



Department of Energy
Washington, DC 20585

Order No. 202-25-11B

Pursuant to the authority vested in the Secretary of Energy by section 202(c) of the Federal Power Act (FPA),¹ and section 301(b) of the Department of Energy Organization Act,² and for the reasons set forth below, I hereby determine that an emergency exists within the Western Electricity Coordinating Council (WECC) Northwest assessment area due to a shortage of electric energy, a shortage of facilities for the generation of electric energy, and other causes, and that issuance of this Order will meet the emergency and serve the public interest.

EMERGENCY SITUATION

In its 2025–2026 Winter Reliability Assessment, NERC finds that the WECC Northwest region, which includes Montana, Oregon, Washington, and parts of northern California and northern Idaho, is at elevated risk during periods of extreme weather.³ The assessment notes that “there is sufficient capacity in the area for expected peak conditions; however, [balancing authorities] are likely to require external assistance during extreme winter weather that causes thermal plant outages and adverse wind turbine conditions for area internal resources. External assistance may not be available during region-wide extreme winter conditions. Winter peak demand for the area is forecast to be 2.9 GW higher (9.3%) compared to last year.”⁴

In a September 2025 report evaluating Resource Adequacy in the Pacific Northwest, Energy + Environmental Economics (E3) determined that “[a]ccelerated load growth and continued retirements create a resource gap beginning in 2026 and growing to 9 GW by 2030”⁵ and that “[l]oad growth and retirements mean the region faces a power supply shortfall in 2026.”⁶ E3 reported that nearly 9000 MW of new capacity will be needed in the region by 2030, but currently only 3000 MW of projects for new capacity are in active development.⁷ Overall, E3 found that “[p]referred resources such

¹ 16 U.S.C. § 824a(c).

² 42 U.S.C. § 7151(b).

³ NERC, *2025-2026 Winter Reliability Assessment*, at 6 (November 2025), https://www.nerc.com/globalassets/our-work/assessments/nerc_wra_2025.pdf.

⁴ *Id.*

⁵ E3, *Resource Adequacy and the Energy Transition in the Pacific Northwest: Phase 1 Results*, at 2 (Sept. 22, 2025), <https://www.etc.wa.gov/sites/default/files/2025-10/Revised%20V3%20E3%20Presentation%20RA%20Study%20September%2022%20WA%20RA%20Meeting.pdf>. See also *id.* for the list of E3’s study sponsors, which include certain “regional utilities and generation owners.”

⁶ *Id.* at 10.

⁷ *Id.*

as wind, solar and batteries make only small contributions to meeting resource adequacy needs” and “[t]imely development of all resources is extremely challenging due to permitting and interconnection delays, federal policy headwinds, and cost pressures.”⁸

TransAlta Centralia Generation (“Centralia”) is an electric generating facility in Centralia, Washington. Centralia is owned and operated by the TransAlta Centralia Generation LLC (“TransAlta”). Centralia consists of one remaining coal-fired generation unit, Unit 2, with a nameplate capacity of 729.9 MW.⁹ Unit 2 began operations in 1973 and is slated to cease operations in December 2025. Unit 1 was retired in 2020. Unit 2 is slated to cease operation in December 2025, based on a 2011 Washington law¹⁰ and a subsequent agreement between TransAlta and the State of Washington.¹¹ TransAlta has announced plans to convert the unit to natural gas by 2028.¹²

More broadly, Executive Orders issued by President Donald J. Trump on January 20, 2025, and April 8, 2025, underscored the dire energy challenges facing the Nation due to growing resource adequacy concerns. President Trump declared a national energy emergency in Executive Order 14156, “Declaring a National Energy Emergency,” in which he determined that the “United States’ insufficient energy production, transportation, refining, and generation constitutes an unusual and extraordinary threat to

⁸ *Id.* at 2.

⁹ U.S. Energy Information Administration, Form EIA-860, Schedule 3: Generator Data (2024) (2024 Form EIA-860), <https://www.eia.gov/electricity/data/eia860/>.

