



COMMONWEALTH OF PENNSYLVANIA

December 22, 2025

**E-FILED**

Matthew L. Homsher, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

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

Dear Secretary Homsher:

Enclosed please find the Comments to the Tentative Order, dated November 6, 2025, issued in the above matter, which was published in the PA Bulletin on November 22, 2025, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-referenced proceeding.

If you have any questions, please do not hesitate to contact me.

Sincerely,

*/s/ Rebecca Lyttle*

Rebecca Lyttle  
Assistant Small Business Advocate  
Attorney ID No. 201399

*Enclosures*

cc: Jason Hails  
Roger Cathcart  
Parties of Record

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

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**COMMENTS  
OF THE  
OFFICE OF SMALL BUSINESS ADVOCATE**

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**I. Introduction**

The Office of Small Business Advocate (“OSBA”) submit the following Comments in response the Tentative Order entered by the Pennsylvania Public Utility Commission (“Commission”) on November 6, 2025.

The Pennsylvania Office of Small Business Advocate (“OSBA”) is an independent agency representing small businesses with 250 or fewer employees in regulated utility matters before the PUC, courts, and state and federal regulatory agencies.

Before 1988, small businesses lacked representation in matters before the PUC. While residential and low-income consumers had advocates and large commercial and industrial customers had support from private law firms, small businesses were mostly left without representation. This lack of representation often resulted in small business utility consumers shouldering a disproportionate share of rate increases. Given that small businesses account for 99.6% of all businesses in the Commonwealth, this disparity had a significant impact on Pennsylvania's economy.<sup>1</sup>

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<sup>1</sup> <https://business.pa.gov/pa-proud/small-businesses-in-pennsylvania/>

To address this issue, the Legislature established the Pennsylvania Office of Small Business Advocate. The only one of its kind in the nation, the OSBA was created by the Pennsylvania General Assembly through the Small Business Advocate Act of December 21, 1988, 73 P.S. § 399.41, et seq.

Today, the OSBA advocates on behalf of 1.1 million small businesses and plays a vital role in ensuring their voices are heard.<sup>2</sup>

## **II. Comments**

### **A. Appropriate MW Size Designation for Large Load Tariffs in Pennsylvania**

The OSBA is not submitting Comments on this issue.

### **B. Deposits, Financial Security or Collateral from Large Load Customers**

The OSBA is not submitting Comments on this issue.

### **C. Contributions in Aid of Construction**

The PUC proposes in its Tentative Order: “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 Contribution in Aid of Construction (CIAC) contribution to offset the cost of the line if they receive more than half of the benefit of this line.”<sup>3</sup>

The OSBA supports the customer making a CIAC contribution payment that is proportionate to the assessed customer benefit of the line, determined at the discretion of the utility. With this recommendation, we attempt to avoid an “all or nothing” scenario whereby a 1% or 2% variance in attributed benefit near the 50% threshold could trigger or avoid a large payment, which parties may interpret as inequitable, particularly in cases where a CIAC contribution is not triggered despite a significant (albeit under 50%) benefit attributed to the

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<sup>2</sup> Id.

<sup>3</sup> Tentative Order, page 16

applicant. Appropriately allocating and avoiding utility development costs will serve to avoid subsidization of large load development costs by small businesses.

This support for CIAC contributions for new Large Loads follows leading principles implemented by other jurisdictions like Colorado, Georgia, North Carolina and Oregon, specifying that the costs of any new electric infrastructure necessary to serve new large load will not be borne by other customers<sup>4</sup>.

D. Minimum Contract Terms

Regarding the minimum contract term, we recognize the trade-off between small business protection and Pennsylvania's competitiveness in attracting large-load investments. Longer terms offer greater security against stranded costs but may increase perceived project risk for applicants, potentially directing investment to jurisdictions with more flexible requirements. A shorter minimum term, combined with robust financial security provisions (as proposed), can mitigate risks sufficiently while positioning Pennsylvania as an attractive location for economic development.

The OSBA notes that other jurisdictions have imposed ranges from 5 years Georgia<sup>5</sup> up to 15 years (Michigan<sup>6</sup>), and many within that range, for instance Oregon<sup>7</sup> at 10 years and Indiana<sup>8</sup> and Ohio<sup>9</sup> at 12 years. Upon further consideration of party comments captured in the PUC's Tentative Order, the OSBA continues to support an eight to 10-year contract term, balancing the investment attractiveness of Pennsylvania (thereby offering Pennsylvania small

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<sup>4</sup> <https://www.jdsupra.com/legalnews/state-legislative-and-regulatory-8564473/>

<sup>5</sup> [https://psc.ga.gov/site/assets/files/8617/media\\_advisory\\_data\\_centers\\_rule\\_1-23-2025.pdf](https://psc.ga.gov/site/assets/files/8617/media_advisory_data_centers_rule_1-23-2025.pdf)

<sup>6</sup> <https://www.michigan.gov/mpsc/commission/news-releases/2025/11/06/mpsc-approves-terms-of-service-between-consumers-energy-and-data-centers>

<sup>7</sup> <https://olis.oregonlegislature.gov/liz/2025R1/Downloads/MeasureDocument/HB3546/Enrolled>

<sup>8</sup> <https://www.utilitydive.com/news/indiana-iurc-large-load-interconnection-data-center-aep-amazon-google/740452/>.

