

Hello,

I am writing as a concerned resident of Pennsylvania to strongly oppose any policies, rate structures, or regulatory decisions that would shift the escalating electricity costs associated with hyperscale data centers onto residential consumers and small businesses. The rapid growth of data centers in our state, driven by artificial intelligence and cloud computing demands from major tech companies, is placing unprecedented strain on Pennsylvania's power grid. It is unfair and economically burdensome to require everyday ratepayers—who derive little direct benefit from these facilities—to subsidize their massive energy needs through higher electric bills. Pennsylvania is experiencing a surge in data center development, with companies like Amazon and Microsoft investing billions in new facilities. Currently, the state's 71 data centers account for approximately 3.2% of Pennsylvania's total energy use. Proposed projects include massive campuses with individual facilities potentially consuming 900 to 1,000 megawatts—equivalent to as much as 30% of the peak load in certain service areas, such as Allegheny and Beaver counties. Electricity demand in Pennsylvania grew nearly 3% in 2024, with significant further growth projected over the next five years, largely driven by these large-load customers. Nationally, data centers are forecasted to drive much of the increase in U.S. electricity demand, potentially consuming 6.7% to 12% of total U.S. electricity by 2028–2030. This explosive growth risks driving up costs for all ratepayers if infrastructure upgrades and new generation needs are socialized across the customer base. Utilities have warned that connecting these high-demand users could require substantial investments in transmission and distribution systems, costs that—without proper safeguards—could be passed on to residential and small commercial customers. In regions with heavy data center concentration, such as northern Virginia, energy prices have risen significantly (25% to 70% in some cases), serving as a cautionary example. Consumer advocates have highlighted the danger of "stranded costs," where ratepayers are left paying for infrastructure if projects underperform or fail to materialize. While data centers bring economic benefits like jobs and investment, tech companies operating them—often among the world's most profitable—should bear the full costs of their energy infrastructure and usage. Shifting these burdens onto consumers would exacerbate affordability challenges at a time when many Pennsylvanians are already facing rising utility bills. I urge the Pennsylvania Public Utility Commission to prioritize strong protections for ratepayers in its ongoing review of large-load customers (Docket No. M-2025-3054271), including through the proposed model tariff. Ensure that data center operators pay upfront for grid upgrades, provide adequate collateral, and adhere to terms that prevent cost-shifting. Favor policies requiring these users to source their own generation or contribute fairly, without subsidization from residential and small business ratepayers. Thank you for your attention to this vital issue and for your commitment to affordable, reliable service for all Pennsylvanians. I would appreciate the opportunity to discuss this further.

Sincerely,
Andrew Strezo