

UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION

Morgantown Power LLC

Docket No. EC26-58

**Public Citizen, NAACP and the Port Tobacco River Conservancy's  
Joint Motion to Dismiss Application for Material Omission of Affiliation**

TeraWulf's February 2, 2026 joint application conceals from this Commission that Google LLC ("Google") owns a 14% equity stake in TeraWulf, a material share. Per 18 CFR § 35.36(a)(9)(i), Google's status as a partial owner and affiliate of TeraWulf is a material omission necessitating that the Commission reject the application. FERC has granted Google market based rate authority to operate, meaning that this omission impacts FERC's governance.

Beginning in August 2025, Google—a subsidiary of Alphabet Inc.,—entered into a series of financial arrangements involving TeraWulf's Lake Mariner bitcoin/data center facility in Rensselaer County, New York, and its planned data center project in Abernathy, Texas. Both projects involve a three-party framework in which Fluidstack, a private AI cloud company, serves as the primary tenant of TeraWulf's Lake Mariner and Abernathy projects while Google backstops Fluidstack's lease obligations and certain loan commitments.<sup>1</sup> In exchange for taking on those obligations, Google obtained warrants controlling 73.5 million TeraWulf voting shares—equal to 14% of TeraWulf's equity. Google received those shares at a strike price of one cent per share.

The purpose of this complex financial arraignment is to keep liabilities and Google's potential regulations of its data center operations off its books. Google obtains strategic control over AI infrastructure capacity without directly owning real estate, building data centers, or appearing as a regulated utility—while TeraWulf carries construction and operational risk. Google backs Fluidstack's lease obligations, but does not have to recognize them as a liability on its books—while Google obtains nearly zero-cost control over 14% of TeraWulf's equity.

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<sup>1</sup> Robb M. Stewart, Google Lifting Stake in TeraWulf With Additional \$1.4 Billion Backstop, *The Wall Street Journal*, August 18, 2025, [www.wsj.com/tech/google-lifting-stake-in-terawulf-with-additional-1-4-billion-backstop-60901aad](http://www.wsj.com/tech/google-lifting-stake-in-terawulf-with-additional-1-4-billion-backstop-60901aad) (last checked March 31, 2026).

Google's equity stake and backstop commitments are secured, in part, by infrastructure on land leased from the CEO of TeraWulf's personal holding company. TeraWulf's Lake Mariner project is on land owned by Somerset Operating Company LLC and its parent company Riesling Power LLC, both of which are controlled by TeraWulf's CEO, Paul Prager. In October 2024, TeraWulf signed a 35-year lease with Prager-controlled Riesling for the land on which the Lake Mariner project is located, paying Prager 20 million TeraWulf shares, plus \$12 million in cash. In addition, TeraWulf is obligated to pay Prager's company \$23,449.85 a month for 35 years (\$9,848,937).<sup>2</sup>

Google has market-based rate authority and controls generation assets in PJM through long-term power purchase agreements.<sup>3</sup>

Pursuant to 18 CFR § 35.36(a)(9)(i), the joint applicants' concealment of TeraWulf's affiliation with Google is a material omission that must result in the Commission rejecting the application.

Respectfully submitted,

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<sup>2</sup> [www.sec.gov/Archives/edgar/data/1083301/000108330124000136/wulf-20241009.htm](https://www.sec.gov/Archives/edgar/data/1083301/000108330124000136/wulf-20241009.htm)

<sup>3</sup> <https://mbrweb.ferc.gov/SearchReport/AssetAppendix>