STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

Illinois Commerce Commission On Its Own Motion vs. Commonwealth Edison Company Investigation of possible ratepayer protections and cost recovery mechanisms for servicing large demand project applicants or customers of Commonwealth Edison Company.	)	Docket No. 26-0364

REBUTTAL TESTIMONY

OF

CLAIRE LANG-REE

ON BEHALF OF

ENVIRONMENTAL LAW & POLICY CENTER, NATURAL RESOURCES DEFENSE COUNCIL, UNION OF CONCERNED SCIENTISTS, VOTE SOLAR, AND THE CITIZENS UTILITY BOARD

("JOINT NON-GOVERNMENTAL ORGANIZATIONS" OR "JNGO")

September 9, 2026

TABLE OF CONTENTS

I. INTRODUCTION 1
II. PROPOSED PJM RULE CHANGES WARRANT ACTION FROM THE ILLINOIS COMMERCE COMMISSION 3
III. THE COMMISSION SHOULD ADOPT COMED'S PROPOSAL FOR NON-FIRM SERVICE TARIFFS WITH ADDITIONAL DIRECTIVES 13
IV. THE COMMISSION SHOULD ENCOURAGE COMED TO DEVELOP NEW INTERCONNECTION PROCESSES TO IMPROVE FLEXIBILITY FOR NEW LARGE LOADS 29
V. CONCLUSION 30

I. INTRODUCTION

Q: Please state your name, title, position, and business address.

A: My name is Claire Lang-Ree. I am an advocate at the Sustainable FERC Project at the Natural Resources Defense Council. My business address is 40 West 20th St., New York, NY, 10011.

Q: For whom are you testifying in this matter?

A: I am testifying on behalf of the Environmental Law & Policy Center ("ELPC"), Natural Resources Defense Council ("NRDC"), Union of Concerned Scientists ("UCS"), Illinois Citizens Utility Boad ("IL CUB"), and Vote Solar, together the Joint Non-Governmental Organizations ("JNGO").

Q: Are you sponsoring any exhibits today?

A: Yes:

- JNGO Ex. 4.01: PJM July 27, 2026 board letter regarding Connect-and-Manage process.
- JNGO Ex. 4.02: PJM July 31, 2026 board letter regarding Reliability Backstop Procurement.
- JNGO Ex. 4.03: PJM July 31, 2026 board letter regarding Interim Resource Adequacy Service.
- JNGO Ex. 4.04: Resume of Claire Lang-Ree.

Q: What is the purpose of your testimony?

A: In this testimony, I will reiterate my position that non-firm service tariffs are necessary to protect reliability and fairly allocate electricity costs. I will also provide updates on key PJM decisions that have occurred since my direct testimony was filed: the PJM Board of Managers proposed and filed at the Federal Energy Regulatory Commission ("FERC")

final designs for the Reliability Backstop Procurement ("RBP") and Interim Resource Adequacy Service ("IRAS"). In order to properly implement these PJM policies and ensure risks and costs are not spread to other customers, the Illinois Commerce Commission ("Commission") must require any new large load customers take service on a non-firm service tariff for any load that is not offset with new, deliverable capacity.

I agree with Commonwealth Edison Company's ("ComEd") proposed framework for non-firm service tariffs for new large loads and will provide targeted recommendations for design elements needed to ensure these tariffs harmonize with PJM rules.

- *First*, and most importantly, the Commission should require new large load customers to match their load with new capacity, and that any remaining unmatched load should be subject to non-firm service. ComEd calls this mechanism "Resource Adequacy Curtailment."

- *Second*, the Commission should direct ComEd to implement non-firm service tariff provisions immediately, applicable to any large load that has not yet been energized at the time the tariff is approved, given fast-approaching resource adequacy shortfalls. Waiting until 2030 or later, as ComEd suggests, will expose ratepayers to cost and reliability risks for years to come.

- *Third,* the Commission should require all new large loads to take non-firm service tariffs with ComEd unless and until they bring their own new capacity ("BYONC") on a permanent basis, not just based on PJM-determined resource adequacy shortfalls, to avoid incidentally keeping prices high.

- *Fourth*, ComEd should clarify that any non-firm load will not be included in any load forecasts at PJM, including the Reliability Pricing Model ("RPM") and the

RBP. This will ensure that other ratepayers do not pay higher prices because of large loads that have not brought their own capacity.

- *Fifth*, ComEd should clarify curtailment order for large loads on non-firm service tariffs.

- *Sixth*, the Commission should direct ComEd to credit new BYONC supply only when that supply is located within the ComEd zone, or is otherwise deliverable to the ComEd zone.

- *Seventh*, the Commission should clarify that new capacity built to serve new large loads does not conflict with state clean energy laws. JNGO witness Will Kenworthy elaborates on this recommendation in his testimony, JNGO Ex. 5.0.

With these elements included, I strongly recommend that the Commission adopt the ComEd proposal for a non-firm service tariff applied to all new large load customers.

Finally, I will explain that, to ensure maximum commercial flexibility for new large load customers, ComEd should consider new pathways for distributed energy resources that are electrically proximate to new large loads and could operate in a manner that reduces service interruptions for the new large load customers.

II. PROPOSED PJM RULE CHANGES WARRANT ACTION FROM THE ILLINOIS COMMERCE COMMISSION

Q: What developments have occurred at PJM that are relevant to this case?

