

US Needs More Power for AI—but Critical Equipment Is Pricey and Scarce

Media Mentions

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Supply chain bottlenecks are causing headaches for energy developers that are racing to take advantage of the mania over generative artificial intelligence (AI) that has driven US power demand forecasts higher for the first time in two decades. Utilities say the AI revolution has the potential to be as transformative for their businesses as the advent of air conditioning.

President Trump's trade war has put a wrinkle in some of the projects intended to meet the country's growing appetite for electricity. Although President Trump has paused some of his threatened tariffs until July, steel and aluminum levies remain in place.

The steel and aluminum tariffs are affecting energy projects of all kinds, from renewable energy to fossil fuels, because they require components like electric motors, compressors, wires or pipe, Bracewell's **Josh Zive** told the *Wall Street Journal*.

"Unfortunately many of those items have to be imported from other countries because they are specialized," Zive said. "The US steelmakers don't make some of these products."

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Joshua C. Zive
Senior Principal
WASHINGTON, DC
+1.202.828.5838
joshua.zive@bracewell.com

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