Department of Energy
Washington, DC 20585

TransAlta Centralia Generation LLC,
GridForce Energy Management, LLC, and
Southwest Power Pool, Inc. Western RC
Regarding the TransAlta Centralia Generation Facility

Order No. 202-26-44

Pursuant to the authority vested in the Secretary of Energy (Secretary) 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)–Northwest assessment area[3] due to a sudden increase in demand, a shortage of electric energy, a shortage of facilities for the generation or transmission of electric energy, and other causes. Issuance of this Order will meet the emergency and serve the public interest.

BACKGROUND

TransAlta Centralia Generation Facility (Centralia) is an electric generating facility in Centralia, Washington. Centralia is owned and operated by TransAlta Centralia Generation LLC (TransAlta). Centralia consists of one remaining coal-fired generation unit, Unit 2, with a nameplate capacity of 729.9 MW.[4] Unit 2 began operations in 1973 and was slated to cease operations in December 2025. Unit 1 was retired in 2020. Unit 2 is slated to cease operation based on a 2011 Washington law[5] and a subsequent

[1] 16 U.S.C. § 824a(c).
[2] 42 U.S.C. § 7151(b).
[3] The terms "area" and "region" are used interchangeably herein.
[4] U.S. Energy Info. Admin., *Form EIA-860 detailed data with previous form data (EIA-860A/860B)*, https://www.eia.gov/electricity/data/eia860/ (click "2025 (early release)").
[5] Coal-Fired Elec. Generation Facilities, 2011 Wash. Sess. Laws, Ch. 180, https://lawfilesext.leg.wa.gov/biennium/2011-12/Pdf/Bills/Senate%20Bills/5769-S2.pdf.

agreement between TransAlta and the State of Washington.[6] TransAlta has announced plans to convert the unit to natural gas by 2028.[7]

Order Nos. 202-25-11, 202-25-11B, 202-26-18, and 202-26-28, issued pursuant to FPA section 202(c), required that Centralia remain in operation for 90 days, until March 16, 2026 (Order Nos. 202-25-11 and 202-25-11B), June 14, 2026, and September 12, 2026, respectively. Those orders were based on my determination that emergency conditions existed in the WECC–Northwest region.

Specifically, I determined that the WECC–Northwest region is at an elevated risk of insufficient operating reserves during periods of extreme weather.[8] I determined that the continued operation of Centralia would provide additional generation capacity during these periods, which would help prevent the potential loss of power to homes and

---

[6] *See* Memorandum of Agreement between Christine O. Gregoire, Governor, State of Washington, & Paul Taylor, President, TransAlta Centralia Generation LLC (Dec. 23, 2011), https://ecology.wa.gov/getattachment/858591f6-dd25-47be-ba1d-0f58264ca147/20111223TransAltaMOA.pdf ("D. In exchange for the benefits of entering into an MOA with the State pursuant to RCW 80.80.100, the Company will . . . (5) permanently cease power generation operations of one Boiler in 2020 and the other Boiler in 2025, which dates are prior to the 2035 end of their expected useful lives . . . ."); *see also* First Amendment to Memorandum Of Agreement between Jay Inslee, Governor, State of Washington, & Bob Nelson, President, TransAlta Centralia Generation LLC (July 13, 2017), https://www.regulations.gov/document/EPA-R10-OAR-2020-0732-0010. As a coal-fired facility, it likely would be difficult for the Centralia plant to resume operations once it has been retired. Specifically, any stop and start of operation creates heating and cooling cycles that could cause an immediate failure that could take 30–60 days to repair if a unit comes offline. In addition, other practical issues, such as employment, contracts, and permits may greatly increase the timeline for resumption of operations. Further, if TransAlta were to begin disassembling the plant or other related facilities, the associated challenges would be greatly exacerbated. Thus, continuous operation is required in such cases so long as the Secretary determines a shortage exists and is likely to persist. The costs and time of decommissioning a coal plant are extensive and include various components. Therefore, restarting such decommissioned plants would presumably cost the same as decommissioning in dollars and time, if not more. *See* Jennifer Lessick et al., *Bus. Models for Coal Plant Decommissioning* 9–12 (DOE, Pac. Nw. Nat'l Lab'y, Report, Aug. 2021), https://www.pnnl.gov/main/publications/external/technical_reports/PNNL-31348.pdf; *see also* U.S. Energy Info. Admin., *Capital Cost & Performance Characteristics for Util. Scale Elec. Power Generating Techs.* (Jan. 2024), https://www.eia.gov/analysis/studies/powerplants/capitalcost/pdf/capital_cost_AEO2025.pdf.