<sup>9</sup> AEP Ohio Proposal on Data Centers to Protect Ohio Consumers Adopted by PUCO.

businesses the benefit of local economic development), and a slightly longer contract term that may help avoid stranded cost scenarios.

E. Interconnection Studies and Interconnection Agreements

The Tentative Order proposes that if the utility fails to meet the six-month deadline for energizing a Large Load Customer's interconnection, remuneration should be provided to the applicant, proposed by the PUC to be 50% of the application fee for each 90-day period beyond the 6-month timeline.<sup>10</sup> While a refund mechanism is reasonable in principle, several important implementation questions remain unresolved:

- Definition of “exigent circumstances”: The proposal allows extensions for exigent circumstances, but the term is not defined. A clear, objective definition (or illustrative examples) is needed to prevent subjective interpretation and delay.
- Dispute resolution: What happens if the utility and the applicant disagree on whether an exigent circumstance occurred or who was responsible for the delay? Without a defined process, such disagreements could lead to prolonged disputes, further delaying energization and creating uncertainty for all parties.
- Cost allocation: If a refund is triggered, should the cost ultimately be borne by the utility's shareholders (for matters within the utility's control) or socialized among ratepayers? Small business consumers, in particular, should not be forced to subsidize refunds caused by controllable utility delays.
- Risk of open-ended timelines: Absent clear boundaries and consequences, repeated invocations of “exigent circumstances” across multiple projects could

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<sup>10</sup> Tentative Order, page 25.

effectively nullify the six-month deadline, leading to a chaotic backlog of partially completed interconnections and diminished effectiveness of the overall framework.

Rather than prescribing a complete solution at this stage, the OSBA respectfully urges the Commission to address these issues explicitly in the final order either by tightening the definition and dispute-resolution process or by clarifying that refunds triggered by delays within the utility's reasonable control will not be recoverable in base rates. This will protect small business ratepayers from both prolonged uncertainty and inappropriate cost shifts while preserving the intended discipline of the six-month timeline.

Alternatively, if the Commission believes these matters are best left to individual contracts, the OSBA would accept that the model tariff clearly states that any refund costs arising from utility fault are not eligible for rate recovery.

F. Minimum Demand Charges

The OSBA is not submitting Comments on this issue.

G. Load Ramp Schedule

The OSBA is not submitting Comments on this issue.

H. Exit or Early Contract Termination Fees

The OSBA agrees with the PUC's Disposition comments generally that an early exit fee or termination fee should account for what has already been paid by the Large Load Customer and what costs have yet to be recovered by the utility.

Further to this support, the OSBA's position is that if early exit or termination is triggered, for any reason, and early exit or termination fees leave residual stranded cost for the EDC, the EDC should be solely responsible for the recovery of those stranded costs from its

shareholders or the exiting Large Load Customer. Those stranded costs should not be recoverable from the EDC's small business consumers.

Also, it is the OSBA's position that the PUC and EDC, to any extent possible and pursuant to its authority, trigger a formal review in the event of early exit or termination, to ensure the Large Load Customer complies with and fulfills all vendor contract terms, to protect the economic interests of Pennsylvania small businesses.

I. Interruptible Service and Standby Rates for Large Load Customers

The OSBA is not submitting Comments on this issue.

J. Infrastructure Upgrades by Large Load Customers

The OSBA continues to support a self-construct option for customers willing to fully fund infrastructure upgrades, however our position is that the Large Load Customer must pay for any incremental work that self-constructed infrastructure causes the Utility to incur, including but not limited to compliance and integration activities. Similar to the OSBA's position on CIAC, this recommendation will ensure that small businesses do not subsidize the development of large load infrastructure.

K. Universal Service Cost Allocation

The OSBA is not submitting Comments on this issue.

L. Reporting Requirements

The OSBA proposes two reporting terms to the proposed reporting requirements.

First, the OSBA proposes regarding section (b) part iv. that the utility includes the number of customers and total load by year based on anticipated in-service date of the new Large Load, not just aggregate numbers.

Second, the OSBA proposes a new section (b) term, based on the results of section (b) part iv. above, intended for the utility to estimate a probable or likely number of customers and total load for each in-service year identified above.

- The probabilistic methodology for analysis may be at the utility's discretion, provided that the methodology is filed with the report.
- This analysis may be used to inform a realistic forecast of Large Load installations, by forecast year, for local and regional planning purposes.
- Planning scenarios will be useful for system planning purposes, and to prepare for local or regional procurement requirements and related economic activity.
- The methodology may be upgraded for accuracy in subsequent reporting periods based on historical results.
- As a practical matter, the OSBA expects that the likelihood of a Large Load coming into service is lower the earlier it is in the development stage, with increasing probability of reaching the in-service stage as the project develops.

### **III. Conclusion**

The OSBA respectfully requests that the Commission consider the Comments set forth above.

Respectfully submitted,

/s/ Rebecca Lyttle

Rebecca Lyttle

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For:

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DATE: December 22, 2025

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**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

**SERVICE OF WORD VERSION ONLY VIA EMAIL**

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(Word Version ONLY)

Date: December 22, 2025

/s/ Rebecca Lyttle  
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