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Commonwealth Keystone Building
400 North Street, 2nd Floor
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RE: Comments of Emerald AI in response to Tentative Order and Model Tariff (Docket No. M-2025-3054271)

I. INTRODUCTION AND SUMMARY

Emerald AI respectfully submits these comments on the Commission's November 6, 2025 Tentative Order and proposed model tariff for Large Load Customers in the proceeding. Emerald AI appreciates the Commission's leadership in confronting the reliability, affordability, and cost-allocation challenges posed by rapid large-load growth, while also recognizing the Commonwealth's interest in supporting investment, jobs, and AI innovation and competitiveness. In the accompanying Pennsylvania Bulletin publication, Emerald AI strongly supports the model tariff's "incentives for new large loads to elect flexible service to reduce stress on the grid at peak times." [1]

Emerald AI also applauds the Commission for recognizing that flexible large loads can be an asset to the grid—not merely a risk—by performing useful behaviors that can help defer or avoid expensive upgrades, better utilize existing system capacity, advance affordability, and bolster reliability. This core conclusion is critical: the greatest value of flexible service is not only lower bills, but also the ability to reduce peak system stress in ways that can materially change planning outcomes.

These comments therefore focus on two key improvements that would make the Commission's vision operational: (i) ensuring the model tariff recasts the current "Interruptible Power" option as a clearly defined, contract-enforceable "Flexible Load Service" option that utilities can study, dispatch, and verify; and (ii) making clear that achieving **larger and faster interconnections**—as essential elements of a tariff that also can reduce bills—is essential to incentivizing data centers to make the investments required to provide verifiable flexibility.

[1] Volume 55 Issue 47 55 Pa.B. 8028 Interconnection and Tariffs for Large Load Customers

A. Executive Summary of Recommendations:

- **Retain and strengthen** the Commission's core policy that large loads can be an asset to reliability and affordability when they are operationally flexible, that flexibility can merit economic incentives (including reduced minimum demand charges), and that verifiable flexibility should also be rewarded—where feasible and consistent with reliability—with what large loads value most: larger and faster interconnections (time-to-power and capacity).[2]

- Clarify that "flexible service" is not limited to binary on/off interruption**.** The Commission's own discussion indicates flexibility can be partial**,** measured as a share of interruptible service or a number of hours per year. Moreover, clarify that flexible load can be assessed in a performance-based, technology-neutral way, enabling software-defined flexibility, onsite energy resources, and other approaches to verifiably and enforceably provide load flexibility.

- Revise the model tariff language to replace "Contract Service Interruptible Power" with "Flexible Load Service," including: [3]
    - defined performance commitments (response time, event duration, availability);
    - dispatch rules (planned peak vs. emergency);
    - measurement and verification (interval data, telemetry)

- Direct that when a Large Load Customer elects Flexible Load Service and commits to a meter-verifiable operating envelope, the Company should reflect that envelope in distribution planning and interconnection studies to the extent consistent with applicable standards—so that flexibility can help defer or avoid upgrades and thereby support faster and/or larger interconnections through interconnection studies that explicitly model loads as flexible.

II. FLEXIBLE LOAD SERVICE AS A RELIABILITY AND AFFORDABILITY TOOL

The Tentative Order reflects an important and timely recognition: large loads are not inherently inflexible and can support reliability and affordability when they commit to measurable, dispatchable load. Multiple parties described the value of flexible terms, expedited interconnection options, and demand response considerations for large-load customers. The Tentative Order already seeks comment on mechanisms where voluntary contributions and related actions can move projects up in the construction queue or expedite interconnection.[4] The model tariff also includes a six-month study timeline and an independent-study option after six months.

[2] Tentative Order Discussion at p. 39
[3] Model Tariff Appendix at pp. 55–56
[4] Tentative Order Discussion at p.17

Emerald AI appreciates the Commission's explicit findings that flexible load behavior can reduce system-coincident peaks and, in turn, defer or avoid capital-intensive distribution and transmission upgrades. These outcomes directly advance the Commission's stated goals of affordability and reliability by improving utilization of existing infrastructure and reducing the need for near-term "steel-in-the-ground" investment.