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

[8] *See*, *e.g.*, *TransAlta*, Order No. 202-25-11, at 1 (Dec. 16, 2025).

businesses in the areas that might have been affected by curtailments or outages that would otherwise pose a risk to public health and safety.[9] I determined that the continued operation of Centralia was necessary to alleviate immediate and anticipated threats to reliability.[10]

My determination was based on a number of facts. First, in its 2025–2026 Winter Reliability Assessment, the North American Electric Reliability Corporation (NERC) finds that the WECC–Northwest region, which includes Montana, Oregon, Washington, and parts of northern California and northern Idaho, is at elevated risk during periods of extreme weather.[11] The assessment notes that "there is sufficient capacity in the area for expected peak conditions; however, [balancing authorities] are likely to require external assistance during extreme winter weather that causes thermal plant outages and adverse wind turbine conditions for area internal resources. External assistance may not be available during region-wide extreme winter conditions. Winter peak demand for the area is forecast to be 2.9 GW higher (9.3%) compared to last year [i.e., in 2025–2026 compared to 2024–2025]."[12]

Second, in a September 2025 report evaluating Resource Adequacy in the Pacific Northwest, Energy + Environmental Economics (E3) determined that "[a]ccelerated load growth and continued retirements create a resource gap beginning in 2026 and growing to 9 GW by 2030"[13] and that "[l]oad growth and retirements mean the region faces a power supply shortfall in 2026."[14] E3 reported that nearly 9,000 MW of new capacity will be needed in the region by 2030, but currently only 3,000 MW of projects for new capacity are in active development.[15] Overall, E3 found that "[p]referred resources such as wind, solar and batteries make only small contributions to meeting resource adequacy needs" and "[t]imely development of all resources is extremely challenging due to permitting and interconnection delays, federal policy headwinds, and cost pressures."[16]

EMERGENCY SITUATION

[9] *See, e.g.*, *id.* at 1–3.

[10] *See, e.g.*, *id.* at 3–4.

[11] NERC, *2025–2026 Winter Reliability Assessment*, at 6 (Nov. 2025), https://www.nerc.com/globalassets/our-work/assessments/nerc_wra_2025.pdf.

[12] *Id*.

[13] E3, *Res. Adequacy & the Energy Transition in the Pac. Nw.: Phase 1 Results*, at 2 (Sep. 22, 2025), https://www.utc.wa.gov/sites/default/files/2025-10/Revised%20V3%20E3%20Presentation%20RA%20Study%20September%2022%20WA%20RA%20Meeting.pdf. *See also id.* (listing E3's study sponsors, which include certain "regional utilities and generation owners).

[14] *Id*. at 10.

[15] *Id*.

[16] *Id*. at 2.

The emergency conditions that necessitated the issuance of Order Nos. 202-25-11, 202-25-11B, 202-26-18, and 202-26-28 continue, both in the near and long term.[17] The production of electricity from Centralia will continue to be an asset to maintain reliability in the WECC–Northwest region. According to the U.S. Environmental Protection Agency's data, in 2025,[18] Centralia generated an average of approximately 340,000 MWh per month, providing vital generation capacity to the region.

