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August 5, 2026

BEFORE THE ALABAMA PUBLIC SERVICE COMMISSION

GENERIC PROCEEDING TO ESTABLISH A PROCESS FOR CONSIDERATION OF CONTRACTS FOR ELECTRIC SERVICE BETWEEN ALABAMA POWER COMPANY AND LARGE LOAD DATA CENTER CUSTOMERS

DOCKET 33709

INITIAL COMMENTS OF THE SOUTHEAST ENERGY EFFICIENCY ALLIANCE (SEEA)

The Southeast Energy Efficiency Alliance ("SEEA") respectfully submits these initial comments in response to the Commission's Order Establishing a Generic Proceeding, issued July 8, 2026, in the above-captioned docket. SEEA is a regional nonprofit alliance located in Atlanta, GA whose membership includes utilities, manufacturers, implementers and other stakeholders across the region. Founded in 2006 SEEA promotes energy efficiency as a catalyst for economic growth, workforce development, and energy security across 11 southeastern states and U.S. island territories.

I. INTRODUCTION AND SUMMARY OF POSITION

SEEA appreciates the Commission's initiative in opening this proceeding and welcomes the opportunity to comment on the framework governing large load data center contracts. SEEA supports the Commission's effort to develop a review process consistent with Act 610 and offers comments in support.

SEEA sees large load data center contracts as a meaningful opportunity for the region. Large load customers can support additional investment in energy efficiency and demand-side resources (DSR) that keep energy affordable, contribute to power system efficiency and reliability for all customers, and foster community and workforce development partnerships in the areas where data centers are located. SEEA's comments below offer perspective on three of the topics identified in the Commission's Order: Benefits to Other Customers, Power System Efficiency, and Economic Development Considerations.

II. ENERGY EFFICIENCY AND DEMAND-SIDE RESOURCES AS PART OF THE "POSITIVE BENEFITS" ANALYSIS

Ala. Code § 37-4-22.1(c)(1)–(2) directs the Commission to consider whether a contract's pricing and terms could lower costs for other customers and whether the large load customer is expected to increase the efficiency of the utility's power system. SEEA offers the following as areas the Commission may find useful to explore as part of contract review, and welcomes the opportunity to discuss these further with the Commission, Alabama Power, and other stakeholders in this proceeding:

- **Innovation and grid modernization:** The Commission and Alabama Power may wish to consider inviting proposals in which large load customers help fund or pilot innovative solutions, such as advanced metering, storage, or non-wires alternatives, that could benefit the broader system, not only the customer's own service.
- **Energy efficiency measures:** Contracts could describe what efficiency measures the data center customer plans to deploy (e.g., facility design standards, cooling technology, power usage effectiveness targets) and how those measures relate to the incremental cost of serving the load.
- **Demand-side resource (DSR) participation:** There is value in exploring whether large load customers can participate in demand response, curtailment, or flexible load programs that could help Alabama Power manage system peaks in ways that benefit all ratepayers. Data centers, given their scale and often-flexible operations, are well positioned to contribute to DSR programs where feasible.
- **Funding for residential programs:** Southeast data center partnerships have already begun to include this kind of direct investment. Google's Energy Impact Fund partnership with Georgia Power includes a dedicated contribution toward residential energy efficiency investments within the utility's service territory, offering a concrete, in-region example of a large load customer's contract translating directly into demand-side benefits for residential customers. This is not an isolated example: Google has since paired similar commitments with data center agreements in:
    - Arkansas ($25 million fund alongside Entergy Arkansas's low-income weatherization programs);
    - Minnesota ($5 million commitment with Minnesota Power), and
    - Michigan ($10 million commitment with DTE Energy that also includes a workforce development component).

SEEA offers these as evidence that pairing a large load contract with direct energy efficiency, DSR programs, or community energy investment is an established and repeatable practice, one the Commission may find useful when describing energy efficiency and DSR program contributions as part of a contract's supporting documentation.

Energy efficiency and DSR programs are among the most direct ways a large load contract can produce measurable, near-term benefits for other customers, and would welcome seeing energy efficiency and demand-side resources reflected in the contracts reviewed under this docket, in the same spirit as the Google and Georgia Power example described above. Energy efficiency and demand-side resources continue to be the fastest and cheapest way to meet growing demand and lower utility bills.

III. ECONOMIC DEVELOPMENT REVIEW AND THE ROLE OF COMMUNITY PARTNERSHIPS AND WORKFORCE DEVELOPMENT

Ala. Code § 37-4-22.1(c)(3) directs the Commission to consider whether a large load data center customer "promotes or contributes to economic growth in the community where the premises… is located." SEEA

offers that "economic growth" could be viewed broadly enough to capture the kinds of community investment that help make data center development a durable benefit to host communities. Considerations that may be relevant include:

- Workforce development: Commitments to local hiring, training partnerships with community colleges or technical schools, and apprenticeship programs tied to data center construction and operations.
- Community partnerships: Investment in local infrastructure including but not limited to pre-weatherization, weatherization, critical homes repairs, education, or community-defined benefits that extend value to the host community.

The demand-side and energy efficiency contributions described in Section II above depend on a skilled workforce, including electricians, HVAC technicians, and energy auditors, to design, install, and maintain them. The Southeast, like much of the country, faces a wave of retirement among experienced trades workers. We hear from our implementation partners that they are already struggling with work force availability in rural areas. In some cases, paying contractors a premium to service these communities. SEEA sees this as an opportunity: large load contracts that pair demand-side and energy efficiency investment with local training and apprenticeship pipelines can help ensure that localized workforce development is happening within host communities. Not only will host communities' benefit from the workforce development and training, but it can also help ensure that communities have adequately sized, skilled workforce to deliver on these commitments over time, while building durable, family-sustaining career pathways in host communities.

Large load partnerships in the Midwest have already begun to build this kind of workforce pipeline directly into their agreements. In Indiana, Amazon's agreement with Northern Indiana Public Service Company includes funded community college curricula, pre-apprenticeship programs, and K-12 STEM outreach tied to the data center's workforce needs. A similar Google-funded partnership with DTE Energy in Michigan pairs residential energy efficiency investment with a dedicated energy workforce development component. These are examples of the kind of workforce partnerships that could complement the demand-side and community investment approaches discussed above.

IV. CONCLUSION

SEEA believes this moment of historic demand and willing partnerships with large load data center contracts as an opportunity to begin recognizing energy efficiency and demand-side resources as critical grid infrastructure, among the cheapest and fastest ways to meet rising demand while supporting affordability, lowering bills, reducing peak demand, and strengthening grid reliability. Paired with workforce development, this approach allows residents to receive the training needed to install the very technologies that lower costs in their own communities, keeping dollars circulating locally and delivering positive benefits within the community.

SEEA appreciates the Commission's attention to these comments and hopes the Commission will find the perspectives offered above on energy efficiency, demand-side resources, and community and workforce development, useful as it considers the final process to be adopted in this docket.

Respectfully submitted,

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