

Introduction: A Generational Opportunity

Good morning, and thank you Chairman Yaw and members of Board of Directors of the Center for Rural Pennsylvania for the opportunity to testify. I am Sherene Hess, a member of Indiana County Board of Commissioners, serving in my third term.

Indiana County is at a critical moment—one that represents possibilities of *generational* and *transformational* opportunities for business prosperity and for the long-term flourishing of our rural communities.

In Indiana County, the commissioners have been informed that these possibilities through a proposal for a hyperscale, natural gas-powered data center complex. This is not just another development project—it is the next chapter in a long history as an energy production leader.

Before the closure of Homer City, our community relied on a strong economic engine, a coal fired power plant. That plant supported jobs, stabilized our tax base, and sustained local revenue streams. Its closure left us, like many coal communities, grappling with job loss and declining revenues, as well as, the cost of reclamation of degraded landscapes that struggle to recover their ecological function, managing the leachate of coal ash disposal sites, and addressing abandoned mine pollution resulting from extraction of coal used to power the former plant.

Today, a partnership between Homer City Redevelopment and Kiewit proposes turning the existing 2 GW facility into a 4.5 GW natural gas power plant, to be paired with a large AI/HPC data center campus on the 3,000+ acre former coal site. GE Verona will supply seven high-efficiency hydrogen-enabled 7HA.02 gas turbines, with first deliveries expected in 2026, and the site is expected to begin producing power by 2027. (1)

According to Homer City Redevelopment, the project will deliver up to 4.5 GW of power to AI-driven hyperscale data centers while reducing greenhouse gas emissions by 60–65% per megawatt hour compared to the former coal plant, and supply power to thousands of homes on the local grid. It will create more than 10,000 direct on-site construction jobs and approximately 1,000 permanent positions in technology, operations, and energy infrastructure, backed by an initial capital investment exceeding \$10 billion, making it the largest such investment in Pennsylvania's history. (2)

This level of development requires—and depends upon—significant coordination of the following:

- Infrastructure support through state leadership
- Community investment and protection
- Expanded emergency response, policing, and healthcare capacity
- Workforce readiness, especially in the trades and construction
- Service capacity to accommodate population and economic influx
- Access to abundant natural gas resources
- And robust grid and utility infrastructure

This project is also part of the broader Appalachian Innovation Corridor, where energy demand continues to grow and where leaders are striving for higher and better uses of our resources, according to the Allegheny Conference on Community Development. (3)

Balancing Opportunity with Responsibility

With opportunity comes responsibility.

Most recently, environmental groups and other organizations have raised concerns about the already-permitted project. Pennsylvania's DEP issued an air quality permit in November 2025 well ahead of schedule, drawing criticism from environmental advocates who say carbon and toxic air pollution from the site could harm nearby residents. (3)

As we consider these projects, the best interests of our communities must remain at the forefront of any legislative or policy decisions.

First and foremost, local governments must retain authority over development decisions.

Indiana County opposes any legislation that would override local ordinances or county land development plans. Without local control, communities lose their most important tool for managing growth responsibly.

The Comprehensive Plan serves as a blueprint for development and a guide for municipalities and optimally reflect provisions to ensure that data centers fit into a coordinated county wide vision for growth, infrastructure and community character.

Comprehensive Plans establish procedures to protect the public interest and ensure that infrastructure can support new development. Data centers introduce significant impacts—including stormwater management, energy demand, lighting, noise, and visual changes—all of which require thorough local review.

While we recognize that zoning codes and permitting processes may need to evolve, those changes must happen in partnership with local officials, community-based input, and industry, —not in place of local authority.

Community Engagement, Benefits, and Sense of Place

Equally important is building local capacity for meaningful community engagement, particularly in ensuring that the negative impacts of data centers are minimized and their benefits are maximized for communities affected by their development and operation.

Engagement must begin early—ideally before changes are even proposed—and it must aim to align development with the goals, values, and identity of the community.

Indiana County supports a process which is intentional in creating opportunities for public input and shared benefit. Community Benefit Agreements (or Investment Agreements) are legal contracts between

a coalition of community-based groups and the developer and can address and negotiate terms to ensure, optimally, at a minimum:

1. Commitment to hire local workers and commitment to workforce development programs;
2. Fiscal responsibility regarding tax abatements and investment in public goods like education and roads, water systems, and other public facilities;
3. Help for residents to cope with rising utility costs or to improve broadband access;
4. Protection of quality-of-life including siting of data centers away from homes, parks, and other sensitive areas;
5. Limits on noise and visual impacts;
6. Promotion of digital literacy, access, and expansion of broadband to residents and schools;
7. Efficient cooling and water recycling systems to reduce local water demand

The creation of CBAs should be transparent and have measurable benefits. The implementation of them should aim for long term community trust and leave communities in better shape than before construction of data centers.

At the same time, collaboration must extend beyond the public.

Counties need capacity to do early and ongoing coordination with utilities to assess infrastructure capacity and plan long-term investments. Regional coordination—with neighboring municipalities and the Public Utility Commission—is also critical to managing cumulative impacts on the grid and shared resources.

When done right, this kind of engagement and collaboration guarantees that development is not only successful—but sustainable and beneficial to the communities it touches.

Developers make large up-front investments and require a steady flow of lessees once data centers are built. Significant community opposition can jeopardize the process and in Indiana County, there is an additional channel for expression of public apprehension since development will require working with utilities through the Public Utility Commission.

Challenges and Future-Proofing

Even with careful planning, challenges remain. As a county, we support planning for the consequences that will exist years or decades beyond construction of data centers.

We must think beyond immediate gains and ensure long-term support for our local economies, schools, and public services—so that our communities remain strong even during future downturns.

As a county, we support investing in technologies that improve the efficiency of data center operations, particularly as the industry evolves at an extraordinary pace. As many have noted, even when you feel ahead of the curve, you can quickly find yourself behind it.

Another critical issue is cost: data centers must pay their fair share of necessary grid upgrades. The burden of infrastructure expansion cannot fall disproportionately on existing residents or businesses.

Ultimately, this is a business decision—for both developers and communities.

Local officials have a responsibility to ensure that the benefits outweigh the costs. That includes carefully weighing:

- Increased revenue against potential strain on natural resources
- Changes to community character and viewsheds
- Pressure on the workforce
- Demands on infrastructure, services, and amenities
- And potential increases in electricity costs for residents

Closing

If approached thoughtfully, developments like this can help write a new economic future for rural Pennsylvania—one that builds on our strengths while adapting to a changing energy and technology landscape.

Success depends on balance:

Balancing growth with stewardship,

Innovation with local control,

And economic opportunity with community well-being.

Thank you for your time and your commitment to the future of rural Pennsylvania.

(1), (2) - [PRESS RELEASE: Homer City Redevelopment and Kiewit Announce Country's Largest Natural Gas-Powered Data Center Campus to Support AI and HPC Demand](#)

(3) [Pittsburgh groups pitch AI infrastructure to US Energy Dept. - Pittsburgh Business Times](#)