



Lindsay Baxter
Senior Manager, Energy Policy and Public Affairs
lbaxter@duqlight.com
412-393-6224

December 22, 2025

VIA ELECTRONIC FILING

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
2nd Floor, Room-N201
400 North Street
Harrisburg, PA 17120

**Re: Interconnection and Tariffs for Large Load Customers
M-2025-3054271**

Dear Secretary Homsher

Enclosed for filing please find Duquesne Light Company's Comments in the above referenced proceeding.

If you have any questions regarding the information contained in this filing, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read 'LBQ', is positioned above the typed name of the sender.

Lindsay A. Baxter
Senior Manager, Energy Policy and Public Affairs

Enclosure

cc:

Bureau of Technical Utility Services, pc-puc-tus-energy@pagov.onmicrosoft.com

Darren Gill, dgill@pa.gov

Betsy Barnes, ebarnes@pa.gov

II. BACKGROUND

Duquesne Light is a public utility as the term is defined under Section 102 of the Public Utility Code, 66 Pa.C.S. § 102, and is certificated by the Commission to provide electric distribution service in portions of Allegheny and Beaver Counties in Pennsylvania. Duquesne Light provides electric service to approximately 605,000 customers in and around the City of Pittsburgh. Pursuant to the Commission's request at 55 *Pa.B.* 8028, the Company respectfully submits the following comments for the Commission's consideration on the proposed Model Tariff for Large Load Customers. Noting the evolving nature of this industry, Duquesne Light reserves the right to adjust its positions in the future as it gains experience with large load development and associated impacts.

III. COMMENTS

Duquesne Light strongly supports the Commission's intent to implement appropriate protections for electric utility customers in light of the unprecedented load growth expected to result from expansion of data centers and other large load customers. The Company recognizes the societal benefits data center expansion unlocks and seeks to enable this development. The Company believes appropriate consumer protections can be developed, many of which it already implements in its existing Tariff and contract practices, to insulate other utility customers from bearing unreasonable costs caused by the scale and magnitude of load growth of this sector.

Duquesne Light is committed to providing safe, reliable, and affordable service. Its comments herein reflect not only this commitment to its customers, but also the Company's desire to be a collaborative partner to the PUC in navigating the challenges presented by large load demand. Where appropriate, Duquesne Light highlights its existing Tariff rules, which have

a proven track record for minimizing, to the extent possible, the spreading of costs caused by serving a large load customer.

Before addressing the specific topics included in the proposed model tariff, the Company highlights some key themes that apply to the entire Order, which are echoed throughout its comments, as follows:

a. Split federal and state jurisdiction limits applicability of many tariff provisions and adds complexity.

Duquesne Light notes that practical limitations apply to the model tariff's ability to achieve meaningful outcomes on all issues it attempts to address. Many of these issues are impacted by both PUC and Federal Energy Regulatory Commission ("FERC") jurisdiction. As a deregulated state, Pennsylvania EDCs do not control generation, and thus some provisions intended to address generation adequacy concerns may have limited applicability in an EDC retail tariff.

In Duquesne Light's territory, large users will almost certainly be interconnected at the transmission level. Under the transmission service rate ("High Voltage Power Service" or "HVPS"), customers pay very little in distribution charges—generally a fixed amount to recover the costs of metering, billing, customer service, etc. Thus, some of the proposed provisions in the model tariff may not meaningfully address potential costs, as those do not fall under the EDC's retail tariff.

Additionally, these customers typically secure their supply through an electricity generation supplier ("EGS") as opposed to default service. Under Duquesne Light's default service program, transmission costs follow the customer's load to their chosen supplier. It is the Company's perception that most Pennsylvania EDCs have similar

practices. This is a meaningful distinction compared to some of the tariffs from other jurisdictions reviewed by Commission staff in developing this model tariff, which may be from vertically integrated states or utilities that recover transmission costs as a non-bypassable charge through the EDC.

Importantly FERC’s Advanced Notice of Proposed Rulemaking (“ANOPR”) currently under consideration seeks to address FERC jurisdiction over large load interconnections, including many of the same issues the PUC seeks to address in this proceeding, adding additional complexity.