¹⁰ Act of Apr. 29, 2011, Ch. 180, 2011 Wash. Laws <https://lawfilesextra.leg.wa.gov/biennium/2011-12/Pdf/Bills/Session%20Laws/Senate/5769-S2.SL.pdf#page=1>.

¹¹ See MOA (Dec. 23, 2011), <https://ecology.wa.gov/getattachment/858591f6-dd25-47be-ba1d-0f58264ca147/20111223TransAltaMOA.pdf> (“D. In exchange for the benefits of entering into an MOA with the State pursuant to RCW 80.80.100, the Company will . . . (5) permanently cease power generation operations of one Boiler in 2020 and the other Boiler in 2025, which dates are prior to the 2035 end of their expected useful lives”); see also First Amendment to MOA (July 13, 2017), <https://fortress.wa.gov/ecy/ezshare/AQ/PDFs/TransAltaMOAAmend1-20170713.pdf>. As a coal-fired facility, it would be difficult for the Centralia Plant to resume operations once it has been retired. Specifically, any stop and start of operation creates heating and cooling cycles that could cause an immediate failure that could take 30-60 days to repair if a unit comes offline. In addition, other practical issues, such as employment, contracts, and permits may greatly increase the timeline for resumption of operations. Further, if TransAlta were to begin disassembling the plant or other related facilities, the associated challenges would be greatly exacerbated. Thus, continuous operation is required in such cases so long as the Secretary determines a shortage exists and is likely to persist.

¹² *TransAlta Signs Long-Term Agreement for 700 MW at Centralia Facility Enabling Coal to Natural Gas Conversion* (Dec. 9, 2025), <https://transalta.com/newsroom/transalta-signs-long-term-agreement-for-700-mw-at-centralia-facility-enabling-coal-to-natural-gas-conversion/>.

our Nation’s economy, national security, and foreign policy.”¹³ The Executive Order adds: “Hostile state and non-state foreign actors have targeted our domestic energy infrastructure, weaponized our reliance on foreign energy, and abused their ability to cause dramatic swings within international commodity markets.”¹⁴ In a subsequent Executive Order 14262, “Strengthening the Reliability and Security of the United States Electric Grid,” President Trump emphasized that “the United States is experiencing an unprecedented surge in electricity demand driven by rapid technological advancements, including the expansion of artificial intelligence data centers and increase in domestic manufacturing.”¹⁵

Further, the Department detailed the myriad challenges affecting the Nation’s energy systems in its July 2025 “Resource Adequacy Report: Evaluating the Reliability and Security of the United States Electric Grid,” issued pursuant to the President’s directive in Executive Order 14262. The Department concluded that “[a]bsent decisive intervention, the Nation’s power grid will be unable to meet projected demand for manufacturing, re-industrialization, and data centers driving artificial intelligence (AI) innovation.”¹⁶

ORDER

FPA section 202(c)(1) provides that whenever the Secretary of Energy determines “that an emergency exists by reason of a sudden increase in the demand for electric energy, or a shortage of electric energy or of facilities for the generation or transmission of electric energy,” then the Secretary has the authority “to require by order . . . such generation, delivery, interchange, or transmission of electric energy as in its judgment will best meet the emergency and serve the public interest.”¹⁷ This statutory language constitutes a specific grant of authority to the Secretary to require the continued operation of Centralia Unit 2 when the Secretary has determined that such continued operation will best meet an emergency caused by a sudden increase in the demand for electric energy or a shortage of generation capacity.

¹³ Executive Order No. 14156, 90 Fed. Reg. 8433 (Jan. 20, 2025) (Declaring a National Energy Emergency), <https://www.federalregister.gov/documents/2025/01/29/2025-02003/declaring-a-national-energy-emergency>.

¹⁴ *Id.*

¹⁵ Executive Order No. 14262, 90 Fed. Reg. 15521 (Apr. 8, 2025) (Strengthening the Reliability and Security of the United States Electric Grid), <https://www.federalregister.gov/documents/2025/04/14/2025-06381/strengthening-the-reliability-and-security-of-the-united-states-electric-grid>.

¹⁶ U.S. Department of Energy, *Resource Adequacy Report: Evaluating the Reliability and Security of the United States Electric Grid*, at 1 (July 2025), <https://www.energy.gov/sites/default/files/2025-07/DOE%20Final%20EO%20Report%20%28FINAL%20JULY%207%29.pdf>.

