

UNITED STATES OF AMERICA
BEFORE THE
UNITED STATES DEPARTMENT OF ENERGY

Federal Power Act Section 202(c)	)	Order No. 202-26-31
Emergency Order: Craig Unit 1	)	
	)	
	)	

The State Of Colorado's Request for Rehearing,
Motion To Intervene, And Stay Request

Exhibit AAA: Department, Order No. 202-26-19 (Mar. 23, 2026)



Department of Energy
Washington, DC 20585

Order No. 202-26-19

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 in portions of the Midwest region of the United States (U.S.) due to a shortage of electric energy, a shortage of facilities for the generation of electricity, and other causes. Issuance of this Order will meet the emergency and serve the public interest.

BACKGROUND

The R.M. Schahfer Generating Station (“Schahfer”) is an electric generating facility in Wheatfield, Indiana. Schahfer is owned and operated by Northern Indiana Public Service Company (NIPSCO), a division of NiSource Inc. Schahfer consists of two 129 MW natural-gas fired units and two coal-fired units, Unit 17 (423.5 MW) and Unit 18 (423.5 MW).³ Unit 17 and Unit 18 began operations in 1983 and 1986, respectively. Unit 17 and Unit 18 were both slated to cease operations in December 2025.⁴

Order No. 202-25-12, issued pursuant to FPA section 202(c), required that Schahfer remain in operation for 90 days, through March 23, 2026. This order was based on my determination that emergency conditions existed in the region served by the Midcontinent Independent System Operator, Inc. (MISO).

Specifically, I determined that MISO faced tight reserve margins due to well documented year-round resource adequacy concerns, particularly during periods of high

¹ 16 U.S.C. § 824a(c).

² 42 U.S.C. § 7151(b).

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

⁴ As coal-fired facilities, it would be difficult for Schahfer Units 17 and 18 to resume operations once they have 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 Schahfer 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.

demand or low generation resource output.⁵ I determined that the continued operation of Schahfer would provide additional generation capacity during these periods, which would help prevent the loss of power to homes and businesses that would otherwise pose a risk to public health and safety.⁶ I determined that the continued operation of Schahfer was necessary to alleviate immediate and anticipated threats to reliability.⁷

My determination was based on several facts.

First, in its 2024 Long-Term Reliability Assessment (LTRA), the North American Electric Reliability Corporation (NERC) notes that the MISO assessment area, which covers portions of Arkansas, Illinois, Indiana, Iowa, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Montana, North Dakota, South Dakota, Texas, and Wisconsin, is at an elevated risk “because probabilistic assessments indicate above-normal generator outages during extreme weather can result in unserved energy or load loss. With uncertainty around new resource additions and existing generator retirements, MISO is also at risk of falling below [Reference Margin Levels] within the next five years.”⁸ Additionally, the LTRA notes that “[t]he departure of MISO’s coal fleet has continued with a reduction in capacity of around 6 GW in the past year, and a projected reduction of a further 12 GW over the next five years.”⁹

Second, MISO’s year-round resource adequacy concerns are well-documented. In 2022, MISO requested Federal Energy Regulatory Commission (FERC) approval of its filing to revise its resource adequacy construct (including the Planning Resource Auction (PRA)) to establish capacity requirements for each of the four seasons of the year rather than on an annual basis determined by peak summer demand.¹⁰ MISO justified this revision by explaining that “Reliability risks associated with [r]esource [a]dequacy have shifted from ‘Summer only’ to a year-round concern.”¹¹ MISO noted that over 60% of all “MaxGen” events (events when MISO initiates emergency procedures because of concerns over the adequacy of available generation) occurred outside of the summer season.¹²

⁵ See, e.g., *Midcontinent Indep. Sys. Operator, Inc., and Northern Indiana Public Service Company*, Order No. 202-25-12, at 1–4 (Dec. 23, 2025).

⁶ See, e.g., *id.* at 1–4.

⁷ See, e.g., *id.* at 5.

⁸ NERC, *2024 Long-Term Reliability Assessment*, at 13 (December 2024, corrected July 11, 2025), https://www.nerc.com/globalassets/our-work/assessments/nerc_ltra_2025.pdf.

⁹ *Id.* at 44.

¹⁰ *Midcontinent Independent System Operator, Inc.*, FERC Docket No. ER22-495-000 (Nov. 30, 2021). This request was approved by FERC on August 31, 2022. See *Midcontinent Independent System Operator, Inc.*, 180 FERC ¶ 61,141 (2022).

¹¹ *MISO Transmittal Letter*, FERC Docket No. ER22-495-000, at 3 (Nov. 30, 2021).

¹² *Id.* at 3–4.

CONTINUING EMERGENCY CONDITIONS

The emergency conditions that necessitated the issuance of Order No. 202-25-12 continue, both in the near and long term.¹³ The production of electricity from Schahfer will continue to be critical to maintain reliability in MISO. MISO's resource adequacy concerns were most recently demonstrated during Winter Storm Fern, when Schahfer operated under a cold weather alert and declared conservative operations from January 23–February 1, 2026. On January 24, MISO declared an Energy Emergency Alert (EEA) 1, as well as an EEA 2 “MaxGen” event for MISO's North and Central Regions due to generation outages, high demand, and transfer capability limits.¹⁴ From January 21–February 1, 2026, Schahfer operated at over 285 MW every day.¹⁵

In December of 2023, MISO released an “Attributes Roadmap,” in which it presented “an in-depth look at the challenges of operating a reliable bulk electric system in a rapidly transforming energy landscape.”¹⁶ Among other things, this report described changes in the time of year during which the risk of the loss of load was greatest. For the 2023/2024 Planning Year, the greatest risk of loss of load was in the summer, but it is expected that by the summer of 2027, there will be an equal loss of load risk in both the summer and fall seasons. MISO also projected risk of loss of load in the winter and spring seasons, which, although not as high as in the summer or fall, will nevertheless increase over time.¹⁷

¹³ Further, as noted in Order No. 202-25-12, as a coal-fired facility, it would be difficult for Schahfer 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. In addition, other practical issues, such as employment, contracts, and permits may greatly increase the timeline for resumption of operations. If NIPSCO were to begin disassembling the plant or other related facilities, the associated challenges would be greatly exacerbated. Thus, continuous operation is required so long as I determine a shortage exists. See Order No. 202-25-12 at 1.

¹⁴ See Midcontinent ISO on X, (Jan. 24, 2026), https://x.com/MISO_energy/status/2015072060876140805?s=20.

¹⁵ U.S. Dep't of Energy, *FACT SHEET: Energy Department Prevented Blackouts & Saved American Lives During Winter Storms*, (February 2026), <https://www.energy.gov/articles/fact-sheet-energy-department-prevented-blackouts-saved-american-lives-during-winter-storms>.

¹⁶ MISO, *Attributes Roadmap*, at 3 (Dec. 2023), <https://cdn.misoenergy.org/2023%20Attributes%20Roadmap631174.pdf>.

¹⁷ *Id.* at 11.

More recently, MISO affirmed the resource adequacy problems occurring outside of its summer season in its 2024 report entitled, “*MISO’s Response to the Reliability Imperative*.”¹⁸ In a section of that report entitled, “Risks in Non-Summer Seasons,” MISO again stressed that it has resource reliability concerns outside of the summer season.

Widespread retirements of dispatchable resources, lower reserve margins, more frequent and severe weather events and increased reliance on weather-dependent renewables and emergency-only resources have altered the region’s historic risk profile, creating risks in non-summer months that rarely posed challenges in the past.¹⁹ These MISO studies indicate that the emergency conditions caused by the loss of generation capacity in MISO extend past the summer season.

In January 2026, NERC released its 2025 Long-Term Reliability Assessment.²⁰ NERC assessed that the MISO region is at high risk of energy shortfalls over the next five years,²¹ stating that it faces significant reliability challenges as “projected resource additions do not keep pace with escalating demand forecasts and announced generator retirements.”²² This determination is based on the combination of accelerating demand growth from new data centers and the retirement of existing thermal generators.²³ The 2025 NERC Long-Term Reliability Assessment notes that “MISO’s accredited thermal capacity has decreased by 8.8 GW, driven primarily by reductions in accredited capacity of existing facilities and retirements.”²⁴ The report observes that winter peak periods are a particular concern, with projections showing “shortfalls in planned resources for winter peak periods.”²⁵ However, NERC also concluded that “risks could expand into spring and fall generator maintenance periods when the available dispatchable generation is not enough to counter wind and solar variability when demand is high.”²⁶

While the 2025–2026 NERC Winter Reliability Assessment found the MISO region to be at normal risk in 2026 and elevated risk in 2027, two earlier winter studies were more critical. The 2023–2024 NERC Winter Reliability Assessment characterized MISO as a region at elevated risk with the “[p]otential for insufficient operating reserves

¹⁸ MISO, *MISO’s Response to the Reliability Imperative* (Updated February 2024), <https://cdn.misoenergy.org/2024+Reliability+Imperative+report+Feb.+21+Final504018.pdf>.

¹⁹ *Id.* at 12.

²⁰ NERC, *2025 Long-Term Reliability Assessment* (Jan. 2026), https://www.nerc.com/globalassets/our-work/assessments/nerc_ltra_2025.pdf.

²¹ *Id.* at 7.

²² *Id.* at 8.

²³ *Id.* at 43.

²⁴ *Id.* at 15.

²⁵ *Id.*

²⁶ *Id.*

in above-normal conditions.”²⁷ These findings were echoed in NERC’s 2024–2025 Winter Reliability Assessment, which noted that “[g]enerating capacity is 10 GW lower (-6.8%) compared to the prior winter as generators have retired, withdrawn from MISO’s capacity market, or received lower winter accredited capacity.”²⁸

The evidence indicates that there is also a potential longer-term resource adequacy emergency in MISO. When MISO reported the results of its PRA for the 2025–26 Planning Year, it noted that “new capacity additions were insufficient to offset the negative impacts of decreased accreditation, suspensions/retirements and external resources” in the northern and central zones, which include Indiana.²⁹

On June 6, 2025, the Organization of MISO States (OMS) and MISO issued the results of their annual survey, which reported the degree to which expected capacity resources satisfy planning reserve margin requirements.³⁰ The 2025 Survey presented projections of resource adequacy for the summer of 2026 and subsequent years. Although the survey projected a potential capacity surplus for the summer of 2026, it also projected that at least 3.1 GW of additional generation capacity beyond currently committed generation capacity must be added to meet the projected planning reserve margin.³¹ The survey also projected that there would be insufficient capacity to meet the peak demand for electricity in each of the following four summers, increasing from a deficit of 1.4 GW in 2027 to 8.2 GW in 2030.³² It also projected similar results for MISO’s winter seasons, with a small surplus of generation capacity in 2026, followed by increasing deficits the following four years.³³

The primary reasons for these projected deficits also are shown on the OMS-MISO survey. Large amounts of existing generation capacity are projected to be retired each year, while, at the same time, the demand for electricity is projected to increase at an accelerating pace.³⁴

Although the OMS-MISO survey projects generation capacity to continue to increase in the coming years with the addition of new potential generation assets, the

²⁷ NERC, *2023–2024 Winter Reliability Assessment*, at 5 (Nov. 2023), https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_WRA_2023.pdf.

²⁸ NERC, *2024–2025 Winter Reliability Assessment*, at 15 (Nov. 2024), https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_WRA_2024.pdf.

²⁹ MISO, *Planning Resource Auction: Results for Planning Year 2025–26*, at 13 (April 2025), https://cdn.misoenergy.org/2025%20PRA%20Results%20Posting%2020250529_Corrections694160.pdf.

³⁰ OMS and MISO, *OMS-MISO Survey Results* (Updated June 6, 2025) <https://cdn.misoenergy.org/20250606%20OMS%20MISO%20Survey%20Results%20Workshop%20Presentation702311.pdf>.

³¹ *Id.* at 2.

³² *Id.* at 7.

³³ *Id.* at 9.

³⁴ *Id.* at 7, 9.

increase in capacity is largely offset by the projected retirements and does not keep up with the growth in demand.³⁵

According to the U.S. Energy Information Administration, coal-fired electricity generation in Indiana has declined from 85% of total generation in 2014 to 42% in 2024. Since 2014, approximately 5,000 MW of coal-fired capacity in Indiana have retired, with almost another 3,900 MW of coal-fired capacity scheduled for retirement by the end of 2028, including Schahfer.³⁶

MISO has been taking steps to address these projected deficits, but the solution is years away. For example, on June 6, 2025, MISO submitted a proposal to FERC to establish an Expedited Resource Addition Study (ERAS) process to provide a framework for the expedited study of interconnection requests to address urgent resource adequacy and reliability needs in the near term. This proposal was approved by FERC on July 21, 2025.³⁷ The ERAS process should help expedite the construction of needed new capacity. However, resources studied under the ERAS will have commercial operation dates that are at least three years away and are provided an additional three-year grace period to commence commercial operations.³⁸ In addition, supply chain constraints impeding the acquisition of critical grid components, including large natural gas turbines and transformers, are likely to further hinder rapid construction and exacerbate reliability concerns.³⁹ Consequently, the new ERAS process is unlikely to result in the addition of any new generation capacity in the next few years.

Order No. 202-25-12 was preceded by executive orders on January 20, 2025, and April 8, 2025, in which President Donald J. Trump 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

³⁵ *Id.*

³⁶ See *Electricity*, Energy Information Administration, Indiana Analysis, <https://www.eia.gov/states/in/analysis>.

³⁷ *Midcontinent Independent System Operator, Inc.*, 192 FERC ¶ 61,064 (2025).

³⁸ *Id.* P 84.

³⁹ See generally, S&P Global, *US Gas-Fired Turbine Wait Times as Much as Seven Years; Costs Up Sharply* (May 2025) (“With demand for natural gas-fired turbines in the US rapidly accelerating amid power demand growth forecasts driven by AI, manufacturing, and electrification, wait times for turbines are anywhere between one and seven years depending on the model, and costs have increased considerably, experts told Platts.”), <https://www.spglobal.com/commodity-insights/en/news-research/latest-news/electric-power/052025-us-gas-fired-turbine-wait-times-as-much-as-seven-years-costs-up-sharply>.

extraordinary threat to our Nation’s economy, national security, and foreign policy.”⁴⁰ 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.”⁴¹ 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.”⁴²

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.”⁴³ The prolific growth of data centers for the development of AI, as well as their immense energy needs, presents a new and unexpected source of load growth.

Grid operators—including MISO itself—have also acknowledged the Nation’s current energy crisis. For instance, during a March 25, 2025, hearing before the House Committee on Energy and Commerce, Jennifer Curran, Senior Vice President, Planning and Operations, MISO, testified that “the MISO region faces resource adequacy and reliability challenges due to the changing characteristics of the electric generating fleet, inadequate transmission system infrastructure, growing pressures from extreme weather, and rapid load growth.”⁴⁴

⁴⁰ Exec. Order No. 14156, 90 Fed. Reg. 8433 (Jan. 20, 2025) (*Declaring a National Energy Emergency*), <https://www.whitehouse.gov/presidential-actions/2025/01/declaring-a-national-energy-emergency/>.

⁴¹ *Id.*

⁴² Exec. Order No. 14262, 90 Fed. Reg. 15521 (Apr. 8, 2025) (*Strengthening the Reliability and Security of the United States Electric Grid*), <https://www.whitehouse.gov/presidential-actions/2025/04/strengthening-the-reliability-and-security-of-the-united-states-electric-grid/>.

⁴³ U.S. Dep’t 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/2025-11/DOE%20Final%20EO%20Report%20%28REVISED%20OCT%2027%29.pdf>.

⁴⁴ *Keeping the Lights On: Examining the State of Regional Grid Reliability Before the House Committee on Energy and Commerce*, Subcomm. on Energy, 119th Cong., at 5 (Mar. 25, 2025) (statement of Ms. Jennifer Curran, Senior Vice President for Planning and Operations, Midcontinent Independent System Operator), <https://democrats-energycommerce.house.gov/sites/evo-subsites/democrats-energycommerce.house.gov/>

Ms. Curran also described “much stronger growth [in demand for electricity] from continued electrification efforts, a resurgence in manufacturing, and an unexpected demand for energy-hungry data centers to support artificial intelligence.”⁴⁵ She added, “[a] growing reliability risk is that the rapid retirement of existing coal and gas power plants threatens to outpace the ability of new resources with the necessary operational characteristics to replace them.”⁴⁶

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 [his] judgment will best meet the emergency and serve the public interest.”⁴⁷ This statutory language constitutes a specific grant of authority to the Secretary to require the continued operation of Schahfer Units 17 and 18 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.

Such is the case here. As described above, the emergency conditions resulting from increasing demand and shortage from 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 loss of power to homes and businesses 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), Schahfer Units 17 and 18 shall be made available for operation through June 21, 2026.

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

- A. From March 24, 2026, MISO and NIPSCO, shall take all measures necessary to ensure that Schahfer Units 17 and 18 are available to operate. For the duration of this Order, MISO is directed to take every step to employ economic dispatch of Schahfer Units 17 and 18 to minimize cost to ratepayers. Following the

files/evo-media-document/witness-testimony_asthana_eng_grid-operators_03.25.2025.pdf.

⁴⁵ *Id.* at 6.

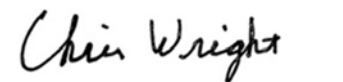
⁴⁶ *Id.* at 7.

⁴⁷ 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).

conclusion of this Order, sufficient time for orderly ramp down is permitted, consistent with industry practices. NIPSCO is directed to comply with all orders from MISO related to the availability and dispatch of Schahfer Units 17 and 18.

- B. To minimize adverse environmental impacts, this Order limits operation of dispatched units to the times and within the parameters as determined by MISO, pursuant to paragraph A. MISO shall provide a daily notification to the Department (via AskCR@hq.doe.gov) reporting whether Schahfer Units 17 and 18 have operated in compliance with the allowances contained in this Order.
- C. All operation of Schahfer 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.
- D. By April 8, 2026, MISO is directed to provide the Department of 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 Schahfer Units 17 and 18 consistent with this Order. MISO shall also provide such additional information regarding the environmental 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. NIPSCO 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. This Order shall not preclude the need for Schahfer Units 17 and 18 to comply with applicable state, local, or Federal law or regulations following the expiration of this Order.
- G. Because this Order is predicated on the shortage of facilities for generation of electric energy and other causes, Schahfer Units 17 and 18 shall not be considered capacity resources.
- H. This Order shall be effective from March 24, 2026 through June 21, 2026, with the exception of applicable compliance obligations in paragraph D.

Issued in Washington, D.C. on this 23rd day of March 2026.



Chris Wright
Secretary of Energy

cc: **FERC Commissioners**
Chairman Laura V. Swett
Commissioner David Rosner
Commissioner Lindsay S. See
Commissioner Judy W. Chang
Commissioner David A. LaCerte

Indiana Utility Regulatory Commissioners
Chairman Andy Zay
Commissioner Bob Deig
Commissioner Anthony Swinger
Commissioner David Veleta
Commissioner David Ziegner

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Emergency Order: Craig Unit 1	)	
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The State Of Colorado's Request for Rehearing,
Motion To Intervene, And Stay Request

Exhibit BBB: Department, Order No. 202-26-20 (Mar. 23, 2026)



Department of Energy
Washington, DC 20585

Order No. 202-26-20

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 in portions of the Midwest region of the United States (U.S.) due to a shortage of electric energy, a shortage of facilities for the generation of electricity, and other causes. Issuance of this Order will meet the emergency and serve the public interest.

BACKGROUND

The F.B. Culley Generating Station (Culley) is an electric generating facility in Warrick County, Indiana. Culley is owned and operated by CenterPoint Energy and consists of two coal-fired generation units, Unit 2 (103.7 MW) and Unit 3 (265.2 MW), with a combined name plate capacity of 368.9 MW.³ Unit 2 and Unit 3 began operations in 1966 and 1973, respectively. Unit 2 was slated to cease operations in December 2025.⁴

Order No. 202-25-13, issued pursuant to FPA section 202(c), required that Culley Unit 2 remain in operation for 90 days, through March 23, 2026. This order was based on my determination that emergency conditions existed in the region served by the Midcontinent Independent System Operator, Inc. (MISO).

Specifically, I determined that MISO faced tight reserve margins due to well-documented year-round resource adequacy concerns, particularly during periods of high demand or low generation resource output.⁵ I determined that the continued operation of

¹ 16 U.S.C. § 824a(c).

² 42 U.S.C. § 7151(b).

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

⁴ As a coal-fired facility, it would be difficult for Culley Unit 2 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 Culley were to begin disassembling Unit 2 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.

⁵ See, e.g., *Midcontinent Indep. Sys. Operator, Inc., and Northern Indiana Public Service Company*, Order No. 202-25-12, at 1–4 (Dec. 23, 2025).

Culley Unit 2 would provide additional generation capacity during these periods, which would help prevent the loss of power to homes and businesses that would otherwise pose a risk to public health and safety.⁶ I determined that the continued operation of Culley Unit 2 was necessary to alleviate immediate and anticipated threats to reliability.⁷

My determination was based on several facts.

First, in its 2024 Long-Term Reliability Assessment (LTRA), the North American Electric Reliability Corporation (NERC) notes that the MISO assessment area, which covers portions of Arkansas, Illinois, Indiana, Iowa, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Montana, North Dakota, South Dakota, Texas, and Wisconsin, is at an elevated risk “because probabilistic assessments indicate above-normal generator outages during extreme weather can result in unserved energy or load loss. With uncertainty around new resource additions and existing generator retirements, MISO is also at risk of falling below [Reference Margin Levels] within the next five years.”⁸ Additionally, the LTRA notes that “[t]he departure of MISO’s coal fleet has continued with a reduction in capacity of around 6 GW in the past year, and a projected reduction of a further 12 GW over the next five years.”⁹

Second, MISO’s year-round resource adequacy concerns are well-documented. In 2022, MISO requested Federal Energy Regulatory Commission (FERC) approval of its filing to revise its resource adequacy construct (including the Planning Resource Auction or PRA) to establish capacity requirements for each of the four seasons of the year rather than on an annual basis determined by peak summer demand.¹⁰ MISO justified this revision by explaining that “Reliability risks associated with [r]esource [a]dequacy have shifted from ‘Summer only’ to a year-round concern.”¹¹ MISO noted that over 60% of all “MaxGen” events (events when MISO initiates emergency procedures because of concerns over the adequacy of available generation) occurred outside of the summer season.¹²

⁶ See, e.g., *id.* at 1–4.

⁷ See, e.g., *id.* at 5.

⁸ NERC, *2024 Long-Term Reliability Assessment*, at 13 (December 2024, corrected July 11, 2025), https://www.nerc.com/globalassets/our-work/assessments/nerc_ltra_2025.pdf.

⁹ *Id.* at 44.

¹⁰ *Midcontinent Independent System Operator, Inc.*, FERC Docket No. ER22-495-000 (Nov. 30, 2021). This request was approved by FERC on August 31, 2022. See *Midcontinent Independent System Operator, Inc.*, 180 FERC ¶ 61,141 (2022).

¹¹ *MISO Transmittal Letter*, FERC Docket No. ER22-495-000, at 3 (Nov. 30, 2021).

¹² *Id.* at 3–4.

CONTINUING EMERGENCY CONDITIONS

The emergency conditions that necessitated the issuance of Order No. 202-25-13 continue, both in the near and long term.¹³ The production of electricity from Culley Unit 2 will continue to be critical to maintain reliability in MISO. MISO's resource adequacy concerns were most recently demonstrated during Winter Storm Fern, when Culley operated under a cold weather alert and declared conservative operations from January 23–February 1, 2026. On January 24, MISO declared an Energy Emergency Alert (EEA) 1, as well as an EEA 2 “MaxGen” event for MISO's North and Central Regions due to generation outages, high demand, and transfer capability limits.¹⁴ From January 21–February 1, 2026, Culley operated at roughly 30 MW almost every day, providing vital generation capacity to the region.¹⁵

In December of 2023, MISO released an “Attributes Roadmap,” in which it presented “an in-depth look at the challenges of operating a reliable bulk electric system in a rapidly transforming energy landscape.”¹⁶ Among other things, this report described changes in the time of year during which the risk of the loss of load was greatest. For the 2023/2024 Planning Year, the greatest risk of loss of load was in the summer, but it is expected that by the summer of 2027, there will be an equal loss of load risk in both the summer and fall seasons. MISO also projects risk of loss of load in the winter and spring seasons; although not as high as in the summer or fall, losses will nevertheless increase over time.¹⁷

¹³ Further, as noted in Order No. 202-25-13, as a coal-fired facility, it would be difficult for Culley Unit 2 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. In addition, other practical issues, such as employment, contracts, and permits may greatly increase the timeline for resumption of operations. If CenterPoint Energy were to begin disassembling the unit or other related facilities, the associated challenges would be greatly exacerbated. Thus, continuous operation is required so long as I determine a shortage exists. See Order No. 202-25-13 at 1.

¹⁴ See Midcontinent ISO on X, (Jan. 24, 2026), https://x.com/MISO_energy/status/2015072060876140805?s=20.

¹⁵ U.S. Dep't of Energy, *FACT SHEET: Energy Department Prevented Blackouts & Saved American Lives During Winter Storms*, (February 2026), <https://www.energy.gov/articles/fact-sheet-energy-department-prevented-blackouts-saved-american-lives-during-winter-storms>.

¹⁶ MISO, *Attributes Roadmap*, at 3 (Dec. 2023), <https://cdn.misoenergy.org/2023%20Attributes%20Roadmap631174.pdf>.

¹⁷ *Id.* at 11.

More recently, MISO affirmed the resource adequacy problems occurring outside of its summer season in its 2024 report entitled, “*MISO’s Response to the Reliability Imperative*.”¹⁸ In a section of that report entitled, “Risks in Non-Summer Seasons,” MISO again stressed that it has resource reliability concerns outside of the summer season.

Widespread retirements of dispatchable resources, lower reserve margins, more frequent and severe weather events and increased reliance on weather-dependent renewables and emergency-only resources have altered the region’s historic risk profile, creating risks in non-summer months that rarely posed challenges in the past.¹⁹ These MISO studies indicate that the emergency conditions caused by the loss of generation capacity in MISO extend past the summer season.

In January 2026, NERC released its 2025 Long-Term Reliability Assessment.²⁰ NERC assessed that the MISO region is at high risk of energy shortfalls over the next five years,²¹ stating that it faces significant reliability challenges as “projected resource additions do not keep pace with escalating demand forecasts and announced generator retirements.”²² This determination is based on the combination of accelerating demand growth from new data centers and the retirement of existing thermal generators.²³ The 2025 NERC Long-Term Reliability Assessment notes that “MISO’s accredited thermal capacity has decreased by 8.8 GW, driven primarily by reductions in accredited capacity of existing facilities and retirements.”²⁴ The report observes that winter peak periods are a particular concern, with projections showing “shortfalls in planned resources for winter peak periods.”²⁵ However, NERC also concluded that “risks could expand into spring and fall generator maintenance periods when the available dispatchable generation is not enough to counter wind and solar variability when demand is high.”²⁶

While the 2025–2026 NERC Winter Reliability Assessment found the MISO region to be at normal risk in 2026 and elevated risk in 2027, two earlier winter studies were more critical. The 2023–2024 NERC Winter Reliability Assessment characterized MISO as a region at elevated risk with the “[p]otential for insufficient operating reserves

¹⁸ MISO, *MISO’s Response to the Reliability Imperative* (Updated February 2024), <https://cdn.misoenergy.org/2024+Reliability+Imperative+report+Feb.+21+Final+504018.pdf>.

¹⁹ *Id.* at 12.

²⁰ NERC, *2025 Long-Term Reliability Assessment* (Jan. 2026), https://www.nerc.com/globalassets/our-work/assessments/nerc_ltra_2025.pdf.

²¹ *Id.* at 7.

²² *Id.* at 8.

²³ *Id.* at 43.

²⁴ *Id.* at 15.

²⁵ *Id.*

²⁶ *Id.*

in above-normal conditions.”²⁷ These findings were echoed in NERC’s 2024–2025 Winter Reliability Assessment, which noted that “[g]enerating capacity is 10 GW lower (-6.8%) compared to that of the prior winter as generators have retired, withdrawn from MISO’s capacity market, or received lower winter accredited capacity.”²⁸

The evidence indicates that there is also a potential longer-term resource adequacy emergency in MISO. When MISO reported the results of its PRA for the 2025-26 Planning Year, it noted that “new capacity additions were insufficient to offset the negative impacts of decreased accreditation, suspensions/retirements and external resources” in the northern and central zones, which include Indiana.²⁹

On June 6, 2025, the Organization of MISO States (OMS) and MISO issued the results of their annual survey, which reports the degree to which expected capacity resources satisfy planning reserve margin requirements.³⁰ The 2025 Survey presented projections of resource adequacy for the summer of 2026 and subsequent years. Although the survey projected a potential capacity surplus for the summer of 2026, it also projected that at least 3.1 GW of additional generation capacity beyond currently committed generation capacity must be added to meet the projected planning reserve margin.³¹ The survey also projected that there would be insufficient capacity to meet the peak demand for electricity in each of the following four summers, increasing from a deficit of 1.4 GW in 2027 to 8.2 GW in 2030.³² Similar results were projected for MISO’s winter seasons, with a small surplus of generation capacity in 2026, followed by increasing deficits the following four years.³³

The primary reasons for these projected deficits also are shown on the OMS-MISO survey. Large amounts of existing generation capacity are projected to be retired each year, while, at the same time, the demand for electricity is projected to increase at an accelerating pace.³⁴

Although the OMS-MISO survey projects generation capacity to continue to increase in the coming years with the addition of new potential generation assets, the

²⁷ NERC, *2023 – 2024 Winter Reliability Assessment*, at 5 (Nov. 2023), https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_WRA_2023.pdf.

²⁸ NERC, *2024–2025 Winter Reliability Assessment*, at 15 (Nov. 2024), https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC_WRA_2024.pdf.

²⁹ MISO, *Planning Resource Auction: Results for Planning Year 2025–26*, at 13 (April 2025), https://cdn.misoenergy.org/2025%20PRA%20Results%20Posting%20250529_Corrections694160.pdf.

³⁰ OMS and MISO, *OMS-MISO Survey Results* (Updated June 6, 2025) <https://cdn.misoenergy.org/20250606%20OMS%20MISO%20Survey%20Results%20Workshop%20Presentation702311.pdf>.

³¹ *Id.* at 2.

³² *Id.* at 7.

³³ *Id.* at 9.

³⁴ *Id.* at 7, 9.

increase in capacity is largely offset by the projected retirements and does not keep up with the growth in demand.³⁵

According to the U.S. Energy Information Administration, coal-fired electricity generation in Indiana has declined from 85% of total generation in 2014 to 42% in 2024. Since 2014, approximately 5,000 MW of coal-fired capacity in Indiana have retired, with almost another 3,900 MW of coal-fired capacity scheduled for retirement by the end of 2028, including Culley.³⁶

MISO has been taking steps to address these projected deficits, but the solution is years away. For example, on June 6, 2025, MISO submitted a proposal to FERC to establish an Expedited Resource Addition Study (ERAS) process to provide a framework for the expedited study of interconnection requests to address urgent resource adequacy and reliability needs in the near term. This proposal was approved by FERC on July 21, 2025.³⁷ The ERAS process should help expedite the construction of needed new capacity. However, resources studied under the ERAS will have commercial operation dates that are at least three years away and are provided an additional three-year grace period to commence commercial operations.³⁸ In addition, supply chain constraints impeding the acquisition of critical grid components, including large natural gas turbines and transformers, are likely to further hinder rapid construction and exacerbate reliability concerns.³⁹ Consequently, the new ERAS process is unlikely to result in the addition of any new generation capacity in the next few years.

Order No. 202-25-13 was preceded by executive orders on January 20, 2025, and April 8, 2025, in which President Donald J. Trump 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

³⁵ *Id.*

³⁶ See *Electricity*, Energy Information Administration, Indiana Analysis, <https://www.eia.gov/states/in/analysis>.

³⁷ *Midcontinent Independent System Operator, Inc.*, 192 FERC ¶ 61,064 (2025).

³⁸ *Id.* P 84.

³⁹ See generally, S&P Global, *US Gas-Fired Turbine Wait Times as Much as Seven Years; Costs Up Sharply* (May 2025) (“With demand for natural gas-fired turbines in the US rapidly accelerating amid power demand growth forecasts driven by AI, manufacturing, and electrification, wait times for turbines are anywhere between one and seven years depending on the model, and costs have increased considerably, experts told Platts.”), <https://www.spglobal.com/commodity-insights/en/news-research/latest-news/electric-power/052025-us-gas-fired-turbine-wait-times-as-much-as-seven-years-costs-up-sharply>.

extraordinary threat to our Nation’s economy, national security, and foreign policy.”⁴⁰ 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.”⁴¹ 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.”⁴²

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.”⁴³ The prolific growth of data centers for the development of AI, as well as their immense energy needs, presents a new and unexpected source of load growth.

Grid operators — including MISO itself — have also acknowledged the Nation’s current energy crisis. For instance, during a March 25, 2025, hearing before the House Committee on Energy and Commerce, Jennifer Curran, Senior Vice President, Planning and Operations, MISO, testified that “the MISO region faces resource adequacy and reliability challenges due to the changing characteristics of the electric generating fleet, inadequate transmission system infrastructure, growing pressures from extreme weather, and rapid load growth.”⁴⁴

⁴⁰ Exec. Order No. 14156, 90 Fed. Reg. 8433 (Jan. 20, 2025) (*Declaring a National Energy Emergency*), <https://www.whitehouse.gov/presidential-actions/2025/01/declaring-a-national-energy-emergency/>.

⁴¹ *Id.*

⁴² Exec. Order No. 14262, 90 Fed. Reg. 15521 (Apr. 8, 2025) (*Strengthening the Reliability and Security of the United States Electric Grid*), <https://www.whitehouse.gov/presidential-actions/2025/04/strengthening-the-reliability-and-security-of-the-united-states-electric-grid/>.

⁴³ U.S. Dep’t 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/2025-11/DOE%20Final%20EO%20Report%20%28REVISED%20OCT%2027%29.pdf>.

⁴⁴ *Keeping the Lights On: Examining the State of Regional Grid Reliability Before the House Committee on Energy and Commerce*, Subcomm. on Energy, 119th Cong., at 5 (Mar. 25, 2025) (statement of Ms. Jennifer Curran, Senior Vice President for Planning and Operations, Midcontinent Independent System Operator), <https://democrats-energycommerce.house.gov/sites/evo-subsites/democrats-energycommerce.house.gov/>

Ms. Curran also described “much stronger growth [in demand for electricity] from continued electrification efforts, a resurgence in manufacturing, and an unexpected demand for energy-hungry data centers to support artificial intelligence.”⁴⁵ She added, “[a] growing reliability risk is that the rapid retirement of existing coal and gas power plants threatens to outpace the ability of new resources with the necessary operational characteristics to replace them.”⁴⁶

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 [his] judgment will best meet the emergency and serve the public interest.”⁴⁷ This statutory language constitutes a specific grant of authority to the Secretary to require the continued operation of Culley 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.

Such is the case here. As described above, the emergency conditions resulting from increasing demand and shortage from 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 loss of power to homes and businesses 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), Culley Unit 2 shall be made available for operation through June 21, 2026.

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

- A. From March 24, 2026, MISO and CenterPoint Energy shall take all measures necessary to ensure that Culley Unit 2 is available to operate. For the duration of this Order, MISO is directed to take every step to employ economic dispatch of Culley Unit 2 to minimize cost to ratepayers. Following the conclusion of this

files/evo-media-document/witness-testimony_asthana_eng_grid-operators_03.25.2025.pdf.

⁴⁵ *Id.* at 6.

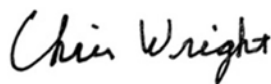
⁴⁶ *Id.* at 7.

⁴⁷ 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).

Order, sufficient time for orderly ramp down is permitted, consistent with industry practices. CenterPoint Energy is directed to comply with all orders from MISO related to the availability and dispatch of Culley Unit 2.

- B. To minimize adverse environmental impacts, this Order limits operation of dispatched units to the times and within the parameters as determined by MISO, pursuant to paragraph A. MISO shall provide a daily notification to the Department (via AskCR@hq.doe.gov) reporting whether Culley Unit 2 has operated in compliance with the allowances contained in this Order.
- C. All operations of Culley 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.
- D. By April 8, 2026, MISO is directed to provide the Department of 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 Culley Unit 2 consistent with this Order. MISO shall also provide such additional information regarding the environmental 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. CenterPoint Energy 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. This Order shall not preclude the need for Culley Unit 2 to comply with applicable state, local, or Federal law or regulations following the expiration of this Order.
- G. Because this Order is predicated on the shortage of facilities for generation of electric energy and other causes, Culley Unit 2 shall not be considered a capacity resource.
- H. This Order shall be effective from March 24, 2026 through June 21, 2026, with the exception of applicable compliance obligations in paragraph D.

Issued in Washington, D.C. on this 23rd day of March 2026.



Chris Wright
Secretary of Energy

cc: **FERC Commissioners**

Chairman Laura V. Swett
Commissioner David Rosner
Commissioner Lindsay S. See
Commissioner Judy W. Chang
Commissioner David A. LaCerte

Indiana Utility Regulatory Commissioners

Chairman Andy Zay
Commissioner Bob Deig
Commissioner Anthony Swinger
Commissioner David Veleta
Commissioner David Ziegner

UNITED STATES OF AMERICA
BEFORE THE
UNITED STATES DEPARTMENT OF ENERGY

Federal Power Act Section 202(c)	)	
Emergency Order: Craig Unit 1	)	Order No. 202-26-31
	)	
	)	

The State Of Colorado's Request for Rehearing,
Motion To Intervene, And Stay Request

Exhibit CCC: State of Colorado, The State of Colorado's Request for Rehearing, Motion
to Intervene, and Stay Request (Jan. 28, 2026)

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I. Introduction

On December 30, 2025, the Department of Energy (“Department”) issued Order No. 202-25-14 (“Order”)¹ pursuant to its emergency authority under Section 202(c) of the Federal Power Act (“FPA”)² (“Section 202(c)”) to prevent the scheduled retirement of a coal-fired generating unit at the Craig Power Station in Moffat County, Colorado. The Order requires the availability of one coal-fired unit (“Craig Unit 1”) from December 30, 2025, to March 30, 2026.

There is no emergency justifying the Department’s Order, and even if there were, preventing the retirement of Craig Unit 1 is not the best (or even a reasonable) way to meet the alleged emergency, and does not serve the public interest. The FPA limits the use of Section 202(c) to addressing specific, imminent capacity shortfalls resulting from unexpected outages, natural disasters, extreme weather, and similar circumstances. Here, the Department has declared an emergency due to “a shortage of electric energy, a shortage of facilities for the generation of electric energy, and other causes” in the Western Electricity Coordinating Council (“WECC”) Northwest assessment area.³ But the Order’s emergency determination cannot stand against even the mildest scrutiny.

There is no energy “emergency” as defined by Section 202(c) in the WECC-Northwest assessment area, in Colorado, or in any of the states served by Craig Unit 1. Rather, the Unit’s owners and their respective state utility commissions have been

¹ Exhibit A (Department, Order No. 202-25-14 (Dec. 30, 2025) (“Order”)).

² 16 U.S.C. § 824a(c).

³ Exhibit A, at 1.

planning for Craig Unit 1's retirement for the last decade.⁴ These comprehensive planning processes have ensured that there are reliable and affordable resources available to meet the energy needs in the areas served by Craig Unit 1, such that its long-planned retirement does not create an emergency.

The Department's illegal use of its Section 202(c) authority to require the continued availability of Craig Unit 1, unsupported by any evidence of an imminent energy emergency, will result in unnecessary operational and maintenance costs that could be imposed on ratepayers in Colorado and potentially other states. Continued operation of Craig Unit 1 pursuant to the Order would also cause needless pollution emitted into Colorado and its neighboring states, which the Department failed to meaningfully consider or address, as it was required to do. The Order illegally intrudes on the authority of the states to ensure the resource adequacy of their electric grids and to dictate energy policy within their borders, and improperly attempts to impose the administration's policy preferences on state ratepayers.

Pursuant to Section 313/ of the FPA,⁵ the Colorado Attorney General, on behalf of the State of Colorado, timely submits this request for rehearing and motion to intervene ("Request") seeking rehearing of the Order. The Department should grant rehearing and rescind the Order because it is an unlawful abuse of the Department's emergency authority, is unsupported by evidence showing a true emergency, and is arbitrary and capricious.

⁴ Exhibit C (Declaration of Erin O'Neil (Jan. 26, 2026), ¶ 32.

⁵ 16 U.S.C. § 825/.

II. Motion To Intervene

The State of Colorado moves to intervene in the proceeding initiated by the Order and become a party for purposes of Section 313/ of the FPA.⁶ The State of Colorado is aggrieved by the Order in several ways.

First, households and businesses in Colorado could be required to pay higher electricity bills because of the Order.⁷ Through a carefully planned process driven by economic considerations, the owners of Craig Unit 1 planned to retire the Unit and replace it with more cost-effective facilities.⁸ By ordering the continued operation of Craig Unit 1, the Order guarantees that Tri-State Generation and Transmission Association, Inc. (“Tri-State”), PacifiCorp, Platte River Power Authority (“PRPA”), Salt River Project, and Public Service Company of Colorado (“Public Service”) (together, “Craig Unit 1 Owners”), will incur higher costs to serve their members and customers, which they will then likely seek to pass on to their electricity consumers, including rural customers in Colorado.⁹ Although the precise costs and the cost recovery methods are not yet known, it is likely that Colorado ratepayers will bear substantial new costs above what they would have paid absent the Order.¹⁰

⁶ 16 U.S.C. § 825l.

⁷ Exhibit D (Declaration of Joseph Pereira (Jan. 26, 2026)). Because the Order directs the Craig Unit 1 Owners to seek cost recovery the possibility of increased rates is a foreseeable harm for Colorado. Exhibit A, ¶ E. However, Colorado reserves all rights to dispute that costs incurred based on the Order are appropriate.

⁸ Tri-State, [Reliable, Lowest-Cost, Reduced Emissions Preferred Portfolio Focus of Tri-State Resource Plan Filing](#) (Apr. 11, 2025) (last visited Jan. 26, 2026).

⁹ Exhibit D, ¶ 11, 18.

¹⁰ Exhibit D.

Second, the Craig Unit 1 Owners determined that it is prudent to retire Craig Unit 1 and replace it with more reliable and cost-effective resources. And the Colorado Public Utilities Commission (“CoPUC”) determined that retiring Craig Unit 1 will not affect Tri-State’s resource adequacy.¹¹ By delaying the retirement of a 45 year old coal-fired unit that was not even operable at the time the Order was issued, the Department is causing Colorado’s electric customers to be served by a more costly and less reliable and resilient electric grid. Instead of continuing to invest and develop more reliable resources as planned, the Craig Unit 1 Owners will have to dedicate resources to repair and maintain a coal plant that is less reliable and more costly than other generation resources.

Third, Colorado will suffer environmental harms if Craig Unit 1 is required to operate based on the Order. Craig Unit 1 is a significant source of particulate matter (“PM”), nitrogen oxides (“NOx”), sulfur dioxide (“SOx”), carbon monoxide (“CO”), mercury, hazardous air pollutants (HAPs), and greenhouse gas (“GHG”) emissions, and its scheduled retirement would have resulted in significant emissions reductions.¹² The Order does not make a meaningful attempt to minimize or mitigate the emissions impact of continued operation of Craig Unit 1 as required. Operating Craig Unit 1 beyond its planned retirement date will increase the amount of pollution emitted in Colorado, harming the environment, public health, and welfare, as well as Colorado’s ability to comply with other federal and state environmental laws.¹³

¹¹ See e.g., Exhibit E (CoPUC, Decision No. C25-0612, issued on August 26, 2025, in Proceeding No. 23A-0585E), at ¶ 116; CoPUC, Decision No. R22-0191, issued on March 28, 2022, in Proceeding No. 20A-0528E.

¹² Exhibit B, ¶¶ 13-18.

¹³ See generally, *infra*; Exhibit B, at 15-22.

Finally, state authority over generation resources has been a bedrock principle of the FPA for nearly a century. Federal intrusion in this traditional sphere of state control is permitted only in a true emergency and only with specific procedures that the Department did not follow when issuing the Order. Colorado's sovereign interest in seeing its state laws followed in an area reserved to state sovereign authority further warrants the State's intervention.

III. Background

The Order makes several claims about Colorado's energy resource mix, expected increases in energy demand in the region, and the resulting need for continued availability of Craig Unit 1 to address an alleged energy emergency. The facts on the ground tell a very different story.

A. Craig Unit 1 is owned by several utilities with specific service areas.

Craig Unit 1, along with Craig Units 2 and 3, comprise Craig Station, a 1,285 megawatt ("MW"), generating facility in Moffat County, CO.¹⁴ Craig Units 1 and 2, also known as the Yampa Project, are operated solely by Tri-State but are co-owned by Craig Unit 1 Owners. Craig Unit 1 has a 427 MW capacity and began operating in 1980, making it over 45 years old.¹⁵ Craig Unit 1 was approved to retire on December 31, 2025. Craig Unit 2, which has a 410 MW capacity, has an approved retirement date of September 30, 2028, and Craig Unit 3, which is solely owned and operated by Tri-

¹⁴ *Craig Station Unit 2 owners announce retirement date of Sept. 30, 2028*, Tri-State (July 8, 2020), (last visited Jan. 26, 2026); Exhibit F (CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Brad Nebergall, filed on December 1, 2020, in Proceeding no. 20A-0528E, Attachment BN-2, (Tri-State, 2020 IRP/ERP, Public (Dec. 1, 2020))), at 182.

¹⁵ Global Energy Monitor, a project of the Sierra Club, [Craig Station](#) (last updated Jan. 5, 2026) (last visited Jan. 26, 2026); Exhibit F, at 182.

State and has a 448 MW capacity, will retire by 2030.¹⁶ It is Colorado's understanding that, when operating, Craig Unit 1 primarily provides energy to Colorado, as 51% of the unit is owned by Colorado utilities and it is located in Colorado, but provides some energy to Wyoming and Utah, and indirectly to Arizona.

Tri-State is a wholesale electric generation and transmission cooperative association with members located across Colorado, Nebraska, New Mexico, and Wyoming. Tri-State is a non-profit corporation and is owned and governed by its members through a Board of Directors.¹⁷ Tri-State's board is responsible for approving rates, major capital investments, and resource planning decisions.¹⁸ These resource planning decisions must then be approved by the CoPUC. Tri-State's ownership share of Craig Unit 1 is 24%, and Tri-State therefore is entitled to 102.5 MW out of Craig Unit 1's 427 MW capacity.¹⁹ It is Colorado's understanding that within Tri-State's service territory, only Colorado and Wyoming receive energy from Craig Unit 1.

PRPA and Public Service are the two other Colorado-based utilities with an ownership stake in Craig Unit 1. PRPA is a non-profit community-owned power generation and transmission utility that provides energy to Estes Park, Fort Collins, Longmont, and Loveland, Colorado.²⁰ PRPA has an 18% ownership share of Craig Unit 1

¹⁶Tri-State, [Craig Station Unit 2 Retirement](#) (July 8, 2020); Exhibit F, at 182; Exhibit G (CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Brad Nebergall, filed on December 1, 2020, in Proceeding No. 20A-0528E, Attachment BN-1 (Tri-State, Responsible Energy Plan ("Responsible Energy Plan") (Jan. 2020)), at 3.

¹⁷ Exhibit JJ (CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Brad Nebergall, filed on December 1, 2020, in Proceeding No. 20A-0528E, Proceeding 20A-0528E), at 13:8-13.

¹⁸ *Id.*, at 13:16-22.

¹⁹ Exhibit J (CoPUC, 120 Day ERP Implementation Report, Public, filed on April 11, 2025, in Proceeding No. 23A-0585E).

²⁰ Exhibit EE (PRPA, [2024 Integrated Resource Plan](#) (Apr. 2023)).

and therefore is entitled to 77 MW of Craig Unit 1's capacity.²¹ Public Service is a subsidiary of Xcel Energy, Inc., and is the largest gas and electric provider in Colorado. However, Public Service has the smallest ownership stake in Craig Unit 1, owning 9% (38.4 MW of the unit's total capacity).²²

The Salt River Project and PacifiCorp are the two non-Colorado owners of Craig Unit 1. The Salt River Project is a non-profit organization that provides power in central Arizona.²³ The Salt River Project owns 29% of Craig Unit 1 (124 MW of the unit's total capacity).²⁴ However, the Salt River Project does not receive energy from Craig Unit 1 directly and instead trades for it through the Western Area Power Administration ("WAPA"). Their contract for exchanging this power through WAPA will expire on April 1, 2026. PacifiCorp is based in Oregon but serves customers in Oregon, Washington, California, Utah, Idaho, and Wyoming. PacifiCorp has a 19% ownership of Craig Unit 1 (81 MW of the unit's total capacity). It is Colorado's understanding that within PacifiCorp's service territory, only Utah and Wyoming receive energy from Craig Unit 1.

B. The Craig Unit 1 Owners decided to retire Craig Unit 1 ten years ago and included the retirement in their resource plans.

In 2016, the Craig Unit 1 Owners voluntarily decided to retire Craig Unit 1 by December 31, 2025, based on "the state and federal regulatory environment for coal-based generation, current and forecasted market conditions, the significant costs to

²¹ Exhibit FF (PRPA, [Craig Units 1&2 \(Yampa Project\)](#) (2026)).

²² [Craig Station](#), Global Energy Monitor.

²³ Exhibit H (Salt River Project, [2023 Integrated Systems Plan](#)) at 6.

²⁴ *Id.*, at 27.

install additional emissions controls, and the best interests of electric consumers.”²⁵

The Craig Unit 1 Owners agreed to proposed revisions to Air Quality Control Commission Regulation No. 23 and Colorado’s Regional Haze State Implementation Plan (“SIP”) that included the December 31, 2025 retirement date.²⁶ The U.S. Environmental Protection Agency (“EPA”) approved Craig Unit 1’s retirement date on July 5, 2018.²⁷ Since 2016, the Craig Unit 1 Owners have incorporated the planned closure of the unit as an assumption in all ERP proceedings, reports, decisions and modeling.²⁸ None of these processes or reports conclude that resource adequacy or reliability would be threatened by the unit’s retirement.

Tri-States’ resource plans are overseen by the CoPUC. The CoPUC reviewed Tri-State’s load forecasts, resource needs, and planned resource acquisitions, all of which included the retirement of Craig Unit 1 by December 31, 2025 as an underlying assumption, as part of Tri-State’s 2020 ERP and most recently its 2023 ERP for planning years 2026-2031.²⁹ As recently as August 2025, the CoPUC found that “Craig Unit 1 is not required for reliability or resource adequacy purposes based on the record in this ERP. Every portfolio that Tri-State modeled for its most recent ERP

²⁵ Tri-State, [Craig Station Owners, Regulators and Environmental Groups Reach Agreement on Proposed Revisions to Colorado Regional Haze Plan](#) (Sept. 1, 2016).

²⁶ See *id.*; 5 Colo. Code Reg. § 1001-27, Part A, Section IV.D.1 (2025).

²⁷ Air Plan Partial Approval and Partial Disapproval; Colorado; Regional Haze Plan for the Second Implementation Period, 83 Fed. Reg. 31,332 (July 5, 2018).

²⁸ Tri-State, [Craig Station Owners Agreement](#); e.g., CoPUC, *Tri-State, ERP Annual Progress Report, Revised*, filed on June 2, 2017, in Proceeding No. 15M-0852E, at 16; CoPUC, ERP for Annual Progress Report, filed on October 31, 2018, in Proceeding No. 15M-0852E, at 17; CoPUC, ERP Annual Progress Report, filed on December 10, 2019, in Proceeding No. 15M-0852E, at 22.

²⁹ Exhibit F, at 31; CoPUC, 150-Day Report, Public, filed on February 13, 2023, in Proceeding No. 20A-0528E, at 28; Exhibit X (CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Lisa K. Tiffin, Rev. 1, filed on May 15, 2024, in Proceeding No. 23A-0585E, Attachment LKT-1 (Tri-State, 2023 ERP Phase I, Rev. 2 (Apr. 22, 2024)), at 19, 21, 32, 44, 55, 66; Exhibit J, at 21, 32, 43, 54, 64, 75.

assumes that Craig Unit 1 retires at the end of 2025. . . every portfolio meets all reliability metrics and is reliable.” The CoPUC further found that Tri-State’s resource plan—including the retirement of Craig Unit 1—is resource diverse and cost effective, ensuring energy security, economic prosperity, and environmental protection. And the ERP progress report filed by Tri-State on December 1, 2025, did not present any resource adequacy or reliability issues, and continues to project no capacity shortfalls through 2035. Tri-State reaffirmed on January 23rd that the Craig Unit 1 retirement “has informed operational and maintenance decisions, and Tri-State has planned for adequate resources to maintain reliability on its system following the unit’s retirement.”³⁰ Public Service, which also engages in the ERP process with the CoPUC for review of its resource adequacy and reliability, has not indicated in its CoPUC filings a need for energy from Craig Unit 1 to meet any immediate or longer-term resource needs. Neither has PRPA, which conducts its own integrated resource planning process.

The other Craig Unit 1 Owners are subject to similar oversight by their state utility commissions, and since Tri-State’s service territory also includes Wyoming, its extensive planning addresses resource adequacy there as well. As part of their respective state-approved resource plans, Salt River Project and PacifiCorp have confirmed there are no resource adequacy concerns in their respective states associated with the retirement of Craig Unit 1.

³⁰ Tri-State, [*Tri-State makes Craig Generating Station Unit 1 available to operate in compliance with DOE emergency order*](#) (Jan. 23, 2026).

Underscoring the lack of need for Craig Unit 1, the unit suffered an outage on December 19, 2025 due to a mechanical failure of a valve.³¹ Absent the Order, it is unlikely the Owners would have expended new resources to repair the aging unit given that they were not expecting to use it to generate energy after December 31st.

C. Federal Energy Regulatory Commission (“FERC”) and its designated entities also oversee resource planning decisions for Craig Station to ensure reliability.

The structure of FERC’s management of the bulk power system is important to understand various studies and reports as they relate to the claimed emergency identified in the Order. The Craig Unit 1 Owners are currently not part of a Regional Transmission Organization (“RTO”) or Independent System Operator (“ISO”). The reliability and resource adequacy of the electric power system in states that are not in RTOs or ISOs are typically managed by individual utilities, which are often vertically integrated, meaning they handle generation, transmission, and distribution of electricity within their service areas, and are typically overseen by state public utilities commissions or a similar state entity.³² Although the utilities served by Craig Unit 1 are not in an RTO or ISO, they are subject to reliability oversight by FERC and several balancing authorities, in addition to being managed by their state resource planning and reliability requirements. These related processes are designed to govern long-term planning and resource adequacy, and are reserved to FERC and the states under the FPA.³³

³¹ Exhibit QQ (Tri-State, [U.S. DOE Orders Tri-State to Keep Craig Generating Station Unit Operating for Next 90 Days](#) (Dec. 31, 2025)); see also Exhibit B, ¶ 11; Exhibit D, ¶ 15.

³² FERC (Office of Public Participation), [Energy Markets](#) (last updated August 18, 2025) (last visited Jan. 26, 2026).

³³ See 16 U.S.C. § 824(b)(1); 16 U.S.C. § 824a(b).

FERC oversees the reliability of the bulk power system, which is the network of generation, transmission, and distribution system components across the United States, by reviewing, approving, and enforcing mandatory reliability standards developed by the North American Electric Reliability Corporation (“NERC”).³⁴ FERC designated NERC as the Electric Reliability Organization (“ERO”) for the mainland United States in 2006 pursuant to the Energy Policy Act of 2005.³⁵ NERC is a non-profit international regulatory authority that assures the reliability of North America’s bulk power system by creating reliability standards, approved by FERC, that are legally enforceable and include training and communications requirements, and emergency back up plans.³⁶ These standards apply to all users, owners, and operators of the continental United States’ bulk power system.³⁷ NERC also annually analyzes seasonal and long-term reliability of the bulk power system and assess risk by region using a three-tiered system.³⁸

NERC is permitted to delegate authority to regional entities for the purpose of proposing and enforcing reliability standards.³⁹ NERC therefore divides the North American bulk power system into six regional entities to which it has delegated authority. One of these regional entities is the WECC, which covers most of the Western United States, including all of the states served by Craig Unit 1.⁴⁰ WECC is a

³⁴ FERC (Office of Public Participation), [Reliability Explainer](#) (last updated Aug. 16, 2023) (last visited Jan. 26, 2026).

³⁵ See *id.*; 16 U.S.C. § 824o(a)(2); N. Am. Elec. Reliab. Corp., 116 FERC ¶ 61,062 (2006), at 3, order on reh’g & compliance, 117 FERC ¶ 61,126 (2006).

³⁶ [Reliability Explainer](#), FERC.

³⁷ 16 U.S.C. § 824o(b)(1).

³⁸ See 18 C.F.R. § 39.11.

³⁹ 18 C.F.R. § 39.8.

⁴⁰ See Fully Executed [Amended And Restated Delegation Agreement Between NAERC And WECC](#) (2021 FERC Revisions – Clean), North American Electric Reliability Corp. (January 1, 2021)

non-profit organization that assures a reliable electric system in the Western Interconnection, a region that covers the Pacific Ocean to the Rocky Mountain states.⁴¹ All of the Craig Unit 1 Owners are members of WECC.⁴²

WECC identifies and registers the Reliability Coordinators and balancing authorities that are responsible for maintaining operating conditions under NERC's reliability standards within its region.⁴³ Reliability Coordinators are the highest level of authority under NERC. They are responsible for the operation of the bulk electric system and have the operating tools, procedures, and authority to prevent or mitigate emergency operating situations.⁴⁴ Balancing authorities ensure that power system demand and supply are balanced, manage transfers of electricity and use economic dispatch to optimize the use of generating units and minimize real-time costs, and maintain operating conditions under NERC reliability standards.⁴⁵ Southwest Power Pool, Inc. ("SPP") is the Reliability Coordinator for Public Service, Tri-State, and PRPA.⁴⁶ WAPA – Rocky Mountain Region Western Area Colorado Missouri ("WACM") is the Balancing Authority for Craig Station.

In addition to this structure, Public Service, PRPA, and Tri-State are now part of the Western Energy Imbalance Market ("WEIS") market, which is a "real-time energy imbalance service market that provides market participants the ability to submit offers to sell and bids to buy imbalance energy, and settles the net supply or

⁴¹ EPA, [U.S. Grid Regions](#) (Nov. 24, 2025).

⁴² WECC, [Membership](#) (2026).