In its 2025 Long-Term Reliability Assessment,[19] NERC assessed that the WECC–Northwest region is at high risk of energy shortfalls over the next five years,[20] noting that "[r]apid forecasted demand growth is driving the need for more resources" and that "[p]eriods of unserved energy are projected for both summer and winter."[21] The assessment notes that peak load in the region "is forecast to increase by 6.6 GW (19%) over the next 10 years, driven by an influx of data centers into the Pacific Northwest."[22] Additionally, while over 10 GW of new variable resources are in development, the assessment warns that "additional resources will be needed to avoid shortfalls in planning reserves and prevent energy risks from emerging."[23]

NERC's 2026 Summer Reliability Assessment (2026 SRA) classifies the WECC–Northwest region as an Elevated Risk[24] area with highest-risk conditions occurring in early evening hours (around 6 p.m.) in late summer.[25] The region faces "elevated risks of electricity supply shortfalls during periods of more extreme summer conditions or [is] subject to localized constraints that raise the risk levels of certain small areas within the broader system. This determination of elevated risk is based on analysis of plausible scenarios, including 90/10 demand forecasts and historical high outage rates as well as

---

[17] *See, e.g.*, Order No. 202-25-11 at 1.

[18] *See* EPA, *Custom Data Download, EPA CAMPD (Clean Air Mkts. Program Data)*, https://campd.epa.gov/data/custom-data-download (choose "Emissions" from Data Type dropdown; choose "Monthly Emissions" from Data Subtype dropdown; choose "Unit (No Aggregation)" from Aggregation dropdown; then click "Apply"; then type "2025" into "Time Period" filter and click "January, February, March, April, May, June, July, August, September, October, November, December"; then click "Apply Filter"; then click "Facility" filter and type "Centralia (3845)"; then click "Centralia (3845)"; then click "Apply Filter"; then click "Preview Data").

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

[20] *Id.* at 7.

[21] *Id.* at 8.

[22] *Id.* at 19.

[23] *Id.*

[24] Elevated risk refers to the potential for insufficient operating reserves in above-normal conditions. NERC*, 2026 Summer Reliability Assessment*, at 2–3 (May 2026), https://www.nerc.com/globalassets/our-work/assessments/nerc_sra_2026.pdf.

[25] NERC*, 2026 Summer Reliability Assessment*, at 2–3 (May 2026), https://www.nerc.com/globalassets/our-work/assessments/nerc_sra_2026.pdf.

low wind or solar photovoltaic (PV) energy conditions."[26] Under typical outage conditions the 2026 SRA forecasts reserve margins to be 25.2% and in a scenario with extreme conditions such as higher demand, outages, and derates, reserve margin is estimated to drop to 8.8%, below the 2026 SRA Reference Margin Level of 10.0%. In normal and typical outages, reserve margins in the 2026 SRA are expected to tighten compared to the 2025 SRA, partly due to net demand growth of 4.6% compared to an increase in energy availability by generation resources of 1.5%. NERC notes that "[t]hermal generators with diverse fuel sources can be an important electricity resource, especially during winter when solar PV and battery resources are less capable compared to summer months."[27] In addition, NERC's 2026 SRA notes:

> WECC–Northwest: The coming summer brings challenging hydrological conditions for regions in which hydropower makes up half or more of the supply fleet. Almost the entire Western Interconnection is in the grips of a persistent drought or in an area where drought development has a greater likelihood through the end of July. In Washington, for example, the snow water equivalent was at 52% of normal levels as of April 1 this year when snowpack typically reaches its peak. While the total water year supply is forecast to be nearly average in the Columbia River Basin, snowpack peaked at low elevation and melted early in the year. This has implications for the expected resources available to the Northwest, the generation mix for which is 55% hydropower. The region is contending with a nearly 5% increase in net internal demand from the 2025 SRA and a nearly 2% drop in existing resources as well as a roughly 43% drop in expected Tier 1 resources. Though higher modeled net transfers are projected to contribute double what they were projected to last year (albeit with the increase largely attributable to a modeling change that accounts for economic transfers), this was not enough to prevent the drop in the Anticipated Reserve Margin from 32% last year to 27% this year.[28]
>
> Peak net internal demand is projected to grow 4.6% over last summer's forecasts; however, anticipated resources are showing just a 1.5% increase in energy availability, leading to tighter margins. Wide-area heat events, wildfires, and low snow-water equivalents due to a changing climate impact generation resource and transmission availability and remain a continued reliability concern. Firm imports may be limited at this time if neighboring areas are also experiencing peak loads or derates, limiting energy availability. Supply chain constraints and economic uncertainty may impact Tier 1 resources. There have been instances where operators had difficulty maintaining frequency due to sudden disconnection of large loads necessitating additional regulation capability.

