

## National Association of State Energy Officials

May 7, 2025

Secretary Chris Wright U.S. Department of Energy 1000 Independence Avenue, SW Washington, DC 20024

Dear Secretary Wright,

On behalf of the National Association of State Energy Officials (NASEO), I thank you for the opportunity to respond to the U.S. Department of Energy's (DOE) Request for Information on Artificial Intelligence Infrastructure on DOE Lands. NASEO represents the 56 governor-designated State Energy Directors and their offices from every state and territory, and our members are committed to ensuring that every American consumer and business has access to reliable and affordable energy.

The State Energy Offices work on a wide range of energy policy, planning, and development actions for their governors, such as:

- Supporting the development of energy resources fuels and grid and innovative technologies to lower energy costs;
- Streamlining grid planning to more rapidly and cost effectively add power to the grid and expand or upgrade transmission where necessary;
- Preparing for and responding to energy emergencies resulting from natural disasters, cybersecurity incidents, and physical threats to the energy system;
- Exploring options to produce and process more critical minerals and related materials in the United States;
- Bolstering U.S. manufacturing of critical energy supply chain products such as transformers;
- Supporting manufacturers' and businesses' energy needs; and
- Delivering cost-effective energy efficiency options to help lower energy costs.

State Energy Offices working on behalf of their governors and in coordination with state economic development agencies are key partners for permitting and building energy-related artificial intelligence (AI) infrastructure. State Energy Offices can deliver on-the-ground expertise with unique state and local energy market and regulatory knowledge to address complex energy challenges and opportunities. State Energy Directors in most states advance all energy sources and their generally non-regulatory responsibilities uniquely position them to forge public-private partnerships with the federal government, private companies, utilities, local governments, tribal nations, and other stakeholders to build energy-related AI infrastructure. A critical link between the State Energy Offices and DOE that helps support priority collaborative

1300 North 17<sup>th</sup> Street Suite 1275 Arlington, Virginia 22209 Telephone: 703.299.8800 www.naseo.org

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General Counsel JEFFREY C. GENZER activities is the U.S. State Energy Program which is administered by DOE and implemented by the states with direction from their governors.

State Energy Offices are at the forefront of deploying next-generation energy solutions for AI data centers that can improve system operations and reliability. For example, to support these objectives, NASEO and a geographically diverse group of 11 State Energy Offices launched the Advanced Nuclear First Mover Initiative in February 2025. This effort has the commitment of each governor and State Energy Office from Indiana, Kentucky, Louisiana, Maryland, New York, Pennsylvania, Tennessee, Utah, Virginia, West Virginia, and Wyoming. These states are taking coordinated, strategic actions to reduce financial and technology risks, streamline permitting, define supply chain needs, and develop state-federal-private financing structures. Under the initiative states are seeking to deliver advanced nuclear power that is firm, clean and affordable more rapidly than previously thought possible.

The 11 Governors from the states in the NASEO First Movers Initiative have voiced their strong support for and cited the importance of advanced nuclear technologies in meeting rising energy demand while spurring economic development. Ultimately, this Initiative strives to reduce the cost of delivering advanced nuclear technologies while strengthening reliability and maintaining affordability for households and businesses alike. Advanced nuclear is a potential option at some of the DOE sites referenced in the RFI, and a number of states in the Initiative are home to the National Laboratories at the potential DOE sites.

States across the country, especially in the west, are also accelerating their work to promote the development of geothermal power. The western governors on a bipartisan basis, working through their State Energy Offices are pushing to identify sites and reduce permitting delays. DOE has identified geothermal power potential in several southern states as well. Interconnection of these sites is critical and the regional transmission facilities can play a significant role in accelerating the development of this resource. The State Energy Offices in the region are working together to coordinate with private developers and utilities to bring these resources to the grid in support of growing energy demand from datacenters and other energy-intensive industries that are essential to growing America's economy.

The State Energy Offices are supporting a number of strategic actions including streamlined permitting, planning, site banking, coordination with the DOE Office of Electricity, work with the North American Electric Reliability Corporation (NERC), interaction with the Federal Energy Regulatory Commission (FERC), coordination with state utility commissions, electric utilities, economic development agencies, developers, residential and commercial energy users, and others to support a more robust and affordable transmission and distribution system, which will be critical for the support of AI infrastructure.

Many State Energy Offices have a close relationship with the National Laboratories located in their respective states and welcome bringing their expertise outlined here to support locating AI infrastructure at the DOE sites identified in the RFI. In particular, State Energy Offices are uniquely positioned to assist with identifying and quantifying public benefits from locating AI infrastructure at the National Laboratories.

NASEO recommends DOE and State Energy Office coordination on building out AI energy-related infrastructure and power support. Potential approaches to expedite construction and facilitate this work include, for example:

- Establish a DOE-State Energy Office working group comprised of relevant states that have their governors' support in exploring expediting permitting, multi-agency and utility coordination, and how to support the implementation of the *Executive Order on Updating Permitting Technology for the 21st Century*;
- Host DOE-State Energy Office stakeholder meetings in relevant states to leverage community support and workforce development; and
- Encourage relevant State Energy Offices to work with DOE and federal site authorities to examine energy backup fuel and power options to ensure ultra-high reliability to meet AI datacenter needs. For example, NASEO is aware that some datacenter backup power plans are vulnerable to local fuel distribution constraints. Additionally, emphasize the need to assess and plan for the long-term impacts of increased power demand on utility rates and affordability for local consumers.

Thank you for the opportunity to offer our input regarding this important DOE RFI and potential actions to advance the nation's critical AI datacenter build out and operation.

Best regards,

David Terry President, NASEO