

AI & NATURAL GAS

Artificial Intelligence (AI) is not just a technology. AI is shaping society and changing what it means to be human. This monumental societal change requires energy.

ARTIFICIAL INTELLIGENCE (AI)

- Artificial Intelligence (AI) requires computer capacity and sophistication that could strain the nation's current electricity capabilities.
- 4% of today's electrical demand is for data centers.
- The DOE expects that demand to rise to more than 7% by 2027, with much of that increased demand coming from AI.
- Data centers that are necessary for AI have the potential to double their energy usage by 2026.
- AI data centers are expected to consume almost one-tenth of total U.S. power demand by 2025.
- The energy requirements to operate such networks and data centers are enormous due to the amount of server capacity needed.
- Data centers will require multiple energy sources to be reliably and continuously powered.
- U.S. power and technology companies have expressed concerns that the country's electrical systems are not expanding fast enough to meet the rapidly growing power needs of technology such as Generative AI.



NATURAL GAS' ROLE IN MEETING DEMAND

- Natural gas will play a critical role in supporting the need for reliable energy to meet increased demand.
- Renewable energy, which requires battery storage for reliability, will not be sufficient to facilitate the rapid growth of electricity-starved data centers.
- A spike in power usage from AI data centers could significantly boost natural gas demand in the second half of the decade by as much as 8%.
- Natural gas generation, which is affordable, immediately deployable, and extremely reliable, is key to meeting the demands of the current and future AI rollout.
- Natural gas generation helps to keep greenhouse gas emissions low and provides New Mexico with an economic diversification opportunity as the nation's 9th largest natural gas producer.

WHAT IS NATURAL GAS?

- Natural gas is the earth's cleanest burning hydrocarbon.
- Natural gas forms organically over millions of years from decomposing plant and animal matter that is buried in sedimentary rock layers.