---

[26] *Id*. at 2.
[27] *Id.* at 9.
[28] *Id*. at 2.

Expected resources do not meet operating reserve requirements under the assessed extreme scenarios.[29]

On March 2, 2026, an amended preliminary injunction was issued by the U.S. District Court for the District of Oregon that imposes operational constraints on the dams that comprise the Federal Columbia River Power System.[30] The restrictions imposed by the amended preliminary injunction will impact power and transmission system reliability, grid stability, and the ability to meet reserve requirements in the WECC–Northwest assessment region.[31] The District Court did not give adequate consideration to the impacts that the preliminary injunction measures will have on the Bonneville Power Administration's (BPA) ability to provide reliable power and transmission services. BPA submitted several declarations detailing the impacts on reliability that would result from the preliminary injunction sought.[32] BPA's modeling of the operational measures in the motion for preliminary injunction concluded that the Columbia River System generation would be greatly decreased in March through November (nine months out of the year) and substantially increase the risk during time periods of high demand such as summer heat waves.[33] Indeed, there is a substantial increased risk that the regional power system will not be able to operate reliably under the ordered spill levels.[34]

NERC released its 2026 State of Reliability (SOR) on June 24, 2026. In the SOR, NERC identifies worsening reliability concerns tied to large-load integration and localized operating stress. In its technical discussion of major system events, NERC states "shoulder seasons have become increasingly challenging for BPS operators to manage, resulting in several recent instances of pre-contingent load shedding."[35] The SOR also finds large load growth is increasing reliability risk and states that "data center and computational loads continued emerging as a major reliability consideration due to their scale, speed of development, and unique operational characteristics."[36]

Order Nos. 202-25-11, 202-25-11B, 202-26-18, and 202-26-28 were preceded by executive orders on January 20, 2025, and April 8, 2025, in which President Donald J.

---

[29] *Id*. at 36.

[30] *Nat'l Wildlife Fed'n (NWF) v. Nat'l Marine Fisheries Serv. (NMFS)*, No. 3:01-cv-00640 (D. Or. Mar. 2, 2026) (order granting amended preliminary injunction).

[31] Fed. Def. Response to Minute Order at 4–5, *NWF v. NMFS*, No. 3:01-cv-00640.

[32] *See, e.g.*, Decl. of Rachel Dibble in Supp. of Fed. Def. Opp'n to Pls. Mot. for a Prelim. Inj., *NWF v. NMFS*, No. 3:01-00640, ECF No. 2574; Decl. of Audrey Stevenson in Supp. of Fed. Def. Opp'n to Pls. Mot. for a Prelim. Inj., *NWF v. NMFS*, No. 3:01-00640, ECF No. 2582.

[33] *See* Dibble Decl. ¶ 28; *id.* ¶ 42, fig. 3.

[34] *See, e.g.*, *id.* ¶ 26; Stevenson Decl. ¶ 18.

[35] NERC, *2026 State of Reliability: Tech. Assessment of 2025 Bulk Power Sys. Performance*, at 5 (June 24, 2026), https://www.nerc.com/globalassets/programs/rapa/pa/nerc_sor_2026_technical_assessment.pdf.

[36] *Id.* at vii.

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."[37] 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."[38] In a 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."[39]

In addition, President Trump issued a White House Memo 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."[40] President Trump "further determine[d] that action to expand coal supply chain capacity and baseload generation availability is necessary to avert an industrial resource or critical technology item shortfall that would severely impair national defense capability."[41]

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 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

---

[37] Exec. Order No. 14156, 90 Fed. Reg. 8433 (Jan. 20, 2025), https://www.federalregister.gov/documents/2025/01/29/2025-02003/declaring-a-national-energy-emergency.

[38] *Id.*

[39] Exec. Order No. 14262, 90 Fed. Reg. 15521 (Apr. 8, 2025), https://www.federalregister.gov/documents/2025/04/14/2025-06381/strengthening-the-reliability-and-security-of-the-united-states-electric-grid.

[40] The White House, *Presidential Determination Pursuant to Sec. 303 of the Def. Prod. Act of 1950, as Amended, on Coal Supply Chains & Baseload Power Generation Capacity*, (Apr. 20, 2026), 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.

