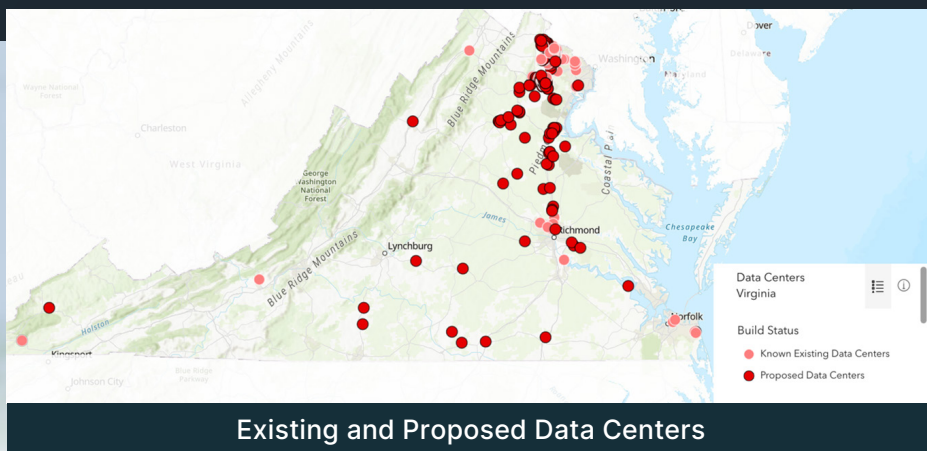


# West Virginia Ratepayers Footing the Bill for Infrastructure Build Out

*Reform needed in PJM's transmission cost allocation process*



Source: Piedmont Environmental Council.

As the electric utility industry faces forecasts of rapid electricity demand growth from data centers, utilities and regulators are scrambling to address the demand, potentially creating new costs for other ratepayers in the process.

IEEFA's report shows the Mid-Atlantic Reliability Link and Valley Link transmission lines, which would cut through parts of West Virginia, were proposed in response to forecasts of rapidly growing electricity demand in northern Virginia, largely driven by data centers.

**West Virginia electricity customers will pay more than \$440 million for the two lines.**

Previous IEEFA reporting emphasized the possibility that demand forecasts for data centers may turn out to be overstated, due to potential utility overestimation of data center demand and due to financial weaknesses in the artificial intelligence (AI) business model. The forecasts of rapidly growing data center loads, as well as the risk of stranded infrastructure costs if such loads do not fully materialize, call into question traditional methods of utility cost allocation.

Unless PJM changes course, ratepayers across the region will continue subsidizing the tech industry's electrical infrastructure demands.