The record also reflects that large-load customers have practical experience participating in flexible programs elsewhere, and that customers and developers view timely interconnection as central to economic development and deployment of data centers. For example, Vantage Data Centers describes participating in interruptible programs in other territories and recommends simplifying structures and enabling expedited interconnections.[5]

Emerald AI's prior comments in this docket similarly explained how modern software-defined load flexibility can support the Commission's dual objectives: speeding interconnections while protecting ratepayers and reliability. Emerald AI described a platform that integrates telemetry and utility dispatch signals, converts those signals into executable workload actions, and orchestrates computing tasks to align a data center's demand with grid requirements.

This approach is consistent with the Advanced Energy Management Alliance's recent comments to the Federal Energy Regulatory Commission (FERC) in Docket No. RM26-4-000 ("Ensuring the Timely and Orderly Interconnection of Large Loads"). There, AEMA advocated for a **"Flexible Load Fast Track" (FLFT)**, arguing that large loads capable of using software to stay within a specific operating envelope should be studied based on that flexible profile, allowing them to interconnect faster than inflexible loads that trigger massive upgrades.[6] We urge this Commission to adopt a similar principle: flexibility should be a bridge to faster and/or larger interconnections.

Emerald AI also explained that faster interconnections can translate into earlier job creation and investment, while reducing reliance on immediate, capital-intensive upgrades. However, lower volumetric and demand charge incentives alone will not scale this behavior. Data centers will invest in telemetry, controls, and enforceable operational commitments only if the Commission pairs rate incentives with interconnection outcomes—specifically, larger and faster interconnections enabled by flexibility that reduces peak stress and defers otherwise-required upgrades. This alignment is essential to make flexible data centers a durable grid resource in Pennsylvania.

[5] Tentative Order Discussion at p. 37

[6] Advanced Energy Management Alliance, Comments on Interconnection of Large Loads to the Interstate Transmission System, Docket No. RM26-4-000 (filed Nov 21, 2025). https://elibrary.ferc.gov/eLibrary/docinfo?accession_number=20251121-5374

A. The Commission Correctly Identifies Flexibility as a Reliability and Affordability Tool

Emerald AI appreciates the Commission's determination that it is beneficial to develop programs under which large load service may be interrupted under prescribed conditions and, critically, that lower rates or minimum demand charges for customers willing to accept such service "need not be discriminatory" within the large load class.[7]

The Commission also recognizes that an agreement to take interruptible service can be equivalent to a reduction in the total request for firm service, and that minimum demand charges can be reduced proportionally as an incentive, including based on the share of service that is interruptible or the number of hours per year of interruptions.

That framing aligns with how modern "flexible load" programs work in practice: reliability value is created not only through emergency "off" events, but also through planned peak shaping and partial reductions that can reduce coincident peaks and, in many cases, mitigate the need for upgrades.

B. The Commission Advances Concrete Measures to Expedite Interconnection Timelines

Emerald AI also supports the Commission's focus on efficiency and transparency in interconnection processes. The Tentative Order seeks comment on whether voluntary contributions could support projects moving up in the construction queue or expediting interconnection timelines.[8]

The model tariff further includes a clear six-month interconnection study completion target, an option for an independent third-party study after six months, and an application-fee refund mechanism if the utility misses deadlines.[9] This is a meaningful step toward expedited interconnection which stakeholders repeatedly emphasized.

Emerald AI respectfully recommends that the Commission make explicit that flexible service is not only a bill-reducing option, but also a pathway—where feasible and consistent with reliability—to larger and faster interconnections by enabling utilities to study and plan around a customer's committed operating envelope and thereby defer or avoid upgrades.