A: Two developments at PJM are relevant to this case. On July 27, the PJM Board of Managers issued a final decision on its Critical Issue Fast Path stakeholder process, which contains two components: the Reliability Backstop Procurement ("RBP") and the so-called Interim Resource Adequacy Service ("IRAS"), which was previously referred

to as "Connect and Manage."[1] PJM also released executive summaries for the RBP[2] and IRAS.[3] On July 31, PJM held a stakeholder meeting to discuss the proposals, then filed the RBP proposal at the Federal Energy Regulatory Commission ("FERC") seeking approval by September 29, 2026.[4] PJM filed its IRAS proposal at FERC on August 13, 2026.[5]

Q: What is the proposed Reliability Backstop Procurement ("RBP")?

A: The proposed Reliability Backstop Procurement is a new PJM-run process to procure sufficient capacity supply to resolve the region-wide resource adequacy shortfall identified in the 2028/2029 Base Residual Auction ("BRA"). At a high level, PJM will facilitate a procurement of up to 6,831.3 Megawatts ("MW") of Unforced Capacity ("UCAP") at a price of up to $555/MW-day. The procurement will open on September 30, 2026, and close on October 21, 2026, with results announced around December 2 or 3, 2026. Cleared supply resources will sign contracts of up to 15 years in length, starting on June 1 between 2028 and 2032 and running through May 31, 2043. Costs will be allocated to load serving entities pro-rata based on each zone's load forecast growth between 2026 and 2028. Utility commissions are responsible for ensuring that their utilities allocate those costs to the correct customers. If states do not have frameworks in

[1] JNGO Ex. 4.01 (PJM board letter regarding Critical Issue Fast Path process).
[2] JNGO Ex. 4.02 (PJM board letter regarding backstop procurement).
[3] JNGO Ex. 4.03 (PJM board letter regarding IRAS framework), *available at* https://www.pjm.com/-/media/DotCom/about-pjm/who-we-are/public-disclosures/2026/20260727-cifp-framework-for-service-during-periods-of-insufficient-resource-adequacy-executive-summary.pdf. The first version of the IRAS executive summary contained errors, so we have cited to the corrected version, which was published on July 31, 2026.
[4] FERC Docket No. ER26-3380.
[5] *PJM Interconnection, L.L.C.*, ER26-3515, Proposal of PJM Interconnection L.L.C. to Establish Interim Resource Adequacy Service and a Large Load Registry to Address System Reliability (filed August 13, 2026), *available at* https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20260813-5118&optimized=false&sid=9188f1c7-739b-4941-b437-331f8fabe0fc ("IRAS Transmittal Letter").

place to ensure that distribution utilities allocate RBP costs to large load customers, PJM has stated that it is "unclear to which customers those costs would be assigned."[6]

The RBP quantity that PJM procures can be reduced via state policies or commercial arrangements. States can reduce the RBP quantity through verified new supply added via Integrated Resource Plans ("IRPs"), or by large load demand reductions through participation in a "peak shaving adjustment program" that is codified in state law and as defined in PJM's Tariff, Attachment DD-2.[7] The RBP quantity can also be reduced if new large loads bilaterally contract with new supply resources.

Q: What is the proposed Interim Resource Adequacy Service ("IRAS")?

A: Interim Resource Adequacy Service is PJM's proposal for interruptible service for new large loads that have not brought sufficient new capacity to offset their demand.[8] There are four distinct components to IRAS: a Large Load Registry, Bring Your Own New Capacity ("BYONC") requirements, curtailment rules, and a financial credit for IRAS loads.

Q: Please describe the Large Load Registry.

A: PJM will maintain and publish a registry of new large loads and their capacity additions (in MW). States will be responsible for providing information to PJM for the large load registry.[9] PJM will use the large load registry to determine IRAS quantity and track large loads as they BYONC. The Large Load Registry will "help the states and industry partners assess whether companies are, as the Ratepayer Protection Pledge commits,

[6] JNGO Ex. 4.02, at 4.
[7] JNGO Ex. 4.02 at 33.
[8] JNGO Ex. 4.03 (PJM Board Letter describing IRAS process).
[9] *Id.* at 28-29.

"build[ing], bring[ing], or buy[ing] the new generation resources and electricity needed to satisfy their new energy demands" and "add[ing] more capacity that serves the broader public by increasing supply" in order to protect "Americans from higher prices."[10]

Q: Please describe how PJM will handle BYONC under IRAS.

A: As mentioned above, new Large Loads that do not BYONC as recorded in the registry may be subject to curtailment under IRAS. BYONC includes any addition of new incremental capacity: new resources, uprates or fuel switching at existing resources, new surplus interconnection resources, and new demand response or distributed energy resources ("DERs").[11] BYONC resources must participate in the capacity market as a "price taker," meaning that they submit bids of $0, for 10 years, recognizing that their costs will be paid by the large loads.

Q: Please describe the curtailment rules under IRAS.

A: Starting in June 2027, large loads that do not bring their own new capacity may be subject to curtailment.[12] PJM will call for IRAS load reductions prior to Pre-Emergency Load Management Actions, so curtailment of large loads will occur before PJM begins to take emergency measures to protect the grid and before other customers may be subject to curtailment. PJM curtailment directives will be sent to the relevant zone; it will be up to the transmission owner or electric distributor to curtail individual customers, subject to oversight by state regulators. Starting with the 2029/2030 delivery year, PJM will not

[10] *Id.* at 2.
[11] *Id* at 6.
[12] PJM defines a New Large Load subject to IRAS curtailments to be "end-use customer load that is either (a) a Large Load that goes into service after June 1, 2027, or (b) incremental load in-service after June 1, 2027, that increases the existing end-use customer load at a single electrical site that, prior to such incremental load, did not previously meet the definition of Large Load." *Id.*

include new large loads in the capacity demand curve unless and until they BYONC, as defined in the previous paragraph. Large loads that are excluded from the capacity auction can still connect and receive electric service but may be subject to IRAS load reductions. These loads will not contribute to price increases in the capacity auction.