⁴³ Department, [Learning Series: Energy Security & Resilience](#); WECC, [Registration and Certification](#) (2026).

⁴⁴ NERC, [NERCipedia: Reliability Coordinator](#) (2024).

⁴⁵ Department, [Learning Series: Energy Security & Resilience](#).

⁴⁶ SPP, [Western RC Services](#) (2026).

obligation for an asset owner.”⁴⁷ In July of 2025, Public Service was approved to join Markets+, a regional, day-ahead and real-time energy and flexibility reserve product market in the Western Interconnection.⁴⁸ Both WEIS and Markets+ are operated by SPP, but are separate from the RTO that SPP also operates.⁴⁹ And in December 2025, the CoPUC determined that it is in the public interest for Tri-State to join the SPP’s RTO in the Western Interconnection in April of 2026.⁵⁰

The Order states, without support, that the WECC-Northwest Assessment area is experiencing an energy emergency based on NERC’s 2024 Long-Term Reliability Assessment (“2024 LTRA”). But NERC, WECC and its designees have not made a similar determination. The Order merely cites to the 2024 LTRA’s statement that energy variability is greater in the WECC-Northwest area than other regions, and that supply chain issues are a concern.⁵¹ In the 2024 LTRA, the WECC-Northwest Assessment area included Colorado, Idaho, Montana, Oregon, Utah, Washington and Wyoming. However, in NERC’s two more recent assessments, its 2025 Summer Reliability Assessment (“SRA”) and 2025-2026 Winter Reliability Assessment (“WRA”), the WECC-Northwest Assessment area no longer includes Colorado and Wyoming, which were moved to the WECC-Rocky Mountain assessment area, or Utah, which is in the WECC-Basin assessment area.⁵²

⁴⁷ SPP, [Western Energy Imbalance Service \(WEIS\) Quarterly State of the Market](#) (Feb. 13, 2024) at 4.

⁴⁸ CoPUC, Decision No. C25-0697, issued on October 9, 2025, in Proceeding No. 25A-0075E.

⁴⁹ SPP, [About Us](#) (2026).

⁵⁰ CoPUC, Decision No. C25-0906, issued on December 16, 2025, in Proceeding No. 25A-0266E, ¶ 2.

⁵¹ Exhibit K (NERC, *2024 Long-Term Reliability Assessment* (Dec. 2024)).

⁵² Exhibit L (NERC, *2025-2026 WRA* (Nov. 2025); NERC, [2025 SRA](#) (May 2025)).

In light of this reorganization of the assessment areas, and given the timing of Order, the 2025-2026 WRA is a more relevant assessment for evaluating near-term reliability issues since the WRA specifically covers the upcoming three-month winter period (December-February). This assessment found that “[a]ll assessed areas have adequate resources for normal winter peak load conditions[.]”⁵³ The 2025-2026 WRA found that WECC-Rocky Mountain, the region that includes Colorado and most of Wyoming, would not require reliance on imports to maintain resource adequacy “under combined extreme peak and extreme derated conditions” and that all assessed areas have adequate resources for normal winter peak load conditions.⁵⁴

Thus, the assessments covering the areas served by Craig Unit 1 for both the 90 day term of the Order and beyond do not conclude that there is an energy shortfall or a reliability concern. Yet, the day before Craig Unit 1’s planned retirement, the Department issued a Section 202(c) Order declaring that an emergency exists within the WECC-Northwest assessment area “due to a shortage of electric energy, a shortage of facilities for the generation of electric energy, and other causes...”⁵⁵ The Order requires the Craig Unit 1 Owners to ensure that the unit is available to operate for the next 90 days at the direction of WACM in its role as Balancing Authority or the SPP West in its role as Reliability Coordinator.⁵⁶

⁵³ Exhibit L at 5.

⁵⁴ *Id.*, at 38.

⁵⁵ Exhibit A at 1.

⁵⁶ *Id.* at 3-4.

D. The Craig Order is in line with other federal efforts to support the coal industry.

On January 20, 2025, President Trump issued Executive Order 14156, “Declaring a National Energy Emergency.”⁵⁷ That declaration did not provide any factual support for its assertion that the country was in the grips of an electricity emergency. In fact, U.S energy production is at an all-time high and continues to grow.⁵⁸ Although the President recently extended the energy emergency declaration for an additional year, he did not cite any new evidence to justify the supposed emergency.⁵⁹

Setting the stage for the Department’s plan to use Section 202(c) orders to promote the administration’s policy preferences for the nation’s energy mix, on April 14, 2025, President Trump issued Executive Order 14262, “Strengthening the Reliability and Security of the United States Electric Grid.”⁶⁰ This Executive Order directed the Department to streamline and expedite processes for issuing emergency orders under Section 202(c). It also ordered the preparation of a methodology to help identify areas with inadequate reserve margins and directed the use of Section 202(c) orders to prevent certain generation resources from leaving the bulk power system.⁶¹ Pursuant to this Executive Order, the Department published its report titled *Resource*

⁵⁷ Declaring a National Energy Emergency, 90 Fed. Reg. 8433 (Jan. 20, 2025).

⁵⁸ Victoria Zaretskaya, [The United States was the world’s largest liquified natural gas exporter in 2023](#), U.S. Energy Info. Admin.: Today in Energy: In-Brief Analysis (Apr. 1, 2024); U.S. Energy Info. Admin., [U.S. Exports of Crude Oil](#) (last updated Dec. 31, 2025); U.S. Energy Info. Admin., [U.S. Energy Facts Explained: Imports & Exports](#) (last updated July 15, 2024).

⁵⁹ Continuation of the National Emergency With Respect to Energy, 91 Fed. Reg. 1667 (Jan. 12, 2026).

⁶⁰ Exec. Order 14262, Strengthening the Reliability and Security of the United States Electric Grid, 90 Fed. Reg. 15521 (Apr. 14, 2025).

⁶¹ 90 Fed. Reg. 15521.

Adequacy Report: Evaluating the Reliability and Security of the United States Electric Grid (“Resource Adequacy Report” or “Report”),⁶² on July 7, 2025.

Colorado and several other states filed a request for rehearing of the Resource Adequacy Report that pointed out the Report’s many analytical errors, including flawed and unexplained assumptions for load growth projections and resource retirements and additions.⁶³ The Department itself acknowledges in the Report that the agency is not equipped to analyze resource adequacy, stating that its own analysis “could benefit greatly from the in-depth engineering assessments which occur at the regional and utility level.”⁶⁴ Thus, despite issuing a Report intended to guide its use of Section 202(c) authority, the Department does not have the ability to discern whether there is an energy emergency at the regional level.

Nevertheless, the Department proceeded to issue numerous orders under Section 202(c) in 2025 to prevent the retirement of several fossil fuel-fired power plants across the country. In May 2025, the Department issued orders preventing two fossil-fuel generation facilities in Michigan and Pennsylvania from retiring as planned. Both orders failed to identify an imminent energy emergency justifying the units’ continued operation, and instead cited only generalized concerns about resource adequacy.⁶⁵ Both orders have since been reissued multiple times.⁶⁶

⁶² Exhibit M (Department, Resource Adequacy Report: Evaluating the Reliability and Security of the United States Electric Grid (July 2025)).

⁶³ Exhibit N (Motion to Intervene and Protective Request for Rehearing by the Attorneys General of Maryland, Washington, Illinois, Michigan, Minnesota, Arizona, Colorado, Connecticut, and New York, filed on August 6, 2025 with the Department).

⁶⁴ Exhibit M, at 2.

⁶⁵ Exhibit O (Department, Order No. 202-25-3 (“Campbell Order”) (May 23, 2025)); Exhibit P (Department, Order 202-25-4 (“Eddystone Order”) (May 30, 2025)).

⁶⁶ See Exhibit I (Department, Order No. 202-25-7 (Aug. 20, 2025)) (“Aug. Campbell Extension”); Exhibit U (Department, Order No. 202-25-9 (Nov. 18, 2025) (“Nov. Campbell Extension”); Exhibit V

In December 2025, four additional fossil fuel-fired generation facilities were scheduled to retire, and the Department again issued orders requiring their continued availability. In addition to the Craig Order at issue in this proceeding, the Department ordered that units in Washington and Indiana remain available to operate.⁶⁷ Like the Craig Order, the other Section 202(c) orders issued in December also failed to support their emergency determinations with evidence of a specific, imminent energy shortfall or other circumstances that qualify as an emergency under Section 202(c).

IV. Statement Of Issues and Specifications of Error

The State of Colorado submits the following statement of issues and specifications of error:

1. The Order is contrary to law because Section 202(c) only authorizes the Department to respond to specific, imminent, unexpected, and temporary events, while the Order addresses long-term resource adequacy concerns. The statutory text, legislative history, judicial construction, and the Department's regulations all confirm that an emergency must be specific, imminent, unexpected, and temporary. 16 U.S.C. § 824a(c); *Richmond Power & Light of City of Richmond, Ind. v. FERC*, 574 F.2d 610 (D.C. Cir. 1978); S. Rep. No. 74 621, 74th Cong., 1st Sess. (1935); 16 U.S.C. § 824a(a) & (b); *Otter Tail Power Co. v. Fed. Power Comm.*, 429 F.2d 232 (8th Cir. 1970).
2. The Order is contrary to law because it exceeds the Department's statutory authority by preventing the long-planned retirement of Craig Unit 1. Section 201(b) of the FPA reserves decisions about plant retirement dates to the states, and Section 202(c) does not vest the Department with general regulatory authority over resource adequacy. By abusing a statute meant only for emergencies, the Order intrudes on authority reserved to states and to other federal regulators to regulate resource adequacy. 16 U.S.C. §824(a); *Conn. Dep't of Pub. Util. Control v. FERC*, 569 F.3d 477, 481 (D.C. Cir. 2009); *see also Hughes v. Talen*

(Department, Order No. 202-25-8 (Aug. 28, 2025) ("Aug. Eddystone Extension")); Exhibit PP (Department, Order No. 202-25-10 (Nov. 25, 2025) ("Nov. Eddystone Extension")).

⁶⁷ Exhibit Q (Department, Order No. 202-25-11 (Dec. 16, 2025) ("Centralia Order")); Exhibit S (Department, Order No. 202-25-12 (Dec. 23, 2025) ("Schahfer Order")); Exhibit R (Department, Order No. 202-25-13 (Dec. 23, 2025) ("Culley Order")).

Energy Mktg., LLC, 578 U.S. 150, 155 (2016); *Devon Power LLC et al.*, 109 FERC ¶ 61,154, P 47 (2004).

3. The Order's determinations are not supported by substantial evidence demonstrating an actual emergency, as indicated by the statutory text and structure and defined in Department regulations, that would necessitate continued operation of Craig Unit 1. The Order fails to exercise reasoned decision making and ignores critical facts, including the findings in its own Resource Adequacy Report, NERC's findings, and state and utility analyses. 16 U.S.C. § 824a(c); *Jarecki v. G.D. Searle & Co.*, 367 U.S. 303 (1961); *Richmond Power & Light of City of Richmond, Ind. v. FERC*, 574 F.2d 610 (D.C. Cir. 1978); S. Rep. No. 74-621 (1935); 16 U.S.C. § 824a(a) & (b); *Otter Tail Power Co. v. Fed. Power Comm.*, 429 F.2d 232 (8th Cir. 1970); 16 U.S.C. § 824o;; 10 C.F.R. § 205.371; 10 C.F.R. § 205.375; *Emera Maine v. FERC*, 854 F.3d 9, 22 (D.C. Cir. 2017); *Motor Vehicle Mfrs. Ass'n of U.S., Inc. v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983); *Burlington Truck Lines, Inc. v. United States*, 371 U.S. 156, 168(1962).
4. The Order is contrary to law because it fails to present substantial evidence for its emergency determination and ignores critical facts. None of the materials cited in the order provide evidence of an emergency in the WECC-Northwest assessment area or regions served by Craig Unit 1. *Motor Vehicle Mfrs. Ass'n of U.S., Inc. v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983); *Burlington Truck Lines, Inc. v. United States*, 371 U.S. 156, 168 (1962); *Chritton v. National Transportation Safety Board*, 888 F.2d 854, 856 (D.C. App. 1989); *Emera Maine v. FERC*, 854 F.3d 9, 22 (D.C. Cir. 2017).
5. The Order is arbitrary and capricious because it fails to require generation that best meets the claimed emergency. 16 U.S.C. § 824a(c)(1); *Entergy Corp. v. Riverkeeper, Inc.*, 556 U.S. 208 (2009); *Dep't of Homeland Sec. v. Regents of the Univ. of Calif.*, 591 U.S. 1 (2020); *Motor Vehicle Mfrs. Ass'n of the U.S. v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29 (1983); 10 C.F.R. § 205.371;
6. The Order's terms fail to comply with Section 202(c)'s requirements. 16 USC § 824a(c)(1); 16 U.S.C. § 824a(c)(2); *Conn. Dep't of Pub. Util. Control v. FERC*, 569 F.3d 477, 481 (D.C. Cir. 2009); see also, e.g., *Hughes v. Talen Energy Mktg., LLC*, 578 U.S. 150, 155 (2016).
7. The Order is arbitrary and capricious because it is designed to support the federal administration's policy goal of supporting the coal industry. *Dep't of Commerce v. New York*, 588 U.S. at 782; *Level the Playing Field v. FEC*, 961 F.3d 462, 464 (D.C. Cir. 2020) (quoting *Hagelin v. FEC*, 411 F.3d 237, 242 (D.C. Cir. 2005))

8. The Order violates the National Environmental Policy Act (“NEPA”) because it fails to assess the environmental consequences of a major federal action significantly affecting the human environment. 42 U.S.C. § 4321; *et seq.*; 10 CFR § 1021.103.

V. Request For Rehearing

The Department must grant rehearing and rescind the Order because it suffers from numerous legal and factual deficiencies. Ignoring the legal standards that constrain the exercise of emergency authority under Section 202(c), and acting in disregard of the facts, the Order improperly impinges on state authority over resource planning decisions, imposes unreasonable and unnecessary costs, fails to include required provisions to minimize environmental harms, and advances the administration’s preferred energy source with no reasonable basis. For these reasons, the Order is contrary to law, arbitrary and capricious, and unsupported by substantial evidence. The Department should withdraw it.

A. The Order is contrary to law because it improperly expands the use of Section 202(c)’s emergency authority beyond the limited scope set forth in the FPA.

Section 202(c) authorizes the Department to command action from a utility unconstrained by many of the core procedural safeguards, jurisdictional boundaries, and substantive limitations normally imposed by the FPA.⁶⁸ This power far exceeds the Department’s normal authority, and is therefore restricted to the extraordinary and limited circumstances set forth in the statute.⁶⁹ The FPA’s statutory text and

⁶⁸ See 16 U.S.C. § 824a(c).

⁶⁹ *Id.* (“[d]uring the continuance of any war in which the United States is engaged, or whenever the Commission 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, or of fuel or water for generating facilities, or other causes...”).

structure, along with the Department's regulations, historic practice, and case law interpreting the FPA all make clear that any such event, including a "shortage of electric energy" or the "demand for electric energy" must be one that constitutes a bona fide "emergency"—*i.e.*, a specific, imminent, unexpected and temporary event. The Order exceeds the Department's authority because those extraordinary and limited circumstances do not exist here, and the Department is instead attempting to use the Order to regulate long term resource adequacy, which is expressly reserved to the states and FERC.

- i. The language, history and structure of Section 202(c) limit the Department to addressing specific, imminent, unexpected and temporary supply shortfalls.*

Section 202(c)'s text authorizes the Department to act only upon an "emergency."⁷⁰ The statute itself does not define "emergency."⁷¹ At the time Section 202(c) was enacted, "emergency" was defined as a "sudden or unexpected appearance or occurrence...An unforeseen occurrence or combination of circumstances which calls for immediate action or remedy; pressing necessity; exigency."⁷² Contemporary dictionaries likewise define "emergency" as "an unforeseen combination of circumstances or the resulting state that calls for immediate action," or an "urgent need for assistance or relief."⁷³

⁷⁰ *Id.*

⁷¹ Although emergency is not defined, the statute does indicate that an emergency includes "the continuance of any war in which the United States is engaged." 16 U.S.C. § 824a(c)(1).

⁷² *Emergency*, Webster's New International Dictionary of the English Language (1930).

⁷³ [Emergency](#), Merriam-Webster Dictionary (Jan. 11, 2026); See also Benjamin Rolsma, *The New Reliability Override*, 57 Conn. L. Rev. 789, 812 n.147 (2025) (noting that dictionaries have given the term "emergency" the "same meaning for many years").

The remainder of Section 202(c)'s plain language also underscores the urgency and immediacy inherent in the word "emergency." The text's use of the present tense underscores its focus on imminent and certain shortfalls, empowering the Department to act only where "an emergency exists."⁷⁴ That near-term focus, along with the fact that this Section 202(c) authority is "temporary" authority,⁷⁵ precludes use of Section 202(c) to pursue long-term policy goals such as preference for a particular fuel source⁷⁶ or interventions to address general concerns about long-term resource adequacy.⁷⁷

The legislative history of the FPA confirms that Congress intended Section 202(c) authority to be used for true emergencies. In a report accompanying the FPA's original passage in 1935, Section 202(c) is described as a "temporary power" to be used in response to "crises:"

This is a temporary power designed to avoid a repetition of the conditions during the last war, when a serious power shortage arose. Drought and other natural emergencies have created similar crises in certain sections of the country; such conditions should find a Federal agency ready to do all that can be done in order to prevent a break-down in electric supply.⁷⁸

⁷⁴ 16 U.S.C. § 824a(c).

⁷⁵ *Id.*

⁷⁶ *Richmond Power & Light*, 574 F.2d at 615 (Section 202(c) "is aimed at situations in which demand for electricity exceeds supply and not those in which supply is adequate but a means of fueling its production is in disfavor.").

⁷⁷ See *Coalition for Competitive Electricity, Dynergy Inc. v. Zibelman*, 906 F.3d 41, 50 (2018) (citing 16 U.S.C. § 824(b)) (FPA "leaves to the States alone" the authority "to regulate energy production and facilities used for the generation of electric energy"); see also *Arkansas Elec. Co-op Corp. v. Arkansas Public Service Com'n*, 461 U.S. 375, 377 (1983) ("[T]he regulation of utilities is one of the most important of the functions traditionally associated with the police power of the States.").

⁷⁸ S. Rep. No. 74-621 at 49 (1935).

Section 202's overall structure also highlights Section 202(c)'s emphasis on imminent, near-term concerns. Section 202 established three tiers of federal involvement in grid coordination. Section 202(a)⁷⁹ and Section 202(b)⁸⁰ together define and limit the tools by which the federal government may pursue "abundant" energy supplies in the normal course. Section 202(a) states that the federal government may seek "abundant supply of electric energy" by "divid[ing] the country into regional districts for the voluntary interconnection and coordination of facilities for the generation, transmission, and sale of electric energy." Section 202(b) provides a backstop if the voluntary interconnection and coordination provided for in Section 202(a) fails, allowing the federal government to order "physical connection . . . to sell energy or to exchange energy" upon application, and "after an opportunity for hearing."⁸¹ However, Section 202(b) specifically states that the government has "no authority to compel the enlargement of generating facilities for such purposes."⁸²

The resulting statutory "machinery for the promotion of the coordination of electric facilities" comprises the following: in subsection (a), an instruction to establish a general framework meant to facilitate "coordination by voluntary action;" in subsection (b), "limited authority to compel interstate utilities to connect their lines and sell or exchange energy," subject to defined procedural and substantive requirements, when "interconnection cannot be secured by voluntary action;" and in subsection (c), "much broader" but "temporary" authority "to compel the connection

⁷⁹ 16 U.S.C. § 824a(a).

⁸⁰ 16 U.S.C. § 824a(b).

⁸¹ *Id.*

⁸² *Id.*

of facilities and the generation, delivery, or interchange of energy during times of war or other emergency.”⁸³

This structure relies on voluntary action for everyday energy planning, specifies limited authority where that voluntary system fails, and allows for “temporary” central command-and-control only in case of “emergency.” Section 202(c) authority applies narrowly to immediate and unavoidable “break-down[s] in electric supply,” rather than mere desire for more abundant supply in the future.⁸⁴ Interpreting Section 202(c)’s “emergency” powers to encompass longer-term concerns such as potential shortfall years into the future would unwind the careful balance of voluntary, market-driven action and federal authority set out by Congress. Therefore, such an interpretation cannot be squared with the statutory text, history and structure of Section 202 as required by law.

- ii. *Section 215 of the FPA explicitly assigns federal regulation of long term resource adequacy to FERC, further emphasizing that the Department’s Section 202(c) authority is limited to imminent emergencies.*

Section 215 of the FPA, 16 U.S.C. § 824o (“Section 215”), which delineates the scope of federal power to enforce mandatory long-term reliability requirements, confirms that Section 202(c) cannot be used to enforce the Department’s preference for long-term reliability solutions. Congress added Section 215 to the FPA in 2005 precisely because the FPA as it then existed, which included Section 202(c), did not provide the federal government with the power to enforce measures designed to

⁸³ S. Rep. No. 74-621 at 49 (1935).

⁸⁴ *Id.*

ensure broad, long-term reliability.⁸⁵ Implementation of Section 215, including the approval and enforcement of reliability standards for all entities operating in the bulk power system, is left to FERC and its designated ERO, not the Department.⁸⁶

By enacting Section 215, Congress newly created a comprehensive and carefully circumscribed scheme to allow FERC—not the Department—to address long-term reliability requirements. That statutory scheme strikes a careful balance between state and federal authority, and between private, market-driven decisions and top-down control. Reliability standards are devised by NERC independent “of the users and owners and operators of the bulk-power system” but with “fair stakeholder representation.”⁸⁷ FERC may approve or remand those standards (but not replace them with its own) and must “give due weight” to NERC’s “technical expertise” while independently assessing effects on “competition.”⁸⁸ Section 215 specifies enforcement mechanisms and procedures for reliability standards and carefully preserves state authority over “the construction of additional generation” and

⁸⁵ See Rules Concerning Certification of the ERO; and Procedures for the Establishment, Approval, and Enforcement of Electric Reliability Standards, 70 Fed. Reg. 53,117, 53,118 (Sept. 7, 2005) (“In 2001, President Bush proposed making Electric Reliability Standards mandatory and enforceable[,]” leading to enactment of Section 215 in 2005); National Energy Policy Development Group, *Reliable, Affordable, and Environmentally Sound Energy for America's Future* (May 2001) at 7-6 (noting that “[r]egional shortages of generating capacity and transmission constraints combine to reduce the overall reliability of electric supply in the country” and that “[o]ne factor limiting reliability is the lack of enforceable reliability standards” because “the reliability of the U.S. transmission grid has depended entirely on voluntary compliance,” and then recommending “legislation providing for enforcement” of reliability standards) (emphasis added); S. Rep. No. 109-78, 109th Cong., 1st Sess. at 48, Section 1211 (2005) (Section 215 “changes our current voluntary rules system to a mandatory rules system” for long-term reliability); see *Alcoa, Inc. v. FERC*, 564 F.3d 1342, 1344 (D.C. Cir. 2009) (noting that prior to the Energy Policy Act of 2005, “the reliability of the nation’s bulk-power system depended on participants’ voluntary compliance with industry standards”).

⁸⁶ 16 U.S.C. § 824o.

⁸⁷ 16 U.S.C. § 824o(c)(2)(A); see also *id.* § 824o(a)(3) (defining reliability standards as “a requirement ... to provide for reliable operation of the bulk-power system”).

⁸⁸ *Id.* § 824o(d)(2)-(4).

regulation of in-state resource adequacy, establishing regional advisory boards to ensure appropriate state input on the administration of reliability standards.⁸⁹

Interpreting Section 202(c) to permit the Department to mandate generation based on its determination that non-imminent and unsubstantiated reliability concerns create an “emergency” would effectively allow the Department to bypass Section 215’s procedural safeguards, constraints on federal authority, and protection of state power over long-term reliability. This would impermissibly contradict Congress’ clear intent as expressed in its more recent reliability-specific provisions, enacted with the understanding that the Department had no authority to address long-term reliability through Section 202(c).⁹⁰ “Congress’s specific and limited enumeration of [agency] power” over a particular matter in one section of the FPA “is strong evidence that [a separate section] confers no such authority on [an agency].”⁹¹ Congress has, in Section 215, directly established the mechanisms by which the federal government may compel action to ensure long-term electric-system reliability, and that authority does not rest with the Department. In so doing, Congress has confirmed that the word “emergency,” as used in Section 202(c), does not extend to long-term reliability concerns and only applies to specific, imminent, unexpected and temporary events.

⁸⁹ *Id.* §§ 824o(e), -(i)-(j).

⁹⁰ See also *FDA v. Brown & Williamson Tobacco Corp.*, 529 U.S. 120, 121 (2000) (“The meaning of one statute may be affected by other Acts, particularly where Congress has spoken subsequently and more specifically to the topic at hand.”).

⁹¹ *Cal. Indep. Sys. Operator Corp. v. FERC*, 372 F.3d 395, 401 (D.C. Cir. 2004).

- iii. *The Order is arbitrary, capricious and contrary to law because it contradicts the Department's regulations interpreting Section 202(c) and its historic practice in applying Section 202(c).*

The Department's regulations confirm that Section 202(c)'s authority is confined to imminent and unexpected resource shortages rather than long-term reliability concerns. Those regulations define "emergency" for the purposes of Section 202(c) to mean circumstances that arise suddenly and unexpectedly:

"Emergency," as used herein, is defined as an unexpected inadequate supply of electric energy which may result from the unexpected outage or breakdown of facilities for the generation, transmission or distribution of electric power. Such events may be the result of weather conditions, acts of God, or unforeseen occurrences not reasonably within the power of the affected "entity" to prevent. An emergency also can result from a sudden increase in customer demand, an inability to obtain adequate amounts of the necessary fuels to generate electricity, or a regulatory action which prohibits the use of certain electric power supply facilities.⁹²

This focus on specific events like weather conditions, acts of God, or unforeseen circumstances outside of the power of the affected entity to prevent, along with the reference to a "sudden increase in customer demand" producing a "specific inadequate power supply situation,"⁹³ foreclose the Department from using 202(c) authority to address vague long-term supply and reliability issues, such as those articulated in the Order.

This need for specificity is repeated in the Department's regulations defining an inadequate energy supply: "[a] system may be considered to have inadequate" supply when "the projected energy deficiency...will cause the applicant [for a 202(c)]

⁹² 10 C.F.R. § 205.371.

⁹³ *Id.*

Order] to be unable to meet its normal peak load requirements based upon use of all of its otherwise available resources so that it is unable to supply adequate electric service to its ultimate customers.”⁹⁴ An emergency may exist where past planning failures produce an immediate, present-tense shortfall, but the Department has no authority to commandeer long-term planning merely because it deems current plans inadequate to meet long-term needs.⁹⁵ As the Department stated when it promulgated these regulations, the statute allows the Department to provide “assistance [to a utility] during a period of unexpected inadequate supply of electricity,” but does not empower it to “solve long-term problems.”⁹⁶

Until 2025, the Department’s orders complied with this regulatory scheme and the agency used its Section 202(c) authority only in response to concrete, particularized emergencies, subject to narrow, appropriate limitations. Established “practice may shed light on the extent of power conveyed by general statutory language, so the want of assertion of power by those who presumably would be alert to exercise it, is equally significant in determining whether such power was actually conferred.”⁹⁷ Until recently, the Department has used Section 202(c) to address specific, imminent, and unexpected shortages, never to address longer-term reliability concerns or demand forecasts.⁹⁸ As pointed out by the Congressional

⁹⁴ 10 C.F.R. § 205.375.

⁹⁵ See *id.* (requiring present inability to meet demand to demonstrate inadequate energy supply).

⁹⁶ Emergency Interconnection of Electric Facilities and the Transfer of Electricity to Alleviate an Emergency Shortage of Electric Power, 46 Fed. Reg. 39,984, 39,985-86 (Aug. 6, 1981).

⁹⁷ See *FTC v. Bunte Brothers, Inc.*, 312 U.S. 349, 352 (1941).

⁹⁸ See, e.g., Department, [Order No. 202-22-4](#) (Dec. 24, 2022) at 1 (responding to ongoing severe winter storm producing immediate and “unusually high peak load” between December 23 and December 26); Department, [Order No. 202-20-2](#) (Sept. 6, 2020) (responding to shortages produced by ongoing extreme heat and wildfires); see also Rolsma, 57 Conn. L. Rev. at 803-4 (describing “sparing[]” use of Section 202(c) outside of wartime shortages during the twentieth century).

Research Service, the orders issued by the Department in May 2025 (and subsequently renewed) to keep coal plants open “all involve[d] seemingly new interpretations of the emergency authority.”⁹⁹ The Order at issue in this proceeding continues this improper use of Section 202(c).

Similarly, before 2025, the Department used Section 202(c) on only three occasions to delay the retirement of generation facilities.¹⁰⁰ Each case met the following four criteria: (1) the order was requested by a system operator or governmental body; (2) the generation facility had ceased or would soon cease operation due to an inability to comply with environmental laws; (3) the request aimed to address a concrete and particularized emergency threatening an imminent loss of load; and (4) the Department tailored its order to go no further than necessary to address the emergency.

⁹⁹ Cong. Research Serv., *Federal Power Act: The Department of Energy’s Emergency Authority*, CRS Report No. R48568, at 3 (June 12, 2025).

¹⁰⁰ In 2005, the Department issued an order directing the continued operation of a facility in Alexandria, VA, after the facility was abruptly closed based on noncompliance with its air permit. The order only applied when one or both of the 230 kv transmission lines serving downtown D.C. were out of service. Department, [Order No. 202-05-3](#) (Dec. 20, 2005). In 2017, an Oklahoma state agency asked the Department to direct the continued operation of a unit that would otherwise close because the unit was needed to provide dynamic reactive power support to the local grid, as confirmed by its reliability coordinator. The unit was needed because another unit at the station had been struck by lightning, and the third unit’s construction had been delayed due to flooding delaying essential project materials. The Department subsequently ordered the unit to remain in operation for 90 days or until one of the other two units came online, to provide dynamic reactive power support when called upon by its reliability coordinator. Department, [Order No. 202-17-1](#) (Apr. 14, 2017). Finally, in 2017, two Virginia utilities asked the Department to direct the continued operation of two units of a power station because they were necessary to prevent uncontrolled power disruptions and shedding of critical load. [Letter from PJM Interconnection, LLC, to the Department](#) (Aug. 24, 2017).

The Department's unexplained deviation from its prior interpretation of the statute, as demonstrated through its past practice, is unlawful, arbitrary and capricious.¹⁰¹ And the Department cannot deviate from its regulations without conducting new notice and comment rulemaking and providing a reasonable basis for any change.¹⁰² A cornerstone of administrative law is "that an agency must provide[] a reasoned explanation for departing from precedent or treating similar situations differently."¹⁰³ For this reason, "an interpretation of a legislative rule cannot be modified without the notice and comment procedure that would be required to change the underlying regulation—otherwise, an agency could easily evade notice and comment requirements by amending a rule under the guise of reinterpreting it."¹⁰⁴ The Department has not undertaken any such notice and comment procedure here and has not provided any reasoned justification for its recent departure from the binding requirements and interpretations of its governing statute and regulations.

iv. Courts have found that the Department's use of Section 202(c) is limited to true emergencies and the Department is bound by the courts' statutory interpretation.

There is little case law on Section 202(c). However, two decisions that have addressed the Department's authority under Section 202(c) both recognize that the

¹⁰¹ *F.C.C. v. Fox Television Stations, Inc.*, 556 U.S. 502, 515 (2009) ("To be sure, the requirement that an agency provide reasoned explanation for its action would ordinarily demand that it display awareness that it is changing position.").

¹⁰² See 5 U.S.C. § 553; *F.C.C.*, 566 U.S. at 515 (holding that an agency cannot simply change position on an issue without "a reasoned explanation" and "awareness that it is changing position.").

¹⁰³ *New England Power Generators Ass., Inc. v. FERC*, 881 F.3d 202, 210-12 (D.C. Cir. 2018) (quoting *W. Deptford Energy, LLC v. FERC*, 766 F.3d 10, 20 (D.C. Cir. 2014)).

¹⁰⁴ *Env't Integrity Project v. EPA*, 425 F.3d 992, 995 (D.C. Cir. 2005) (internal citations omitted); see also *Center for Biological Diversity v. Haaland*, 998 F.3d 1061, 1067 (9th Cir. 2021) (internal citations omitted) ("When an agency changes its position, it must: (1) "display [] awareness that it is changing position," (2) "show "the new policy is permissible under the statute," (3) "believe[]" the new policy is better, and (4) provide "good reasons" for the new policy.").

Department's power under Section 202(c) is limited to specific, imminent, unexpected and temporary events.

First, during the 1973 oil embargo, the Federal Power Commission called for a voluntary transfer of electricity from non-oil power plants to areas of the country that relied heavily on oil, but the New England Power Pool petitioned for a Section 202(c) order because it was not convinced the voluntary program would work.¹⁰⁵ The Commission declined to issue a Section 202(c) order, and instead facilitated an agreement between state commissions and supplying utilities.¹⁰⁶ In *Richmond Power and Light of City of Richmond, Indiana v. FERC*, the D.C. Circuit upheld the Commission's decision to not invoke Section 202(c).¹⁰⁷ The utility argued that the country's dependence on foreign oil, and the high cost and uncertain supply of foreign oil, left the country with a continuing emergency, but the court agreed with the Commission's argument that the facilitated agreement had worked, service was never interrupted, and there was no need for a Section 202(c) order.¹⁰⁸ The court highlighted that the statute "speaks of 'temporary' emergencies, epitomized by wartime disturbances, and is aimed at situations in which demand for electricity exceeds supply[.]"¹⁰⁹ The court upheld the Commission's view that Section 202(c) cannot be used when "supply is adequate but a means of fueling its production is in disfavor."¹¹⁰

¹⁰⁵ *Richmond Power & Light*, 574 F.2d at 613.

¹⁰⁶ *Id.*

¹⁰⁷ *Id.* at 614.

¹⁰⁸ *Id.* at 615.

¹⁰⁹ *Id.*

¹¹⁰ *Id.*

The Eighth Circuit Court of Appeals has also held that Section 202(c) can only be used to respond to immediate crises. In *Otter Tail Power Co. v. Fed. Power Comm’n.*, a utility insisted a Section 202(c) order was necessary to properly order the utility to connect to a municipal power provider. The demand for electricity in the city had increased, and the peak load of the municipal power provider was high enough that both of its two generators would likely be needed simultaneously in the near future, which could cause a possible loss of service if one of them malfunctioned during a peak period.¹¹¹ Instead of issuing a 202(c) order, the Commission issued an order under Section 202(b), which the utility argued was incorrect.¹¹²

In upholding the Commission’s decision, the court distinguished between an emergency that is likely to occur and one that is actually occurring, concluding that Section 202(b) applies to the former, while Section 202(c) applies to the latter:

On its face, § 202(c) enables the Commission to react to a war or national disaster and order immediate interconnection of the facilities to maintain electrical service during such emergency. . . . On the other hand, § 202(b) applies to a crisis which is likely to develop in the foreseeable future but which does not necessitate immediate action on the part of the Commission.¹¹³

Therefore, the court agreed that a potential crisis in the foreseeable future was not an emergency, making this current situation “just the type of situation to fit into a § 202(b) hearing rather than § 202(c).”¹¹⁴

¹¹¹ *Otter Tail Power*, 429 F.2d at 233-234.

¹¹² *Id.*

¹¹³ *Id.* at 234.

¹¹⁴ *Id.*

Because courts, not agencies, decide “all relevant questions of law” arising on review of agency actions, the Department is bound by these courts’ “best reading” of the statutory language.¹¹⁵

B. Section 202(c) does not vest the Department with general regulatory authority over resource adequacy, which is regulated by the states and FERC under other provisions of the FPA.

The FPA preserves states’ authority over generation facilities and resource adequacy planning, and Section 202(c) does not vest the Department with general regulatory authority over resource adequacy. Under the FPA, states are responsible for their own resource adequacy and decisions about generation facilities, and FERC is responsible for assuring the reliability of the nation’s bulk power system. Because there is no imminent shortfall or other circumstance constituting an emergency, the Order is an illegal attempt to regulate long term resource adequacy by misusing the Department’s Section 202(c) authority.

i. The FPA grants authority over generation and resource adequacy to the states.

The structure and language of the FPA reflect Congress’ deliberate choice to preserve the states’ traditional authority over generating facilities and to limit the Department’s emergency authority. The FPA states that “the Commission shall have jurisdiction over all facilities for such transmission or sale of electric energy, but shall not have jurisdiction, except as specifically provided in this subchapter and subchapter III of this chapter, over facilities used for the generation of electric energy...”¹¹⁶ Congress also recognized the states’ exclusive authority over generating

¹¹⁵ *Loper Bright Enterprises v. Raimondo*, 603 U.S. 369, 392, 399-400 (2024).

¹¹⁶ 16 U.S.C. § 824(b)(1).

facilities in Section 202(b), which provides that FERC's interconnection authority does not include the power to "compel the enlargement of generating facilities for such purposes."¹¹⁷ FERC's role in regulating electricity generation and transmission is related to matters of interstate commerce and extends "only to those matters which are not subject to regulation by the States."¹¹⁸

Pursuant to the FPA, "[t]he states are thus authorized to regulate energy production . . . and facilities used for the generation of electric energy."¹¹⁹ Decisions around what facilities to build, whether they remain feasible, and retail rates are areas governed by the states.¹²⁰ Courts have held that Section 201(b)(1) reserves to the states authority over electric generating facilities, including that states retain the right "to require the retirement of existing generators" or to take any other action in their "role as regulators of generation facilities."¹²¹ FERC has acknowledged that "[r]esource adequacy is a matter that has traditionally rested with the states, and it should continue to rest there. States have traditionally designated the entities that are responsive for procuring adequate capacity to serve loads within their respective jurisdictions."¹²²

The electric power sector is governed by longstanding principles of cooperative federalism encouraged in Section 209(b) of the FPA, which explicitly declares that FERC may consult with states "regarding the relationship between rate structures,

¹¹⁷ 16 U.S.C. § 824a(b).

¹¹⁸ 16 U.S.C. § 824(a).

¹¹⁹ *Coal. for Competitive Elec.*, 906 F.3d at 50.

¹²⁰ *Pac. Gas & Elec. Co. v. State Energy Res. Conservation and Dev. Comm'n*, 461 U.S. 190, 205 (1983).

¹²¹ *Conn. Dep't of Pub. Util.*, 569 F.3d at 481; *see also Hughes*, 578 U.S. at 155.

¹²² *Devon Power LLC, et al.*, 109 FERC ¶ 61,154, P 47 (2004).

costs, accounts, charges, practices, classifications, and regulations of public utilities subject to the jurisdiction of such State commission and of the Commission.”¹²³ FERC has embraced these cooperative federalism principles and developed long-standing consultation practices with the states, including through creation of a Joint Federal-State Task Force,¹²⁴ and more recently, a Federal-State Current Issues Collaborative which was formed due to the success of the Task Force.¹²⁵ The importance of this cooperation is evident in the Department’s own Resource Adequacy Report, which flagged that it could have benefitted greatly from cooperation with the states due to the “in-depth engineering assessments which occur at the regional and utility level.”¹²⁶

In the Order, the Department seeks to substitute its own judgment about which resources should be employed to maintain resource adequacy for the states’ decisions, despite these decisions resting firmly in the jurisdiction of the states. Section 202(c) does not provide the Department with the authority to mandate that resources remain running to address long-term resource adequacy. If Congress intended to vest regulatory authority over long-term resource adequacy in Section 202(c) and displace state law, it would have needed to make that intent “unmistakably clear.”¹²⁷ Section 202(c) says that the Department may “require by

¹²³ 16 U.S.C. § 824h(b).

¹²⁴ FERC, [Joint Federal-State Task Force on Electric Transmission](#) (Sept. 3, 2025).

¹²⁵ FERC, [Federal-State Current Issues Collaborative](#) (Jan. 21, 2026).

¹²⁶ Department, [Resource Adequacy Report Evaluating the Reliability and Security of the United States Electric Grid](#) (July 2025) at 2.

¹²⁷ *Gregory v. Ashcroft*, 501 U.S. 452, 460 (1991) (The clear statement rule requires Congress to make its intent unmistakably clear if it intends a statute to alter the usual constitutional balance between the federal government and the states.); see also *DeMarco v. Holy Cross High Sch.*, 4 F.3d 166, 169 (2d Cir. 1993) (Congress must express an affirmative intention to use a statute to alter the federal balance.).

order . . . such generation . . . of electric energy as in its judgment will best meet the emergency and serve the public interest.”¹²⁸ Empowering the Department to generally determine which power plants may retire across every utility and independent power producer across the entire country would have profound implications for rates, state sovereignty, and a broad array of other state policy and stakeholder interests. If Congress had intended to do that, it would not have done so through the only provision in the FPA that empowers the Department to act outside normal procedural safeguards.

The Supreme Court has rejected statutory interpretations where an agency “claim[s] to discover in a long-extant statute an unheralded power representing a transformative expansion in its regulatory authority.”¹²⁹ The Department may not radically reinterpret a 90-year-old statute to manufacture a basis to exercise much broader authority than it ever has in the past. Previous exercises of Section 202(c) authority have been at the request of a system operator or governmental body and in a manner narrowly tailored to respond to a concrete and particularized emergency. Prior to the current administration, the Department has never issued a Section 202(c) order to impose its policy preferences to contravene the judgment of those bodies properly responsible for ensuring resource adequacy, *i.e.*, the states and FERC. For these reasons, the Order should be withdrawn.

¹²⁸ 16 U.S.C. § 824a(c)(1).

¹²⁹ *W. Virginia v. EPA*, 597 U.S. 697, 724, (2022) (quoting *Util. Air. Regul. Grp. V. E.P.A.*, 573 U.S. 302, 324 (2014)) (internal quotations omitted).

- ii. *The Order improperly infringes on authority granted to states and FERC under the FPA by attempting to regulate long-term resource adequacy and generation.*

The Department is attempting to regulate long term resource adequacy and energy production under the guise of a Section 202(c) emergency, and is therefore intruding on the FERC and state authority discussed above.

It is clear from the Order, the Department's Resource Adequacy Report, and statements by President Trump, and the Department, that the Department is using its Section 202(c) authority for circumstances beyond actual emergencies. The Order repeatedly references long term reliability. For example, the Department's determination that an emergency exists rests on the assertion of a long term concern that "increasing demand and shortage from accelerated retirement of generation facilities . . . could lead to the loss of power to homes, and businesses" that are "likely to continue in subsequent years."¹³⁰ The Order also cites the LTRA's statement regarding resource retirements between now and 2028, that WECC's Northwest-Central subregion will have demand growth over the next decade, and that Colorado will have a certain amount of coal-fired generating capacity retired by 2029.¹³¹ Demand growth and retirements occurring over the next decade fall into the realm of long term resource planning, not an imminent Section 202(c) emergency, which must be unexpected, sudden, and temporary.¹³²

¹³⁰ Exhibit A at 3.

¹³¹ *Id.*, at 2.

¹³² Section V.A, *supra*.

Both the Department and President Trump have publicly acknowledged that their goal is to regulate long term resource adequacy and mandate coal generation. the Department Secretary Wright has stated that “[t]he goal [of the recent 202(c) orders] is to stop the political closure of coal plants.”¹³³ The “Clean Beautiful Coal” Executive Order directed the Department to “identify regions where coal-powered infrastructure is available and suitable for supporting AI Data centers; assess the market, legal and technological potential for expanding coal-based infrastructure to power data centers to meet the electricity needs of AI...”¹³⁴ These statements demonstrate a clear intention to use coal plants to meet long term resource adequacy needs, which exceeds the Department’s Section 202(c) emergency authority.

C. The Order fails to present substantial evidence for its emergency determination and ignores critical facts.

Agencies “must examine the relevant data and articulate a satisfactory explanation for [their] actions, including a rational connection between the facts found and the choice made[,]” and make findings that are supported by substantial evidence.¹³⁵ Substantial evidence is “such relevant evidence as a reasonable mind might accept as adequate to support a conclusion.”¹³⁶ Similarly, orders under the FPA must reflect “a principled and reasoned decision supported by the evidentiary record.”¹³⁷ Here, the Department failed to provide evidence of an imminent resource

¹³³ Department, [Energy Department Convenes First National Coal Council Meeting Under Renewed Charter, Reaffirming Coal’s Role in Unleashing American Energy](#) (Jan. 15, 2026).

¹³⁴ [Exec. Order No. 14241](#), 90 Fed. Reg. 15,517 (Apr. 14, 2025).

¹³⁵ *Motor Vehicle Mfrs. Ass’n of U.S., Inc. v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983) (quoting *Burlington Truck Lines, Inc. v. United States*, 371 U.S. 156, 168 (1962)).

¹³⁶ *Chritton*, 888 F.2d at 856 (quoting *Refrigerated Transport Co., Inc. v. I.C.C.*, 616 F.2d 748, 751 (5th Cir.1980) (quoting *Chem-Haulers, Inc. v. United States*, 536 F.2d 610, 617 (5th Cir.1976)).

¹³⁷ *Emera Maine*, 854 F.3d at 22.

adequacy shortfall, making the Order contrary to law. The purported evidence of an emergency the Order cites is: the 2024 LTRA, WECC's Western Assessment of Resource Adequacy, and the Department's Resource Adequacy Report; general load growth in the WECC-Northwest region and generation retirement in Colorado; the Grid Reliability and Energy Emergency Executive Orders; and data center load growth. Contrary to the Order's claims, these reports and observations do not provide sufficient evidence of an energy emergency in the WECC-Northwest region or the areas served by Craig Unit 1.

- i. NERC's assessments do not establish that there is an energy emergency in the areas served by Craig Unit 1.*

The Order cites the NERC 2024 LTRA's statement that energy variability is greater in the Northwest than other regions, and that the WECC-Northwest assessment area anticipates baseload resource retirements to be primarily replaced by solar, wind, and battery, which increases variability and implicates some supply chain concerns.¹³⁸ The Order relies on these statements to assert the WECC-Northwest assessment area is experiencing an energy emergency. This both mischaracterizes the 2024 LTRA's conclusions and ignores more relevant and recent NERC assessments. By failing to consider relevant facts and to support its findings with substantial evidence, the Department's Order is contrary to law.

The Department's choice to rely on the 2024 LTRA as evidence of an emergency is fundamentally flawed. NERC serves an important advisory role by providing recommendations about risks to the grid, but ultimately, determinations

¹³⁸ Exhibit A.

about generation resources remain within state authority.¹³⁹ Importantly, NERC's reports do not examine regions at the level of granularity that would be required to determine whether a particular resource is essential for regional resource adequacy. The reports only provide the anticipated planning reserve margins of large regions as a whole. The purpose of NERC assessments are to identify for grid operators constraints that might arise and implicate grid reliability if not mitigated.¹⁴⁰ Thus, even regions designated as at risk are not necessarily grid emergencies, they are merely periods of time during which the relevant grid operators must take mitigation measures to maintain grid security, under their set procedures. In addition, the 2024 LTRA was published more than a year ago and relies on data almost two years old. It assesses the adequacy of planned resources to meet electricity demand across North America over the next ten years.¹⁴¹ The 2024 LTRA does not address short-term reliability issues. Therefore, this report cannot support a decision by the Department to keep one power plant open in the name of a general region-wide emergency.

Even if it was an appropriate assessment for the Department to rely upon, the 2024 LTRA does not actually demonstrate an emergency for the WECC-Northwest assessment area, contrary to the Order's claims. The Order cherry picks certain information from the 2024 LTRA: citing its statement that the WECC-Northwest assessment area anticipates retiring 5 Gigawatt ("GW") of baseload resource retirements between 2024 and 2028, which will be replaced by solar, wind, and

¹³⁹ NERC, [Reliability Assessments](#) (2026).

¹⁴⁰ Exhibit L.

¹⁴¹ Exhibit K.

batteries, and that supply chain issues preventing the construction of battery systems are a concern. The Order conveniently ignores the 2024 LTRA's entire analysis of the WECC-Northwest assessment area's forecasted resource adequacy, and its calculation that the WECC-Northwest has anticipated reserve margins (when including announced generation retirements) of 38.9% for 2026, 35.6% for 2027, and 30.7% for 2028.¹⁴² The 2024 LTRA found that the WECC-Northwest region has "negligible unserved energy and load-loss risk."¹⁴³

Although the 2024 LTRA identified a potential shortfall starting in summer 2029, this potential shortfall was projected only if new resources planned in the region were "significantly delayed," in which case "imports may be necessary."¹⁴⁴ A potential shortfall starting over three years from now—and only if planned resources are significantly delayed—does not provide sufficient evidence to support an emergency declaration for the 90 days covered by the Order. And even if "significant delays" create risk in summer 2029, the 2024 LTRA suggests that imported power will be sufficient to cover any shortfall, once again undermining any case for mandating continued operation of a single generating unit.

The 2024 LTRA also found that the WECC-Southwest region, which includes Arizona, has anticipated reserve margins (when including announced generation retirements) of 35.6% for 2026 and 31.6% for 2027.¹⁴⁵ The WECC-Southwest region does not show any shortfall of existing certain and net firm transfers until 2028, when

¹⁴² *Id.*, at 20.

¹⁴³ *Id.*, at 129.

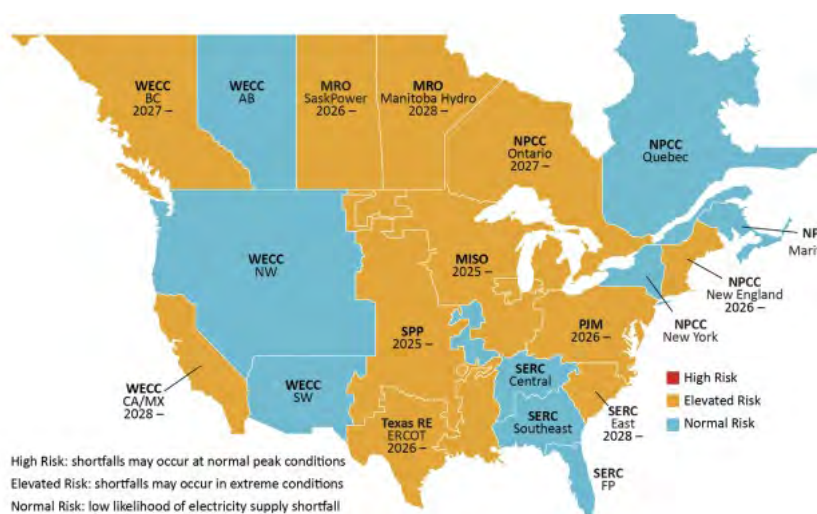
¹⁴⁴ *Id.*

¹⁴⁵ *Id.*, at 20.

imports may become necessary, but only if new resources were significantly delayed.¹⁴⁶

As shown in the figure below, WECC-Northwest and WECC-Southwest, which covers all the states served by Craig Unit 1, are designated as normal risk, which means a low likelihood of electricity supply shortfall even when demand is above forecasts or resource performance is abnormally low.¹⁴⁷

Figure 1: 2024 LTRA Risk Area Summary 2025-2029¹⁴⁸



Next, the Order completely fails to acknowledge the two more recent short-term reliability assessments, the 2025-2026 WRA and the 2025 SRA, which evaluate overall operating reliability for the assessed regions on a seasonal basis and account for near-term resource availability impacts such as outages on the peak operating periods for the summer and winter.¹⁴⁹ The 2025-2026 WRA is NERC's most recently

¹⁴⁶ *Id.*, at 132.

¹⁴⁷ *Id.*, at 6.

¹⁴⁸ *Id.*, at 6.

¹⁴⁹ NERC, [ERO Enterprise Reliability Assessment Process Document](#) (Jan. 2024).

published report and covers the current three-month winter period (December 2025-February 2026)—approximately the same time period covered by the Order. It evaluates the generation resource and transmission system adequacy necessary to meet projected demands and operating reserves and identifies potential reliability issues of interest and regional risk.

The Department’s reliance on the 2024 LTRA is also problematic because NERC changed the geographic scope assessment areas for the 2025 SRA and 2025-2026 WRA. The 2024 LTRA includes Colorado, Utah, and Wyoming in the WECC-Northwest assessment area, and Arizona is in the WECC-Southwest assessment area.¹⁵⁰ Since the Order is issued to Craig Unit 1 in Colorado, and only references the LTRA and the WECC-Northwest area, it appears the Order is relying on the 2024 LTRA’s scope of the WECC-Northwest area. Importantly, the 2025 SRA and 2025-2026 WRA do not include any of the states served by Craig Unit 1 in the WECC-Northwest. For these assessments, the WECC-Rocky Mountain area, not the WECC-Northwest area, includes Colorado and most of Wyoming, WECC-Southwest includes Arizona, and WECC-Basin includes Utah and the rest of Wyoming.¹⁵¹ The Order ignores that NERC changed the assessment areas used in the 2024 LTRA to “more accurately reflect operational and planning realities, as well as the footprints of various entities[,]”¹⁵² and instead refers to the outdated regions used in the 2024 LTRA. The Department should reconsider the

¹⁵⁰ Exhibit K at 127, 131.

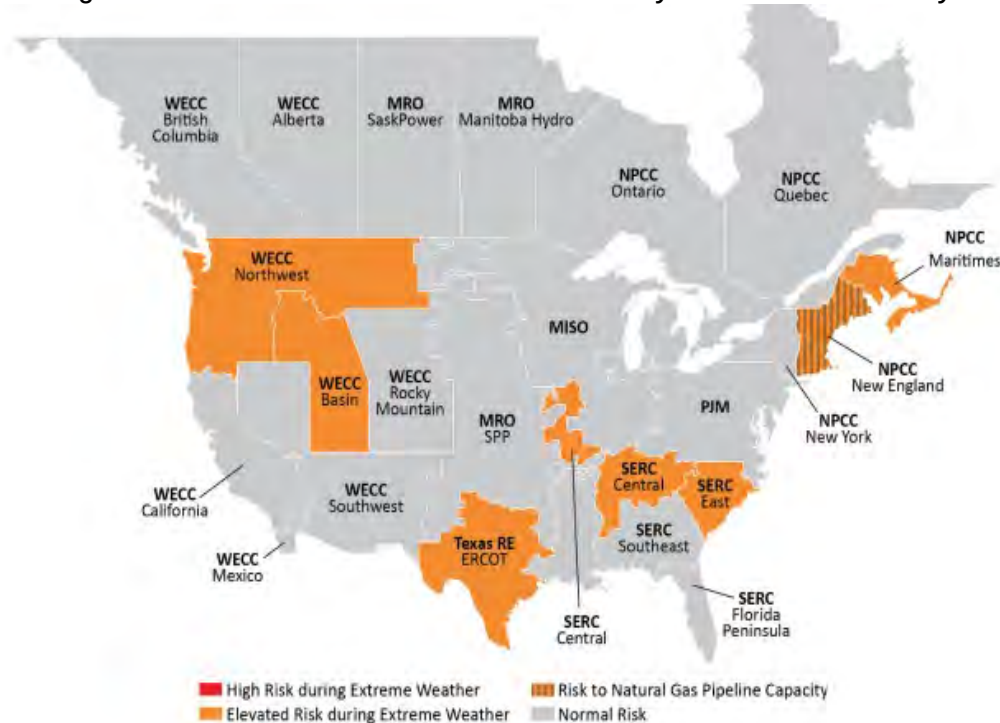
¹⁵¹ NERC, [2025 SRA](#) (May 2025), at 36.

¹⁵² WECC, [2025-2026 WRA Western Overview](#).

Order because the scope of the declared emergency does not match the assessment area.¹⁵³

The 2025-2026 WRA found that “all assessed areas have adequate resources for normal winter peak load conditions.”¹⁵⁴ WECC-Rocky Mountain, which includes Colorado and most of Wyoming, and WECC-Southwest, which includes Arizona, were not found to be at risk of electricity supply shortfalls even in more extreme winter conditions extending over a wide area.¹⁵⁵

Figure 2: 2025-2026 WRA Winter Reliability Risk Area Summary¹⁵⁶



¹⁵³ The mismatch between the assessment area and the scope of the purported emergency will also complicate operations and cost recovery actions. Because Craig Unit 1 does not serve the majority of states in the WECC-Northwest assessment area, it is unclear how Craig Unit 1 could be operated to meet an emergency in that area, and unclear which ratepayers should be responsible for the costs of any such operations. Colorado does not concede that Colorado ratepayers should be responsible for these costs.

¹⁵⁴ Exhibit L at 5.

¹⁵⁵ *Id.*, at 5.

¹⁵⁶ *Id.*, at 6.

According to the 2025-2026 WRA, the WECC-Rocky Mountain area will **not** need to rely on imports to maintain resource adequacy even under combined extreme peak and extreme derated conditions, and operating reserve margins are expected to be met before needing imports in all winter scenarios.¹⁵⁷ The region has an anticipated total internal demand of 11,501 MW, and 17,768 MW of certain capacity, which does not include planned capacity and anticipated resources.¹⁵⁸ This leaves an anticipated reserve margin of a staggering 61.7%, which is over triple the reference margin level of 18.2%.¹⁵⁹ By contrast, Craig Unit 1 could provide a maximum of 222 MW to the WECC-Rocky Mountain area, which would have a negligible impact on the already high anticipated reserve margin.

The 2025-2026 WRA also expects WECC-Southwest to be resource adequate under all winter expected and extreme energy availability and demand scenarios before needing imports.¹⁶⁰ WECC-Southwest has a total demand of 21,147 MW and a certain capacity of 40,135 MW before accounting for planned capacity and anticipated resources.¹⁶¹ This leaves an anticipated reserve margin of 104.4%.¹⁶²

WECC-Basin (which includes Utah, where PacifiCorp owns a mere 19% of Craig Unit 1, or 82 MW of the unit's total capacity) has sufficient capacity for expected peak conditions and an anticipated reserve margin of 29.6% for this season.¹⁶³ This means that expected resources meet operating reserve requirements under normal

¹⁵⁷ *Id.*, at 38.

¹⁵⁸ *Id.*, at 49.

¹⁵⁹ *Id.*

¹⁶⁰ *Id.*, at 39.

¹⁶¹ *Id.*, at 49.

¹⁶² *Id.*

¹⁶³ *Id.*, at 6, 48.

peak demand scenarios. The WECC-Basin region is designated as “elevated risk” in the 2025-2026 WRA because it would require external assistance only during a combination of above normal peak demand and high generator outages in extreme conditions.¹⁶⁴ However, a designation of “elevated risk” does not constitute an imminent emergency. Rather, the WRA concludes that “the results of the probabilistic assessment reveal no [Expected Unserved Energy] or [Loss of Load Hours] for Winter 2025– 2026.”¹⁶⁵

Consistent with this assessment, none of the Craig Unit 1 Owners has indicated that they need Craig Unit 1 to mitigate any resource adequacy concerns this winter. None of the NERC assessments, whether cited by the Order or not, provide substantial evidence of an energy emergency in the WECC-Northwest region.

