Principles Supporting Electricity Demand and Economic Growth
of the
U.S. Chamber of Commerce

***Five Headline Principles*:**

1. An Integrated, National Energy Policy is Critical to Economic Growth
2. Collaboration and Coordination is Key
3. Market-Based Mechanisms and Private Sector Investment Drive Efficient Solutions
4. Federal Policy Should Ensure Affordable, Reliable Energy to Homes, Businesses, and Industries Across the U.S.
5. Research and Innovation Can Reveal New Solutions

***Key Messages*:**

- **Address Load Growth with All Available Resources:** All available energy sources should be deployed to ensure grid reliability in meeting projected demand growth.

- **Collaboration and Coordination are Key to Managed Growth:** Sources of new and growing demand, generation assets, and utilities, as well as government and regulatory stakeholders, must coordinate and collaborate closely to ensure a managed build-out.

- **Government Market Signals Enable Private Sector Action:** The government should continue driving supportive market signals – via permitting reform, technology neutral tax credits, and directional support, etc. – to encourage private capital deployment in data centers, infrastructure, and power generation assets.

- **Innovation Delivers Progress:** Technology advances at a rapid pace and innovations in chip design, data center cooling, generation, and infrastructure will drive key efficiency gains.

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Principles Supporting Electricity Demand and Economic Growth

An Integrated, National Energy Policy is Critical to Economic Growth:

1. Reliable, safe, and cost-effective electricity supply drives the American economy and enhances U.S. global competitiveness. Meeting electricity demand growth is foundational to continued economic expansion.
2. All available energy sources, including natural gas, nuclear, renewables, and geothermal, should be deployed.
3. Grid reliability and resilience combined with affordability of electricity provides a strong competitive advantage for commercial and industrial development.
4. Well managed integration of new load growth and generation resources can accelerate the pace of energy technology development and deployment.

Collaboration and Coordination is Key:

5. Effective collaboration among relevant stakeholders across federal, state, and local jurisdictions is essential to meeting rapid demand growth while maintaining reliable, safe, and affordable energy access.
6. Close collaboration between sources of new and growing demand and electric utilities can facilitate alignment on power demand needs and timing, infrastructure development plans, and the value of potential flexibilities available on both the supply and load sides of the equation.
7. A balanced and transparent approach among stakeholders can enable the reliable and affordable delivery of electricity, protect the financial stability of utilities, and ensure affordability for all customers.
8. Enhanced coordination throughout the supply chain, combined with support at the federal and state levels (including for critical supply chain items), can enable more effective utilization and increased domestic and allied nation production of critical grid equipment.

Market-Based Mechanisms and Private Sector Investment Drive Efficient Solutions:

9. Maximizing free enterprise solutions drives efficient resource consumption and provides important opportunities to support economic growth. While data centers are exploring the adoption of advanced cooling techniques such as liquid cooling, utilizing more efficient hardware, and optimizing server utilization, various manufacturing innovations and demand response opportunities are supporting efficiency and energy management gains across multiple economic sectors.
10. Continued investment in diverse electricity resources can support load growth due to data center expansion, re-shoring of manufacturing, and electrification across industries. Market-ready solutions including solar, wind, nuclear, hydroelectric,

cogeneration, Carbon Capture Utilization and Storage (CCUS), and other zero-carbon energy resources combined with load-following resources, such as natural gas, can meet the realities of 24/7 demand.

11. Grid-enhancing technologies (GETs), demand side solutions, and standardized/interoperable grid edge technologies should be leveraged when appropriate/applicable to expand the efficiency and safe utilization of existing grid infrastructure. In addition to the deployment of GETs to unlock enhanced transmission capacity, existing and new electric generation resources and transmission lines must also be available or developed to meet growing demand.

Federal Policy Should Ensure Affordable, Reliable Energy to Homes, Businesses, and Industries Across the U.S.:

12. Federal regulations should take a holistic approach, recognizing that the fast pace of growth in electricity demand will require both preserving needed existing generation while adding new sources and additional grid capacity.
13. Comprehensive permitting reform is critical to enabling the buildout of the generation necessary to power new sources of demand and the associated linear infrastructure in the near term, as well as to deploy advanced technologies like new nuclear, carbon capture, geothermal, and hydrogen.
14. Incentives should be considered to facilitate the adoption of energy-efficiency practices. Tools such as grants, rebates, and tax incentives can be leveraged to encourage businesses to allocate capital more quickly in new sustainable technologies for companies to deploy at scale.
15. Technology-neutral tax incentives for clean energy technologies should be retained, consistent with reliability and energy affordability objectives, and provided that such credits are effective in enabling greater private sector investment in cleaner energy solutions and the expansion of grid resources.
16. Congress should require the North American Electric Reliability Corporation/Energy Information Administration to review regulatory actions with a likely impact on the reliability and affordability of electricity and require OMB to issue guidance to agencies requiring the inclusion of such analysis in agency Regulatory Impact Analyses.

Research and Innovation Can Reveal New Solutions:

17. Public and private research and development investments can be leveraged to advance energy-efficient technologies. Advancements in novel thermal management systems, low-power hardware, and optimization driven by artificial intelligence can each contribute to managing the energy demands of new and growing loads, such as data centers and other sectors pursing enhanced electrification.
18. Continued innovation in power transmission, distribution, and operations should be pursued. Microgrids, long-duration energy storage, and various GETs can offer

significant benefits to the grid such as flexibility and resilience, while offsetting, even temporarily, larger grid investments.

19. Provide support for the development and deployment of nuclear energy, long-duration energy storage, hydrogen, CCUS, and other emerging technologies that hold the promise to provide the 24/7 electricity that tomorrow's electric grid and expanding economy demand.
20. Enhanced standardization of transformer design across new and upgraded portions of the electric grid should be explored, consistent with safety and operational necessities and at the appropriate voltage level and/or functional specification. Support increased domestic manufacturing capacity for transformers and bolster domestic strategic transformer reserve(s).