Duquesne Light appreciates the urgency of developing regulatory guidance now as projects are already underway in the Commonwealth. None of these aforementioned issues is reason to delay action at the state level. However, these considerations bolster the need for flexibility, as discussed in more detail throughout these comments. The Company also recommends the PUC implement a phased approach, establishing a model tariff that addresses the most straightforward issues, and exploring some of the more complex topics via working groups or separate proceedings. Such an approach avoids slowing adoption of a model tariff by “making perfect the enemy of the good,” while allowing for additional dialogue on the more complex and technical topics. Duquesne Light, in its comments below, highlights the specific topics it believes should be explored further.

b. Flexibility in Application and Implementation

The Company urges the PUC to consider this model tariff as guidance only, allowing discretion for EDCs to develop and implement, with PUC approval, a tariff that

meets the individual characteristics of its service territory; the operational characteristics of its distribution and transmission systems; its FERC jurisdictional transmission cost calculations; existing rate structures; and default service plan provisions.

The Order does not specify how the proposed model tariff will be implemented. The Company recommends optionality, whereas the large load tariff can be applied as either a new rate schedule or a separate rider that can be assigned to a customer taking service under an existing rate schedule. Under a rider scenario, customers establishing new service will be assigned a rate schedule as applicable under Duquesne Light's Commission-approved Tariff, based on the characteristics of their service needs. For customers who meet the definition of a large load customer, the rider will apply additional rules and provisions.

The Company believes establishing a rider is appropriate in the short term as riders are generally used to address specific needs or conditions. Duquesne Light would like to avoid placing large load customers into a separate rate class as there may only be a small number of customers meeting this definition, making cost allocation challenging. If the Company were to experience a large increase in the number of customers in the future, a new rate schedule may be considered during a succeeding base distribution rate case. At present, including these customers in the large commercial and industrial rate class, with the additional rider applied to customers meeting the definition of large load customers, provides the most prudent option.

Finally, the Company recommends that the model tariff apply to new interconnections after its effective date, with existing customers grandfathered under

current tariff rules and contract provisions. Grandfathering is consistent with large load tariffs adopted in other jurisdictions.¹

Duquesne Light Response to Proposed Model Tariff Provisions

With these overarching themes outlined, the Company offers a response to individual provisions of the proposed model tariff. Note that for the ease of review, these Comments follow the sequence outlined in the Order, rather than perceived importance.

a. Size Threshold

The PUC proposes a size threshold of 50 MW for individual projects or 100 MW in aggregate. The model tariff defines aggregated load as “a group of individual megawatts large loads that together exceed the threshold for high impact large loads, which can lead to more significant reliability challenges. Aggregation can also be ascertained based on a number of factors, including but not limited to common ownership, local electrical infrastructure, and control.”

While a customer’s impact is influenced by more factors than size alone, the Company finds the proposed 50 MW threshold to be reasonable and generally aligned with thresholds established by tariffs in Indiana, Ohio, and West Virginia.²

The Company understands the intent of an aggregate threshold to prevent customers from splitting load into smaller interconnections in an attempt to avoid triggering the rules for large load customers. The Company is supportive of this intention with provisions added to prevent

¹ For example, American Electric Power (AEP) includes such a provision in its tariff. See Availability of Service (page 4) and Monthly Billing Demand (page 6) in AEP’s July 11, 2025 compliance filing. *In the Matter of the Application of Ohio Power Company for New Tariffs Related to Data Centers and Mobile Data Centers*, Case No. 24-508-EL-RDR at <https://dis.puc.state.oh.us/ViewImage.aspx?CMID=A1001001A25G11B21315A00184>

² Tentative Order (page 6). Issued November 6, 2025. *Interconnection and Tariffs for Large Load Customers*. Docket No. M-2025-3054271.

unintentionally capturing existing customers who are not truly “large load customers,” or, in the alternate, allowing customers to potentially aggregate load in order to meet the large load definition to avoid certain distribution costs. To avoid such unintended consequences, the Company recommends 1) allowing EDCs discretion to apply the large load tariff as a rider; 2) grandfathering existing customers, as suggested above; and 3) establishing a minimum size for individual facilities that are part of an aggregation to ensure it is truly capturing large load customers. Duquesne Light proposes a 10 MW threshold for individual interconnections that become part of an aggregated large load interconnection.