- ii. *WECC’s Western Assessment of Resource Adequacy and the Department’s Resource Adequacy Report do not demonstrate an emergency.*

The Order also cites the 2024 WECC Western Assessment of Resource Adequacy (“2024 WECC Assessment”) to support its declaration of an emergency. Like the 2024 LTRA that the Order cites, the 2024 WECC Assessment does not analyze near-term resource adequacy, and instead uses a probabilistic approach to evaluate reliability over the next ten years.¹⁶⁶ This makes the 2024 WECC Assessment inappropriate for providing evidence of an emergency under Section 202(c).

¹⁶⁴ *Id.*, at 6.

¹⁶⁵ *Id.*, Table 5: Probability-Based Risk Assessment, at 14 (emphasis added).

¹⁶⁶ WARA, [Western Assessment of Resource Adequacy 2024](#).

Even if the 2024 WECC Assessment was appropriate evidence for the Department to rely upon, it does not demonstrate an emergency in the areas served by Craig Unit 1. Once again, the Department selectively cites information in that report showing that peak demand is expected to grow and that there are planned baseload generation retirements, but ignores that this assessment finds no near-term energy emergency in any of WECC's regions.¹⁶⁷ In fact, the 2024 WECC Assessment finds that entities in the Western Interconnection plan to add more than 172 GW of new generation capacity in the next ten years, while a mere 25.85 GW of generation is planned to retire over the same period.¹⁶⁸ WECC's Northwest-Central subregion, which includes Colorado, whose load growth the Order specifically mentions, does not have demand at risk hours until 2031, and then only in a scenario where merely 55% of planned additions are completed and operational on time.¹⁶⁹ The 2024 WECC Assessment does not provide substantial evidence of an emergency in the areas served by Craig Unit 1.

Next, the Order briefly references the Department's Resource Adequacy Report,¹⁷⁰ which purports to provide a uniform methodology for identifying at-risk regions and grid reliability issues and guide reliability interventions. As with other reports cited in the Order, this Report provides no support for the Department's determination that there is an emergency requiring continued availability of Craig Unit 1 in the next 90 days, or even the next year. The Report assesses the ability of

¹⁶⁷ Exhibit A, at 2.

¹⁶⁸ WARA, [Western Assessment of Resource Adequacy 2024](#).

¹⁶⁹ *Id.*

¹⁷⁰ Exhibit M.

the electric grid to “meet *future* demand through 2030” and is a “*forward-looking* snapshot of resource adequacy.”¹⁷¹ This Report was not designed to assess imminent emergency conditions of the electric grid, and explicitly does not do so.

Indeed, the Report’s only conclusions are for 2030, which is completely irrelevant for an emergency Section 202(c) order issued in 2025. The Report finds potential reliability issues in 2030 only under a set of unsupported assumptions that assume unrealistically high load projections stemming from unfounded assumptions about data center load, and assume that utilities virtually cease construction of new generation and transmission resources. Its 2030 projections are at odds with the analyses from NERC and WECC, as well as the findings from Colorado’s ERP proceedings and resource adequacy reporting. In any case, a claimed reliability issue in 2030 can not justify a 90 day emergency order in 2026. Forcing ratepayers to pay to keep generation online that is not needed, simply because technology companies may be building more data centers in the future that may need power is arbitrary and violates the FPA’s requirement that rates be just and reasonable, especially as other analyses indicate that data center projections may be overblown.¹⁷²

Given its focus on future conditions and unverified assumptions, the Report is not substantial evidence of an emergency under Section 202(c).

¹⁷¹ Department, [Resource Adequacy Report Evaluating the Reliability and Security of the United States Electric Grid](#) (July 2025) at 9 (emphasis added).

¹⁷² Exhibit SS (Behr, P., *PJM to ratchet down projected AI power demand for eastern US* (Jan. 6 , 2026)); Institute for Policy Integrity, [Fiscal Year 2025 Annual Report](#); London Economics International LLC, [Uncertainty and Upward Bias are Inherent in Data center Electricity Demand Projections](#) (July 7, 2025).

- iii. State planning processes have assured that the areas served by Craig Unit 1 have sufficient capacity currently and will continue to have sufficient capacity without Craig Unit 1.*

The Order notes that Colorado has retired 571.3 MW of coal generating capacity since 2019. However, the Order does not provide any evidence that these retirements have resulted in a resource shortfall in Colorado. The Order also ignores the rest of the states that are served by Craig Unit 1. All five of the Craig Unit 1 Owners' service areas have sufficient capacity for 2026-2030, well beyond the 90 day period covered by the Order, and do not need energy from Craig Unit 1 to maintain resource adequacy or reliability. Pursuant to the authority reserved to the states by the FPA, Colorado, Arizona, Wyoming, and Utah have robust electric resource planning processes that ensure resource adequacy and grid reliability. None of these states are currently part of an RTO or ISO, and therefore their electric grid is mainly managed by individual utilities and overseen by states and balancing authorities.

- a. Colorado's robust planning process ensures sufficient capacity for the State's utility customers.

For decades, Colorado has implemented robust and successful electric resource planning processes that serve as a model for other states. Colorado's process assesses resource adequacy and reliability across utilities' service territories, requires regulated utilities to use competitive resource solicitations to acquire new resources of multiple fuel types, and ensures that there will be sufficient electricity to meet expected load, even with planned plant closures.¹⁷³

¹⁷³ Exhibit C.

As part of Colorado’s overall energy planning framework, each investor-owned retail electric utility and wholesale electric generation and transmission cooperative is required to submit to the CoPUC an application for approval of an ERP.¹⁷⁴ Each Colorado ERP proceeding thoroughly considers resource adequacy and reliability at multiple stages.¹⁷⁵ In developing their forecasted resource needs, utilities’ electric energy and demand forecasts must be completed for each year within the ERP planning period and must include, among other components, the electric demand placed on the utility’s system for each hour of the day for peak-day, average-day, and representative off-peak days for each calendar month.¹⁷⁶ Utilities must “develop and justify a range of forecasts of coincident summer and winter peak demand and energy sales that its system may reasonably be required to serve during the planning period[,] . . . including base case, high, and low” demand growth scenarios.¹⁷⁷ Since the announcement of Craig Unit 1’s retirement in 2016, the CoPUC has received annual resource planning reports from Tri-State and Public Service, and has conducted two adjudicated resource planning proceedings for Tri-State’s system and three for Public Service’s system, with administrative records totaling in the tens of thousands or hundreds of thousands of pages. All of these proceedings have included the planned Craig Unit 1 retirement as a foundational assumption in forecasting, modeling, and portfolio selection.

¹⁷⁴ § 40-2-125.5, Colo. Rev. Stat.; 4 Colo. Code Regs. §§ 723-3-3603(a), -3605(a).

¹⁷⁵ Exhibit C.

¹⁷⁶ 4 Colo. Code Regs. § 723-3-3605(b).

¹⁷⁷ *Id.* at -(b)(II).

In an ERP proceeding, the utility must describe and justify the means by which it assesses the desired level of system reliability, and it must propose target planning reserve margins for each forecasted scenario.¹⁷⁸ Utilities' planning reserve margin studies employ probabilistic modeling to determine the amount of capacity necessary to maintain a certain level of reliability, for example a Loss of Load Expectation of 0.1 days/year. The studies must account for a wide variety of risks, "includ[ing] risks associated with: the development of generation; losses of generation capacity . . . , losses of transmission capability; [and] risks due to known or reasonably expected changes in environmental regulatory requirements[.]"¹⁷⁹ Planning reserve margin studies also rely on thorough analyses, for each resource type, of the Effective Load Carrying Capability ("ELCC"), or the amount of dependable capacity that can be counted on by the system for resource adequacy purposes.¹⁸⁰ Utilities are also required to present contingency plans for the acquisition of additional resources in the event demand increases or expected generation resources are not developed.¹⁸¹ Following extensive stakeholder input and vetting through rounds of testimony and cross-examination of utility's need for additional generation to be acquired through an all-source competitive resource solicitation.¹⁸² The additional generation must be able to meet system needs, including availability or dispatchability at certain hours of the day.¹⁸³

¹⁷⁸ 4 Colo. Code Regs. § 723-3-3605(e).

¹⁷⁹ *Id.* at -(e)(II).

¹⁸⁰ Exhibit C.

¹⁸¹ 4 Colo. Code Regs. § 723-3-3605(e)(III).

¹⁸² Exhibit C.

¹⁸³ *Id.*

Upon completion of a resource solicitation, the utility presents a number of potential resource portfolios. Included in this presentation are the results of additional reliability checks, which further ensure resource adequacy and reliability by demonstrating that each portfolio satisfies relevant metrics such as meeting the required planning reserve margin, meeting a Loss of Load Hours target and meeting an Annual Expected Unserved Energy target.¹⁸⁴ After opportunities for stakeholder input, the CoPUC issues a decision establishing the final cost-effective resource plan. In making this decision the CoPUC considers various statutory factors, including whether the resource plan meets the energy policy goals of Colorado, such as giving full consideration to cost-effective resources that provide beneficial contributions to Colorado's energy security, economic prosperity, environmental protection, and insulation from fuel price increases.¹⁸⁵

b. Tri-State's ERP demonstrates a reliable resource portfolio after Craig Unit 1's retirement.

Tri-State's most recent electric resource proceeding¹⁸⁶ concluded in August 2025 with the selection of Tri-State's preferred resource portfolio as the approved cost effective resource plan.¹⁸⁷ The portfolio includes the addition of 700 MW of wind and solar, 650 MW of storage, and 307 MW of gas between 2026-2031, replaces the turbines on one of Tri-State's gas plants to improve its capacity contributions, and maintains the retirement dates of three coal plants (including Craig Unit 1).¹⁸⁸ Tri-

¹⁸⁴ *E.g.*, Exhibit J, at 94-95.

¹⁸⁵ 4 Colo. Code Regs. § 723-3-3605(h); § 40-2-134, Colo. Rev. Stat.

¹⁸⁶ Tri-State's planning processes encompass all states in its service territory, including Wyoming and Colorado. See Exhibit X, at 6.

¹⁸⁷ Exhibit E, ¶ 90.

¹⁸⁸ Exhibit X, at 6.

State demonstrated that the portfolio meets all reliability metrics, and avoids costly transmission upgrades required by other analyzed portfolios.¹⁸⁹ Tri-State remains in a capacity-long position until 2030 but has planned on the above resource acquisitions to ensure reliability as its coal units retire in 2025, 2028, and 2030 and to maintain progress toward emissions reductions.¹⁹⁰

Tri-State supported each of the considered resource portfolios with two levels of rigorous reliability metric checks. The first level, intended to meet industry standards, required each portfolio's satisfaction of: (1) the target planning reserve margin for each year in the resource acquisition period, or 22% transitioning to 30.5% in 2028; (2) a Loss of Load Hours maximum of 1 day in 10 years and a maximum of 2.4 hours annually; and (3) an Expected Unserved Energy maximum of less than or equal to 0.4 Gigawatt hours ("GWh") annually.¹⁹¹ The second level of reliability metrics was applied to the extreme weather event sensitivities to ensure reliable service during likely future weather events, and required that this modeled sensitivity for each portfolio resulted in: (1) no more than 12 hours of expected unserved energy during all extreme weather events modeled in the years 2026-2031; (2) no more than 3 Loss of Load Hours per each year in the years 2026-2031; (3) and an Expected Unserved Energy maximum of 20% of load in any hour.¹⁹² Tri-State demonstrated that each presented resource portfolio met these reliability metrics. For the portfolio approved by the CoPUC, planning reserve margins ranged from 24% in 2025 to 34% in 2031, with

¹⁸⁹ Exhibit J.

¹⁹⁰ Exhibit W (CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Lisa K. Tiffin, Rev. 1, filed on May 15, 2024, in Proceeding No. 23A-0585E), at 30:15-16.

¹⁹¹ Exhibit J, at 18.

¹⁹² *Id.*; Exhibit W.

zero Loss of Load Hours and zero annual expected unserved energy during that period.¹⁹³

Tri-State initially proposed the planning reserve margin targets satisfied by each portfolio through a detailed analysis of grid parameters, including the reliability needs of a system transitioning away from coal generation and toward increased reliance on renewables. ELCCs were determined for each resource type to appropriately model each resource's capacity potential for the specifics of Tri-State's system, rather than relying on nameplate capacity.¹⁹⁴ Incorporating these ELCCs and the reliability standard of 0.1 Loss of Load Expectation, Tri-State proposed that after the retirement of the Craig Station and the departure of certain member loads in 2028, the target planning reserve margin be 30.5%, which is considerably higher than its existing and historic reserve margin.¹⁹⁵ These planning reserve margins were carried through to Tri-State's portfolio approved in August 2025.¹⁹⁶

In summary, every portfolio that Tri-State modeled in its most recent ERP assumed the retirement of Craig Unit 1 at the end of 2025, and every modeled portfolio met all reliability metrics, including Tri-State's approved portfolio.¹⁹⁷ And as specifically found by the CoPUC in its decision approving Tri-State's preferred

¹⁹³ Exhibit J, at 62.

¹⁹⁴ Exhibit OO (CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Lisa K. Tiffin, Rev. 1, filed on May 15, 2024, in Proceeding No. 23A-0585E, Attachment LKT-1 – Attachment G-1 (Astrape Consulting, Reserve Margin and ELCC Study, Public (Aug. 2, 2023)), at 8.

¹⁹⁵ *Id.*

¹⁹⁶ Exhibit W, at 20:8-15; Exhibit E.

¹⁹⁷ Exhibit J, Table 7: Modeled Retirements (Portfolio 1 - NEE), at 21, Table 32: Social Cost of Methane Nominal Dollars – System Wide (Portfolio 2 – NELG), at 35, Table 28: Modeled Retirements (Portfolio 2 – NELG), at 32, Table 49: Modeled Retirements (Portfolio 3 – FLEX), at 43, Table 70: Modeled Retirements (Portfolio 4 – FLEXSR), at 54, Table 91: Modeled Retirements (Portfolio 5 – NNG), at 75, Table 112: Modeled Retirements (Portfolio 6 – NNGSR), at 75.

portfolio, “Craig Unit 1 is not required for reliability or resource adequacy purposes based on the record in this ERP.”¹⁹⁸ Tri-State’s most recent ERP progress report, filed on December 1, 2025, confirms that it is progressing with contracting for its preferred portfolio resources, and using its updated load forecast, it does not forecast a capacity shortfall until 2035.¹⁹⁹

c. Colorado’s process allows the State to quickly address changes in resource needs.

Utilities must file annual progress reports on their efforts to implement approved plans and on their emerging resource needs, including an updated forecast, updated evaluations of planning reserve margins and contingency plans, and updated assessments of additional resource needs.²⁰⁰ And importantly, Colorado’s electric resource planning process also allows for the filing of interim ERPs and certificates of public convenience and necessity to fill generation needs not identified or fully satisfied by ERPs completed on the regular cadence.²⁰¹ This allows electric utilities and the State to quickly respond to changes in load or available resources.²⁰²

For example, Public Service filed a Just Transition Solicitation Plan, treated as an interim ERP, on October 15, 2024. The CoPUC issued a Phase 1 decision on November 6, 2025, that approved the Company’s ERP and established a pathway for Public Service to acquire necessary generation and storage resources and reliably

¹⁹⁸ Exhibit E, ¶ 116.

¹⁹⁹ Exhibit Z (CoPUC, Tri-State, 2025 Annual Progress Report, filed on December 1, 2025, in Proceeding No. 23A-0585E), at 8, 10-11.

²⁰⁰ 4 Colo. Code Regs. § 723-3-3618.

²⁰¹ 4 Colo. Code Regs. §§ 723-3-3603(a), 3605(a)(II); Exhibit C.

²⁰² *Id.*

serve existing and future customers.²⁰³ Like Tri-State, Public Service has filed previous ERPs that all accounted for the retirement of Craig Unit 1.²⁰⁴

Public Service has not indicated a need for energy from Craig Unit 1 to meet any immediate or longer-term resource needs. Public Service's ERPs demonstrate it is not anticipated to have a shortfall in the next 90 days, as Public Service is a summer peaking system. In recent filings before the CoPUC, Public Service raised some concerns for the summers of 2026 and 2027, which do not begin for another six months. Colorado is already acting to address Public Service's concerns. In December 2025, the CoPUC approved an extension of the retirement date for a Public Service coal plant located in Pueblo, finding that the delay of the planned Comanche Unit 2 retirement date until December 31, 2026, is necessary due to the unplanned outage of another coal unit, Comanche Unit 3.²⁰⁵ Public Service is also engaging in a near-term procurement process within an older ERP proceeding to acquire additional resources to be deployed prior to 2031.²⁰⁶ Thus, Colorado has flexible procedures that assure resource adequacy in the State, even when there are unforeseen events.

²⁰³ CoPUC, Decision No. C25-0747, issued on November 6, 2025, in Proceeding No. 24A-0442E, ¶ 2.

²⁰⁴ Exhibit C, ¶¶ 27-31.

²⁰⁵ Exhibit BB, (CoPUC, Decision No. C25-0892, issued on December 10, 2020, in Proceeding No. 25V-0480E), ¶ 65. On November 10, 2025, the Colorado Energy Office, Trial Staff of the Public Utilities Commission, the Colorado Office of the Utility Consumer Advocate, and Public Service submitted a petition to the CoPUC requesting that a coal plant, Comanche Unit 2, which was also scheduled to retire on December 31, 2025, remain open for another year. See Exhibit Y (CoPUC, *Verified Petition of Trial Staff of the Commission, Colorado Energy Office, the Colorado Office of the Utility Consumer Advocate, and Public Service for a Variance from Decision No. C18-0761 and Any Other Requirements, Request for Shortened Notice and Intervention Period, and Request for Approval of Associated Procedures*, filed on November 10, 2025, in Proceeding No. 25V-0480E).

²⁰⁶ Exhibit N.

PRPA, though not overseen by the CoPUC, develops an Integrated Resource Plan (“IRP”) to conduct long-term resource planning and ensure resource adequacy.²⁰⁷ PRPA ran all of its scenarios to meet a planning reserve margin of 19.9%.²⁰⁸ With its current and committed resources, PRPA has enough capacity to maintain a 19.9% planning reserve margin through 2029.²⁰⁹ PRPA began commercial operation of a 150 MW solar project in 2025,²¹⁰ plans to begin a 130 MW solar project in 2027, and is beginning processes to obtain additional dispatchable capacity.²¹¹ PRPA has no resource adequacy issues now or forecasted upon the retirement of Craig Unit 1. As shown by its annual required filing with the Colorado Energy Office, its capacity well exceeds forecasted demand with a total accredited capacity of 885 MW and a native load forecast of 722 MW for 2026, leading to a planning reserve margin of 25.4%.²¹² PRPA’s General Manager and CEO has publicly stated that the utility does “not need the Craig 1 unit because it has already replaced the energy that came from it.”²¹³

d. The other states served by Craig Unit 1 also oversee resource planning to ensure reliability and adequate capacity.

Although the majority of Craig Unit 1’s energy serves Colorado, and Colorado is the only state the Order specifically discusses, Utah and Arizona also receive energy from Craig Unit 1, through PacifiCorp and Arizona respectively. Each of these states has extensive resource planning processes.

²⁰⁷ Exhibit EE.

²⁰⁸ *Id.*

²⁰⁹ *Id.*

²¹⁰ PRPA, [Solar Energy](#) (2026).

²¹¹ Exhibit EE, at 178.

²¹² PRPA, [Worksheet Certification Form](#) (Apr. 28, 2025).

²¹³ Exhibit RR (Powell, R., *1 coal plant open amid order* (Jan. 6, 2026)) at 3.

The Utah Public Service Commission (“Utah PSC”) has the power to supervise and regulate every public utility in Utah.²¹⁴ The Utah PSC regulates IRPs, including PacifiCorp’s IRPs.²¹⁵ Utah utilities are also required to maintain a written reliability program.²¹⁶ PacifiCorp has a 2025 IRP that is specific to Utah, which Colorado understands to be the part of PacifiCorp’s service territory that is sometimes served by Craig Unit 1’s energy.²¹⁷ That IRP indicates that PacifiCorp expects to acquire 6,379 MW of new wind resources, 7,668 MW of storage resource, 5,492 MW of solar, and 500 MW of nuclear.²¹⁸ Currently, PacifiCorp owns 11,700 MW of generation capacity, meaning that its 82 MW from Craig Unit 1 makes up 0.7% of its generation capacity.²¹⁹ PacifiCorp acknowledges that coal resources have been an important resource in its portfolio in the past, but material changes in how PacifiCorp operates those assets has enabled the company to reduce fuel consumption and associated costs and emissions, and instead buy increasingly low cost zero emission renewable energy from market participants.²²⁰ PacifiCorp is well above its winter system capacity planning reserve margin of 16.8% through 2028²²¹ and has expressed no need to keep Craig Unit 1 online.

²¹⁴ Utah Code Ann. § 54-4-S1 (2024).

²¹⁵ Utah Code Ann. § 54-17-301 (2025).

²¹⁶ Utah Admin. Code R746-313-4 (2025).

²¹⁷ Exhibit GG (PacifiCorp, *Utah Integrated Resource Plan Volume I* (Mar. 31, 2025)).

²¹⁸ *Id.* at 37.

²¹⁹ PacifiCorp, [Powering a bright future](#) (2026).

²²⁰ Exhibit GG.

²²¹ *Id.* at 265.

The Arizona Corporation Commission (“ACC”) oversees the electric power industry in Arizona.²²² Load-serving entities, including Salt River Project, are required to annually file demand and supply side data, a forecast of peak load, and a 15-year resource plan that “[w]ill result in the load-serving entity’s reliably serving the demand for electric energy services,” with the ACC.²²³ The Salt River Project conducts long-term resource planning to anticipate and meet future needs, most recently through their 2023 Integrated System Plan (“ISP”),²²⁴ where the Salt River Project modeled multiple future scenarios to ensure that it would be resource adequate through 2035. The ISP plans for new resource acquisitions and accounts for all coal plant retirements. The ISP had all scenarios except two meet their requisite 16% planning reserve margin. The two scenarios that did not meet the PRM are more extreme scenarios where firm resource options are limited and there is accelerated load growth, but even in those two cases reliability would not be compromised until 2028.²²⁵ Salt River Project did not pursue analysis of those scenarios, since they are not viable due to not achieving the planned reserve margin, even as far out as 2028.²²⁶ Neither the ACC nor the Salt River Project have expressed concerns about resource adequacy and have been strategically planning for coal unit retirements. Salt River Project has construction “underway for 575 MW of new flexible natural gas resources and 55 MW of solar” and “is finalizing agreements for 480 MW of [additional] solar and 1300 MW of battery storage projects.”²²⁷ Further, Salt River Project receives its energy from Craig Unit 1 through an exchange with WAPA, where WAPA makes the necessary transmission available. However, that arrangement

terminates on April 1, 2026, and it is unclear how Salt River Project would get energy from Craig Unit 1 after that date.

The extensive planning processes conducted by the owners of Craig Unit 1 have ensured that the unit's retirement will not negatively impact the reliability of any of their electric grids. All of the utilities are resource adequate for the 90 days covered by the Order and none of them have expressed a need for Craig Unit 1.

e. FERC's oversight ensures reliability at the regional level.

In addition to these extensive state processes developed under the states' sovereign authority, the Craig Unit 1 Owners are all overseen by a variety of authorities, acting under FERC's delegated authority. As noted above, the FPA places this authority with FERC and does not provide any authority for oversight of long-term resource planning to the Department in Section 202(c). The FERC and state processes work together to ensure reliability, and the Order illegally intrudes on these processes without any reasonable basis.

The Order instructs Craig Unit 1 to be available to operate at the direction of SPP or WACM.²²⁸ SPP is the reliability coordinator for Tri-State, PRPA, and Public Service.²²⁹ SPP has been a reliability coordinator for over 20 years and has extensive operating criteria, outage coordination methodology, and emergency protocols.²³⁰ SPP

²²² ACC, [Utilities Division](#).

²²³ [Ariz. Admin. Code](#) R14-2-703.F.2. (2025).

²²⁴ Exhibit H.

²²⁵ *Id.*, at 104-105.

²²⁶ *Id.*

²²⁷ SRP, [Integrated System Plan: ISP Actions Progress Report 2025](#) at 7.

²²⁸ Exhibit A.

²²⁹ SPP, [Western RC Services](#) (2026).

²³⁰ SPP, [Operating Reliability](#) (2026).

has a Reliability Plan that details how it monitors for and responds to an emergency.²³¹ Like all Reliability Coordinators, SPP has “a wide-area view, operating tools, processes and procedures to prevent or mitigate emergency operating situations in next day analysis and real-time conditions[]” and has the authority to act and instruct its members to take actions to preserve the integrity and reliability of the bulk electric system.²³² Likewise, balancing authorities ensure that power system demand and supply are balanced and are responsible for maintaining operating conditions under mandatory NERC reliability standards.²³³ WACM is a Balancing Authority overseen by SPP as a reliability coordinator.²³⁴

An energy emergency is defined by NERC and WECC as a situation when a load serving entity has exhausted all options for obtaining capacity and can no longer provide its customers with expected energy requirements.²³⁵ A reliability coordinator will initiate an energy emergency alert at their own request, upon the request of a Balancing Authority, or upon the request of a load serving entity.²³⁶ Reliability Coordinators and balancing authorities make the decision to call or request the calling

²³¹ Exhibit HH (SPP, *SPP Reliability Plan* (Jun 2, 2025)).

²³² *Id.*, at 6-7.

²³³ Department, [Learning Series: Energy Security & Resilience](#).

²³⁴ SPP, [Western RC Services](#) (2026).

²³⁵ WECC, [Standard EOP-002-2 - Capacity and Energy Emergencies](#) (2007).

²³⁶ *Id.* At an Energy Emergency Alert Level 1, a Balancing Authority will call on all available power supplies, regardless of economics, including from other grids, and enable demand-side resource deployments. # At an Energy Emergency Alert Level 2, a Balancing Authority will initiate demand response programs that shed load from large industrial customers that have contractually agreed to do so and will publicly appeal to customers to cut back on electricity consumption. # If the highest level of emergency, Energy Emergency Alert Level 3, is called, then Reliability Coordinators will conduct emergency operating procedures to increase transfer capabilities into the entity declaring the emergency. NERC has general emergency operating instructions that address the effects of emergencies by ensuring each transmission operator and Balancing Authority has developed plans to mitigate operating emergencies and those plans are implemented and coordinated within the reliability coordinator. Exhibit II (NERC, Emergency Operations).

of an emergency pursuant to their emergency plans and operating procedures. WACM and SPP have not done so in this case, despite having the same (or likely more) information as the Department does about the reliability of the grid in the areas served by Craig Unit 1.

Therefore, if an emergency did occur in the areas served by Craig Unit 1 or in the WECC-Northwest assessment area, there are extensive procedures in place for that emergency to be handled by the complex and comprehensive network of the utilities themselves, Reliability Coordinators, and balancing authorities without the Department overstepping and preemptively trying to solve an emergency that has not occurred, and is not predicted to occur in any relevant assessment. The Order states merely that there is an emergency in the WECC-Northwest assessment area because of increasing peak demand and baseload generation retirements, without actually citing any reliability issues that have stemmed from those conditions. There is no evidence, and the Order cites none, that an emergency within the WECC system could not be handled by WECC's existing procedures and the existing mix of resources available in the region upon Craig Unit 1's retirement.

iv. The Executive Orders cited in the Order are not evidence of an energy emergency.

The Order also relies on the Energy Emergency and Grid Reliability Executive Orders as evidence of an energy emergency, generally stating that the Energy Emergency and Grid Reliability Executive Orders underscore the energy challenges facing the Nation due to growing resource adequacy concerns.²³⁷ However, neither of

²³⁷ Exhibit A.

these executive orders present evidence of an energy emergency in the WECC-Northwest Assessment Area or any other region of the county within the meaning of Section 202(c).²³⁸

On January 20, 2025, President Trump issued Executive Order 14156, *Declaring a National Energy Emergency* (“Energy Emergency Executive Order”).²³⁹ Despite its title, the Energy Emergency Executive Order fails to describe any type of energy emergency. It generically claims “[t]he energy ... generation capacity of the United States [is] far too inadequate to meet our Nation’s needs,” and the situation “will dramatically deteriorate in the near future...”²⁴⁰ The Energy Emergency Executive Order also specifically calls out the Northeast and West Coast states, claiming those states’ “dangerous” “policies jeopardize our Nation’s core national defense and security needs, and devastate the prosperity of not only local residents but the entire United States population.”²⁴¹ The Executive Order does not identify any specific policies or explain how they are jeopardizing grid reliability.

President Trump then issued Executive Order 14262, *Strengthening the Reliability and Security of the United States Electric Grid*, (“Grid Reliability Executive Order”) on April 8, 2025.²⁴² The Grid Executive Order also claims that the country is “experiencing an unprecedented surge in electricity demand,” generically pointing to expansions of data centers and increases in domestic manufacturing as

²³⁸ See 10 C.F.R. § 205.371 (defining emergency as a “specific inadequate power supply situation”).

²³⁹ [Exec. Order 14156](#), 90 Fed. Reg. 8,433, 8,434 (Jan. 20, 2025).

²⁴⁰ *Id.*, at Sec. 1.

²⁴¹ *Id.*, at 8,434.

²⁴² Exec. Order 14262, *Strengthening the Reliability and Security of the United States Electric Grid*, 90 Fed. Reg. 15,521 (April 14, 2025).

demand drivers.²⁴³ These vague statements on nationwide energy needs are not sufficiently specific to justify a Section 202(c) order.

Neither of these Executive Orders provide data or other evidence in support of their claims of inadequate nationwide generation, let alone evidence of inadequate generation in the areas served by Craig Unit 1 such that they could constitute the evidence required to support the Order. The Energy Emergency Executive Order refers to a deterioration “in the near future,”²⁴⁴ while the Grid Reliability Executive Order offers no projection for the timing or location of the increased demand it speculates.²⁴⁵ This does not satisfy Section 202(c)’s requirements, discussed above in Section V.A., that an emergency must be specific and imminent.

Importantly, the facts contradict the vague assertions of an energy emergency contained in the Executive Orders. For example, America’s domestic energy production is at an all-time high given its diverse mix of both fossil and non-fossil fuel resources. The United States is producing record quantities of oil and natural gas,²⁴⁶ and has been a net energy exporter since 2019.²⁴⁷

Similarly, the Energy Emergency Executive Order’s assertion that the United States has an “inadequate and intermittent energy supply, and an increasingly unreliable grid” is unsupported by the facts.²⁴⁸ NERC reports that the bulk power

²⁴³ *Id.*

²⁴⁴ [Exec. Order 14156](#), 90 Fed. Reg. at 8,433.

²⁴⁵ Exec. Order 14262, Strengthening the Reliability and Security of the United States Electric Grid, 90 Fed. Reg. 15521 (Apr. 8, 2025).

²⁴⁶ U.S. Energy Information Admin. (“EIA”), [Short-Term Energy Outlook Data Browser](#) (Jan. 13, 2026).

²⁴⁷ EIA, [In-Brief Analysis: The United States was the world’s largest liquified natural gas exporter in 2023](#) (Apr. 1, 2024); EIA, [U.S. Exports of Crude Oil](#) (Dec. 31, 2025); EIA, [U.S. Energy Facts Explained](#) (July 15, 2024).

²⁴⁸ [Exec. Order 14156](#), 90 Fed. Reg. at 8,433.

system is resilient, and that the largest challenge for reliability is extreme weather induced by climate change.²⁴⁹ Renewable energy resources both mitigate climate change and improve the overall reliability and affordability of the United States' energy supply by tempering the impact of international commodity price swings on natural gas prices and reducing grid operators' reliance on interruptible natural gas deliveries.²⁵⁰ Solar and wind generated more than 15% of all electricity and 8% of all energy consumed in the United States in 2024.²⁵¹

Next, the Order relies in part on “the expansion of artificial intelligence data centers” referenced in the Grid Reliability Executive Order and other projected demand growth noted in the Department Resource Adequacy Report to support its finding of an emergency.²⁵² But the Order's discussion of data center load growth is both irrelevant and unsubstantiated.

Neither the Grid Reliability Executive Order nor the Order specify any timeframe for when the increased energy demand from data centers is expected to occur. Section 202(c) does not give the Department the authority to retain generation units for possible conditions that may arise at some indeterminate time in the future. Authority to address long-term threats to resource adequacy rests with the states and FERC and its designated entities, all of which are aware of and extensively planning for this potential load growth. The Order does not cite any evidence that data center

²⁴⁹ NERC, [2024 State of Reliability](#) (June 2024), at 5.

²⁵⁰ FERC, [The February 2021 Cold Weather Outages in Texas and the South Central United States](#) (Nov. 16, 2021), at 172 (“Natural gas fuel supply issues alone caused 27.3[%] of the generating unit outages” during Winter Storm Uri).

²⁵¹ EIA, [Short-Term Energy Outlook](#) (Feb. 11, 2025), see the 2024 data; EIA, [December 2025 Monthly Energy Review](#) (Dec. 23, 2025).

²⁵² Exhibit A, at 2-3.

load growth will occur in the areas served by Craig Unit 1 during the 90 day period of the Order. As demonstrated in their respective resource plans, the Craig Unit 1 owners are not anticipating any new data centers or other large loads over 50 MW to come online in their service territory in the next 90 days.²⁵³ And where Colorado utilities anticipate data centers coming online in the next five years, they are planning for that additional load through their established resource planning processes.

D. The Order is arbitrary and capricious because it fails to require generation that best meets the claimed emergency.

Even if there were an emergency within the meaning of the FPA, which there is not, Section 202(c)(1) requires the Department to impose requirements that “will best meet the emergency and serve the public interest.”²⁵⁴ The Department has failed to demonstrate that delaying the retirement of Craig Unit 1 satisfies this standard, and the Order is therefore arbitrary and capricious.

i. Preventing Craig Unit 1’s retirement does not “meet the emergency,” especially where the unit requires costly repairs.

It is unclear how preventing Craig Unit 1’s retirement could meet the emergency that the Department alleges. The nature and extent of the claimed emergency are unclear. And even if there were a capacity shortfall in any of the states served by Craig Unit 1 or the WECC-Northwest assessment area, the Order does not provide a reasoned basis for its conclusion that the continued operation of Craig

²⁵³ See Section V.C.iii., *supra*.

²⁵⁴ 16 U.S.C. § 824a(c)(1).

Unit 1 is the best or even a viable means of alleviating the purported shortfall, particularly in light of the costly repairs required to make Craig Unit 1 available.

The Department cannot demonstrate that Craig Unit 1's retirement meets the emergency because the Order's emergency declaration is unclear and unsupported by the record. The Order does not specify which version of the WECC-Northwest assessment area it is relying upon, which is essential because the assessment areas significantly changed after the 2024 LTRA assessment. This is further confused by the Order's next reference to the WECC-Northwest assessment area being that the "WECC[-]Northwest assessment area, which includes Colorado, Idaho, Montana, Oregon, Utah, Washington, and Wyoming..." despite the fact that in the 2024 LTRA, that assessment area also includes parts of California, Nebraska, Nevada, and South Dakota.²⁵⁵ Regardless, assuming that the order only refers to the states it called out specifically, Colorado, Idaho, Montana, Oregon, Utah, Washington, and Wyoming, it is Colorado's understanding that Craig Unit 1 is only capable of serving three of those states. The Order also fails to demonstrate that there is a resource shortfall imminent and specific enough to require the continued operation of any particular resource. Thus, it is unclear how Craig Unit 1 could meet the Department's alleged emergency, regardless of how the Order's emergency determination is interpreted.

²⁵⁵ Exhibit K, at 127.

- ii. *Delaying the retirement of Craig Unit 1 does not “best” meet the Department’s purported emergency.*

Even if delaying the retirement of Craig Unit 1 could meet the non-existent alleged emergency in the WECC-Northwest assessment area, the Department has provided no explanation of how that resource would best meet such an emergency.

“Best” means “that which is ‘most advantageous’” or “excelling all others.”²⁵⁶

The Order, and the materials upon which it relies, offer no facts that would support a determination that Craig Unit 1 is the “most advantageous” way to address the alleged emergency. Even if the Order had successfully described an emergency scenario for the regions served by Craig Unit 1 or the WECC-Northwest assessment area, the Department has not provided any specific evidence or reasoning explaining why requiring Craig Unit 1 to be available to operate is the most advantageous way to meet the scenario. Other orders issued by the Department in 2025 suffer from the same flaw, as the Congressional Research Service identified in July 2025, noting that Orders issued to the Campbell and Eddystone units have not “identified reliability risks specifically associated with the retirement of the power plants in question at the time they approved those retirements.”²⁵⁷ In this respect, the Department’s exercise of its emergency authority in 2025 departs markedly from past uses of Section 202(c) and from the Department’s regulations implementing Section 202(c). Those

²⁵⁶ *Entergy Corp.*, 556 U.S. at 218 (quoting Webster’s New International Dictionary 258 (2d ed.1953)); [Best](#), Merriam-Webster Dictionary (Jan. 25, 2026).

²⁵⁷ Exhibit T (Congressional Research Service, Federal Power Act: The Department of Energy’s Emergency Authority (June 12, 2025)), at 5-6.

regulations specify that: “[a]ctions under this authority are envisioned as meeting a specific inadequate power supply situation.”²⁵⁸

“Best’s” definition of “excelling all others” requires a comparative judgment that there are no better alternatives. This means the Department must consider alternatives and choose the alternative that is most advantageous to meet the emergency the Department has identified. The Department need not consider every conceivable alternative, but it must consider alternatives within the ambit of the existing policy as well as alternatives which are significant and viable or obvious.²⁵⁹

The Department’s regulations specify information the Department must consider in deciding how to best address an emergency in a Section 202(c) order. This includes conservation or load reduction actions, efforts to obtain additional power through voluntary means, available imports, demand response, and behind the meter generation resources.²⁶⁰ The Order considers none of these alternatives. Nor does it explain whether less burdensome measures were considered or exhausted before invoking the Department’s emergency authority. Indeed, the Order never quantifies the extent of the emergency it purports to identify within Colorado or any of the states served by Craig Unit 1, making a meaningful alternatives analysis impossible. As discussed in Section V.B.iii, each of the areas served by Craig Unit 1 have significant planning reserve margins. To satisfy Section 202(c)(1)’s requirement that the ordered

²⁵⁸ 10 C.F.R. § 205.371.

²⁵⁹ See *Dep’t of Homeland Sec.*, 591 U.S. at 30 (failure to consider alternative was arbitrary and capricious); see also *Motor Vehicle Mfrs. Ass’n*, 463 U.S. at 51 (must consider alternatives “within the ambit of the existing [standard]”).

²⁶⁰ 10 C.F.R. § 205.373(g)-(h). While this information is specifically required when a utility applies for a 202(c) order, it illustrates the types of information that is relevant to an alternatives analysis.

solution best meet the emergency, the Order must address why the resources that make up the excess planned reserve margins could not meet the alleged emergency.

This is a particularly glaring omission because the Department addressed their alleged emergency by ordering an inoperable coal unit that required significant repairs to become available to operate,²⁶¹ despite the reserve capacity in the region. Craig Unit 1 experienced an outage on December 19, 2025, due to a mechanical valve failure.²⁶² The Unit was not repaired until January 20, 2025,²⁶³ a third of the way into this 90 day order, and required spending significant resources that would not have been expended absent the Order.²⁶⁴

In addition to the significant cost just to make Craig Unit 1 available to operate after the valve failure, Tri-State has stated that retaining Unit 1 “will likely require additional investments in operations, repairs, maintenance and, potentially, fuel supply, all factors increasing costs.”²⁶⁵ The Craig Unit 1 Owners chose to retire Craig Unit 1 for economic reasons.²⁶⁶ And because the unit was set to retire, Craig Unit 1 has not had major maintenance since 2019;²⁶⁷ it is also 45 years old, beyond the typical economic design life of a coal burning generator and near the end of a

²⁶¹ See Exhibit B, ¶ 11.

²⁶² Tri-State, [U.S. DOE orders Tri-State to keep Craig Generating Station unit operating for next 90 days](#) (Dec. 31, 2025).

²⁶³ Tri-State, [Tri-State makes Craig Generating Station Unit 1 available to operate in compliance with DOE emergency order](#) (Jan. 23, 2026).

²⁶⁴ Tri-State, [U.S. DOE orders Tri-State to keep Craig Generating Station unit operating for next 90 days](#) (Dec. 31, 2025).

²⁶⁵ *Id.*

²⁶⁶ Tri-State, [Craig Station owners, regulators and environmental groups reach agreement on proposed revisions to Colorado regional haze plan](#) (Sept. 1, 2016).

²⁶⁷ Exhibit B at ¶ 34.

generator's typical operational life.²⁶⁸ Keeping Craig Unit 1 running will be more costly now because of the deferred maintenance costs in addition to costs for fuel and continued operations.²⁶⁹ Colorado's understanding is that Tri-State has, since the issuance of the Order, already begun to expend costs on some of this maintenance.²⁷⁰ These costs are currently unknown but expected to be significant. It is unclear how Tri-State and the other co-owners will recover these costs, but it is highly likely that they will seek to have ratepayers pay them.²⁷¹

Complicating the fuel issue, Tri-State did not plan on continuing to acquire or use coal for Craig Unit 1 due to its scheduled retirement. Craig Station is supplied with coal from the Colowyo Mine, which ceased coal production at the end of 2025.²⁷² Tri-State has already contracted with Kiewit Mining Group, Inc., to reclaim the mine following its closure, and reclamation activities were scheduled to begin on or about January 1, 2026.²⁷³ Moreover, the Colowyo mine has been sterilized, meaning it will not be reopened and its operator has transitioned to reclamation activities.²⁷⁴ It is Colorado's understanding that before the mine's closure, Tri-State obtained enough coal to fuel Craig Units 2 and 3 through their planned retirement dates in 2028 but did not expect to need coal to power Craig Unit 1. If Tri-State needs to use coal acquired

²⁶⁸ Grid Strategies, *The Economic Cost of a DOE Mandate for the Craig Unit 1 Coal-Burning Generator to Continue Operating* (Dec. 2025), at 2.

²⁶⁹ Exhibit D ¶¶ 14-15.

²⁷⁰ See Exhibit B, ¶ 34.

²⁷¹ Exhibit D ¶ 18.

²⁷² Jaffe, M., [Tri-State expects federal order to keep coal-fired power plant in northwestern Colorado running](#) (Nov. 14, 2025).

²⁷³ Tri-State, [Colowyo Mine to conclude coal production in 2025, transitioning to full reclamation](#) (Aug. 7, 2025).

²⁷⁴ Weiser, C., [Colowyo coal mine near Craig lays off 133 workers as mine closes](#) (Nov. 26, 2025); WarnTracker.com, [1 WARN Layoff Notice for ColoWho Coal Company LP on Nov 2025](#) (2025).

to fuel Craig Units 2 and 3 to unexpectedly fuel Craig Unit 1, it will likely not have enough supply to also fuel the other units. Tri-State would then have to buy more expensive, and possibly dirtier, coal from another source.²⁷⁵

In addition, coal generation is generally more costly than other generation resources.²⁷⁶ The inefficiency of running a coal plant makes it uneconomic in general and is the main reason that Craig Unit 1 (and eventually, the rest of Craig Station) was slated for retirement. In fact, the CoPUC approved coal fired generating unit retirements to be replaced with lower cost wind, solar, and use of gas as a capacity resource because wind and solar were the lowest cost resources available and it was cheaper to add new renewables, storage and gas generation to the system and retire coal units.²⁷⁷

Coal generation also does not guarantee reliability, which further emphasizes that Craig Unit 1 would not best meet any emergency. A 2021 report by the CoPUC found that Comanche Unit 3, Colorado's newest coal plant, which supplies portions of Public Service's territory, averaged 91.3 days per year of outages and was out of

²⁷⁵ See Exhibit B, ¶ 32.

²⁷⁶ Weiser, C., [Colowyo coal mine near Craig lays off 133 workers as mine closes](#) (Nov. 26, 2025). A report by Grid Strategies found that ratepayer costs could exceed \$3 billion per year if the Department mandates that all of the fossil power plants scheduled to retire between the time the report was published in August 2025 and the end of 2028 remain open. Grid Strategies asserts that the Department is ignoring the careful planning of states and utilities and "overriding cost-minimizing retirement decisions that have been made by state utility regulators and merchant power plant owners based on extensive information regarding the cost, performance, condition, and need for each plant." see also Grid Strategies, LLC, [The Cost of Federal Mandates to Retain Fossil-Burning Power Plants](#) (Aug. 2025) at 3; Exhibit O, which cost a staggering \$29 million over the first 38 days; Solomon, M., et al., [Coal Cost Crossover 3.0: Local Renewables Plus Storage Create New Opportunities for Customer Savings and Community Reinvestment](#) (Jan. 2023), at 1-2 (a report by Energy Innovation found that "99[%] of all coal-fired plants in the U.S. are more expensive to operate on a forward looking basis than the all-in cost of renewable energy projects," and that "all but one of the country's 210 coal plants are more expensive to operate than either new wind or solar.").

²⁷⁷ CoPUC, Decision No. C18-0761, issued on September 10, 2018, in Proceeding No. 16A-0396E, ¶ 103.

service for nearly all of 2020.²⁷⁸ In fact, when Public Service experienced a supply constraint in Summer of 2025, 80% of its unavailable power was caused by coal unit outages.²⁷⁹

This is not just true in Colorado, but also in other states, yet the Department has ignored this reality in issuing Section 202(c) orders. For example, the R.M. Schahfer Generating Station has been in a forced outage since July, after experiencing another forced outage from February 16, 2025 to June 23, 2025.²⁸⁰ Yet, despite the unit being offline, the Department issued an order requiring it to remain available on December 23, 2025.²⁸¹ Finally, the newest large coal-fired plant in the U.S. suffered an outage in fall of 2025 and will now be offline until March 2027.²⁸² This is the second time that plant has been unable to operate for a year or more.

These facts illustrate a clear pattern: coal is not the first choice when considering reliable, affordable generation. And the Order contains no facts (either in its text or in the cited materials) that supports any determination that ordering continued availability and operation of an off-line coal unit is a reasonable response to a perceived emergency, much less “best meets” such an emergency. Given the cost of Craig Unit 1 and questions of reliability surrounding coal plants generally, the

²⁷⁸ Kohler, J., [Comanche 3, Xcel Energy's troubled coal plant, likely out of commission for months](#) (Oct. 24, 2025); CoPUC, *Staff Report Volume 1*, Public, filed on March 1, 2021, in Proceeding 20I-0437E, at 65.

²⁷⁹ Kohler, J., [Comanche 3, Xcel Energy's troubled coal plant, likely out of commission for months](#) (Oct. 24, 2025).

²⁸⁰ *Id.*

²⁸¹ Exhibit S.

²⁸² Institute for Energy Economics and Financial Analysis, [Newest big U.S. coal-plant offline until 2027](#) (Oct. 7, 2025); Tri-State, [Tri-State makes Craig Generating Station Unit 1 available to operate in compliance with DOE emergency order](#) (Jan. 23, 2026).

Department has failed to demonstrate that Craig Unit 1’s continued operation “best meets the emergency” and therefore the Order is arbitrary and capricious

E. The Order’s terms fail to comply with Section 202(c)’s requirements.

- i. The Order is contrary to law because it attempts to regulate a generation facility by requiring the Craig Unit 1 Owners to undertake substantial and expensive repairs that they otherwise would not conduct.*

Given that Craig Unit 1 was offline at the time the Order was issued, compliance with the Order required the repair of Craig Unit 1.²⁸³ This requirement is outside the scope of the Department’s Section 202(c) authority, even if there was adequate proof of an energy emergency.

The Department’s emergency power under Section 202(c) is bounded both by the provision’s specific language and Congress’s clear, repeated direction in the FPA to respect the states’ authority over generating facilities. When an actual emergency exists, Section 202(c)(1) authorizes the Department to require just two specific things: (1) “temporary connection of facilities” and (2) “generation, delivery, interchange, or transmission of electric energy.”²⁸⁴ The only reference to “facilities” in the authorizing provision of Section 202(c)(1) appears in the clause relating to temporary connections, not in the clause pertaining to “generation” of electric energy. And that clause authorizes only “connections” of facilities: it does not provide authority to regulate the individual facilities. The difference in Congress’s

²⁸³ Exhibit B, ¶ 11; Tri-State, [Tri-State makes Craig Generating Station Unit 1 available to operate in compliance with DOE emergency order](#) (Jan. 23, 2026).

²⁸⁴ 16 U.S.C. § 824a(c)(1).

word choice in these clauses – referencing “facilities” in one authorizing provision but not the other – must be given effect.²⁸⁵

As discussed above in Section V.C.i., Section 201(b)(1) of the FPA specifically states that unless otherwise provided, there is no federal jurisdiction over “facilities used for the generation of electric energy.” Courts have also held that Section 201(b)(1) reserves authority over electric generating authority to the states, reiterating that states retain the right “to require the retirement of existing generators.”²⁸⁶ Given Congress’s use of the term “generating facilities” elsewhere in the statute, if it had intended to give the Department authority in Section 202(c)(1) over generating facilities that otherwise resides with the states, it would have had to do so explicitly.²⁸⁷ Instead, the provision conspicuously excludes authority to manage the physical characteristics of power plants.

Thus, Congress purposely limited and particularized the Department’s emergency powers, carefully avoiding intrusion on the states’ authority over generating facilities recognized in Section 201(b)(1). As stated in the legislative history, the emergency powers in Section 202(c)(1) “which were indefinite in the original bill have been spelled out with particularity.”²⁸⁸ The Department may neither directly regulate generation facilities nor impose requirements aimed at the facilities,

²⁸⁵ See *e.g. Gallardo v. Marsteller*, 596 U.S. 420, 430 (2022); see also *Gomez-Perez v. Potter*, 553 U.S. 474, 486 (2008).

²⁸⁶ *Conn. Dep’t of Pub. Util.*, 569 F.3d at 481; see also, *e.g., Hughes*, 578 U.S. at 155.

²⁸⁷ *Gregory*, 501 U.S. at 460 (The clear statement rule requires Congress to make its intent unmistakably clear if it intends a statute to alter the usual constitutional balance between the federal government and the states.); see also *DeMarco*, 4 F.3d at 169 (Congress must express an affirmative intention to use a statute to alter the federal balance.)

²⁸⁸ See S. Rep. No. 74-621, at 19 (1935).

even if nominally regulating within its sphere.²⁸⁹ This means that the Department may not require generation that necessitates the utility taking steps reserved to state authority, such as building a new generating unit or refurbishing a broken one. Therefore, the Order is outside the bounds of its Section 202(c) authority even if there is an emergency, because it managed the physical characteristics of Craig Unit 1 by requiring its repair.

- ii. *The Order violates Section 202(c)(2) because it fails to ensure consistency with federal and state environmental laws and fails to minimize adverse environmental impacts.*

Section 202(c)(2) imposes mandatory duties on the Department if a 202(c) order “may result in a conflict with a requirement of any Federal, State, or local environmental law or regulation[.]”²⁹⁰ The Order explicitly conflicts with the environmental laws and regulations that apply to the Craig Station Unit 1 Owners, and may also result in additional conflicts with environmental laws and regulations that apply to the State of Colorado.²⁹¹ The Department failed to comply with these requirements, rendering the Order illegal.

- a. The Order directly conflicts with federal and state laws requiring Craig Unit 1 to close by December 31, 2025.

The Order directly conflicts with federal and state environmental laws and regulations that require the closure of Craig Unit 1 by December 31, 2025. These include Colorado Air Quality Control Commission (“AQCC”) Regulation Number 23,

²⁸⁹ See *F.E.R.C. v. Elec. Power Supply Ass’n*, 577 U.S. 260, 281-82 (2016); see also *Hughes*, 578 U.S. at 164-65.

²⁹⁰ 16 U.S.C. § 824a(c)(2) (emphasis added).

²⁹¹ See Exhibit B.

Colorado's Regional Haze SIP adopted pursuant to the Federal Clean Air Act, and Tri-State's operating permit issued pursuant to Title V of the Federal Clean Air Act.²⁹²

The AQCC (with the Craig Station owners' consent) adopted the December 31, 2025 closure date into state law through Regulation Number 23, which regulates regional haze.²⁹³ The EPA then approved this closure date into federal law when it approved Colorado's Regional Haze SIP in 2018.²⁹⁴ In addition, Craig Unit 1 is a major source of air pollution²⁹⁵ and therefore requires, and operates under, an operating permit issued pursuant to Title V of the Federal Clean Air Act.²⁹⁶ A Title V permit includes emissions limits, operational requirements, reporting obligations, and other requirements to ensure the safe and environmentally responsible operation of major sources. Condition 1.10 of Craig Unit 1's operating permit specifies that the Unit must close on or before December 31, 2025.²⁹⁷

In addition, the Colorado Legislature directed the AQCC to adopt rules to help meet statewide statutory GHG reduction goals.²⁹⁸ The Order's direction for continued availability and operation of Craig Unit 1 may restrict Colorado's ability to meet these statutory goals.

²⁹² *Id.*

²⁹³ See 5 Colo. Code Reg. § 1001-27:A.IV.D.

²⁹⁴ Air Plan Disapproval; Colorado; Regional Haze Plan for the Second Implementation Period, 91 Fed. Reg. 3,048, 3,049, fn. 9 (Jan. 26, 2026); EPA, [EPA Approved Statutes and Regulations in the Colorado SIP](#) (Jan. 6, 2026); 83 Fed. Reg. 31,332 (July 5, 2018).

²⁹⁵ Craig Station is a major source and Craig Unit 1, by volume of pollution emitted, is itself a major source. Exhibit B at 27; Exhibit KK (Division, *Operating Permit No. 96OPMF155* (July 1, 2021));

²⁹⁶ See Exhibit KK; 42 U.S.C. § 7661a(a).

²⁹⁷ See Exhibit KK, at 25.

²⁹⁸ See § 25-7-105(1)(e), Colo. Rev. Stat.; Exhibit B, ¶ 29; § 25-7-102(2)(g), Colo. Rev. Stat.

Thus, by ordering the Craig Station owners to return Craig Unit 1 to service and to be available to operate beyond the December 31, 2025 closure date, the Order directs the owners to violate both state and federal law and is subject to the requirements of Section 202(c)(2).

b. The Order does not comply with Section 202(c)(2).

Because the Order conflicts with state and federal environmental laws, the Department was required to ensure that the Order: 1) “ requires generation, delivery, interchange, or transmission of electric energy *only* during hours necessary to meet the emergency and serve the public interest,” 2) “to the maximum extent practicable, is consistent with any applicable Federal, State, or local environmental law or regulation,” and 3) “minimizes any adverse environmental impacts.”²⁹⁹ The Department’s Order contains no conditions or instructions that meet these requirements.

First, by referring to the “hours” necessary to meet the emergency, Congress placed a high burden on the Department to demonstrate that the remedy provided in a Section 202(c) order is narrowly tailored to the specifics of the emergency that the order is designed to address. Even if the Department had identified a true emergency (which it has not), the FPA authorizes the Department to compel generation only when an emergency shortage of electric energy would occur absent operation of Craig Unit 1 specifically.³⁰⁰ The Order’s terms fail to require operation “only during the

²⁹⁹ 16 U.S.C § 824a(c)(2) (emphasis added).

³⁰⁰ *Id.*; see, e.g., Department, [Order No. 202-17-4](#), [Summary of Findings](#) (Sept. 14, 2017), at 9 (“authorizing operation of” units subject to emergency order “only when called upon . . . for reliability purposes,” according to “dispatch methodology” approved by Department).

hours necessary to meet the emergency” described by the Order and violates Section 202(c)(2) because the Order does not establish any limited hours or other parameters for Craig Unit 1 to follow.

The Order also contains no limitation on how SPP West and WACM may call on Craig Unit 1. By leaving the dispatch of Craig Unit 1 entirely in the hands of these entities, the Department is failing to properly limit operation as required by Section 202(c). Without a clearly defined emergency, WACM and SPP West have no standards to determine under what circumstances they should “require the continued operation of Craig Unit 1.” The premise for such continued operation is the energy “emergency” articulated in the Order, but it is impossible to know what conditions require Craig Unit 1 to operate by reading the Order.³⁰¹ Orders issued by the Department prior to 2025 demonstrate that the Department is capable of including appropriate limiting conditions in Section 202(c) orders. For example, in 2022, the Department issued an order in response to periods of extreme heat, drought conditions, and threat of wildfires that were expected to occur over several days and threaten the reliable operation of the bulk electric power system in California. That order directed the Balancing Authority of Northern California to dispatch specific units only “under the following conditions: the issuance and continuance of an Energy Emergency Alert Level[] 2 condition or greater between the hours of 14:00 Pacific Time and 22:00

³⁰¹ Indeed, the Order contains confusing and contradictory instructions regarding the unit’s operations, stating both that “Craig Unit 1 shall not be considered a capacity resource” and that its “continuous operation” is required. Exhibit A, at 1, ¶ G. Presumably, this means that the unit may only be called up by WAPA or SPP when there is an actual supply shortage that existing resources cannot meet. But if that is the intent, it is not clear from the face of the Order.

Pacific Time after exhausting all reasonably and practically available resources."³⁰²

Although Section 202(c)(2) requires the Department to include limiting conditions in the Craig Unit 1 Order as well, it chose not to, and that choice is contrary to law.

Second, Section 202(c)(2) requires that where an order may result in a conflict with environmental law or regulation, it must "to the maximum extent practicable, [be] consistent with any applicable Federal, State or local environmental laws." The Order contains no analysis of the plant's environmental obligations and no operational criteria established to minimize impacts. The Order merely states that "operations of Craig Unit 1 must comply with applicable environmental requirements to the extent feasible while operating consistently with emergency conditions."³⁰³

There are numerous environmental requirements that are affected by the continued operation of the Craig Unit 1 facility, but the Department failed to identify mechanisms to allow Craig Unit 1 to remain available while minimizing conflicts with these requirements. The Department also did not consult with the State of Colorado, including its environmental regulators, who could have advised on ways to minimize impacts.³⁰⁴ The Order does not reference or discuss the applicable environmental laws

³⁰² Department, [Order No. 202-22-2](#) (Sept. 4, 2002) at 4; see also [Letter from Kevin Kolevar, Director, Office of Electricity Delivery and Energy Reliability to Robert Driscoll, CEO, Mirant Mid-Atlantic, LLC](#) (May 31, 2007) (Letter from DOE describing the emissions limitations that a utility should follow when complying with a 202(c) order.); Department, [Order No. 202-17-1](#) (Apr. 14, 2017) (202(c) Order from DOE instructing SPP to adopt a temporary operating guide and comply with additional operating requirements set out in an EPA compliance order).

