



Written by [Veronika Kyrylenko](#) on July 16, 2026

Energy Secretary Wright Says Data Centers Will Bring Power Prices Down. The Grid Says Otherwise.

In a novel reading of supply and demand, Energy Secretary Chris Wright [declared](#) Wednesday that data centers are actually the country's "greatest tool" for stopping electricity prices from rising and eventually bringing them back down.

Wright made this bewildering claim in response to New York Democratic Governor Kathy Hochul [imposing](#) a one-year moratorium on new hyperscale data centers on Tuesday. Her order cited the strain on the electrical grid, rising utility bills, and environmental concerns. Those are the core issues driving growing bipartisan opposition to the industry's rapid and largely unchecked expansion.



ISMOLOEX/iStock/Getty Images Plus

The timing made Wright's assertion especially striking. That same week, the nation's largest power grid announced another costly capacity auction and warned of a serious reliability shortfall. It offered a blunt explanation: Electricity demand is rising faster than supply, and data centers are, in fact, driving much of that growth.

Does Wright Get It Right?

Wright went on Fox News to discuss the New York moratorium. Asked, "Will data centers make people pay more for energy?" Wright replied,

Governor Hochul has it exactly backwards. Data centers are the greatest tool we have right now to stop the rise of electricity prices and ultimately to bring them back down.

Wright, a former fracking executive, blamed "Democrat green energy policies" for New York's high electricity costs. He cited the state's fracking ban, its rejection of a major natural gas pipeline, and an "insane climate law" that requires a transition away from fossil fuels by 2040.

Surely, this broader criticism has an economic rationale.

"Energy is expensive in New York and now sparse because of bad Democrat policies," Wright said. "Nothing to do with data centers."

But that argument still did not explain his central claim. Even if New York's energy policies have contributed to higher prices, Wright offered no reason why adding enormous new electricity loads would make power cheaper.

By that logic, Virginia, home to the world's largest concentration of data centers, should already enjoy something close to free electricity. Instead, Virginia's own legislative watchdog [estimates](#) that data



Written by [Veronika Kyrylenko](#) on July 16, 2026

center-driven demand could add \$14 to \$37 a month to a typical Dominion customer's generation and transmission charges by 2040.

At the same time, state regulators have already moved to limit that burden. The State Corporation Commission [created](#) a separate rate class for massive power users and required qualifying data centers to bear more of the transmission and distribution costs created on their behalf.

Those safeguards rest on the opposite premise from Wright's claim. Theoretically, data centers may help finance new generation when they pay their full costs *and* bring new supply with them. But their immense demand by itself does not lower electricity prices. On that central point, Wright got it wrong.

The Grid Sends the Bill

On Tuesday, PJM, the nation's largest grid operator, [released](#) the results of its latest capacity auction. PJM serves about 67 million people across 13 states and Washington, D.C. According to a [New York Times analysis](#), the auction will add an estimated \$6.3 billion to consumers' electricity costs during the next two delivery years as demand continues to climb.

[The Hill added](#):

Over the last four PJM power auctions, data center demand has added a total of \$29.4 billion in electricity costs, according to the market monitor.

The Natural Resources Defense Council [estimated](#) last October that the increases have added as much as \$20 to \$30 to monthly bills in some areas. It projected that continued data center expansion could eventually cost an average household about \$70 more each month.

In late June, [PJM explicitly identified](#) the mismatch between demand and supply as the force driving the surge in electricity costs:

The primary driver of that growth is data centers. New data center facilities and expansions of existing sites can be developed quickly, up to two to three times faster than many of the electricity generation technologies that are necessary to serve them and allow PJM to maintain the reliability customers expect.

More Perfect Union, a news organization that has [documented](#) the local effects of data center development, [called](#) Wright's assertion "one of the most blatant lies we've ever heard." The outlet posted on X:

Data centers are pushing energy prices up. That is not a matter of debate, it's a fact.

Notably, the official data clearly show how power-hungry the data centers are. The U.S. Energy Information Administration [estimates](#) that servers alone consumed seven percent of all commercial-sector electricity in 2025. By 2050, that share could reach between 22 and 33 percent. Annual server consumption could rise to between 446 billion and 818 billion kilowatt-hours — and those figures do not include all supporting equipment.



Written by [Veronika Kyrylenko](#) on July 16, 2026

The Administration's Favored Industry

Wright was not improvising. His defense of data centers reflects an administration that has been driving their buildout at breakneck speed.

President Donald Trump kicked off his second term with the announcement of [the \\$500 billion Stargate project](#). It is aimed at constructing a sprawling AI infrastructure in the United States, including "colossal data centers."

A July 2025 [executive order](#) offered qualifying projects generous federal loans, grants, and tax incentives. It sped up environmental reviews and permitting, and opened suitable federal land to construction. Wright's Department of Energy (DOE) later [selected](#) federal sites in Idaho, Tennessee, Kentucky, and South Carolina for combined data center and power projects.

The administration views AI infrastructure as an economic, military, and geopolitical priority. In that respect, its approach mirrors the [broader globalist focus](#) on artificial intelligence as an instrument of centralized control. Indeed, data centers do not merely power chatbots. They form the backbone of the [emerging digital prison](#), which encompasses surveillance systems, digital IDs, programmable money, automated censorship, predictive policing, and behavioral scoring.

That broader agenda may help explain Wright's enthusiasm. It does not explain his economics. The administration may consider data centers indispensable to its vision of the future. But telling ratepayers that the infrastructure driving up their bills does no such thing and, in fact, lowers them, is shameless gaslighting.

Related:

[Feds Targeting "Anti-Tech Extremism" as AI Backlash Spreads](#)

[Data Centers Are Destroying Farmland](#)



Subscribe to the New American

Get exclusive digital access to the most informative,
non-partisan truthful news source for patriotic Americans!

Discover a refreshing blend of time-honored values, principles and insightful perspectives within the pages of "The New American" magazine. Delve into a world where tradition is the foundation, and exploration knows no bounds.

From politics and finance to foreign affairs, environment, culture, and technology, we bring you an unparalleled array of topics that matter most.



Subscribe

What's Included?

- 24 Issues Per Year
- Optional Print Edition
- Digital Edition Access
- Exclusive Subscriber Content
- Audio provided for all articles
- Unlimited access to past issues
- Coming Soon! Ad FREE
- 60-Day money back guarantee!
- Cancel anytime.