



Valorization of Data Center Heat to Support US Al Dominance

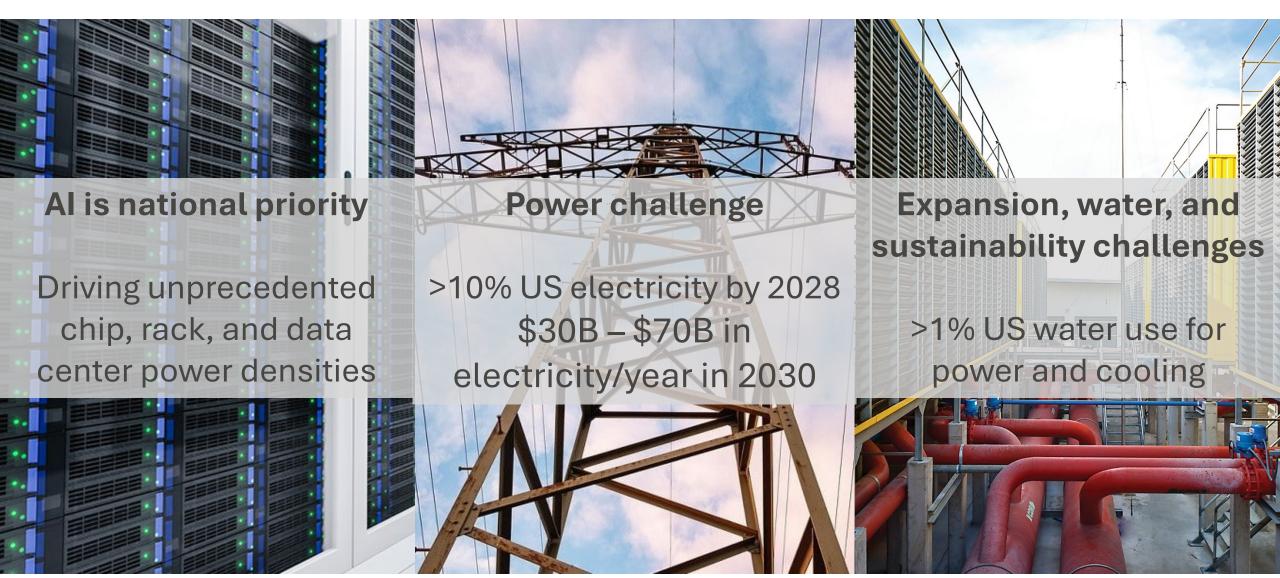
Carlos Diaz-Marin, Jungho Kim Advanced Research Projects Agency - Energy (ARPA-E) June, 2025

Goal: Support US AI Leadership through Data Center Heat Valorization

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Data centers are a current priority and challenge



2025 NREL Partner Forum: Data Centers



Executive Summary

Digital Infrastructure industry top global challenges.

2024

POWER

July 18, 2025

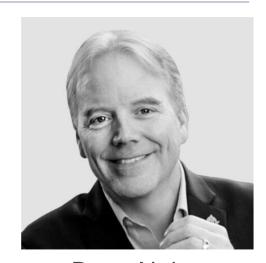
PEOPLE

PERCEPTION

PLANET

KEY TRENDS

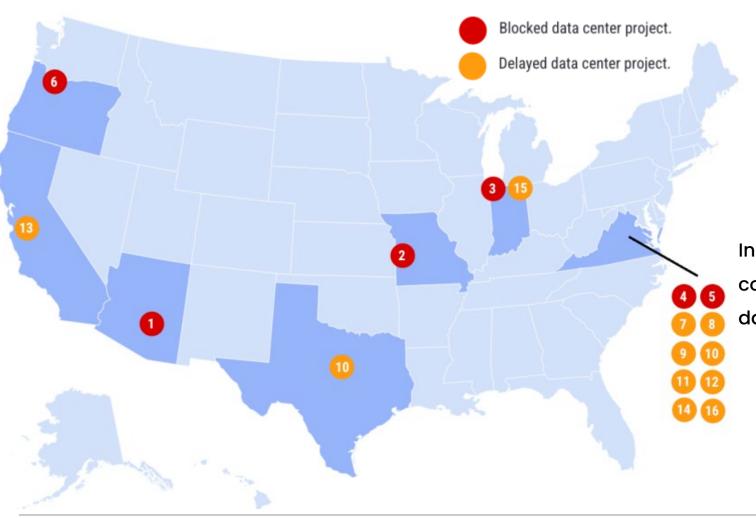
- Move the data center to the power The only way to meet growth.
- Clean Energy Zones Master Planned Developments around clean energy.



