Public Comment on Large Load Interconnection and Tariff Guidelines Docket No. M-2025-3054271

Submitted to the Pennsylvania Public Utility Commission

Introduction and Perspective

I appreciate the opportunity to submit comments on the Commission's Tentative Order addressing interconnection and tariff treatment for Large Load Customers, including data centers and AI-related infrastructure.

I work in the information technology field and recently completed my degree in this area. From both a professional and technical perspective, data centers are necessary infrastructure. Modern society depends on distributed, resilient data center capacity to support healthcare systems, pharmaceutical research, financial services, cybersecurity, emergency response, logistics, cloud computing, and artificial intelligence. Geographic redundancy and regional diversity are essential for national resilience and innovation.

The policy question before Pennsylvania is not whether data centers should exist. The critical questions are where they should be located, how their costs and risks are allocated, and whether speculative development is allowed to externalize long-term impacts onto residents and ratepayers.

Public Perception and Existing Data Center Reality

Public fear around "AI data centers" is understandable but often disconnected from how digital infrastructure already functions. Large-scale data centers operated by major cloud providers have existed for decades and are already densely concentrated along infrastructure corridors such as the I-95 corridor in Northern Virginia and New Jersey. These facilities already power much of the internet, enterprise systems, and cloud services relied upon daily.

What has changed is the scale of demand. Population growth, remote work, digital services, and AI-driven applications require expanded capacity and greater geographic redundancy. Expansion, when done responsibly, reduces concentration risk and improves system resilience.

While consumer-facing AI tools draw attention, the majority of AI usage supports beneficial outcomes such as medical imaging, fraud detection, grid reliability, supply chain optimization, emergency response, and cybersecurity. These systems depend on reliable, distributed data center infrastructure.

Speculative Development Risk

My primary concern is the proliferation of speculative "build it and they will come" data center projects. These developments secure power and water capacity without demonstrated long-term demand commitments. When projected loads do not materialize, utilities and municipalities are left with stranded infrastructure, and residential ratepayers ultimately bear the cost.

International Best Practices

Global examples demonstrate that data centers can coexist with communities when development is intentional and regulated. In Finland and Denmark, waste heat from data centers is recovered and delivered into district heating systems. Stockholm embeds heat recovery expectations into its siting strategy. Similar models exist in Switzerland and Ireland. These outcomes result from enforceable policy and long-term planning, not voluntary commitments.

Policy Recommendations

To support innovation while protecting communities, the Commission should strengthen safeguards by requiring long-term contracts, meaningful collateral, enforceable exit fees, load-based infrastructure deployment, anti-circumvention aggregation rules, clear siting expectations, and transparency in cost allocation.

Conclusion

Strong guardrails do not hinder innovation. They enable durable, accountable growth while protecting ratepayers and communities. Pennsylvania can support necessary data center expansion without socializing speculative risk.

Respectfully submitted,

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