Importantly, the Order confirms that the “utility retains authority to propose differential rate treatment, and the Commission will review that rate treatment to ensure justness and reasonableness.” (pg7) It also specifies that size is based on the total load and is not offset by on-site generation used for backup or to reduce grid charges. Duquesne Light supports this provision to ensure the grid is prepared to accommodate the net realizable load and avoid potentially significant impacts to the entire system.

b. Deposits, Financial Security or Collateral from Large Load Customers

Duquesne Light finds the proposed security and collateral requirements to be reasonable. The Commission should clarify that the proposal to reduce and refund collateral “as construction and load ramp milestones are achieved” refers to the point at which projects are operational and returning revenue to the EDC, thus minimizing any risk to other customers. Construction milestones alone do not necessarily reduce risk.

c. Contributions in Aid of Construction

The Order states that “CIAC and collateral requirements, if properly implemented, should protect ratepayers from uneconomic or stranded infrastructure investment as well as ensuring appropriate cost allocation.” (pg.16) Duquesne Light agrees with this statement and regularly utilizes CIAC to protect other customers from costs caused by a single project.³ The draft model tariff proposes “Large Load Customers are subject to a fee for Interconnection Facilities costs and Network Improvements Costs through CIAC.”

The Order goes on, however, to contemplate mandatory CIAC for infrastructure that serves the system as a whole, but is primarily used to support large loads:

“That is, very large loads may cause network upgrades which benefit the system as a whole, but they themselves still use up most of the benefits. For example, 230 kV facilities that would normally be deemed transmission due to their size have line ratings setting their maximum capacity typically between 250-1000 MW depending on utility and other factors. A new line of this size would historically be allocated broadly because that capacity would be used by many customers. Seeing as many of the loads at issue here could use most of that capacity or even nearly all of the capacity, we tentatively find that the triggering customer should make a CIAC contribution to offset the cost of the line if they receive more than half of the benefit of this line.”

While Duquesne Light appreciates the intent behind this proposed provision, these projects are not conducive to a hard and fast threshold. The Company has concerns about the methodology used to calculate what constitutes using 50% of an asset. Additionally, the percentage of an asset used by a single customer may not be static, as customers establish, stop,

³ Rule 7 “Supply Line Extensions.” Duquesne Light Company Schedule of Rates. Effective December 1, 2025. https://duquesnelight.com/docs/default-source/default-document-library/currenttariff_96_25.pdf

or modify service. If the Commission includes such a provision in its final order, Duquesne Light recommends it clarify whether usage allocation is to be based on a one-time calculation, or updated on a certain cadence. In most cases, the scale of these large users will make it clear if an asset is constructed primarily for the use of the large load customer. Assigning CIAC to a customer for a shared asset may not be appropriate and may add more burden and complication than benefit. The Company recommends the Commission strike this suggestion.

The Order also requests comments on a potential mechanism whereby voluntary CIAC contributions allow projects to advance in the construction queue or have expedited interconnection timelines. As stated in the Company's earlier comments, Duquesne Light requires large users to pay for any necessary upgrades caused by their interconnection via CIAC. Thus, this provision may not apply to the Company in the same way it does to other EDCs that may allow for socialization of interconnection costs.

d. Minimum Contract Terms

Minimum contract lengths are designed to shield other customers from the burden of covering infrastructure costs if a customer discontinues service before the cost of the asset is fully repaid. The Order notes that suggestions received in public comment ranged from short-term to multi-decade. The PUC proposes a minimum contract length of five years.

For large customers served at the distribution level, the Company requires the interconnecting customer to pay for all infrastructure costs upfront. Thus a minimum contract provides little utility, as there is not a risk to other customers of bearing those infrastructure costs.

The Company regularly uses a minimum contract length of ten years for customers receiving service at the transmission level and has concerns that five years may be too short.

While it recognizes this length is only a suggestion and that utilities have the ability to go beyond when circumstances warrant, the PUC setting a minimum contract length of five years could set an expectation for customers and hinder the Company's ability to set a longer length when appropriate.