[7] Tentative Order Discussion at p. 39
[8] Tentative Order Discussion at p. 17
[9] Model Tariff Appendix at p. 56

III. The Interruptible Power Provision Should Be Revised to Support Verifiable Flexibility

Emerald AI respectfully submits that the current model tariff language on "Contract Service Interruptible Power" should be revised because it is:

1. **Primarily a pointer to legacy interruptible tariffs rather than a self-contained flexible-load option.** The model tariff states that contract service for interruptible power "will be available…based on the Company's existing interruptible tariff provisions." [10] That approach risks importing legacy constructs that were designed for traditional industrial interruptible programs, rather than today's large, fast-growing, and operationally sophisticated loads—and, critically, it does not reliably translate into a studyable operating envelope that can be used to defer upgrades and thereby improve time-to-power..

2. **Anchored in emergency and penalty framing rather than predictable, verifiable flexibility.** The model tariff reserves broad rights to test and verify curtailment and then imposes a large remedy if a customer fails to curtail: penalties can equal the difference between interruptible and firm rate charges "calculated for the entire contract term," plus immediate removal from interruptible service for the remainder of the term.[11] This structure is materially different from a flexibility programs that expects high compliance, but also recognizes the need for cure periods, proportional penalties, and differentiation between planned and emergency events.

3. **Not written to enable predictable, enforceable flexibility that utilities can incorporate into studies.** The Commission's own analysis indicates that an interruptible commitment can be treated as a reduction in a firm request and can justify proportional reductions in minimum demand charges.[12] But the model tariff does not yet translate that concept into a set of concrete performance terms and dispatch rules that utilities can use for interconnection and planning studies to reflect a reduced net withdrawal profile, defer or avoid upgrades, and support larger and faster interconnections for customers that provide verifiable flexibility.

A. Clarify that Flexible Load Service is Not Limited to Binary Interruption

Emerald AI agrees with the concern that the current combination of minimum demand charges, collateral, ramp schedules, telemetry, and enforcement mechanisms is structurally inconsistent with a purely on / off interruptible construct. The Commission's own statement that reductions may be based on the share of interruptible service or "hours per year of interruptions" strongly

[10] Model Tariff Appendix at p. 55
[11] Model Tariff Appendix at p. 56
[12] Tentative Order Discussion at p. 39

implies partial flexibility.[13] Emerald AI therefore respectfully requests that the Commission explicitly clarify that "flexible service" may include:

- Partial Reductions**:** Explicitly state that a flexible load may be asked to curtail only part way (e.g., reducing load from 100MW to 80MW) to address a specific constraint or remedy a contingency event, rather than facing a binary "all or nothing" disconnection.

- Planned Peak Shaping**:** Allow for planned adjustments with advance notice, utilizing software to shape load curves, in addition to emergency response.

IV. PROPOSED REVISIONS: CONVERT "INTERRUPTIBLE POWER" INTO A "FLEXIBLE LOAD SERVICE"

Emerald AI respectfully proposes that the Commission retain an emergency-interruption backstop, but revise the model tariff to offer a **Flexible Load Service** option with clear commitments, dispatch rules, measurement and verification, and proportionate remedies. This approach is consistent with the Tentative Order's findings on (i) proportional incentives and (ii) treating committed flexibility as a reduction in firm service. It is also consistent with stakeholders' emphasis on flexibility and expedited interconnection where appropriate.[14]

The Commission has sought comment on voluntary contributions and related mechanisms that could expedite interconnection times or move projects up the construction queue.[15] Emerald AI respectfully recommends that the Commission go one step further and make explicit, in the model tariff, that electing Flexible Load Service can be a basis—where feasible and consistent with reliability and safety—for larger and faster interconnections, including through:

- prioritizing study sequencing within a Network Open Season cluster,

- offering defined expedited pathways for customers that commit to verifiable peak load limits

- reflecting the customer's committed operating envelope in studies to avoid or defer upgrades that would otherwise drive cost and delay

This would align the Commission's "flexibility" goal with stakeholders' repeated emphasis on "speed to market," while maintaining guardrails that protect existing customers. We have included a proposed red-line to the model tariff that incorporates our suggested language regarding flexibility. The suggested modifications to the model tariff are attached to this letter as Exhibit Emerald AI – 1.

