

Big tech sparks a new era for nuclear energy



Nuclear energy is experiencing a resurgence as the power consumption of data centers has massively increased, driven by the massive use of cloud computing to support generative AI services and all other internet-based applications used by billions of users.

Hyperscalers (Microsoft Azure, AWS, Meta, Google Cloud, etc.) require a reliable and sustainable energy source to meet the very rapidly growing and massive energy demand created by these technologies.

An AI request consumes up to ten times more energy than a simple Google search, increasing the need for power resources.

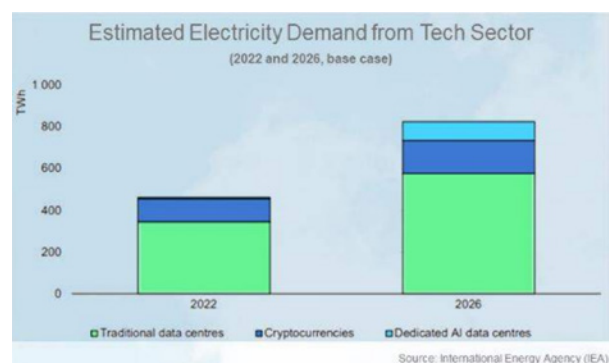
To address this challenge, tech giants have now decided to invest in their own nuclear energy production capabilities.

Following Microsoft's announcement in September that it is financing the restart of the idle Three Mile Island reactor (owned by Constellation Energy), last week, both Amazon and Google have signed agreement to develop their own nuclear power through a new small modular reactors (SMR) technology. Amazon is partnering with X-Energy and Google with Kairos Power.

Small Modular Reactors (SMRs) are considered as the next generation nuclear energy sources due to their scalability, their fast construction (3 to 5 years on-site assembly), and their low cost.

Interestingly, startups like NuScale Power, TerraPower, and Oklo even though not directly involved in these deals, have gained attention for their recent investments in SMR technology. These companies are backed by well-known people in the tech industry: TerraPower (Bill Gates), and Oklo (Sam Altman of OpenAI). NuScale, on the other hand, is backed by the US Department of Energy. Their involvement clearly shows the tech industry's interest in nuclear solutions.

Hyperscalers' interest in nuclear energy has reinforced the perception that nuclear power is a reliable and sustainable source of clean energy for the future.



Source: Cameco Q2 company overview

For further information

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