The entire IRAS framework, including BYONC requirements and exclusion of new large loads from the capacity auction until they self-supply, would be halted if PJM clears with sufficient capacity for three consecutive auctions.[13]

Q: Please describe the credit mechanism for IRAS loads.

A: PJM proposed a financial "credit" for new large loads subject to IRAS, recognizing that compensation for curtailments under IRAS may be appropriate . PJM proposed a rate for IRAS load that is up to 50% of the Non-Performance Charge Rate, or half of the standard capacity penalty rate.[14] The Commission will likely need to issue guidelines about how to implement this Non-Performance Charge Rate if requested. While the proposed 50% of the standard capacity penalty rate for IRAS load is a maximum value, PJM recognized that states, large loads, or utilities may wish to implement a lower rate: "PJM's proposal provides Electrical Distributors and states flexibility in the applicable IRAS rate for its territory and affords the New Large Load the ability to waive compensation. Indeed, a rate of zero dollars for IRAS would apply where Eligible New Large Loads waive in their retail rates receipt of compensation for the provision of wholesale Interim Resource Adequacy Service—an outcome that would be consistent with the Ratepayer Protection Pledge signatories' commitment "to protect American consumers from price hikes due to

[13] IRAS Transmittal Letter at 52.
[14] IRAS Transmittal Letter at 102.

data center energy and infrastructure requirements, and lower electricity costs for consumers in the long term."[15]

PJM does not require any action from states on the proposed "credit" for IRAS load.[16] Nonetheless, PJM proposes that states, Electric Distributors, or even Large Loads themselves may wish to establish this credit in a future proceeding. In the event that the Commission is asked to implement this proposed credit, JNGOs suggest 1) any costs for the financial credit do not adversely impact other customer classes (for example, residential ratepayers should not be asked to fund the financial credit paid for large loads that have not secured their own supply), and 2) the credit should be limited to a make-whole payment up to the amount of capacity charges assessed to Electric Distributors for curtailed loads. In other words, the payment should offset capacity charges for large loads, and no more.

Q: Will PJM curtail every large load MW that does not BYONC every year?

A: No. IRAS is simply a megawatt quantity based on two factors: (1) the amount of New Large Load[17] that is not matched with BYONC, and (2) the amount of capacity shortfall in a given delivery year. While all New Large Loads that have not brought their own new capacity (referred to henceforth as "unmatched load") will be excluded from the capacity market, which is aligned with recommendations that NRDC made at PJM and in front of this Commission in my Direct Testimony, not all unmatched load will necessarily be curtailed during an IRAS Action. This is because PJM will determine the quantity of

[15] IRAS Transmittal Letter at 102.
[16] IRAS Transmittal Letter at 106.
[17] PJM defines New Large Load to mean any large load (>50MW) that enters into service after June 1, 2027. IRAS Transmittal Letter at 1, n.2.

IRAS load (which is subject to curtailment) based on resource adequacy shortfalls through the capacity market results for a given delivery year. If the quantity of unmatched load is greater than the quantity of a capacity shortfall for a delivery year, PJM will assign each area "a pro rata quantity of Interim Resource Adequacy Service"[18] for the delivery year. This means some new unmatched load *may not* be subject to curtailments.

Q: What are the implications of these proposals for Illinois?

A: While both the IRAS and RBP proposals will still need to be approved by FERC, the final decision by the PJM Board clarifies the need for state regulations, including non-firm service tariffs and BYONC frameworks.

PJM explicitly states that states will play a critical role in determining which individual customers are subject to IRAS interruptions for a given delivery year.[19] PJM's proposal "is intentionally designed to avoid conflicts with state authority and regimes by leaving retail load reduction plans and retail cost allocation to state-level entities."[20] The only way for Illinois to properly allocate IRAS interruptions among retail customers is to establish clear and fair non-firm service tariffs and require that all new large load customers BYONC or sign applicable non-firm service tariffs.

Likewise, state regulatory agencies will be the primary bodies overseeing the addition of new large loads and monitoring new BYONC added to the Large Load Registry, which in turn will directly influence the amount of capacity PJM procures and

[18] JNGO Ex. 4.03 (PJM Board Letter re: IRAS) at 3.
[19] JNGO Ex. 4.03 (PJM Board Letter re: IRAS) at 1.
[20] IRAS Transmittal Letter at 3.

the amount of load subject to IRAS. PJM will verify BYONC but rely on critical information from Electric Distributors like ComEd. Clear BYONC frameworks at the state level will help inform the large load registry and prevent PJM from over-procuring on behalf of non-firm large loads while ensuring BYONC resources comply with relevant state laws.

Q. Have any parties to this proceeding commented on the IRAS proposal at FERC?

A: Yes. The Data Center Coalition ("DCC") filed a protest.[21] The Organization of PJM States ("OPSI"), with support from the ICC, filed supportive comments with a request for clarification.[22] And two members of JNGO, NRDC and ELPC, filed a limited protest as part of the Public Interest Organizations.[23]

Q. Why did the Data Center Coalition protest the PJM IRAS proposal?

A. The primary reason the Data Center Coalition provided was that PJM and FERC lack authority to require IRAS. The DCC stated that "[t]he Federal Power Act ("FPA") grants states—not PJM or FERC—exclusive authority over the rates, terms, and conditions of retail service."[24] The DCC argued that states, not PJM, "must take the lead in developing the retail service frameworks through which new large loads are integrated into the