³⁰³ Exhibit A, ¶ C.

³⁰⁴ Exhibit B, ¶¶ 10, 32-34; see also Section 103 of the Department of Energy Organization Act, 42 U.S.C. § 7113 (requiring the Department to give due consideration to the needs of states when proposing any action that conflicts with a state energy plan, and to attempt to resolve conflicts through consultations with appropriate state officials). The Order plainly conflicts with Tri-State's decision-making process, the CoPUC's approved ERPs, the EPA-approved Regional Haze SIP, and AQCC regulation.

and regulations impacted by the Order, revealing the Department's failure to analyze these requirements to ensure compliance with environmental standards.

In particular, the Order fails to reflect any consideration of interactions with the Federal Clean Air Act Regional Haze program³⁰⁵ or National Ambient Air Quality Standards ("NAAQS") attainment and permitting programs. The Regional Haze program requires states to reduce emissions of NO_x, SO₂, and PM from sources that affect Class I federally protected areas.³⁰⁶ States must conduct detailed and expensive analyses, and based on the results of those analyses, impose federally enforceable controls and emission limits upon the largest and most impactful sources of haze pollutants.³⁰⁷ The Federal Clean Air Act, through the NAAQS attainment and permitting programs, also directs states to achieve and maintain air quality standards for certain pollutants, including NO_x, SO₂, and PM.³⁰⁸ The Department does not appear to have conducted any analysis of the impact keeping Craig Unit 1 operational may have on sources' and Colorado's ability to comply with either of these programs. The Order gives no guidance as to whether it creates conflicts with either of these requirements and, if it does, on how to navigate them.

³⁰⁵ EPA recently disapproved Colorado's Regional Haze Plan for Round 2 (which does not involve Craig Unit 1) by, in part, pointing to this Order. 91 Fed. Reg. at 3,049, fn. 9 (Jan. 26, 2026). While Colorado maintains that EPA's action was improper, and that its Regional Haze SIP currently meets federal requirements, it does reveal that EPA considers Craig Unit 1 relevant to Colorado's compliance with Regional Haze requirements now and in the future. The federal government must, but fails to, take a consistent position in the Regional Haze SIP disapproval and the Order as it relates to Craig Unit 1.

³⁰⁶ See 42 U.S.C. §§ 7491, 7492; see also implementing regulations at 40 C.F.R. § 51.300-309.

³⁰⁷ *Id.*

³⁰⁸ See, e.g., 42 U.S.C. §§ 7409, 7410.

Accordingly, the Order violates the Department's statutory obligation to "ensure" the maximum feasible compliance with applicable environmental standards.³⁰⁹ This obligation requires the Department to offer some discrete guidance as to the unit's operations, rather than merely parroting the statutory text. This lack of detail also makes it impossible for Colorado's environmental regulators to know what operational activities are excused from environmental compliance by the Order, increasing the complexity and burdens associated with any state enforcement actions.

Third, Section 202(c)(2) requires the Department to minimize the adverse environmental impacts of the Order, which the Order fails to do. This mandate is textually and substantively distinct from the Department's (also unfulfilled) obligation to ensure maximum practicable compliance with environmental standards. By failing to include a sufficient or legal description of the purported emergency, this Order authorizes Unit 1 to generate electricity and pollute beyond any emergency needs, thereby increasing the environmental impacts that by law the Order must minimize. When Craig Unit 1 operates, it emits NO_x, SO₂, fine PM, GHG emissions, HAPs, and other harmful pollutants.³¹⁰ The Order includes no measures to mitigate impacts when compliance with environmental standards proves impracticable, even though those types of measures have been routinely included in past orders.³¹¹ At a minimum, the

³⁰⁹ 16 U.S.C. § 824a(c)(2) (emphasis added).

³¹⁰ Exhibit B, ¶ 13.

³¹¹ See, e.g., Department, [Order No. 202-17-4](#) (Sept. 14, 2017) at 2 (permitting non-compliant operation only during specified hours, and requiring exhaustion of "all reasonably and practicably available resources," including available imports, demand response, and identified behind-the-meter generation resources selected to minimize an increase in emissions); Department, Order No. 202-22-4 (Dec. 12, 2022) (requiring "reasonable measures to inform affected communities" of non-compliant operations).

statute requires the Department to include sufficiently detailed reporting obligations to ascertain what impacts result from emergency operations; without such reporting, the Department has no ability to “ensure” that adverse impacts are minimized.³¹² The Order here instead merely requires “such additional information” as the Department, in the future, may (or may not) “request[] . . . from time to time.” That possibility of future, unspecified information gathering cannot satisfy the statute’s demand that the Department “ensure” that its Order minimizes environmental impacts.³¹³

Similarly, the Order does not address or assess mechanisms to minimize the pollution from Craig Unit 1 that would or could be associated with its operation in response to the Order. It also does not address or assess the environmental impacts associated with the acquisition and transport of additional coal that may be necessary to facilitate Unit 1’s operation, and contains no limitations on the type of coal that may be used so as to minimize the impacts of any new emissions. Not all coal is inherently compatible with the units at the Craig Station, and depending on where new coal is sourced from, there could be significant emissions and costs associated with the distances required to import that coal.³¹⁴ Nor are these impacts addressed by the Department’s cursory instruction to Tri-State to comply with applicable environmental requirements “to the maximum extent feasible.” Because the Department made no attempt to address the requirements of Section 202(c)(2), the Order is unlawful.

³¹² See, e.g., Department, [Order No. 202-24-1](#) (Oct. 13, 2024) at 4-5 (requiring detailed data on emissions of pollutants).

³¹³ 16 U.S.C. § 824a(c)(2).

³¹⁴ Exhibit B, ¶¶ 32-33.

For these reasons, the Order fails to comply with the Department's obligations under Section 202(c)(2), and should be withdrawn.

F. The Order is designed to support the federal administration's policy goal of propping up the coal industry, making it an arbitrary and capricious pretext.

Agency action is arbitrary and capricious when it rests on a "pretextual" reason that is "incongruent with what the record reveals about the agency's priorities and decision-making process."³¹⁵ Agency decisions that feature "unjustifiable bias or partisanship are precisely the types of agency actions that 'would work a violation of the arbitrary-and-capricious standard.'"³¹⁶ Here, the record demonstrates that there is no evidence of an energy emergency within the meaning of Section 202(c) that would support issuance of the Order. Instead, the Order is a transparent attempt to favor the Trump administration's preferred energy source and revive the coal industry. Because the Order is pretextual and divorced from any actual emergency, the Order violates the law and must be withdrawn.

i. The Department's 2025 Section 202(c) orders demonstrate a pattern of arbitrary and capricious behavior designed to carry out a policy goal.

Over the course of 2025, the Department and the President have made clear that they are using Section 202(c) orders to prevent coal-fired generating plants from retiring, simply because the current administration prefers coal and other fossil fuel generation. On his first day in office, the President declared a "National Energy Emergency" and identified coal as one of his preferred energy resources.³¹⁷ The President later directed the Department to "streamline" its use of emergency orders,

³¹⁵ *Dep't of Commerce*, 588 U.S. at 785.

³¹⁶ *Level the Playing Field*, 961 F.3d at 464 (quoting *Hagelin v. FEC*, 411 F.3d 237, 242 (D.C. Cir. 2005)).

³¹⁷ [Exec. Order 14156](#), 90 Fed. Reg. 8,433, 8,434 (Jan. 20, 2025), Sec. 8(a).

explaining that his goal was to “revitaliz[e] America’s big beautiful coal industry to support grid stability and American jobs.”³¹⁸

Following these pronouncements, the Department has issued orders for nearly every coal plant scheduled to retire in 2025, all for the statutory maximum of 90 days. None of these orders meet the same criteria as previous orders issued pursuant to Section 202(c). Specifically, none were publicly requested by a utility;³¹⁹ none were based on an inability to comply with environmental laws; and none were responsive to or tailored to meet a specific, imminent, unexpected and temporary emergency. The Department Secretary Wright has confirmed that “[t]he goal [of the recent 202(c) orders] is to stop the political closure of coal plants.”³²⁰

For example, the Department’s recent order to keep R.M. Schahfer Plant Units 17 and 18 running ignores the fact that Unit 18 was in a forced outage from February 16, 2025 to June 23, 2025, and then again from July 9, 2025 until now. It is unclear how a plant that barely operated throughout 2025 and was not operational at the time the Department issued its Section 202(c) order could help in an alleged emergency. The Schahfer Plant Order also fails to describe an emergency, and in fact actually recognizes that there is anticipated to be a surplus of generation capacity in

³¹⁸ The White House, [Fact Sheet: President Donald J. Trump Strengthens the Reliability and Security of the United States Electric Grid](#) (Apr. 8, 2025); see also New York Times, Trump Signs Orders Aimed at Reviving a Struggling Coal Industry, April 8, 2025); Exec. Order 14261, Reinvigorating American’s Beautiful Clean Coal Industry and Amending Executive Order 14241, 90 Fed. Reg. 15,517 (April 14, 2025); Exec. Order 14260, Protecting American Energy from State Overreach, 90 Fed. Reg. 15,513 (April 14, 2025); Regulatory Relief for Certain Stationary Sources To Promote American Energy, 90 Fed. Reg. 16,777 (April 21, 2025).

³¹⁹ It is common practice for the Department to post the request of the entity requesting a specific order within that order’s docket. See, e.g. Department, [2024 DOE 202\(c\) Orders](#); Department, [2023 DOE 202\(c\) Orders](#).

³²⁰ Department, [Energy Department Convenes First National Coal Council Meeting Under Renewed Charter, Reaffirming Coal’s Role in Unleashing American Energy](#) (Jan. 15, 2026).

MISO's 2025-2026 winter season,³²¹ revealing that order, like the Order, to be incongruent with the record facts.³²²

Together, these orders demonstrate that, rather than addressing emergencies, the Department is working to prevent the retirement of coal plants across the United States.

- ii. *Despite claims it is addressing energy emergencies, the Department is simultaneously interfering with efforts to increase generation through renewable resources.*

At the same time the Department is claiming that an energy emergency justifies exercise of its Section 202(c) emergency authority, it is also working to stymie development of renewable generation sources, particularly wind and solar.

The Department's own website explains that "wind energy offers many advantages which explains why it's one of the fastest-growing energy sources in the world[.]"³²³ and that solar energy "can support household savings, energy independence, economic opportunities, grid reliability, resilience, security and affordability, and a safer planet."³²⁴ Wind and solar energy are also extremely cost competitive with other energy sources. The most recent Levelized Cost of Energy+ Report ("LCOE Report") found that "[o]n an unsubsidized \$/MWh basis, renewable energy remains the most cost-competitive form of generation."³²⁵ Renewables are also important in a high demand scenario, as they are the "quickest-to-deploy

³²¹ Exhibit S, at 3.

³²² See *Dep't of Commerce v. New York*, 588 U.S. at 785.

³²³ Department, [Advantages and Challenges of Wind Energy](#).

³²⁴ Department, [Solar Energy](#).

³²⁵ Lazard LCOE, [Levelized Cost of Energy+](#) (June 2025), at 4.

generation resources.”³²⁶ Colorado has confirmed that wind and solar energy are low cost options to provide reliable electricity generation in the Northwest Colorado region, including Craig.³²⁷

Despite these advantages, the federal government and the Department have been actively repressing wind, solar, and hydrogen fuel deployment. Alongside the Energy Emergency Executive Order, President Trump issued an executive memorandum (“Memo”) directing federal agencies to pause the issuance of all wind energy authorizations.³²⁸ That Memo has since been declared unlawful and vacated.³²⁹ In addition, the One Big Beautiful Bill Act ended subsidies for wind and solar energy projects years earlier than planned.³³⁰ The Department has also cut funding for grants that were supposed to go to projects such as hydrogen technology and upgrades to the electric grid.³³¹ And although the solar industry installed nearly 18 GW of new

³²⁶ *Id.*

³²⁷ See Colorado Energy Office, [Exploring Advanced Energy Solutions for Rural Colorado](#) (Dec. 19, 2025) (study looked at both the levelized cost of energy and the levelized cost of capacity for multiple generation options and found that solar combined with battery storage has the lowest levelized cost of electricity, and wind combined with battery storage has the lowest cost levelized net cost of capacity).

³²⁸ Temporary Withdrawal of All Areas on the Outer Continental Shelf from Offshore Wind Leasing and Review of the Federal Government’s Leasing and Permitting Practices for Wind Projects, 90 Fed. Reg. 8,363 (Jan. 29, 2025).

³²⁹ [Judgement Ordered 12/18/2025](#) in *State of New York v. Trump*, 25-cv-11221-PBS (D. Mass.).

³³⁰ Sidley, [The “One Big Beautiful Bill” Act – Navigating the New Energy Landscape](#) (Jul. 15, 2025); see also 26 U.S.C.A. § 45Y (creating wind production tax credits, passed Aug. 2022); 26 U.S.C.A. § 48E (creating solar investment tax credits, passed Aug. 2022); One Big Beautiful Bill Act, Pub. L. 119-21, Title VII, § 70512-3, 139 Stat 72 (July 4, 2025) (amending 26 U.S.C.A § 45Y and 26 U.S.C.A. § 48E to end subsidies for wind and solar projects).

³³¹ See Walton, R., [DOE cancels \\$7.6B in clean energy awards in states that voted against Trump](#) (Oct. 2, 2025); Banse, T., [Trump administration yanks funding for Northwest green hydrogen project](#) (Oct. 2, 2025); Kaufman, A., [Trump’s cuts to billion-dollar hydrogen hubs rattle industry](#) (Oct. 2025).

capacity in the first half of 2025, the federal administration's efforts to stymie wind and solar energy has resulted in significantly reduced solar deployment.³³²

As the Department has observed, "the reliability of the power grid is intrinsically a system-wide property that cannot be ensured by an individual resource or technology in that system."³³³ Focusing on one technology instead of a portfolio of resource adequacy measures increases risk.³³⁴ The Department's current single-minded focus on coal reflects a policy preference as opposed to a desire to address any actual energy emergency, and constitutes an unlawful pretext.

G. The Department failed to comply with NEPA.

By requiring Craig Unit 1 to remain available beyond its planned retirement date, the Order has the potential to cause significant environmental impacts and requires evaluation under NEPA.³³⁵ Because the Department has misused its emergency authority in the Order,³³⁶ it cannot rely on the exception to NEPA's implementing procedures that applies to emergency actions. Quite simply, there is no "emergency situation[] that demand[s] immediate action" here.³³⁷ As demonstrated above, there is no current or imminent energy shortfall or near-term reliability emergency that justifies continued operation of Craig Unit 1.³³⁸ Accordingly, to the

³³² Wood Mackenzie, [Solar and storage dominate new power additions in first six months of Trump administration as federal policies drive up energy costs](#) (Sept. 9, 2025); Economy+Environment, [Clean Economy Works: November 2025 Analysis](#) (Dec. 12, 2025).

³³³ Department, [The Future of Resource Adequacy](#) (Apr. 2024) at 8.

³³⁴ *Id.*

³³⁵ 42 USC 4336(b), *supra*.

³³⁶ See Sections V.A-F, *supra*.

³³⁷ 10 C.F.R. § 1021.103.

³³⁸ See Section V.C., *supra*.

extent the Department is relying on the exception for emergency actions to avoid full NEPA analysis, such reliance is contrary to law.

Moreover, the Department's NEPA implementing regulations recognize that where an action has the potential to cause significant impacts on an environmentally sensitive area, such as federally- and state-designated wilderness areas, national parks, scenic areas, and similar resources, the action is not appropriate for categorical exclusion and instead must be analyzed under NEPA.³³⁹ Here, retirement of Craig Unit 1 by December 31, 2025 is a requirement of Colorado's federally approved SIP to address the Federal Clean Air Act visibility program. This program is designed to protect federally-designated areas home to sensitive ecosystems or species potentially harmed by even small increases in pollution.³⁴⁰ Specifically, the Colorado Regional Haze SIP, which incorporated Craig Unit 1's retirement date in Round 1, is designed to protect national parks and wilderness areas in Colorado including Black Canyon of the Gunnison National Park, Great Sand Dunes National Park, Rocky Mountain National Park, and Mount Zirkel Wilderness Area.³⁴¹ Craig Unit 1 is located near the Mount Zirkel Wilderness Area.³⁴² As a result, the Department's own NEPA regulations dictate that the action was subject to NEPA review.

³³⁹ 10 C.F.R. Part 1021, Appx. B, § B(4)(iv).

³⁴⁰ Exhibit B, ¶ 26.

³⁴¹ Exhibit MM (Division, *Colorado Visibility and Regional Haze SIP for the Twelve Mandatory Class I Federal Areas in Colorado* (Dec. 15, 2016)).

³⁴² 5 Colo. Code Regs. § 1001-5:F.VI. (2014).

VI. Request For Stay

In addition to seeking rehearing, the State of Colorado moves the Department for a stay of the Order until the conclusion of judicial review.³⁴³ The Department should also refrain from renewing the Order as currently drafted beyond its current expiration in March 2026. The Department has the authority to issue a stay under the Administrative Procedure Act and should do so where “justice so requires.”³⁴⁴ In deciding whether to grant a request for stay, agencies consider: (1) whether the party requesting the stay will suffer irreparable injury without a stay; (2) whether issuing a stay may substantially harm other parties; and (3) whether a stay is in the public interest.³⁴⁵

Injuries under this standard must be actual, certain, imminent, and beyond remediation.³⁴⁶ Financial injury is irreparable where no “adequate compensatory or other corrective relief will be available at a later date, in the ordinary course of litigation.”³⁴⁷ Environmental injury, however, “can seldom be adequately remedied by money damages and is often permanent or at least of long duration, *i.e.*,

³⁴³ 18 C.F.R. § 385.212.

³⁴⁴ 5 U.S.C. § 705.

³⁴⁵ See *Nken v. Holder*, 556 U.S. 418, 434, 436 (2009); *Ohio v. EPA*, 603 U.S. 279, 291 (2024); see, e.g., *Midcontinent Indep. Sys. Operator, Inc.*, 184 FERC ¶ 61,020, at P 41 (2023); *ISO New Eng. Inc.*, 178 FERC ¶ 61,063, at P 13 (2022), *rev'd on other grounds sub nom. In re NTE Conn., LLC*, 26 F.4th 980, 987-88 (D.C. Cir. 2022).

³⁴⁶ *Mexichem Specialty Resins, Inc. v. EPA*, 787 F.3d 544, 555 (D.C. Cir. 2015); *Wis. Gas Co. v. FERC*, 758 F.2d 669, 674 (D.C. Cir. 1985); *ANR Pipeline Co.*, 91 FERC ¶ 61,252, at p. 61,887 (2000); *City of Tacoma*, 89 FERC ¶ 61,273, at p. 61,795 (1999) (recognizing that, absent a stay, options for “meaningful judicial review would be effectively foreclosed”).

³⁴⁷ *Wis. Gas Co.*, 758 F.2d at 674 (quoting *Va. Petroleum Jobbers Ass'n v. Fed. Power Comm'n*, 259 F.2d 921, 925 (D.C. Cir. 1958)); see also *In re NTE Conn., LLC*, 26 F.4th at 990-91. (Colorado refuses to concede that its residents, as ratepayers, should bear this cost of the Department’s illegal actions here. Nonetheless, we assume that neither the Department nor the Craig Station owners want to bear those costs either, and will seek to impose them on Coloradans.)

irreparable. If such injury is sufficiently likely, therefore, the balance of harms will usually favor the issuance of an injunction to protect the environment.”³⁴⁸

A. Colorado and its people will suffer irreparable injury absent a stay.

Here, a stay is necessary to prevent irreparable harm to the State of Colorado. If Craig Unit 1 is required to operate, it will result in emissions of dangerous air pollutants that would not otherwise have occurred but for the Order. And even requiring Craig 1 to be available to operate, as the Order directs, will increase costs that may be passed on to ratepayers, along with increasing pollution directly through readying activities, and indirectly through the sourcing and transportation of fuel. Even if the unit dispatches rarely or not at all, these excess pollutants contribute to and exacerbate respiratory problems, cardiovascular issues, and other health conditions.³⁴⁹

A stay would not result in harm to any other interested parties. The issuance of a stay would not harm end-use electricity consumers because there is no emergency addressed by the operation of Craig Unit 1. The lack of an actual emergency means that a stay would not disrupt the provision of electricity. Furthermore, because Tri-State had already planned for the closure of Craig Unit 1, a stay would have the effect only of relieving Tri-State of the administrative, compliance, and planning burdens imposed by the Order. On the balancing of equities, there is therefore no meaningful countervailing harm that would follow from a stay.

³⁴⁸ *Amoco Prod. Co. v. Vill. of Gambell*, 480 U.S. 531, 545 (1987).

³⁴⁹ Exhibit B, ¶ 21.

B. A stay is in the public interest.

There is no public interest served by the Order, and a stay will only benefit the public. First, the Order exceeds the Department's authority; it has provided no reasonable grounds to substantiate any near-term or imminent shortfall in electricity supply that would necessitate Craig Unit 1's continued operation.³⁵⁰ Second, a stay would protect the broader public from the costs and additional pollution produced by unnecessary operation of Craig Unit 1.

VII. Conclusion

For the reasons set forth above, the State of Colorado respectfully requests that the Department grant intervention; grant a rehearing and rescind the Order; and stay the Order.

Filed on January 28, 2026.

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³⁵⁰ See *League of Women Voters v. Newby*, 838 F.3d 1, 12 (D.C. Cir. 2016) (noting that “there is a substantial public interest ‘in having governmental agencies abide by the federal laws that govern their existence and operations’”) (quoting *Washington v. Reno*, 35 F.3d 1093, 1103 (6th Cir. 1994)).

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Certificate of Service

This is to certify that I have duly served the foregoing, **The State Of Colorado's Request For Rehearing, Motion to Intervene, and Stay Request**, upon all parties below electronically via e-mail this 28th day of January, 2026:

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State of Colorado's Exhibit List

Exhibit No.	Document Description
A	Department, Order No. 202-25-14 (Dec. 30, 2025)
B	Declaration of Josh Korth Declaration (Jan. 26, 2025)
C	Declaration of Erin O'Neil (Jan. 26, 2025)
D	Declaration of Joseph Pereira (Jan. 23, 2025)
E	CoPUC, Decision No. C25-0612, issued on August 26, 2025, in Proceeding No. 23A-0585E.
F	CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Brad Nebergall, filed on December 1, 2020, in Proceeding No. 20A-0528E, Attachment BN-2 (Tri-State, 2020 <i>IRP/ERP</i> , Public (Dec. 1, 2020)
G	CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Brad Nebergall, filed on December 1, 2020, in Proceeding No. 20A-0528E, Attachment BN-1 (Tri-State, <i>Responsible Energy Plan</i> (Jan. 2020)
H	Salt River Project, 2023 <i>Integrated Systems Plan</i>
I	Department, Order No. 202-25-7 (Aug. 20, 2025)
J	CoPUC, 120 Day ERP Implementation Report, Public, filed on April 11, 2025, in Proceeding No. 23A-0585E
K	NERC, 2024 <i>Long-Term Reliability Assessment</i> (Dec. 2024)
L	NERC, 2025-2026 <i>Winter Reliability Assessment</i> (Nov. 2025)
M	Department, <i>Resource Adequacy Report: Evaluating the Reliability and Security of the United States Electric Grid</i> (July 2025)
N	Motion to Intervene and Protective Request for Rehearing by the Attorneys General of Maryland, Washington, Illinois, Michigan, Minnesota, Arizona, Colorado, Connecticut, and New York, filed on August 6, 2025 with the Department
O	Department, Order No. 202-25-3 (May 23, 2025)
P	Department, Order 202-25-4 (May 30, 2025)
Q	Department, Order No. 202-25-11 (Dec. 16, 2025)
R	Department, Order No. 202-25-13 (Dec. 23, 2025)
S	Department, Order No. 202-25-12 (Dec. 23, 2025)
T	Congressional Research Service, <i>Federal Power Act: The Department of Energy's Emergency Authority</i> (June 12, 2025)
U	Department, Order 202-25-9 (Nov. 18, 2025)
V	Department, Order No. 202-25-8 (Aug. 28, 2025)
W	CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Lisa K. Tiffin, Rev. 1, filed on May 15, 2024, in Proceeding No. 23A-0585E
X	CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Lisa K. Tiffin, Rev. 1, filed on May 15, 2024, in Proceeding No. 23A-0585E, Attachment LKT-1 (Tri-State, 2023 ERP Phase I, Rev. 2 (Apr. 22, 2024)

Y	CoPUC, <i>Verified Petition of Trial Staff of the Commission, CEO, UCA, and Public Service for a Variance from Decision No. C18-0761 and Any Other Requirements, Request for Shortened Notice and Intervention Period, and Request for Approval of Associated Procedures</i> , filed on November 10, 2025, in Proceeding No. 25V-0480E
Z	CoPUC, Tri-State, <i>2025 Annual Progress Report</i> , filed on December 1, 2025, in Proceeding No. 23A-0585E
AA	CoPUC, Decision No. R24-0602, issued on August 22, 2024, in Proceeding No. 23A-0585E
BB	CoPUC, Decision No. C25-0892, issued on December 10, 2020, in Proceeding No. 25V-0480E
CC	CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Lisa K. Tiffin, Rev. 1, filed on May 15, 2024, in Proceeding No. 23A-0585E, Attachment LKT-1-Attachment F (<i>Electric Energy and Demand Forecast</i> , Public)
DD	CoPUC, Hrg. Ex. 103, Direct Testimony and Attachments of Brian L. Thompson, Rev. 1, filed on May 24, 2024, in Proceeding No. 23A-0585E
EE	PRPA, <i>2024 Integrated Resource Plan</i> (Apr. 2023)
FF	PRPA, <i>Craig Units 1&2 (Yampa Project)</i> (2026)
GG	PacifiCorp, <i>Utah Integrated Resource Plan Volume I</i> (Mar. 31, 2025)
HH	SPP, <i>SPP Reliability Plan</i> (Jun 2, 2025)
II	NERC, <i>Emergency Operations</i>
JJ	CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Brad Nebergall, filed on December 1, 2020, in Proceeding No. 20A-0528E, Proceeding 20A-0528E
KK	Division, <i>Operating Permit No. 96OPMF155</i> (July 1, 2021)
LL	Division, <i>Technical Review Document for Operating Permit 96OPMF155</i> (Jan. 2005)
MM	Tri-State, <i>General APEN- Form APCD-200</i> (Apr. 21, 2025)
NN	Division, <i>Colorado Visibility and Regional Haze SIP for the Twelve Mandatory Class I Federal Areas in Colorado</i> (Dec. 15, 2016)
OO	CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Lisa K. Tiffin, Rev. 1, filed on May 15, 2024, in Proceeding No. 23A-0585E, Attachment LKT-1 – Attachment G-1 (Astrape Consulting, <i>Reserve Margin and Effective Load Carrying Capability (ELCC) Study</i> , Public (Aug. 2, 2023)
PP	Department, Order No. 202-25-10 (Nov. 25, 2025)
QQ	Tri-State, <i>U.S. DOE Orders TriState to Keep Craig Generating Station Unit Operating for Next 90 Days</i> (Dec. 31, 2025)
RR	Powell, R., <i>1 coal plant open amid order</i> (Jan. 6, 2026)
SS	Behr, P., <i>PJM to ratchet down projected AI power demand for eastern US</i> (Jan. 6, 2026)

UNITED STATES OF AMERICA
BEFORE THE
UNITED STATES DEPARTMENT OF ENERGY

Federal Power Act Section 202(c)	)	Order No. 202-26-31
Emergency Order: Craig Unit 1	)	
	)	
	)	

The State Of Colorado's Request for Rehearing,
Motion To Intervene, And Stay Request

Exhibit DDD: Letter from Jerome H. Sturhahn, Senior Vice President of Tri-State, to
Shannon McMillian, Compliance and Enforcement Program Manager, CDPHE
(Jan. 26, 2026)



January 26, 2026

Submitted via email: cdphe_apcd_compliancetesting@state.co.us

Ms. Shannon McMillan
Compliance and Enforcement Program Manager
Colorado Department of Public Health and Environment
APCD-SS-B1
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530

Re: Tri-State Generation and Transmission Association, Inc.
Craig Station Quarterly Mercury Reports: Fourth Quarter 2025

Dear Ms. McMillan:

Tri-State Generation and Transmission Association, Inc. (Tri-State) submits the enclosed low emitter mercury reports for Craig Station for the fourth quarter of 2025, in accordance with Colorado Regulation 6, Part B.

During the reporting quarter, Craig Unit 3 operated very few hours in contrast to historical unit operations. As a result, the reported monitor downtime percentage for the sorbent trap system is high.

Based on information and belief formed after reasonable inquiry, I certify that the statements and information in the attached report is true, accurate and complete.

If you have any questions regarding these reports, please contact Marc Mayzes or me at 303-452-6111.

Sincerely,

Signed by:

AFDDE2F9ABE741B...
Jerome H. Sturhahn
Senior Vice President,
General Counsel

JHS:MCM:BC

Enclosures

Files: G31-11.3(1)d-2e



January 26, 2026

Page 2

G32-11.3(1)d-2e

G33-11.3(1)d-2e

Low Emitter Quarterly Mercury Report Craig Unit 1 Fourth Quarter 2025		
Hg Emitted in Quarter	2.03	Pounds
Hg Emitted Annually (end of calendar year)	9.59	Pounds
Quarterly Unit Operating Time	1,736.20	Hours
Quarterly Total Monitoring System Downtime	77	Hours
Quarterly Monitoring System Downtime	4.43%	%
Hg Monitoring Method Used (CEMS, Sorbent Trap, Performance Testing)	CEMS	
If CEMS or Sorbent Trap: Manufacturer, Model and Serial Number	Tekran Series 3300 Serial Number 6082	
If Sorbent Trap Analyzed Off-Site: Lab Used	NA	
Date of Last Relative Accuracy Test Audit (RATA) and Entity Performing Test	RATA conducted June 16, 2025 by Montrose Environmental	
Date of Last Linearity Test	October 9, 2025	
Were there any QA/QC activities that differed from the monitoring plan used in the last quarter? If yes, please briefly describe. ¹	NO	
Have there been any changes to the Mercury Monitoring Plan and/or QA/QC Plan since the last quarterly report? If yes, please briefly describe.	NO	

¹ Low Emitters are not required to have mercury monitoring plans or QA/QC plans. This information need only be provided in the event a Low Emitter chooses to use Hg CEMs. In such event, monitoring plan requirements are contained in both Regulation 6, Part B and 40 C.F.R. Part 75.

Downtime Events

Plant: CRAIG

Report Period: 10/01/2025 00:00 Through 12/31/2025 23:59

Time Online Criteria: 1 minute(s)

Source: UNIT1

Parameter: HGT

Interval: 001H

Event ID	Date/Time	Reason Code - Description
1	10/07/25 05:00	73 - 1d-Not enough data for valid hour
2	10/08/25 08:00	43 - 1d-Routine or scheduled maintenance
3	10/08/25 09:00	43 - 1d-Routine or scheduled maintenance
4	10/08/25 10:00	43 - 1d-Routine or scheduled maintenance
5	10/08/25 11:00	43 - 1d-Routine or scheduled maintenance
6	10/08/25 12:00	43 - 1d-Routine or scheduled maintenance
7	10/14/25 05:00	73 - 1d-Not enough data for valid hour
8	10/16/25 09:00	73 - 1d-Not enough data for valid hour
9	10/21/25 05:00	73 - 1d-Not enough data for valid hour
10	10/28/25 05:00	73 - 1d-Not enough data for valid hour
11	11/04/25 04:00	69 - 1d-Previous integrity check expired
12	11/04/25 05:00	69 - 1d-Previous integrity check expired
13	11/04/25 06:00	69 - 1d-Previous integrity check expired
14	11/04/25 07:00	69 - 1d-Previous integrity check expired
15	11/04/25 08:00	69 - 1d-Previous integrity check expired
16	11/04/25 09:00	69 - 1d-Previous integrity check expired
17	11/04/25 10:00	69 - 1d-Previous integrity check expired
18	11/04/25 11:00	69 - 1d-Previous integrity check expired
19	11/04/25 12:00	69 - 1d-Previous integrity check expired
20	11/04/25 13:00	69 - 1d-Previous integrity check expired
21	11/04/25 14:00	69 - 1d-Previous integrity check expired
22	11/04/25 15:00	69 - 1d-Previous integrity check expired
23	11/04/25 16:00	69 - 1d-Previous integrity check expired
24	11/04/25 17:00	69 - 1d-Previous integrity check expired
25	11/04/25 18:00	69 - 1d-Previous integrity check expired
26	11/04/25 19:00	69 - 1d-Previous integrity check expired
27	11/04/25 20:00	69 - 1d-Previous integrity check expired
28	11/11/25 05:00	37 - 1c-Quality assurance check
29	11/18/25 05:00	37 - 1c-Quality assurance check
30	11/18/25 11:00	27 - 1b-Monitor component malfunction
31	11/18/25 12:00	27 - 1b-Monitor component malfunction
32	11/18/25 14:00	27 - 1b-Monitor component malfunction
33	11/18/25 15:00	27 - 1b-Monitor component malfunction
34	11/18/25 16:00	27 - 1b-Monitor component malfunction
35	11/18/25 17:00	27 - 1b-Monitor component malfunction
36	11/18/25 18:00	27 - 1b-Monitor component malfunction
37	11/18/25 19:00	27 - 1b-Monitor component malfunction
38	11/18/25 20:00	27 - 1b-Monitor component malfunction
39	11/18/25 21:00	27 - 1b-Monitor component malfunction
40	11/18/25 22:00	27 - 1b-Monitor component malfunction
41	11/18/25 23:00	27 - 1b-Monitor component malfunction
42	11/19/25 00:00	27 - 1b-Monitor component malfunction
43	11/19/25 01:00	27 - 1b-Monitor component malfunction

Downtime Events

Plant: CRAIG

Report Period: 10/01/2025 00:00 Through 12/31/2025 23:59

Time Online Criteria: 1 minute(s)

Source: UNIT1

Parameter: HGT

Interval: 001H

Event ID	Date/Time	Reason Code - Description
44	11/19/25 02:00	27 - 1b-Monitor component malfunction
45	11/19/25 03:00	27 - 1b-Monitor component malfunction
46	11/19/25 04:00	27 - 1b-Monitor component malfunction
47	11/19/25 05:00	27 - 1b-Monitor component malfunction
48	11/19/25 10:00	27 - 1b-Monitor component malfunction
49	11/19/25 11:00	27 - 1b-Monitor component malfunction
50	11/19/25 12:00	27 - 1b-Monitor component malfunction
51	11/25/25 05:00	37 - 1c-Quality assurance check
52	12/01/25 05:00	47 - 1b-Sampling system problem
53	12/01/25 06:00	47 - 1b-Sampling system problem
54	12/01/25 07:00	47 - 1b-Sampling system problem
55	12/01/25 08:00	47 - 1b-Sampling system problem
56	12/01/25 09:00	47 - 1b-Sampling system problem
57	12/01/25 10:00	47 - 1b-Sampling system problem
58	12/01/25 11:00	47 - 1b-Sampling system problem
59	12/01/25 12:00	47 - 1b-Sampling system problem
60	12/01/25 13:00	47 - 1b-Sampling system problem
61	12/02/25 05:00	37 - 1c-Quality assurance check
62	12/04/25 05:00	47 - 1b-Sampling system problem
63	12/04/25 06:00	47 - 1b-Sampling system problem
64	12/04/25 07:00	47 - 1b-Sampling system problem
65	12/10/25 10:00	27 - 1b-Monitor component malfunction
66	12/10/25 11:00	27 - 1b-Monitor component malfunction
67	12/10/25 12:00	27 - 1b-Monitor component malfunction
68	12/10/25 13:00	27 - 1b-Monitor component malfunction
69	12/10/25 14:00	27 - 1b-Monitor component malfunction
70	12/10/25 15:00	27 - 1b-Monitor component malfunction
71	12/10/25 16:00	27 - 1b-Monitor component malfunction
72	12/10/25 17:00	27 - 1b-Monitor component malfunction
73	12/10/25 18:00	27 - 1b-Monitor component malfunction
74	12/10/25 19:00	27 - 1b-Monitor component malfunction
75	12/10/25 20:00	27 - 1b-Monitor component malfunction
76	12/16/25 05:00	73 - 1d-Not enough data for valid hour
77	12/17/25 11:00	73 - 1d-Not enough data for valid hour

Number of Events: 77

Low Emitter Quarterly Mercury Report Craig Unit 2 Fourth Quarter 2025		
Hg Emitted in Quarter	3.04	Pounds
Hg Emitted Annually (end of calendar year)	10.78	Pounds
Quarterly Unit Operating Time	2,207.27	Hours
Quarterly Total Monitoring System Downtime	22	Hours
Quarterly Monitoring System Downtime	1.00 %	%
Hg Monitoring Method Used (CEMS, Sorbent Trap, Performance Testing)	CEMS	
If CEMS or Sorbent Trap: Manufacturer, Model and Serial Number	Tekran Series 3300 Serial Number 6083	
If Sorbent Trap Analyzed Off-Site: Lab Used	NA	
Date of Last Relative Accuracy Test Audit (RATA) and Entity Performing Test	RATA conducted June 17, 2024 by Montrose Environmental	
Date of Last Linearity Test	October 8, 2025	
Were there any QA/QC activities that differed from the monitoring plan used in the last quarter? If yes, please briefly describe. ¹	NO	
Have there been any changes to the Mercury Monitoring Plan and/or QA/QC Plan since the last quarterly report? If yes, please briefly describe.	NO	

Downtime Events

Plant: CRAIG

Report Period: 10/01/2025 00:00 Through 12/31/2025 23:59

Time Online Criteria: 1 minute(s)

Source: UNIT2

Parameter: HGT

Interval: 001H

Event ID	Date/Time	Reason Code - Description
1	10/07/25 04:00	26 - 1d - Recovery following calibration
2	10/07/25 08:00	43 - 1d-Routine or scheduled maintenance
3	10/07/25 09:00	43 - 1d-Routine or scheduled maintenance
4	10/07/25 10:00	26 - 1d - Recovery following calibration
5	10/07/25 12:00	43 - 1d-Routine or scheduled maintenance
6	10/07/25 13:00	43 - 1d-Routine or scheduled maintenance
7	10/14/25 04:00	26 - 1d - Recovery following calibration
8	10/21/25 04:00	26 - 1d - Recovery following calibration
9	10/21/25 05:00	26 - 1d - Recovery following calibration
10	10/21/25 06:00	26 - 1d - Recovery following calibration
11	10/28/25 03:00	69 - 1d-Previous integrity check expired
12	10/28/25 04:00	69 - 1d-Previous integrity check expired
13	10/28/25 05:00	69 - 1d-Previous integrity check expired
14	10/28/25 06:00	69 - 1d-Previous integrity check expired
15	11/04/25 05:00	26 - 1d - Recovery following calibration
16	11/11/25 05:00	26 - 1d - Recovery following calibration
17	11/18/25 05:00	26 - 1d - Recovery following calibration
18	11/25/25 05:00	26 - 1d - Recovery following calibration
19	12/02/25 05:00	26 - 1d - Recovery following calibration
20	12/16/25 05:00	26 - 1d - Recovery following calibration
21	12/23/25 05:00	26 - 1d - Recovery following calibration
22	12/30/25 05:00	26 - 1d - Recovery following calibration

Number of Events: 22

Low Emitter Quarterly Mercury Report Craig Unit 3 Fourth Quarter 2025		
Hg Emitted in Quarter	0.01	Pounds
Hg Emitted Annually (end of calendar year)	2.34	Pounds
Quarterly Unit Operating Time	51.33	Hours
Quarterly Total Monitoring System Downtime	22	Hours
Quarterly Monitoring System Downtime	42.86 %	%
Hg Monitoring Method Used (CEMS, Sorbent Trap, Performance Testing)	Sorbent Traps	
If CEMS or Sorbent Trap: Manufacturer, Model and Serial Number	Environmental Supply Model Hg-324K Serial Numbers 1036 & 1043	
If Sorbent Trap Analyzed Off-Site: Lab Used	Ohio Lumex	
Date of Last Relative Accuracy Test Audit (RATA) and Entity Performing Test	RATA's conducted June 20, 2025 on console #1036 and June 19, 2025 on console #1043 by Montrose Environmental	
Were there any QA/QC activities that differed from the monitoring plan used in the last quarter? If yes, please briefly describe. ¹	NO	
Have there been any changes to the Mercury Monitoring Plan and/or QA/QC Plan since the last quarterly report? If yes, please briefly describe.	NO	

Downtime Events

Plant: CRAIG

Report Period: 10/01/2025 00:00 Through 12/31/2025 23:59

Time Online Criteria: 1 minute(s)

Source: UNIT3
 Parameter: HG#/GWHR
 Interval: 001H

Event ID	Date/Time	Reason Code - Description
1	11/25/25 13:00	19 - 1d - Missing non mercury component for calculation
2	11/25/25 14:00	19 - 1d - Missing non mercury component for calculation
3	11/25/25 15:00	19 - 1d - Missing non mercury component for calculation
4	11/25/25 16:00	19 - 1d - Missing non mercury component for calculation
5	11/25/25 17:00	19 - 1d - Missing non mercury component for calculation
6	11/25/25 18:00	19 - 1d - Missing non mercury component for calculation
7	11/25/25 19:00	19 - 1d - Missing non mercury component for calculation
8	11/25/25 20:00	19 - 1d - Missing non mercury component for calculation
9	11/25/25 21:00	19 - 1d - Missing non mercury component for calculation
10	11/25/25 22:00	19 - 1d - Missing non mercury component for calculation
11	12/30/25 04:00	19 - 1d - Missing non mercury component for calculation
12	12/30/25 05:00	19 - 1d - Missing non mercury component for calculation
13	12/30/25 06:00	19 - 1d - Missing non mercury component for calculation
14	12/30/25 07:00	19 - 1d - Missing non mercury component for calculation
15	12/30/25 08:00	19 - 1d - Missing non mercury component for calculation
16	12/30/25 09:00	19 - 1d - Missing non mercury component for calculation
17	12/30/25 10:00	19 - 1d - Missing non mercury component for calculation
18	12/30/25 19:00	19 - 1d - Missing non mercury component for calculation
19	12/31/25 01:00	19 - 1d - Missing non mercury component for calculation
20	12/31/25 03:00	19 - 1d - Missing non mercury component for calculation
21	12/31/25 04:00	19 - 1d - Missing non mercury component for calculation
22	12/31/25 19:00	19 - 1d - Missing non mercury component for calculation

Number of Events: 22

UNITED STATES OF AMERICA
BEFORE THE
UNITED STATES DEPARTMENT OF ENERGY

Federal Power Act Section 202(c)	)	
Emergency Order: Craig Unit 1	)	Order No. 202-26-31
	)	
	)	

The State Of Colorado's Request for Rehearing,
Motion To Intervene, And Stay Request

Exhibit EEE: CoPUC, Tri-State, Notice Regarding Phase II Developments,
filed on March 17, 2026, in Proceeding No. 23A-0585E

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO**

IN THE MATTER OF THE APPLICATION)
OF TRI-STATE GENERATION AND)
TRANSMISSION ASSOCIATION, INC.) PROCEEDING NO. 23A-0585E
FOR APPROVAL OF ITS 2023)
ELECTRIC RESOURCE PLAN)
)

TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC.'S NOTICE REGARDING PHASE II DEVELOPMENTS

Tri-State Generation and Transmission Association, Inc. (“Tri-State”), through its undersigned legal counsel, respectfully submits this notice pertaining to certain developments related to its 2023 Electric Resource Plan. In particular, Tri-State is providing updates on:

1. Acquisition of resources in connection with the Commission’s Phase II Decision; and
2. The status of the federal funding Tri-State requested from the United States Department of Agriculture’s (“USDA”) under the Empowering Rural America (“New ERA”) program.

I. BACKGROUND

1. On December 1, 2023, Tri-State filed Phase I of its 2023 Electric Resource Plan (“ERP”) in Proceeding No. 23A-0585E. The Phase I issues were resolved by an Unopposed Comprehensive Settlement Agreement (“Phase I Settlement”) among all parties, which was approved in Decision No. R24-0602 filed on August 22, 2024.

2. Among other provisions, the Phase I Settlement¹ confirmed the planned retirement dates for Tri-State's remaining coal units, including Craig Unit 3 (January 1, 2028) and Springerville Unit 3 ("SPV 3") (September 15, 2031), as reasonable. The Phase I Settlement acknowledged that SPV 3's 2031 retirement was contingent upon Tri-State securing funding as requested under the federal New ERA program and negotiating the resolution of contractual agreements impacted by the unit's retirement.²

3. Tri-State conducted competitive solicitations for new resources pursuant to the approved Phase I plan. On April 11, 2025, Tri-State filed its Phase II ERP Implementation Report, presenting several modeled portfolios and identifying a preferred portfolio (designated "Portfolio 4 – FLEX Shafer Replacement" or "FLEXSR") of ten selected bids for Commission approval. The preferred portfolio consisted of approximately 700 MW of new wind and solar generation, 650 MW of battery storage, and 307 MW of gas-fired generation to be acquired between 2026 and 2031.

4. In its Phase II Decision,³ the Commission approved Tri-State's preferred portfolio (FLEXSR) as the approved cost-effective resource plan.

II. UPDATE ON NEW RESOURCE ACQUISITION

5. Tri-State has made substantial progress toward implementing the Phase II resource acquisitions. Tri-State provided an update on Phase II resource acquisitions in its December 1, 2025 Annual Progress Report. To date, Tri-State has executed contracts for 200 MW of wind generation, 100 MW of solar generation, and 550 MW of battery

¹ Appendix A to Decision No. R24-0602 (Aug. 22, 2024).

² The Settlement Agreement states that "[t]he Settling Parties agree that the Commission should approve a Springerville 3 retirement date of September 15, 2031 **subject to New ERA funding award as requested** from USDA and **successful Tri-State negotiation of contractual agreements impacted by the unit's retirement.**"

³ Decision No. C25-0612 (Aug. 26, 2025) (as modified in part on rehearing in Decision No. C25-0740 (Oct. 9, 2025)).

storage from the preferred portfolio bid selections. In particular, Tri-State has executed contracts for the following projects:

- High Country Energy Station 2 (Montrose County, CO), 50 MW, Q2 2027 COD;
- Oso Negro Energy Storage (Bernalillo County, NM), 100 MW, Q2 2028 COD;
- Morel Energy Storage (Moffat County, CO), 200 MW, Q1-2030 COD;
- Carousel Surplus Energy Storage (Kit Carson County, CO), 150 MW, Q4 2027 COD;
- Arriba Wind (Lincoln County, CO), 200 MW, Q1 2029 COD; and
- Alamogordo Solar and Storage (Otero County, NM), 100 MW Solar and 50 MW Storage, Q2 2028 COD.

6. These contracted projects, which are drawn from the Phase II preferred bids, represent the majority of the storage capacity and a portion of the wind capacity in the approved portfolio.

7. Tri-State is continuing its procurement efforts for some, but not all, remaining approved resources. In particular, Tri-State is not anticipating execution of contracts for certain originally selected bids and is instead evaluating alternative options for these needs. The following projects are not anticipated to be brought under contract due to the developers not posting bid security and facing pricing and feasibility issues:

- WI-0013-2-WYO-WNE (Wyoming), 200 MW Wind, Q1 2030 COD; and
- GG-0006-2-WCO (Moffat County, CO), 307 MW Gas, Q3 2028 COD.

8. Tri-State is delaying pursuit of back-up bids for these resources until further certainty regarding New ERA program funding is attained, as discussed below.

9. Tri-State is continuing to pursue the remaining solar and storage bids that were selected in its preferred portfolio. The Carousel Surplus Energy Storage project was increased in size from the original bid, by 50 MW, and the remaining storage bid may also have potential to increase in size from the original bid, by 50 MW. These changes help to narrow the gap on remaining project procurements from the 2023 ERP Phase II process.

10. Tri-State will be filing an updated load and resources table in Proceeding No. 26M-0028E to reflect the developments described in this Notice pursuant to §40-43-104(1)(a), C.R.S., as required, by April 1, 2026.

III. UPDATE REGARDING FEDERAL FUNDING

11. As described in previous filings, Tri-State pursued federal support for certain ERP-related activities under the USDA New ERA program to assist rural electric cooperatives in financing clean energy investments.

12. Tri-State's New ERA application was selected for an award. Tri-State executed commitment letters with the USDA for the New ERA award in late 2024 and early 2025 and began preliminary planning to utilize the funds.

13. On January 27, 2025, the incoming administration issued a directive halting the implementation of certain programs, including New ERA grants, pending further review. USDA subsequently released the funding on March 25, 2025,⁴ however, as of the date of this Notice, Tri-State has not obtained certainty regarding the timing of release of its award funds.

⁴ See USDA Press Release No. 0061-25 (March 25, 2025), available at <https://www.usda.gov/about-usda/news/press-releases/2025/03/25/usda-delivers-rural-energy-commitments-provides-path-applicants-support-us-energy-independence>.

14. Tri-State will file an update on the status of 2023 ERP Phase II procurements and New ERA funding no later than June 30, 2026, within this proceeding.

Dated this 17th day of March, 2026.

WOMBLE BOND DICKINSON (US) LLP

/s/ Dietrich C. Hoefner

Dietrich C. Hoefner, #46304

Claire Tate, #62231

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**Attorneys for Tri-State Generation and
Transmission Association, Inc**

UNITED STATES OF AMERICA
BEFORE THE
UNITED STATES DEPARTMENT OF ENERGY

Federal Power Act Section 202(c)
Emergency Order: Craig Unit 1

)
)
)
)

Order No. 202-26-31

The State Of Colorado's Request for Rehearing,
Motion To Intervene, And Stay Request

Exhibit FFF: SPP, Current Grid Conditions (Apr. 7, 2026)

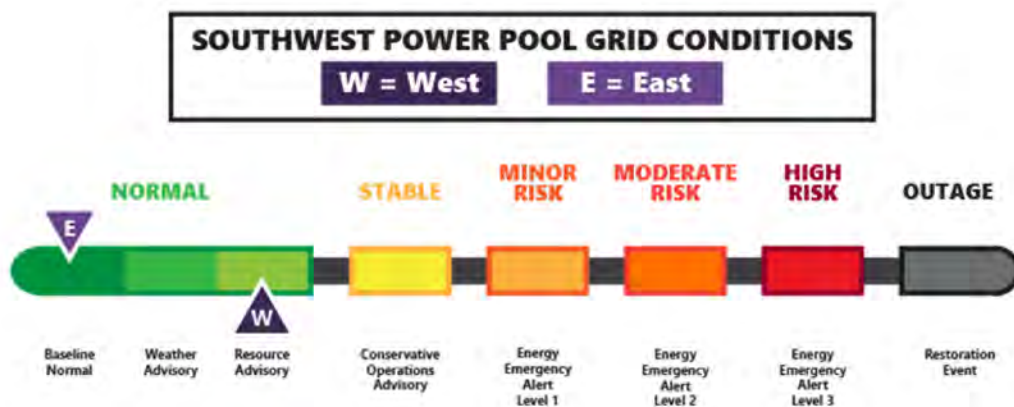


CURRENT GRID CONDITIONS

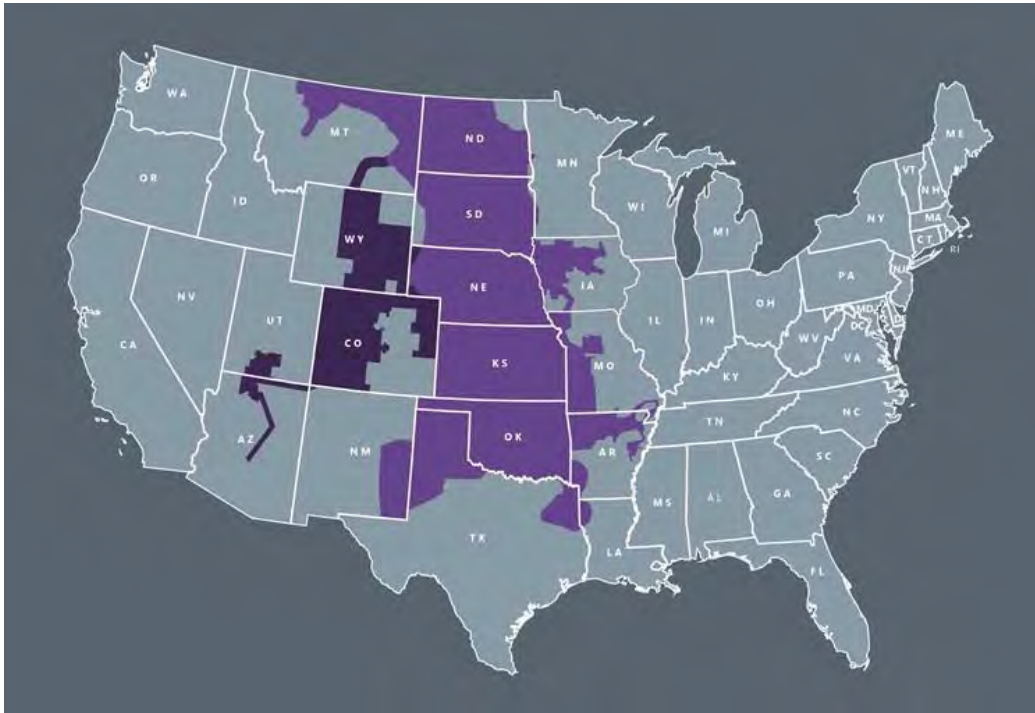
Updated Tuesday, April 7, 2026, at 12:55 p.m. CT

SPP is issuing a Resource Advisory for the West Balancing Authority (BA) area, effective Wednesday, April 8, 12:00 a.m. CT until an anticipated end time of Monday, April 13, at 12:00 a.m. CT. Resource Advisories are still considered Normal Operating Conditions, and do not require the public to conserve energy or take any action, but are issued to raise awareness of potential threats to reliability among entities responsible for operating transmission and generation facilities.

SPP's East BA area remains under normal operating conditions. Find a map of SPP's East and West BA areas below.



- This Resource Advisory in SPP's West BA area is being declared due to load uncertainty, increased potential for low output from wind and other variable energy resources (*also known as low VER forecast) leading into peak hours, and potential for resource outages.
- Individuals should contact their local utility for details specific to their area.
- Generation and transmission operators have been provided instructions on applicable procedures, including reporting any limitations, fuel shortages or concerns.
- To mitigate risks to reliability associated with these factors, SPP may use greater unit commitment notification timeframes, including making commitments before standard day-ahead market procedures and/or committing resources in reliability status.
- SPP will send additional information if necessary.



Descriptions of common reliability events are provided below in increasing order of severity:

Advisories raise awareness and do not require general audiences to take action. SPP member utilities should follow applicable procedures. Energy Emergency Alerts indicate all available generation has been committed to meet region-wide demand. As conditions worsen, voluntary conservation or service interruptions may be necessary to prevent uncontrolled outages.

Normal Operations: SPP has enough generation to meet demand and available reserves, and it foresees no extreme or abnormal threats to reliability.

Weather Advisory: Declared when extreme weather is expected in SPP's reliability coordination service territory.

Resource Advisory: Declared when severe weather conditions, significant outages, wind-forecast uncertainty and/or load-forecast uncertainty are expected in SPP's balancing authority area.

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Energy Emergency Alert Level 2: Declared when SPP can no longer provide expected energy requirements, or when SPP foresees or has implemented procedures up to, but excluding, service interruptions to maintain regional reliability.

Energy Emergency Alert Level 3: At this level, SPP is utilizing operating reserves such that it is carrying reserves below the required minimum and has initiated assistance through its Reserve Sharing Group. SPP foresees or has implemented firm load obligation interruption. Before requesting an EEA 3, SPP will have already provided the appropriate internal notifications to its Market Participants.

Restoration Event: Defined as a major or catastrophic grid outage which could be a total or partial regional blackout, island situation or system separation.

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UNITED STATES OF AMERICA
BEFORE THE
UNITED STATES DEPARTMENT OF ENERGY

Federal Power Act Section 202(c)
Emergency Order: Craig Unit 1

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Order No. 202-26-31

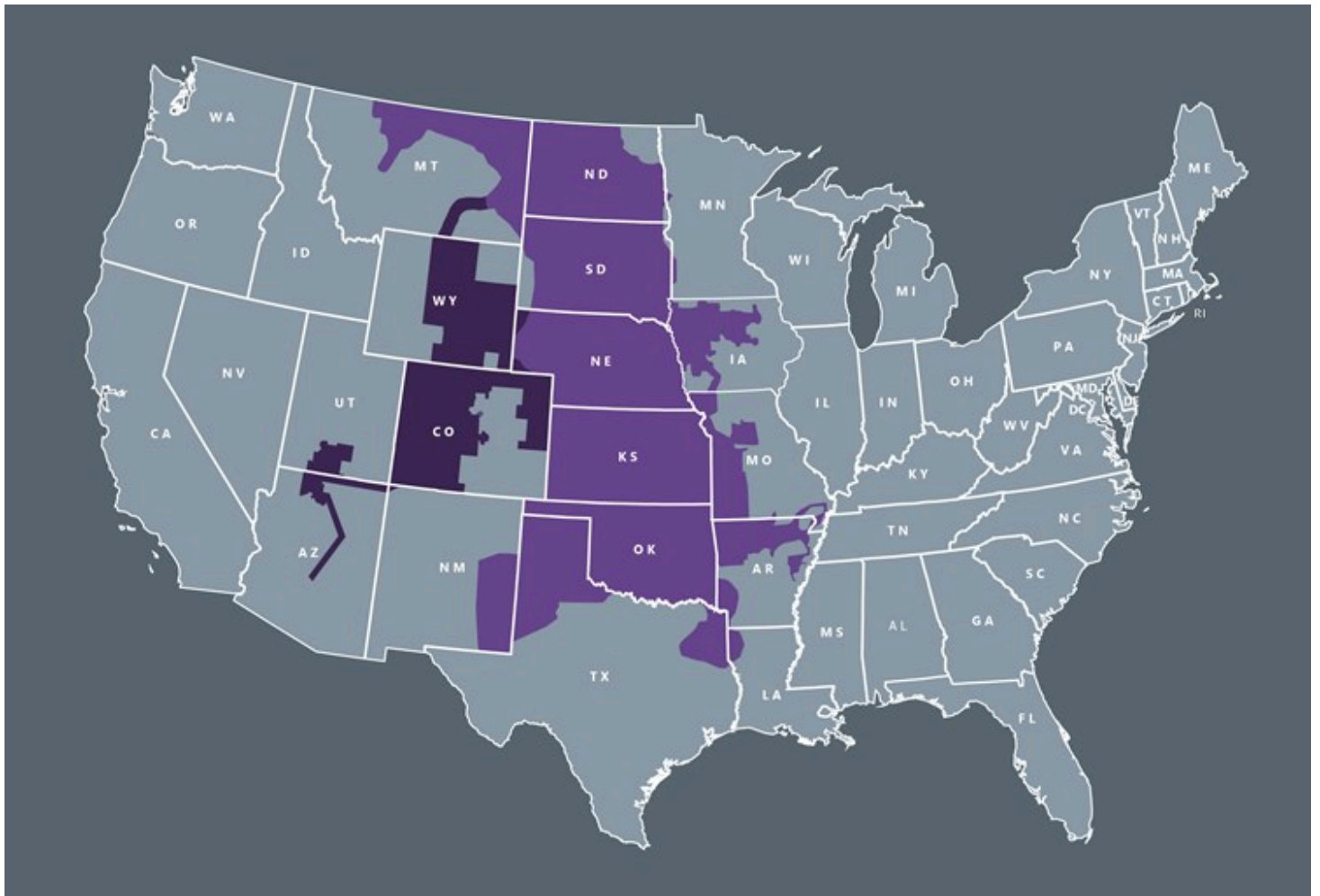
The State Of Colorado's Request for Rehearing,
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Exhibit GGG: SPP, Current Grid Conditions (Apr. 20, 2026)



CURRENT GRID CONDITIONS

The entire SPP footprint in the East and West Balancing Authority (BA) areas is currently operating under normal grid conditions.



