

To whom it may concern,

M-2025-3054271- jbs 12/18/25

Here are the reasons the model tariff is needed:

## 1. Privatizing Profits, Socializing Costs

Tech companies (like Amazon, Microsoft, and Google) are among the wealthiest entities in human history.

They are building these data centers to generate massive corporate profits from AI. If the infrastructure they need is funded by increasing *your* monthly bill, you are essentially providing an interest-free loan or a subsidy to a trillion-dollar company so they can sell a product back to you.

## 2. The Risk of "Stranded Assets"

Residential consumers live in their homes for decades. Data centers are "mobile" in

terms of corporate strategy.

If a utility spends \$1 billion on a transmission line and the data center closes in 10 years because the "AI bubble" burst or they found cheaper power in another state, the utility doesn't just eat that cost. They continue to charge **you** for that debt for the next 30 years. You are assuming 100% of the long-term risk for a project you don't control.

### 3. The "Supply" Irony

The irony of the current price spikes is that Pennsylvania is an energy-rich state.

Residents are seeing their rates go up not because there is a physical shortage of coal, gas, or nuclear power, but because the *bidding process* has been driven into a frenzy by data centers. You are essentially being outbid for the resources in your own

backyard.

4. The "Model Tariff" as a Fairness Reset  
The PUC's Model Tariff is an attempt to restore fairness. From a consumer's perspective, "fair" would look like this:

**Direct Invoicing:** The data center pays for 100% of the specific lines, substations, and upgrades they trigger.

**Financial Guarantees:** The data center provides a bond or "Letter of Credit" so that if they go out of business, the money to pay off the equipment is already in the bank, not on your bill.

**Reliability Insurance:** If a winter storm hits, the data center must be the first to be cut off—automatically and without exception—to ensure homes remain heated.

## Summary

The consensus among consumer groups is that it is **not fair** to shoulder these costs. While "modernizing the grid" is a noble goal, doing it on the backs of people who are already struggling with inflation—to power speculative AI projects— would be a major policy failure.

Thank you for your consideration.

Regards,

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