[21] *PJM Interconnection, L.L.C.,* Docket No. ER26-3515-000, Motion to Intervene and Protest of the Data Center Coalition (filed Sept. 3, 2026) ("DCC IRAS Protest"), *available at* https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20260903-5199&optimized=false&sid=f3ad2048-c308-484c-aadd-3230ed0f9a85.
[22] *PJM Interconnection, L.L.C.,* Docket No. ER26-3515-000, Comments, Request for Clarification, and, in the Alternative, Request to Sever of the Organization of PJM States, Inc. (filed Sept. 3, 2026) ("OPSI IRAS Comments"), *available at* https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20260903-5199&optimized=false&sid=f3ad2048-c308-484c-aadd-3230ed0f9a85.
[23] *PJM Interconnection, L.L.C.,* Docket No. ER26-3515-000, Limited Protest of Public Interest Organizations (filed Sept. 3, 2026) ("PIOs IRAS Protest"), *available at* https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20260903-5159&optimized=false&sid=f3ad2048-c308-484c-aadd-3230ed0f9a85
[24] DCC IRAS Protest at 3.

electric system, including the rules governing the priority of customer classes, the terms for interrupting service to retail customers, and the requirements that customers must meet to obtain firm service."[25]

Q. What is your response to the DCC's argument?

A. The DCC's argument provides a strong reason this Commission should establish resource-adequacy non-firm service tariff in this proceeding. Should FERC (or a court) agree with the Data Center Coalition that PJM cannot institute IRAS, responsibility will fall entirely to the states to adopt the policy that PJM has recognized is necessary to preserve resource adequacy across the region. The Commission should not wait for that legal challenge to play out.

Further, even if FERC disagrees with the DCC's argument, Illinois still must institute a non-firm service tariff to clarify which customers will ultimately be curtailed during resource adequacy shortages.

Q. What did the Organization of PJM States say in its comments on the IRAS filing?

A. OPSI supported the general BYONC and non-firm framework that PJM proposed. OPSI noted that new large loads that do not bring their own capacity are creating resource adequacy risks, and argued that "[t]he challenges associated with the rapid influx of [New Large Loads] are not temporary, and PJM should preserve a regional mechanism that places curtailment responsibility where the associated resource adequacy risk

[25] *Id.*

originates."[26] But OPSI further requested clarification on PJM's proposed compensation mechanism for large loads that are curtailed under IRAS.

Q. What is your response to the OPSI comments?

A. OPSI's support for the IRAS framework shows that state regulators—including the ICC—recognize a need for BYONC and non-firm service to protect retail adequacy. OPSI's concerns regarding the credit mechanism are valid. I address the credit mechanism in more detail above.

Q. Why did the Public Interest Organizations file a limited protest?

A. The PIOs (including NRDC and ELPC) overall supported IRAS, stating that "the IRAS Filing is an essential mechanism to protect customers in PJM from skyrocketing costs and degrading reliability caused by the forecasted rapid influx of large loads."[27] But PIOs recommended several limited modifications, including a cap on potential compensation for large loads under IRAS and a requirement that BYONC be fully deliverable to the large loads they support. Those recommendations align with JNGO's recommendations in this proceeding.

[26] OPSI IRAS Comments at 5.
[27] PIOS IRAS Protest at 1.

III. THE COMMISSION SHOULD ADOPT COMED'S PROPOSAL FOR NON-FIRM SERVICE TARIFFS WITH ADDITIONAL DIRECTIVES

Q: What did ComEd propose in their Direct Testimony regarding non-firm service?

A: ComEd stated that new large load customers can present "timing, reliability and resource adequacy challenges that are not fully addressed by existing tariff provisions."[28] ComEd further clarifies that retail tariffs are necessary to implement PJM or FERC directives.[29] As such, ComEd proposed "Rider Non-Firm Retail Electric Service" ("Rider NFRES") which contains three scenarios in which non-firm service curtailments would be applied to new large load customers:

1. "Early Energization Curtailment" which would recognize curtailments associated with unfinished transmission and delivery system upgrades triggered by a new large load.

2. "Resource Adequacy Curtailment" which would recognize curtailments associated with new large load customers that have not demonstrated that they have secured sufficient new capacity resources to satisfy any requirements set out by FERC orders, PJM tariffs, state law, or state regulations.

3. "Emergency Curtailment" which would set out emergency curtailment procedures and priorities.

[28] Leichtman direct at 15:288-289.
[29] Leichtman Direct at 16:304-312.

Early Energization Curtailment would be voluntary, providing large loads with an expedited interconnection path, while Emergency Curtailment would be mandatory. Resource Adequacy Curtailment would not take effect absent action from a state or federal authority or PJM—I discuss this issue in more depth below.

Q: What is your opinion of ComEd's proposal?

A: I agree with ComEd's proposal, and recommend the Commission adopt it with additional directives that I will describe below. I strongly agree with ComEd's witness Leichtman that "ComEd needs a Commission-approved retail tariff" in order to implement applicable PJM and FERC requirements.[30] As I also presented in my Direct Testimony, PJM and FERC cannot assign customer-specific obligations for retail service, and if the Commission does not direct ComEd to do so, the general public risks service disruptions. Likewise, I agree with ComEd's proposal to distinguish between three types of curtailments. The proposed Resource Adequacy curtailment aligns closely with the recommendations I made in my Direct Testimony, and I am strongly in favor of provisions that recognize that large loads should be responsible for bringing and paying for their own new supply or otherwise be subject to curtailments prior to other customers given their outsized impact on reliability and costs. Below, I will suggest clarifications to enhance the proposal made by ComEd.

Q: What else should the Commission direct ComEd to do?