[13] Tentative Order Discussion at p. 39
[14] Tentative Order Discussion at pp. 37–38
[15] Tentative Order Discussion at p. 17

V. CONCLUSION

Emerald AI appreciates the Commission's leadership and the thoughtful approach embodied in the Tentative Order and model tariff. The Commission has already articulated the critical concept: that a committed flexibility obligation can be treated as a reduction in a firm request and can justify proportional rate incentives.[16] To fully realize the Commission's vision (particularly the Chairman's call for incentives for flexible service) Emerald AI respectfully urges the Commission to revise the model tariff's current interruptible provision into a modern Flexible Load Service option that is specific, dispatchable, and verifiable.

Finally, Emerald AI respectfully urges the Commission to make clear that larger and faster interconnections, in addition to tariff incentives, are essential to motivating data centers to adopt Flexible Load Service. Pairing interconnection benefits with meter-verified flexibility aligns customer incentives with the Commission's findings that flexible loads can defer upgrades, improve utilization of existing capacity, advance affordability, and bolster reliability.

Respectfully Submitted,

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[16] Tentative Order Discussion at p. 39

Appendix Emerald AI – 1

Proposed Revised Model Tariff Section

MODEL TARIFF
FOR CUSTOMERS AT OR OVER 50 MW INDIVIDUALLY
OR 100 MW IN THE AGGREGATE
(LARGE LOAD CUSTOMER)

Availability

Due to anticipated data center and industrial manufacturing load growth in the Commonwealth, this tariff is applicable to customers at or over 50 MW individually or 100 MW in the aggregate.

Large load refers to a single commercial or industrial load facility or aggregation of load facilities at a single site that poses a reliability risk to the grid due to its size and operational characteristics. In contrast, aggregate large load refers to 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.

Definition of Terms

The following words and phrases, when used in this tariff, shall have the meanings assigned below unless the context clearly indicates otherwise:

“Contract Capacity” means the mutually agreed amount of monthly peak load requirements for each month during the remaining term after the Load Ramp Period as set forth in the contract for service, whereby the Company agrees to provide all of the components of retail electric service subject to the terms and conditions in its tariffs and the customer agrees to purchase service at that level for the stated term of the contract under the same terms and conditions.

“Contract Term” is the Load Ramp Period plus the Initial Contract Term.

“Customer Installation” means all wires, meter sockets, breaker or fuse panels, switches, appliances and apparatus of every kind and nature used in connection with or forming a part of an installation for utilizing electric energy for any purpose, ordinarily located on Customer's side of point of delivery and including the service leads, whether such installation is owned outright by Customer or used by Customer under lease or otherwise.

“Interconnection Facilities” means all facilities used for providing electric service to the Large Load Customer which solely benefit the Large Load Customer.

“Large Load Customer” means a customer with maximum Contract Capacity of over 50 MW individually or multiple closely located customers with maximum Contract Capacity of 100 MW in the aggregate.

“Load Ramp Period” is the later period of time from:

(a) when electric service is available to the Large Load Customer; or

(b) the Large Load Customer is scheduled to begin taking electric service, until the time the Large Load Customer's maximum contract capacity is billed.

“Network Improvements” means all incremental facilities needed to provide electric service to the Large Load Customer while maintaining reliable service to the remainder of the grid, if the Large Load Customer receives the majority of benefits from that incremental facility. The term does not include Interconnection Facilities.

“Network Improvements Costs” means the share of costs for Network Improvements that are allocated to Large Load Customers. Network Improvements Costs will be equivalent to the benefits received by the Large Load Customers multiplied by the costs of the Network Improvement facility.

Terms of Contract

A Large Load Customer’s Initial Contract Term should be made for a period of not less than five (5) years. A Customer may designate a Load Ramp Period, which should be no greater than five (5) years. If the Large Load Customer designates a Load Ramp Period, the Initial Contract Term should commence after the Load Ramp Period ends.

