



IRP Stakeholder Workshop #3: Customer Cost Impacts Methodology

Comments of the Data Center Coalition

June 9, 2026

The Data Center Coalition (DCC) is a national trade association representing data center owners and operators across the United States. DCC has participated in utility regulatory proceedings in more than a dozen states on issues of large-load tariff design, cost allocation, and rate structure. These comments are submitted in response to the Workshop #3 comment form and focus on the questions most directly relevant to DCC's interests.

Question 1

E3 plans to conduct a revenue requirement analysis on a subset of scenarios looking at representative residential, commercial and industrial customer classes. How should "commercial" versus "industrial" customer classes be defined for purposes of reporting customer cost impacts?

DCC recommends that the commercial and industrial classes be defined based on load characteristics, such as load size, load factor, voltage level, and contribution to system peak, rather than by industry type or end use. This approach is consistent with cost causation principles and produces a more accurate and durable class definition as the composition of large load customers in Illinois evolves over time.

DCC is not recommending that data centers or any other end-use be treated as a separate customer class. What DCC is asking for is that class definitions and the allocation methodology used within those classes be grounded in load characteristics and cost drivers, not industry labels. This will produce more accurate cost attribution and more useful findings for policymakers.

Question 2

If "commercial" and "industrial" are defined using load thresholds, what threshold(s) do you recommend and why?

DCC recommends a threshold in the range of 50 to 100 MW, applied consistently across all large load customers regardless of end use. This range reflects DCC's positions in other state proceedings, including Ohio (24-0508-EL-ATA), Washington (UE-260162), and Pennsylvania (M-2025-3054271), and is broad enough to capture the customer types most likely to drive significant infrastructure investment without singling out any one industry.

DCC also recommends that E3 provide documentation showing how incremental costs are attributed across customer types within the industrial class. The IRP load forecast treated data center growth as a distinct demand driver across low, base, and high scenarios in Workshop #1. E3 confirmed at Workshop #3 that incremental load shapes for different data center scenarios exist within the model. Using that data to show how incremental costs are attributed within the industrial class would improve the transparency and usefulness of the IRP's cost findings, without requiring any change to the class structure itself.

Question 3

For the stakeholder group(s) that you are representing in the IRP process, what are you hoping to learn from the cost impact analysis specific to the customer group you are interested in?

DCC represents large load customers, including data centers, that are significant contributors to the load growth driving Illinois's planning horizon. From the customer cost analysis, DCC is hoping to understand:

- How incremental transmission and distribution costs associated with large load growth are attributed within the industrial class. Without that transparency, it is difficult to evaluate whether cost attribution accurately reflects what is driving those costs or whether it is based on historical averages that may not accurately reflect the current and future composition of the industrial class;
- How the cost picture differs across IRP scenarios for large new loads within the industrial class, so that policymakers can understand what is actually driving rate changes under different futures.

- Whether the analysis accounts for the system utilization benefits that high load factor customers can provide. Specifically, the potential for consistent, high-volume consumption to improve utilization of existing infrastructure and reduce per-unit costs for all customers.

On the third point, DCC notes that the methodology as presented focuses on projecting incremental costs but does not appear to account for utilization benefits. In a system where a significant portion of costs are fixed, higher utilization rates driven by large new loads can reduce per-unit costs for all customers. A complete cost analysis should reflect both sides of this ledger. DCC encourages E3 to evaluate net cost impacts rather than gross incremental costs alone.

Question 4

E3 proposes to estimate the future delivery revenue requirement by starting with the current delivery revenue requirement and applying a growth rate based on historical authorized revenue requirement increases over the past 10 years, along with modeled additions for new transmission and distribution investments. Do you believe this is a reasonable approach for projections?

DCC does not have comments on this question at this time.

Question 5

If “Yes, but should be adjusted” or “No” was selected in the previous question, what adjustment is most appropriate?

DCC does not have comments on this question at this time.

Question 6

If “Use a different historical window” was selected in the previous question, what lookback period should be used to estimate the growth rate and why?

DCC does not have comments on this question at this time.

Question 7

The agencies and E3 are seeking stakeholder feedback to inform our approach to equity as part of the IRP. Energy burden is defined as the percentage of a household’s annual income spent on household energy bills. What baseline would be most useful for examining energy burden in the IRP?

DCC does not have comments on this question at this time.

Question 8

Are there data sources available at the community or census-tract level in Illinois that should inform how EJ and equity investment eligible communities are identified and characterized?

DCC does not have comments on this question at this time.

Question 9

What are the most significant barriers to participation in existing programs for EJ and/or equity investment eligible communities, e.g. upfront costs, eligibility restrictions, lack of information, or structural factors like renter status?

DCC does not have comments on this question at this time.

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