A: To ensure that the proposed non-firm service tariffs work as intended and minimize costs and risks to other customers, the Commission should adopt ComEd's proposal for non-

[30] Leichtman Direct at 16:304-312.

firm service tariffs with the following changes and clarifications, all raised in my Direct Testimony:

- *First,* the Commission should require new large load customers to BYONC and take non-firm service for any unmatched load. This includes requiring interim non-firm service for new large loads that have plans to BYONC but where the supply has not yet come into operation. This is the most important recommendation.

- *Second*, the Commission should direct ComEd to implement non-firm service tariff provisions immediately upon approval of the tariff.

- *Third,* the Commission should require all new large loads to take non-firm service tariffs with ComEd unless and until they bring their own new capacity ("BYONC") on a permanent basis.

- *Fourth*, the Commission should direct ComEd to ensure that load served under a non-firm service tariff is accurately reflected as such in PJM's load forecast.

- *Fifth*, the Commission should direct ComEd to clarify curtailment order for load subject to non-firm service tariffs if PJM curtailment directives do not match the quantity of large loads subject to non-firm service.

- *Sixth*, the Commission should direct ComEd to credit new BYONC supply only when that supply is located within the ComEd zone or is otherwise deliverable to the ComEd zone.

- *Seventh*, the Commission should clarify that BYONC supply must not conflict with state clean energy laws. JNGO witness Will Kenworthy elaborates on this point in his rebuttal testimony, JNGO exhibit 5.0.

Q: Why should the Commission require new large loads to BYONC or receive non-firm service for load that is not matched with new capacity?

A: ComEd's proposal for "Resource Adequacy Curtailments" recognizes that large loads could be curtailed if their load is not matched by new capacity. But Rider NFRES also states that this type of curtailment will only apply if the Company or the large load customer "becomes obligated by federal or state law or regulation, FERC Order(s), and/or the tariffs, rules, or manuals of PJM" to match load with new generation capacity.[31]

ComEd feels that it lacks authority on its own to direct large load customers to participate in Resource Adequacy Curtailments but recognizes that state regulation or PJM rules may require it do so. As described above, PJM has proposed rules at FERC that would provide a quantity of IRAs curtailments that are intended to flow to new large load customers that have not yet brought their own new supply, but PJM alone cannot obligate individual customers to curtail.[32] Hence, under ComEd's proposed Rider NFRES language, it is unclear whether PJM's IRAS process would necessarily trigger the Resource Adequacy Curtailment provision.

The Commission should eliminate this ambiguity by making clear that the Resource Adequacy Curtailment provision applies to all new large load customers such that any customer receiving service under Rider NFRES may be subject to Resource Adequacy Curtailments for any load that is not matched by qualified new capacity.

[31] ComEd Ex. 1.03 at 6 (Rider NFRES). *See also* Leichtman Direct at 19:373-377.
[32] IRAS Transmittal Letter at 26.

Of all my recommendations, this is the single most important to reduce high prices and protect reliability for other customers.

Q: Why is this recommendation so important?

A: Two reasons. First, the ambiguity in ComEd's proposal risks other customers bearing IRAS curtailments instead of new large loads. PJM will allocate IRAS curtailments at the wholesale zonal level but not to specific retail customers. PJM's filing explicitly acknowledges that allocation of curtailments to individual retail customers is a matter of state authority.[33] This proceeding is the appropriate venue for the Commission to exercise that authority. The Resource Adequacy Curtailment provision of Rider NFRES is the right tool to allocate IRAS curtailments to the correct large load customers, but if the Commission does not mandate all large load customers take service using the Rider NFRES for any load that is not backed by new capacity, service interruptions may impact other customers.

Second, the lack of this explicit requirement on all large loads reduces the incentive for new large loads to bring and pay for their own new supply. If new large loads are not required to BYONC or otherwise be interruptible by a state authority, they may not do so. They may instead take existing supply which is currently serving other customers, shifting the burden to other customers to pay for new generation to serve load growth. While PJM's proposed policy to exclude large loads that have not brought their own new supply from the capacity auction will help reduce this risk, it will not protect

[33] IRAS Transmittal Letter at 85.

against high energy prices, nor will it stand if FERC does not approve or is delayed in approving the policy. This could result in higher prices for other customers.

Q: When has ComEd proposed to implement the Resource Adequacy Curtailment provision of Rider NFRES?

A: ComEd suggests that the Resource Adequacy Curtailment provision of Rider NFRES will not take effect until 2031 or later.[34] That is far, far too late. Between now and 2031, ComEd projects over 10 GW of large load to connect, increasing peak load on its system by 50%.[35] Delaying implementation of Resource Adequacy Curtailments until after those loads connect will expose ComEd's existing customers to profound resource adequacy risks, as I and JNGO witness Kyle Thomas described in direct testimony. In addition, if PJM's IRAS proposal is accepted by FERC, it would come into effect in 2027. The result would be 5 years of PJM potentially providing curtailment directives to ComEd that should go to the relevant large loads but will instead impact all customers—including residential customers—in the zone.

Q: When should ComEd implement BYONC and Resource Adequacy Curtailments?

A: The full Rider NFRES tariff should be effective upon approval by the Commission, which means that the Resource Adequacy Curtailment provision should apply to any large loads that have not entered service by the time the Commission issues an order in this case. PJM itself has proposed that any large load that is not energized before June 1, 2027 will be subject to IRAS curtailments.[36] Delaying implementation of Rider NFRES

[34] Leichtman Direct at 16. ComEd witness Leichtman states that resource-adequacy provisions will principally apply to Cluster 3 Applicants and beyond. Currently, LDPACs in Cluster 2 are not expected to energize until 2031, so LDPACs in Cluster 3 will necessarily energize no earlier than 2031.
[35] JNGO Ex. 3.02 (ComEd data response showing over 13 GW of new large loads awaiting service).
[36] IRAS Transmittal Letter at 17.

beyond that date would mean that all of ComEd's customers will bear the risk of curtailments directed at specific new large loads.