After the initial term, Contracts shall remain in effect unless terminated by either party by providing written notice to the other party no later than three (3) years prior to the requested date of termination. After the initial term, either party may request a modification to the Contract Capacity by providing written notice to the other party no later than three (3) years prior to the requested modification date. During the initial term of the Contract, the customer will be financially responsible to pay the minimum charges regardless of the customer choosing to curtail, reduce, suspend, or terminate service.

The Company shall not be required to supply capacity in excess of the Contract Capacity except by mutual agreement.

To sign a contract under this Schedule, the customer must designate a specific site at which its Large Load project will be constructed and served by the Company, and the customer must own or have the exclusive or shared right to use the land for this purpose.

Monthly Billing Demand

The Monthly Billing Demands for Large Load Customers in kW for each plant will be taken each month as the single-highest 15-minute integrated peak in kW, as registered at such plant during the month by a demand meter or indicator but the monthly demand so established should in no event be less than the greater of:

(a) Eighty (80) percent of the Large Load Customer's contract capacity specified for the applicable time period of the Contract Term; or

(b) Eighty (80) percent of the Large Load Customer's highest previously established Monthly Billing Demand during the past 11 months. The Metered Voltage adjustment, as set forth above, should not apply to the Large Load Customer's minimum Monthly Billing Demand.

Minimum Demand Charge

Large Load Customers will be subject to a minimum monthly demand charge equal to 80% of contracted demand.

Collateral Requirements

For purposes of the collateral requirement under this section, “Large Load Customer” shall include both the customer and the customer’s financial sponsor as long as the sponsor is a co-signor on the contract with the Company.

Collateral requirements should be provided in sufficient amounts to fully cover Network Improvements Costs and Interconnection Facilities costs. As construction and load ramp milestones are achieved, collateral should be reduced and refunded to the Large Load Customer to reflect the reduced risk to other EDC customers.

Large Load Customers with credit ratings of at least A- from S&P and A3 from Moody's and liquidity greater than ten times the Collateral Requirement may provide a guarantee from a parent or corporate affiliate for the Collateral Requirements. A Large Load Customer that does not have a credit rating from S&P and Moody's but maintains liquidity greater than ten times the Collateral Requirement (evidenced by providing quarterly financial statements and certification that on the date financial statements are provided that the Large Load Customer's liquidity meets the ten times threshold) are exempt from 50 percent of the Collateral Requirements not to exceed an exemption of more than $250 million.

Collateral Requirements shall be provided in one or more of the following forms:

(a) A guarantee from the ultimate parent or a corporate affiliate of the Large Load Customer for the full Collateral Requirement, so long as the guarantor has both
   i. a credit rating of at least A- from S&P and A3 from Moody's; and
   ii. liquidity greater than ten times the Collateral Requirement; or

(b) A standby irrevocable letter of credit ("Letter of Credit") for the full Collateral Requirement if the Letter of Credit is issued by a U.S. bank or the U.S. branch of a foreign bank, which is not affiliated with the Large Load Customer or its guarantor, with a Credit Rating of at least A- from S&P and A3 from Moody's. Such security must be issued for a minimum term of 360 days. The Large Load Customer must cause the renewal or extension of the security for additional consecutive terms of 360 days or more no later than 30 days prior to each expiration date of the security. If the security is not renewed or extended as required herein, the Company will have the right to draw immediately upon the Letter of Credit and be entitled to hold the amounts so drawn as security. The Letter of Credit must be acceptable to and approved by the Company; or

(c) Cash for the full Collateral Requirement.

Contractual Flexibility

(a) Exit Fee

A Large Load Customer is permitted, without payment of an exit fee or any penalty to reduce its contract capacity after five years or the initial contract term, whichever is greater,[2] by up to 20% in total by providing an EDC at least 42 months written notice prior to the beginning of the PJM Delivery Year for which the reduction is sought.

