DATA CENTER EFFICIENCY WORKING GROUP

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JOIN. MOBILIZE. LEAD.

Artificial intelligence is transforming every sector of the economy and reshaping how the nation uses electricity. Data centers powering AI models are among the fastest-growing energy users in the United States; by 2030 they could consume as much as nine percent of total U.S. electricity. This rapid growth is already driving urgent state and federal decisions, often within the next 12–18 months, around interconnection, siting, cost allocation, and system planning that will shape grid reliability, customer rates, and community acceptance for decades.

To meet this challenge, the Alliance to Save Energy will convene a Data Center Efficiency Working Group, a national, bipartisan coalition that positions energy efficiency as a core risk-management and system-planning tool for AI-era load growth, not a peripheral add-on. The Initiative will unite utilities, regulators, technology manufacturers, and both hyperscale and non-hyperscale data center developers around a shared framework for managing AI-era load growth through energy efficiency and demand-side management. In practical terms, the Working Group will focus on four core dimensions of "data center efficiency":

(1) Building, cooling, and water efficiency in data-center facilities.
(2) Demand-side management and tariff design with utilities and regulators.
(3) Virtual power plant and grid-service integration.
(4) The use of AI tools to make the grid itself more efficient and better managed.

Together, these dimensions respond directly to the concerns utilities, regulators, and communities are raising today: rate impacts, reliability risks, environmental externalities, and public confidence.

This initiative modernizes ASE's national convening platform, evolving the successful Energy 2030, Energy 2040 and Active Efficiency efforts into a sharper focus on the digital energy transition. ASE brings a fuel-neutral, efficiency-first approach that integrates utilities, regulators, and the data center supply chain in one trusted, bipartisan venue. It keeps efficiency at the center of innovation while addressing one of the most urgent energy-policy challenges of our time and differentiates ASE as the credible, implementation-oriented efficiency voice in a crowded data-center landscape.

SCOPE & TIMELINE

The Data Center Efficiency Working Group will function as a multi-year, member-driven platform producing authoritative research, policy-ready frameworks, and scalable best-practice guidance for managing AI-era load growth through efficiency and demand-side management. The focus is not only convening, but producing tools that members and decision makers can actually use. The initial commitment is envisioned as a three-year effort, with a formal check-in at the end of Year Two to assess whether additional phases are warranted based on policy developments and member priorities.

Year One – 2026: From Learning to Leadership

The Alliance will launch the Data Center Efficiency Working Group and begin foundational analysis to understand the energy, grid, and regulatory and community-facing implications of rapid AI-era load growth. While much of today's discussion focuses on the strain that AI-driven data center loads place on the grid, this initiative intentionally reframes the conversation to examine how AI itself, when paired with energy efficiency and demand-side strategies, can help make the grid more efficient, flexible, and resilient. ASE and the Working

Group will focus on how utilities can leverage AI-enabled operational tools and efficiency-first approaches, including demand response, virtual power plants (VPPs), grid-integrated resources, and intelligent load management, to better absorb rising digital demand while protecting reliability and affordability. ASE and the Working Group will determine a formal position and submit joint comments to FERC on the DOE-directed ANOPR/NOPR on large-load interconnections by April 2026, ensuring that energy efficiency, demand flexibility, cost containment, and state–federal roles are clearly represented in the record.

Under the direction of the founding partners, ASE will publish a resource on how AI and convene national stakeholder roundtables to define policy priorities, research needs, and working team objectives. To demonstrate near-term value, ASE will also deliver low-lift, high-visibility products, such as a Hill/stakeholder briefing, a public statement, and at least one webinar or op-ed, showcasing member perspectives and key findings highlighting how efficiency and AI together can serve as a stabilizing force for the grid even as overall electricity demand accelerates. This phase will establish ASE's leadership in digital infrastructure planning and set a clear agenda for subsequent years.

Year Two – 2027: Building the Framework

Informed directly by Year One findings and member-defined priorities, the Working Group will develop a draft AI-Era Demand-Side Management (DSM) Framework and Policy Playbook to guide utilities, regulators, and technology developers. ASE will identify and engage early-adopter states, expand engagement across sectors (including ISOs/RTOs and key industry coalitions), and launch a regulator education series to support practical application and policy alignment across jurisdictions. Short, accessible outputs—such as one-page policy briefs, case-study spotlights, and session content for ASE's Policy Summit—will ensure members see the Year One research translated into usable guidance that helps manage public concern, system costs, and planning uncertainty. This work is intended to serve as the foundation of Data Center Efficiency priorities for the next decade and to position the Working Group as a go-to resource for state and federal decision makers.