Q. Should Rider NFRES expire if PJM suspends IRAS?

A. No. While PJM has proposed automatically suspending IRAS if the region has sufficient capacity for three consecutive auctions, Rider NFRES should not contain a similar suspension provision—it should be permanent. PJM's approach creates a risk that capacity prices will remain permanently stalled at the highest level possible. To eliminate this risk, the Commission should act to ensure that all new large loads are responsible for their own supply permanently, regardless of the resource adequacy situation in PJM. If the ComEd Zone has sufficient capacity additions to ensure resource adequacy, there will simply be no Resource Adequacy Curtailments called. The proposed Rider NFRES already accounts for this possibility. Under no circumstances should the *entire* Rider NFRES or BYONC requirements only apply if PJM is in a period of capacity scarcity.

Q. Why does PJM's proposal contain the risk that wholesale capacity prices will be pegged at the market cap?

A. After three delivery years of adequate supply, PJM will remove the IRAS framework and treat all customers the same—there will be no differentiation between large loads and other customers. No customers will have an obligation to demonstrate BYONC, there will be no IRAS load, and all load will be included in the demand curve for the capacity auction.[37] This possibility dampens the incentive for large loads to fully BYONC. Instead, large loads might gamble on new supply from the broader system, even if they

[37] IRAS Transmittal Letter at 51-52.

did not pay for it, knowing that once supply "catches up" they will no longer be obligated to self-supply and their capacity "debt" will be permanently forgiven. Prices will clear at the market cap as this unmatched load is added back into the auction with no additional supply. If the auction clears short again, PJM will turn the IRAS framework back "on"—but at this point, it will only effect *brand new* large loads, and no requirements will be placed on the large loads that entered into the capacity auction without bringing their own new supply. Because large loads can escape the BYONC requirement simply by waiting, the market may perpetually flip between these two modes, with IRAS triggering "on" and "off" on the razor's edge of resource adequacy. Prices will persistently clear at the cap, harming other ratepayers.

PJM is currently operating under a negotiated price cap of $325/MW-day, but this cap will expire after the 2029/2030 delivery year, and the subsequent cap will be around $550/MW-day. This means residential utility bills could increase significantly under PJM's proposal.

Q: Why should the Commission direct ComEd to ensure large loads under Rider NFRES are accurately reflected in PJM's load forecast?

A: PJM has proposed to automatically exclude new large loads that have not yet demonstrated BYONC from the load forecast and capacity auction procurement, which achieves many of the goals that I laid out in my Direct Testimony and will help reduce prices in the long run. Still, the Commission should ensure that ComEd is prepared to communicate any non-firm load to PJM for the sake of accuracy of load forecasts, and in case FERC rejects PJM's proposal. Further, the Commission should direct ComEd to

reduce any load subject to non-firm service from the RBP procurement target, either in the form of a "peak shaving adjustment plan" or some other mechanism to ensure that PJM does not procure capacity through the RBP on behalf of non-firm large loads. PJM wants states to confirm any load that participates in "peak shaving adjustment plans" by October 21, 2026, but the Commission could communicate with PJM if it is unable to meet this deadline and/or prefers a different mechanism to ensure non-firm load is not part of the RBP procurement target.

Q: Why should the Commission direct ComEd to clarify curtailment order for load subject to non-firm service tariffs?

A: The PJM-determined quantity of interruptible load may not match the quantity of unmatched load that is subject to a state non-firm service tariff. This poses a coordination challenge. As ComEd describes: "For Resource Adequacy Curtailment, ComEd would look to whether PJM has directed curtailment of load that is not backed by or matched with new generation capacity."[38] But, as described in the previous section, PJM proposed that in some circumstances, not all unmatched load will be subject to IRAS. Unmatched load may not actually be subject to curtailments if the resource adequacy shortfall for a given year is smaller than the amount of unmatched load. The two tables below provide illustrative examples of PJM's proposed framework:

[38] Leichtman Direct at 24:477-479.

Table 1: ComEd example in which all unmatched large loads are IRAS load.

New Large Loads	BYONC	Unmatched Large Loads	2029/2030 Capacity Shortage	Capacity shortage > Unmatched Large Loads?	IRAS load	Remaining Unmatched Load
1,000 MW	400 MW	600 MW	800 MW	Yes.	600 MW	0 MW

This example is the most straightforward. In this instance, all large loads that did not BYONC would be subject to non-firm service. This aligns well with ComEd's proposed non-firm service tariff and Resource Adequacy Curtailment framework.

Table 2: ComEd example in which all unmatched loads are not IRAS load.

New Large Loads	BYONC	Unmatched Large Loads	2029/2030 Capacity Shortage	Capacity shortage > Unmatched large loads?	IRAS load	Remaining Unmatched Load
1,000 MW	400 MW	600 MW	500 MW	No.	500 MW	100

This example is more complex. In this instance, all large loads that did not BYONC *might not* be subject to non-firm service. How should ComEd allocate the 500 MW of curtailments among the 600 MW of unmatched large loads?

In this case, the Commission and ComEd will need to decide how to assign Resource Adequacy Curtailments to recognize scenarios in which the quantity of load on a non-firm service tariff is greater than the quantity of IRAS load. PJM's determination about when curtailment is needed under IRAS is not necessarily the same as the state's judgment about when curtailment should be required to protect consumers, incent

BYONC, or achieve other policy goals. To encourage large loads to bring their own new capacity, one way to allocate these curtailments could be to ensure that large loads with the highest percent of new capacity are curtailed last, but there are many ways to structure curtailments that each have tradeoffs.

