

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17120**

Interconnection and Tariffs for Large Load Customers

Public Meeting held April 30, 2026
Agenda No. 3054271-TUS
Docket No. M-2025-3054271

STATEMENT OF COMMISSIONER KATHRYN L. ZERFUSS

Today, we establish a statewide framework that electric distribution companies can adopt or adapt for their electric service areas. This Model Tariff sets forth guidelines addressing distribution costs, an important step towards isolating our residential and small business customers from the financial risks associated with Artificial Intelligence, cloud computing, and domestic manufacturing that have massive energy needs driving billions of dollars in grid infrastructure investment. This Model Tariff addresses current cost allocation practices that often socialize these costs across all retail customers. Today's action funds grid upgrades while protecting small customers from exposure to rising rates.

Many Pennsylvania households are facing rising energy costs and energy insecurity, and the funding availability for assistance like the Low-Income Home Energy Assistance Program (LIHEAP), a program that assisted approximately 260,000 Pennsylvania households between August 23, 2025, and April 23, 2026, is currently in limbo. The expansion of our electric grid to meet the power needs of Large Load Customers will have an impact on the amount Pennsylvania households will pay for electricity, and especially for generation supply and transmission rates. To help address increasing costs and improve affordability, I support the flat fee model, here within, based upon Large Load Customer peak demand as a good starting point. Annex A to the Model Tariff states in pertinent part as follows:

Large Load Customers are to make an annual contribution to the Company's universal service program based on the following peak demand schedule:

- (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.

In my opinion, it should be the goal of the Commission to be nimble and responsive to the ever-changing landscape around us. To that end, I would like to stress that today is not necessarily the end of a journey but rather marks the additional steps the Pennsylvania Public Utility Commission is taking toward ensuring reliable and affordable electric service to our retail ratepayers through this period of rising and unprecedented forecasted load growth.

I encourage our regulated community to seriously consider the expectations of the Commission as laid out in this Model Tariff yet caution using it as a shield against innovative ideas that can further protect ratepayers and further preserve the stability and sustainability of our grid.

Date: April 30, 2026



Kathryn L. Zerfuss, Commissioner