



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>.

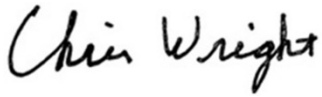
³⁵ Although the text of FPA section 202(c) grants this authority to “the Commission,” section 301(b) of the Department of Energy Organization Act transferred this authority to the Secretary of the Department of Energy. *See* 42 U.S.C. § 7151(b).

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.



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