PARTNERS IN POWER

KEY FACTS: PPL ELECTRIC UTILITIES LARGE LOAD TARIFF

PPL Electric Utilities

WHAT IT IS:

PPL Electric Utilities is introducing a new large-load customer rate schedule — called LP-6 — for very large energy users like data centers.

It's designed to protect existing customers from unreasonable cost shifting related to the interconnection of these customers. The new rate class includes binding long-term financial and usage commitments, including a minimum 10-year requirement for large users such as data centers, helping ensure infrastructure costs are paid by the large load customers and not inappropriately shifted to other customers.

WHY IT MATTERS

Protects Customers
Ensures large-load customers — not residential or small business customers — bear the costs of grid expansion.

Supports Growth
Provides a clear, consistent framework for responsibly accommodating data centers and other industries.

Maintains Reliability
Provides a framework for operational flexibility to manage large loads during grid stress events.

Reduces Financial Risk
Long-term contracts, minimum payments and security requirements limit stranded cost exposure.

WHO IT APPLIES TO:

New large energy using customers starting service October 1, 2025, or later that need:

- 50 MW or more at a single site, or
- 75 MW or more combined across nearby sites (within 10 miles).

CORE REQUIREMENTS:

All customers on this rate must sign a long-term contract, called an Electric Service Agreement (ESA), that includes:

Long-Term Commitment & Transparency

- At least a 10-year contract.
- A plan showing how their energy use will grow over the first five years.

Strong Financial Protections

- Customers must make upfront payments for grid upgrades required for their project, ensuring those costs are not paid by other customers.
- Customers provide financial guarantees to ensure the cost of upgrades not paid upfront are fully covered.
- Customers must pay for a minimum level of electricity use, even if they use less:
  - 80% of the energy they committed to use for the first five years.
  - A minimum of 50% after five years and continues through the commitment period.

Maintaining Reliability

- Customers can choose an option to be temporarily curtailed during grid stress, which lowers their minimum usage guarantees.
- During emergencies, non-critical usage may be temporarily reduced to protect overall grid reliability for other customers.

Exit Protections

- If a customer leaves early, they must pay an exit fee, equal to whichever is higher:
  - The remaining minimum payments under the contract, or
  - The remaining cost of the infrastructure built to serve them.

ADDITIONAL SAFEGUARDS:

- Beginning in 2027, $11 million annually in low-income program assistance will be assigned to these large-load customers through a non-bypassable charge — providing important assistance to residential customers who need support while reducing these costs for other residential customers.
- Strong regulatory oversight and transparency, including:
  - Ongoing annual forecasts we will share with regulators so growth is understood.
  - Filing customer agreements with regulators.
  - Tracking any early exit payments and using them to help offset system costs.

For more information visit: pplelectric.com

Connect with us @PPLElectric