A Large Load Customer is permitted, subject to the Exit Fee, to terminate its contract or reduce its contract capacity beyond 20% at any time after the first five years of the contract by giving the EDC at least 42 months written notice prior to the beginning of the PJM Delivery Year for which the reduction or termination is sought, subject to payment of a capacity reduction/termination fee payable to the Company upon the effective date of the termination of the contract or the effective date of the capacity reduction.

The Exit Fee will be calculated as the greater of (1) the difference between the cost of Network Improvements and Interconnection Facilities less the revenues received from the Large Load Customer, or (2) the nominal value of the remaining Minimum Charge for the terminated/reduced capacity in excess of the 20% allowed reduction for each year of the Exit Fee Period.

The Exit Fee Period is defined as the Large Load Customer's then remaining Initial Contract Term, or any agreed extension. The Exit Fee Period will not be less than one year and will not exceed five years.

Following receipt of proper notice, through the Exit Fee Period, the Company will use reasonable efforts, consistent with its obligations as a public utility, to mitigate the Exit Fee amount owed or paid by the Large Load Customer by evaluating the opportunity to assign the terminated/reduced capacity to serve new Large Load Customers, to expand service to existing Large Load Customers, or otherwise secure offsetting expected revenues.

(b) Dispute Resolution

If there is a dispute concerning the calculation of the Exit Fee or mitigation amounts, that either the Company or Large Load Customer view as in need of escalation, either the Company or the Large Load Customer may request escalation. Such request should be made in writing and within 14 business days of the Large Load Customer being notified regarding the Exit Fee calculation. In such instance, management representatives for the Company and the Large Load Customer will discuss and seek to resolve any issues. The management discussion should occur within 14 business days of a request, unless otherwise agreed to in writing by the Company and Large Load Customer. The Company and Large Load Customer agree to use this escalation process in good faith, escalating only those matters appropriate for management's consideration. This dispute resolution process does not limit or otherwise affect the ability of either Large Load Customer or the Company to file a formal proceeding requesting the Commission to resolve the dispute.

A Large Load Customer may not assign any of its rights or delegate any of its obligations under the Contract without the written consent of the Company. An assignment or delegation in violation of this Section is null and void.

Existing Large Load Customer Contracts

Contract requests from existing Large Load Customers shall continue to be addressed by the Company consistent with the Company’s existing tariff requirements.

[2] Note: The Commission tentatively defines the minimum contract term as no less than 5 years. Consequently, this structure does not have an effect, as the initial contract term would always exceed 5 years. Nevertheless, the structure of the provision is maintained to provide guidance regarding other options during either the final model tariff or in implementation.

Full Planning Studies:

Full Planning Studies, including steady-state and dynamic studies and any cluster studies required because of the potential addition of a Large Load Customer will be paid solely by the Large Load Customer.

Network Open Season Planning Studies:

Biannually (2-times per year) during a specified Network Open Season,[3] Large Load Customers may apply for interconnection studies, which will be analyzed as cluster studies. The costs which will be allocated to the Large Load Customers requesting the interconnection studies is their pro rata share.

Maximum Times for Interconnection Studies:

Interconnection Studies will be completed within six (6) months from the date that an application for interconnection study is accepted by the Company as complete. The Company will provide confirmation of a completed application. After six (6) months, the Large Load Customer may seek to hire an independent and unbiased third-party contractor to conduct the study at the Large Load Customer's expense. Also, after six (6) months, the Company will refund the applicant 50% of the application or study fee for each 90-day period beyond the six-month completion deadline. The costs of these interconnection studies will not be recovered from other ratepayers. For Large Load Customers taking Flexible Load Service, the Company shall reflect the applicable operational limits in distribution planning and interconnection studies to the extent consistent with standards and reliability requirements. The purpose of reflecting such limits is, where feasible and consistent with applicable standards, to support deferral or avoidance of upgrades and thereby enable faster and/or larger interconnections relative to an otherwise identical inflexible request.

Public Interconnection Queue

The Company will make available on its public website a list of Large Load Customer interconnection applications by zip code listing date accepted, MW interconnection amount and stage of interconnection study process.