Updated as of Monday, April 20, 2026

*SPP is extending the Resource Advisory for the West Balancing Authority (BA) area through an anticipated end time of Friday, April 24, at 5:00 p.m. CT. **Resource Advisories are still considered normal operating conditions, and do not require the public to conserve energy or take any action, but are issued to raise awareness of potential threats to reliability among entities responsible for operating transmission and generation facilities.***

- This Resource Advisory in SPP's West BA area is being extended due to load uncertainty, increased potential for low output from wind and other variable energy resources (*also known as low VER forecast) leading into peak hours, and potential for resource outages.
 - Individuals should contact their local utility for details specific to their area.
 - Generation and transmission operators have been provided instructions on applicable procedures, including reporting any limitations, fuel shortages or concerns.
 - To mitigate risks to reliability associated with these factors, SPP may use greater unit commitment notification timeframes, including making commitments before standard day-ahead market procedures and/or committing resources in reliability status.
 - SPP will send additional information if necessary.
 - This Resource Advisory for SPP's West Balancing Authority (BA) went into effect Wednesday, April 15, at 5:00 a.m. CT.
-

Updated as of Tuesday, April 14, 2026

SPP has issued a Resource Advisory for the West Balancing Authority (BA) area, effective Wednesday, April 15, as of 5:00 a.m. CT until an anticipated end time of Tuesday, April 21, at 12:00 a.m. CT. Resource Advisories are still considered normal operating conditions, and do not require the public to conserve energy or take any action, but are issued to raise awareness of potential threats to reliability among entities responsible for operating transmission and generation facilities.

- This Resource Advisory in SPP's West BA area is being declared due to load uncertainty, increased potential for low output from wind and other variable energy resources (*also known as low VER forecast) leading into peak hours, and potential for resource outages.
- Individuals should contact their local utility for details specific to their area.
- Generation and transmission operators have been provided instructions on applicable procedures, including reporting any limitations, fuel shortages or concerns.
- To mitigate risks to reliability associated with these factors, SPP may use greater unit commitment notification timeframes, including making commitments before standard day-ahead market procedures and/or committing resources in reliability status.
- SPP will send additional information if necessary.

Updated as of Tuesday, April 7, 2026

SPP is issuing a Resource Advisory for the West Balancing Authority (BA) area, effective Wednesday, April 8, 12:00 a.m. CT until an anticipated end time of Monday, April 13, at 12:00 a.m. CT. Resource Advisories are still considered Normal Operating Conditions, and do not require the public to conserve energy or take any action, but are issued to raise awareness of potential threats to reliability among entities responsible for operating transmission and generation facilities.

- This Resource Advisory in SPP's West BA area is being declared due to load uncertainty, increased potential for low output from wind and other variable energy resources (*also known as low VER forecast) leading into peak hours, and potential for resource outages.
- Individuals should contact their local utility for details specific to their area.
- Generation and transmission operators have been provided instructions on applicable procedures, including reporting any limitations, fuel shortages or concerns.
- To mitigate risks to reliability associated with these factors, SPP may use greater unit commitment notification timeframes, including making commitments before standard day-ahead market procedures and/or committing resources in reliability status.
- SPP will send additional information if necessary.

Descriptions of common reliability events are provided below in increasing order of severity:

Advisories raise awareness and do not require general audiences to take action. SPP member utilities should follow applicable procedures. Energy Emergency Alerts indicate all available generation has been committed to meet region-wide demand. As conditions worsen, voluntary conservation or service interruptions may be necessary to prevent uncontrolled outages.

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UNITED STATES OF AMERICA
BEFORE THE
UNITED STATES DEPARTMENT OF ENERGY

Federal Power Act Section 202(c)
Emergency Order: Craig Unit 1

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Order No. 202-26-31

The State Of Colorado's Request for Rehearing,
Motion To Intervene, And Stay Request

Exhibit HHH: Cook, A., NERC to OMS: Long-term Assessment not a Predictor of Risk
(Feb. 10, 2026)

This is your first of five complimentary articles.

NERC to OMS: Long-term Assessment not a Predictor of Risk



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A rendering of Invenergy's proposed 1.2-GW simple-cycle gas plant in Kenosha County, Wis. The project is in MISO's interconnection fast track. | *Invenergy*

NERC (<https://www.rtoinsider.com/category/ero/ero-nerc-committees/>) officials appeared before the April 27, 2026 Organization of MISO (<https://www.rtoinsider.com/category/rto/rto-miso/>) States board meeting in an attempt to quell regulators' discontent with MISO's "high-risk" label in the 2025 Long-Term Reliability Assessment.

"I think we understand your concerns," said NERC CEO James Robb, who referred to "anxiety" around the exclusion of MISO's interconnection queue fast track in the LTRA. He said the LTRA "is not a prediction in any way."

"It's a risk assessment," he told regulatory staff members at a Feb. 9 Organization of MISO States board meeting.

NERC found (https://www.nerc.com/globalassets/our-work/assessments/nerc_ltra_2025.pdf) that by winter 2028/29, MISO would struggle with reliability under normal conditions.

Some state regulators bristled at the designation and criticized the assessment for not including MISO's expedited generator interconnection process and the projects in it.

Regulators also said NERC's conclusion essentially ignores that most MISO states must plan resources in accordance with state law and that MISO measures its reserve margins differently from in NERC assumptions. (See *MISO States Dispute 'High Risk' Designation from NERC* (<https://www.rtoinsider.com/125208-miso-states-dispute-high-risk-designation-from-nerc/>).)

Robb said this year's findings in the LTRA are a product of load growing faster than resources can be added or steadily dropping resource inventories. He said NERC is seeing "more and more" regions move into elevated reliability risk. "It's been growing and growing in severity," Robb said.

But over the years, he said, areas designated as "normal" in the LTRA have experienced emergency shortages while areas labeled "high risk" have pulled through difficult episodes.

Robb said the emergence of winter-peaking circumstances in the LTRA is due to an increasing deployment of solar generation suppressing the summer peak.

"Solar's a hell of a resource. It doesn't do a lot for you in winter," he said.

He also said NERC has in recent years found more limits overall with generators and resources that have become especially susceptible in winter.

John Moura, NERC director of reliability assessment and system analysis, explained the data collection deadline that left off generation proposals in MISO's interconnection queue fast lane. He said NERC must cut data collection off in summer to release the assessment. The deadline helps NERC understand which

The Takeaway

NERC told MISO state regulators that its Long-Term Reliability Assessment isn't a predictor of what's to come, though it's often construed that way.

resources are firm and deliverable by transmission, Moura said.

Moura said time and again, NERC sees the most certain, “Tier 1” generation projects fail to meet stated in-
service dates. April 27, 2026
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“So, expecting 20 GW and getting 10 GW. We really are seeing half the resources come in on time,” Moura said. “It’s not an indictment; it’s not a prediction. We are trying to showcase the risk ... to stimulate the action needed.”

Moura said the industry is learning that the “individual, isolated planning that got us a long way is breaking down a bit.” He said neighboring regions need to understand one another’s systems more. NERC strives to provide a “bedrock,” he said, by using consistent assumptions.

Wisconsin Public Service Commissioner Marcus Hawkins cautioned NERC officials about assuming all new load at speed is gospel. He pointed out that the utilities reporting load additions stand to benefit from the boosted demand. He told NERC to be careful “if all upstream assumptions are from people with vested interests.”

Michigan Public Service Commission Chair Dan Scripps said it feels like states in an RTO get “picked on” because even though most states in MISO are vertically integrated and have the same state-level mandates to maintain resource adequacy, they nevertheless are coded red.

South Dakota Public Utilities Commissioner Chris Nelson asked NERC officials if they think the LTRA is read as a prediction by the public.

Robb said it “certainly seems” the LTRA is construed that way “despite our best efforts.” He added NERC hopes to “raise the flag” about getting more infrastructure built, and “not the old-fashioned way.” He said grid expansion is going to take changes to permitting and siting processes.

MISO Senior Manager of Market Design Neil Shah said at a Feb. 10 Entergy Regional State Committee meeting that MISO is in contact with NERC to try to improve assumptions used in the LTRA.

Shah said including the generator interconnection express lane likely would “close the gap” in the NERC report. However, he said uncertainty remains due to the potential for more large loads claiming spots on the grid.

MISO expects the first projects from its expedited generator queue to come online in 2028, Shah said. Beyond that, Shah said “MISO is projecting higher rate of new resource additions in 2026” than have historically come online annually from 2022 to 2025.

“It incorporates a lot of things that we don’t necessarily agree with,” Bill Booth, a consultant to the Mississippi Public Service Commission, said of the assessment. He added that in addition to the expedited queue omission, NERC didn’t factor in the trio of coal plants in MISO kept online via the U.S. Department of Energy’s emergency orders under the Federal Power Act’s Section 202(c).

MISO Promotes Stakeholder Involvement in Reworking NERC RA Standard

Meanwhile, MISO has encouraged its stakeholders to participate in NERC's development of a new energy assurance draft standard after it scrapped the first draft.

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MISO's Zhaoxia Xie said at the January Reliability Subcommittee meeting that stakeholders should get involved. The reliability corporation's first draft of a proposed planning energy assurance standard failed (<https://sbs.nerc.net/BallotResults/Index/1060>) to get enough votes in support to advance. NERC's standard drafting team is assessing next steps and is planning a technical workshop Feb. 17 and meetups Feb. 18 and 19 to start revisions.

MISO regulators panned NERC's first attempt at a new resource adequacy standard over 2025. They said it would have infringed on states' grid planning authority. (See [MISO States Call NERC's Planned RA Standard Inappropriate](https://www.rtoinsider.com/119393-miso-states-say-nerc-planned-ra-standard-inappropriate/) (<https://www.rtoinsider.com/119393-miso-states-say-nerc-planned-ra-standard-inappropriate/>)).

NERC's original design would have had planning coordinators conducting their own Long-Term Energy Reliability Assessments using an unserved energy basis and reporting the results to NERC. Resource planners and transmission planners then would have to prove they developed corrective action plans — enforced by the ERO — to address “unacceptable” levels of reliability risks in long-term assessments.

“MISO is being open-minded and working with NERC to move along this effort,” Xie said.

Minnesota Power's Tom Butz said it seems the NERC effort is entering “uncharted territory” and that a draft standard could be an opportunity to view system reliability in a new way. Butz asked that the RASC plan for “hands-on interplay” with the NERC docket as it's drafted.

Xie said MISO doesn't plan to schedule stakeholder discussion on the standard “because the project is not moving as fast” as originally thought.

MISO staff also said the RTO already covers or exceeds what the standard originally intended to include; they said even the draft standard wouldn't push its modeling into unfamiliar ground.

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UNITED STATES OF AMERICA
BEFORE THE
UNITED STATES DEPARTMENT OF ENERGY

Federal Power Act Section 202(c)	)	Order No. 202-26-31
Emergency Order: Craig Unit 1	)	
	)	
	)	

The State Of Colorado's Request for Rehearing,
Motion To Intervene, And Stay Request

Exhibit III: Brown, C., Plumer, B., Trump Wants to Halt Almost All Coal Plant
Shutdowns. It Could be Messy (Jan. 16, 2026)

Trump Wants to Halt Almost All Coal Plant Shutdowns. It Could Get Messy.

Even as administration officials vowed this week to head off scheduled retirements, some aging plants are now breaking, and costs could run to the billions.



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By Claire Brown and Brad Plumer

Jan. 16, 2026

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Over the past eight months, the Energy Department has taken the extraordinary step of ordering that generators at five coal-burning power plants that had been headed for retirement stay open and keep running.

That's just the beginning, officials say.

At a White House event on Thursday, Trump administration officials said they planned to keep open as many coal plants as they could and prevent any further retirements over the next three years.

“The goal is to stop the political closure of coal plants,” Chris Wright, the energy secretary, said during the first meeting of the National Coal Council, which had lapsed under the Biden administration but which President Trump has revived. Dozens of representatives from the coal industry were present.

The moves are part of a sweeping plan by Mr. Trump to revive America's coal industry, which has been declining for years. Mr. Trump has expressed a certain affection for the fuel, calling it "beautiful clean coal" to goad environmentalists, who note that coal is the dirtiest of fossil fuels and a major driver of global warming.

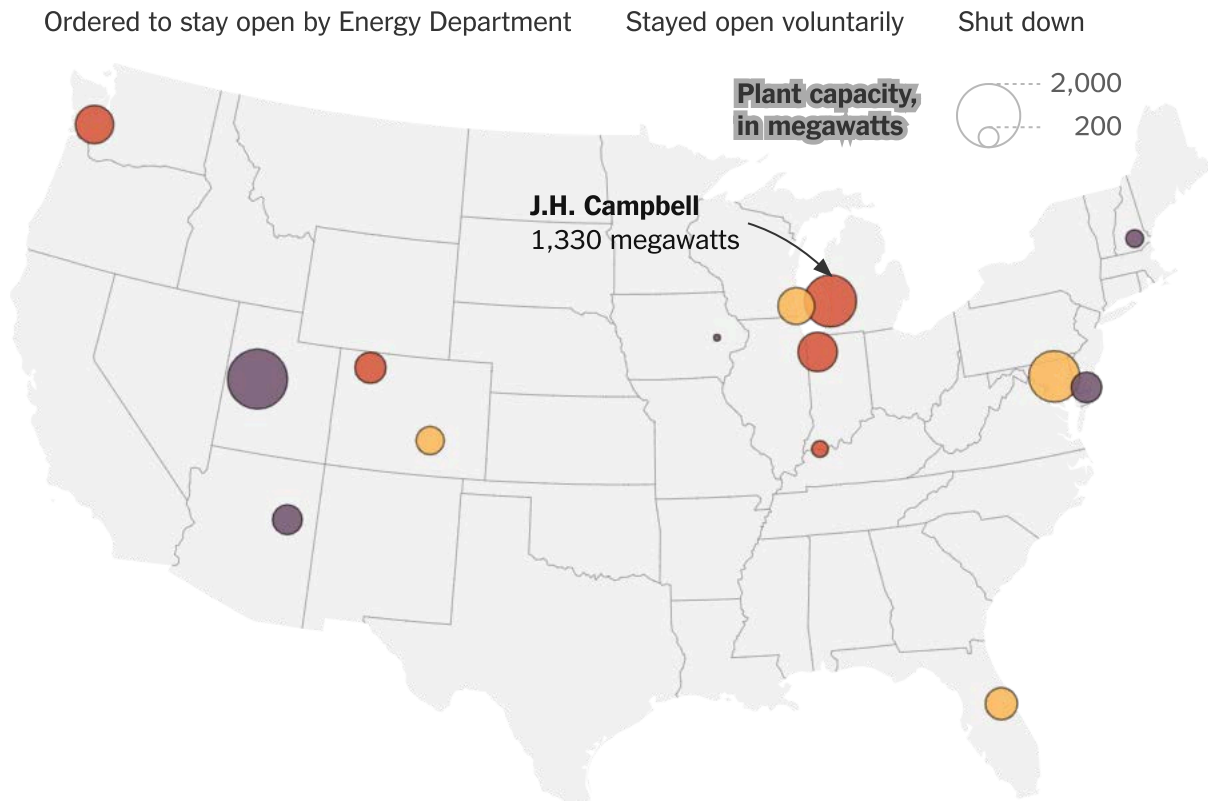
Administration officials say that keeping coal plants open is necessary to avoid blackouts and meet rising energy needs.

On the ground, however, efforts to halt coal retirements are already causing complications. Two of the coal units that the Energy Department ordered to stay online in December are broken, and it's unclear when they might be repaired.

Some plants that were ordered to keep running had already shuttered their coal mines and stopped maintaining old equipment. Now, utilities and operators are straining to revive them. The costs of extending coal-burning plants are significant, and federal and state regulators are embroiled in disputes over who will ultimately pay.

"These are old plants, and they are expensive to refurbish and keep open," said Ari Peskoe, director of Harvard Law School's Electricity Law Initiative. "The costs are going to fall on somebody. The question is whether it's the plant owners or the public."

Most coal units expected to close in 2025 were kept open



Source: U.S. Energy Information Administration. Brad Plumer/The New York Times

The debate over whether to keep aging coal plants open comes amid an astonishing turnaround in the coal industry's political fortunes.

Since 2005, the number of operating coal plants in the United States had been declining precipitously as utilities switched to cheaper and cleaner natural gas, wind and solar power. Even Mr. Trump in his first term couldn't stop the slide; more than 150 coal-burning units shut down between 2017 and 2020.

This time around, the Trump administration has gone much further to rescue coal, with more success. Last year, the amount of electricity produced by coal increased 13 percent, and retirements have slowed.

The administration has been aided by a surge in electricity demand nationwide driven by a boom in data centers, which has led some utilities to postpone coal plant closures. Federal agencies have also rolled back environmental regulations on coal, which produces more air pollution than other sources like natural gas. Burning coal also emits mercury, a powerful neurotoxin, and other heavy metals.

A surge in electricity demand has been driven by a boom in data centers. Scott Ball for The New York Times

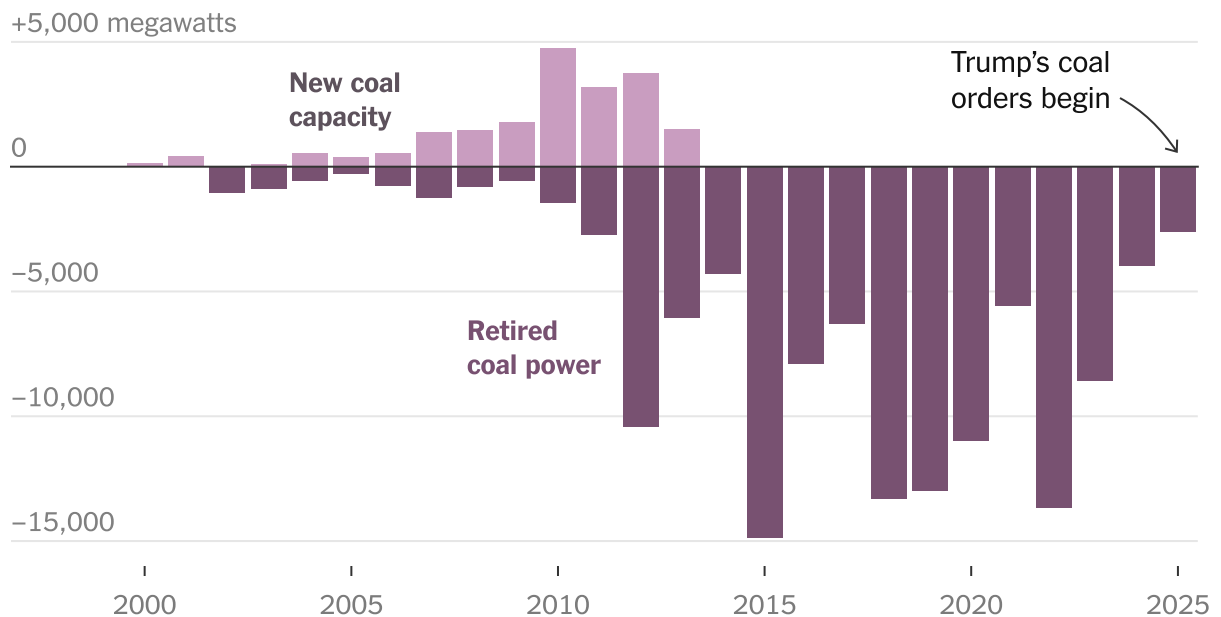
Even more drastic, however, has been the Energy Department's use of emergency orders to mandate that coal plants that had been set to retire keep operating, as the agency has invoked Section 202(c) of the Federal Power Act.

Historically, this provision has been used to keep plants online during temporary emergencies such as hurricanes or heat waves. But the Trump administration has claimed that the emergency this time is an expected shortage of reliable power over the next decade, and officials are trying to avert as many closures as they can.

The impact is already visible: At the start of last year, utilities were expected to close roughly 8.5 gigawatts of coal capacity in 2025, according to federal data. But they ended up retiring only 2.7 gigawatts, the lowest amount since 2011.

Coal retirements slowed in 2025

Changes in annual U.S. coal power capacity



Source: Energy Information Administration. Brad Plumer/The New York Times

At the White House event on Thursday, Mr. Wright said that many states were closing their coal plants for environmental reasons and that the administration would do everything it could to stop that. More than 20 gigawatts of coal capacity is currently scheduled to retire by 2028.

“I think you will not see those plants close during this administration,” Mr. Wright said, adding that there might be a few exceptions for the very oldest plants.

Mr. Wright said he hoped other actions by the administration to support coal would eventually make emergency orders “unnecessary.” But, he claimed, many utilities were quietly welcoming the orders to save coal plants at imminent risk of closure. “We get a lot of inbound calls now saying, ‘Can you 202(c) this plant?’”

Those orders are also facing a backlash. Environmental groups and states like Michigan and Washington are mounting legal challenges. The grid operator in the Midwest and state officials in Colorado have said their regions already have adequate electrical capacity, even with coal retirements.

Mr. Wright, second from the right, said that many states were closing their coal plants for environmental reasons and that the administration would do everything it could to stop that. Tierney L. Cross/The New York Times

Even analysts who agree that the country needs more power plants that can run at all hours say that forcing aging coal units to stay online can be counterproductive, because they can distort energy markets and make it harder for states and companies to plan to bring new power plants online.

“Using a blunt instrument like this to keep the legacy coal fleet online could backfire,” said Devin Hartman, director of energy and environmental policy at the R Street Institute. “There are a ton of risks.”

Broken plants, busy railroads

Reviving a geriatric coal fleet isn’t easy: Many plants are more than 50 years old and need major repairs.

On the shores of Lake Michigan, the J.H. Campbell coal plant was set to retire last May under a plan backed by the state and the electric utility that operates it, Consumers Energy. But, at the last minute, the Energy Department ordered that the plant's three coal units stay open for 90 days during the summer. The agency has since twice renewed the order and is widely expected to order that the plant remain open indefinitely.

That created headaches for the operator, which had canceled roughly \$161 million in maintenance for the plant in the years leading up to the scheduled retirement, according to one engineer's testimony. The plant has struggled to generate reliable power: One unit faced extended outages in June and produced electricity for only a handful of days, according to legal filings by environmental groups.

Other plants may be in rougher shape.

In December, the Energy Department ordered that the R.M. Schahfer plant in northern Indiana keep two coal units operating past their planned retirement. Yet one of those units has been offline since the summer because of a turbine failure.

Repairing the unit could ultimately take "six months or longer," Vince Parisi, the chief operating officer of the Northern Indiana Public Service Company, which owns the plant, told regulators last month. "It's just the reality of that unit being close to retirement."

In Colorado, a rural electric cooperative had been planning since 2016 to close a coal-burning unit at the Craig Generating Station. Last month, the Energy Department ordered that the unit stay open. Yet the coal unit is offline because of a broken valve, and it is unclear how long it will take to fix it.

There's also the question of where to get fuel.

Until recently, the Craig unit in Colorado obtained some of its coal from a local mine operated by its part owner, the Tri-State Generation and Transmission Association. But that mine closed last year, laying off all its workers.

“This makes no economic sense or functional sense, to extend the life of an effectively broken coal plant,” said Gov. Jared Polis, Democrat of Colorado, who opposes the order and says the federal government had done little to consult with the state.

Last month, when Bob Guenther drove past the coal-burning power plant in Centralia, Wash., where he worked for 34 years before retirement, there wasn’t much coal in sight. The power plant had been winding down for years and was scheduled to close by Dec. 31 until the Energy Department ordered that it stay open. Coal piles that once filled acres had dwindled.

“It’s going to cost a lot of money to put that plant back in shape,” Mr. Guenther said.

The coal-burning power plant in Centralia, Wash. Reviving a geriatric coal fleet isn’t easy. Evan McGlinn for The New York Times

Some local officials and unions have cheered the lifeline for coal plants, which are often an engine of local economic activity. But environmental groups have pointed to the hazards from air pollution and coal-ash waste.

“Northwest Indiana has long borne the brunt of industrial pollution,” said Ashley Williams, the executive director of Just Transition Northwest Indiana, a nonprofit group, criticizing the order to keep the R.M. Schahfer plant open. “We will continue to suffer.”

Mounting costs, legal threats

The cost to keep coal plants open could prove especially divisive.

In Michigan, Consumers Energy spent \$164 million from May to September to keep its coal plant running, according to regulatory filings. During that time, the plant earned only \$84 million in revenue.

It remains to be seen who will ultimately pay for the rest. Consumers Energy has proposed that the costs be shared by ratepayers in multiple states in the Midwestern regional grid, rather than paid for by its customers alone. But other groups have challenged this proposal.

In Colorado, Tri-State has said that its ratepayers may have to bear the full cost of repairing and operating the Craig plant — which state officials say could cost \$80 million per year or more. In Washington, state law now forbids utilities to buy electricity from coal plants, raising legal complications.

Preventing the nation’s coal plants from retiring over the next three years could cost consumers at least \$3 billion per year, according to a report from Grid Strategies, a consulting firm.

“A lot of these plants were retiring because they’re no longer economic to operate,” said Michael Goggin, an executive vice president at Grid Strategies. “It’s expensive to keep them going.”

Opponents have challenged the coal orders in court, arguing that Congress intended for emergency powers to be used only in rare, temporary cases. If the orders are struck down, it is unclear who would bear the cost of spending millions of dollars to repair run-down plants.

While federal forecasts still expect coal generation to decline next year, the Trump administration is trying to prevent that from occurring.

The Environmental Protection Agency is rolling back numerous air pollution and climate rules that have made coal plants more costly to operate. It has also given electric utilities more time to clean up contamination from toxic coal ash landfills.

At the same time, the Energy Department has offered up to \$350 million to try to bring back to life coal plants that have already closed.

Michelle Bloodworth, chief executive of America's Power, a coal trade group, estimates that at least 29 coal units with roughly 13 gigawatts of capacity have recently closed but are not yet demolished and could be candidates for restarting. She added that more utilities were voluntarily postponing coal retirements and that the future for the industry is looking brighter under the Trump administration.

"There's a huge opportunity for the coal fleet," Ms. Bloodworth said. "It's a big change after years and years of punitive environmental regulations."

Claire Brown covers climate change for The Times and writes for the Climate Forward newsletter.

Brad Plumer is a Times reporter who covers technology and policy efforts to address global warming.

A version of this article appears in print on , Section A, Page 1 of the New York edition with the headline: Trump Pushes To Retain Coal On Power Grid

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The State Of Colorado's Request for Rehearing,
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Exhibit JJJ: Harder, A., Exclusive: Wind projects pile up as Pentagon reviews stall
(Mar. 30, 2026)



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Mar 30, 2026 - Energy & Climate

Exclusive: Wind projects pile up as Pentagon reviews stall



Amy Harder



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More in Energy & Climate



Photo illustration: Maura Losch/Axios. Photo: Win McNamee/Getty Images

More than two dozen wind farms across the U.S. are being delayed as the Trump administration sits on military reviews that were once considered routine.

Why it matters: The delays are dragging down a race led by tech companies — and backed by President Trump — to build power-hungry data centers to lead the global AI race.

By the numbers: At least 30 onshore wind farms projects are affected by the Pentagon paperwork logjam, according to Jason Grumet, head of the American Clean Power Association.

- At roughly 200 to 300 megawatts each, that's about 7.5 gigawatts of stalled capacity.
- Even accounting for the variability of wind, those farms could produce enough electricity to power several cities — or multiple large data centers.

The reviews are necessary to make sure the wind farms' turbines won't interfere with military radar or aviation systems.

What they're saying: "It is quite astounding that in the midst of this discussion about making the permitting system and governing system more efficient, we just have direct obstruction," Grumet told Axios in an interview.

- Grumet's comments, on the sidelines of the CERAWEEK conference last week as part of an upcoming episode of [the Shocked podcast](#), represent his first public remarks on the matter.

How it works: The clearance processes are usually routine, and the Pentagon negotiates any fixes that need to be made.

- It's the so-called "mitigation agreements" that are suddenly piling up unsigned in the last several months.

The big picture: Trump has long shown disdain for renewable energy, especially wind energy — and even more specifically — offshore.

- He has moved to slow the renewable energy buildout in numerous ways, including revoking leases and stalling federal permits across the federal government.
- At the same time, virtually all energy developers — alongside the Trump administration — say they want a permitting overhaul to expedite such reviews.

Flashback: Even for his style, Trump has been remarkably transparent: "My goal is to not let any windmill be built," he said at a White House meeting [earlier this year](#). "They're losers."

The intrigue: In lawsuits over the president's efforts to kneecap offshore wind projects, the administration has cited national

More in Energy & Climate

asserting new, and what Grumet describes as similarly unproven, national security concerns over land-based wind.

Between the lines: The administration's position on wind energy is uneven, though.

- Last week, the Interior Department [announced a rare agreement](#) with TotalEnergies, a French energy company, to cancel its offshore wind leases totaling \$1 billion and repurpose that money toward oil and gas projects.



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- Interior Secretary Doug Burgum, who oversaw wind power growth as North Dakota governor, told Axios at last week's CERAWEEK conference in Houston that onshore wind is more affordable and has fewer national security concerns.
- "North Dakota is not an attack vector," Burgum said when asked to explain his shifting position. "Being literally in the center of North America is not a spot where we have to worry about drone attacks or submarine attacks coming."

The other side: The Pentagon and the White House didn't respond to requests for comment by press time.

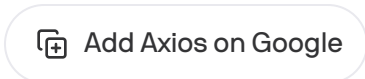
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- Sen. Martin Heinrich (D-N.M.), the top Democrat on the Senate Energy Committee, accused Trump of causing high energy prices with the Iran war and criticized the Pentagon delays.
- "If he was serious about lowering energy costs, he should stop stalling permits and start supporting made-in-America clean energy solutions," Heinrich said in a statement to Axios.

Reality check: The odds Congress will pass permitting reform this year are now 25%, down from 30%, based on an analysis updated Thursday by consulting firm Rapidan Energy Group.

What's next: In its letter to the Pentagon, the renewable energy trade group hints it could sue under federal administrative law if it doesn't hear back by April 8.

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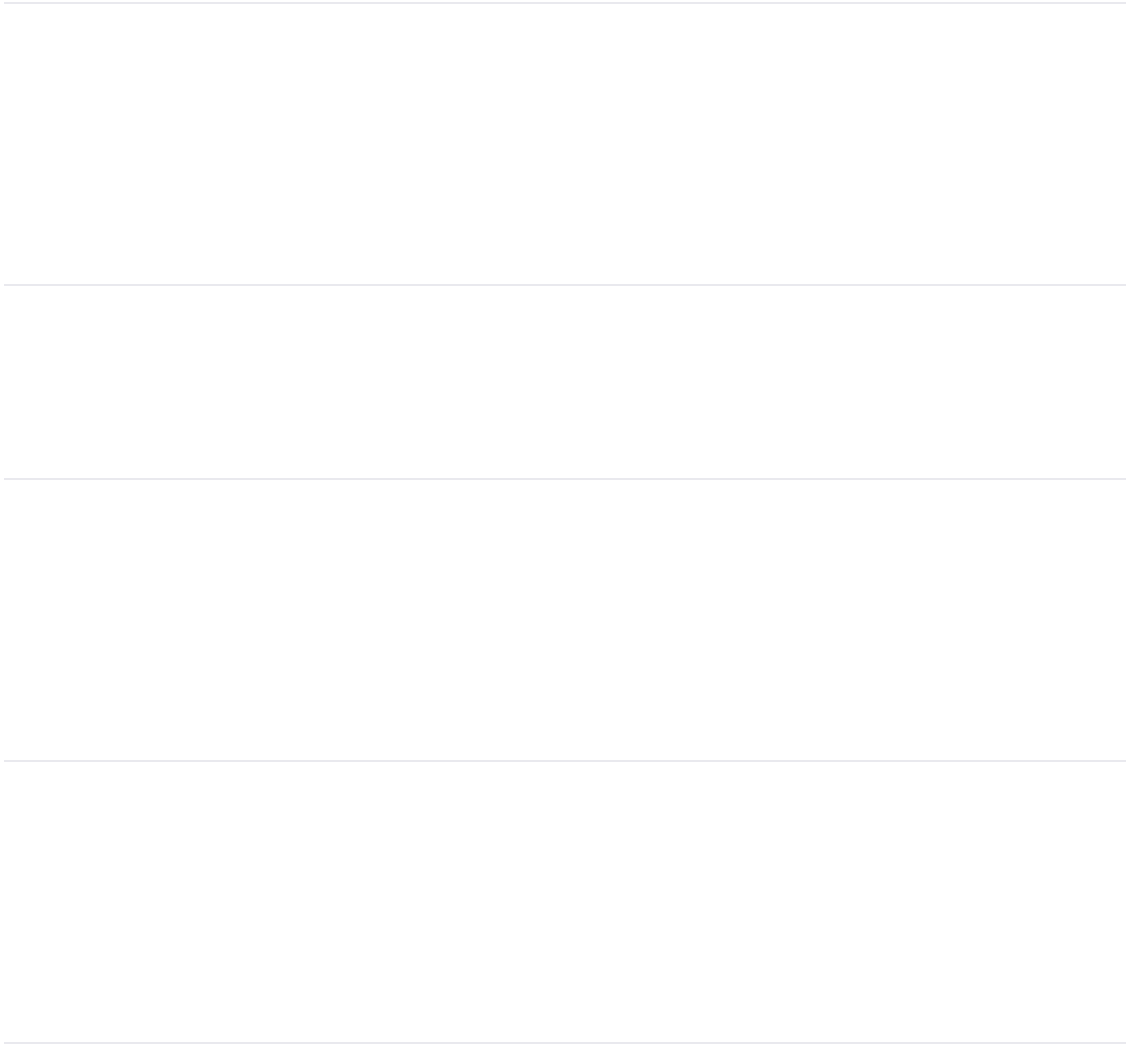


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The State Of Colorado's Request for Rehearing,
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Exhibit KKK: Department, Order No. 2026-26-31 (June 26, 2026)



Department of Energy
Washington, DC 20585

Tri-State Generation and Transmission Association,
Platte River Power Authority, Salt River Project,
PacifiCorp, and Public Service Company of Colorado, and
Southwest Power Pool
Regarding Craig Station

Order No. 202-26-31

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 (DOE or the Department) Organization Act,² and for the reasons set forth below, I hereby determine that an emergency exists within the Western Electricity Coordinating Council (WECC)–Rocky Mountain³ assessment area due to a shortage of electric energy, a shortage of facilities for the generation of electricity, and other causes. Issuance of this Order will meet the emergency and serve the public interest.

BACKGROUND

Craig Station (Craig) is an electric generating facility in Craig, Colorado. Craig is operated by the Tri-State Generation and Transmission Association (Tri-State). Craig consists of three coal-fired generation units, Unit 1 (446.4 MW), Unit 2 (446.4 MW), and Unit 3 (534.8 MW), with a combined name plate capacity of 1427.6 MW.⁴ Unit 1 and Unit 2 are co-owned by Tri-State, Platte River Power Authority, Salt River Project, PacifiCorp, and Public Service Company of Colorado (a subsidiary of Xcel Energy), hereinafter collectively referred to as the co-owners.⁵ Unit 3 is wholly owned by Tri-State. Unit 1 and Unit 2 began operations in 1980 and 1979, respectively. Unit 3 began operations in 1984. Unit 1 was slated to cease operations in December 2025. Unit 2 and Unit 3 are slated to retire in 2028.⁶

¹ 16 U.S.C. § 824a(c).

² 42 U.S.C. § 7151(b).

³ The 2024 Long-Term Reliability Assessment (LTRA) from the North American Electric Reliability Corporation (NERC) included Colorado in the WECC–Northwest assessment area. The 2025 LTRA provides new assessment area boundaries for WECC to provide more geographic detail of reliability risk information and to, “reflect a more accurate alignment with operational and planning realities, as well as the footprints of various entities.” In the 2025 LTRA, Colorado is included in the WECC–Rocky Mountain assessment region.

⁴ U.S. Energy Info. Admin., *Form EIA-860, Schedule 3: Generator Data* (2024), <https://www.eia.gov/electricity/data/eia860/>.

⁵ Platte River Power Authority, Craig Units 1 & 2 (Yampa Project), <https://prpa.org/generation/yampa-project/>.

⁶ It likely would be difficult for the coal-fired unit to resume operations once retired. Specifically, practical issues, such as acquiring employment, contracts, and

Order Nos. 202-25-14 and 202-26-21, issued pursuant to FPA section 202(c) on December 30, 2025, and March 30, 2026, respectively, each required that Craig Unit 1 continue to be available to operate for 90 days, until March 30, 2026, and June 28, 2026, respectively. Those orders were based on my determination that emergency conditions existed within the WECC–Northwest and WECC–Rocky Mountain assessment areas.

Specifically, I determined that the WECC–Northwest and, later, WECC–Rocky Mountain, assessment areas faced significant amount of retiring baseload generation resources and concerns meeting demand during shoulder periods.⁷ I determined that the continued operation of Craig Unit 1 would provide additional generation capacity, which would help prevent the loss of power to homes and businesses that would otherwise pose a risk to public health and safety.⁸ I determined that the continued operation of Craig Unit 1 was necessary to alleviate immediate and anticipated threats to reliability.⁹

My determination was based on several facts. First, in its 2024 Long-Term Reliability Assessment (LTRA), the North American Electric Reliability Corporation (NERC) notes that in the WECC–Northwest assessment area, which included Colorado, Idaho, Montana, Oregon, Utah, Washington, and Wyoming, “[e]nergy variability is greater in the Northwest than other WECC regions due to the large share of wind and hydro in the portfolio.” The 2024 LTRA notes that:

Five [gigawatts (GW)] of baseload resource retirements are anticipated between 2024 and 2028. The energy needs are to be replaced by solar, wind, and [battery energy storage systems], further increasing variability in the portfolio. Given the retiring of baseload resources, supply chain issues preventing the construction of [battery energy storage systems]

permits, may greatly increase the timeline for resumption of operations, such that the facility may not be available in the period needed. Moreover, if the co-owners were to begin disassembling the unit or other related facilities, the associated challenges would be greatly exacerbated. The costs and time of decommissioning a coal plant are extensive, and restarting such decommissioned plants would presumably cost the same as decommissioning in dollars and time, if not more. Thus, continuous operation is required in such cases so long as the Secretary determines a shortage exists and is likely to persist. See Jennifer Lessick et al., *Bus. Models for Coal Plant Decommissioning*, at 9–12 (Aug. 2021), https://www.pnnl.gov/main/publications/external/technical_reports/PNNL-31348.pdf.

⁷ See, e.g., *Tri-State Generation & Transmission Ass’n*, DOE Order No. 202-25-14, at 1–2 (Dec. 30, 2025) (*Tri-State*).

⁸ See *id.* at 1–3.

⁹ See *id.* at 3.

resources are a concern as they assist in meeting demand during shoulder periods where solar availability is dropping but loads remain high.¹⁰

Second, the 2024 WECC Western Assessment of Resource Adequacy notes that peak demand in WECC's Northwest-Central subregion, which included Colorado at the time, is "forecast to grow by 8.5% over the next decade, from 33 GW in 2025 to 36 GW in 2034."¹¹ Meanwhile, WECC notes that most planned retirements are "baseload generation, such as coal, natural gas, and nuclear."¹²

Further, in January 2026, NERC released its 2025 Long-Term Reliability Assessment.¹³ While NERC assessed that the WECC–Rocky Mountain region, which includes Colorado, is at normal risk of energy shortfalls over the next five years,¹⁴ the area has an "[anticipated reserve margin] that falls below the [Reference Margin Level] in Summer 2034 and 2035, and Winter 2034–35."¹⁵ The LTRA also notes that the WECC–Rocky Mountain assessment area faces challenges from an aging thermal resource fleet, which can lead to unplanned outages, exacerbated by supply chain issues, and vendor availability.¹⁶ Additionally, both solar and wind variability are year-round concerns, and while the region is pursuing advancement into Regional Transmission Organizations (RTO) to leverage a wider footprint, smaller entities currently have limited geographic diversity to counteract these generation constraints.¹⁷

CONTINUING EMERGENCY CONDITIONS

The emergency conditions that necessitated the issuance of Order Nos. 202-25-14 and 202-26-21 continue, both in the near and long term.¹⁸ The production of electricity from Craig Unit 1 continues to be critical to maintain reliability in the WECC–Rocky Mountain assessment area.

The 2025 WECC Western Assessment of Resource Adequacy notes that "the West's planned resource buildout will not keep up with anticipated load growth over the

¹⁰ N. Am. Elec. Reliability Corp., *2024 Long-Term Reliability Assessment*, at 13 (Dec. 2024, corrected July 11, 2025), https://www.nerc.com/globalassets/our-work/assessments/nerc_ltra_2025.pdf.

¹¹ WECC, *W. Assessment of Res. Adequacy 2024: Peak Demand by Subregion*, at 2, <https://www.wecc.org/wecc-document/17066>.

¹² WECC, *W. Assessment of Res. Adequacy 2024*, <https://feature.wecc.org/wara/>.

¹³ NERC, *2025 Long-Term Reliability Assessment* (Jan. 2026), https://www.nerc.com/globalassets/our-work/assessments/nerc_ltra_2025.pdf.

¹⁴ *See id.* at 7.

¹⁵ *Id.* at 160–61.

¹⁶ *See id.* at 161.

¹⁷ *Id.*

¹⁸ Further, as noted in *Tri-State*, as a coal-fired facility, it would be difficult for Craig Unit 1 to resume operations once it has been retired. *See Tri-State*, DOE Order No. 202-25-14 at 1.

next decade, particularly in the Basin and Northwest subregions. The West could see energy shortfalls as early as 2028.”¹⁹ The assessment goes on to say that “[i]f resources are added as planned, loss of load may be limited to the Basin and Northwest subregions. However, if planned resource additions are delayed or cancelled, other subregions could also be at risk.”²⁰ Further, the assessment highlights that 90% of planned resources over the next decade are inverter-based resources, which “continue the rapid evolution of the resource mix away from traditional dispatchable resources to more weather-dependent resources.”²¹ The assessment notes that “entities plan to retire 22 GW of generation over the next 10 years. The vast majority is baseload generation such as coal (7 GW), natural gas (8 GW), and nuclear (2.3 GW, Diablo Canyon's two units, in 2029 and 2030).”²²

Between 2019 and 2024, the retirement of coal-fired generating capacity in Colorado has led to a decline in the share of coal-generated electricity from 45% to 25%.²³ Looking forward, by 2029, about 3,700 megawatts (MW) of coal-fired generating capacity in Colorado is scheduled to retire according to the Energy Information Administration,²⁴ accounting for all but one coal-fired power plant in Colorado. In that same time frame, 620 MW of natural gas-fired generating capacity in Colorado will retire as well.²⁵ In 2025, intermittent wind accounted for over 5,300 MW of Colorado’s electricity generating capacity.²⁶ Additionally, Colorado Public Utilities Commissioners have expressed concerns about the ability of certain utilities to meet projected summer 2026 loads.²⁷

Finally, in May 2026, NERC released its 2026 Summer Reliability Assessment. According to NERC, Anticipated Reserve Margins will remain above the Reference Margin Level, they note that “wildfires in the region, along with extreme heat conditions

¹⁹ WECC, *W. Assessment of Res. Adequacy* (2025), <https://feature.wecc.org/2025wara/index.html>.

²⁰ *Id.*

²¹ *Id.*

²² *Id.*

²³ U.S. Energy Info. Admin. (EIA), *Elec. Data Browser, Net Generation for All Sectors Annually from 2019-2025, State: Colorado*, <https://www.eia.gov/electricity/data/browser/#/topic/0?agg=2,0,1&fuel=vtvp&geo=0000000000g&sec=g&freq=A&start=2019&end=2024&ctype=linechart<ype=pin&rtype=s&pin=&rse=0&maptype=0>.

²⁴ EIA, *Preliminary Monthly Elec. Generator Inventory (based on Form EIA-860M as a supplement to Form EIA-860)* (Jan. 2026), <https://www.eia.gov/electricity/data/eia860m/> (choose “January 2026” XLS document under “2026” column, titled “Inventory of Operating Generators as of Jan. 2026”).

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Comanche 3 Repair Delay Raises RA Concerns in Colo.*, RTO INSIDER (Mar. 26, 2026), <https://www.rtoinsider.com/129021-comanche-3-repair-delay-raises-ra-concerns-in-colorado/>.

for the summer, pose the greatest reliability risk scenario for the Rocky Mountains . . . [which] can impact rural communities disproportionately.”²⁸

Order Nos. 202-25-14 and 202-26-21 were preceded by executive orders on January 20, 2025, and April 8, 2025, in which President Donald J. Trump underscored the dire energy challenges facing the Nation due to growing resource adequacy concerns. President Trump declared a national energy emergency in Executive Order No. 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 our Nation’s economy, national security, and foreign policy.”²⁹ 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.”³⁰ In the subsequent Executive Order No. 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.”³¹

In addition, President Trump issued a White House Memo for the Secretary of Energy that emphasized the findings of Executive Order No. 14156, stating that “ensuring reliable coal supply chains and baseload power generation capacity is essential to the United States national defense... Without sufficient coal-fired baseload power, the United States will lack the stable electricity required to support defense installations, industrial expansion, and the high-energy demands of emerging technologies, such as artificial intelligence.”³² The President “further determine[d] that action to expand coal supply chain capacity and baseload generation availability is necessary to avert an

²⁸ NERC, *2026 Summer Reliability Assessment*, at 37, https://www.nerc.com/globalassets/our-work/assessments/nerc_sra_2026.pdf.

²⁹ Exec. Order No. 14156, 90 Fed. Reg. 8433 (Jan. 20, 2025), <https://www.whitehouse.gov/presidential-actions/2025/01/declaring-a-national-energy-emergency/> (*Declaring a National Energy Emergency*).

³⁰ *Id.*

³¹ Exec. Order No. 14262, 90 Fed. Reg. 15521 (Apr. 8, 2025), <https://www.whitehouse.gov/presidential-actions/2025/04/strengthening-the-reliability-and-security-of-the-united-states-electric-grid/> (*Strengthening the Reliability and Security of the United States Electric Grid*).

³² Memorandum from President Donald J. Trump to the Secretary of Energy (Apr. 20, 2026) (“Presidential Determination Pursuant to Section 303 of the Defense Production Act of 1950, as Amended, on Coal Supply Chains and Baseload Power Generation Capacity”), <https://www.whitehouse.gov/presidential-actions/2026/04/presidential-determination-pursuant-to-section-303-of-the-defense-production-act-of-1950-as-amended-on-coal-supply-chains-and-baseload-power-generation-capacity/>.

industrial resource or critical technology item shortfall that would severely impair national defense capability.”³³

Further, the Department of Energy 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 No. 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.”³⁴

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,” the Secretary has the authority “to require by order . . . such generation, delivery, interchange, or transmission of electric energy as in [his] judgment will best meet the emergency and serve the public interest.”³⁵ This statutory language constitutes a specific grant of authority to the Secretary to require the operation of Craig Unit 1 when the Secretary has determined that such operation will best meet an emergency caused by a sudden increase in the demand for electric energy or a shortage of generation capacity, or a shortage of electric energy or facilities for generation or transmission of electric energy.

As described above, the emergency conditions resulting from increasing demand and shortage from premature retirement of the generation facility will continue in the near term and are also likely to continue in subsequent years. This could lead to the loss of power to homes and businesses in the areas that may be affected by curtailments or power outages, presenting a risk to public health and safety.

I have determined 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), Craig Unit 1 shall be made available for operation through September 26, 2026.

³³ *Id.*

³⁴ DOE, *Res. Adequacy Rep.: Evaluating the Reliability & Sec. of the U. S. Elec. Grid*, at 1 (July 2025), <https://www.energy.gov/sites/default/files/2025-11/DOE%20Final%20EO%20Report%20%28REVISED%20OCT%2027%29.pdf>.

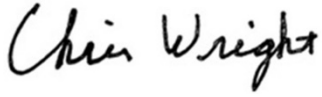
³⁵ Although the text of FPA section 202(c) grants this authority to “the Commission,” section 301(b) of the Department of Energy Organization Act transferred this authority to the Secretary of the Department of Energy. *See* 42 U.S.C. § 7151(b).

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

- A. From June 29, 2026, at the direction of the Southwest Power Pool (SPP) in its role as Balancing Authority and Reliability Coordinator, Tri-State and the co-owners shall take all measures necessary to ensure that Craig Unit 1 is available to operate. For the duration of this Order, SPP is directed to take every step to employ economic dispatch of Craig Unit 1 to minimize costs to ratepayers. Following the conclusion of this Order, sufficient time for orderly ramp down is permitted, consistent with industry practices. Tri-State and the co-owners are directed to comply with all orders from SPP related to the availability and dispatch of Craig Unit 1.
- B. To minimize adverse environmental impacts, this Order limits operation of Craig Unit 1 to the times and within the parameters established in paragraph A. Tri-State shall provide a daily notification to the Department (via AskCR@hq.doe.gov) reporting whether Craig Unit 1 has operated in compliance with this Order.
- C. All operations of Craig Unit 1 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 conditions, or to use other geographic or temporal flexibilities available to generators.
- D. By July 14, 2026, Tri-State, in coordination with the co-owners, are directed to provide the Department of 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 Craig Unit 1 consistent with this Order. SPP, Tri-State and the co-owners shall also provide such additional information regarding the environmental and operational impacts of this Order and its compliance with the conditions of this Order, as requested by the Department of Energy from time to time.
- E. Tri-State and the co-owners are directed to file with the Federal Energy Regulatory Commission any tariff revisions or waivers to effectuate this Order, as needed. Rate recovery is available pursuant to 16 U.S.C. § 824a(c).
- F. This Order shall not preclude the need for Craig Unit 1 to comply with applicable state, local, or Federal law or regulations following the expiration of this Order.
- G. Because this Order is predicated on the shortage of facilities for generation of electric energy and other causes, Craig Unit 1 shall not be considered a capacity resource.

H. This Order shall be effective from June 29, 2026, through September 26, 2026, with the exception of applicable compliance obligations in paragraph D.

Issued in Washington, D.C. on this 26th day of June 2026.

A handwritten signature in black ink that reads "Chris Wright". The signature is written in a cursive, slightly slanted style.

Chris Wright
Secretary of Energy

cc: **FERC Commissioners**
Chairman Laura V. Swett
Commissioner David Rosner
Commissioner Lindsay S. See
Commissioner Judy W. Chang
Commissioner David A. LaCerte

Colorado Public Utilities Commission
Chairman Eric Blank
Commissioner Megan Gilman
Commissioner Tom Plant

UNITED STATES OF AMERICA
BEFORE THE
UNITED STATES DEPARTMENT OF ENERGY

Federal Power Act Section 202(c)	)	Order No. 202-26-31
Emergency Order: Craig Unit 1	)	
	)	
	)	

The State Of Colorado's Request for Rehearing,
Motion To Intervene, And Stay Request

Exhibit LLL: State of Colorado, The State of Colorado's Request for Rehearing, Motion
to Intervene, and Stay Request (Apr. 28, 2026)

UNITED STATES OF AMERICA
BEFORE THE
UNITED STATES DEPARTMENT OF ENERGY

Federal Power Act Section 202(c)	)	
Emergency Order: Craig Unit 1	)	Order No. 202-26-21
	)	

The State Of Colorado's Request for Rehearing,
Motion to Intervene, and Stay Request

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I. Introduction

On March 30, 2026, the Department of Energy (“Department”) issued Order No. 202-26-21 (“Renewed Order”)¹ pursuant to its emergency authority under Section 202(c) of the Federal Power Act (“FPA”)² (“Section 202(c)”) to continue to prevent the scheduled retirement of a coal-fired generating unit at the Craig Power Station in Moffat County, Colorado. The Renewed Order requires the availability of one coal-fired unit (“Craig Unit 1”) from March 31, 2026, through June 28, 2026, thereby extending for 90 days the effect of Order No. 202-25-14 (“Original Order”),³ which was issued on December 30, 2025. After issuing the Original Order, the Department denied all prior Requests for Rehearing with no analysis or reasoning and has made no attempt to seek comment or advice as to whether a continued extension is necessary or whether there are alternative solutions to its perceived emergency.

There is still no emergency justifying the Department’s Renewed Order, and even if there were, preventing the retirement of Craig Unit 1 is not the best (or even a reasonable) way to meet the alleged emergency, and does not serve the public interest. Therefore, this Renewed Order, like the Department’s Original Order to prevent the retirement of Craig Unit 1, is illegal. The FPA limits the use of Section 202(c) to addressing specific, imminent capacity shortfalls resulting from unexpected outages, natural disasters, extreme weather, and similar circumstances. Here, the Department has declared an emergency due to “a shortage of electric energy, a shortage of facilities for the generation of electric energy, and other causes” in the

¹ Exhibit TT (Department, Order No. 202-26-21 (March 30, 2026)).

² 16 U.S.C. § 824a(c).

³ Exhibit A (Department, Order No. 202-25-14 (Dec. 30, 2025)).

Western Electricity Coordinating Council (“WECC”) Rocky Mountain assessment area.⁴

But, like the Original Order, the Renewed Order’s emergency determination cannot stand against even the mildest scrutiny.

As Colorado demonstrated in its first Request for Rehearing, Motion to Intervene, and Stay Request (“Original Request”)⁵ of the Original Order, there is no energy “emergency” as defined by Section 202(c) in the WECC-Rocky Mountain assessment area or in Colorado. Rather, the Unit’s owners and their respective state utility commissions have been planning for Craig Unit 1’s retirement for the last decade.⁶ These comprehensive planning processes have ensured that there are reliable and affordable resources available to meet the energy needs in the areas served by Craig Unit 1, such that its long-planned retirement does not create an emergency.

The Department’s illegal use of its Section 202(c) authority to require the continued availability of Craig Unit 1 for an additional 90 days, unsupported by any evidence of an imminent energy emergency, will result in unnecessary operational and maintenance costs that will be imposed on ratepayers in Colorado, including the State of Colorado as a utility customer, and potentially other states. Continued operation of Craig Unit 1 pursuant to the Renewed Order will also emit needless pollution into Colorado and its neighboring states, which the Department failed to

⁴ Exhibit TT. This is a change from the Original Order, which declared an energy emergency in the WECC-Northwest assessment area. Exhibit A.

⁵ Exhibit CCC (State of Colorado, The State of Colorado’s Request for Rehearing, Motion to Intervene, and Stay Request (Jan. 28, 2026)).

⁶ See, e.g., Exhibit C (Declaration of Erin O’Neil (Apr. 28, 2026)), ¶ 33.

meaningfully consider or address, as it was required to do. The Renewed Order, like the Original Order, illegally intrudes on the authority of the states to ensure the resource adequacy of their electric grids and to dictate energy policy within their borders, and improperly attempts to impose the administration's policy preferences on state ratepayers.

Pursuant to Section 313/ of the FPA,⁷ the Colorado Attorney General, on behalf of the State of Colorado, timely submits this Request for Rehearing, Motion to Intervene, and Stay Request ("Request") seeking rehearing of the Renewed Order. The Department should grant rehearing and rescind the Renewed Order because it is an unlawful abuse of the Department's emergency authority, is unsupported by evidence showing a true emergency, and is arbitrary and capricious.

II. Motion To Intervene

The State of Colorado moves to intervene in the proceeding initiated by the Renewed Order and become a party for purposes of Section 313/ of the FPA.⁸ The State of Colorado is aggrieved by the Renewed Order in several ways.

First, households and businesses in Colorado have and will be required to pay higher electricity bills because of the Renewed Order.⁹ Through a carefully planned process driven by economic considerations, the owners of Craig Unit 1 planned to

⁷ 16 U.S.C. § 825/.

⁸ *Id.*

⁹ Exhibit D (Declaration of Joseph Pereira (Apr. 24, 2026)). Because the Order directs the Craig Unit 1 Owners to seek cost recovery the possibility of increased rates is a foreseeable harm for Colorado. Exhibit A, ¶ E. Tri-State and PRPA have confirmed that their "members and customers must pay" the costs of DOE's Original Order. However, Colorado reserves all rights to dispute that costs incurred based on the Order are appropriate.

retire the Unit and replace it with more cost-effective facilities.¹⁰ By ordering the continued operation of Craig Unit 1, the Renewed Order guarantees that Tri-State Generation and Transmission Association, Inc. (“Tri-State”), PacifiCorp, Platte River Power Authority (“PRPA”), Salt River Project, and Public Service Company of Colorado (“Public Service”) (together, “Craig Unit 1 Owners”), will incur higher costs to serve their members and customers, which they will then likely seek to pass on to their electricity consumers, including rural customers in Colorado.¹¹ Tri-State has already had to pass the cost of repairing Craig Unit 1 on to its customers,¹² which include the State.

Second, the Craig Unit 1 Owners determined that it is prudent to retire Craig Unit 1 and replace it with more reliable and cost-effective resources. And the Colorado Public Utilities Commission (“CoPUC”) determined that retiring Craig Unit 1 will not affect Tri-State’s resource adequacy.¹³ By continuing to delay the retirement of a 45-year-old coal-fired unit, the Department is causing Colorado’s electric customers to be served by a more costly and less reliable and resilient electric grid. Instead of continuing to invest in and develop more reliable resources as planned, the Craig Unit 1 Owners will have to dedicate resources to repair and maintain a coal plant that is less reliable and more costly than other generation resources. For

¹⁰ Tri-State, [Reliable, Lowest-Cost, Reduced Emissions Preferred Portfolio Focus of Tri-State Resource Plan Filing](#) (Apr. 11, 2025) (last visited Apr. 24, 2026).