Q: Why should the Commission direct new large load customers to ensure new BYONC supply is located within the ComEd zone, or is otherwise deliverable to the ComEd zone?

A: PJM's proposed BYONC framework and its RBP framework are location-blind, meaning that a generator built to serve a new large load could be physically far away. This is because "PJM believes that the combination of the interconnection requirements, which ensure the transmission facilities are planned to ensure initial resource deliverability, and the Regional Transmission Expansion Planning process, which maintains deliverability of generation to all PJM load, will result in the ongoing deliverability of BYONC," but notes that "States or EDs may add their own locational requirements that can be recognized."[39]

I encourage the Commission to direct ComEd to only credit new large loads with matched supply resources that are built within or deliverable to Illinois at the time of the large load service request. A deliverability requirement recognizes the reality that a large load customers electricity needs can only be met by power supplies deliverable to that load, while considering regional intra-zonal transmission constraints. Moreover, requiring

[39] JNGO Ex. 4.03 (PJM Board Letter re: IRAS) at 7.

deliverability of BYONC would reduce cost impacts on other customers, ensure timely in-service dates, and prevent emissions leakage.

Q: How should ComEd determine which resources are deliverable to Illinois?

A: The Commission should direct ComEd to define "deliverable" for the purpose of BYONC in a more precise manner than PJM. While PJM considers a generator to be "deliverable" to all load if that resource secures Capacity Interconnection Rights, this definition ignores transmission constraints between zones. These constraints can be routinely observed whenever zones "separate" from the rest of the PJM RTO during capacity auctions. Instead, ComEd should exclude BYONC supply from any neighboring zones in PJM that have limited transfer capacity, recognizing the fact that this capacity will likely trigger significant network upgrades or new regional transmission before becoming deliverable to Illinois large load customers.

Q: What risks to ratepayers will occur if BYONC does not include a locational requirement?

A: First, allowing large loads to rely on distant capacity risks increasing locational marginal prices ("LMPs") in ComEd, which are passed on to ratepayers in the form of higher electricity bills. While new remote power capacity might help the overall system's capacity balance, it does not fix the physical delivery problem. Put simply, adding massive new loads will force ComEd to dispatch more expensive generators when the transmission paths between distant load and supply are congested.

Second, allowing large loads to rely on distant capacity risks socializing the costs of new transmission built to serve new large loads across the entire PJM pool, including

other ratepayers in Illinois. These costs could be significantly more than the capital costs of new power plants. If Illinois' BYONC rules allow new supply in Pennsylvania, for example, to serve Illinois large load customers, this distant supply could trigger new long-distance transmission projects pursuant to PJM's Regional Transmission Expansion Plan (RTEP). Under PJM rules, all utilities across PJM pay for RTEP projects based on cost allocation methodology that includes load-ratio share.[40] Given that one major objective of BYONC is to reduce the cost burden of data center load growth on consumers, it will be illogical to allow remote BYONC to result in higher costs.

Third, remote resources will take significantly longer to become fully deliverable to large load customers in ComEd because of network upgrade delays. PJM notes that the interconnection process establishes deliverability across the PJM footprint for new supply resources that pursue Capacity Interconnection Rights. While technically true, this approach can create unforeseen delays and costs because those resources may need to fund substantial Network Upgrades to be deliverable across the entire PJM region in all hours. NRDC analysis found that Network Upgrades already contribute to significant project withdrawals from the interconnection queue and multi-year delays before new supply can deliver power.[41] Supply resources located closer to new large loads may avoid some of these Network Upgrades, reducing costs and accelerating interconnection.

[40] *See* PJM Manual 14B: PJM Region Transmission Planning Process, Section A.3.1, available at https://www.pjm.com/-/media/DotCom/documents/manuals/m14b.pdf ("[R]esponsibility for the costs of baseline reliability upgrades likewise shall be allocated to those who use these solutions, regardless of their physical location relative to the location of the baseline reliability upgrade required to ensure the reliability of their service.").

[41] Yamit Lavi, Dana Ammann & Claire Lang-Ree, *Unlocking the Grid*, Nat. Res. Def. Council (Apr. 7, 2026), https://www.nrdc.org/resources/unlocking-grid.

Q: Why should the Commission clarify that BYONC does not conflict with applicable state clean energy laws?

A: As I raised in my Direct Testimony, the Commission should direct large load customers to BYONC for resources that align with state law. As witness Will Kenworthy elaborates in his testimony, BYONC resources should comply with the long-term clean energy procurement plan under Section 16-111.5(b-10) of the Public Utilities Act. Further, as Kenworthy notes, BYONC resources should exclude new fossil generation, uprates at fossil fuel units, repowering with fossil generation, and fuel-switching to a fossil fuel. BYONC should include demand-side and virtual power plant programs, including those emerging from new Commission-approved programs, and all BYONC resources should be located within the PJM ComEd Locational Deliverability Area, consistent with Section 1-75(d-20)(3)(A) of the Illinois Power Agency Act.[42]

I stand by these recommendations, and strongly encourage the Commission to make this determination for the reasons I raised in my Direct Testimony: 1) large loads are already leading to resource adequacy concerns in ComEd that could increase the amount of clean energy that must be procured to achieve the same level of decarbonization at higher cost, and 2) allowing large loads to bring online new fossil supply without emission protections would undermine any progress made by the procurement.

[42] JNGO Ex. 5.0, Kenworthy Rebuttal, at 16.

Q: ComEd argued that it may be difficult for new large loads to match their load with new clean energy. What do you think about this?