Dean Nelson Infrastructure Masons

Data center expansion is challenged by negative perception

>\$64B data center projects blocked or delayed by local opposition in last 2 years

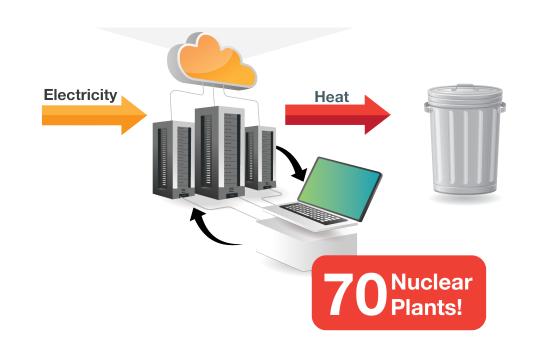


Main reasons: Air quality, water consumption, environmental impact

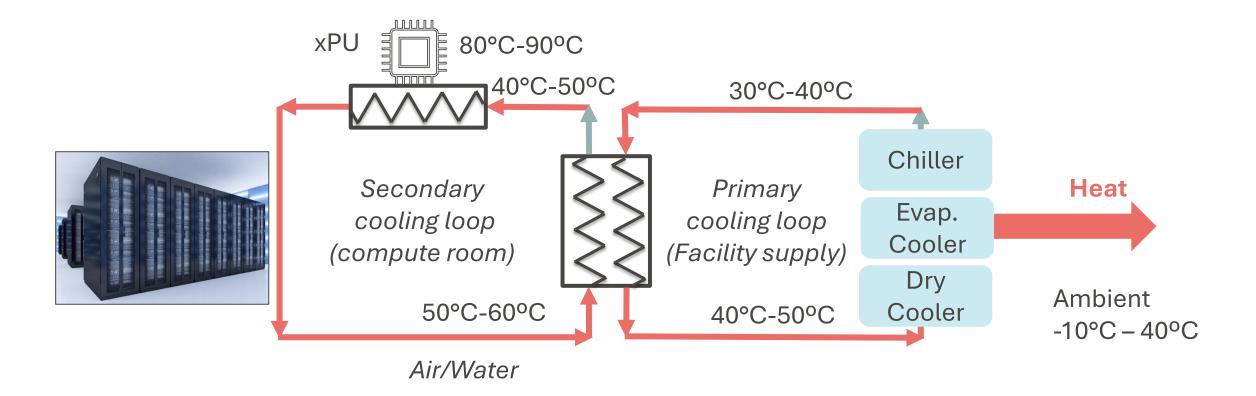
In Warrenton, Virginia, **residents voted out** all town council members who **supported Amazon's** proposed data center in the **November 2024** election.

Data Center Heat Valorization supports Al Infrastructure Deployment

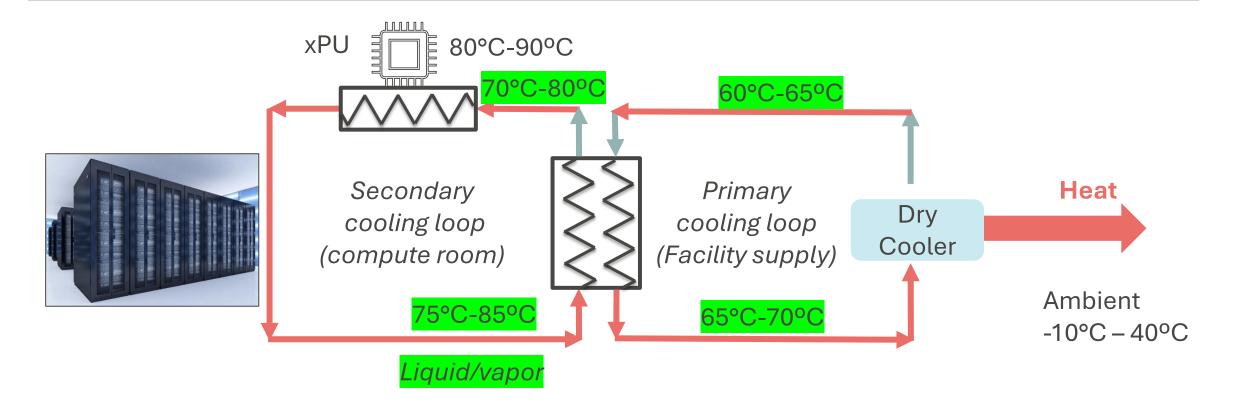
- Can data centers be engineered so they
 CONTRIBUTE to communities thereby minimizing opposition?
- Can data centers be engineered so they SOLVE problems instead of causing problems?
- Can data centers be become carbon negative?
 Water positive? Can we have our cake and eat it too?



