

WHITEPAPER

AI, Sovereignty, and the Information War

A Fact-Based Look at Foreign Influence, Data Center Economics, and the AI Policy Choices Ahead

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A note on method

Every claim in this document is labeled by confidence tier — Confirmed (multiple independent, attributable sources), Verified with caveats (documented but contested, single-sourced, or regionally variable), or Contested/Evolving (proposed policy not yet enacted, or actively disputed). Sources with a financial or advocacy stake in the outcome are disclosed where relevant.

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1. Executive Summary

Bottom line: Three things are true at once. Treating them as a single story is where most coverage of this topic goes wrong.

First, there is a documented, multi-vector effort to shape American opinion against U.S. AI infrastructure. One track is a covert social-media operation that OpenAI disrupted in 2026: ChatGPT accounts likely originating in China generated English-language posts and images blaming data centers for household electricity costs. A second, separate track is the subject of a Senate Intelligence Committee referral to the Department of Justice and of research by the Bitcoin Policy Institute: attributed Chinese and Russian state media, a U.S. nonprofit network funded by Shanghai-based businessman Neville Roy Singham, and large foreign-tied philanthropic flows into U.S. advocacy groups. Those two tracks are related in theme. They are not the same evidence base, and this paper does not treat them as one.

Second, and this matters just as much, those campaigns did not invent American skepticism of data centers. They tried to ride concern that already existed and runs deep. Gallup found 71 percent of Americans oppose construction of an AI data center in their local area, including 48 percent who strongly oppose it. Opposition is highest in the South. York County is living that fight in public: a QTS campus already under construction at Lake Wylie, a nine-month moratorium on new data-center approvals, and neighbors organizing around noise, traffic, process transparency, water, and rates. Nothing in the open record shows the OpenAI cluster or the Singham/PSL network organized that local opposition. Treating Clover and Lake Wylie as a foreign product would itself be a distortion.

Third, the risk calculus cuts both ways. Nation-state-developed AI models, particularly from China, carry documented security, censorship, and data-jurisdiction risks. NIST's Center for AI Standards and Innovation found DeepSeek models far more jailbreak-prone than U.S. reference models and more likely to echo Chinese Communist Party narratives. Any U.S. policy response that unilaterally slows American AI development without a credible mechanism to bind competitors does not reduce that risk. It reallocates it.

This document lays out the evidence for each claim, tiered by confidence, so it can inform decisions rather than reinforce a conclusion reached in advance in either direction.

2. Two Influence Tracks — Keep Them Separate

Track A. Covert platform abuse (Confirmed, with OpenAI's own reach caveat)

In June 2026, OpenAI published findings from its Global Affairs investigations team and banned two clusters of ChatGPT accounts assessed as likely originating in the People's Republic of China. The operators used VPNs — OpenAI does not permit access from China — and prompted the model in Simplified Chinese while requesting English-language social posts and images.

The first cluster, which OpenAI labeled “Data Center Bandwagon,” generated short comments and comic strips claiming AI data-center construction was driving up electricity costs for ordinary American families. Operators uploaded files describing objectives and tradecraft for running inauthentic social accounts. Some comics were built from legitimate regional reporting on grid capacity-auction prices. OpenAI assessed the operators as likely a social-media team at a private Chinese technology company working for provincial-level government clients — consistent with a commercial ecosystem that supports Party-state “public opinion guidance,” not as a named unit of the central government running the accounts directly.

The second cluster, “Tech and Tariffs,” generated comments and political cartoons criticizing U.S. tariffs and framing U.S. tech policy as an attempt to dominate global rulemaking. Prompts specified that outputs should depict President Trump and should not include China's leader. That cluster is part of the same disclosure. It is a different narrative than the data-center cost campaign.

OpenAI's own conclusion is the load-bearing sentence for this track. Investigators found no evidence the operation produced a meaningful breakout beyond its own activity. Ben Nimmo, principal investigator on the team, put it plainly to reporters: this was not a case of an influence operation creating a debate. “The debate existed already. This was an influence operation from China trying to interfere in it.” [5][6][7][9]

Track B. Financing, organizing, and state media (Verified with caveats)

On June 10, 2026 — the same news cycle as the OpenAI report — Sen. Tom Cotton, chairman of the Senate Select Committee on Intelligence, wrote Acting Attorney General Todd Blanche requesting a Department of Justice investigation into foreign influence aimed at U.S. data-center policy and public opinion. Cotton's letter grants the point this paper will not give up: Americans have valid concerns about energy costs and natural resources. His claim is that those concerns are being exploited. He asked DOJ to examine, among other things, whether entities in the network have an unregistered Foreign Agents Registration Act exposure.

