

June 6, 2025

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

VIA ELECTRONIC FILING

**Re: *En Banc* Hearing Concerning Interconnection and Tariffs for Large Load Customers;
Docket No. M-2025-3054271**

Dear Secretary Homsher:

Please find enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") the Initial Comments of Walmart Inc. in the above-referenced matter.

This document was filed electronically with the Commission on this date. All parties are being served a copy of this document in accordance with the enclosed Certificate of Service.

Please contact the undersigned if you have any questions concerning this filing.

Sincerely,

SPILMAN THOMAS & BATTLE, PLLC

By


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SWL/sds
Enclosures
c: Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

***En Banc* Hearing Concerning** :
Interconnection and Tariffs for Large : **Docket No. M-2025-3054271**
Load Customers :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the following parties to this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by participant).

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Certificate of Service
Docket No. M-2025-3054271

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Certificate of Service
Docket No. M-2025-3054271

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Dated: June 6, 2025

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

***En Banc* Hearing Concerning :
Interconnection and Tariffs for Large : Docket No. M-2025-3054271
Load Customers :**

**INITIAL COMMENTS OF
WALMART INC.**

On March 27, 2025, the Pennsylvania Public Utility Commission's ("PUC" or "Commission") Chairman Stephen M. DeFrank presented a Motion for Commission staff to organize an *en banc* hearing to address issues relating to large load customers and hyperscale data centers. On April 12, 2025, the Commission issued a Notice for the *en banc* hearing to be held April 24, 2025, and set the deadlines for interested parties to file Initial Comments and Reply Comments. At the *en banc* hearing, the Commission heard testimony from Amazon Data Services, Inc. ("ADS"), Data Center Coalition ("DCC"), Duquesne Light Company ("Duquesne"), FirstEnergy Pennsylvania Electric Company ("FE PA"), Google, Inc. ("Google"), the Bureau of Investigation and Enforcement ("I&E"), the Office of Consumer Advocate ("OCA"), PECO Energy Company ("PECO"), PPL Electric Utilities Corporation ("PPL"), and Vantage Data Centers ("Vantage Data Centers").

Walmart, Inc. ("Walmart") is an energy-intensive commercial consumer of electricity taking service from multiple regulated utilities in Pennsylvania. Walmart operates 159 retail units, 11 supply chain facilities, and employs nearly 59,000 associates across Pennsylvania.¹ In fiscal

¹ <https://corporate.walmart.com/about/location-facts/united-states/pennsylvania>

year ending 2025, Walmart purchased \$17.5 billion worth of goods and services from Pennsylvania-based suppliers, supporting over 131,014 supplier jobs.²

Walmart files these Initial Comments to provide its perspective as a large commercial customer that not only has substantial current operations in Pennsylvania but also has plans for significant growth and increased investment in advanced technologies that will contribute to a rising demand for electricity over the next several years. Walmart appreciates the opportunity to provide these Initial Comments to address issues relating to large load customers and hyperscale data centers.

A. Walmart Generally Supports Large Load-Specific Tariffs to Address the Different Characteristics of Traditional Commercial and Industrial Customers and New Large Load Customers.

Due to the load growth being forecasted as a result of surging electricity demand driven in large part by data centers, Walmart supports the creation of separate tariffs to address large load customers. While traditional large commercial and industrial ("C&I") customers have historically driven electricity demand, these C&I customers also brought substantial economic development in the form of jobs, which benefits the economy of the entire Commonwealth of Pennsylvania. Evidence presented across other jurisdictions in which Walmart has participated in proceedings addressing these large load issues has demonstrated that data centers support significantly fewer full-time equivalent ("FTE") jobs for every 1 MW of load in comparison to traditional C&I entities. For example, according to Ohio Power Company, whereas a typical non-data center C&I customer supports approximately 25 direct FTE jobs for every 1 MW of load, a data center typically supports

² *Id.*

fewer than one direct FTE job per 1 MW.³ As such, traditional C&I customers bring more than just new load to the system but also contribute to the development of the local economy, provide jobs, and provide important tax revenue and other benefits.

Additionally, the individual size and energy needs of even a single data center is also unique. For example, individual data center projects could be hundreds or thousands of MWs in size. Even a single data center of substantial size could represent a significant portion of a utility's overall peak demand. Other types of load, even large manufacturing and industry, generally do not have this type of concentrated size risk. Due to this particular inherent risk, it is important that current customers are protected; there must be sufficient guardrails in place that existing customers are reasonably assured that the load projected will not only materialize but take service at the level projected for substantial period of time.

Walmart believes that supporting the ability of traditional C&I customers to locate and grow operations in Pennsylvania is important to the Commonwealth's economic development. As such, separate, large load tariffs would appropriately balance new large load interests and risks against the other interests of current and prospective customers.

B. Separate Large Load Customers Tariffs Should Provide for a Minimum 75 MW Threshold that Protects Existing C&I Customers from Inclusion in the Large Load Tariffs.

Walmart supports a minimum threshold of 75 MW for new large load customers taking service on any large load tariff. By providing such a threshold, existing C&I customers that have larger facilities will not be looped into the large load tariffs unnecessarily. As discussed above, traditional, existing C&I customers do not present the same risks as new large load customers

³ See *In the Matter of the Application of Ohio Power Company for New Tariffs Related to Data Centers and Mobile Data Centers*, Public Utilities Commission of Ohio Case No. 24-0508-EL-ATA, Direct Testimony of Lisa O. Kelso on behalf of Ohio Power Company, p. 9, lines 5-7 (filed May 13, 2024).

planning to bring significant load onto the system. Any large load tariffs should avoid unintentionally including customers like Walmart that may have larger distribution facilities.

Additionally, when evaluating threshold amounts, Walmart believes it is important for the Commission to consider appropriate policies around aggregation. For example, if all of Walmart's facilities in a single utility's service territory were to be aggregated, it is quite possible that Walmart could meet a 75 MW threshold level. Requiring Walmart, or other traditional C&I customers in similar circumstances, to take service on a large load tariff under those circumstances would be unreasonable. Existing C&I customers should be protected from such aggregation if aggregation provisions are contemplated for new large load customers.

C. A Separate Large Load Customer Tariff Ensures that Customers Causing Significant Infrastructure Investments are Responsible for Those Costs.

Walmart is concerned that some of the build-out required to address potential new load requested by data centers may not materialize. Large load customer tariffs that require longer-term contracts with higher minimum demands and enhanced financial guarantees compared to current C&I tariff structures will ensure that these new large load customers that are driving significant investment have a greater stake while also mitigating the risk of costly utility upgrades that may prove unnecessary if a large load customer does not locate in the area or requires less load than initially anticipated. Walmart believes that separate tariffs for large load customers are a reasonable solution for balancing the needs of data centers with those of other customers, ensuring reliable and adequate service for all while ensuring costs are appropriately allocated and recovered.

[SIGNATURE APPEARS ON FOLLOWING PAGE]

Respectfully submitted,

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Dated: June 6, 2025