[41] *Id*.

(AI) innovation."[42] 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.

Pursuant to section 202(c)(4)(B) of the FPA, DOE has consulted with the primary Federal 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.

ORDER

FPA section 202(c)(1) provides that whenever the Secretary 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 other causes," 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."[43] This statutory language constitutes a specific grant of authority to the Secretary to require the continued availability of Centralia Unit 2 when the Secretary has determined that such continued availability will best meet the emergency.

As described above, the emergency conditions resulting from increasing demand and shortage of electric energy from premature retirement of the Centralia plant will continue in the near term and are also likely to continue in subsequent years. This could lead to the potential loss of power to homes, businesses, and facilities critical to national defense in the areas 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), Centralia Unit 2 shall be made available for operation through December 11, 2026.

---

[42] 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/2025-07/DOE_Fact_Sheet_Grid_Report_July_2025.pdf.

[43] 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 September 13, 2026, TransAlta shall take all measures necessary to ensure that Centralia Unit 2 is available to operate at the direction of either Gridforce Energy Management, LLC (in its role as Balancing Authority)[44] or Southwest Power Pool Western RC[45] (in its role as the Reliability Coordinator) or any successors thereto. Following the conclusion of this Order, sufficient time for orderly ramp down is permitted, consistent with industry practices.

B. To minimize adverse environmental impacts, this Order limits operation of Centralia Unit 2 to the times and within the parameters established in paragraph A. TransAlta shall provide a daily notification to the Department (via AskCR@hq.doe.gov) reporting whether Centralia Unit 2 has operated in compliance with this Order.

C. All operations of Centralia Unit 2 must comply with applicable environmental requirements, including but not limited to monitoring, reporting, and recordkeeping requirements, to the maximum extent feasible while operating consistent with the emergency conditions. This Order does not provide relief from any obligation to pay fees or purchase offsets or allowances for emissions that occur during the emergency conditions or to use other geographic or temporal flexibilities available to generators.

D. By September 27, 2026, TransAlta 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 Centralia Unit 2, consistent with this Order. TransAlta shall also provide such additional information regarding the environmental 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. TransAlta is directed to file with the Federal Energy Regulatory Commission tariff revisions or waivers to effectuate this Order, as needed. Rate recovery is available pursuant to 16 U.S.C. § 824a(c).

F. BPA is directed to facilitate transmission service, as needed, to effectuate this Order.

---

[44] *See* U.S. Energy Info. Admin., *Hourly Elec. Grid Monitor*, https://www.eia.gov/electricity/gridmonitor/about (click "EIA-930A 2024 data"). On EIA-930A 2024 SCH 2, the BA Code for TransAlta Central Generation is GRID. *See also id.* (click "EIA-930 data reference tables"). On EIA-930 data reference tables, BA Code GRID is associated with Gridforce Energy Management, LLC.

[45] *See* Sw. Power Pool, Map RTO and Western RC Footprint with Planned Expansion map, https://www.spp.org/documents/62914/rto%20and%20western%20rc%20footprint%20w%20planned%20expansion.png.

G. This Order shall not preclude the need for Centralia Unit 2 to comply with applicable state, local, or Federal law or regulations following the expiration of this Order.

H. Because this Order is predicated on the shortage of facilities for generation of electric energy and other causes, Centralia Unit 2 shall not be considered a capacity resource.

I. This Order shall be effective from September 13, 2026, through December 11, 2026, with the exception of applicable compliance obligations in paragraph D.

J. TransAlta is directed to provide written notice to the Department as soon as practicable, but no later than 15 days, following the receipt of any required permits necessary to convert the facility to natural gas.

Issued in Washington, D.C. on this 11th day of September, 2026.

Chris Wright
Secretary of Energy

cc: **Federal Energy Regulatory Commission**
Chairman Laura V. Swett
Commissioner David Rosner
Commissioner Lindsay S. See
Commissioner Judy W. Chang
Commissioner David A. LaCerte

Washington Utilities and Transportation Commission
Chair Brian Rybarik
Commissioner Milt Doumit
Commissioner Ann Rendahl