¹⁷ Although the text of FPA section 202(c) grants this authority to “the Commission,” section 301(b) of the Department of Energy Organization Act transferred this authority to the Secretary of the Department of Energy. *See* 42 U.S.C. § 7151(b).

Such is the case here. As described above, the emergency conditions resulting from increasing demand and accelerated retirement of generation facilities will continue in the near term and are also likely to continue in subsequent years. This could lead to the potential loss of power to homes, businesses, and facilities critical to the national defense in the areas that may be affected by curtailments or power outages, presenting a risk to public health and safety.

I have also made the determination that, to best meet the emergency arising from increased demand, determined shortage, and other causes, and serve the public interest under FPA section 202(c), Centralia Unit 2 shall be made available for operation until March 16, 2026.

Based on my determination of an emergency set forth above, I hereby order:

- A. From December 16, 2025, TransAlta shall take all measures necessary to ensure that Centralia Unit 2 is available to operate at the direction of either Gridforce Energy Management, LLC (in its role as Balancing Authority)¹⁸ or Southwest Power Pool Western RC¹⁹ (in its role as the Reliability Coordinator). Following the conclusion of this Order, sufficient time for orderly ramp down is permitted, consistent with industry practices.
- B. To minimize adverse environmental impacts, this Order limits operation of Centralia Unit 2 to the times and within the parameters established in paragraph A. TransAlta shall provide a daily notification to the Department (via AskCR@hq.doe.gov) reporting whether Centralia Unit 2 has operated in compliance with this Order.
- C. All operations of Centralia Unit 2 must comply with applicable environmental requirements, including but not limited to monitoring, reporting, and recordkeeping requirements, to the maximum extent feasible while operating consistent with the emergency conditions. This Order does not provide relief from any obligation to pay fees or purchase offsets or allowances for emissions that occur during the emergency condition or to use other geographic or temporal flexibilities available to generators.
- D. By December 30, 2025, TransAlta is directed to provide the Department of

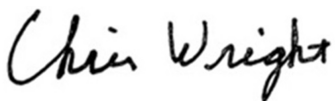
¹⁸ See EIA-930A 2024 Data, <https://www.eia.gov/electricity/gridmonitor/about>. On EIA-930A 2024 SCH 2, the BA Code for TransAlta Central Generation is GRID. See EIA-930 data reference tables, <https://www.eia.gov/electricity/gridmonitor/about>. On EIA-930 data reference tables BA Code GRID is associated with Gridforce Energy Management, LLC.

¹⁹ See Southwest Power Pool RTO and Western RC Footprint with Planned Expansion-map, <https://www.spp.org/documents/62914/rto%20and%20western%20rc%20footprint%20w%20planned%20expansion.png>.

Energy (via AskCR@hq.doe.gov) with information concerning the measures it has taken and is planning to take to ensure the operational availability of Centralia Unit 2 consistent with this Order. TransAlta shall also provide such additional information regarding the environmental and operational impacts of this Order and its compliance with the conditions of this Order, in each case as requested by the Department of Energy from time to time.

- E. TransAlta is directed to file with the Federal Energy Regulatory Commission tariff revisions or waivers to effectuate this Order, as needed. Rate recovery is available pursuant to 16 U.S.C. § 824a(c).
- F. The Bonneville Power Administration (BPA) is directed to facilitate transmission service, as needed, to effectuate this Order.
- G. This Order shall not preclude the need for Centralia Unit 2 to comply with applicable state, local, or Federal law or regulations following the expiration of this Order.
- H. Because this Order is predicated on the shortage of facilities for generation of electric energy and other causes, Centralia Unit 2 shall not be considered a capacity resource
- I. This Order shall be effective from 11:59 PM Eastern Standard Time (EST) on December 16, 2025, and shall expire at 11:59 PM Eastern Daylight Time (EDT) on March 16, 2026, with the exception of applicable compliance obligations in paragraph D.

Issued in Washington, D.C. 13th day of March 2026.



Chris Wright
Secretary of Energy