As the Order acknowledges, other approved large load tariffs in Indiana, Ohio, and West Virginia contain minimum contract lengths of 12 years. (pg 12) Since the Order's release, additional large load tariffs have been approved with terms beyond five years— Consumers Energy in Michigan sets a 15-year minimum contract length and Evergy in Kansas uses a 12-year minimum.⁴

The Company requests the Commission adjust the final model tariff to emphasize that the minimum timeframe should be based on the time until the cost of upfront investment has been fully repaid, clearly indicating that EDCs have discretion to set the contract minimum based on each customer's individual characteristics, with a suggested minimum contract term of five to ten years.

e. Interconnection Studies and Interconnection Agreements

The Order offers several proposals related to interconnection studies and agreements: 1) a maximum time frame of six months to study large load projects; 2) a financial penalty to EDCs for each ninety-day period beyond six months; 3) the opportunity for a customer to complete the study using a contractor if the EDC cannot meet the six-month timeframe; 4) a bi-annual Network Open Season during which applications will be accepted for cluster studies; and 5) a

⁴“Kansas, Michigan regulators approve large load rules for Every, Consumers Energy.” *Utility Dive*. November 10, 2025. https://www.utilitydive.com/news/kansas-michigan-data-center-large-load-evergy-consumers/805115/?utm_source=Sailthru&utm_medium=email&utm_campaign=Newsletter%20Weekly%20Roundup:%20Utility%20Dive:%20Daily%20Dive%2011-15-2025&utm_term=Utility%20Dive%20Weekender

requirement for EDCs to post a public list of pending projects and status. The Company opposes these proposals, as discussed individually in more detail below, and proposes an alternative.

The Company strongly opposes the PUC's recommendation of a maximum six-month study period for all large load projects. While the Company is committed to completing studies as expeditiously as possible, in some cases meeting a six-month target, this timeframe is far too restrictive and does not recognize the extreme complexity of studying large load interconnections. These studies differ from what is required for "normal" load growth, such as development of a shopping plaza or residential housing. To put the size of this potential load into context, one data center currently proposed in Pennsylvania has usage greater than the entirety of downtown Pittsburgh, the urban core of Duquesne Light's service territory. Additionally, the Company has applications in its queue for projects with load that is greater than the current peak demand for *the entire service territory*. It is not reasonable to restrict studies to six months for load that more than doubles current peak demand. For additional perspective, Duquesne Light currently allows up to 60 days for completion of an interconnection study for a large (500 kW or greater) distributed energy resource project. It is incomprehensible that the Commission would propose studying load equivalent to a small city with only 120 additional days.

While a model tariff implemented by the PUC will apply to distribution service, the Company notes that it is not always possible to cleanly separate distribution from transmission service. Interconnections at one level can impact the other. A large load customer interconnected at the distribution level may trigger the need for transmission level studies when excess distributed capacity is not present.

Another example of the challenges of studying load of this size is the potential need to collaborate with neighboring EDCs. This coordination adds complexity. Each EDC or

Transmission Owner (“TO”) has its own independent priorities and deadlines, as well as projects it is studying, which now must be considered, impacting the time required to negotiate tie line agreements. Even when ties to other EDCs or TOs are not required, the EDC may need to consider new right-of-way access and agreements to enable delivery of power to customer sites. Additionally, each data center company is unique and brings proprietary technology, meaning there is no “one-size-fits-all” approach to studying these projects. These considerations are offered as examples to illustrate just a few of the valid reasons projects of this magnitude take time to study.

The Order further proposes that “after six months, independent studies conducted by approved contractors at the Large Load Customers’ expense should be an option if an EDC cannot meet this deadline.” Such a provision oversimplifies the challenge of integrating new load of this scale. It is not a manpower problem; rather these studies take time to identify how to most appropriately bring adequate supply to serve this load.

The Order goes on to propose requiring EDCs to refund a portion of the study cost, without recovery, for failing to meet the six-month time requirement. This proposal implies that EDCs need further incentive to interconnect these large users. To the contrary, EDCs have significant financial and reputational motivation to support data center development. Bringing these customers online means more revenue flowing into the Company. Additionally, Duquesne Light, like other EDCs, experiences significant political pressure to enable this development.

A thorough electrical analysis is required to ensure these large loads do not impact reliability, with potential for cascading effects. The North American Electric Reliability Corporation (“NERC”) has called for more rigorous and robust requirements and studies. The

PUC should similarly be encouraging thorough, rigorous assessment for reliability, not adding financial penalties based solely on a time clock.