¹¹ Exhibit D, ¶¶ 10, 16.

¹² Exhibit UU (Tri-State, *Request for Clarification and for Rehearing of Tri-State Generation and Transmission Association and Platte River Power Authority* (Jan. 29, 2026)).

¹³ See e.g., Exhibit E (CoPUC, Decision No. C25-0612, issued on August 26, 2025, in Proceeding No. 23A-0585E), at ¶ 116; CoPUC, Decision No. R22-0191, issued on March 28, 2022, in Proceeding No. 20A-0528E.

example, due to limited transmission capacity, Craig Unit 1's continued operation will prevent the use of solar electricity generated by its new solar farm in Moffat County.¹⁴

Third, Colorado will suffer environmental harms from Craig Unit 1's operation pursuant to the Renewed Order. Craig Unit 1 is a significant source of particulate matter ("PM"), nitrogen oxides ("NOx"), sulfur dioxide ("SOx"), carbon monoxide ("CO"), mercury, hazardous air pollutants ("HAPs"), and greenhouse gas ("GHG") emissions, and its scheduled retirement would have resulted in significant emissions reductions.¹⁵ Operating Craig Unit 1 beyond its planned retirement date will increase the amount of pollution emitted in Colorado, harming the environment, public health, and welfare, as well as Colorado's ability to comply with other federal and State environmental laws.¹⁶ The Renewed Order does not make a meaningful attempt to minimize or mitigate the emissions impact of continued operation of Craig Unit 1 as required.

Finally, State authority over generation resources has been a bedrock principle of the FPA for nearly a century. Federal intrusion in this traditional sphere of state control is permitted only in a true emergency and only with specific procedures that the Department did not follow when issuing the Renewed Order. Colorado's sovereign interest in seeing its State laws followed in an area reserved to State sovereign authority further warrants the State's intervention.

¹⁴ Exhibit UU.

¹⁵ Exhibit B (Declaration of Josh Korth (Apr. 27, 2026)), ¶¶ 14-19.

¹⁶ See generally, *infra*; Exhibit B, ¶¶ 16-23.

III. Background

Like the Original Order, the Renewed Order makes several unfounded claims about Colorado's energy resource mix, expected increases in energy demand in the region, and the resulting need for continued availability of Craig Unit 1 to address an alleged energy emergency.

A. Craig Unit 1 is owned by several utilities with specific service areas.

Craig Unit 1, along with Craig Units 2 and 3, comprise Craig Station, a 1,285 megawatt ("MW"), generating facility in Moffat County, CO.¹⁷ Craig Units 1 and 2, also known as the Yampa Project, are operated solely by Tri-State but are co-owned by Craig Unit 1 Owners. Craig Unit 1 has a 427 MW capacity and began operating in 1980, making it over 45-years-old.¹⁸ Craig Unit 1 was approved to retire on December 31, 2025. Craig Unit 2, which has a 410 MW capacity, has an approved retirement date of September 30, 2028, and Craig Unit 3, which is solely owned and operated by Tri-State and has a 448 MW capacity, will retire by 2030.¹⁹

Tri-State is a wholesale electric generation and transmission cooperative association with members located across Colorado, Nebraska, New Mexico, and Wyoming. Tri-State is a non-profit corporation and is owned and governed by its

¹⁷ Tri-State, [Craig Station Unit 2 owners announce retirement date of Sept. 30, 2028](#) (July 8, 2020), (last visited Jan. 26, 2026); Exhibit F (CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Brad Nebergall, filed on December 1, 2020, in Proceeding no. 20A-0528E, Attachment BN-2, (Tri-State, 2020 IRP/ERP, Public (Dec. 1, 2020)), at 182.

¹⁸ Global Energy Monitor, a project of the Sierra Club, [Craig Station](#) (last updated Jan. 5, 2026) (last visited Jan. 26, 2026); Exhibit F, at 182.

¹⁹ Tri-State, [Craig Station Unit 2 owners announce retirement date of Sept. 30, 2028](#) (July 8, 2020); Exhibit F, at 182; Exhibit G (CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Brad Nebergall, filed on December 1, 2020, in Proceeding No. 20A-0528E, Attachment BN-1 (Tri-State, Responsible Energy Plan ("Responsible Energy Plan") (Jan. 2020)), at 3.

members through a Board of Directors.²⁰ Tri-State's board is responsible for approving rates, major capital investments, and resource planning decisions.²¹ These resource planning decisions must then be approved by the CoPUC. Tri-State's ownership share of Craig Unit 1 is 24%, and Tri-State therefore is entitled to 102.5 MW out of Craig Unit 1's 427 MW capacity.²² It is Colorado's understanding that within Tri-State's service territory, only Colorado and Wyoming receive energy from Craig Unit 1. PRPA and Public Service are the two other Colorado-based utilities with an ownership stake in Craig Unit 1. PRPA is a non-profit community-owned power generation and transmission utility that provides energy to Estes Park, Fort Collins, Longmont, and Loveland, Colorado.²³ PRPA has an 18% ownership share of Craig Unit 1 and is therefore entitled to 77 MW of Craig Unit 1's capacity.²⁴ Public Service is a subsidiary of Xcel Energy, Inc., and is the largest gas and electric provider in Colorado. However, Public Service has the smallest ownership stake in Craig Unit 1, owning 9% (38.4 MW of Craig Unit 1's total capacity).²⁵

The Salt River Project and PacifiCorp are the two non-Colorado owners of Craig Unit 1. The Salt River Project is a non-profit organization that provides power in central Arizona.²⁶ The Salt River Project owns 29% of Craig Unit 1 (124 MW of Craig

²⁰ Exhibit JJ (CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Brad Nebergall, filed on December 1, 2020, in Proceeding No. 20A-0528E, Proceeding 20A-0528E), at 13:8-13.

²¹ *Id.*, at 13:16-22.

²² Exhibit J (CoPUC, 120 Day ERP Implementation Report, Public, filed on April 11, 2025, in Proceeding No. 23A-0585E).

²³ Exhibit EE (PRPA, [2024 Integrated Resource Plan](#) (Apr. 2023)).

²⁴ Exhibit FF (PRPA, [Craig Units 1&2 \(Yampa Project\)](#) (2026)).

²⁵ Global Energy Monitor, [Craig Station](#).

²⁶ Exhibit H (Salt River Project, [2023 Integrated Systems Plan](#)), at 6.

Unit 1's total capacity).²⁷ However, the Salt River Project did not receive energy from Craig Unit 1 directly and instead traded for it through the Western Area Power Administration ("WAPA") until April 1, 2026 when that contract expired. PacifiCorp is based in Oregon but serves customers in Oregon, Washington, California, Utah, Idaho, and Wyoming. PacifiCorp has a 19% ownership of Craig Unit 1 (81 MW of Craig Unit 1's total capacity). Neither utility's service territory is in the WECC-Rocky Mountain assessment area.

B. The Craig Unit 1 Owners decided to retire Craig Unit 1 ten years ago and included the retirement in their resource plans.

In 2016, the Craig Unit 1 Owners voluntarily decided to retire Craig Unit 1 by December 31, 2025, based on "the [S]tate and federal regulatory environment for coal-based generation, current and forecasted market conditions, the significant costs to install additional emissions controls, and the best interests of electric consumers."²⁸ The Craig Unit 1 Owners agreed to proposed revisions to Air Quality Control Commission ("Air Commission") Regulation No. 23 and Colorado's Regional Haze State Implementation Plan ("SIP") to include the December 31, 2025 retirement date.²⁹ The U.S. Environmental Protection Agency ("EPA") approved Craig Unit 1's retirement date on July 5, 2018.³⁰ Since 2016, the Craig Unit 1 Owners have incorporated the planned closure of the unit as an assumption in all electric resource

²⁷ *Id.*, at 27.

²⁸ Tri-State, [Craig Station Owners, Regulators and Environmental Groups Reach Agreement on Proposed Revisions to Colorado Regional Haze Plan](#) (Sep. 1, 2016).

²⁹ See *id.*; 5 Colo. Code Reg. § 1001-27, Part A, Section IV.D.1 (2025).

³⁰ Air Plan Partial Approval and Partial Disapproval; Colorado; Regional Haze Plan for the Second Implementation Period, 83 Fed. Reg. 31332 (July 5, 2018).

planning proceedings, reports, decisions and modeling.³¹ None of these processes or reports conclude that resource adequacy or reliability would be threatened by the unit's retirement.

Tri-State's resource plans are overseen by the CoPUC. The CoPUC reviewed Tri-State's load forecasts, resource needs, and planned resource acquisitions, all of which included the retirement of Craig Unit 1 by December 31, 2025 as an underlying assumption, as part of Tri-State's 2020 ERP and most recently its 2023 ERP for planning years 2026-2031.³² As recently as August 2025, the CoPUC found that "Craig Unit 1 is not required for reliability or resource adequacy purposes based on the record in this ERP. Every portfolio that Tri-State modeled for its most recent ERP assumes that Craig Unit 1 retires at the end of 2025. . . every portfolio meets all reliability metrics and is reliable."³³ The CoPUC further found that Tri-State's resource plan—including the retirement of Craig Unit 1—is resource diverse and cost effective, ensuring energy security, economic prosperity, and environmental protection. Tri-State reaffirmed on January 23, 2026, that the Craig Unit 1 retirement "has informed operational and maintenance decisions, and Tri-State has planned for adequate resources to maintain reliability on its system following the unit's

³¹ Tri-State, [Craig Station Owners Agreement](#) (Sep. 1, 2016); e.g., CoPUC, *Tri-State, ERP Annual Progress Report, Revised*, filed on June 2, 2017, in Proceeding No. 15M-0852E, at 16; CoPUC, ERP for Annual Progress Report, filed on October 31, 2018, in Proceeding No. 15M-0852E, at 17; CoPUC, ERP Annual Progress Report, filed on December 10, 2019, in Proceeding No. 15M-0852E, at 22.

³² Exhibit F, at 31; CoPUC, 150-Day Report, Public, filed on February 13, 2023, in Proceeding No. 20A-0528E, at 28; Exhibit X (CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Lisa K. Tiffin, Rev. 1, filed on May 15, 2024, in Proceeding No. 23A-0585E, Attachment LKT-1 (Tri-State, 2023 ERP Phase I, Rev. 2 (Apr. 22, 2024)), at 19, 21, 32, 44, 55, 66; Exhibit J, at 21, 32, 43, 54, 64, 75.

³³ Exhibit E, ¶ 116.

retirement.”³⁴ And the Resource Adequacy Report filed by Tri-State on March 17, 2026, did not present any resource adequacy or reliability issues, and continues to project no capacity shortfalls through 2035.³⁵ PRPA, which conducts its own integrated resource planning process, also has sufficient resources without Craig Unit 1. In fact, both PRPA and Tri-State challenged the Original Order because they do not need Craig Unit 1 and do not wish to unnecessarily incur costs to operate it.³⁶

The other Craig Unit 1 Owners are subject to similar oversight by their state utility commissions. As part of their respective state-approved resource plans, Salt River Project and PacifiCorp have confirmed there are no resource adequacy concerns in their respective states associated with the retirement of Craig Unit 1.

Underscoring the lack of need for Craig Unit 1, the unit suffered an outage on December 19, 2025 due to a mechanical failure of a valve.³⁷ Absent the Original Order, it is unlikely the Owners would have expended new resources to repair the aging unit given that they were not expecting to use it to generate energy after December 31st. Tri-State and the co-owners paid for the repair of Craig Unit 1 pursuant to the Original Order, and this cost has been passed along to Tri-State’s and PRPA’s,³⁸ and likely the other utilities’, customers. Craig Unit 1 was in a forced

³⁴ Tri-State, [Tri-State makes Craig Generating Station Unit 1 available to operate in compliance with DOE emergency order](#) (Jan. 23, 2026).

³⁵ Exhibit VV (CoPUC, Tri-State, Notice of 2026 Resource Adequacy Annual Report, filed on March 17, 2026, in Proceeding No. 26M-0028E).

³⁶ Exhibit UU.

³⁷ Exhibit QQ (Tri-State, [U.S. DOE Orders Tri-State to Keep Craig Generating Station Unit Operating for Next 90 Days](#) (Dec. 31, 2025)); see also Exhibit B, ¶ 11; Exhibit D, ¶ 15.

³⁸ Exhibit UU.

outage until its repairs were completed around mid-January,³⁹ and it was then available to operate, but did not operate, for the remainder of the period of the Original Order.

C. Federal Energy Regulatory Commission (“FERC”) and its designated entities also oversee resource planning decisions for Craig Station to ensure reliability.

The structure of FERC’s management of the bulk power system is important to understand various studies and reports as they relate to the claimed emergency identified in the Renewed Order. The reliability and resource adequacy of the electric power system in states that are not within Independent System Operators (“ISOs”) or Regional Transmission Organizations (“RTOs”) are typically managed by individual utilities, which are often vertically integrated, meaning they handle generation, transmission, and distribution of electricity within their service areas, and are typically overseen by state public utilities commissions or a similar state entity.⁴⁰ These utilities are also subject to reliability oversight by FERC and several balancing authorities, in addition to being subject to their state resource planning and reliability requirements. Utilities in an RTO, which now includes Tri-State and PRPA,⁴¹ are subject to additional frameworks and oversight. These related processes are designed to govern long-term planning and resource adequacy, and are reserved to FERC, RTOs, and the states under the FPA.⁴²

³⁹ Tri-State, [Tri-State makes Craig Generating Station Unit 1 available to operate in compliance with DOE emergency order](#) (Jan. 23, 2026).

⁴⁰ FERC, [Energy Markets](#) (Aug. 18, 2025) (last visited Jan. 26, 2026).

⁴¹ Tri-State and PRPA are part of the Southwest Power Pool (“SPP”)’s RTO expansion in the Western Interconnection, which began operations on April 1, 2026.

⁴² See 16 U.S.C. § 824(b)(1); 16 U.S.C. § 824a(b).

FERC oversees the reliability of the bulk power system, which is the network of generation, transmission, and distribution system components across the United States, by reviewing, approving, and enforcing mandatory reliability standards developed by the North American Electric Reliability Corporation (“NERC”).⁴³ FERC designated NERC as the Electric Reliability Organization (“ERO”) for the mainland United States in 2006 pursuant to the Energy Policy Act of 2005.⁴⁴ NERC is a non-profit international regulatory authority that assures the reliability of North America’s bulk power system by creating reliability standards, approved by FERC, that are legally enforceable and include training and communications requirements, and emergency back up plans.⁴⁵ These standards apply to all users, owners, and operators of the continental United States’ bulk power system.⁴⁶ NERC also annually analyzes seasonal and long-term reliability of the bulk power system and assesses risk by region using a three-tiered system.⁴⁷

NERC is permitted to delegate authority to regional entities for the purpose of proposing and enforcing reliability standards.⁴⁸ NERC therefore divides the North American bulk power system into six regional entities to which it has delegated authority. One of these regional entities is WECC, which covers most of the Western

⁴³ FERC, [Reliability Explainer](#) (Aug. 16, 2023) (last visited Jan. 26, 2026).

⁴⁴ See *id.*; 16 U.S.C. § 824o(a)(2); N. Am. Elec. Reliab. Corp., 116 FERC ¶ 61,062 (2006), at 3, order on reh’g & compliance, 117 FERC ¶ 61,126 (2006).

⁴⁵ FERC, [Reliability Explainer](#) (Aug. 16, 2023).

⁴⁶ 16 U.S.C. § 824o(b)(1).

⁴⁷ See 18 C.F.R. § 39.11.

⁴⁸ 18 C.F.R. § 39.8.

United States, including all of the states served by Craig Unit 1.⁴⁹ WECC is a non-profit organization that assures a reliable electric system in the Western Interconnection, a region that covers the Pacific Ocean to the Rocky Mountain states.⁵⁰ All of the Craig Unit 1 Owners are members of WECC.⁵¹

WECC identifies and registers the Reliability Coordinators and balancing authorities that are responsible for maintaining operating conditions under NERC's reliability standards within its region.⁵² Reliability Coordinators are the highest level of authority under NERC. They are responsible for the operation of the bulk electric system and have the operating tools, procedures, and authority to prevent or mitigate emergency operating situations.⁵³ Balancing authorities ensure that power system demand and supply are balanced, manage transfers of electricity and use economic dispatch to optimize the use of generating units and minimize real-time costs, and maintain operating conditions under NERC reliability standards.⁵⁴ As of April 1, 2026, Southwest Power Pool, Inc. ("SPP") is the Reliability Coordinator for Public Service, Tri-State, and PRPA, and the Balancing Authority for Tri-State and PRPA.⁵⁵

⁴⁹ See Fully Executed North American Electric Reliability Corp., [Amended And Restated Delegation Agreement Between NAERC And WECC](#) (2021 FERC Revisions – Clean) (Jan. 1, 2021).

⁵⁰ EPA, [U.S. Grid Regions](#) (Nov. 24, 2025).

⁵¹ WECC, [Membership](#) (2026).

⁵² Department, [Learning Series: Energy Security & Resilience](#); WECC, [Registration and Certification](#) (2026).

⁵³ NERC, [NERCipedia: Reliability Coordinator](#) (2024).

⁵⁴ Department, [Learning Series: Energy Security & Resilience](#).

⁵⁵ SPP, [2026 RTOE SWPW Transition Plan – Market Participant](#) (Version 2.2, Mar. 19, 2026).

In addition to this structure, FERC has encouraged the formation of nonprofit entities known as ISOs and RTOs.⁵⁶ FERC concluded that the use of ISOs and RTOs could address operational and reliability issues, improve transmission grid management, improve market performance, and facilitate lighter regulation.⁵⁷ RTOs and ISOs work with FERC and the states to ensure resource adequacy by imposing resource adequacy requirements on member utilities and monitoring the day to day operations of the grid.⁵⁸

In December 2025, the CoPUC determined that it is in the public interest for Tri-State to join the SPP RTO as part of SPP's western expansion in April of 2026.⁵⁹ Both Tri-State and PRPA joined the SPP RTO on April 1, 2026.⁶⁰ The SPP RTO is a "nonprofit corporation mandated by [FERC] to ensure reliable supplies of power, adequate transmission infrastructure, and competitive wholesale electricity prices on behalf of its members."⁶¹ The SPP RTO runs an Integrated Marketplace, which includes, among other things, a real time balancing market and a day ahead market.⁶² SPP RTO's western expansion includes parts of Colorado, Wyoming, and several other states, but its footprint does not align exactly with either the WECC-Rocky Mountain region or the WECC-Basin region.⁶³

⁵⁶ Regional Transmission Organizations, 65 Fed. Reg. 810, 811 (Jan. 6, 2000); Promoting Wholesale Competition Through Open Access Non-Discriminatory Transm. Servs. by Pub. Utils. and Recovery of Stranded Costs by Pub. Utils. and Transm. Utils., 61 Fed. Reg. 21540-01, 21542 (May 10, 1996).

⁵⁷ 65 Fed. Reg. at 811.

⁵⁸ Klass A., [The President and the Power Grid](#), Mich. L. Rev. Online (forthcoming Apr. 2026).

⁵⁹ CoPUC, Decision No. C25-0906, issued on December 16, 2025, in Proceeding No. 25A-0266E, ¶ 2.

⁶⁰ SPP, [Order Accepting Tariff Revisions, Subject to Condition](#), 190 FERC ¶ 61,169 (Mar. 20, 2025)

⁶¹ SPP, [About Us](#) (last visited Apr. 24, 2026).

⁶² *Id.* at [SPP Portal](#).

⁶³ Compare *Id.* at [RTO Expansion](#) to Exhibit WW (NERC, *Long-Term Reliability Assessment* (Jan. 2026).

The Renewed Order states, without support, that the WECC-Rocky Mountain Assessment area is experiencing an energy emergency based on NERC's 2025 Long-Term Reliability Assessment ("2025 LTRA"). But neither NERC, WECC and its designees, nor SPP have made a similar emergency determination. The Renewed Order cites to the 2025 LTRA's statements that the Rocky Mountain assessment area's anticipated reserve margin falls below the reference margin level for the first time in Summer 2034, that there is an aging thermal resource fleet, and that solar and wind variability are year-long concerns.⁶⁴ However, the Renewed Order itself notes that the 2025 LTRA found that the WECC-Rocky Mountain region is at a normal risk of energy shortfalls over the next five years.⁶⁵ NERC defines "normal risk" as resource adequacy criteria being met, and are expected to have sufficient resources for extreme conditions.⁶⁶ A region cannot have a better designation than "normal risk" in a LTRA. The Renewed Order also cites to the 2025 WECC Assessment's statement that the Basin and Northwest subregions planned resource buildout will not keep up with anticipated load growth over the next decade, despite the fact that the Renewed Order only declares an emergency in the Rocky Mountain subregion.⁶⁷

Even if these reports had included credible evidence of an emergency in the Rocky Mountain assessment area, the 2025 LTRA and 2025 WECC Assessment do not address short-term, imminent reliability issues. These reports also do not account for the westward expansion of SPP's RTO and the resulting mismatch between SPP West

⁶⁴ *Id.*

⁶⁵ Exhibit TT, n. 3.

⁶⁶ Exhibit WW, at 7.

⁶⁷ Exhibit TT.

and WECC-Rocky Mountain's footprints. Therefore, these reports cannot support a decision by the Department to keep one power plant open in the name of the Department's alleged region-wide emergency.

Thus, the assessments covering the areas served by Craig Unit 1 for both the 90-day term of the Renewed Order and beyond do not conclude that there is an energy shortfall or a reliability concern. Yet, the Department has re-issued a Section 202(c) Order declaring that an emergency exists within the WECC-Rocky Mountain assessment area "due to a shortage of electric energy, a shortage of facilities for the generation of electric energy, and other causes."⁶⁸ The Renewed Order requires the Craig Unit 1 Owners to ensure that the unit is available to operate for the next 90 days and directs SPP to employ economic dispatch of Craig Unit 1.⁶⁹

D. The Renewed Order is part of the broader federal efforts to support the coal industry.

On January 20, 2025, President Trump issued Executive Order 14156, "Declaring a National Energy Emergency."⁷⁰ That declaration did not provide any factual support for its assertion that the country was in the grips of an electricity emergency. In fact, U.S. energy production is at an all-time high and continues to grow.⁷¹ Although the President recently extended the energy emergency declaration

⁶⁸ Exhibit TT, at 2.

⁶⁹ *Id.*

⁷⁰ Declaring a National Energy Emergency, 90 Fed. Reg. 8433 (Jan. 20, 2025).

⁷¹ Zaretskaya, V., [The United States was the world's largest liquified natural gas exporter in 2023](#) (Apr. 1, 2024); U.S. Energy Info. Admin., [U.S. Exports of Crude Oil](#) (Dec. 31, 2025); U.S. Energy Info. Admin., [U.S. Energy Facts Explained: Imports & Exports](#) (July 15, 2024).

for an additional year, he did not cite any new evidence to justify the supposed emergency.⁷²

Setting the stage for the Department's plan to use Section 202(c) orders to promote the administration's policy preferences for the nation's energy mix, on April 14, 2025, President Trump issued Executive Order 14262, "Strengthening the Reliability and Security of the United States Electric Grid."⁷³ This Executive Order directed the Department to streamline and expedite processes for issuing emergency orders under Section 202(c). It also ordered the preparation of a methodology to help identify areas with inadequate reserve margins and directed the use of Section 202(c) orders to prevent certain generation resources from leaving the bulk power system.⁷⁴ Pursuant to this Executive Order, the Department published its report titled *Resource Adequacy Report: Evaluating the Reliability and Security of the United States Electric Grid* ("Resource Adequacy Report" or "Report"),⁷⁵ on July 7, 2025.

Colorado and several other states filed a request for rehearing of the Resource Adequacy Report that pointed out the Report's many analytical errors, including flawed and unexplained assumptions for load growth projections and resource retirements and additions.⁷⁶ The Department itself acknowledges in the Report that

⁷² Continuation of the National Emergency With Respect to Energy, 91 Fed. Reg. 1667 (Jan. 12, 2026).

⁷³ Exec. Order 14262, Strengthening the Reliability and Security of the United States Electric Grid, 90 Fed. Reg. 15521 (Apr. 14, 2025).

⁷⁴ *Id.*

⁷⁵ Exhibit M (Department, Resource Adequacy Report: Evaluating the Reliability and Security of the United States Electric Grid (July 2025)).

⁷⁶ Exhibit N (Motion to Intervene and Protective Request for Rehearing by the Attorneys General of Maryland, Washington, Illinois, Michigan, Minnesota, Arizona, Colorado, Connecticut, and New York, filed on August 6, 2025 with the Department).

the agency is not equipped to analyze resource adequacy, stating that its own analysis “could benefit greatly from the in-depth engineering assessments which occur at the regional and utility level.”⁷⁷ Thus, despite issuing a Report intended to guide its use of Section 202(c) authority, the Department does not have the ability to discern whether there is an energy emergency at the regional level.

Nevertheless, the Department proceeded to issue numerous orders under Section 202(c) in 2025 to prevent the retirement of several fossil fuel-fired power plants across the country. In May 2025, the Department issued orders preventing two fossil-fuel generation facilities in Michigan and Pennsylvania from retiring as planned. Both orders failed to identify an imminent energy emergency justifying the units’ continued operation and instead cited only generalized concerns about resource adequacy.⁷⁸ The Department has now re-issued both orders multiple times.⁷⁹

In December 2025, four additional fossil fuel-fired generation facilities were scheduled to retire, and the Department issued orders requiring their continued availability. In addition to the Renewed Order at issue in this proceeding, the Department ordered that units in Washington and Indiana remain available to operate, and the Department has recently re-issued all three of those orders.⁸⁰ Like

⁷⁷ Exhibit M, at 2.

⁷⁸ Exhibit O (Department, Order No. 202-25-3 (“Campbell Order”) (May 23, 2025)); Exhibit P (Department, Order 202-25-4 (“Eddystone Order”) (May 30, 2025)).

⁷⁹ See Exhibit I (Department, Order No. 202-25-7 (Aug. 20, 2025) (“Aug. Campbell Extension”)); Exhibit U (Department, Order No. 202-25-9 (Nov. 18, 2025) (“Nov. Campbell Extension”)); Exhibit V (Department, Order No. 202-25-8 (Aug. 28, 2025) (“Aug. Eddystone Extension”)); Exhibit PP (Department, Order No. 202-25-10 (Nov. 25, 2025) (“Nov. Eddystone Extension”)); Exhibit XX (Department, Order No. 202-26-16 (Feb. 17, 2026) (“Feb 2026 Campbell Extension”)); Exhibit YY (Department, Order No. 202-26-17 (Feb. 23, 2026) (“Feb 2026 Eddystone Extension”).

⁸⁰ Exhibit Q (Department, Order No. 202-25-11 (Dec. 16, 2025) (“Centralia Order”)); Exhibit S (Department, Order No. 202-25-12 (Dec. 23, 2025) (“Schahfer Order”)); Exhibit R (Department, Order

the Renewed Order, the other Section 202(c) orders issued in December also failed to support their emergency determinations with evidence of a specific, imminent energy shortfall or other circumstances that qualify as an emergency under Section 202(c).

IV. Statement of Issues and Specifications of Error

The State of Colorado submits the following statement of issues and specifications of error:

1. The Renewed Order is contrary to law because Section 202(c) only authorizes the Department to respond to specific, imminent, unexpected, and temporary events, while the Renewed Order addresses long-term resource adequacy concerns. The statutory text, legislative history, judicial construction, and the Department's regulations all confirm that an emergency must be specific, imminent, unexpected, and temporary. 16 U.S.C. § 824a(c); *Richmond Power & Light of City of Richmond, Ind. v. FERC*, 574 F.2d 610 (D.C. Cir. 1978); S. Rep. No. 74 621, 74th Cong., 1st Sess. (1935); 16 U.S.C. § 824a(a) & (b); *Otter Tail Power Co. v. Fed. Power Comm.*, 429 F.2d 232 (8th Cir. 1970).
2. The Renewed Order is contrary to law because it exceeds the Department's statutory authority by preventing the long-planned retirement of Craig Unit 1. Section 201(b) of the FPA reserves decisions about plant retirement dates to the states, and Section 202(c) does not vest the Department with general regulatory authority over resource adequacy. By abusing a statute meant only for emergencies, the Renewed Order intrudes on authority reserved to states and to other federal regulators to regulate resource adequacy. 16 U.S.C. §824(a); *Conn. Dep't of Pub. Util. Control v. FERC*, 569 F.3d 477, 481 (D.C. Cir. 2009); see also *Hughes v. Talen Energy Mktg., LLC*, 578 U.S. 150, 155 (2016); *Devon Power LLC et al.*, 109 FERC ¶ 61,154, P 47 (2004).
3. The Renewed Order is contrary to law because it fails to present substantial evidence for its emergency determination and ignores critical facts. None of the materials cited in the Renewed Order provide evidence of an emergency in the WECC-Rocky Mountain assessment area, and the Renewed Order ignores critical facts, including the findings in its

No. 202-25-13 (Dec. 23, 2025) ("Culley Order")); Exhibit ZZ (Department, Order No. 202-26-18 (Mar. 16, 2026)) ("March 2026 Centralia Extension"); Exhibit AAA (Department, Order No. 202-26-19 (Mar. 23, 2026)) ("March 2026 Schahfer Extension"); Exhibit BBB (Department, Order No. 202-26-19 (Mar. 23, 2026)) ("March 2026 Culley Extension").

own Resource Adequacy Report, NERC's findings, and State and utility analyses. *Motor Vehicle Mfrs. Ass'n of U.S., Inc. v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983); *Burlington Truck Lines, Inc. v. United States*, 371 U.S. 156, 168 (1962); *Chritton v. National Transportation Safety Board*, 888 F.2d 854, 856 (D.C. App. 1989); *Richmond Power & Light of City of Richmond, Ind. v. FERC*, 574 F.2d 610 (D.C. Cir. 1978); S. Rep. No. 74-621 (1935); 16 U.S.C. § 824a(a) & (b); *Otter Tail Power Co. v. Fed. Power Comm.*, 429 F.2d 232 (8th Cir. 1970); *Emera Maine v. FERC*, 854 F.3d 9, 22 (D.C. Cir. 2017); *Motor Vehicle Mfrs. Ass'n of U.S., Inc. v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983).

4. The Renewed Order is arbitrary and capricious because it requires generation that does not best meet the claimed emergency. 16 U.S.C. § 824a(c)(1); *Entergy Corp. v. Riverkeeper, Inc.*, 556 U.S. 208 (2009); *Dep't of Homeland Sec. v. Regents of the Univ. of Calif.*, 591 U.S. 1 (2020); *Motor Vehicle Mfrs. Ass'n of the U.S. v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29 (1983); 10 C.F.R. § 205.371.
5. The Renewed Order's terms fail to comply with Sections 202(c)(2) and 202(c)(4)(b) of the FPA, and Section 103(b) of the Department Organization Act. 16 USC § 824a(c)(1); 16 U.S.C. § 824a(c)(2); 42 U.S.C. § 7113; *Conn. Dep't of Pub. Util. Control v. FERC*, 569 F.3d 477, 481 (D.C. Cir. 2009); see also, e.g., *Hughes v. Talen Energy Mktg., LLC*, 578 U.S. 150, 155 (2016).
6. The Renewed Order is arbitrary and capricious because it is designed to support the federal administration's policy goal of supporting the coal industry. *Dep't of Commerce v. New York*, 588 U.S. at 782; *Level the Playing Field v. FEC*, 961 F.3d 462, 464 (D.C. Cir. 2020) (quoting *Hagelin v. FEC*, 411 F.3d 237, 242 (D.C. Cir. 2005)).
7. The Renewed Order violates the National Environmental Policy Act ("NEPA") because it fails to assess the environmental consequences of a major federal action significantly affecting the human environment. 42 U.S.C. § 4321, *et seq.*; 10 CFR § 1021.103.

V. Request For Rehearing

The Department must grant rehearing and rescind the Renewed Order because it suffers from numerous legal and factual deficiencies. Ignoring the legal standards that constrain the exercise of emergency authority under Section 202(c), and acting in

disregard of the facts, the Renewed Order improperly impinges on state authority over resource planning decisions, fails to present substantial evidence of an emergency, imposes unreasonable and unnecessary costs, fails to include required provisions to minimize environmental harms, and advances the administration's preferred energy source with no reasonable basis. For these reasons, the Renewed Order is contrary to law, arbitrary and capricious, and unsupported by substantial evidence. The Department should withdraw it. To the extent the Department intends to rely on the facts and arguments presented in the Original Order to substantiate an emergency during the period of the Renewed Order, the arguments of the State of Colorado in its Original Request of the Original Order are incorporated herein.⁸¹

A. The Renewed Order is contrary to law because it improperly expands the use of Section 202(c)'s emergency authority beyond the limited scope set forth in the FPA.

Section 202(c) authorizes the Department to command action from a utility unconstrained by many of the core procedural safeguards, jurisdictional boundaries, and substantive limitations normally imposed by the FPA.⁸² This power far exceeds the Department's normal authority, and is therefore restricted to the extraordinary and limited circumstances set forth in the statute.⁸³ The FPA's statutory text and structure, along with the Department's regulations, historic practice, and case law interpreting the FPA all make clear that any such event, including a "shortage of

⁸¹ Exhibit CCC.

⁸² See 16 U.S.C. § 824a(c).

⁸³ *Id.* ("[d]uring the continuance of any war in which the United States is engaged, or whenever the Commission 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, or of fuel or water for generating facilities, or other causes...").

electric energy” or the “demand for electric energy” must be one that constitutes a bona fide “emergency”—*i.e.*, a specific, imminent, unexpected and temporary event. The Renewed Order exceeds the Department’s authority because those extraordinary and limited circumstances do not exist here, and the Department is instead attempting to use the Renewed Order to regulate long-term resource adequacy, which is expressly reserved to the states and FERC.

- i. The language, history and structure of Section 202(c) limit the Department to addressing specific, imminent, unexpected and temporary supply shortfalls.*

Section 202(c)’s text authorizes the Department to act only upon an “emergency.”⁸⁴ The statute itself does not define “emergency.”⁸⁵ At the time Section 202(c) was enacted, “emergency” was defined as a “sudden or unexpected appearance or occurrence...An unforeseen occurrence or combination of circumstances which calls for immediate action or remedy; pressing necessity; exigency.”⁸⁶ Contemporary dictionaries likewise define “emergency” as “an unforeseen combination of circumstances or the resulting state that calls for immediate action,” or an “urgent need for assistance or relief.”⁸⁷

The remainder of Section 202(c)’s plain language also underscores the urgency and immediacy inherent in the word “emergency.” The text’s use of the present

⁸⁴ *Id.*

⁸⁵ Although emergency is not defined, the statute does indicate that an emergency includes “the continuance of any war in which the United States is engaged.” 16 U.S.C. § 824a(c)(1).

⁸⁶ *Emergency*, Webster’s New International Dictionary of the English Language (1930).

⁸⁷ [Emergency](#), Merriam-Webster Dictionary (Jan. 11, 2026); See also Benjamin Rolsma, *The New Reliability Override*, 57 Conn. L. Rev. 789, 812 n.147 (2025) (noting that dictionaries have given the term “emergency” the “same meaning for many years”).

tense underscores its focus on imminent and certain shortfalls, empowering the Department to act only where “an emergency exists.”⁸⁸ That near-term focus, along with the fact that this Section 202(c) authority is “temporary” authority,⁸⁹ precludes use of Section 202(c) to pursue long-term policy goals such as preference for a particular fuel source⁹⁰ or interventions to address general concerns about long-term resource adequacy.⁹¹

The legislative history of the FPA confirms that Congress intended Section 202(c) authority to be used for true emergencies. In a report accompanying the FPA’s original passage in 1935, Section 202(c) is described as a “temporary power” to be used in response to “crises:”

This is a temporary power designed to avoid a repetition of the conditions during the last war, when a serious power shortage arose. Drought and other natural emergencies have created similar crises in certain sections of the country; such conditions should find a [f]ederal agency ready to do all that can be done in order to prevent a break-down in electric supply.⁹²

Section 202’s overall structure also highlights Section 202(c)’s emphasis on imminent, near-term concerns. Section 202 established three tiers of federal

⁸⁸ 16 U.S.C. § 824a(c).

⁸⁹ *Id.*

⁹⁰ *Richmond Power & Light*, 574 F.2d at 615 (Section 202(c) “is aimed at situations in which demand for electricity exceeds supply and not those in which supply is adequate but a means of fueling its production is in disfavor.”).

⁹¹ See *Coalition for Competitive Electricity, Dynergy Inc. v. Zibelman*, 906 F.3d 41, 50 (2018) (citing 16 U.S.C. § 824(b)) (FPA “leaves to the States alone” the authority “to regulate energy production and facilities used for the generation of electric energy”); see also *Arkansas Elec. Co-op Corp. v. Arkansas Public Service Com’n*, 461 U.S. 375, 377 (1983) (“[T]he regulation of utilities is one of the most important of the functions traditionally associated with the police power of the States.”).

⁹² S. Rep. No. 74-621 at 49 (1935).

involvement in grid coordination. Section 202(a)⁹³ and Section 202(b)⁹⁴ together define and limit the tools by which the federal government may pursue “abundant” energy supplies in the normal course. Section 202(a) states that the federal government may seek “abundant supply of electric energy” by “divid[ing] the country into regional districts for the voluntary interconnection and coordination of facilities for the generation, transmission, and sale of electric energy.” Section 202(b) provides a backstop if the voluntary interconnection and coordination provided for in Section 202(a) fails, allowing the federal government to order “physical connection . . . to sell energy or to exchange energy” upon application, and “after an opportunity for hearing.”⁹⁵ However, Section 202(b) specifically states that the government has “no authority to compel the enlargement of generating facilities for such purposes.”⁹⁶

The resulting statutory “machinery for the promotion of the coordination of electric facilities” comprises the following: in subsection (a), an instruction to establish a general framework meant to facilitate “coordination by voluntary action;” in subsection (b), “limited authority to compel interstate utilities to connect their lines and sell or exchange energy,” subject to defined procedural and substantive requirements, when “interconnection cannot be secured by voluntary action;” and in subsection (c), “much broader” but “temporary” authority “to compel the connection

⁹³ 16 U.S.C. § 824a(a).

⁹⁴ 16 U.S.C. § 824a(b).

⁹⁵ *Id.*

⁹⁶ *Id.*

of facilities and the generation, delivery, or interchange of energy during times of war or other emergency.”⁹⁷

This structure relies on voluntary action for everyday energy planning, specifies limited authority where that voluntary system fails, and allows for “temporary” central command-and-control only in case of “emergency.” Section 202(c) authority applies narrowly to immediate and unavoidable “break-down[s] in electric supply,” rather than mere desire for more abundant supply in the future.⁹⁸ Interpreting Section 202(c)’s “emergency” powers to encompass longer-term concerns such as potential shortfall years into the future would unwind the careful balance of voluntary, market-driven action and federal authority set out by Congress. Therefore, such an interpretation cannot be squared with the statutory text, history and structure of Section 202 as required by law.

- ii. Section 215 of the FPA explicitly assigns federal regulation of long-term resource adequacy to FERC, further emphasizing that the Department’s Section 202(c) authority is limited to imminent emergencies.*

Section 215 of the FPA, 16 U.S.C. § 824o (“Section 215”), which delineates the scope of federal power to enforce mandatory long-term reliability requirements, confirms that Section 202(c) cannot be used to enforce the Department’s preference for long-term reliability solutions. Congress added Section 215 to the FPA in 2005 precisely because the FPA as it then existed, which included Section 202(c), did not provide the federal government with the power to enforce measures designed to

⁹⁷ S. Rep. No. 74-621 at 49 (1935).

⁹⁸ *Id.*

ensure broad, long-term reliability.⁹⁹ Implementation of Section 215, including the approval and enforcement of reliability standards for all entities operating in the bulk power system, is left to FERC and its designated ERO, not the Department.¹⁰⁰

By enacting Section 215, Congress newly created a comprehensive and carefully circumscribed scheme to allow FERC—not the Department—to address long-term reliability requirements. That statutory scheme strikes a careful balance between state and federal authority, and between private, market-driven decisions and top-down control. Reliability standards are devised by NERC independent “of the users and owners and operators of the bulk-power system” but with “fair stakeholder representation.”¹⁰¹ FERC may approve or remand those standards (but not replace them with its own) and must “give due weight” to NERC’s “technical expertise” while independently assessing effects on “competition.”¹⁰² Section 215 specifies enforcement mechanisms and procedures for reliability standards and carefully preserves state authority over “the construction of additional generation” and

⁹⁹ See Rules Concerning Certification of the ERO; and Procedures for the Establishment, Approval, and Enforcement of Electric Reliability Standards, 70 Fed. Reg. 53117, 53118 (Sept. 7, 2005) (“In 2001, President Bush proposed making Electric Reliability Standards mandatory and enforceable[,]” leading to enactment of Section 215 in 2005); National Energy Policy Development Group, *Reliable, Affordable, and Environmentally Sound Energy for America's Future* (May 2001) at 7-6 (noting that “[r]egional shortages of generating capacity and transmission constraints combine to reduce the overall reliability of electric supply in the country” and that “[o]ne factor limiting reliability is the lack of enforceable reliability standards” because “the reliability of the U.S. transmission grid has depended entirely on voluntary compliance,” and then recommending “legislation providing for enforcement” of reliability standards) (emphasis added); S. Rep. No. 109-78, 109th Cong., 1st Sess. at 48, Section 1211 (2005) (Section 215 “changes our current voluntary rules system to a mandatory rules system” for long-term reliability); see *Alcoa, Inc. v. FERC*, 564 F.3d 1342, 1344 (D.C. Cir. 2009) (noting that prior to the Energy Policy Act of 2005, “the reliability of the nation’s bulk-power system depended on participants’ voluntary compliance with industry standards”).

¹⁰⁰ 16 U.S.C. § 824o.

¹⁰¹ 16 U.S.C. § 824o(c)(2)(A); see also *id.* § 824o(a)(3) (defining reliability standards as “a requirement ... to provide for reliable operation of the bulk-power system”).

¹⁰² *Id.* § 824o(d)(2)-(4).

regulation of in-state resource adequacy, establishing regional advisory boards to ensure appropriate state input on the administration of reliability standards.¹⁰³

Interpreting Section 202(c) to permit the Department to mandate generation based on its determination that non-imminent and unsubstantiated reliability concerns create an “emergency” would effectively allow the Department to bypass Section 215’s procedural safeguards, constraints on federal authority, and protection of state power over long-term reliability. This would impermissibly contradict Congress’ clear intent as expressed in its more recent reliability-specific provisions, enacted with the understanding that the Department had no authority to address long-term reliability through Section 202(c).¹⁰⁴ “Congress’s specific and limited enumeration of [agency] power” over a particular matter in one section of the FPA “is strong evidence that [a separate section] confers no such authority on [an agency].”¹⁰⁵ Congress has, in Section 215, directly established the mechanisms by which the federal government may compel action to ensure long-term electric-system reliability, and that authority does not rest with the Department. In so doing, Congress has confirmed that the word “emergency,” as used in Section 202(c), does not extend to long-term reliability concerns and only applies to specific, imminent, unexpected and temporary events.

¹⁰³ *Id.* §§ 824o(e), -(i)-(j).

¹⁰⁴ See also *FDA v. Brown & Williamson Tobacco Corp.*, 529 U.S. 120, 121 (2000) (“The meaning of one statute may be affected by other Acts, particularly where Congress has spoken subsequently and more specifically to the topic at hand.”).

¹⁰⁵ *Cal. Indep. Sys. Operator Corp. v. FERC*, 372 F.3d 395, 401 (D.C. Cir. 2004).

- iii. *The Renewed Order is arbitrary, capricious and contrary to law because it contradicts the Department's regulations interpreting Section 202(c) and its historic practice in applying Section 202(c).*

The Department's regulations confirm that Section 202(c)'s authority is confined to imminent and unexpected resource shortages rather than long-term reliability concerns. Those regulations define "emergency" for the purposes of Section 202(c) to mean circumstances that arise suddenly and unexpectedly:

"Emergency," as used herein, is defined as an unexpected inadequate supply of electric energy which may result from the unexpected outage or breakdown of facilities for the generation, transmission or distribution of electric power. Such events may be the result of weather conditions, acts of God, or unforeseen occurrences not reasonably within the power of the affected "entity" to prevent. An emergency also can result from a sudden increase in customer demand, an inability to obtain adequate amounts of the necessary fuels to generate electricity, or a regulatory action which prohibits the use of certain electric power supply facilities.¹⁰⁶

This focus on specific events like weather conditions, acts of God, or unforeseen circumstances outside of the power of the affected entity to prevent, along with the reference to a "sudden increase in customer demand" producing a "specific inadequate power supply situation,"¹⁰⁷ forecloses the Department from using 202(c) authority to address vague long-term supply and reliability issues, such as those articulated in the Renewed Order.

This need for specificity is repeated in the Department's regulations defining an inadequate energy supply: "[a] system may be considered to have inadequate"

¹⁰⁶ 10 C.F.R. § 205.371.

¹⁰⁷ *Id.*

supply when “the projected energy deficiency...will cause the applicant [for a 202(c) Order] to be unable to meet its normal peak load requirements based upon use of all of its otherwise available resources so that it is unable to supply adequate electric service to its ultimate customers.”¹⁰⁸ An emergency may exist where past planning failures produce an immediate, present-tense shortfall, but the Department has no authority to commandeer long-term planning merely because it deems current plans inadequate to meet long-term needs.¹⁰⁹ As the Department stated when it promulgated these regulations, the statute allows the Department to provide “assistance [to a utility] during a period of unexpected inadequate supply of electricity,” but does not empower it to “solve long-term problems.”¹¹⁰

Until 2025, the Department’s orders complied with this regulatory scheme, and the agency used its Section 202(c) authority only in response to concrete, particularized emergencies, subject to narrow, appropriate limitations. Established “practice may shed light on the extent of power conveyed by general statutory language, so the want of assertion of power by those who presumably would be alert to exercise it, is equally significant in determining whether such power was actually conferred.”¹¹¹ Until recently, the Department has used Section 202(c) to address specific, imminent, and unexpected shortages, never to address longer-term

¹⁰⁸ 10 C.F.R. § 205.375.

¹⁰⁹ See *id.* (requiring present inability to meet demand to demonstrate inadequate energy supply).

¹¹⁰ Emergency Interconnection of Electric Facilities and the Transfer of Electricity to Alleviate an Emergency Shortage of Electric Power, 46 Fed. Reg. 39984, 39985–86 (Aug. 6, 1981).

¹¹¹ See *FTC v. Bunte Brothers, Inc.*, 312 U.S. 349, 352 (1941).

reliability concerns or demand forecasts.¹¹² As pointed out by the Congressional Research Service, the orders issued by the Department in May 2025 (and subsequently renewed) to keep coal plants open “all involve[d] seemingly new interpretations of the emergency authority.”¹¹³ The Renewed Order at issue in this proceeding continues this improper use of Section 202(c).

Similarly, before 2025, the Department used Section 202(c) on only three occasions to delay the retirement of generation facilities.¹¹⁴ Each case met the following four criteria: (1) the order was requested by a system operator or governmental body; (2) the generation facility had ceased or would soon cease operation due to an inability to comply with environmental laws; (3) the request aimed to address a concrete and particularized emergency threatening an imminent

¹¹² See, e.g., Department, [Order No. 202-22-4](#) (Dec. 24, 2022), at 1 (responding to ongoing severe winter storm producing immediate and “unusually high peak load” between December 23 and December 26); Department, [Order No. 202-20-2](#) (Sept. 6, 2020) (responding to shortages produced by ongoing extreme heat and wildfires); see also Rolsma, 57 Conn. L. Rev. at 803-4 (describing “sparing[]” use of Section 202(c) outside of wartime shortages during the twentieth century).

¹¹³ Cong. Research Serv., [Federal Power Act: The Department of Energy’s Emergency Authority](#), CRS Report No. R48568, at 3 (June 12, 2025).

¹¹⁴ In 2005, the Department issued an order directing the continued operation of a facility in Alexandria, VA, after the facility was abruptly closed based on noncompliance with its air permit. The order only applied when one or both of the 230 kv transmission lines serving downtown D.C. were out of service. Department, [Order No. 202-05-3](#) (Dec. 20, 2005). In 2017, an Oklahoma state agency asked the Department to direct the continued operation of a unit that would otherwise close because the unit was needed to provide dynamic reactive power support to the local grid, as confirmed by its reliability coordinator. The unit was needed because another unit at the station had been struck by lightning, and the third unit’s construction had been delayed due to flooding delaying essential project materials. The Department subsequently ordered the unit to remain in operation for 90 days or until one of the other two units came online, to provide dynamic reactive power support when called upon by its reliability coordinator. Department, [Order No. 202-17-1](#) (Apr. 14, 2017). Finally, in 2017, two Virginia utilities asked the Department to direct the continued operation of two units of a power station because they were necessary to prevent uncontrolled power disruptions and shedding of critical load. [Letter from PJM Interconnection, LLC, to the Department](#) (Aug. 24, 2017).

loss of load; and (4) the Department tailored its order to go no further than necessary to address the emergency.

The Department's unexplained deviation from its prior interpretation of the statute, as demonstrated through its past practice, is unlawful, arbitrary and capricious.¹¹⁵ And the Department cannot deviate from its regulations without conducting new notice and comment rulemaking and providing a reasonable basis for any change.¹¹⁶ A cornerstone of administrative law is "that an agency must provide[] a reasoned explanation for departing from precedent or treating similar situations differently."¹¹⁷ For this reason, "an interpretation of a legislative rule cannot be modified without the notice and comment procedure that would be required to change the underlying regulation—otherwise, an agency could easily evade notice and comment requirements by amending a rule under the guise of reinterpreting it."¹¹⁸ The Department has not undertaken any such notice and comment procedure here and has not provided any reasoned justification for its recent departure from the binding requirements and interpretations of its governing statute and regulations.

¹¹⁵ *F.C.C. v. Fox Television Stations, Inc.*, 556 U.S. 502, 515 (2009) ("To be sure, the requirement that an agency provide reasoned explanation for its action would ordinarily demand that it display awareness that it is changing position.").

¹¹⁶ See 5 U.S.C. § 553; *F.C.C.*, 566 U.S. at 515 (holding that an agency cannot simply change position on an issue without "a reasoned explanation" and "awareness that it is changing position.").

¹¹⁷ *New England Power Generators Ass., Inc. v. FERC*, 881 F.3d 202, 210-12 (D.C. Cir. 2018) (quoting *W. Deptford Energy, LLC v. FERC*, 766 F.3d 10, 20 (D.C. Cir. 2014)).

¹¹⁸ *Env't Integrity Project v. EPA*, 425 F.3d 992, 995 (D.C. Cir. 2005) (internal citations omitted); see also *Center for Biological Diversity v. Haaland*, 998 F.3d 1061, 1067 (9th Cir. 2021) (internal citations omitted) ("When an agency changes its position, it must: (1) "display [] awareness that it is changing position," (2) "show "the new policy is permissible under the statute," (3) "believe[]" the new policy is better, and (4) provide "good reasons" for the new policy.").

- iv. *Courts have found that the Department's use of Section 202(c) is limited to true emergencies and the Department is bound by the courts' statutory interpretation.*

There is little case law on Section 202(c). However, two decisions that have addressed the Department's authority under Section 202(c) both recognize that the Department's power under Section 202(c) is limited to specific, imminent, unexpected and temporary events.

First, during the 1973 oil embargo, the Federal Power Commission called for a voluntary transfer of electricity from non-oil power plants to areas of the country that relied heavily on oil, but the New England Power Pool petitioned for a Section 202(c) order because it was not convinced the voluntary program would work.¹¹⁹ The Commission declined to issue a Section 202(c) order, and instead facilitated an agreement between state commissions and supplying utilities.¹²⁰ In *Richmond Power and Light of City of Richmond, Indiana v. FERC*, the D.C. Circuit upheld the Commission's decision to not invoke Section 202(c).¹²¹ The utility argued that the country's dependence on foreign oil, and the high cost and uncertain supply of foreign oil, left the country with a continuing emergency, but the court agreed with the Commission's argument that the facilitated agreement had worked, service was never interrupted, and there was no need for a Section 202(c) order.¹²² The court highlighted that the statute "speaks of 'temporary' emergencies, epitomized by

¹¹⁹ *Richmond Power & Light*, 574 F.2d at 613.

¹²⁰ *Id.*

¹²¹ *Id.* at 614.

¹²² *Id.* at 615.

wartime disturbances, and is aimed at situations in which demand for electricity exceeds supply[.]”¹²³ The court upheld the Commission’s view that Section 202(c) cannot be used when “supply is adequate but a means of fueling its production is in disfavor.”¹²⁴

The Eighth Circuit Court of Appeals has also held that Section 202(c) can only be used to respond to immediate crises. In *Otter Tail Power Co. v. Fed. Power Comm’n.*, a utility insisted a Section 202(c) order was necessary to properly order the utility to connect to a municipal power provider. The demand for electricity in the city had increased, and the peak load of the municipal power provider was high enough that both of its two generators would likely be needed simultaneously in the near future, which could cause a possible loss of service if one of them malfunctioned during a peak period.¹²⁵ Instead of issuing a Section 202(c) order, the Commission issued an order under Section 202(b), which the utility argued was incorrect.¹²⁶

In upholding the Commission’s decision, the court distinguished between an emergency that is likely to occur and one that is actually occurring, concluding that Section 202(b) applies to the former, while Section 202(c) applies to the latter:

On its face, § 202(c) enables the Commission to react to a war or national disaster and order immediate interconnection of the facilities to maintain electrical service during such emergency. . . . On the other hand, § 202(b) applies to a crisis which is likely to develop in the foreseeable future but which does not necessitate immediate action on the part of the Commission.¹²⁷

¹²³ *Id.*

¹²⁴ *Id.*

¹²⁵ *Otter Tail Power*, 429 F.2d at 233-234.

¹²⁶ *Id.*

¹²⁷ *Id.* at 234.

Therefore, the court agreed that a potential crisis in the foreseeable future was not an emergency, making this current situation “just the type of situation to fit into a Section 202(b) hearing rather than a Section 202(c).”¹²⁸

Because courts, not agencies, decide “all relevant questions of law” arising on review of agency actions, the Department is bound by these courts’ “best reading” of the statutory language.¹²⁹

B. Section 202(c) does not vest the Department with general regulatory authority over resource adequacy, which is regulated by the states and FERC under other provisions of the FPA.

The FPA preserves states’ authority over generation facilities and resource adequacy planning, and Section 202(c) does not vest the Department with general regulatory authority over resource adequacy. Under the FPA, states are responsible for their own resource adequacy and decisions about generation facilities, and FERC is responsible for assuring the reliability of the nation’s bulk power system, including through its oversight of RTOs and ISOs. The Department itself has recognized that “resource adequacy planning and capacity requirements[] have traditionally been the domain of state regulatory commissions, NERC-certified Regional Entities, and RTOs/ISOs.”¹³⁰ Because there is no imminent shortfall or other circumstance constituting an emergency, the Renewed Order is an illegal attempt to regulate long-term resource adequacy by misusing the Department’s Section 202(c) authority.

¹²⁸ *Id.*

¹²⁹ *Loper Bright Enterprises v. Raimondo*, 603 U.S. 369, 392, 399-400 (2024).

¹³⁰ Research Power Corp., Order No. EA-365-C, [Order Authorizing Electricity Exports to Canada](#), at 5 (Dep’t of Energy Oct. 21, 2025).

- i. The Renewed Order's attempt to regulate long-term resource adequacy and energy production is intruding on FERC and state authority.*

The Department is attempting to regulate long-term resource adequacy and energy production under the guise of a Section 202(c) emergency and is therefore intruding on FERC and state authority.

It is clear from the Renewed Order that the Department is using its Section 202(c) authority for circumstances beyond actual emergencies. The Renewed Order repeatedly references long-term reliability. The Department's determination that an emergency exists rests on the assertion of a long-term concern that "increasing demand and shortage from accelerated retirement of generation facilities . . . could lead to the loss of power to homes, and businesses" that is "likely to continue in subsequent years."¹³¹ The Renewed Order admits that the WECC-Rocky mountain region, where it has currently declared there to be an energy emergency, "is at normal risk of energy shortfalls over the next five years."¹³² As evidence of an energy emergency, the Renewed Order cites only the 2025 LTRA's statement regarding potential shortfalls in the WECC-Rocky Mountain region beginning in 2034 and that Colorado will have a certain amount of coal-fired generating capacity retired by 2029.¹³³ Demand growth and retirements occurring over the next decade fall into the realm of long-term resource planning, not a Section 202(c) emergency, which must be imminent, unexpected, sudden, and temporary.¹³⁴

¹³¹ Exhibit TT, at 7.

¹³² *Id.*, at 4.

¹³³ *Id.*

¹³⁴ See *supra*, Section V.A.

Regulating long-term resource adequacy is outside the scope of the Department's Section 202(c) authority. The structure and language of the FPA reflect Congress' deliberate choice to preserve the states' traditional authority over generating facilities and to limit the Department's emergency authority. The FPA states that "the Commission shall have jurisdiction over all facilities for such transmission or sale of electric energy, but shall not have jurisdiction, except as specifically provided in this subchapter and subchapter III of this chapter, over facilities used for the generation of electric energy..."¹³⁵ Congress also recognized the states' exclusive authority over generating facilities in Section 202(b), which provides that FERC's interconnection authority does not include the power to "compel the enlargement of generating facilities for such purposes."¹³⁶ FERC's role in regulating electricity generation and transmission is related to matters of interstate commerce and extends "only to those matters which are not subject to regulation by the [s]tates."¹³⁷

Pursuant to the FPA, "[t]he states are thus authorized to regulate energy production . . . and facilities used for the generation of electric energy."¹³⁸ Decisions around what facilities to build, whether they remain feasible, and retail rates are areas governed by the states.¹³⁹ Courts have held that Section 201(b)(1) reserves to the states authority over electric generating facilities, including that states retain the

¹³⁵ 16 U.S.C. § 824(b)(1).

¹³⁶ 16 U.S.C. § 824a(b).

¹³⁷ 16 U.S.C. § 824(a).

¹³⁸ *Coal. for Competitive Elec.*, 906 F.3d at 50.