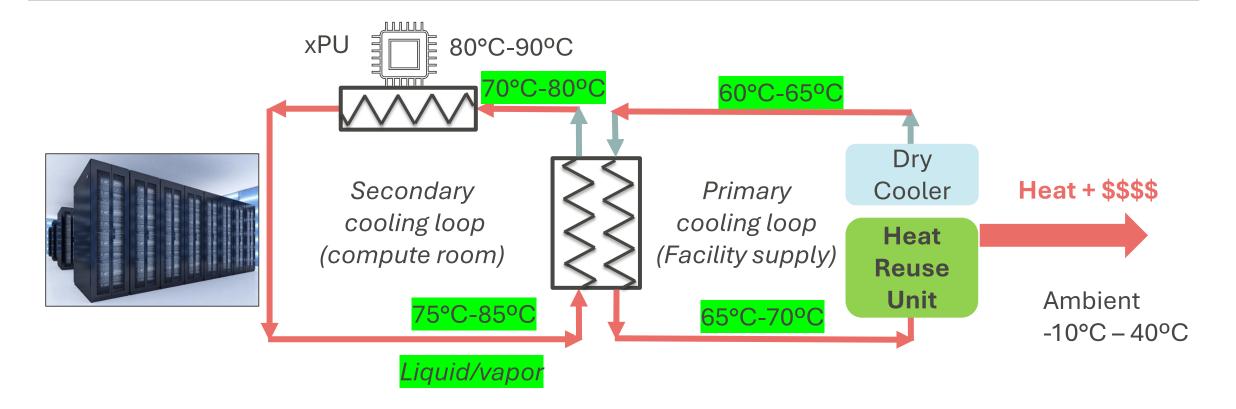
Data Center: Current Methods



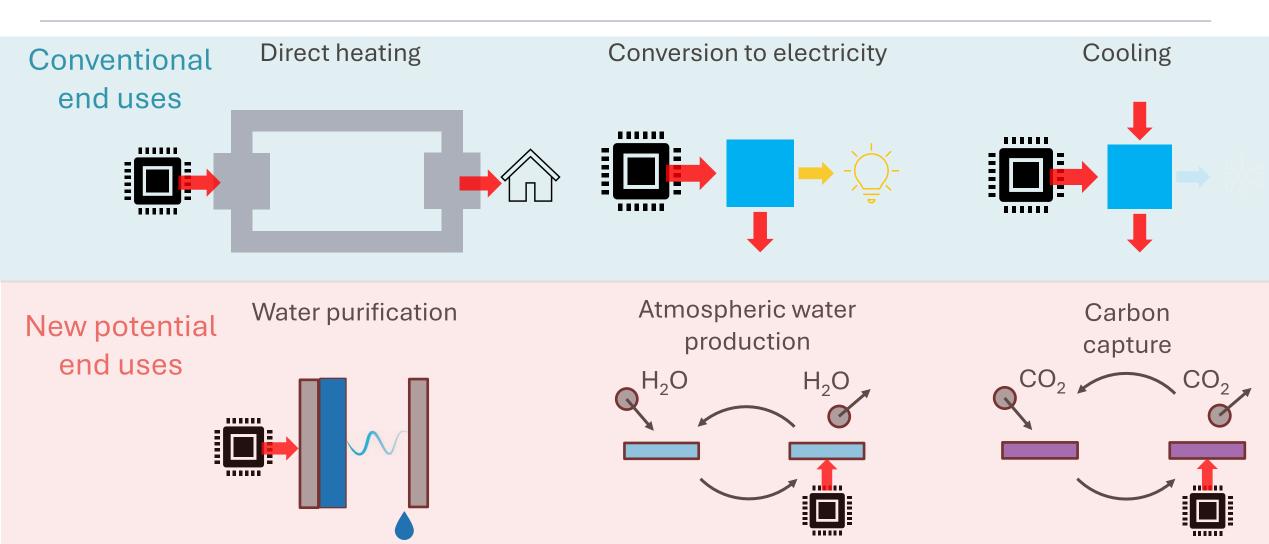
Data center (COOLERCHIPS Goal)



Valorizing data center heat (our goal)



Considered six options for data center heat use



Ideal uses produce a valuable product efficiently

Economic benefit ∼ Efficiency · Product \$\$

Emissions avoided/removed ~ Efficiency · Product emissions

What we want:

- Efficient waste heat use
- 2. High value product
- 3. Replace emissions-intensive product

