

Alliant Energy: Building Ahead or Waiting for the Next Load?

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Decision scope: Future incremental generation and transmission capacity for large-load growth, and safeguards for customers and existing ratepayers.

The decision

On August 21, 2026, Alliant Energy's leadership faced a planning question that was growing harder to defer: how much should its operating utilities commit to serve the next wave of large electricity customers, and what evidence should be required before each new commitment?

In July, management said Alliant expected load growth of about 60% by 2031 and that three data centers were making “significant construction progress.” The release did not define the baseline behind the 60% forecast or provide a project-by-project load schedule. Separately, Alliant's second-quarter filing described an April electric service agreement in Interstate Power and Light Company's (IPL) Iowa territory with approximately 370 MW of contracted peak demand. The timing and amount of any load increase depended on interconnection and actual customer demand; the filing said the agreement was not expected to produce an immediate load increase. These are different measures: a companywide forecast and a single agreement's contracted peak. Neither is a present-load figure. [LNT-1, p. 30; LNT-3, lines 19-29 and 78-118.]

The choice was not whether to build the 720-MW Bobcat Energy Center. By August 11, Alliant said it had received the final permits and construction was underway, with commercial operation anticipated in 2029. Bobcat was now an approved, permitted project under construction. The open question concerned the next incremental commitments—new generation, storage, transmission, customer arrangements, and their timing—alongside the rest of the resource plan. [LNT-4, lines 115-129.]

Assignment: You are advising a hypothetical Alliant leadership review as of August 21, 2026. Recommend a policy for the next wave of large-load-related capacity and transmission commitments. State what should proceed now, what should wait for milestones, and what customer or regulatory protections should be sought. No source reports an actual board vote or management mandate on this question. Your recommendation should address reliability, customer affordability, execution risk, and the possibility that expected load arrives later or in a different form.

A regulated parent with two operating utilities

Alliant Energy Corporation is the parent of two regulated utilities in the source record: IPL in Iowa and Wisconsin Power and Light Company (WPL) in Wisconsin. Their service territories, customers, regulators, and provider agreements are distinct. Do not treat an IPL customer agreement or guarantee as a WPL one, or either subsidiary's disclosure as a single parent-level obligation. [LNT-1, p. 30 and Note 12(c), p. 26.]

The 2025 five-year resource plan listed approximately 1,600 MW of new natural-gas resources, 1,000 MW of storage, 1,300 MW of new renewable generation, 410 MW of improvements to existing gas units, and 450 MW of wind refurbishments. The filing said Alliant was evaluating additional large-load demand and MISO seasonal resource-adequacy needs and could update the plan. These are management's planning figures-not proof that every project was approved, contracted, or committed. The filing does not provide like-for-like project costs, expected returns, or a project-by-project match to the data-center forecast. [LNT-2, Item 1/Business, p. 29, "Making customer-focused investments" > "Key Highlights."]

Exhibit 1. What the public record says about load and commitments

Item	Disclosed status at the cutoff	What it does not establish
Load outlook	Management expected about 60% load growth by 2031; three data centers were reported to be making significant construction progress. [LNT-3, lines 19-29.]	Baseline, load in MW, customer identity, site-by-site probability, or timing.
IPL agreement	Approximately 370 MW of contracted peak demand under an electric service agreement; timing and amount depend on interconnection and actual demand. [LNT-1, p. 30.]	Current consumption, annual MWh, a certain ramp date, or an expected utilization rate.
WPL individual customer rate	The 10-Q reports a June PSCW approval subject to conditions. [LNT-1, p. 30.]	Detailed operative contract or tariff terms. The order was not retrieved for this case package.
Bobcat Energy Center	Approximately 720 MW; final permits received and construction underway; 2029 commercial operation anticipated. [LNT-4, lines 115-129.]	Final project cost, incremental customer allocation, or a reversible choice at this cutoff.
Planned resource mix	The 2025 plan includes gas, storage, renewables, gas-unit improvements, and wind refurbishment in the amounts described above. [LNT-2, p. 29.]	That each item is authorized, committed, available in the relevant location, or interchangeable.

The commitment risk runs both ways

Large-load customers and transmission projects do not necessarily move on the same schedule. The Q2 filing says a data-center customer first expected to build in WPL territory, then selected a location in IPL territory; the WPL agreement was terminated and subsequently renegotiated/executed with IPL. The disclosure shows that a customer location and agreement changed in this instance. It does not establish that another customer will move or that this event triggered a transmission reimbursement. [LNT-1, p. 30.]

IPL and WPL separately agreed to reimburse their respective transmission providers for costs incurred if construction is terminated before the provider's facilities enter service. At June 30, 2026, the reported guarantees were approximately \$184 million for IPL and \$103 million for WPL. The filing says the utilities knew of no material related liability probable to be paid and had recognized no material liability. These are contingent reimbursement guarantees tied to the stated provider-construction trigger-not current debt, cash already paid, an expected loss, or a fee automatically triggered by a customer's delay. [LNT-1, Note 12(c), p. 26.]

The offering announced by IPL on August 21 adds financing context. The filing described \$500 million of 5.100% senior debentures due in 2031; the expected closing remained subject to customary conditions. The stated uses included reducing receivables-purchase obligations or commercial paper and general corporate purposes. The filing does not identify the proceeds as a dedicated data-center investment budget or establish new parent-level capacity. [LNT-5, 8-K Item 8.01 and Exhibits 1.1, 4.1, 99.1.]

A nearby tariff comparison-with limits

Alliant's Q2 filing reported the WPL individual customer rate approval subject to conditions, but the operative order was not obtained for this case. The preliminary PSCW press summary for the Alliant matter says it is not a substitute for the final order. This case therefore does not assign detailed tariff or agreement terms to Alliant's WPL customer. [LNT-1, p. 30; LNT-6, PDF pp. 3-4.]