As an alternative to establishing one-size-fits-all deadlines and penalties, the Company recommends the Commission establish an expectation that EDCs report any studies exceeding twelve months, with an explanation of the reasons additional time is needed. This proposal not only serves to provide insight to the PUC of the valid reasons why studies may require more time, but also ensures EDCs have motivation to adhere to expedient timelines when possible. Such a reporting expectation should be established via a Secretarial Letter or staff directive, as these mechanisms can be easily adjusted, recognizing the evolving nature of this topic.

The Commission additionally proposes establishing a specified Network Open Season to be offered two times per year, during which prospective large load customers can apply for interconnection studies, which will be completed as cluster studies, with study costs allocated pro rata to the customers requesting studies. While Duquesne Light is open to considering cluster studies, there are challenges to such a proposal. Based on experience, not every customer who requests a study will move forward with a project. Because of the scale and size of these proposed projects, one or two projects deciding not to move forward could impact the validity of the results, potentially requiring additional assessment. There is not a track record of how project implementation following cluster studies has worked for projects of this scale and complexity. The Company recommends the PUC postpone this recommendation and revisit via a working group.

Finally, the Company recommends the Commission strike the proposed requirement for EDCs to publicly post a listing of Large Load Customer interconnection applications by zip code, listing the date accepted, the MW interconnection amount sought, and the state of

interconnection study. The Company agrees that transparency on the timing and status of applications is paramount for interconnecting customers and it seeks to continue to refine its process toward this end. Further, the Company is open to making information on project status available to the Commission, as discussed under reporting requirements. It fails to see the value, though, in posting this information publicly, for several reasons. First, the status of an application impacts a relatively small number of customers and is not relevant to the general public. Second, it may trigger confidentiality concerns. While the name of the applicant will not be released, the Company anticipates concern from customers about the ability of other stakeholders, including its competitors, to discern who the project developer is. Third, this proposal adds administrative burden, when the focus should instead be on identifying efficiencies. Finally, posting the list publicly is inappropriate due to the early nature of these projects. The interconnection study occurs early in the development process to determine if electrical interconnection is even feasible at the desired location. Not all projects who pursue interconnection studies will ultimately move forward. Publicly identifying potential projects could have unintended consequences, such as impacting property values, triggering community opposition, and/or impacting local land use decisions. There are other, more appropriate opportunities for public transparency around these projects, including through the PJM review, local zoning processes, and the filing of Letters of Notification or Line Siting Applications with the PUC. The PUC should strike the proposal for a public listing on the EDC website.

The Company restates its strong opposition to time limits and the other provisions recommended in the Order, for the reasons identified above. To the extent the Commission moves forward with establishing a time limit for studies, it must add clarity on when the time clock starts, the opportunity to pause the clock for challenges outside of the EDC's control, and

what constitutes the study being complete. Importantly, Duquesne Light urges the Commission to make any time limit contingent on sufficient generation available to serve the new load.

f. Minimum Demand Charges

The Model Tariff proposes a minimum demand charge of 80% of contracted demand. This proposal is generally consistent with current Duquesne Light practices; however, the Company recommends that language be inserted to expressly allow EDCs discretion to establish a different minimum demand charge when appropriate to meet the unique characteristics of an individual customer contract.

The Company understands the intent of this proposal to be a well-intentioned effort to ensure other customers do not bear the transmission costs caused by this new large load. Because Duquesne Light requires the large load customer who causes the need for infrastructure upgrades to fund those upgrades directly, there is potentially less risk of stranded infrastructure costs than in other service territories.

It is important to note, though, that minimum demand charges implemented via a retail tariff will only apply to the customer's distribution charges. As stated earlier, most large load customers are anticipated to interconnect and be served at the transmission level. For Duquesne Light, they are likely to be served on the HVPS rate, for which distribution charges are de minimis.

The Company commends Commission staff for its thorough review of tariffs from other states and jurisdictions. At times though, these tariffs may not be suitable for an "apples to apples" comparison. The Order cites the AEP Ohio tariff as an example for the 80% contract demand reference. There is a meaningful difference between AEP's retail tariff and that of Duquesne Light's. AEP bills all customers for transmission charges. In contrast, Duquesne

Light’s long-standing practice is to have transmission charges follow a customer’s load. If a customer uses a competitive supplier — as most large customers do — their transmission charges will be included on the amount billed by their supplier, not on the retail charges billed by Duquesne Light.