Year Three – 2028: Efficiency in the Age of AI

The Alliance will publish the Strategic Framework for Efficiency in the AI Era, consolidating three years of research and stakeholder insights into a practical national model that integrates building efficiency, DSM, VPP participation, and AI-enabled grid management. The Framework will be released at ASE's 2028 events, with timing adjusted as needed based on FERC and policy developments. Year Three will focus on refining findings, supporting implementation and demonstrating how efficiency-first approaches can reduce conflict, accelerate siting decisions, and improve public confidence around data center development. This phase will position ASE and its members as leaders in embedding energy efficiency at the core of the AI-driven energy transition.

Leadership Structure

The Leadership Circle will be early and ardent supporters of the Data Center Efficiency Working Group, serving as primary advisors from the group's formation through the completion of the initiative. They will work closely with Alliance staff to charter, cultivate, and establish the goals and objectives of the Data Center Efficiency Working group. Leadership members will be called upon to represent the initiative during public speaking and media engagements, and to serve in leadership roles as the initiative's work and activities progress.

The Leadership Circle comprises core supporters of the Data Center Efficiency Working Group and serves as the strategic advisory body guiding the initiative. Members gain direct influence over what questions are asked, which solutions are prioritized, and how guidance is framed before it reaches regulators, utilities, and

lawmakers. This group provides utilities, RTOs, regulators, technology companies (including ICT and MEP equipment), and colocation companies, with a unique, bipartisan table to align on solutions, anticipate regulatory shifts, and shape national guidance before policies and requirements are set.

In addition to providing executive-level insight and strategic guidance, Leadership Circle members or their delegates will be asked to participate in monthly meetings that offer advice and counsel on objectives, including, but not limited to:

- Identify sectors, companies, and individuals to engage in the initiative.
- Advise in the selection and coordination of the project research team.
- Direct the development of briefs, studies, and regulatory comments.
- Shape the initiative's policy priorities, research topics, and annual work plan.
- Identify emerging risks and opportunities in data center planning and grid management.
- Ensure the initiative responds to real-world utility, RTO, regulatory, and technology needs.

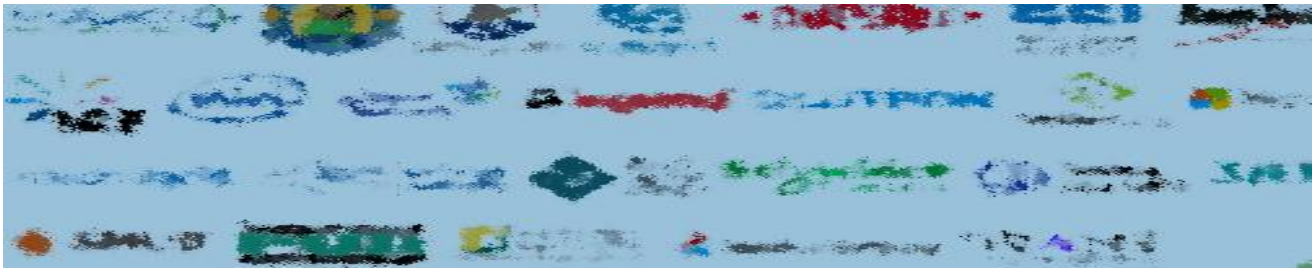
Partners. The Data Center Efficiency Working Group works with non-profit organizations and public agencies that have a mutual commitment to advancing Data Center Efficiency. Partner organizations receive acknowledgement and exclusive engagement opportunities in return for promoting the Collaborative's deliverables.

Members also receive priority visibility in ASE convenings, media opportunities, and technical workshops, positioning them as national leaders in efficient, AI-ready grid planning.

Data Center Efficiency Working Group

For nearly 50 years, ASE has been the nation's bipartisan voice for energy efficiency, delivering measurable policy outcomes. ASE helped extend the 25C, 45L, and 179D efficiency tax credits through the Inflation Reduction Act; secured energy efficiency as an eligible and enabling upgrade under the Greenhouse Gas Reduction Fund's Solar for All program; and worked with DOE to embed efficiency as a foundational pillar of the national zero energy buildings definition. This history gives ASE unique credibility to shape how efficiency is applied to AI-era load growth. The Data Center Efficiency Working Group extends this legacy into a policy vacuum, where load growth is accelerating faster than governance frameworks, by offering a credible, efficiency-first approach grounded in utility operations, regulatory realities, and market implementation.

The Alliance to Save Energy invites utilities, hyperscalers, manufacturers, grid operators and philanthropic partners to join as founding members of the Data Center Efficiency Working Group. Together, we can build the Strategic Framework for managing AI-era energy demand sustainably, affordably, and efficiently, while demonstrating how efficiency can reduce conflict, manage risk, and enable smarter growth in the digital economy. (Join us and See your Logo below)



JOIN US

To learn more about the Active Efficiency Collaborative or how to join, contact sgdowla@ase.org.