The letter draws heavily on research from the Bitcoin Policy Institute (BPI). BPI is a Bitcoin and crypto-policy advocacy organization, not a neutral national-security research body. That does not automatically make its sourcing wrong. Readers should know the institute has its own interests in how AI-infrastructure and energy debates resolve and should weigh the reports accordingly. As of this writing, Cotton's referral is a request for investigation, not a published finding that DOJ has charged anyone under FARA for data-center advocacy. Separate reporting in September 2026 described SDNY financial scrutiny of Singham-linked entities; that is not the same thing as a completed case on the influence theory. Label it Contested/Evolving on outcomes.

BPI's May 2026 Part I report describes three converging vectors over multiple years: attributed campaigns from Chinese state media (CGTN, China Daily, Global Times) alongside Russia's RT; a U.S. 501(c)(3) network funded by Shanghai-based U.S. expatriate Neville Roy Singham, which BPI says has produced parallel content opposing American AI infrastructure for close to five years; and more than \$2 billion routed through foreign-tied philanthropic vehicles — including those associated with Swiss billionaire Hansjörg Wyss and the U.K.-based Oak Foundation — into U.S. advocacy infrastructure, with some grantees appearing on coalition materials that preceded federal moratorium legislation. The \$2 billion figure is a claim about broad philanthropic flows into an advocacy ecosystem, not a ledger that every dollar was spent to stop a data center.

BPI's June 29, 2026 Part II report is the piece most often flattened in secondary coverage. It tracks 21 campaigns involving the Party for Socialism and Liberation (PSL) across 14 states that BPI says contributed to 10 data-center moratoria, one permanent ban, and four rejected or scrapped projects, and estimates about \$23.6 billion in proposed investment delayed, reduced, or blocked in campaigns where PSL was a significant mobilizing force. Roles ranged from lead organizer to one member of a broader coalition. The same report states, in language this paper adopts: “The American opposition to data centers is real and mostly homegrown. But an organized, foreign-aligned party has worked to amplify and convert genuine grievances into actions that slow or degrade America's buildout of data centers.”

A House Foreign Affairs subcommittee hearing titled “Trojan Horses: Covert Foreign Malign Influence Operations in America,” announced for September 2026 with BPI research chief Sam Lyman among scheduled witnesses, may add to the public record. It had not produced a completed investigative finding when this paper was finalized.

This pattern is not brand new. U.S. intelligence assessments in 2023 and 2024 documented Chinese state efforts to use AI-generated content to influence American public opinion more broadly, including around elections. What changed in 2026 is the specific target: American sentiment toward AI infrastructure itself.

Where this matters

Track A is confirmed platform abuse with limited demonstrated reach. Track B is a financing-and-organizing argument with named advocates, a Senate referral, and contested causal claims about who “caused” which moratorium. Collapsing them into “China is behind the backlash” is how a careful paper becomes a talking point. York County is the test: if you cannot show a foreign hand in the local fight, do not invent one.

3. What's Real: Local Concern, Including York County

Confidence tier: Confirmed for national opinion and the existence of the York fight. Verified with caveats for utility-rate claims made by project sponsors.

OpenAI found no evidence the China-linked campaign meaningfully changed U.S. public opinion. It concluded the operation worked to exploit concerns that already existed: electricity costs, water, land use, and the effects of large infrastructure on nearby communities.

Those concerns are not manufactured. Gallup surveyed 1,000 U.S. adults from March 2–18, 2026 — the first time the firm had asked about local data-center construction — and released the results in mid-May. Seventy-one percent opposed construction of an AI data center in their local area, including 48 percent who strongly opposed it. Only about a quarter supported such a project near them; 7 percent strongly favored it. In the same survey, 53 percent opposed a nuclear plant in their area. Data-center opposition exceeded the high-water mark Gallup has recorded for local nuclear opposition (63 percent) since that question was first asked in 2001. Opposition ran at 75 percent in the South and 76 percent in the Midwest. Among opponents, resource use — water and electricity — was the leading stated reason. Quality of life, utility bills, pollution, and views of AI itself also registered.

Pew reporting in the same season found 43 percent of Americans citing data centers as a “major reason” for rising power bills. That is a perception measure, not a rate study. It is still a political fact.