A: There is truth to ComEd's assessment. On average, clean energy resources have a lower capacity value than other resource types.[43] There are notable exceptions to this, however, including long-duration energy storage and nuclear power. Even short-duration energy storage is only slightly less reliable than a new combustion turbine gas plant (59% effective load carrying capacity for 4-hour storage vs. 67% for a gas combustion turbine). I also note that hybrid, solar-storage resources have been found to be highly reliable (greater than 90% ELCC) in some jurisdictions.[44]

I agree with ComEd that it could be difficult to build sufficient capacity of renewable energy to offset a new large load's supply. But the outlook changes with hybrid resources, battery storage, and demand response. To use ComEd's example, a 300 MW large load customer could offset its load with 508 MW (ICAP) of 4-hour battery storage, or 384 MW (ICAP) of 10-hour battery storage. There are several deployments of this size already planned or in service across the US, including a 100-hour iron-air storage system proposed to power a Google data center in Xcel territory in Minnesota,[45] a 600 MW storage unit paired with 600 MW of solar in Texas to power Meta data

[43] PJM Interconnection, L.L.C., ELCC Class Ratings for the 2028/2029 Base Residual Auction, *available at* https://www.pjm.com/-/media/DotCom/planning/res-adeq/elcc/28-29-bra-elcc-class-ratings.pdf.
[44] Kevin Carden et al., *2020 Joint IOU ELCC Study* (June 26, 2020), https://tinyurl.com/7erdh5d7.
[45] Brian Martucci, *World's 'Largest' Grid Battery Part of Google-Xcel Energy Agreement*, Utility Dive (Mar. 4, 2026), https://www.utilitydive.com/news/worlds-largest-grid-battery-part-of-google-xcel-energy-agreement/813793/.

centers,[46] and a massive 1.2 GW solar-storage project recently purchased by Amazon in Oregon.[47]

This reality reinforces the need for non-firm service tariffs, which increase flexibility for new large load customers. It may be difficult for a new large load customers to *fully* offset their load with new renewable energy, but in our proposal and in ComEd's proposal, new large load customers would not have to do so. Instead, large loads could take non-firm service for any portion of their load that is not matched by new capacity. Further, there are rapidly improving tools to shift computing loads that could help reduce disruptions to critical operations.[48]

This is also why I recommended that ComEd develop new interconnection and planning processes to recognize other types of flexible arrangements for new large loads, in addition to, and interacting with, non-firm service tariffs. In my Direct Testimony, I recommended that ComEd develop new planning processes to recognize electrically proximate distributed energy resources ("DERs") and large loads. In some circumstances, these DERs may avoid the need for new distribution upgrades while also allowing new large load customers to maintain power throughout a curtailment period. I will raise this issue again in the following section.

[46] Clear Fork Creek Solar and BESS SLF (EIA Plant ID 65842), Interconnection.fyi, https://www.interconnection.fyi/eia/plant/65842 (last visited Aug. 21, 2026).
[47] Zachary Skidmore, *Amazon Acquires Shovel-Ready 1.2GW Solar and Storage Facility in Oregon – Report*, Data Center Dynamics (Jan. 19, 2026), https://www.datacenterdynamics.com/en/news/amazon-acquires-shovel-ready-12gw-solar-and-storage-facility-in-oregon-report/.
[48] *See, e.g.,* Emerald AI, https://www.emeraldai.co/ (last visited Aug. 21, 2026) (advertising grid flexibility product for data centers).

IV. THE COMMISSION SHOULD ENCOURAGE COMED TO DEVELOP NEW INTERCONNECTION PROCESSES TO IMPROVE FLEXIBILITY FOR NEW LARGE LOADS

Q: What did you recommend in your Direct Testimony regarding distributed energy resources and new large loads?

A: In my Direct Testimony, I recommended that ComEd develop new planning and interconnection processes to recognize large loads that partner with nearby distributed resources to reduce impacts on the grid while maintaining service through potential interruptions. I also recommended that ComEd structure its non-firm service tariff to allow and recognize this type of arrangement between large loads and distribution-connected supply.

Q: Do you still recommend this?

A: Yes. As I mentioned in my Direct Testimony, these types of arrangements can have direct benefits for large load customers, other ratepayers, and system reliability. Distributed energy resources may be able to support new large loads without triggering extensive utility infrastructure upgrades or the need for new utility-scale power supply, which reduces costs for new large loads and prevents these costs from being borne by other customers. These arrangements may also be able to support a large load during a period of grid interruption by supplying power directly to the large load. Finally, these arrangements may help reduce reliance on fossil backup generators that may have unintended emissions consequences.

In my Direct Testimony, I recommended ComEd do three things to properly recognize these arrangements, and I will repeat these recommendations here. First, I recommend ComEd set clear rules for electrical proximity for new large loads and distributed supply resources in order to minimize impacts on the surrounding system. Second, I recommend that ComEd also consider expediting the interconnection studies for electrically proximate distributed resources that do not trigger extensive system upgrades. Third, I recommend that ComEd clarify that its non-firm service tariff allows large loads to contract with and utilize new distribution-connected supply resources during regular operations and emergency periods.

ComEd proposed an "Early Energization Curtailment" which recognizes that new large load customers may be curtailed if their transmission and delivery system upgrades are not completed.[49] To determine this quantity of non-firm service, ComEd proposes to "identify the relevant system upgrades and additions that have not been energized," but that are still "required to ensure the safety, adequacy, reliability, and efficiency of the system." Electrically proximate distributed energy resources may reduce the system upgrades needed to meet this requirement by balancing against and reducing the impact of new large loads. I recommend that ComEd study these "pairs" together and recognize these arrangements within its Early Energization Curtailment determination.

V. CONCLUSION

Q: Does this conclude your testimony?

A: Yes.

[49] Leichtman Direct at 18.