This proposal is further complicated by the fact that cost allocation methodology is approved by FERC, not the Pennsylvania PUC. Pennsylvania EDCs do not all treat transmission costs identically. The Company cautions that attempting to align all Pennsylvania EDCs to the same methodology and recovery mechanisms has potential to unwind decades of precedent and policy direction coming out of deregulation. The Company is open to revisiting the methodology associated with transmission costs, if directed to do so by the Commission, but respectfully questions if the potential benefits justify the costs and complications that will be caused.

g. Load Ramps

The PUC encourages “EDCs to include a multi-year ramp of three to five years as the default, with the specific milestones worked out case by case.” Duquesne Light appreciates the Commission’s willingness to recognize the unique circumstances of each project and distribution system. The Company believes three to five years is a reasonable minimum, recognizing that adjustments may be required as additional development occurs and more is understood about this evolving industry. Further, the Company wishes to stay consistent with load ramps used by PJM in its forecasting, which may be up to 10 years.

h. Exit or Early Contract Termination Fees

The Commission, in its Order, recommends a 42-month notice period, intended to provide adequate time for utilities to plan for capacity adjustments and limit the financial impact of load reductions. While the Company appreciates the intent behind the PUC’s proposal, it

believes this topic would be better left to case-by-case implementation. The model tariff should be revised to recommend all EDCs include discussion of exit and early termination fees with the goal of minimizing cost impacts to other customers when demand is reduced, rather than a one-size-fits-all provision.

i. Interruptible Service and Standby Rates for Large Load Customers

The Order recommends that utilities develop programs that allow interruptible service to large loads under certain pre-defined conditions. In exchange, those customers may qualify for lower minimum demand charges. Additionally, customers who may not be using their full interconnection limit because of on-site generation could qualify for lower-standby charges if they agree to interruptible service. This proposal elicits questions about jurisdiction and applicability.

Duquesne Light notes that it would be difficult for an EDC to establish a meaningful interruptible service rate recognizing that it only has visibility of system conditions within its service territory. Additionally, under Duquesne Light's existing tariff, large load customers served at the transmission level on the HVPS rate have a fixed distribution charge. This rate structure does not lend itself to lower distribution charges in exchange for interruptible service. The HVPS rate also does not include standby charges; thus this provision is not expected to apply to most large load customers. This topic is complex and may not be best addressed by a model tariff. To the extent the Commission wishes to explore this topic further, the Company recommends the Commission convene a meeting of EDC subject matter experts.

j. Infrastructure Upgrades by Large Load Customers

The Order proposes an option for customers to self-construct infrastructure. As indicated in its earlier comments, Duquesne Light strongly opposes this suggestion, which it believes risks putting a desire for speed to market ahead of reliability and safety. Duquesne Light currently allows customers to construct electrical infrastructure on their side of the meter. This infrastructure will be owned and maintained by the customer and only impacts that customer's service. Any infrastructure in front of the meter, in the public utility right-of-way, and/or under PUC jurisdiction should be constructed, owned, and maintained by the EDC.

The size of these large load interconnections introduces potential risk to the bulk electric system. As stated in the Company's earlier comments, construction of facilities that potentially impact the transmission system should be restricted to organizations under FERC and NERC oversight, which excludes data center customers and developers. The Company strongly recommends this provision be removed from the final Order. Should the Commission wish to explore further, it should do so via a separate proceeding or working group, rather than a model tariff.

k. Universal Service Cost Allocation

Energy affordability is a foremost priority of Duquesne Light. Its existing tariff is designed with strong customer protections to insulate customers from costs caused by other users to the extent possible. The Company's comments up to this point have focused on the more substantive aspects of the tariff, which, if designed correctly, can help to enhance affordability by ensuring the costs to serve large load customers are not spread to other customers. It urges the Commission to keep its focus on establishing robust consumer protections and not allowing policy questions regarding universal service contributions to become a distraction.

The Order proposes a mandatory contribution by large load customers to EDC Hardship Funds in an amount commensurate to peak demand, with an annual contribution ranging from \$250,000 to \$1,000,000. Vice Chair Barrow, in a statement, requested stakeholder input on whether this contribution should be applied to hardship funds or used to offset the universal service charge paid by the residential class to support all universal service programs.

