

Senate Majority Policy Committee Hearing  
DCED Testimony  
August 11, 2025

Under Governor Josh Shapiro’s leadership, Pennsylvania has emerged as a trailblazer in Artificial Intelligence (AI) innovation and data center development. Through bold reforms, innovative new programming, and a commitment to public-private partnerships, Pennsylvania has secured historic investments in our business sector and attracted investment from global leaders in AI – including Google, Microsoft, Blackstone, CoreWeave, and Amazon. Together, these companies have pledged upwards of \$75 billion to establish the Commonwealth as a national and global hub for AI and energy. Strategic initiatives led by the Shapiro Administration coupled with these historic investments have resulted in Pennsylvania being named one of the top three states in the nation for AI readiness and a top ten state in AI growth.

Pennsylvania’s growing national prominence in AI infrastructure and clean energy development was on full display at the inaugural Pennsylvania Energy and Innovation Summit, held in July 2025 at Carnegie Mellon University. The summit brought together government officials, energy producers, AI firms, and academic leaders to chart a bold path for the Commonwealth’s AI-powered economy. More than \$90 billion in private-sector investment was spotlighted, including major commitments from Blackstone, Google, CoreWeave, Constellation, FirstEnergy, and Amazon Web Services. These investments span AI data center development, grid modernization, clean energy production, and workforce training initiatives.

Google announced \$25 billion in AI infrastructure spending across the PJM region, including a new hydropower partnership and workforce initiative. Blackstone and PPL are investing \$25 billion in Northeastern Pennsylvania to create thousands of construction and permanent jobs. CoreWeave committed \$6 billion for a new 300MW data center in Lancaster. Constellation pledged major nuclear expansions, while FirstEnergy will modernize power distribution across 56 counties.

The summit also emphasized workforce readiness, including the launch of the Energy Innovation Center Infrastructure Academy to train over 7,000 Pennsylvanians in clean energy and AI-related roles. This collective commitment affirms that Pennsylvania is not only competing for investment—we are shaping the future of American industry.

Amazon Web Services’ (AWS) \$20 billion commitment to Pennsylvania remains a cornerstone of this broader investment wave. This is the single largest private-sector capital investment in the Commonwealth’s history. AWS will establish multiple advanced data center campuses in Luzerne and Bucks Counties, with additional sites under evaluation. The project is expected to create over 1,250 full-time jobs, generate thousands more in construction and local supply chain work, and deliver long-term benefits to local tax bases and infrastructure.

At the Energy and Innovation Summit, AWS leaders emphasized their partnership with Talen Energy to co-locate next to the Susquehanna nuclear facility, ensuring access to reliable, carbon-free baseload power. AWS also committed to funding critical transmission upgrades that will improve grid resilience for surrounding communities.

In addition to infrastructure, AWS announced major workforce investments: partnering with Pennsylvania community colleges and K–12 systems to prepare residents for careers in data center operations, cloud computing, and AI-related fields.

As a leader in data center development, Pennsylvania is poised to revitalize our communities and economy through increased tax revenue for our local governments, bring high-paying jobs to the

Commonwealth, and retain and attract innovative young workers pursuing careers in AI and AI-adjacent fields. Through hosting multiple state-of-the-art AI data centers, we are more attractive to additional tech and related companies who co-locate around data centers to reduce latency and increase data access speeds, creating tech clusters across the Commonwealth and powering Pennsylvania's economy.

To maintain this momentum, the commonwealth and our local government partners must continue to reform and revamp our permitting and licensing capacity and speed. Upon taking office, Governor Shapiro made modernizing our permitting process and timelines a top priority. In the last two years, the Commonwealth has cut business license wait times from eight weeks to one day, introduced a first-in-the-nation project-based permitting fast-track program for major developments, made substantial investments in the development of shovel-ready sites, and implemented a money-back guarantee if state permits, licenses, and certifications are not issued within a reasonable timeframe. Continuing to make strides in streamlining and fast-tracking these processes is critical to ensuring projects are not arbitrarily stalled due to administrative red-tape.

Like all transformative technologies, AI presents new demands that require innovative solutions. The energy required to maintain data centers is substantial, and Pennsylvania must put aside partisan differences and work urgently to ensure that the Commonwealth can meet rising energy demand while keeping costs low for consumers and protecting our air and water resources. Governor Shapiro's Lightning Plan provides a comprehensive path forward to protect and increase Pennsylvania's energy generating capabilities. The Lightning Plan will expand in-state power generation and lower utility costs for families and businesses by increasing the share of clean, renewable energy that utility companies must supply, reducing energy consumption, streamlining the process for wind and solar projects to come online, creating a community energy program, and establishing tax credits to provide incentives for innovative and necessary energy projects. Enacting these proposals will increase Pennsylvania's business attraction and enhance our economic competitiveness.

Pennsylvania is positioning itself at the forefront of AI innovation and infrastructure — transforming into a magnet for investment, talent, and cutting-edge technology. With continued commitment and action, the Commonwealth is not only ready to meet the challenges of a rapidly evolving economy, but ready to lead it.