PJM Emergency Procedures:

The Company will provide the Large Load Customer with its emergency response customer requirements, including required actions that would be necessary to respond to an emergency load shed event called by PJM.

Large Load Customer Contract Service- Flexible Load Service ~~Interruptible Power~~

(a) ~~Contract Service for Interruptible Power will be available to Large Load Customer customers based on the Company's existing interruptible tariff provisions~~. Contract Service for Flexible Load Service ("Flexible Load Service") shall be available to eligible Large Load Customers pursuant to this Schedule and a written Service Agreement. Flexible Load Service is intended to support reliability and reduce peak system stress through verifiable load reduction and/or load shifting, not solely emergency interruption.

Additionally, the Company may offer eligible Large Load Customers an opportunity to receive service under options that provide mandatory capacity ~~interruptions~~ flexibility and discretionary energy ~~interruptions~~ flexibility pursuant to a contract agreed to by the Company and the Large Load Customer. Minimum ~~interruption~~ flexibility requirement will be commensurate within the minimum requirement under the PJM Interconnection, LLC (PJM) Emergency Load Response Program for capacity purposes, or successor thereto.

(b) Upon receipt of a request from the Large Load Customer for ~~interruptible~~ Flexible Load Service not already expressly described within the tariff, the Company will provide a written offer containing rates and related terms and conditions of service. The contract will provide full disclosure of all rates, terms, and conditions of service and any and all agreements related thereto, subject to designation of confidentiality.

(c) The Company reserves the right test or otherwise verify a Large Load Customer's ability to curtail. Any test or verification may involve physical interruption, flexibility, or curtailment if required by PJM's Emergency Load Response Program. The Company may verify performance through interval meter data and, if applicable, telemetry.

(d) If a Large Load Customers taking service under the ~~interruptible~~ Flexible Load Service rate fails or refuses to curtail or ~~interrupt~~ modify load when directed by the Company, the Customer shall be subject to the penalty detailed in the ~~interruptible~~ Flexible Load Service tariff schedule, or if a negotiated Flexible Load Service ~~interruptible~~ rate, the penalty shall be equal to the difference between the ~~interruptible~~ Flexible Load Service rate charges paid and the charges that would have applied under the otherwise applicable firm (non-interruptible) rate, calculated for the entire contract term.

In addition, the Large Load Customer shall be immediately removed from the ~~interruptible~~ Flexible Load Service rate schedule and transferred to the applicable firm rate schedule for the remainder of the contract term and thereafter, unless and until otherwise authorized by the Company.

The Company reserves the right to manually curtail a Large Load Customer subject to this section in addition to the penalty described above.

(e) Large Load Customers bringing their own onsite generation and not using their full interconnection limit may be offered lower minimum demand charges and/or standby charges. A Large Load Customer bringing onsite generation and using that generation to offset demand for the Large Load Customer’s grid services during a curtailment event will be treated as having curtailed. Any demand charge adjustment and any event-based credit under Flexible Load Service shall be technology-neutral and shall be awarded only on the basis of meter-verified performance, without preference for any particular enabling resource.

Other Matters

(a) Universal Service Fund Contributions
Large Load Customers are to make an annual contribution to the Company’s Hardship Fund based on the following schedule based on peak demand:
(1) At least 25 megawatts but less than 75 megawatts: $250,000.
(2) At least 75 megawatts but less than 100 megawatts: $400,000.
(3) At least 100 megawatts but less than 500 megawatts: $500,000.

(4) 500 megawatts or more: $1,000,000.

(b) Contributions in Aid of Construction

Large Load Customers are subject to a fee for Interconnection Facilities costs and Network Improvements Costs through CIAC.

(c) Infrastructure Upgrades by Large Load Customers

EDCs shall allow the construction of network integrated infrastructure by Large Load Customers. Any customer upgrades must be completed according to existing engineering standards of the EDC and meet any standards in the Public Utility Code for the inspection, maintenance, and repair of the facilities.