York County is not a hypothetical

York County approved a tax-incentive agreement with QTS Data Centers in 2023 on a then-\$1 billion project near Lake Wylie, along Campbell Road and Hands Mill Highway. The campus is now described by the company as nine buildings across three phases and an \$8 billion investment, with about 1,000 construction jobs and about 200 permanent jobs. In December 2025 QTS bought roughly 400 additional acres for \$26 million. The company has said it does not currently plan to expand onto that land and bought it as buffer or future option. Neighbors read a \$26 million land purchase the other way.

Construction is underway. Residents have organized as York County Citizens for Responsible Growth, circulated a Change.org petition, and used public-comment time on noise starting before dawn, traffic, lighting in what had been a dark rural sky, process transparency, generators, water, and rates. At the May 4, 2026 County Council meeting, a speaker cited the same “267 percent in five years” electricity figure that later failed a PolitiFact check as a measure of residential bills. The number was already in the room. That is how national talking points become local testimony, whether or not a foreign operator put them there.

On June 15, 2026, County Council gave first reading to a nine-month moratorium on new data-center special exceptions, conditional-use approvals, and site-plan acceptances in unincorporated York County. Planning Commission recommended approval. Council gave final approval on July 13. County attorneys told members the pause would almost certainly not reach QTS's already-approved site plans because those plans have vested rights under South Carolina law. The moratorium is a tool for the next project and for writing rules — noise, heat and geothermal effects on adjacent property, generator use, and whether large loads shift costs onto residential ratepayers — not a rewind of the campus already in the ground.

York is not an island. Chester County passed a six-month pause. Spartanburg, Colleton, Newberry, Chesterfield and others moved in the same direction through the summer of 2026. Statewide, the fight is about zoning, overlay districts, who pays for transmission, and whether a county that said yes three years ago still likes the project it is watching get built. Central Electric Power Cooperative, which buys wholesale power for distribution co-ops, approved a large-user rate schedule. Palmetto Electric CEO Berl Davis, speaking as Central's board chair, put the co-op position in one sentence: South Carolina families and businesses should not subsidize the energy costs of major corporations. Santee Cooper separately adopted an experimental rate for incoming loads of 50 megawatts or more so existing customers are not funding new plants for hyperscalers and other large industrials.

On who pays in York specifically, the interested parties have a story. York Electric Cooperative is the retail supplier to QTS. Duke Energy Carolinas is building transmission work, including the Hands Mill 230 kV switching station, so Central can deliver power to the site. QTS says it is paying for dedicated infrastructure and that a large, steady load can put downward pressure on rates by spreading fixed costs. York County's own FAQ repeats the co-op's version of that claim and notes QTS's closed-loop cooling, which the company says saves more than 48 million gallons of water per building per year versus evaporative designs. Those are sponsor and utility statements. They are testable over the next rate cases. They are not yet a finding that York residential bills have done what Northern Virginia bills have done.

Some of this opposition has already changed outcomes elsewhere. In Utah, voter backlash over water, energy, and process transparency around the proposed “Stratos Project” contributed to the primary defeat of the sitting Senate president. Nationally, dollar tallies of blocked or delayed projects vary by window. Data Center Watch figures cited in South Carolina coverage put about \$64 billion in projects blocked or delayed between May 2024 and March 2025, including named South Carolina efforts. A separate 2025 tally cited \$98 billion in a tighter spring window. Use one window at a time. The direction is not in dispute: local opposition is now a material project risk.

What this paper does not claim: that PSL, the Singham network, or the OpenAI cluster organized York County Citizens for Responsible Growth. No public source reviewed for this document establishes that link. York looks like what OpenAI said the national mood already was — neighbors, process, water, power, and distrust of a deal that grew from \$1 billion to \$8 billion after the incentive was granted.

Where this matters

Virginia and PJM belong in a York County paper because they are the market that shows what happens when data-center load hits a tight grid. They are the cautionary analog, not a claim that Lake Wylie has already repriced every household bill. Dismissing the local fight as manufactured is how you lose the room. Pretending it has no cost side is how you lose the next decade of capacity.

4. What the National Data Actually Shows

Confidence tier: Confirmed for efficiency and demand-growth trends. Verified with caveats for pricing — directionally consistent across studies, but methodology and regional applicability vary.

