed nuclear plants are being reopened, natural gas-fired power plants are expanding, and

regular people are likely to pay increased prices for electricity. In nearby communities, both on-site and secondary energy infrastructure, from gas-powered generators to dedicated electrical substations, are sources of <u>air</u> and <u>noise</u> pollution that directly harm people and the environment.

Meanwhile, tech corporations are <u>underreporting</u> their climate impact, <u>walking back</u> emissions reduction commitments, and <u>lobbying</u> for weaker emissions reporting standards.

The White House roundtable was notably devoid of input from crucial public interest groups, including climate, labor, and consumer advocates. This omission undermines the comprehensiveness and effectiveness of the strategies being developed, and raises concerns about the conclusions and information gathered at the meeting, as well as the Administration's priorities. The invitees to the meeting might take it as given that building endless tech infrastructure will lead to greater prosperity, but prioritizing speculative corporate profits over public health and clean energy commitments jeopardizes our future.

Meanwhile, the public is subsidizing energy-hungry data center expansion and bearing the cost of sweetheart energy deals between the two sectors. States and localities are giving tech corporations like Amazon, Google, and Microsoft sales tax exemptions on both building materials and equipment, utility tax exemptions or discounts, property tax abatements, and corporate income tax credits. In states as diverse as <a href="Washington">Washington</a>, <a href="Illinois">Illinois</a>, <a href="Mad Virginia">and Virginia</a>, the costs of these incentives have risen by three-to-four-digit percentages in recent years. Those are in addition to government contracts, federal energy tax credits, and higher utility costs for captive utility customers. In data center-heavy states, soaring tax revenue losses are undermining public education at the very moment we have a national consensus that more education spending is necessary, for instance on STEM education to help address the nation's skilled labor shortage.

We were especially disappointed to see that many of the companies that were invited to represent corporate interests in this meeting are being sued for illegal business practices. Your administration is suing Alphabet, Amazon, and Meta for breaking antitrust laws. In addition, the FTC has launched an inquiry into Microsoft, Open AI and Anthropic (as well as Amazon and Alphabet, previously mentioned) to scrutinize partnerships that may threaten competition in the very industry discussed at the September 12 convening. The Department of Justice has reportedly issued subpoenas to Nvidia in an antitrust investigation. Inviting these companies to opine on policies that stand to increase their profits and market share serves to undermine not only the pending litigation your administration is bravely undertaking, but also public trust in any AI infrastructure policies that result from the September 12 meeting. The administration brought these cases to address the threat of consolidation in the technology sector, but the race to expand data center infrastructure and secure exclusive power deals only serves to entrench consolidation and undermine U.S. innovation.

Incorporating the perspectives of stakeholders is not just a matter of inclusivity but a necessary step to create well-rounded policies that align with the Administration's goals of responsible innovation, AI safety and clean energy. Without the <u>participation of the people who will be most affected</u> by AI, tech governance efforts—including policies around data, energy infrastructure, and water —are likely to consolidate the most harmful impacts of new technologies.

Thank you for your time and attention to these concerns. We look forward to discussing how AI infrastructure can be built with the best interests of the public in mind together with inclusion of environmental, labor, consumer, and utility customer stakeholders.

## Sincerely,

**Demand Progress Education Fund** 

Athena Coalition

350 National

Accountable Tech

Access Now

Adasina Social Capital

Amazon Employees for Climate Justice

Autistic Women & Nonbinary Network

Blue Future

Center for Biological Diversity Action Fund

Center for Digital Democracy

Citizens Action Coalition of Indiana, Inc.

Data and Society

Food and Water Watch

For the Many

Free Press Action

Green America

Good Jobs First

Illinois Public Interest Research Group (PIRG)

Institute for Agriculture and Trade Policy

Institute for Local Self-Reliance

Missouri Workers Center

National Consumer Law Center, on behalf of its low-income clients

National Employment Law Project

NETWORK Lobby for Catholic Social Justice

NextGen Competition

Open Markets Institute

People's Tech Project

PowerSwitch Action

Public Citizen
Revolving Door Project
Surveillance Technology Oversight Project
The Tech Oversight Project
Turkopticon
U.S. Public Interest Research Group (PIRG)