¹³⁹ *Pac. Gas & Elec. Co. v. State Energy Res. Conservation and Dev. Comm'n*, 461 U.S. 190, 205 (1983).

right “to require the retirement of existing generators” or to take any other action in their “role as regulators of generation facilities.”¹⁴⁰ FERC has acknowledged that “[r]esource adequacy is a matter that has traditionally rested with the states, and it should continue to rest there. States have traditionally designated the entities that are responsive for procuring adequate capacity to serve loads within their respective jurisdictions.”¹⁴¹ As relevant to Craig Unit 1, because SPP does not have a capacity market, states are still required to ensure utilities have sufficient generation capacity to meet their needs and SPP determines when to dispatch it. While many RTOs or ISOs have a centralized capacity market, SPP instead uses a resource adequacy requirement that establishes minimum capacity levels but maintains traditional state authority over how to meet those minimum levels.

The electric power sector is governed by longstanding principles of cooperative federalism encouraged in Section 209(b) of the FPA, which explicitly declares that FERC may consult with states “regarding the relationship between rate structures, costs, accounts, charges, practices, classifications, and regulations of public utilities subject to the jurisdiction of such State commission and of the Commission.”¹⁴² FERC has embraced these cooperative federalism principles and developed long-standing consultation practices with the states, including through creation of a Joint Federal-State Task Force,¹⁴³ and more recently, a Federal-State Current Issues Collaborative

¹⁴⁰ *Conn. Dep’t of Pub. Util.*, 569 F.3d at 481; see also *Hughes*, 578 U.S. at 155.

¹⁴¹ *Devon Power LLC, et al.*, 109 FERC ¶ 61,154, at 47 (2004).

¹⁴² 16 U.S.C. § 824h(b).

¹⁴³ FERC, [Joint Federal-State Task Force on Electric Transmission](#) (Sept. 3, 2025).

which was formed due to the success of the Task Force.¹⁴⁴ The importance of this cooperation is evident in the Department’s own Resource Adequacy Report, which flagged that it could have benefitted greatly from cooperation with the states due to the “in-depth engineering assessments which occur at the regional and utility level.”¹⁴⁵

In the Renewed Order, the Department seeks to substitute its own judgment about which resources should be employed to maintain resource adequacy for the states’ decisions, despite these decisions resting firmly in the jurisdiction of the states. Section 202(c) does not provide the Department with the authority to mandate that resources remain running to address long-term resource adequacy. If Congress intended to vest regulatory authority over long-term resource adequacy in Section 202(c) and displace state law, it would have needed to make that intent “unmistakably clear.”¹⁴⁶ Section 202(c) says that the Department may “require by order . . . such generation . . . of electric energy as in its judgment will best meet the emergency and serve the public interest.”¹⁴⁷ Empowering the Department to generally determine which power plants may retire across every utility and independent power producer in the entire country would have profound implications for rates, state

¹⁴⁴ FERC, [Federal-State Current Issues Collaborative](#) (Jan. 21, 2026).

¹⁴⁵ Department, [Resource Adequacy Report Evaluating the Reliability and Security of the United States Electric Grid](#) (July 2025) at 2.

¹⁴⁶ *Gregory v. Ashcroft*, 501 U.S. 452, 460 (1991) (The clear statement rule requires Congress to make its intent unmistakably clear if it intends a statute to alter the usual constitutional balance between the federal government and the states.); see also *DeMarco v. Holy Cross High Sch.*, 4 F.3d 166, 169 (2d Cir. 1993) (Congress must express an affirmative intention to use a statute to alter the federal balance.).

¹⁴⁷ 16 U.S.C. § 824a(c)(1).

sovereignty, and a broad array of other state policy and stakeholder interests. If Congress had intended to do that, it would not have done so through the only provision in the FPA that empowers the Department to act outside normal procedural safeguards.

The Supreme Court has rejected statutory interpretations where an agency “claim[s] to discover in a long-extant statute an unheralded power representing a transformative expansion in its regulatory authority.”¹⁴⁸ The Department may not radically reinterpret a 90-year-old statute to manufacture a basis to exercise much broader authority than it ever has in the past. Previous exercises of Section 202(c) authority have been at the request of a system operator or governmental body and in a manner narrowly tailored to respond to a concrete and particularized emergency. Prior to the current administration, the Department has never issued a Section 202(c) order to impose its policy preferences to contravene the judgment of those bodies properly responsible for ensuring resource adequacy, *i.e.*, the states and FERC. For these reasons, the Renewed Order should be withdrawn.

C. The Renewed Order fails to present substantial evidence for its emergency determination and ignores critical facts.

Agencies “must examine the relevant data and articulate a satisfactory explanation for [their] actions, including a rational connection between the facts found and the choice made[,]” and make findings that are supported by substantial

¹⁴⁸ *W. Virginia v. EPA*, 597 U.S. 697, 724, (2022) (quoting *Util. Air. Regul. Grp. V. E.P.A.*, 573 U.S. 302, 324 (2014)) (internal quotations omitted).

evidence.¹⁴⁹ Substantial evidence is “such relevant evidence as a reasonable mind might accept as adequate to support a conclusion.”¹⁵⁰ Similarly, orders under the FPA must reflect “a principled and reasoned decision supported by the evidentiary record.”¹⁵¹ Here, the Department failed to provide evidence of an imminent resource adequacy shortfall, making the Renewed Order contrary to law.

The Renewed Order cites the following purported evidence of an emergency: the 2025 LTRA, WECC’s 2025 Western Assessment of Resource Adequacy, and the Department’s Resource Adequacy Report; generation retirements and summer resource adequacy in Colorado; the Grid Reliability and Energy Emergency Executive Orders; and data center load growth.¹⁵² Contrary to the Renewed Order’s claims, these reports and observations, whether considered separately or together, do not provide sufficient evidence of an energy emergency in the WECC-Rocky Mountain assessment area.

- i. NERC’s assessments do not establish that there is an energy emergency in the areas served by Craig Unit 1.*

The Renewed Order cites the NERC 2025 LTRA’s statements that the WECC-Rocky Mountain assessment area has an anticipated reserve margin that falls below the reference margin level in Summer 2034 and Summer 2035, and Winter 2034-2035, that the area faces challenges from an aging thermal resource fleet, and that both

¹⁴⁹ *Motor Vehicle Mfrs. Ass’n of U.S., Inc. v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983) (quoting *Burlington Truck Lines, Inc. v. United States*, 371 U.S. 156, 168 (1962)).

¹⁵⁰ *Chritton*, 888 F.2d at 856 (quoting *Refrigerated Transport Co., Inc. v. I.C.C.*, 616 F.2d 748, 751 (5th Cir.1980) (quoting *Chem-Haulers, Inc. v. United States*, 536 F.2d 610, 617 (5th Cir.1976)).

¹⁵¹ *Emera Maine*, 854 F.3d at 22.

¹⁵² Exhibit TT.

solar and wind variability are year-round concerns.¹⁵³ The Renewed Order relies on these statements to assert the WECC-Rocky Mountain assessment area is experiencing an energy emergency. This mischaracterizes and misapplies the 2025 LTRA's conclusions. By failing to consider relevant facts and to support its findings with substantial evidence, the Department's Renewed Order is contrary to law.

The Department's reliance on the 2025 LTRA as evidence of an emergency is fundamentally flawed. NERC serves an important advisory role by providing recommendations about risks to the grid, but ultimately, determinations about generation resources remain within state authority.¹⁵⁴ Importantly, NERC's reports do not examine regions at the level of granularity that would be required to determine whether a particular resource is essential for regional resource adequacy. The reports only provide the anticipated planning reserve margins of large regions as a whole. The purpose of NERC assessments is to identify for grid operators constraints that might arise and implicate grid reliability if not mitigated.¹⁵⁵ Thus, even "at risk" designations are not grid emergencies. They merely reflect potential areas of future concern so that the relevant grid operators and planners for the applicable region can consider whether mitigation measures are necessary to maintain grid reliability, under their set procedures. Thus, the purpose of NERC's LTRAs is to assess the adequacy of planned resources to meet electricity demand across North America over the next ten

¹⁵³ *Id.*, at 4.

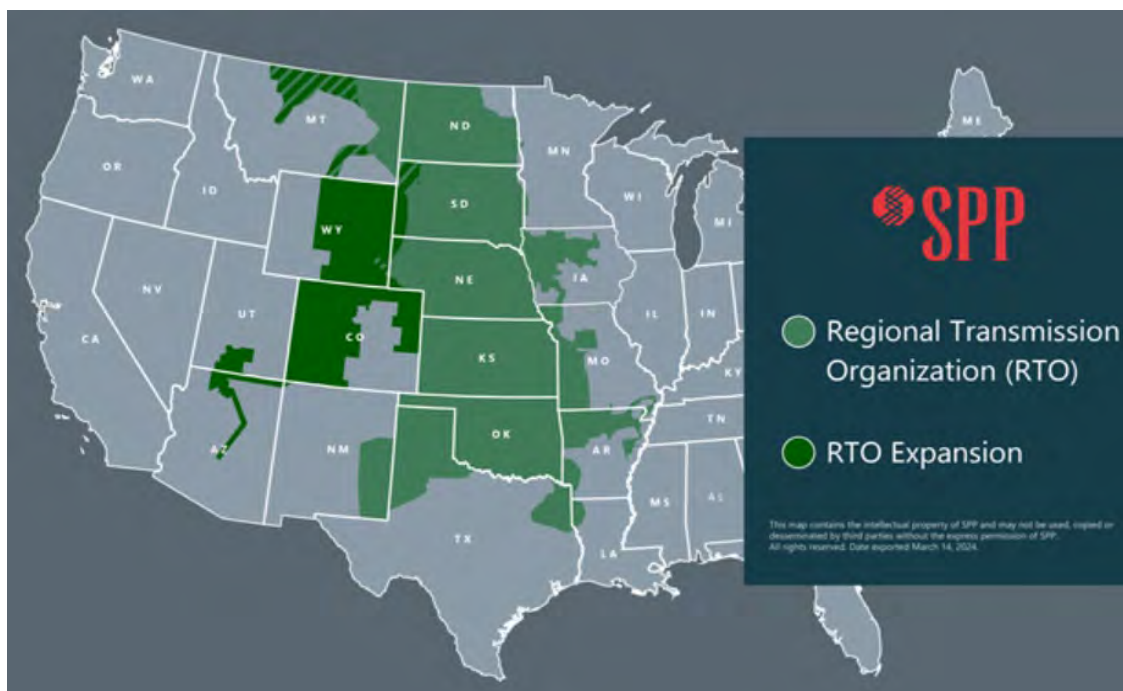
¹⁵⁴ NERC, [Reliability Assessments](#) (2026).

¹⁵⁵ Exhibit L.

years so that utilities, states, and RTOs can adjust their planning accordingly.¹⁵⁶ The 2025 LTRA does not address short-term reliability issues. Therefore, this report cannot support a decision by the Department to keep one power plant open in the name of a general region-wide emergency.

The Department's choice to rely on the 2025 LTRA is also flawed because the 2025 LTRA does not account for the fact that Tri-State and PRPA have joined the SPP RTO. SPP's new footprint after its April 1, 2026, western expansion is demonstrated in the figure below:

Figure 1: SPP Expanded RTO Footprint¹⁵⁷

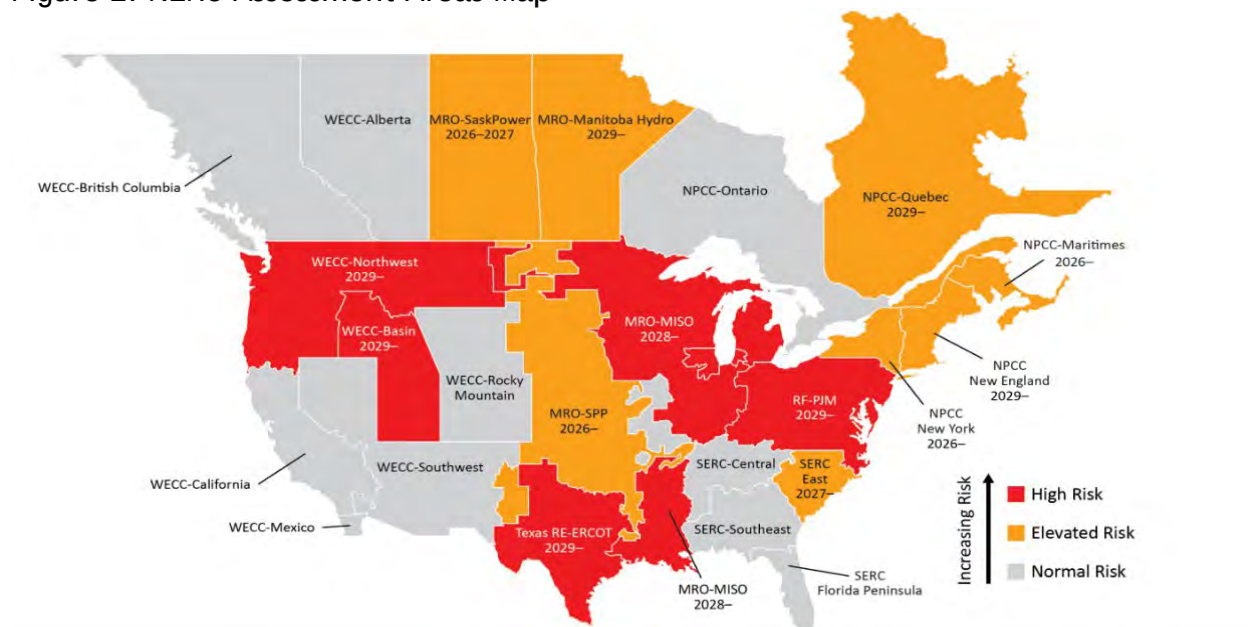


¹⁵⁶ Exhibit K; Exhibit HHH (Cook, A., NERC to OMS: Long-term Assessment not a Predictor of Risk (Feb. 10, 2026)), at 2 (reporting that NERC representatives have explained the long-term reliability assessment “is not a prediction in any way,” and have noted that over the years, areas labeled “high risk” have not experienced emergency shortages); Organization of MISO States, Inc., [Minutes of the Board of Directors Meeting](#) (Feb. 9, 2026) (approved).

¹⁵⁷ SPP, [RTO Expansion](#), Western Services (Apr. 1, 2026) (map at top of page).

The other NERC 2025 LTRA assessment areas match up with RTO and ISO footprints, as shown in the map below:

Figure 2: NERC Assessment Areas Map¹⁵⁸



But the 2025 LTRA assessment does not account for the westward expansion of the SPP RTO because it occurred after the publication of the 2025 LTRA. The MRO-SPP and WECC-Rocky Mountain assessment area no longer accurately reflect operational and planning realities, as well as RTO footprints. Thus, it is unreasoned for the Department to rely on the 2025 LTRA as substantial evidence of a reliability concern in the WECC-Rocky Mountain assessment area.

¹⁵⁸ Exhibit WW, at 8.

Even if it were appropriate for the Department to rely on the 2025 LTRA, that assessment does not actually demonstrate an emergency for the WECC-Rocky Mountain assessment area, contrary to the Renewed Order's claims. First, it is unclear why the Renewed Order states that the WECC-Rocky Mountain assessment area faces challenges from an aging thermal resource fleet. The 2025 LTRA does not list that as a concern for the WECC-Rocky Mountain assessment area.¹⁵⁹

In terms of resource adequacy in the WECC-Rocky Mountain region, the Renewed Order itself states that "NERC assessed that the WECC[-]Rocky Mountain region, which includes Colorado, is at a normal risk of energy shortfalls over the next five years," but goes on to selectively cite the fact that the assessment area's anticipated reserve margin falls below the reference margin level for the first time in Summer 2034.¹⁶⁰ A potential shortfall starting eight years from now does not provide sufficient evidence to support an emergency declaration for the 90 days covered by the Renewed Order. And this potential shortfall was projected only because "not enough resources have progressed into the interconnection queue for these later years in the assessment period."¹⁶¹ There is more than sufficient time for the usual state and market planning processes to address this potential shortfall over the next eight years before it is projected to occur.

¹⁵⁹ See *id.*, at 137, 143, 150, 159, 166 (listing an aging thermal resource fleet as a concern for the WECC-Alberta, WECC-Basin, WECC-California, WECC-Northwest, and WECC Southwest assessment areas). The Department's cite to page 161 does not describe an aging thermal resource fleet as a concern for WECC-Rocky Mountain assessment area. Exhibit TT, at n. 17.

¹⁶⁰ *Id.*, at 4.

¹⁶¹ Exhibit WW, at 161.

The Renewed Order also ignores that the WECC-Rocky Mountain assessment area has anticipated reserve margins (even when including announced generation retirements) of 51.3% for 2026, 60% for 2027, and 53.2% for 2028, and that the 2025 LTRA found that the WECC-Rocky Mountain assessment area’s “planned resources meet demand and reliability margins for all hours.”¹⁶²

The 2025 LTRA does not provide substantial evidence of an energy emergency in the WECC-Rocky Mountain assessment area.

- ii. *WECC’s Western Assessment of Resource Adequacy and the Department’s Resource Adequacy Report do not demonstrate an emergency.*

The Renewed Order also cites the 2025 WECC Western Assessment of Resource Adequacy (“2025 WECC Assessment”) to support its declaration of an emergency. Like the 2025 LTRA, the 2025 WECC Assessment does not analyze near-term resource adequacy and instead uses a probabilistic approach to evaluate reliability over the next ten years.¹⁶³ This makes the 2025 WECC Assessment inappropriate for providing evidence of an emergency under Section 202(c).

Even if the 2025 WECC Assessment was appropriate evidence for the Department to rely upon, it does not demonstrate an emergency in the areas served by Craig Unit 1 or the WECC-Rocky Mountain assessment area. Once again, the Department selectively cites information from that report.¹⁶⁴ The Renewed Order mentions long-term resource adequacy concerns regarding the Basin and Northwest

¹⁶² *Id.*, at 160, 162.

¹⁶³ WECC, [2025 Western Assessment](#), WECC Feature (last visited Apr. 27, 2026).

¹⁶⁴ Exhibit TT.

subregions, despite the fact that the Renewed Order only designates an emergency for the WECC-Rocky Mountain subregion.¹⁶⁵ The Renewed Order then fails to acknowledge the 2025 WECC Assessment's findings for the Rocky Mountain subregion, namely that the Rocky Mountain subregion is again designated as normal risk. The subregion does not have demand at risk hours until 2029, and then only in a scenario where only 85% of planned additions are completed and operational on time.¹⁶⁶ Thus, the 2025 WECC Assessment does not provide substantial evidence of an emergency in the WECC-Rocky Mountain assessment area.

Next, the Renewed Order briefly references the Department's Resource Adequacy Report,¹⁶⁷ which purports to provide a uniform methodology for identifying at-risk regions and grid reliability issues and guide reliability interventions. As with other reports cited in the Renewed Order, this Report provides no support for the Department's determination that there is an emergency requiring continued availability of Craig Unit 1 in the next 90 days, or even the next year. The Report assesses the ability of the electric grid to "meet *future* demand through 2030" and is a "*forward-looking* snapshot of resource adequacy."¹⁶⁸ This Report was not designed to assess imminent emergency conditions of the electric grid, and explicitly does not do so.

¹⁶⁵ WECC, 2025 [Western Assessment](#), *supra*.

¹⁶⁶ *Id.*

¹⁶⁷ Exhibit M.

¹⁶⁸ Department, [Resource Adequacy Report Evaluating the Reliability and Security of the United States Electric Grid](#) (July 2025) at 9 (emphasis added).

Indeed, the Report's only conclusions are for 2030, which is completely irrelevant for an emergency Section 202(c) order issued for 90 days in 2026. The Report finds potential reliability issues in 2030 only under a set of unsupported assumptions that assume unrealistically high load projections stemming from unfounded assumptions about data center load, and assume that utilities virtually cease construction of new generation and transmission resources. Its 2030 projections are at odds with the analyses from NERC and WECC, as well as the findings from Colorado's ERP proceedings and utilities' resource adequacy reporting. In any case, a claimed reliability issue in 2030 cannot justify a 90-day emergency order in 2026. Forcing ratepayers to pay to keep generation online that is not needed, simply because technology companies may be building more data centers in the future that may need power is arbitrary and violates the FPA's requirement that rates be just and reasonable, especially as other analyses indicate that data center projections may be overblown.¹⁶⁹

Given its focus on future conditions and unverified assumptions, the Report is not substantial evidence of an emergency under Section 202(c).

iii. State and utility planning processes have ensured that the areas served by Craig Unit 1 will continue to have sufficient capacity without Craig Unit 1.

The Renewed Order notes that Colorado's share of coal generated electricity has fallen from 45% to 25% since 2016, that further coal and natural gas plant

¹⁶⁹ Exhibit SS (Behr, P., *PJM to ratchet down projected AI power demand for eastern US* (Jan. 6, 2026)); Institute for Policy Integrity, [Fiscal Year 2025 Annual Report](#); London Economics International LLC, [Uncertainty and Upward Bias are Inherent in Data center Electricity Demand Projections](#) (July 7, 2025).

retirements are planned by 2029, that intermittent wind accounts for 5,300 MW of Colorado's electric generating capacity, and that CoPUC Commissioners have discussed resource adequacy concerns for Summer 2026 as evidence of an energy emergency in the WECC-Rocky Mountain assessment area.¹⁷⁰ However, the Renewed Order does not provide any evidence that any of these factors have resulted in a resource shortfall in Colorado. Pursuant to the authority reserved to the states by the FPA, Colorado has robust electric resource planning processes that ensure resource adequacy and grid reliability. Tri-State and PRPA, the two co-owners of Tri-State that are both located in Colorado and members of SPP, also have robust electric resource planning processes that accounted for the retirement of Craig Unit 1.

a. Colorado's robust planning process ensures sufficient capacity for the State's utility customers.

For decades, Colorado has implemented robust and successful electric resource planning processes that serve as a model for other states. Colorado's process assesses resource adequacy and reliability across utilities' service territories, requires regulated utilities to use competitive resource solicitations to acquire new resources of multiple fuel types, and ensures that there will be sufficient electricity to meet expected load, even with planned plant closures.¹⁷¹

As part of Colorado's overall energy planning framework, each investor-owned retail electric utility and wholesale electric generation and transmission cooperative is required to submit to the CoPUC an application for approval of an ERP.¹⁷² Each

¹⁷⁰ Exhibit TT, at 4-5.

¹⁷¹ See Exhibit C, ¶¶ 12-17.

¹⁷² § 40-2-125.5, Colo. Rev. Stat.; 4 Colo. Code Regs. §§ 723-3-3603(a), -3605(a).

Colorado ERP proceeding thoroughly considers resource adequacy and reliability at multiple stages.¹⁷³ In developing their forecasted resource needs, utilities' electric energy and demand forecasts must be completed for each year within the ERP planning period and must include, among other components, the electric demand placed on the utility's system for each hour of the day for peak-day, average-day, and representative off-peak days for each calendar month.¹⁷⁴ Utilities must "develop and justify a range of forecasts of coincident summer and winter peak demand and energy sales that its system may reasonably be required to serve during the planning period[,] . . . including base case, high, and low" demand growth scenarios.¹⁷⁵ Since the announcement of Craig Unit 1's retirement in 2016, the CoPUC has received annual resource planning reports from Tri-State and Public Service, and has conducted two adjudicated resource planning proceedings for Tri-State's system and three for Public Service's system, with administrative records totaling in the tens of thousands or hundreds of thousands of pages. All of these proceedings have included the planned Craig Unit 1 retirement as a foundational assumption in forecasting, modeling, and portfolio selection.

In an ERP proceeding, the utility must describe and justify the means by which it assesses the desired level of system reliability, and it must propose target planning reserve margins for each forecasted scenario.¹⁷⁶ Utilities' planning reserve margin studies employ probabilistic modeling to determine the amount of capacity necessary

¹⁷³ *Id.*

¹⁷⁴ 4 Colo. Code Regs. § 723-3-3605(b).

¹⁷⁵ *Id.* at -(b)(II).

¹⁷⁶ 4 Colo. Code Regs. § 723-3-3605(e).

to maintain a certain level of reliability, for example a Loss of Load Expectation of 0.1 days/year. The studies must account for a wide variety of risks, “includ[ing] risks associated with: the development of generation; losses of generation capacity . . . , losses of transmission capability; [and] risks due to known or reasonably expected changes in environmental regulatory requirements[.]”¹⁷⁷ Planning reserve margin studies also rely on thorough analyses, for each resource type, of the Effective Load Carrying Capability (“ELCC”), or the amount of dependable capacity that can be counted on by the system for resource adequacy purposes.¹⁷⁸ Utilities must present contingency plans for the acquisition of additional resources in the event demand increases or expected generation resources are not developed.¹⁷⁹ “The additional generation must be able to [] meet system needs, including availability or dispatchability at certain hours of the day.”¹⁸⁰

Upon completion of a resource solicitation, the utility presents a number of potential resource portfolios. Included in this presentation are the results of additional reliability checks, which further ensure resource adequacy and reliability by demonstrating that each portfolio satisfies relevant metrics such as meeting the required planning reserve margin, meeting a Loss of Load Hours target and meeting an Annual Expected Unserved Energy target.¹⁸¹ After opportunities for stakeholder input, the CoPUC issues a decision establishing the final cost-effective resource plan. In

¹⁷⁷ *Id.* at -(e)(II).

¹⁷⁸ Exhibit C, ¶¶ 23, 43, 54.

¹⁷⁹ 4 Colo. Code Regs. § 723-3-3605(e)(III).

¹⁸⁰ Exhibit C.

¹⁸¹ *E.g.*, Exhibit J, at 94-95.

making this decision the CoPUC considers various statutory factors, including whether the resource plan meets the energy policy goals of Colorado, such as giving full consideration to cost-effective resources that provide beneficial contributions to Colorado's energy security, economic prosperity, environmental protection, and insulation from fuel price increases.¹⁸²

Colorado's electric resource planning process also allows for the filing of interim ERPs and certificates of public convenience and necessity to fill generation needs not identified or fully satisfied by ERPs completed on the regular cadence.¹⁸³ This "allow[s] electric utilities and the State to quickly respond to changes in load or available resources."¹⁸⁴

The Renewed Order states that CoPUC commissioners "have expressed concerns about the ability of certain utilities to meet projected summer 2026 loads[,]” citing a March 26, 2026, RTO Insider article titled *Comanche 3 Repair Delay Raises RA Concerns in Colorado*.¹⁸⁵ The Renewed Order's reliance on the article is overbroad, misplaced, and premature.

The article discusses just one Colorado utility - Public Service - and its projected loads and resources for Summer 2026. Discussions around Summer 2026 loads have been prompted in significant part by the extended unplanned outage of coal-fired Comanche Unit 3, which has been offline since August 12, 2025. As stated in the article, CoPUC commissioners noted Public Service's forecasted loads and

¹⁸² 4 Colo. Code Regs. § 723-3-3605(h); § 40-2-134, Colo. Rev. Stat.

¹⁸³ 4 Colo. Code Regs. §§ 723-3-3603(a), 3605(a)(II); Exhibit C.

¹⁸⁴ *Id.*, ¶ 16.

¹⁸⁵ Exhibit TT, at 6.

resources and required the utility to quickly explore additional capacity resources. The CoPUC's actions are part of an ongoing proceeding to address the impacts of Comanche Unit 3's unavailability, including requiring Public Service to fully explain its plan for meeting forecasted load prior to the summer months of 2026. As noted in the RTO Insider article, Public Service is considering potential strategies to increase capacity, and these include market purchases, unit extensions and uprates, extensions of power purchase agreements, the acquisition or acceleration of additional generation resources, pre-construction development assets, and demand response.

The Department's citation to a single news article regarding discussions about one Colorado utility is not substantial evidence of an emergency under Section 202(c). The Renewed Order provides no explanation of why concerns raised in an ongoing dialogue with a utility would justify continued operation of Craig Unit 1. This is particularly true where the Department disregards the CoPUC's other conclusions regarding system reliability after Craig Unit 1's retirement.¹⁸⁶ The Department also disregards that the article describes discussions that are representative of the regulatory process and the CoPUC's careful attention to resource adequacy issues. As demonstrated by Colorado's robust and iterative resource planning processes, the CoPUC closely monitors resource adequacy issues to ensure regulated utilities can provide reliable service. The issues described in the RTO Insider article are subject to

¹⁸⁶ Exhibit E, ¶ 116. The CoPUC made a factual finding "that Craig Unit 1 is not required for reliability or resource adequacy purposes..."

the CoPUC's timely regulatory process; by the time the Renewed Order was issued, the CoPUC had already directed Public Service to present its full contingency plan to meet forecasted load. The Renewed Order fails to present any evidence that a capacity shortfall will occur in summer 2026, it merely references a discussion of forecasted loads and resources that the CoPUC is already taking steps to address.

b. Tri-State and PRPA demonstrate a reliable resource portfolio after Craig Unit 1's retirement.

The extensive planning processes conducted by Tri-State and PRPA, the owners of Craig Unit 1 that have joined SPP, have ensured that the unit's retirement will not negatively impact the reliability of any of their electric grids. All of the utilities are resource adequate for the 90 days covered by the Renewed Order and none of them have expressed a need for Craig Unit 1.

Tri-State's most recent electric resource proceeding¹⁸⁷ concluded in August 2025 with the selection of Tri-State's preferred resource portfolio as the approved cost effective resource plan.¹⁸⁸ The portfolio includes the addition of 700 MW of wind and solar, 650 MW of storage, and 307 MW of gas between 2026-2031, replaces the turbines on one of Tri-State's gas plants to improve its capacity contributions, and maintains the retirement dates of three coal plants (including Craig Unit 1).¹⁸⁹ Tri-State demonstrated that the portfolio meets all reliability metrics, and avoids costly transmission upgrades required by other analyzed portfolios.¹⁹⁰ Tri-State remains in a

¹⁸⁷ Tri-State's planning processes encompass all states in its service territory, including Wyoming and Colorado. See Exhibit X, at 6.

¹⁸⁸ Exhibit E, ¶ 90.

¹⁸⁹ Exhibit X, at 6.

¹⁹⁰ Exhibit J.

capacity-long position until 2030 but has planned on the above resource acquisitions to ensure reliability as its coal units retire in 2025, 2028, and 2030 and to maintain progress toward emissions reductions.¹⁹¹

Tri-State supported each of the considered resource portfolios with two levels of rigorous reliability metric checks. The first level, intended to meet industry standards, required each portfolio's satisfaction of: (1) the target planning reserve margin for each year in the resource acquisition period, or 22% transitioning to 30.5% in 2028; (2) a Loss of Load Hours maximum of 1 day in 10 years and a maximum of 2.4 hours annually; and (3) an Expected Unserved Energy maximum of less than or equal to 0.4 Gigawatt hours ("GWh") annually.¹⁹² The second level of reliability metrics was applied to the extreme weather event sensitivities to ensure reliable service during likely future weather events, and required that this modeled sensitivity for each portfolio resulted in: (1) no more than 12 hours of expected unserved energy during all extreme weather events modeled in the years 2026-2031; (2) no more than 3 Loss of Load Hours per each year in the years 2026-2031; (3) and an Expected Unserved Energy maximum of 20% of load in any hour.¹⁹³ Tri-State demonstrated that each presented resource portfolio met these reliability metrics. For the portfolio approved by the CoPUC, planning reserve margins ranged from 24% in 2025 to 34% in 2031, with

¹⁹¹ Exhibit W (CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Lisa K. Tiffin, Rev. 1, filed on May 15, 2024, in Proceeding No. 23A-0585E), at 30:15-16.

¹⁹² Exhibit J, at 18.

¹⁹³ *Id.*; Exhibit W.

zero Loss of Load Hours and zero annual expected unserved energy during that period.¹⁹⁴

Tri-State initially proposed the planning reserve margin targets satisfied by each portfolio through a detailed analysis of grid parameters, including the reliability needs of a system transitioning away from coal generation and toward increased reliance on renewables. ELCCs were determined for each resource type to appropriately model each resource's capacity potential for the specifics of Tri-State's system, rather than relying on nameplate capacity.¹⁹⁵ Incorporating these ELCCs and the reliability standard of 0.1 Loss of Load Expectation, Tri-State proposed that after the retirement of the Craig Station and the departure of certain member loads in 2028, the target planning reserve margin be 30.5%, which is considerably higher than its existing and historic reserve margin.¹⁹⁶ These planning reserve margins were carried through to Tri-State's portfolio approved in August 2025.¹⁹⁷

In summary, every portfolio that Tri-State modeled in its most recent ERP assumed the retirement of Craig Unit 1 at the end of 2025, and every modeled portfolio met all reliability metrics, including Tri-State's approved portfolio.¹⁹⁸ And as specifically found by the CoPUC in its decision approving Tri-State's preferred

¹⁹⁴ Exhibit J, at 62.

¹⁹⁵ Exhibit OO (CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Lisa K. Tiffin, Rev. 1, filed on May 15, 2024, in Proceeding No. 23A-0585E, Attachment LKT-1 – Attachment G-1 (Astrape Consulting, Reserve Margin and ELCC Study, Public (Aug. 2, 2023)), at 8.

¹⁹⁶ *Id.*

¹⁹⁷ Exhibit W, at 20:8-15; Exhibit E.

¹⁹⁸ Exhibit J, Table 7: Modeled Retirements (Portfolio 1 - NEE), at 21, Table 32: Social Cost of Methane Nominal Dollars – System Wide (Portfolio 2 – NELG), at 35, Table 28: Modeled Retirements (Portfolio 2 – NELG), at 32, Table 49: Modeled Retirements (Portfolio 3 – FLEX), at 43, Table 70: Modeled Retirements (Portfolio 4 – FLEXSR), at 54, Table 91: Modeled Retirements (Portfolio 5 – NNG), at 75, Table 112: Modeled Retirements (Portfolio 6 – NNGSR), at 75.

portfolio, “Craig Unit 1 is not required for reliability or resource adequacy purposes based on the record in this ERP.”¹⁹⁹ Tri-State’s most recent ERP progress report, filed on March 17, 2026, confirms that it is progressing with resource contracting.²⁰⁰ And in its 2026 Electric Resource Adequacy Report, also filed on March 17, 2026, Tri-State demonstrates that it expects to have excess resources for years 2026 through 2035.²⁰¹ Tri-State’s anticipated excess capacity ranges from 123 MW in 2026 to 95 MW in 2035.²⁰²

These forecasts are not changed by Tri-State’s recent entry into SPP. Tri-State has explained that its assets in the Western Area Colorado Missouri (“WACM”) Balancing Authority will be subject to SPP’s planning reserve margin requirements.²⁰³ Tri-State intends to compare SPP’s requirement to its most recent planning reserve margin requirement and follow the more stringent of the two.²⁰⁴ Tri-State has stated that entering SPP will be “key for integrating intermittent resources on a large scale and further supporting affordable and reliable operations...”²⁰⁵

PRPA, though not overseen by the CoPUC, develops an Integrated Resource Plan (“IRP”) to conduct long-term resource planning and ensure resource adequacy.²⁰⁶ PRPA ran all of its scenarios to meet a planning reserve margin of 19.9%.²⁰⁷ With its

¹⁹⁹ Exhibit E, ¶ 116.

²⁰⁰ Exhibit EEE (CoPUC, Tri-State, *Notice Regarding Phase II Developments*, filed on March 17, 2026, in Proceeding No. 23A-0585E), at 3.

²⁰¹ Exhibit VV, Table 1 – Load and Resources, at 4.

²⁰² *Id.*

²⁰³ Exhibit Z, at 8.

²⁰⁴ *Id.*

²⁰⁵ *Id.*, at 14.

²⁰⁶ Exhibit EE.

²⁰⁷ *Id.*

current and committed resources, PRPA has enough capacity to maintain a 19.9% planning reserve margin through 2029.²⁰⁸ PRPA began commercial operation of a 150 MW solar project in 2025,²⁰⁹ plans to begin a 130 MW solar project in 2027, and is beginning processes to obtain additional dispatchable capacity.²¹⁰ PRPA has no resource adequacy issues now or forecasted upon the retirement of Craig Unit 1. As shown by its annual required filing with the Colorado Energy Office (“CEO”), its capacity well exceeds forecasted demand with a total accredited capacity of 885 MW and a native load forecast of 722 MW for 2026, leading to a planning reserve margin of 25.4%.²¹¹ PRPA’s General Manager and CEO has publicly stated that the utility does “not need the Craig 1 unit because it has already replaced the energy that came from it.”²¹²

c. FERC and RTO oversight ensures reliability at the regional level.

In addition to these extensive State processes developed under the States’ sovereign authority, the Craig Unit 1 Owners are all overseen by a variety of authorities, acting under FERC’s delegated authority. As noted above, the FPA places this authority with FERC and does not provide any authority for oversight of long-term resource planning to the Department in Section 202(c). The FERC, RTO, and State processes work together to ensure reliability, and the Renewed Order illegally intrudes on these processes without any reasonable basis.

²⁰⁸ *Id.*

²⁰⁹ PRPA, [Solar Energy](#) (2026).

²¹⁰ Exhibit EE, at 178.

²¹¹ PRPA, [Worksheet Certification Form](#) (Apr. 28, 2025).

²¹² Exhibit RR (Powell, R., *1 coal plant open amid order* (Jan. 6, 2026)) at 3.

RTOs are well recognized for their grid reliability benefits. An RTO is the most comprehensive structure operating within the bulk power system, as it typically has “oversight of centralized unit commitment, economic dispatch, coordinating over a larger, multi-utility footprint and planning transmission system expansion.”²¹³ The general benefits of being in an RTO are increasing as localized threats, such as extreme weather, become more common, which can affect supply while also increasing demand.²¹⁴ SPP’s recent western expansion makes it the first RTO spanning two interconnections.²¹⁵

States can elect to require their utilities to join RTOs and often do so due to their additional reliability benefits. Colorado requires all its transmission utilities to join an organized wholesale market on or before January 1, 2030, in part because the legislature found that the participation of utilities in RTOs and ISOs will assist in “ensuring the resilience of the electric grid and its resistance to both natural disasters and intentional attacks.”²¹⁶ Accordingly, Tri-State and PRPA have joined SPP as of April 1, 2026, and now have capacity obligations under SPP’s tariff.²¹⁷

SPP’s resource adequacy requirements complement the primary role of the states. SPP sets a base planning reserve margin that is determined by a probabilistic

²¹³ Ahumada-Paras, M. et. al., [Grid Regionalization in the West: Reliability Benefits from Increased Cooperation in Electricity Markets and Operations](#), at 1 (Stanford Climate & Energy Policy Program, Aug. 2024).

²¹⁴ Clean Energy Buyers Institute, [The Benefits of New Regional Transmission Planning Entities in the U.S. West and Southeast Region](#), at 4 (Feb. 2023).

²¹⁵ SPP, [SPP And Member Utilities Successfully Complete Historic Western Expansion](#) (Apr. 2, 2026).

²¹⁶ § 40-5-108, Colo. Rev. Stat.

²¹⁷ SPP, [Open Access Transmission Tariff, Sixth Revised Volume No. 1](#) (“OATT”), Attachment AA (FERC e-Tariff, last viewed Apr. 27, 2026); see also SPP Transmittal Letter, FERC Dockets ER24-2184 and ER24-2185, at 50 (filed June 4, 2024).

loss of load expectation study, which compares resources availability to forecasted peak demand.²¹⁸ Each member of the RTO must meet the summer season and winter season resource adequacy requirement or pay for any deficient capacity.²¹⁹ After each summer and winter season, transmission providers are required to conduct an analysis to compare actual net peak demand versus the planning forecast, in order to evaluate the accuracy and consistency of the forecast.²²⁰ Beginning January 1, 2027, entities joining in the SPP West balancing authority area must own or procure the capacity to meet the entity's seasonal non-coincident peak load plus SPP's planning reserve margin for each summer and winter season.²²¹ In the interim, the entities' current resource adequacy processes will apply.²²²

A Future Energy and Resource Needs Study ("FERNS") for SPP conducted by the Brattle Group found that across all five of the scenarios it ran, "resource adequacy and reliability are maintained through an hourly 5% operating reserve margin requirement during all system conditions, including the challenging weather and resource adequacy conditions captured in the [] proxy year."²²³ Planning reserve margins are anticipated to significantly increase over time, and remain approximately 40% during the summer and 60% during the winter through the mid-2030s.²²⁴ Importantly, Craig Unit 1's capacity was not factored into any of SPP's reliability

²¹⁸ [SPP OATT](#), Att. AA § 4.

²¹⁹ *Id.* § 5.

²²⁰ *Id.* § 12.

²²¹ SPP OATT, Att. AA; SPP, *see also* [195 FERC ¶ 61,015](#), P9 (Apr. 7, 2026).

²²² SPP Transmittal Letter, ER24-2184 & ER24-2185, at 56.

²²³ The Brattle Group, [Future Energy & Resource Needs Study \(FERNS\)](#), at 25 (Mar. 2025).

²²⁴ [Id.](#)

assessments or considerations because the unit was expected to be retired by December 31, 2025. Thus, Craig Unit 1 is not needed for SPP to meet its reliability and resource adequacy needs.

Additionally, RTOs, including the SPP RTO, often act as balancing authorities and reliability coordinators. Reliability coordinators are the highest level of authority under NERC. They are responsible for the operation of the bulk electric system and have the operating tools, procedures, and authority to prevent or mitigate emergency operating situations.²²⁵ Balancing authorities ensure that power system demand and supply are balanced, manage transfers of electricity and use economic dispatch to optimize the use of generating units and minimize real-time costs, and maintain operating conditions under NERC reliability standards.²²⁶

SPP is the reliability coordinator for Tri-State, PRPA, and Public Service.²²⁷ SPP has been a reliability coordinator for over 20 years and has extensive operating criteria, outage coordination methodology, and emergency protocols from its operation of the eastern balancing authority.²²⁸ SPP has a Reliability Plan that details how it monitors for and responds to an emergency.²²⁹ Like all Reliability Coordinators, SPP has “a wide-area view, operating tools, processes and procedures to prevent or mitigate emergency operating situations in next day analysis and real-time conditions[]” and has the authority to act and instruct its members to take actions to

²²⁵ NERC, [NERCipedia: Reliability Coordinator](#) (2024).

²²⁶ Department, [How it Works: The Role of a Balancing Authority](#) (Apr. 17, 2023).

²²⁷ SPP, [Western RC Services](#) (2026).

²²⁸ SPP, [Operating Reliability](#) (2026).

²²⁹ Exhibit HH (SPP, *SPP Reliability Plan* (Jun 2, 2025)).

preserve the integrity and reliability of the bulk electric system.²³⁰ SPP is also now the balancing authority for Tri-State and PRPA.²³¹

An energy emergency is defined by NERC, WECC, and SPP as a situation when a load serving entity has exhausted all options for obtaining capacity and can no longer provide its customers with expected energy requirements.²³² A reliability coordinator will initiate an energy emergency alert at their own request, upon the request of a balancing authority, or upon the request of a load serving entity.²³³ Reliability Coordinators and balancing authorities make the decision to call or request the calling of an emergency pursuant to their emergency plans and operating procedures. SPP has not called an energy emergency alert, despite having the same (or likely more) information as the Department about the reliability of the grid in the areas served by Craig Unit 1. And even if SPP were to call any level of an energy emergency alert, that would not correlate to a need for the Department to issue a Section 202(c) order, due to the processes that SPP has in place to deal with such conditions.

²³⁰ *Id.*, at 6-7.

²³¹ SPP, [2026 RTOE SWPW Transition Plan – Market Participant](#) (Mar. 4, 2026); [SPP, Consolidated Balancing Authority](#), SPP Portal (last viewed Apr. 27, 2026).

²³² WECC, [Standard EOP-002-2 - Capacity and Energy Emergencies](#) (2007); SPP, [Current Grid Conditions](#), Markets & Operations (last viewed Apr. 27, 2026).

²³³ *Id.* At an Energy Emergency Alert Level 1, a Balancing Authority will call on all available power supplies, regardless of economics, including from other grids, and enable demand-side resource deployments. # At an Energy Emergency Alert Level 2, a Balancing Authority will initiate demand response programs that shed load from large industrial customers that have contractually agreed to do so and will publicly appeal to customers to cut back on electricity consumption. # If the highest level of emergency, Energy Emergency Alert Level 3, is called, then Reliability Coordinators will conduct emergency operating procedures to increase transfer capabilities into the entity declaring the emergency. NERC has general emergency operating instructions that address the effects of emergencies by ensuring each transmission operator and Balancing Authority has developed plans to mitigate operating emergencies and those plans are implemented and coordinated within the reliability coordinator. Exhibit II (NERC, Emergency Operations).

Therefore, if an emergency did occur in the areas in the WECC-Rocky Mountain assessment area or SPP, there are extensive procedures in place for that emergency to be handled by the complex and comprehensive network of the utilities themselves, Reliability Coordinators, and balancing authorities without the Department overstepping and preemptively trying to solve an emergency that has not occurred, and is not predicted to occur in any relevant assessment. The Renewed Order states merely that there is an emergency in the WECC-Rocky Mountain assessment area because of a potential shortfall eight years from now. There is no evidence, and the Renewed Order cites none, that an emergency within the WECC-Rocky Mountain assessment area or SPP system could not be handled by SPP's existing procedures and the existing mix of resources available in the region upon Craig Unit 1's retirement.

iv. The Executive Orders cited in the Renewed Order are not evidence of an energy emergency.

The Renewed Order also relies on the Energy Emergency and Grid Reliability Executive Orders as evidence of an energy emergency, generally stating that the Energy Emergency and Grid Reliability Executive Orders underscore “the [] energy challenges facing the Nation due to growing resource adequacy concerns.”²³⁴ However, neither of these executive orders present evidence of an energy emergency in the WECC-Rocky Mountain assessment area or any other region of the country within the meaning of Section 202(c).²³⁵

²³⁴ Exhibit TT, at 6.

²³⁵ See 10 C.F.R. § 205.371 (2026) (defining emergency as a “specific inadequate power supply situation”).

On January 20, 2025, President Trump issued Executive Order 14156, *Declaring a National Energy Emergency* (“Energy Emergency Executive Order”).²³⁶ Despite its title, the Energy Emergency Executive Order fails to describe any type of energy emergency. It generically claims “[t]he energy ... generation capacity of the United States [is] far too inadequate to meet our Nation’s needs,” and the situation “will dramatically deteriorate in the near future...”²³⁷ The Energy Emergency Executive Order also specifically calls out the Northeast and West Coast states, claiming those states’ “dangerous” “policies jeopardize our Nation’s core national defense and security needs, and devastate the prosperity of not only local residents but the entire United States population.”²³⁸ The Executive Order does not identify any specific policies or explain how they are jeopardizing grid reliability.

President Trump then issued Executive Order 14262, *Strengthening the Reliability and Security of the United States Electric Grid*, (“Grid Reliability Executive Order”) on April 8, 2025.²³⁹ The Grid Executive Order also claims that the country is “experiencing an unprecedented surge in electricity demand,” generically pointing to expansions of data centers and increases in domestic manufacturing as demand drivers.²⁴⁰ These vague statements on nationwide energy needs are not sufficiently specific to justify a Section 202(c) order.

²³⁶ [Exec. Order 14156](#), 90 Fed. Reg. 8433, 8434 (Jan. 20, 2025).

²³⁷ *Id.*, at Sec. 1.

²³⁸ *Id.*, at 8434.

²³⁹ Exec. Order 14262, 90 Fed. Reg. 15521.

²⁴⁰ *Id.*

Neither of these Executive Orders provide data or other evidence in support of their claims of inadequate nationwide generation, let alone evidence of inadequate generation in the areas served by Craig Unit 1 such that they could constitute the evidence required to support the Renewed Order. The Energy Emergency Executive Order refers to a deterioration “in the near future,”²⁴¹ while the Grid Reliability Executive Order offers no projection for the timing or location of the increased demand it speculates.²⁴² This does not satisfy Section 202(c)’s requirements, discussed above in Section V.A., that an emergency must be specific and imminent.

Importantly, the facts contradict the vague assertions of an energy emergency contained in the Executive Orders. For example, America’s domestic energy production is at an all-time high given its diverse mix of both fossil and non-fossil fuel resources. The United States is producing record quantities of oil and natural gas,²⁴³ and has been a net energy exporter since 2019.²⁴⁴

Similarly, the Energy Emergency Executive Order’s assertion that the United States has an “inadequate and intermittent energy supply, and an increasingly unreliable grid” is unsupported by the facts.²⁴⁵ NERC reports that the bulk power system is resilient, and that the largest challenge for reliability is extreme weather induced by climate change.²⁴⁶ Renewable energy resources both mitigate climate

²⁴¹ [Exec. Order 14156](#) at 8433.

²⁴² Exec. Order 14262.

²⁴³ U.S. Energy Information Admin. (“EIA”), [Short-Term Energy Outlook Data Browser](#) (Jan. 13, 2026).

²⁴⁴ EIA, [In-Brief Analysis: The United States was the world’s largest liquified natural gas exporter in 2023](#) (Apr. 1, 2024); EIA, [U.S. Exports of Crude Oil](#) (Dec. 31, 2025); EIA, [U.S. Energy Facts Explained](#) (July 15, 2024).

²⁴⁵ [Exec. Order 14156](#) at 8433.

²⁴⁶ NERC, [2024 State of Reliability](#) (June 2024), at 5.

change and improve the overall reliability and affordability of the United States' energy supply by tempering the impact of international commodity price swings on natural gas prices and reducing grid operators' reliance on interruptible natural gas deliveries.²⁴⁷ Solar and wind generated more than 15% of all electricity and 8% of all energy consumed in the United States in 2024.²⁴⁸

Next, the Renewed Order relies in part on “the expansion of artificial intelligence data centers” referenced in the Grid Reliability Executive Order and other projected demand growth noted in the Department Resource Adequacy Report to support its finding of an emergency.²⁴⁹ But the Order’s discussion of data center load growth is both irrelevant and unsubstantiated.

Neither the Grid Reliability Executive Order nor the Renewed Order specify any timeframe for when the increased energy demand from data centers is expected to occur. Section 202(c) does not give the Department the authority to retain generation units for possible conditions that may arise at some indeterminate time in the future. Authority to address long-term threats to resource adequacy rests with the states and FERC and its designated entities, all of which are aware of and extensively planning for this potential load growth. The Renewed Order does not cite any evidence that data center load growth will occur in the areas served by Craig Unit 1 during the 90 day period of the Renewed Order. As demonstrated in their respective resource plans,

²⁴⁷ FERC, [The February 2021 Cold Weather Outages in Texas and the South Central United States](#) (Nov. 16, 2021), at 172 (“Natural gas fuel supply issues alone caused 27.3[%] of the generating unit outages” during Winter Storm Uri).

²⁴⁸ EIA, [Short-Term Energy Outlook](#) (Feb. 11, 2025), see the 2024 data; EIA, [December 2025 Monthly Energy Review](#) (Dec. 23, 2025).

²⁴⁹ Exhibit TT, at 6.

the Craig Unit 1 owners are not anticipating any new data centers or other large loads over 50 MW to come online in their service territory in the next 90 days.²⁵⁰ And where Colorado utilities anticipate data centers coming online in the next five years, they are planning for that additional load through their established resource planning processes.

D. The Renewed Order is arbitrary and capricious because it requires generation that does not best meet the claimed emergency.

Even if there were an emergency within the meaning of the FPA, which there is not, Section 202(c)(1) requires the Department to impose requirements that “will best meet the emergency and serve the public interest.”²⁵¹ The Department has failed to demonstrate that delaying the retirement of Craig Unit 1 satisfies this standard, and the Renewed Order is therefore arbitrary and capricious. The Renewed Order’s operating instructions do not best meet the emergency or serve the public interest. Preventing the retirement of Craig Unit 1 cannot meet the Department’s claimed emergency, and even if it could, it would not be the best means to do so.

i. Directing SPP to employ economic dispatch of Craig Unit 1 is vague and does not best meet the alleged emergency.

The Renewed Order changes the operating directions for Craig Unit 1 from the Original Order. In the Original Order, Tri-State and the co-owners were instructed to “take all measures necessary to ensure that Craig Unit 1 was available to operate at the direction of either. . . . [WACM] in its role as Balancing Authority or [SPP] West in

²⁵⁰ See *supra*, Section V.C.iii.

²⁵¹ 16 U.S.C. § 824a(c)(1).

its role as the Reliability Coordinator[.]”²⁵² The Renewed Order kept these instructions for the first day of the Renewed Order, March 31, 2026, and then changed the instructions to direct “SPP [] to take every step to employ economic dispatch of Craig Unit 1[.]”²⁵³ The Department provided no explanation for the change in operating instructions or how that change would result in best meeting their alleged emergency. Neither instruction best meets the alleged emergency or serves the public interest. Regarding the illegality of the operating instructions for March 31, 2026, the State of Colorado incorporates its arguments from its Original Request of the Original Order.²⁵⁴

First, the instruction for SPP to employ economic dispatch of Craig Unit 1 is vague. The Renewed Order does not define “economic dispatch” or specify any other parameters for how it intends SPP to dispatch the Unit. The Renewed Order also states that “Craig Unit 1 shall not be considered a capacity resource[.]”²⁵⁵ but SPP does not use the term “capacity resource” in its procedures and operations, making it unclear what the Renewed Order is referring to.

In addition, the Renewed Order does not reconcile the fact that operating a unit using economic dispatch is inherently at odds with that unit being operated only in an emergency. The Energy Policy Act defines economic dispatch as “the operation of generation facilities to produce energy at the lowest cost to reliably serve consumers, recognizing any operational limits of generation and transmission

²⁵² Exhibit A, at 4.

²⁵³ Exhibit TT, at 8.

²⁵⁴ Exhibit CCC.

²⁵⁵ Exhibit TT, at 8.

facilities.”²⁵⁶ Economic dispatch is standard procedure for grid operators, including SPP.²⁵⁷ Emergencies necessarily require unique grid operation, which is why generation units may be dispatched to provide “Out-of-Merit Energy” during an emergency. When SPP needs to resolve a reliability issue the market system cannot solve, or an emergency condition, it will dispatch “Out-of-Merit Energy” so that a resource can produce what is necessary to address a constraint.²⁵⁸ This necessarily means that the resources may be operated out of economic order.²⁵⁹ The dispatch directive typically specifies the MW level a resource should produce at until the constraint can be resolved through security constrained economic dispatch.²⁶⁰ Operating a unit pursuant to economic dispatch is necessarily inconsistent with operating a unit to address an energy emergency. If a unit is necessary to address an emergency, it would need to be dispatched regardless of price, which does not conform to economic dispatch. The Renewed Order fails to grapple with this conflict.

Further, the Department makes no attempt to demonstrate that operating Craig Unit 1 at economic dispatch is in the public interest. Because the Renewed Order’s operating instructions are vague and not aimed at meeting a specific emergency, the Department does not ensure that Craig Unit 1 only operates when necessary for an emergency, thereby unnecessarily increasing emissions and costs to

²⁵⁶ 42 U.S.C. § 16432(b).

²⁵⁷ SPP, [Integrated Systems Scenario Detail: OOME \(Out-of-Merit Energy Dispatch\)](#), (rev. 3.0 Apr. 24, 2013)

²⁵⁸ *Id.*; SPP, [Integrated Marketplace Protocols](#), Section 4.4.2.5 (Apr. 17, 2026).

²⁵⁹ See Kim Farris, [Assorted Charge Types - SUG Presentation](#), slide 12 (Feb. 14, 2012).

²⁶⁰ SPP, [OOME Scenario \(rev. 3.0\)](#).

customers, and rendering the Renewed Order an improper exercise of the Department's emergency authority.

The problems with the Renewed Order's operating instructions were demonstrated soon after the Renewed Order was issued. SPP called a Resource Advisory on April 7, 2026, effective from April 8th until April 24th.²⁶¹ SPP Resource Advisories are still considered normal operating conditions, and are not considered emergency conditions.²⁶² According to SPP, "Resource Advisories are still considered Normal Operating Conditions, and do not require the public to conserve energy or take any action, but are issued to raise awareness of potential threats to reliability among entities responsible for operating transmission and generation facilities."²⁶³

SPP called the April 7th resource advisory "due to load uncertainty, increased potential for low output from wind and other variable energy resources (*also known as low VER forecast) leading into peak hours, and potential for resource outages."²⁶⁴ In addition, Colorado understands that there were several planned maintenance outages occurring in the areas where SPP had just set up its new market on April 1, 2026. And once a Resource Advisory is called, all units marked as "reliability" are called up, regardless of whether those units are actually needed. Therefore, the Department's vague and improper operating instructions resulted in SPP calling on Craig Unit 1 for a reliability need that did not rise to the level of an emergency and thus was outside the scope of the Department's authority under Section 202(c).

²⁶¹ Exhibit FFF (SPP, *Current Grid Conditions* (Apr. 20, 2026)).

²⁶² Exhibit GGG (SPP, *Current Grid Conditions* (Apr. 7, 2026)); SPP, [Current Grid Conditions](#).

²⁶³ *Id.*

²⁶⁴ *Id.*

ii. Preventing Craig Unit 1's retirement does not "meet the emergency."

It is unclear how preventing Craig Unit 1's retirement could meet the emergency that the Department alleges. The nature and extent of the claimed emergency are unclear. And even if there were a capacity shortfall in any of the states served by Craig Unit 1 or the WECC-Rocky Mountain assessment area, the Renewed Order does not provide a reasoned basis for its conclusion that the continued operation of Craig Unit 1 is the best or even a viable means of alleviating the purported shortfall.

The Department cannot demonstrate that delaying Craig Unit 1's retirement meets the emergency because the Renewed Order's emergency declaration is unclear and unsupported by the record. The Renewed Order declares there is an emergency in the WECC-Rocky Mountain assessment area.²⁶⁵ However, the Renewed Order goes on to remedy this emergency by directing SPP to employ economic dispatch of Craig Unit 1. Since Craig Unit 1 has been a part of the SPP RTO for all but the first day of the duration of this Renewed Order, Craig Unit 1 can only best meet an emergency in the SPP RTO area. The SPP RTO does not cover all of the WECC-Rocky Mountain assessment area.²⁶⁶ The Renewed Order's remedy does not match its declared emergency.

The Renewed Order also fails to demonstrate that there is a resource shortfall imminent and specific enough to require the continued operation of any particular

²⁶⁵ Exhibit TT, at 4.

²⁶⁶ Exhibit WW, at 8; SPP, [*SPP and Member Utilities Successfully Complete Historic Western Expansion*](#) (Apl. 2, 2026).

resource. Thus, it is unclear how Craig Unit 1 could meet the Department's alleged emergency, regardless of how the Renewed Order's emergency determination is interpreted.

iii. Delaying the retirement of Craig Unit 1 does not "best" meet the Department's purported emergency.

Even if delaying the retirement of Craig Unit 1 could meet the non-existent alleged emergency in the WECC-Rocky Mountain assessment area, the Department has provided no explanation of how that resource would best meet such an emergency.