Efficiency and scale

The narrative that data centers are inherently sloppy undersells how much facility efficiency has improved. Google reported fleet-wide Power Usage Effectiveness of 1.09 in 2025, against an Uptime Institute industry average near 1.54–1.56. Google also reported more than three times the compute performance per unit of energy versus five years earlier, driven largely by better processors. Microsoft has published its own water- and energy-efficiency series and is testing zero-water cooling designs, with industry commentary pointing to zero-evaporation new builds becoming common later this decade. Google has pledged to replenish 120 percent of the water it consumes by 2030. About 41 percent of Google's 2023 water use still occurred in water-stressed basins. Trajectory is improving. Present-day footprint is not zero.

Efficiency per unit of compute is not the same as a shrinking grid footprint. Lawrence Berkeley National Laboratory's 2024 study found data-center electricity use more than doubled between 2017 and 2023. LBNL's June 2026 update is the better current number: U.S. data centers used an estimated 192 terawatt-hours in 2024, about 4.7 percent of U.S. electricity. The reference case for 2030 is 649 TWh, about 11.8 percent of forecast U.S. electricity, with a scenario range of 9.5 to 15.3 percent. Both things are true: each unit of compute is getting cleaner, and the aggregate load is still growing because scale is growing faster than efficiency.

Pricing — national averages and tight-grid exceptions

This is the contested piece, and it deserves care rather than a verdict. At a national level, several independent or quasi-independent studies through 2024–early 2026 leaned against a simple “data centers are why your bill went up” story. An Electric Power Research Institute analysis found data centers put downward pressure on average electricity prices through 2024 in some settings. A March 2026 Institute for Energy Research paper found the correlation between data-center concentration and electricity prices statistically insignificant. E3, in a May 2026 paper commissioned by the Data Center Coalition — an industry group with an obvious stake — found no historical evidence of a cost shift from data centers to residential customers, a finding E3 notes is consistent with Lawrence Berkeley National Lab's 2019–2025 state-level work outside the tightest markets. Academic working papers using instrumental-variables designs have estimated small national average residential-price declines associated with added data-center capacity. North Dakota, with spare generation, is the clean example of large loads helping cover embedded fixed costs.

That national picture coexists with a real regional exception, and the exception is why Virginia and PJM belong in this paper. PJM Interconnection is the grid operator for 13 states and Washington, D.C., including Northern

Virginia, the world's largest data-center market. Capacity — the product that pays generators to be available at peak — is procured in annual Base Residual Auctions. Clearing prices went from \$28.92 per megawatt-day for 2024/25 to \$269.92 for 2025/26, then to the high \$300s under a FERC-related cap for subsequent delivery years. PJM's Independent Market Monitor, Monitoring Analytics, has been blunt: data-center load growth is the primary reason for the recent tight supply-demand balance and high-capacity prices. In a widely cited sensitivity, existing plus forecast data-center load accounted for roughly 63 percent of 2025/26 capacity-auction revenues — about \$9.3 billion of \$14.7 billion. Later Monitor updates put the cumulative capacity-revenue impact of including that load across several auctions in the \$23–29 billion range. E3's own auction analysis attributed about half of the 2024/25-to-2025/26 price jump to load growth and the other half to market-design changes, retirements, and resource accreditation. Capacity is only one piece of a residential bill. The Monitor has also estimated that data-center load accounted for about 9 percent of PJM wholesale costs through mid-2026. Wholesale is not the bill on the kitchen table. It is the input that eventually shows up there.

Virginia retail prices have risen on the order of double-digit percentages in the recent year of EIA data commonly cited in this debate; treat the exact percentage as needing the current Electric Power Monthly table when you quote it. Dominion's zone inside PJM cleared far above the RTO floor in the 2025/26 auction. A Congressional Research Service primer in 2026 reached the same structural point this paper does: historical national studies showed limited residential-price effects, and PJM is the market where spare capacity ran out.

One number needs to be retired as a residential-bill statistic. In June 2026, Sen. Elizabeth Warren said residents near large data centers had seen electricity bills rise by as much as 267 percent over five years. PolitiFact rated the claim Mostly False. The 267 percent figure came from Bloomberg analysis of wholesale prices near data-center clusters, not monthly residential bills. Wholesale supply is typically 30 to 50 percent of a residential bill. The underlying concern — costs are rising near some clusters — is real. That specific number is not what households pay.

Where this matters

The honest answer is “it depends on your grid,” not a uniform yes or no. National averages support the case that data centers, on average, have not been the driver of broad historical residential increases. Local reality in high-growth, capacity-constrained markets can look very different. York sits on the Carolinas system — Duke, York Electric Cooperative, Central — not inside PJM. Use PJM as the warning about what a tight market does. Use the next York Electric and Duke rate cases as the measurement, not a borrowed percentage from Ashburn or a wholesale index from Bloomberg.

