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Chevron is expanding into the power-for-AI business. The company's first project in this space will deliver on-site electricity to support a Microsoft data centre

Chevron is advancing efforts to address the growing energy demands of artificial intelligence (AI) by developing dedicated power solutions for data centres, as the rapid adoption of AI technologies continues to increase electricity consumption across the digital infrastructure sector.

The expansion of AI applications—including medical imaging analysis, drug discovery, and advanced language processing—has significantly increased the need for reliable, always-on computing power. As a result, data centre operators are seeking new sources of dependable energy to support their operations.

To help meet this demand, Chevron is developing its first large-scale power generation facility designed specifically to supply electricity to a data centre. The project is being undertaken in partnership with Engine No. 1 and will be co-located with a Microsoft data centre. The facility is expected to utilise US-sourced natural gas to provide dedicated power generation aligned with the long-term needs of the customer.

According to Chevron, the initiative reflects broader changes in the energy landscape as AI-driven data centres require greater levels of power capacity and reliability. Company executives noted that AI is not merely increasing electricity demand incrementally but is reshaping the scale and pace at which energy infrastructure must be deployed.

The project is intended to provide dedicated electricity generation while reducing additional pressure on regional power grids. Chevron stated that the facility will be developed using a phased approach, allowing power generation capacity to expand alongside evolving data centre requirements and grid conditions.

The company believes its experience in supplying energy to large industrial and commercial operations positions it to support the growing needs of AI infrastructure. Chevron has also identified multiple locations where similar projects could be developed, citing access to abundant domestic energy resources and favourable commercial conditions.

Natural gas has been selected as the primary energy source for the project due to its reliability, scalability, and availability within the United States. Unlike some intermittent

energy sources, natural gas generation can be adjusted quickly to respond to fluctuations in demand, making it well suited to the continuous power requirements of data centres.

Chevron said its broader strategy includes evaluating power investments across its operations, including initiatives such as electrifying drilling fleets and supporting energy infrastructure in key production regions. The company aims to develop new energy solutions for data centres while ensuring the continued reliability and availability of electricity across its existing business operations.

The project underscores the growing intersection between the technology and energy sectors as AI adoption accelerates and demand for dedicated power infrastructure continues to rise.

For more information visit www.chevron.com