

January 6, 2026

PUC,

Thank you for the opportunity to provide input on Docket No.M-2025-3054271. The Commission's attention to the growing concern of data centers impact on The Commonwealths people, economy, and environment is essential to ensuring that these facilities do not unduly externalize the cost of artificial intelligence (AI) to Pennsylvanians and the natural resources on which we, and our economy, rely. We are bearing the burden for large AI companies who look to use the AI to help other companies switch from human talent to AI reducing employment, economic activity and general wellbeing.

It must be stated unequivocally that Pennsylvanians see the recent data center explosion for what it is: the next boom-and-bust industry ready to extract Pennsylvania's resources, grossly underdeliver on promises of jobs and tax revenue, and inevitably leave residents to remediate the economic and environmental mess they will abandon in their wake when the next great new innovation takes them elsewhere, once again failing to provide opportunity for future Pennsylvanians. We have learned from our history, and we know we cannot afford to further subsidize the outside entities and overvalued corporations from the pockets of Pennsylvanians. In short: **We refuse to give in to the "Too big to fail" mindset of our economy, and require the same requirements put onto these firms that we see across all other infrastructure providers.** In particular, Pennsylvania ratepayers are already experiencing rapidly increasing electricity costs—we cannot afford to underwrite large load development across the Commonwealth.

Ratepayers across Pennsylvania are already facing rising electricity costs as a result of aging infrastructure, delays in new generation connecting to the grid, and extreme weather changes that create hotter summers, colder winters, and storms that threaten the resilience and reliability of the grid. Ratepayers are understandably concerned that they will be asked to bear even more costs as utilities invest in new substations, feeders, and reliability upgrades to serve private, high-demand customers. This Model Tariff is a crucial opportunity for the Commission to prevent that outcome. **To ensure energy is affordable and reliable for all Pennsylvanians, the Commission must adopt all measures recommended by the Pennsylvania Office of Consumer Advocate in their June 6, 2025 comment letter, Comments Concerning Interconnection and Tariffs for Large Load Customers, and go even further in protecting Pennsylvanians from bearing undue environmental and financial costs.** Specifically, improvements to the Model Tariff must include:

- Lowering the draft Model Tariffs definition of a Large Load Customer to 25 megawatts (MW) for EDCs whose peak load is equal to or above 2,500 MW and 1 MW for those utilities whose peak load is less than 2,500 MW. If the sum of multiple facilities at different interconnection points owned by the

same parent company exceeds 25 MW, those facilities, even if individually less than the applicable 25 MW or 1 MW threshold, should be defined as a Large Load Customer.

- Provisions that make clear that large load customers pay for the infrastructure they require. Without adequate protections, ratepayers are likely to see further energy price hikes as private facilities trigger grid investments that far exceed local community needs.

The Commission must adopt provisions that ensure:

1. Large load customers, not ordinary households, pay 100% of the costs of new infrastructure built to serve them;
2. Utilities cannot shift project-specific capital expenditures into general rate base.
3. Mandatory system impact studies fully identify required upgrades before service commitments are made.
4. Cost-causation principles are binding, enforceable, and uniform across the Commonwealth.
5. Consistent with policy in other jurisdictions, Large Load contracts should be put in place for a duration of no less than 20 years, and only allows for the termination of the contract if the facility ceases operations and pays a financial penalty. Twenty years is necessary to have sufficient time to recover a substantial portion of the distribution costs incurred by the utility.
6. Large Load Customers pay a minimum demand charge of 90% of their MW size.
7. Large Load Customers provide sufficient, high-quality financial guarantees to cover the minimum monthly payments for a minimum of the next two years or the remaining time in the Large Load Customers contract.

Beyond these direct considerations to mitigate skyrocketing consumer costs, large load customers must be required to adhere to the strongest possible standards of energy efficiency, and demonstrate responsible energy planning and use. The PJM grid has already seen increasing strain in recent years as seasonal peaks intensify, older energy resources retire, and new generation lags in the queue backlog. To reduce strain on the grid and avoid future cost escalation, the model tariff should require large load customers to:

1. Implement energy efficiency and demand-flexibility measures;
2. Source non-polluting energy, including integrating clean on-site generation or storage where technically feasible.
3. Provide transparent reporting on load profiles, energy procurement, and system impacts.
4. Meaningfully consult with community members including municipal officials and residents on multiple occasions well ahead of project buildout to ensure community concerns are adequately addressed.

No large load customers should receive approval prior to a clear demonstration that community feedback was sought and incorporated into project overlays and other relevant planning. The Model Tariff must also ensure that the addition of new large load customers does not negatively impact grid reliability. The Model

Tariff must require utilities to certify that any new large load will not negatively impact grid reliability for all customers, and ensure that all costs related to this certification are the financial responsibility of the large load customer. Reliability risks and rising costs must not fall on households already grappling with higher bills. Given the rapid pace of large-load growth, the Commission must require a consistent, periodic, and timely review of the model tariff, as well as annual utility reporting on large-load-driven projects, cost recovery, and Corrective mechanisms to address any future cost shifting. The concerns voiced by Pennsylvania ratepayers this year make clear that now is the time to draw a firm line: the costs of serving large load customers must be paid by those customers—not by families, seniors, or small businesses already facing rising electricity bills and will receive little to none of the benefits. The Commissions work in Docket No. M-2025-3054271 is essential to ensuring a fair, reliable, and environmentally responsible energy future for the Commonwealth.

Sincerely,

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