5. The Other Side of the Ledger: Nation-State AI Model Risk

Confidence tier: Confirmed for the NIST/CAISI core findings. Verified with caveats on the scope of downstream risk and on open-weight distillation.

If the concern is which nation's technology and influence shape American life, the argument does not stop at who builds the building. It extends to which models run inside it, and under whose law the prompts sit.

On September 30, 2025, the Center for AI Standards and Innovation (CAISI) at NIST, working from the Commerce Department, published a technical evaluation of three DeepSeek models (R1, R1-0528, and V3.1) against four U.S. reference models (OpenAI GPT-5, GPT-5-mini, gpt-oss, and Anthropic Opus 4) on 19 benchmarks. U.S. models outperformed on most tests. DeepSeek's most secure model complied with 94 percent of overtly malicious jailbreak requests versus 8 percent for U.S. reference models. Agents based on that DeepSeek model were, on average, 12 times more likely than the U.S. frontier models tested to follow malicious instructions designed to hijack them — sending phishing mail, fetching malware, and exfiltrating credentials in a simulated environment. On a set of politically sensitive questions, DeepSeek models echoed inaccurate or misleading Chinese Communist Party narratives about four times as often as U.S. reference models. In Chinese-language testing, DeepSeek R1-0528's alignment with those narratives was on the order of one response in four. A December 2025 CAISI follow-on extended narrative scoring to other PRC models, including Alibaba's Qwen family and Moonshot's Kimi, and found the pattern is not unique to DeepSeek.

Independent and allied-government reporting has documented the same refusal-and-rewrite behavior in the wild: deflection on Tiananmen, Taiwan, and Xinjiang, including mid-response alteration once a sensitive topic is detected. Estonia's Foreign Intelligence Service, in its 2026 International Security Report, found DeepSeek concealing information and inserting Chinese state framing when asked about Estonia's own security — one of several European assessments reaching similar conclusions.

There is a data-governance dimension. Under Chinese intelligence law, authorities can compel access to data held by China-based commercial entities. Prompts and outputs sent to a China-hosted model API, including business data, sit in a different legal jurisdiction than a U.S.-hosted commercial model or a self-hosted open-weight model run on infrastructure you control.

Congress has treated this as more than a culture-war footnote. In April 2026 the House Homeland Security Committee and the House Select Committee on China opened a joint investigation into whether PRC-based firms — including DeepSeek, Alibaba, Moonshot, and MiniMax — used unauthorized distillation to pull capability out of U.S. frontier models. That followed an April 2026 White House Office of Science and Technology Policy warning about industrial-scale distillation through proxy accounts. The FY2026 National Defense Authorization Act requires the Department of Defense to keep DeepSeek and its parent, High-Flyer, off DoD systems.

Nuance belongs here too. Research shared with Semafor in July 2026 found that censorship does not always survive distillation into derivative models; in at least one tested case, a model derived from a Chinese open-weight parent answered more accurately about Uyghur detention facilities than the parent did. That complicates, without eliminating, the claim that every Chinese open-weight download is a pipeline for state narratives. It does not touch the API-jurisdiction problem.

Adoption is not theoretical. After DeepSeek R1's release, downloads of DeepSeek models on sharing platforms rose nearly 1,000 percent from January 2025, per CAISI. Industry snapshots in mid-2026 put Chinese models at a large share of tokens on multi-model routing platforms such as OpenRouter and counted Alibaba's Qwen family past a billion downloads. Those figures move. Treat them as point-in-time evidence that PRC models are already in daily global use, including by U.S. developers who will never read a NIST PDF.

Where this matters

A county arguing about a data-center site is not arguing about the whole sovereignty problem. Which model a York County business points its data at — a U.S. commercial API, a China-hosted API, or a self-hosted open-weight model — is a decision that can be made this quarter. That is the operational half of this paper.

6. Policy Responses and the Compliance-Asymmetry Problem

Confidence tier: Confirmed for bill contents as announced. Contested/Evolving for outcomes — none of the legislation below has been enacted.

Two proposals define the restrictive pole of the current federal fight. Describe them accurately.

In March 2026, Sen. Bernie Sanders and Rep. Alexandria Ocasio-Cortez introduced companion legislation — reported as the AI Data Center Moratorium Act / AI Infrastructure Responsibility Act — that would halt construction of new data centers with peak loads above 20 megawatts until Congress enacts comprehensive AI regulation. The package also calls for federal review of models before release, job-displacement protections, environmental limits on data infrastructure, union labor requirements for construction, and restrictions on exporting advanced chips to countries without comparable rules.