"Best" means "that which is 'most advantageous'" or "excelling all others."²⁶⁷

The Renewed Order, and the materials upon which it relies, offer no facts that would support a determination that Craig Unit 1 is the "most advantageous" way to address the alleged emergency. Even if the Renewed Order had successfully described an emergency scenario for the regions served by Craig Unit 1 or the WECC-Rocky Mountain assessment area, the Department has not provided any specific evidence or reasoning explaining why requiring Craig Unit 1 to be available to operate is the most advantageous way to meet the scenario. Other orders issued by the Department in 2025 suffer from the same flaw, as the Congressional Research Service identified in July 2025, noting that Orders issued to the Campbell and Eddystone units have not "identified reliability risks specifically associated with the retirement of the power plants in question at the time they approved those retirements."²⁶⁸ In this respect,

²⁶⁷ *Entergy Corp.*, 556 U.S. at 218 (quoting Webster's New International Dictionary 258 (2d ed.1953)); [Best](#), Merriam-Webster Dictionary (Jan. 25, 2026).

²⁶⁸ Exhibit T (Congressional Research Service, Federal Power Act: The Department of Energy's Emergency Authority (June 12, 2025)), at 5-6.

the Department's exercise of its emergency authority in 2025 departs markedly from past uses of Section 202(c) and from the Department's regulations implementing Section 202(c). Those regulations specify that: "[a]ctions under this authority are envisioned as meeting a specific inadequate power supply situation."²⁶⁹ The Department's 2026 Section 202(c) orders have not remedied this deficiency.

The definition of "best" includes "excelling all others," which requires a comparative judgment that there are no better alternatives. This means the Department must consider alternatives and choose the alternative that is most advantageous to meet the emergency the Department has identified. The Department need not consider every conceivable alternative, but it must consider alternatives within the ambit of the existing policy as well as alternatives which are significant and viable or obvious.²⁷⁰

The Department's regulations specify information the Department must consider in deciding how to best address an emergency in a Section 202(c) order. This includes conservation or load reduction actions, efforts to obtain additional power through voluntary means, available imports, demand response, and behind the meter generation resources.²⁷¹ The Renewed Order considers none of these alternatives. Nor does it explain whether less burdensome measures were considered or exhausted before invoking the Department's emergency authority. Indeed, the Renewed Order

²⁶⁹ 10 C.F.R. § 205.371.

²⁷⁰ See *Dep't of Homeland Sec.*, 591 U.S. at 30 (failure to consider alternative was arbitrary and capricious); see also *Motor Vehicle Mfrs. Ass'n*, 463 U.S. at 51 (must consider alternatives "within the ambit of the existing [standard]").

²⁷¹ 10 C.F.R. § 205.373(g)-(h). While this information is specifically required when a utility applies for a 202(c) order, it illustrates the types of information that is relevant to an alternatives analysis.

never quantifies the extent of the emergency it purports to identify within Colorado or any of the states served by Craig Unit 1, making a meaningful alternatives analysis impossible. To satisfy Section 202(c)(1)'s requirement that the ordered solution best meet the emergency, the Renewed Order must address why the resources that make up the excess planned reserve margins could not meet the alleged emergency.

The Craig Unit 1 Owners chose to retire Craig Unit 1 for economic reasons.²⁷² And because the unit was set to retire, Craig Unit 1 has not had major maintenance since 2019;²⁷³ it is also 45-years-old, beyond the typical economic design life of a coal burning generator and near the end of a generator's typical operational life.²⁷⁴ Keeping Craig Unit 1 running will be more costly now because of the deferred maintenance costs in addition to costs for fuel and continued operations.²⁷⁵ Colorado's understanding is that, since the issuance of the Original Order, Tri-State has had to expend costs on maintenance and staffing.²⁷⁶ These costs are currently unknown but expected to be significant, and will continue needlessly as long as the Department continues to prevent Craig Unit 1's retirement. There will also be additional costs every time SPP dispatches Craig Unit 1. Tri-State and PRPA have already stated that the costs of compliance with the orders "fall directly on their members and customers" and that the Original Order "impose[d] additional costs to

²⁷² Tri-State, [Craig Station owners, regulators and environmental groups reach agreement on proposed revisions to Colorado regional haze plan](#) (Sept. 1, 2016).

²⁷³ Exhibit B, ¶ 34.

²⁷⁴ Grid Strategies, [The Economic Cost of a DOE Mandate for the Craig Unit 1 Coal-Burning Generator to Continue Operating](#) at 2 (Dec. 2025).

²⁷⁵ Exhibit D, ¶¶ 13-15.

²⁷⁶ See Exhibit B, ¶ 34.

Tri-State's membership and the communities served by Platte River."²⁷⁷ In their Request for Rehearing of the Original Order, Tri-State and PRPA asserted that keeping Craig Unit 1 is not a best option because their members and customers will have to pay the costs associated with Craig Unit 1 even though "neither Tri-State nor Platte River are experiencing these shortages and not all the members and customers served by Tri-State and Platte River are located in the region identified by the Order."²⁷⁸

Complicating the fuel issue, Tri-State did not plan on continuing to acquire or use coal for Craig Unit 1 due to its scheduled retirement. Craig Station is supplied with coal from the Colowyo Mine, which ceased coal production at the end of 2025.²⁷⁹ Tri-State has already contracted with Kiewit Mining Group, Inc., to reclaim the mine following its closure, and reclamation activities were scheduled to begin on or about January 1, 2026.²⁸⁰ Moreover, the Colowyo mine has been permanently closed and its operator has transitioned to reclamation activities.²⁸¹ It is Colorado's understanding that before the mine's closure, Tri-State obtained enough coal to fuel Craig Units 2 and 3 through their planned retirement dates in 2028 but did not expect to need coal to power Craig Unit 1. If Tri-State needs to use coal acquired to fuel Craig Units 2 and 3 to unexpectedly fuel Craig Unit 1, it will likely not have enough supply to also fuel

²⁷⁷ Exhibit UU, at 2

²⁷⁸ *Id.*, at 5.

²⁷⁹ Jaffe, M., [Tri-State expects federal order to keep coal-fired power plant in northwestern Colorado running](#) (Nov. 14, 2025).

²⁸⁰ Tri-State, [Colowyo Mine to conclude coal production in 2025, transitioning to full reclamation](#) (Aug. 7, 2025).

²⁸¹ Weiser, C., [Colowyo coal mine near Craig lays off 133 workers as mine closes](#) (Nov. 26, 2025); WarnTracker.com, [1 WARN Layoff Notice for ColoWho Coal Company LP on Nov 2025](#) (2025).

the other units. Tri-State would then have to buy more expensive, and possibly dirtier, coal from another source.²⁸²

In addition, coal generation is generally more costly than other generation resources.²⁸³ The inefficiency of running a coal plant makes it uneconomic and is the main reason that Craig Unit 1 (and eventually, the rest of Craig Station) was slated for retirement. In fact, the CoPUC approved coal fired generating unit retirements to be replaced with lower cost wind, solar, and use of gas as a capacity resource because wind and solar were the lowest cost resources available and it was cheaper to add new renewables, storage and gas generation to the system and retire coal units.²⁸⁴

Coal generation also does not guarantee reliability, which further emphasizes that Craig Unit 1 does not best meet any emergency. For example, Unit 18 of the R.M. Schahfer Generating Station has been in a forced outage since July, after experiencing another forced outage from February 16, 2025 to June 23, 2025.²⁸⁵ As of March 24, 2026, the unit was still in a forced outage.²⁸⁶ Yet, despite the unit being

²⁸² See Exhibit B, ¶ 32.

²⁸³ Weiser, C., [Colowyo coal mine near Craig lays off 133 workers as mine closes](#) (Nov. 26, 2025). A report by Grid Strategies found that ratepayer costs could exceed \$3 billion per year if the Department mandates that all of the fossil power plants scheduled to retire between the time the report was published in August 2025 and the end of 2028 remain open. Grid Strategies asserts that the Department is ignoring the careful planning of states and utilities and “overriding cost-minimizing retirement decisions that have been made by state utility regulators and merchant power plant owners based on extensive information regarding the cost, performance, condition, and need for each plant.” see also Grid Strategies, LLC, [The Cost of Federal Mandates to Retain Fossil-Burning Power Plants](#) (Aug. 2025) at 3; Exhibit O, which cost a staggering \$29 million over the first 38 days; Solomon, M., et al., [Coal Cost Crossover 3.0: Local Renewables Plus Storage Create New Opportunities for Customer Savings and Community Reinvestment](#) (Jan. 2023), at 1-2 (a report by Energy Innovation found that “99[%] of all coal-fired plants in the U.S. are more expensive to operate on a forward looking basis than the all-in cost of renewable energy projects,” and that “all but one of the country’s 210 coal plants are more expensive to operate than either new wind or solar.”).

²⁸⁴ CoPUC, Decision No. C18-0761, issued on September 10, 2018, in Proceeding No. 16A-0396E, ¶ 103.

²⁸⁵ *Id.*

²⁸⁶ IURC STATE OF INDIANA, [3/24 - Public Meeting](#) (YouTube, Mar. 24, 2026), at 3:16:22.

offline, the Department issued an order requiring it to remain available on December 23, 2025.²⁸⁷ Additionally, the newest large coal-fired plant in the U.S. suffered an outage in fall of 2025 and will now be offline until March 2027.²⁸⁸ This is the second time that plant has been unable to operate for a year or more.

These facts illustrate a clear pattern: coal is not the first choice when considering reliable, affordable generation. And the Renewed Order contains no facts (either in its text or in the cited materials) that supports any determination that ordering continued availability and operation of an off-line coal unit is a reasonable response to a perceived emergency, much less “best meets” such an emergency. This is especially concerning given that Craig Unit 1’s continued operation will also prevent the use of solar electricity generated by a newly added solar Axial Basin generating facility in Moffat County due to limited transmission capacity.²⁸⁹ The Department does not explain how use of Craig Unit 1 is the best means to address an alleged energy shortfall when its use curtails use of other sources of power.

Given the cost of operating Craig Unit 1 and questions of reliability surrounding coal plants generally, the Department has failed to demonstrate that Craig Unit 1’s continued operation “best meets the emergency” and therefore the Renewed Order is arbitrary and capricious.

²⁸⁷ Exhibit S.

²⁸⁸ Institute for Energy Economics and Financial Analysis, [Newest big U.S. coal-plant offline until 2027](#) (Oct. 7, 2025); Tri-State, [Tri-State makes Craig Generating Station Unit 1 available to operate in compliance with DOE emergency order](#) (Jan. 23, 2026).

²⁸⁹ Exhibit UU, at 7.

E. The Renewed Order's Terms Fail to Comply with Statutory Requirements.

The Renewed Order fails to comply with Sections 202(c)(2) and 202(c)(4)(b) of the FPA, and Section 103(b) of the Department Organization Act.

- i. The Renewed Order violates Section 202(c)(2) because it fails to ensure consistency with federal and State environmental laws and fails to minimize adverse environmental impacts.*

Section 202(c)(2) imposes mandatory duties on the Department if a Section 202(c) order “may result in a conflict with a requirement of any Federal, State, or local environmental law or regulation[.]”²⁹⁰ The Renewed Order explicitly conflicts with the environmental laws and regulations that apply to the Craig Station Unit 1 Owners, and may also result in additional conflicts with environmental laws and regulations that apply to the State of Colorado.²⁹¹ The Department failed to comply with these requirements, rendering the Renewed Order illegal.

- a. The Renewed Order directly conflicts with federal and State laws requiring Craig Unit 1 to close by December 31, 2025.

The Renewed Order directly conflicts with federal and State environmental laws and regulations that require the closure of Craig Unit 1 by December 31, 2025. These include Air Commission's Regulation Number 23, Colorado's Regional Haze SIP adopted pursuant to the federal Clean Air Act, and Tri-State's operating permit issued pursuant to Title V of the federal Clean Air Act.²⁹²

The Air Commission (with the Craig Unit 1 owners' consent) adopted the December 31, 2025 closure date into State law through Regulation Number 23, which

²⁹⁰ 16 U.S.C. § 824a(c)(2) (emphasis added).

²⁹¹ See Exhibit B.

²⁹² *Id.*

regulates regional haze.²⁹³ The EPA then approved this closure date into federal law when it approved Colorado's Regional Haze SIP in 2018.²⁹⁴ In addition, Craig Unit 1 is a major source of air pollution²⁹⁵ and therefore requires, and operates under, an operating permit issued pursuant to Title V of the federal Clean Air Act.²⁹⁶ A Title V permit includes emissions limits, operational requirements, reporting obligations, and other requirements to ensure the safe and environmentally responsible operation of major sources. Condition 1.10 of Craig Unit 1's operating permit specifies that the Unit must close on or before December 31, 2025.²⁹⁷

In addition, the Colorado Legislature directed the Air Commission to adopt rules to help meet statewide statutory GHG reduction goals.²⁹⁸ The Renewed Order's direction for continued availability and operation of Craig Unit 1 may restrict Colorado's ability to meet these statutory goals.

Thus, by ordering the Craig Station owners to return Craig Unit 1 to service and to be available to operate beyond the December 31, 2025 closure date, the Renewed Order directs the owners to violate both State and federal law, and is subject to the requirements of Section 202(c)(2).

²⁹³ See 5 Colo. Code Reg. § 1001-27:A.IV.D.

²⁹⁴ Air Plan Disapproval; Colorado; Regional Haze Plan for the Second Implementation Period, 91 Fed. Reg. 3048, 3049, fn. 9 (Jan. 26, 2026); EPA, [EPA Approved Statutes and Regulations in the Colorado SIP](#) (Jan. 6, 2026); 83 Fed. Reg. 31332 (July 5, 2018).

²⁹⁵ Craig Station is a major source and Craig Unit 1, by volume of pollution emitted, is itself a major source. Exhibit B, ¶ 28; Exhibit KK (Division, *Operating Permit No. 96OPMF155* (July 1, 2021));

²⁹⁶ See Exhibit KK; 42 U.S.C. § 7661a(a).

²⁹⁷ See Exhibit KK, at 25.

²⁹⁸ See § 25-7-105(1)(e), Colo. Rev. Stat.; Exhibit B, ¶ 30; § 25-7-102(2)(g), Colo. Rev. Stat.

b. The Renewed Order does not comply with Section 202(c)(2).

Because the Renewed Order conflicts with State and federal environmental laws, the Department was required to ensure that the Renewed Order: 1) “ requires generation, delivery, interchange, or transmission of electric energy *only* during hours necessary to meet the emergency and serve the public interest,” 2) “to the maximum extent practicable, is consistent with any applicable Federal, State, or local environmental law or regulation,” and 3) “minimizes any adverse environmental impacts.”²⁹⁹ The Department’s Renewed Order contains no conditions or instructions that meet these requirements.

First, by referring to the “hours” necessary to meet the emergency, Congress placed a high burden on the Department to demonstrate that the remedy provided in a Section 202(c) order is narrowly tailored to the specifics of the emergency that the order is designed to address. Even if the Department had identified a true emergency (which it has not), the FPA authorizes the Department to compel generation only when an emergency shortage of electric energy would occur absent operation of Craig Unit 1 specifically.³⁰⁰ The Department’s Renewed Order merely states that “SPP is directed to take every step to employ economic dispatch of Craig Unit 1 to minimize costs to ratepayers.”³⁰¹ The Renewed Order’s terms fail to require operation “only during the hours necessary to meet the emergency” described by the Renewed Order

²⁹⁹ 16 U.S.C § 824a(c)(2) (emphasis added).

³⁰⁰ *Id.*; see, e.g., Department, [Order No. 202-17-4](#), [Summary of Findings](#) (Sept. 14, 2017), at 9 (“authorizing operation of” units subject to emergency order “only when called upon . . . for reliability purposes,” according to “dispatch methodology” approved by Department.).

³⁰¹ Exhibit TT, ¶ B.

and violates Section 202(c)(2) because the Renewed Order does not establish any limited hours for SPP to follow when dispatching Craig Unit 1.

The Renewed Order does not define economic dispatch or specify how it intends SPP to dispatch Craig Unit 1. By leaving the dispatch of Craig Unit 1 entirely in the hands of SPP, the Department is failing to properly limit operation as required by Section 202(c). Without a clearly defined emergency, SPP has no standards to determine under what circumstances they should require the continued operation of Craig Unit 1. The premise for such continued operation is the energy “emergency” articulated in the Renewed Order, but it is impossible to know what conditions require Craig Unit 1 to operate by reading the Renewed Order.³⁰² Orders issued by the Department prior to 2025 demonstrate that the Department is capable of including appropriate limiting conditions in Section 202(c) orders. For example, in 2022, the Department issued an order in response to periods of extreme heat, drought conditions, and threat of wildfires that were expected to occur over several days and threaten the reliable operation of the bulk electric power system in California. That order directed the Balancing Authority of Northern California to dispatch specific units only “under the following conditions: the issuance and continuance of an Energy Emergency Alert Level[] 2 condition or greater between the hours of 14:00 Pacific Time and 22:00 Pacific Time after exhausting all reasonably and practically available

³⁰² Indeed, the Order contains confusing and contradictory instructions regarding the unit’s operations, stating both that “Craig Unit 1 shall not be considered a capacity resource” and that its “continuous operation” is required. Exhibit A, at 1, ¶ G. Presumably, this means that the unit may only be called up by WAPA or SPP when there is an actual supply shortage that existing resources cannot meet. But if that is the intent, it is not clear from the face of the Order.

resources."³⁰³ Although Section 202(c)(2) requires the Department to include limiting conditions in the Renewed Order as well, it chose not to, and that choice is contrary to law.

Second, Section 202(c)(2) requires that where an order may result in a conflict with environmental law or regulation, it must “to the maximum extent practicable, [be] consistent with any applicable Federal, State or local environmental laws.” The Renewed Order contains no analysis of the plant’s environmental obligations and no operational criteria established to minimize impacts. The Renewed Order merely states that “operations of Craig Unit 1 must comply with applicable environmental requirements to the maximum extent feasible while operating consistent with the emergency conditions.”³⁰⁴

There are numerous environmental requirements that are affected by the continued operation of the Craig Unit 1 facility, but the Department failed to identify mechanisms to allow Craig Unit 1 to remain available or operate while minimizing conflicts with these requirements. As discussed further in Section V.F.iii., the Department also did not consult with the State of Colorado, including its environmental regulators, who could have advised on ways to minimize impacts.³⁰⁵

³⁰³ Department, [Order No. 202-22-2](#) (Sept. 4, 2002) at 4; see also [Letter from Kevin Kolevar, Director, Office of Electricity Delivery and Energy Reliability to Robert Driscoll, CEO, Mirant Mid-Atlantic, LLC](#) (May 31, 2007) (Letter from the Department describing the emissions limitations that a utility should follow when complying with a 202(c) order.); Department, [Order No. 202-17-1](#) (Apr. 14, 2017) (202(c) Order from the Department instructing SPP to adopt a temporary operating guide and comply with additional operating requirements set out in an EPA compliance order).

³⁰⁴ Exhibit TT, ¶ D.

³⁰⁵ Exhibit B, ¶¶ 10, 33-35; see also Section 103 of the Department of Energy Organization Act, 42 U.S.C. § 7113 (requiring the Department to give due consideration to the needs of states when proposing any action that conflicts with a state energy plan, and to attempt to resolve conflicts through consultations with appropriate state officials). The Order plainly conflicts with Tri-State’s

The Renewed Order does not reference or discuss the applicable environmental laws and regulations impacted by the Renewed Order, revealing the Department's failure to analyze these requirements to ensure compliance with environmental standards.

In particular, the Renewed Order fails to reflect any consideration of interactions with the federal Clean Air Act Regional Haze program³⁰⁶ or National Ambient Air Quality Standards ("NAAQS") attainment and permitting programs. The Regional Haze program requires states to reduce emissions of NO_x, SO₂, and PM from sources that affect Class I federally protected areas.³⁰⁷ States must conduct detailed and expensive analyses, and based on the results of those analyses, impose federally enforceable controls and emission limits upon the largest and most impactful sources of haze pollutants.³⁰⁸ The federal Clean Air Act, through the NAAQS attainment and permitting programs, also directs states to achieve and maintain air quality standards for certain pollutants, including NO_x, SO₂, and PM.³⁰⁹ The Department does not appear to have conducted any analysis of the impact keeping Craig Unit 1 operational may have on sources' and Colorado's ability to comply with either of these programs. The Renewed Order gives no guidance as to whether it creates conflicts with either of these requirements and, if it does, how to navigate them.

decision-making process, the CoPUC's approved ERPs, the EPA-approved Regional Haze SIP, and Air Commission's Regulation Number 23.

³⁰⁶ EPA recently disapproved Colorado's Regional Haze Plan for Round 2 (which does not involve Craig Unit 1) by, in part, pointing to this Order. 91 Fed. Reg. at 3049, fn. 9 (Jan. 26, 2026). While Colorado maintains that EPA's action was improper, and that its Regional Haze SIP currently meets federal requirements, it does reveal that EPA considers Craig Unit 1 relevant to Colorado's compliance with Regional Haze requirements now and in the future. The federal government must, but fails to, take a consistent position in the Regional Haze SIP disapproval and the Order as it relates to Craig Unit 1.

³⁰⁷ See 42 U.S.C. §§ 7491, 7492; see also implementing regulations at 40 C.F.R. § 51.300-309.

³⁰⁸ *Id.*

³⁰⁹ See, e.g., 42 U.S.C. §§ 7409, 7410.

Accordingly, the Renewed Order violates the Department's statutory obligation to "ensure" the maximum feasible compliance with applicable environmental standards.³¹⁰ This obligation requires the Department to offer some discrete guidance as to the unit's operations, rather than merely parroting the statutory text. This lack of detail also makes it impossible for Colorado's environmental regulators to know what operational activities are excused from environmental compliance by the Renewed Order, increasing the complexity and burdens associated with any state enforcement actions.

Third, Section 202(c)(2) requires the Department to minimize the adverse environmental impacts of the Renewed Order, which the Renewed Order fails to do. This mandate is textually and substantively distinct from the Department's (also unfulfilled) obligation to ensure maximum practicable compliance with environmental standards. By failing to include a sufficient or legal description of the purported emergency, this Renewed Order authorizes Craig Unit 1 to generate electricity and pollute beyond any emergency needs, thereby increasing the environmental impacts that, by law, the Renewed Order must minimize. When Craig Unit 1 operates, it emits NO_x, SO₂, fine PM, GHG emissions, HAPs, and other harmful pollutants.³¹¹ The Renewed Order includes no measures to mitigate impacts when compliance with environmental standards proves impracticable, even though those types of measures have been routinely included in past orders.³¹² At a minimum, the statute requires the

³¹⁰ 16 U.S.C. § 824a(c)(2) (emphasis added).

³¹¹ Exhibit B, ¶ 14.

³¹² See, e.g., Department, [Order No. 202-17-4](#) (Sept. 14, 2017) at 2 (permitting non-compliant operation only during specified hours, and requiring exhaustion of "all reasonably and practicably

Department to include sufficiently detailed reporting obligations to ascertain what impacts result from emergency operations; without such reporting, the Department has no ability to “ensure” that adverse impacts are minimized.³¹³ The Renewed Order here instead merely requires “such additional information” as the Department, in the future, may (or may not) “request[] . . . from time to time.”³¹⁴ That possibility of future, unspecified information gathering cannot satisfy the statute’s demand that the Department “ensure” that its Renewed Order minimizes environmental impacts.³¹⁵

Similarly, the Renewed Order does not address or assess mechanisms to minimize the pollution from Craig Unit 1 associated with its operation in response to the Renewed Order. It also does not address or assess the environmental impacts associated with the acquisition and transport of additional coal that may be necessary to facilitate Unit 1’s operation, and contains no limitations on the type of coal that may be used so as to minimize the impacts of any new emissions. Not all coal is inherently compatible with the units at the Craig Station, and depending on where new coal is sourced from, there could be significant emissions and costs associated with the distances required to import that coal.³¹⁶ Nor are these impacts addressed by

available resources,” including available imports, demand response, and identified behind-the-meter generation resources selected to minimize an increase in emissions); Department, Order No. 202-22-4 (Dec. 12, 2022) (requiring “reasonable measures to inform affected communities” of non-compliant operations).

³¹³ See, e.g., Department, [Order No. 202-24-1](#) (Oct. 13, 2024) at 4-5 (requiring detailed data on emissions of pollutants).

³¹⁴ Exhibit TT, ¶ E.

³¹⁵ 16 U.S.C. § 824a(c)(2).

³¹⁶ Exhibit B, ¶¶ 33-34.

the Department's cursory instruction to Tri-State to comply with applicable environmental requirements "to the maximum extent feasible."³¹⁷ Because the Department made no attempt to address the requirements of Section 202(c)(2), the Renewed Order is unlawful.

- ii. The Renewed Order violates Section 202(c)(4)(B) because the Department failed to consult with the primary federal agency with expertise in the relevant environmental interests.*

Finally, the Renewed Order provides no indication that the Department has, as required by Section 202(c)(4)(B), "consult[ed] with the primary Federal agency with expertise in the environmental interest protected" by any laws with which the renewed or re-issued order may conflict.³¹⁸ Nor does the Renewed Order include any conditions such federal agency "determines necessary to minimize any adverse environmental impacts to the extent practicable" or a public explanation of the Department's determination that such conditions "would prevent the order from adequately addressing the emergency."³¹⁹

The Renewed Order serves as a renewal of the Original Order on the claimed basis that "[t]he emergency conditions that necessitated the issuance of [the Original Order] continue."³²⁰ As stated above, the Renewed Order conflicts with several federal and State environmental laws.³²¹ The EPA is the federal agency with expertise and authority over federal air quality regulations and approved Craig Unit 1's

³¹⁷ Exhibit TT, ¶ D.

³¹⁸ See 16 U.S.C. § 824a(c)(4)(B).

³¹⁹ See *id.*

³²⁰ Exhibit TT, at 4.

³²¹ See *supra*, Section E.ii.a.

retirement date, Colorado's Regional Haze SIP, and Craig Stations' Title V Permit, making them federally enforceable. Therefore, the Department was required to consult with, at a minimum, the EPA prior to issuing the Renewed Order.

The Renewed Order makes no mention of this consultation requirement and provides no evidence of consultation with the primary federal agency, as the Department has in other Section 202(c) orders.³²² If the Department has failed to consult and procure any required conditions from the relevant federal agency, it has violated the statute. If it has received and declined conditions but refused to disclose them or provide any explanation of why the Department believes such conditions would prevent the order from adequately addressing the claimed emergency, that too violates the statute.

For these reasons, the Renewed Order fails to comply with the Department's obligations under Section 202(c)(2) and should be withdrawn.

iii. The Renewed Order violates Section 103 of the Department Organization Act because the Department failed to consult with the appropriate Colorado officials.

The Renewed Order violates Section 103 of the Department Organization Act, which requires:

Whenever any proposed action by the Department conflicts with the energy plan of any State, the Department shall give due consideration to the needs of such State, and where

³²² See, e.g., Exhibit U, at 8 ("Pursuant to [S]ection 202(c)(4)(B) of the FPA, the Department has consulted with the primary [f]ederal agency with expertise in the environmental interest protected by the laws or regulations that may conflict with this Order. The agency did not submit additional conditions for inclusion in this Order."); Exhibit PP, at 8 ("Pursuant to [S]ection 202(c)(4)(B) of the FPA, the Department has consulted with the primary [f]ederal agency with expertise in the environmental interest protected by the laws or regulations that may conflict with this Order. The agency did not submit additional conditions for inclusion in this Order.").

practicable shall attempt to resolve such conflict through consultations with appropriate State officials.³²³

The Department has acknowledged that Section 103 of the Department Organization Act is applicable to the Department in this situation. The Department argued in the Campbell case that the provision did not apply to the Original Campbell Order because consultation is not practicable in an emergency situation.³²⁴ However, the Department has now had 90 days since the issuance of the Original Order to comply with Section 103 of the Department Organization Act, and it has failed to do so.

The Renewed Order conflicts with Colorado's statewide GHG pollution reduction targets³²⁵ and interferes with Tri-State's plan to reduce GHG emissions 80 percent by 2030,³²⁶ as reflected in the CoPUC's approval of Tri-State's ERP, which included the retirement of Craig Unit 1 by December 31, 2025. The Department also did not make any attempt to give "due consideration" to the needs of Colorado, nor did it make any attempt to consult with the CoPUC or Colorado Air Pollution Control Division.³²⁷

F. The Renewed Order is designed to support the federal administration's policy goal of propping up the coal industry, making it an arbitrary and capricious pretext.

Agency action is arbitrary and capricious when it rests on a "pretextual" reason that is "incongruent with what the record reveals about the agency's priorities and

³²³ 42 U.S.C. § 7113.

³²⁴ The Department, [Order No. 202-25-3B](#) (Sep. 8, 2025).

³²⁵ § 25-7-102(2)(g)(I), Colo. Rev. Stat.

³²⁶ § 25-7-105(1)(e)(VIII)(I), Colo. Rev. Stat.

³²⁷ Exhibit B; Exhibit C.

decision-making process.”³²⁸ Agency decisions that feature “unjustifiable bias or partisanship are precisely the types of agency actions that ‘would work a violation of the arbitrary-and-capricious standard.’”³²⁹ Here, the record demonstrates that there is no evidence of an energy emergency within the meaning of Section 202(c) that would support issuance of the Renewed Order. Instead, the Renewed Order is a transparent attempt to favor the Trump administration’s preferred energy source and revive the coal industry. Because the Renewed Order is pretextual and divorced from any actual emergency, the Renewed Order violates the law and must be withdrawn.

i. The federal administration intends to promote coal.

Over the course of 2025 and 2026, the Department and the President have made clear that they are using Section 202(c) orders to prevent coal-fired generating plants from retiring, simply because the current administration prefers coal and other fossil fuel generation. On his first day in office, the President declared a “National Energy Emergency” and identified coal as one of his preferred energy resources.³³⁰ The President later directed the Department to “streamline” its use of emergency orders, explaining that his goal was to “revitaliz[e] America’s big beautiful coal industry to support grid stability and American jobs.”³³¹ In July, Secretary Chris

³²⁸ *Dep’t of Commerce*, 588 U.S. at 785.

³²⁹ *Level the Playing Field*, 961 F.3d at 464 (quoting *Hagelin v. FEC*, 411 F.3d 237, 242 (D.C. Cir. 2005)).

³³⁰ [Exec. Order 14156](#), 90 Fed. Reg. 8433, 8434 (Jan. 20, 2025), Sec. 8(a).

³³¹ The White House, [Fact Sheet: President Donald J. Trump Strengthens the Reliability and Security of the United States Electric Grid](#) (Apr. 8, 2025); see also New York Times, Trump Signs Orders Aimed at Reviving a Struggling Coal Industry, April 8, 2025); Exec. Order 14261, Reinventing American’s Beautiful Clean Coal Industry and Amending Executive Order 14241, 90 Fed. Reg. 15517 (April 14, 2025); Exec. Order 14260, Protecting American Energy from State Overreach, 90 Fed. Reg. 15513 (April 14, 2025); Regulatory Relief for Certain Stationary Sources To Promote American Energy, 90 Fed. Reg. 16777 (April 21, 2025).

Wright stated “‘I think our biggest impact by far is going to be — there are like 40 coal plants that are supposed to close this year — and our biggest impact is going to be to stop the closure of most of those[.]’”³³²

Both the Department and President Trump have publicly acknowledged that their goal is to regulate long-term resource adequacy and mandate coal generation. Secretary Wright has stated that “[t]he goal [of the recent Section 202(c) orders] is to stop the political closure of coal plants.”³³³ The “Clean Beautiful Coal” Executive Order directed the Department to “identify regions where coal-powered infrastructure is available and suitable for supporting [artificial intelligence (“AI”)] Data centers; assess the market, legal and technological potential for expanding coal-based infrastructure to power data centers to meet the electricity needs of AI...”³³⁴ Most recently, the President received a trophy proclaiming him the “Undisputed Champion of Beautiful Clean Coal” after issuing yet another executive order, this time ordering the Department of War to purchase coal power.³³⁵

These statements and actions demonstrate a clear intention to use coal plants to meet long-term resource adequacy needs, which exceeds the Department’s Section 202(c) emergency authority.

³³² Young, C., [Energy Secretary Chris Wright: Future of U.S. coal is ‘long and bright’](#) (July 7, 2025).

³³³ Exhibit III, (Brown, C., Plumer, B., *Trump Wants to Halt Almost All Coal Plant Shutdowns. It Could be Messy* (Jan. 16, 2026)), at 1.

³³⁴ [Exec. Order No. 14241](#), 90 Fed. Reg. 15517 (Apr. 14, 2025).

³³⁵ Shah, S., [Coal Power is Rebounding in the U.S. Here’s How it Happened](#) (Mar. 3, 2026); Exec. Order 14386, Strengthening United States National Defense With America’s Beautiful Clean Coal Power Generation Fleet, 91 Fed. Reg. 7393 (Feb. 17, 2026).

- ii. *The Department's 2025 and 2026 Section 202(c) orders demonstrate a pattern of arbitrary and capricious behavior designed to carry out a policy goal.*

In line with the policy goals described above, the Department has issued orders for nearly every coal plant scheduled to retire in 2025, all for the statutory maximum of 90 days. All of these orders have been summarily renewed in 2026, some now for the third time. None of these orders or their renewals meet the same criteria as previous orders issued pursuant to Section 202(c). Specifically, none were publicly requested by a utility;³³⁶ none were based on an inability to comply with environmental laws; and none were responsive to or tailored to meet a specific, imminent, unexpected and temporary emergency. The Department, Secretary Wright has confirmed that “[t]he goal [of the recent 202(c) orders] is to stop the political closure of coal plants.”³³⁷ These orders have claimed emergencies in arbitrary and changing regions, largely based on a variety of NERC assessments that describe a host of different circumstances and reach varied conclusions. For example, in the Original Order for Craig Unit 1, the Department claimed an emergency in the WECC-Northwest assessment area, based on the 2024 LTRA, despite the fact that the Winter 2025-2026 NERC assessment was much more relevant for an order extending from Denver to March. Now, in the Renewed Order, the geographic area of the claimed emergency has changed to WECC-Rocky Mountain because of realignment in the assessment areas, and yet according to the Department, the claimed "emergency" still exists in

³³⁶ It is common practice for the Department to post the request of the entity requesting a specific order within that order's docket. See, e.g. Department, [2024 DOE 202\(c\) Orders](#) (2024); Department, [2023 DOE 202\(c\) Orders](#) (2023).

³³⁷ Exhibit III, at 1.

this new area, and Craig Unit 1 is still the best way to meet that emergency. The Department failed to acknowledge or explain this change. The Department is pointing to cherry picked information from each report to arbitrarily find an emergency to support a single solution (prevention of a planned coal plant retirement), even though it looked at two completely different geographic areas between the first and second report. This is evidence of arbitrary pre-judgment.

Additionally, the Department has issued Section 202(c) orders for closing coal plants in complete disregard of their condition or age. For example, the most recent Section 202(c) order to keep R.M. Schahfer Plant Units 17 and 18 running ignores the fact that Unit 18 was in a forced outage from February 16, 2025 to June 23, 2025, and then again starting on July 9, 2025. As of March 24, 2026, the unit was still in forced outage.³³⁸ It is unclear how a plant that barely operated throughout 2025 and was not operational at the time the Department issued its original or renewed Section 202(c) orders could help in an alleged emergency. Similarly, when the Original Order was issued, Craig Unit 1 was in a forced outage and was not repaired until a third of the way into the period of the Original Order.

Every single Section 202(c) order to keep a retiring coal plant online in 2025 and 2026 has been challenged. The Department has summarily denied the numerous requests for rehearing challenging each of these orders, often with no substantive explanation. Before the Culley Order was renewed, the Region President of its operating utility asked the Department to not issue another Section 202(c) order

³³⁸ IURC STATE OF INDIANA, [3/24 - Public Meeting](#) (YouTube, Mar. 24, 2026), at 3:16:22.

because Culley Unit 2, which is 60 years old, “will require substantial investment to support an inefficient and increasingly unreliable asset, rather than advancing affordable and reliable service for customers in southwestern Indiana.”³³⁹ The Department ignored this and issued a renewed Culley Order. The Department also did not substantively respond to Tri-State and PRPA’s request for rehearing of the Original Order, ignoring their request that the Department work with them to find a more effective and affordable path forward to meet the Department’s concerns.³⁴⁰

Together, the Department’s orders demonstrate that, rather than addressing emergencies, the Department is working to prevent the retirement of coal plants across the United States as part of their larger efforts to bolster the coal industry.³⁴¹

iii. Despite claims it is addressing energy emergencies, the Department is simultaneously interfering with efforts to increase generation through renewable resources.

At the same time the Department is claiming that an energy emergency justifies exercise of its Section 202(c) emergency authority, it is also working to stymie development of renewable generation sources, particularly wind and solar. It has also failed to acknowledge that Craig Unit 1’s continued operation will also

³³⁹ [Letter from Michael Roeder, President, Indiana Region, to the Honorable Chris Wright, Secretary of Energy](#) (Feb. 17, 2026), at 1.

³⁴⁰ Exhibit UU, at 5-6.

³⁴¹ See, e.g., The Department, [Energy Department Converse First National Coal Council Meeting Under Renewed Charter, Reaffirming Coal’s Role in Unleashing American Energy](#) (Jan. 15, 2026) <https://www.energy.gov/articles/energy-department-convenes-first-national-coal-council-meeting-under-renewed-charter>; The Department, [Energy Department Announces \\$175 Million to Modernize Coal Plants, Keeping Affordable Reliable Power Online for Americans](#) (Feb. 11, 2026); The Department, [Fact Sheet: The Department of Energy Is Ending The War On Beautiful, Clean Coal](#) (Jan. 15, 2026); see also Exec. Order 14261, Reinventing American’s Beautiful Clean Coal Industry and Amending Executive Order 14241, 90 Fed. Reg. 15517 (April 14, 2025).

prevent the use of solar electricity generated by a newly added solar farm in Moffat County due to limited transmission capacity.³⁴²

The Department's own website explains that "wind energy offers many advantages which explains why it's one of the fastest-growing energy sources in the world[,] "³⁴³ and that solar energy "can support household savings, energy independence, economic opportunities, grid reliability, resilience, security and affordability, and a safer planet."³⁴⁴ Wind and solar energy are also extremely cost competitive with other energy sources. The most recent Levelized Cost of Energy+ Report ("LCOE Report") found that "[o]n an unsubsidized \$/MWh basis, renewable energy remains the most cost-competitive form of generation."³⁴⁵ Renewables are also important in a high demand scenario, as they are the "quickest-to-deploy generation resources."³⁴⁶ Colorado has confirmed that wind and solar energy are low cost options to provide reliable electricity generation in the Northwest Colorado region, including Craig Unit 1.³⁴⁷

Despite these advantages, the federal government and the Department have been actively repressing wind, solar, and hydrogen fuel deployment. Alongside the Energy Emergency Executive Order, President Trump issued an executive

³⁴² See Exhibit UU.

³⁴³ Department, [Advantages and Challenges of Wind Energy](#).

³⁴⁴ Department, [Solar Energy](#).

³⁴⁵ Lazard LCOE, [Levelized Cost of Energy+](#) (June 2025), at 4.

³⁴⁶ *Id.*

³⁴⁷ See Colorado Energy Office, [Exploring Advanced Energy Solutions for Rural Colorado](#) (Dec. 19, 2025) (study looked at both the levelized cost of energy and the levelized cost of capacity for multiple generation options and found that solar combined with battery storage has the lowest levelized cost of electricity, and wind combined with battery storage has the lowest cost levelized net cost of capacity).

memorandum (“Memo”) directing federal agencies to pause the issuance of all wind energy authorizations.³⁴⁸ That Memo has since been declared unlawful and vacated.³⁴⁹ In addition, the One Big Beautiful Bill Act ended subsidies for wind and solar energy projects years earlier than planned.³⁵⁰ The Department has also cut funding for grants that were supposed to go to projects such as hydrogen technology and upgrades to the electric grid.³⁵¹ And although the solar industry installed nearly 18 GW of new capacity in the first half of 2025, the federal administration’s efforts to stymie wind and solar energy has resulted in significantly reduced solar deployment.³⁵²

More recently, the federal government has announced that it will pay an energy developer almost \$1 billion in taxpayers funds to cancel federal leases for two offshore wind projects, in exchange for a commitment from the company to reinvest in oil and gas projects.³⁵³ President Trump has gone as far as to admit that his “goal is to not let any windmill be built. . . . They’re losers.”³⁵⁴ In line with these policy

³⁴⁸ Temporary Withdrawal of All Areas on the Outer Continental Shelf from Offshore Wind Leasing and Review of the Federal Government’s Leasing and Permitting Practices for Wind Projects, 90 Fed. Reg. 8363 (Jan. 29, 2025).

³⁴⁹ [Judgement Ordered 12/18/2025](#) in *State of New York v. Trump*, 25-cv-11221-PBS (D. Mass.).

³⁵⁰ Sidley, [The “One Big Beautiful Bill” Act – Navigating the New Energy Landscape](#) (Jul. 15, 2025); see also 26 U.S.C.A. § 45Y (creating wind production tax credits, passed Aug. 2022); 26 U.S.C.A. § 48E (creating solar investment tax credits, passed Aug. 2022); One Big Beautiful Bill Act, Pub. L. 119-21, Title VII, § 70512-3, 139 Stat 72 (July 4, 2025) (amending 26 U.S.C.A § 45Y and 26 U.S.C.A. § 48E to end subsidies for wind and solar projects).

³⁵¹ See Walton, R., [DOE cancels \\$7.6B in clean energy awards in states that voted against Trump](#) (Oct. 2, 2025); Banse, T., [Trump administration yanks funding for Northwest green hydrogen project](#) (Oct. 2, 2025); Kaufman, A., [Trump’s cuts to billion-dollar hydrogen hubs rattle industry](#) (Oct. 2025).

³⁵² Wood Mackenzie, [Solar and storage dominate new power additions in first six months of Trump administration as federal policies drive up energy costs](#) (Sept. 9, 2025); Economy+Environment, [Clean Economy Works: November 2025 Analysis](#) (Dec. 12, 2025).

³⁵³ U.S. Department of the Interior, [Interior and TotalEnergies Agree to End Offshore Wind Projects, Lowering Costs for American Families](#) (Mar. 23, 2023).

³⁵⁴ Exhibit JJJ (Harder, A., *Exclusive: Wind projects pile up as Pentagon reviews stall* (Mar. 30, 2026)), at 3.

goals, the Department of Interior has cancelled 30 onshore wind farm projects, thereby stalling around 7.5 GWs of capacity.³⁵⁵ The Rural Energy for America program has also been put on hold, and forthcoming changes will discourage larger-scale solar projects.³⁵⁶

As the Department has observed, “the reliability of the power grid is intrinsically a system-wide property that cannot be ensured by an individual resource or technology in that system.”³⁵⁷ Focusing on one technology instead of a portfolio of resource adequacy measures increases risk.³⁵⁸ The Department’s current single-minded focus on coal and other fossil fuels reflects a policy preference as opposed to a desire to address any actual energy emergency, and constitutes an unlawful pretext.

G. The Department failed to comply with NEPA.

By requiring Craig Unit 1 to remain available beyond its planned retirement date, the Renewed Order has the potential to cause significant environmental impacts and requires evaluation under NEPA, particularly as it now seems clear the Department will continue issuing renewals regardless of the existence of an emergency.³⁵⁹ Because the Department has misused its emergency authority in the Renewed Order,³⁶⁰ it cannot rely on the exception to NEPA’s implementing procedures that applies to emergency actions. Quite simply, there is no “emergency situation[]

³⁵⁵ *Id.*, at 2.

³⁵⁶ Heller, M., [Trump’s opposition to renewables stalls rural energy grants](#) (Apr. 1, 2026).

³⁵⁷ Department, [The Future of Resource Adequacy](#) (Apr. 2024) at 8.

³⁵⁸ *Id.*

³⁵⁹ 42 U.S.C. § 4336(b), *supra*.

³⁶⁰ See *supra*, Sections V.A-F.

that demand[s] immediate action” here.³⁶¹ As demonstrated above, there is no current or imminent energy shortfall or near-term reliability emergency that justifies continued operation of Craig Unit 1.³⁶² Accordingly, to the extent the Department is relying on the exception for emergency actions to avoid full NEPA analysis, such reliance is contrary to law.

Moreover, the Department’s NEPA implementing regulations recognize that where an action has the potential to cause significant impacts on an environmentally sensitive area, such as federally- and state-designated wilderness areas, national parks, scenic areas, and similar resources, the action is not appropriate for categorical exclusion and instead must be analyzed under NEPA.³⁶³ Here, retirement of Craig Unit 1 by December 31, 2025 is a requirement of Colorado’s federally approved SIP to address the federal Clean Air Act visibility program. This program is designed to protect federally-designated areas home to sensitive ecosystems or species potentially harmed by even small increases in pollution.³⁶⁴ Specifically, the Colorado Regional Haze SIP, which incorporated Craig Unit 1’s retirement date in Round 1, is designed to protect national parks and wilderness areas in Colorado including Black Canyon of the Gunnison National Park, Great Sand Dunes National Park, Rocky Mountain National Park, and Mount Zirkel Wilderness Area.³⁶⁵ Craig Unit 1

³⁶¹ 10 C.F.R. § 1021.103.

³⁶² See *supra*, Section V.C.

³⁶³ 10 C.F.R. Part 1021, Appx. B, § B(4)(iv).

³⁶⁴ Exhibit B, ¶ 27.

³⁶⁵ Exhibit MM (Division, *Colorado Visibility and Regional Haze SIP for the Twelve Mandatory Class I Federal Areas in Colorado* (Dec. 15, 2016)).

is located near the Mount Zirkel Wilderness Area.³⁶⁶ As a result, the Department's own NEPA regulations dictate that the action was subject to NEPA review.

VI. Request For Stay

In addition to seeking rehearing, the State of Colorado moves the Department for a stay of the Renewed Order until the conclusion of judicial review.³⁶⁷ The Department should also refrain from renewing the Renewed Order as currently drafted beyond its current expiration in March 2026. The Department has the authority to issue a stay under the Administrative Procedure Act and should do so where “justice so requires.”³⁶⁸ In deciding whether to grant a request for stay, agencies consider: (1) whether the party requesting the stay will suffer irreparable injury without a stay; (2) whether issuing a stay may substantially harm other parties; and (3) whether a stay is in the public interest.³⁶⁹

Injuries under this standard must be actual, certain, imminent, and beyond remediation.³⁷⁰ Financial injury is irreparable where no “adequate compensatory or other corrective relief will be available at a later date, in the ordinary course of litigation.”³⁷¹ Environmental injury, however, “can seldom be adequately remedied

³⁶⁶ 5 Colo. Code Regs. § 1001-5:F.VI. (2014).

³⁶⁷ 18 C.F.R. § 385.212.

³⁶⁸ 5 U.S.C. § 705.

³⁶⁹ See *Nken v. Holder*, 556 U.S. 418, 434, 436 (2009); *Ohio v. EPA*, 603 U.S. 279, 291 (2024); see, e.g., *Midcontinent Indep. Sys. Operator, Inc.*, 184 FERC ¶ 61,020, at P 41 (2023); *ISO New Eng. Inc.*, 178 FERC ¶ 61,063, at P 13 (2022), *rev'd on other grounds sub nom. In re NTE Conn., LLC*, 26 F.4th 980, 987-88 (D.C. Cir. 2022).

³⁷⁰ *Mexichem Specialty Resins, Inc. v. EPA*, 787 F.3d 544, 555 (D.C. Cir. 2015); *Wis. Gas Co. v. FERC*, 758 F.2d 669, 674 (D.C. Cir. 1985); *ANR Pipeline Co.*, 91 FERC ¶ 61,252, at p. 61,887 (2000); *City of Tacoma*, 89 FERC ¶ 61,273, at p. 61,795 (1999) (recognizing that, absent a stay, options for “meaningful judicial review would be effectively foreclosed”).

³⁷¹ *Wis. Gas Co.*, 758 F.2d at 674 (quoting *Va. Petroleum Jobbers Ass'n v. Fed. Power Comm'n*, 259 F.2d 921, 925 (D.C. Cir. 1958)); see also *In re NTE Conn., LLC*, 26 F.4th at 990-91. (Colorado refuses to

by money damages and is often permanent or at least of long duration, *i.e.*, irreparable. If such injury is sufficiently likely, therefore, the balance of harms will usually favor the issuance of an injunction to protect the environment.”³⁷²

A. Colorado and its people will suffer irreparable injury absent a stay.

Here, a stay is necessary to prevent irreparable harm to the State of Colorado. Craig Unit 1 emits dangerous air pollutants that would not otherwise occur but for the Renewed Order. Craig Unit 1’s continued availability and operation increases costs, which have already been passed on to ratepayers, along with increasing pollution directly through readying activities, and indirectly through the sourcing and transportation of fuel. Even if the unit dispatches rarely, these excess pollutants contribute to and exacerbate respiratory problems, cardiovascular issues, and other health conditions.³⁷³ By continuing to delay the retirement of a 45-year-old coal-fired unit, the Department is causing Colorado’s electric customers to be served by a more costly and less reliable and resilient electric grid. Instead of continuing to invest in and develop more reliable resources as planned, the Craig Unit 1 Owners will have to dedicate resources to repair and maintain a coal plant that is less reliable and more costly than other generation resources.

A stay would not result in harm to any other interested parties. The issuance of a stay would not harm end-use electricity consumers because there is no emergency

concede that its residents, as ratepayers, should bear this cost of the Department’s illegal actions here. Nonetheless, we assume that neither the Department nor the Craig Station owners want to bear those costs either, and will seek to impose them on Coloradans.).

³⁷² *Amoco Prod. Co. v. Vill. of Gambell*, 480 U.S. 531, 545 (1987).

³⁷³ Exhibit B, ¶ 22.

addressed by the operation of Craig Unit 1. The lack of an actual emergency means that a stay would not disrupt the provision of electricity. Furthermore, because Tri-State had already planned for the closure of Craig Unit 1, a stay would have the effect only of relieving Tri-State of the administrative, compliance, and planning burdens imposed by the Renewed Order. On the balancing of equities, there is therefore no meaningful countervailing harm that would follow from a stay.

B. A stay is in the public interest.

There is no public interest served by the Renewed Order, and a stay will only benefit the public. First, the Renewed Order exceeds the Department's authority; it has provided no reasonable grounds to substantiate any near-term or imminent shortfall in electricity supply that would necessitate Craig Unit 1's continued operation.³⁷⁴ Second, a stay would protect the broader public from the costs and additional pollution produced by unnecessary operation of Craig Unit 1.

VII. Conclusion

For the reasons set forth above, the State of Colorado respectfully requests that the Department grant intervention; grant a rehearing and rescind the Renewed Order; and stay the Renewed Order.

³⁷⁴ See *League of Women Voters v. Newby*, 838 F.3d 1, 12 (D.C. Cir. 2016) (noting that "there is a substantial public interest 'in having governmental agencies abide by the federal laws that govern their existence and operations'") (quoting *Washington v. Reno*, 35 F.3d 1093, 1103 (6th Cir. 1994)).

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Certificate of Service

This is to certify that I have duly served the foregoing, **The State Of Colorado's Request For Rehearing, Motion to Intervene, and Stay Request**, upon all parties below electronically via e-mail this 28th day of April, 2026:

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State of Colorado's Exhibit List

Exhibit No.	Document Description
A	Department, Order No. 202-25-14 (Dec. 30, 2025)
B	Declaration of Josh Korth Declaration (Apr. 27, 2026)
C	Declaration of Erin O'Neil (Apr. 28, 2026)
D	Declaration of Joseph Pereira (Apr. 24, 2026)
E	CoPUC, Decision No. C25-0612, issued on August 26, 2025, in Proceeding No. 23A-0585E.
F	CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Brad Nebergall, filed on December 1, 2020, in Proceeding No. 20A-0528E, Attachment BN-2, (Tri-State, <i>2020 IRP/ERP</i> , Public (Dec. 1, 2020))
G	CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Brad Nebergall, filed on December 1, 2020, in Proceeding No. 20A-0528E, Attachment BN-1 (Tri-State, <i>Responsible Energy Plan</i> (Jan. 2020)
H	Salt River Project, 2023 Integrated Systems Plan
I	Department, Order No. 202-25-7 (Aug. 20, 2025)
J	CoPUC, 120 Day ERP Implementation Report, Public, filed on April 11, 2025, in Proceeding No. 23A-0585E
K	NERC, <i>2024 Long-Term Reliability Assessment</i> (Dec. 2024)
L	NERC, <i>2025-2026 Winter Reliability Assessment</i> (Nov. 2025)
M	Department, Resource Adequacy Report: Evaluating the Reliability and Security of the United States Electric Grid (July 2025)
N	Motion to Intervene and Protective Request for Rehearing by the Attorneys General of Maryland, Washington, Illinois, Michigan, Minnesota, Arizona, Colorado, Connecticut, and New York, filed on August 6, 2025 with the Department
O	Department, Order No. 202-25-3 (May 23, 2025)
P	Department, Order No. 202-25-4 (May 30, 2025)
Q	Department, Order No. 202-25-11 (Dec. 16, 2025)
R	Department, Order No. 202-25-13 (Dec. 23, 2025)
S	Department, Order No. 202-25-12 (Dec. 23, 2025)
T	Congressional Research Service, <i>Federal Power Act: The Department of Energy's Emergency Authority</i> (June 12, 2025)
U	Department, Order No. 202-25-9 (Nov. 18, 2025)
V	Department, Order No. 202-25-8 (Aug. 28, 2025)
W	CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Lisa K. Tiffin, Rev. 1, filed on May 15, 2024, in Proceeding No. 23A-0585E
X	CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Lisa K. Tiffin, Rev. 1, filed on May 15, 2024, in Proceeding No. 23A-0585E, Attachment LKT-1 (Tri-State, 2023 ERP Phase I, Rev. 2 (Apr. 22, 2024)

Y	CoPUC, Verified Petition of Trial Staff of the Commission, CEO, UCA, and Public Service for a Variance from Decision No. C18-0761 and Any Other Requirements, Request for Shortened Notice and Intervention Period, and Request for Approval of Associated Procedures, filed on November 10, 2025, in Proceeding No. 25V-0480E
Z	CoPUC, Tri-State, <i>2025 Annual Progress Report</i> , filed on December 1, 2025, in Proceeding No. 23A-0585E
AA	CoPUC, Decision No. R24-0602, issued on August 22, 2024, in Proceeding No. 23A-0585E
BB	CoPUC, Decision No. C25-0892, issued on December 10, 2020, in Proceeding No. 25V-0480E
CC	CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Lisa K. Tiffin, Rev. 1, filed on May 15, 2024, in Proceeding No. 23A-0585E, Attachment LKT-1-Attachment F (<i>Electric Energy and Demand Forecast</i> , Public)
DD	CoPUC, Hrg. Ex. 103, Direct Testimony and Attachments of Brian L. Thompson, Rev. 1, filed on May 24, 2024, in Proceeding No. 23A-0585E
EE	PRPA, 2024 Integrated Resource Plan (Apr. 2023)
FF	PRPA, Craig Units 1&2 (Yampa Project) (2026)
GG	PacifiCorp, Utah Integrated Resource Plan Volume I (Mar. 31, 2025)
HH	SPP, <i>SPP Reliability Plan</i> (June 2, 2025)
II	NERC, <i>Emergency Operations</i>
JJ	CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Brad Nebergall, filed on December 1, 2020, in Proceeding No. 20A-0528E, Proceeding 20A-0528E
KK	Division, <i>Operating Permit No. 96OPMF155</i> (July 1, 2021)
LL	Division, <i>Technical Review Document for Operating Permit 96OPMF155</i> (Jan. 2005)
MM	Tri-State, General APEN- Form APCD-200 (Apr. 21, 2025)
NN	Division, <i>Colorado Visibility and Regional Haze SIP for the Twelve Mandatory Class I Federal Areas in Colorado</i> (Dec. 15, 2016)
OO	CoPUC, Hrg. Ex. 101, Direct Testimony and Attachments of Lisa K. Tiffin, Rev. 1, filed on May 15, 2024, in Proceeding No. 23A-0585E, Attachment LKT-1 – Attachment G-1 (Astrape Consulting, <i>Reserve Margin and Effective Load Carrying Capability (ELCC) Study</i> , Public (Aug. 2, 2023)
PP	Department, Order No. 202-25-10 (Nov. 25, 2025)
QQ	Tri-State, <i>U.S. DOE Orders TriState to Keep Craig Generating Station Unit Operating for Next 90 Days</i> (Dec. 31, 2025)
RR	Powell, R., 1 coal plant open amid order (Jan. 6, 2026)
SS	Behr, P., <i>PJM to ratchet down projected AI power demand for eastern US</i> (Jan. 6, 2026)
TT	Department, Order No. 202-26-21 (Mar. 30, 2026)

UU	Tri-State, <i>Request for Clarification and for Rehearing of Tri-State Generation and Transmission Association and Platte River Power Authority</i> (Jan. 29, 2026)
VV	CoPUC, Tri-State, Notice of 2026 Resource Adequacy Annual Report, filed on March 17, 2026, in Proceeding No. 26M-0028E
WW	NERC, <i>Long-Term Reliability Assessment</i> (Jan. 2026)
XX	Department, Order No. 202-26-16 (Feb. 17, 2026)
YY	Department, Order No. 202-26-17 (Feb. 23, 2026)
ZZ	Department, Order No. 202-26-18 (Mar. 16, 2026)
AAA	Department, Order No. 202-26-19 (Mar. 23, 2026)
BBB	Department, Order No. 202-26-20 (Mar. 23, 2026)
CCC	State of Colorado, The State of Colorado's Request for Rehearing, Motion to Intervene, and Stay Request (Jan. 28, 2026)
DDD	Letter from Jerome H. Sturhahn, Senior Vice President of Tri-State, to Shannon McMillian, Compliance and Enforcement Program Manager, CDPHE (Jan. 26, 2026)
EEE	CoPUC, Tri-State, Notice Regarding Phase II Developments, filed on March 17, 2026, in Proceeding No. 23A-0585E
FFF	SPP, <i>Current Gird Conditions</i> (Apr. 7, 2026)
GGG	SPP, <i>Current Gird Conditions</i> (Apr. 20, 2026)
HHH	Cook, A., <i>NERC to OMS: Long-term Assessment not a Predictor of Risk</i> (Feb. 10, 2026)
III	Brown, C., Plumer, B., <i>Trump Wants to Halt Almost All Coal Plant Shutdowns. It Could be Messy</i> (Jan. 16, 2026)
JJJ	Harder, A., <i>Exclusive: Wind projects pile up as Pentagon reviews stall</i> (Mar. 30, 2026)