While the Company generally welcomes any opportunity to boost assistance to customers in need, it has concerns about the stability of the funding source as well as the potential impact this contribution could have on the hardship fund's administrative burden and cost. Under the proposed contribution amounts, one data center at the smallest contribution level would increase the Company's existing hardship fund by one-third its current value. This boost would allow for more hardship grants to qualifying customers; however, if contributions shift year to year as data centers open, close, and adjust usage, the Company has concerns about the instability of this funding source. Additionally, the plan administrator charges administrative fees based on the volume of grants provided; these charges are paid by all residential customers via the universal service surcharge. The Company is concerned about the ability of its current nonprofit community partner to serve this increased volume, as well as the potential increase in costs borne by other customers.

Applying these contributions to the universal surcharge may provide greater benefit. As energy prices increase and potentially more customers require assistance, participation in universal service programs may expand. Additional contributions from large load customers could help to keep the surcharge level, even as program participation increases. Additionally, Universal Service and Energy Conservation Plans ("USECPs") can be adjusted over time, with the input of stakeholders, to strike the right balance of programs to serve customers, whereas

hardship funds only assist through grants. Support of a larger USECP portfolio allows EDCs to tailor the suite of programs to most effectively meet customer needs. Finally, the impact of fluctuating annual contributions will not be as significant when spread across all customers who pay the universal service surcharge.

Duquesne Light recommends the Commission direct EDCs to consider this matter in their next USECP proceeding, rather than including a hardship fund contribution in the model tariff.

I. Reporting Requirements

Finally, the Order proposes that EDCs will report on a semi-annual or annual basis on a number of data points. As a preliminary matter, the Company notes that a model tariff is likely not the appropriate mechanism to establish new reporting obligations. Tariffs typically outline the service rules and responsibilities of the Company and the customer. Due to the rapidly evolving nature of large load growth, the Company recommends the PUC establish reporting requirements via a Secretarial Letter or other mechanism that can be easily adjusted to reflect current needs.

The mechanics of establishing requirements notwithstanding, the Company is largely neutral to the proposed reporting requirements, assuming appropriate confidentiality protections can be established, as suggested by the Order. The Company specifically notes two proposed reporting categories that could require additional clarification:

- Distribution System Impacts – The Order describes this metric as “Identification of any significant distribution system upgrades, reinforcements, or operational issues attributable to Large Load Customers, and the extent to which such costs were directly assigned or recovered from those customers.” In particular, “operational issues attributable to Large Load

Customers” could be problematic to report, as it is not always easy to assign the cause of an issue to a single customer, particularly when generation resource constraints result in service impacts.

- Equity and Outreach – “A description of measures undertaken to mitigate potential impacts of Large Load Customer rates on low-income or disadvantaged communities, and a summary of customer education and outreach efforts.” While the Company supports the perceived intent behind this reporting metric, it notes the challenge of separating what outreach activities are related to the potential impacts of Large Load Customers, as compared to other factors associated with the overall economic environment. The Company anticipates its outreach efforts associated with universal service, energy efficiency, beneficial electrification, and other programs to be focused on the areas of greatest impact, and in compliance with all regulations and/or Commission-approved plans, irrespective of the impact of Large Load Customers. Additionally, the Company already reports on these efforts through other mechanisms. It is recommended that the Commission strike this proposed reporting requirement. To the extent it is upheld, the Final Order should define “low-income or disadvantaged communities.”

IV. CONCLUSION

Duquesne Light commends the Commission's leadership on this challenging topic. The complexity of this issue, compounded by split jurisdiction between FERC and the PUC, demands flexibility and ongoing dialogue. The Company recommends a phased approach toward establishing a model tariff that provides guidance on the most straightforward aspects of large load customers, paired with continuing consideration of the more complex matters via working groups, technical conferences, and other mechanisms. The Company appreciates the opportunity for comment and looks forward to continued collaboration on this critical issue.

Respectfully submitted,



Lindsay A. Baxter
Senior Manager, Energy Policy and Public Affairs
Duquesne Light Company
411 Seventh Avenue, Mail Drop 15-7
Pittsburgh, PA 15219
lbaxter@duqlight.com
Tel. (412) 393-6224

December 22, 2025