On September 3, 2026, Sanders and Rep. Greg Casar announced the Ban Artificial Superintelligence Act. As of that announcement it had not been formally introduced as statutory text. The sponsors' summary would permanently prohibit developing or deploying systems that match or exceed human cognitive performance across a broad range of domains, or that could plan to disempower or overthrow a government; pause advanced AI development until a new cabinet-level regulator writes safety standards; and attach penalties up to 20 years' imprisonment for individuals and forced dissolution for companies, which the sponsors analogize to U.S. nuclear-weapons law. The bill also directs the United States to pursue international agreements and export controls aimed at a global prohibition, not a U.S.-only one.

Intent and mechanism are different questions. This is not a proposal whose stated goal is to cede ground to China. The problem is enforceability. The only version Washington can enforce is the domestic one. China has given no public indication it would accept a comparable freeze. Critics from inside the AI-safety community, including Gary Marcus writing the day of the announcement, have argued that a pause and a federal agency are debatable, but a permanent unilateral ban on a loosely defined class of systems is how the United States leaves the field. A broad definition also risks capturing systems far short of “superintelligence.”

That is the structural risk, independent of any legislator's motive: if the United States pauses unilaterally and a strategic rival does not, the gap the policy is meant to close does not close. The U.S. side of the gap moves. The influence operations in Section 2 and the model behavior in Section 5 are relevant here only as evidence that the rival is not currently negotiating this issue in good faith — not as a reason to skip domestic governance altogether.

The other pole is funded too. An industry-aligned super PAC backed by Andreessen Horowitz and other investors has committed more than \$100 million to oppose AI-safety legislation and the lawmakers who sponsor it. A Trump administration proposal to preempt state AI rules drew a Democratic counter in the Senate. This is a

contested American argument with money and sincere disagreement on both sides. Reducing it to “foreign influence versus common sense” flattens a debate that would exist if Track A and Track B had never been documented.

Where this matters

Judge a rule by what it can bind, and whom it cannot. That standard applies to industry claims that large loads are always a net rate cut, and to legislative claims that a domestic pause by itself makes AI safer.

7. What This Means for Decision-Makers

Bottom line: three actions, not one grand conclusion.

1. Separate the tiers before reacting

Confirmed fact, informed inference, and a sensationalized number are three different things. This document tried to model that discipline. Apply it to the next post that hits a county Facebook group. Wholesale is not a residential bill. A Senate referral is not a conviction. A moratorium is not proof of a foreign hand.

2. Don't dismiss real local concern as manufactured, and don't accept manufactured urgency as consensus

Both failure modes are live. York County has a vested \$8 billion campus, a neighbor fight about livability and process, and a nine-month pause to write rules for whatever comes next. That is ordinary American local government under stress. It is also the exact kind of stress Track A tried to amplify, and Track B is accused of organizing elsewhere. Reacting to either track as if it were the whole story misreads the moment.

3. Weigh policy by mechanism, not framing

A regulation's stated intent matters less than what it can enforce, and against whom. The same test applies to a utility slide that says a data center will lower rates. Ask what the rule or the contract binds.

Practical implications for Carolinas business leaders

- **Vendor and model selection now carries jurisdictional weight.** Whether a tool routes data through a China-hosted API, a U.S. commercial vendor, or a self-hosted open-weight model is no longer a purely technical choice. Ask where inference runs, where logs live, and what law can reach them — before the first production workload, not after.
- **The regulatory environment is unsettled at every level.** Federal bills cited here are unenacted. South Carolina still largely defers data-center siting to counties. York's moratorium expires. Plan the tools and contracts you sign now to survive a rule change rather than betting on permanence in either direction.
- **Local infrastructure and energy debates will touch business costs whether or not your firm ever bids on a data-center site.** Watch Duke, York Electric Cooperative, and Central filings — not a national headline and not a wholesale index from another RTO. Large-load rate design is the live issue in this

state. The co-ops have already said they will not quietly socialize hyperscaler costs. That is the right question. It still must be proven in the next cases.

- **Do not outsource judgment to either side's content mill.** If a number cannot survive a primary source and a confidence label, it does not belong in a council speech or a board deck.

8. Sources

Primary sources are listed first in each cluster. Advocate and secondary sources are marked.

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