A separate PSCW preliminary summary about We Energies described a 15-year minimum initial term, a 100-MW threshold, and transmission-cost protections for a different large-customer tariff. We Energies said its Customer Protection Plan would prevent other customers from subsidizing data-center costs. These are the regulator's preliminary description and the competitor's stated purpose, respectively; the operative order was not reviewed, and the company's claim is not independent evidence of realized effects. Neither source establishes Alliant's legal terms or the same economics. [LNT-7, PDF pp. 1-3; LNT-7a, lines 11-14.]

What research can-and cannot-tell the decision team

The literature suggests questions for a sequencing policy, not Alliant-specific project values.

Evidence	Mechanism or finding	Limit for Alliant
Ishii and Yan (2004)	Historical U.S. generation-investment analyses are consistent with firms delaying investment while regulatory restructuring information arrives; model conclusions depend on the investment rule. [LIT-A1, WP pp. 10-33.]	Studies state restructuring in 1996-2000 and major independent power producers, not a regulated Midwest utility or data-center load.
Schachter et al. (2016)	A UK distribution-network model finds that demand response can defer reinforcement under some load scenarios, while high-growth paths still need reinforcement and may carry excess-load risk. [LIT-A2, pp. 445-446.]	Model outputs depend on assumed costs and scenario weights; network and regulatory setting differ. It does not show that demand response or another named option can replace an Alliant project.

Evidence	Mechanism or finding	Limit for Alliant
Lyon and Mayo (2005)	In a historical utility panel, investment reductions after cost disallowances are mostly firm-specific; the authors find little general state-level spillover, with a limited nuclear-operator caveat. [LIT-A3, pp. 638-642.]	1970-1991 evidence involving old utility investment and mostly nuclear disallowances does not predict current Alliant rate treatment.
Swartzentruber and Sims (2026)	The publisher abstract distinguishes broad policy ambiguity, associated with lower investment, from policy volatility, associated with higher investment in their utility sample. [LIT-A5, abstract.]	Full article and tables were unavailable for this review; no coefficient or Alliant-specific effect is inferred.

The case for accelerating capacity is that the customer outlook may require long-lead generation and transmission before demand appears on the system; waiting could delay reliable service or weaken Alliant's ability to serve growing communities. The case for staging is that forecasts, construction, interconnection, and actual utilization can diverge, while large commitments can leave customers with underused infrastructure. A diversified sequence could balance those risks, but only if the resources are deliverable, reliable, and permitted at the relevant location. No public evidence here provides the project-level cost, customer ramp, hourly load, or recovery terms needed to rank these strategies numerically.

Your recommendation

Prepare a short recommendation to Alliant's hypothetical leadership review. Choose among these policies or define a credible combination:

1. **Accelerate selected additions:** advance next-wave generation and transmission against the growth outlook, while specifying how customer cost allocation and regulatory recovery would be addressed.
2. **Stage new commitments:** preserve schedule-critical planning but condition later construction or provider commitments on observable customer, interconnection, construction, and regulatory milestones.
3. **Use a diversified sequence:** combine conventional capacity with storage, renewable resources, market supply, or customer flexibility where engineering and regulatory analysis supports it.

Identify which milestones should trigger the next commitment and who should bear costs if load is delayed or does not materialize. Distinguish disclosed facts from your assumptions. Do not calculate a 370-MW customer's share of the 60% forecast: their scopes and units do not support that comparison. Any probabilities, project costs, demand curves, tariff terms, or financial hurdles you add are teaching assumptions, not company data.

Sources

Company and competitor source versions, access notes, and limitations are in the Alliant source register. Academic versions and reading depth are documented there as LIT-A1 through LIT-A5.

- **LNT-1.** Alliant Energy, IPL and WPL, [Q2 2026 Form 10-Q](#), filed July 31, 2026; pp. 25-26 and 30.
 - **LNT-2.** Alliant Energy, [2025 Form 10-K](#), filed Feb. 20, 2026, Item 1/Business p. 29.
 - **LNT-3.** Alliant Energy, [Q2 2026 earnings release](#), July 30, 2026; lines 19-29 and 78-118.
 - **LNT-4.** Alliant Energy, [Bobcat Energy Center air-permit and construction update](#), Aug. 11, 2026; lines 115-129.
 - **LNT-5.** Alliant/IPL, [Aug. 21, 2026 Form 8-K](#), Item 8.01 and Exhibits 1.1, 4.1, and 99.1.
 - **LNT-6.** PSCW, [May 7 decision summary posted May 8, 2026](#), Docket 6680-TE-115; preliminary summary only.
 - **LNT-7.** PSCW, [Apr. 24, 2026 We Energies tariff summary](#), Docket 6630-TE-113; preliminary summary only.
 - **LNT-7a.** We Energies, [Customer Protection Plan release](#), Apr. 24, 2026; lines 11-14.
- LIT-A1.** Ishii and Yan, CSEM Working Paper 127, March 2004, [institutional PDF](#), pp. 10-33.
- LIT-A2.** Schachter et al., *Energy Policy* 97 (2016), 439-449, DOI 10.1016/j.enpol.2016.07.038, [accepted author manuscript](#), pp. 445-446.
- LIT-A3.** Lyon and Mayo, *RAND Journal of Economics* 36(3) (2005), 628-644, [final article PDF](#), pp. 638-642.
- LIT-A5.** Swartzentruber and Sims, *Energy Economics* 157 (May 2026), article 109274, DOI 10.1016/j.eneco.2026.109274, [publisher abstract](#).