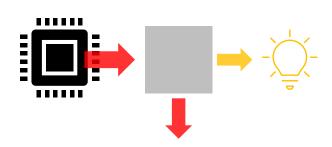
Direct heating



Efficiency \sim 0.75 - 1

Product \$\$ \sim 0.05 $\frac{\$}{\text{kWh}_{\text{th}}}$

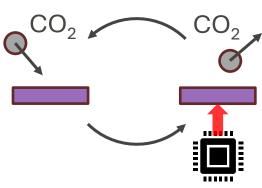
Conversion to electricity



Efficiency \sim 0.02 - 0.11

Product \$\$
$$\sim$$
0.16 $\frac{\$}{\text{kWh}}$

Carbon capture



Efficiency $\sim 0.3^* - 7.3^{**} \frac{\text{kg CO}_2}{\text{kWh}_{\text{th}}}$ Product \$\$\pi 0.1 \frac{\text{kg CO}_2}{\text{kg CO}_2}\$

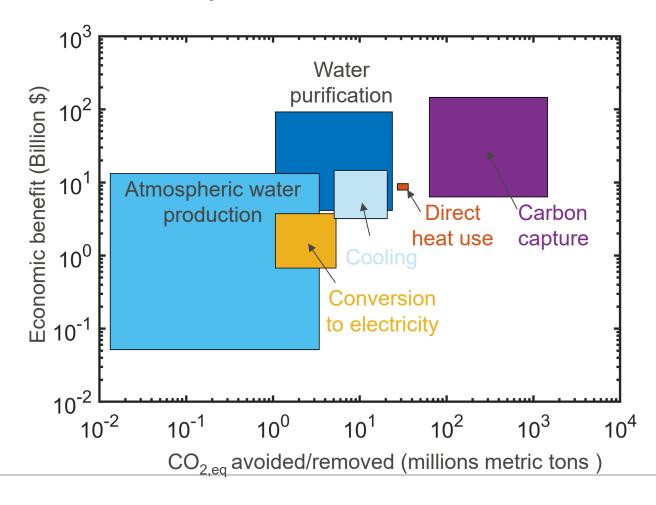
*Climeworks: Deutz et al, Nature Energy, 2021

**Ideal CO₂ separation from air

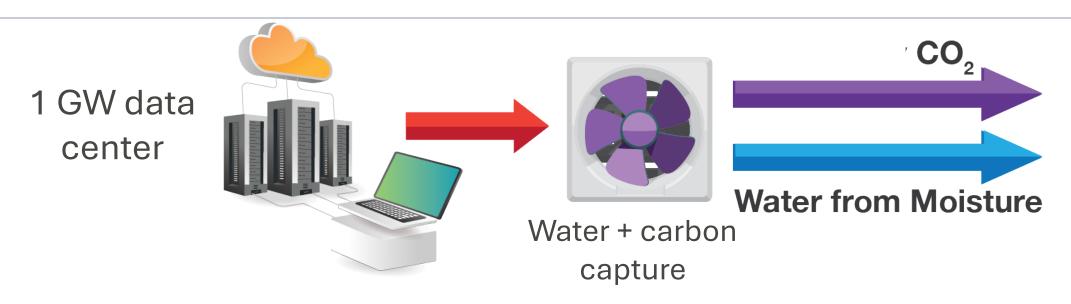
Carbon capture has the most economic and emissions impact

Economic benefit ~ Efficiency · Product \$\$

Emissions avoided/removed ~ Efficiency · Product emissions



Air capture makes Al cheaper and water-positive



Currently

- \$0.5 Billion in electricity

-3500M gal water

Valorizing heat with water and carbon capture

+> \$0.3 Billion selling CO₂

+1500M gal water

\$ >60% "discount"

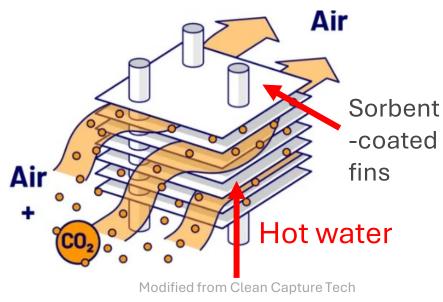
Water-Positive >12k homes/year

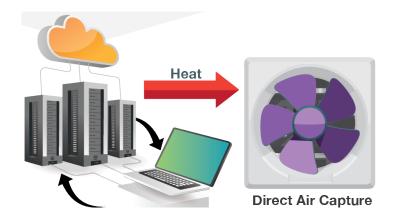
Whitespace | Materials, systems, processes

- 1. High performance sorbents 2. Contactors and desorption at low temperatures
 - methods without steam
- 3. Dynamic operation and design with available energy



Zhou, Nature, 2024





Innovations in one or both needed for low temperature

Innovation needed for low electricity use, low cost