



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. 202-26-49

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)–Rocky Mountain³ region due to 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, 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 megawatts (MW)), Unit 2 (446.4 MW), and Unit 3 (534.8 MW), with a combined nameplate 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, 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

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 region. The 2025 LTRA provides new regional 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 region.

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

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

slated to retire in 2028.⁶ Craig is dispatched by the Southwest Power Pool (SPP) that serves the WECC–Rocky Mountain region.

Order Nos. 202-25-14, 202-26-21, and 202-26-31, issued pursuant to FPA section 202(c) on December 30, 2025, March 30, 2026, and June 26, 2026, respectively, required that Craig Unit 1 continue to be available to operate for 90 days, until March 30, 2026, June 28, 2026, and September 26, 2026, respectively. Those orders were based on my determination that emergency conditions existed within the WECC–Northwest and WECC–Rocky Mountain regions, respectively.

Specifically, I determined that the WECC–Northwest and, later, WECC–Rocky Mountain, region 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 during these periods, which would help prevent the loss of power to homes and businesses in the areas that might have been affected by curtailments or outages 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 region, 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

[f]ive [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

⁶ It would be difficult for the coal-fired unit to resume operations once retired. Specifically, practical issues, such as acquiring employment contracts and 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 *Tri-State Generation & Transmission Ass’n*, DOE Order No. 202-25-14, at 1–2 (Dec. 30, 2025).

⁸ *Id.* at 1–3.

⁹ *Id.* at 3.

in the portfolio. Given the retiring of baseload resources, supply chain issues preventing the construction of [battery energy storage systems] 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 region has an “[anticipated reserve margin] that falls below the [Reference Margin Level] in Summer 2034 and 2035, and Winter 2034–35.”¹⁵ The 2025 LTRA also notes that the WECC–Rocky Mountain region 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 prior to SPP expansion into the WECC–Rocky Mountain region, smaller entities had limited geographic diversity to counteract these generation constraints.¹⁷

Finally, 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%.¹⁸ Looking forward, by 2029, about 3,700 MW of coal-fired generating capacity

¹⁰ NERC, *2024 Long-Term Reliability Assessment*, at 130 (Dec. 2024, corrected Jul. 11, 2025), https://www.nerc.com/globalassets/our-work/assessments/2024-ltra_corrected_july_2025.pdf.

¹¹ WECC, *W. Assessment of Res. Adequacy 2024: Peak Demand by Subregion*, at 2, <https://www.wecc.org/sites/default/files/documents/products/2024/WARA%202024%20Peak%20Demand%20by%20Subregion.pdf>.

¹² WECC, *Western Assessment of Resource Adequacy 2024*, <https://feature.wecc.org/wara/> [hereinafter *Western Assessment of Resource Adequacy 2024*].

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.

¹⁶ *Id.* at 161.

¹⁷ *Id.*

¹⁸ EIA, *Elec. Data Browser, Net Generation for All Sectors Annually from 2019-2025, State: Colo.* (last accessed Aug. 21, 2026), 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&maptyp e=0.

in Colorado is scheduled to retire according to the Energy Information Administration (EIA),¹⁹ 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.²⁰ In 2025, intermittent wind generating capacity accounted for over 5,300 MW of Colorado's electricity generating capacity.²¹

CONTINUING EMERGENCY CONDITIONS

The emergency conditions that necessitated the issuance of Order Nos. 202-25-14, 202-26-21, and 202-26-31 continue, both in the near and long term. The availability of electricity from Craig Unit 1 will continue to be critical to maintain reliability in the WECC–Rocky Mountain region. According to the June 2026 EIA-923 Power Plant Operations Report's monthly generation data, the total net generation for Craig Unit 1 from January 2026 to June 2026 was 56,782 MWh, for an average of 9,463.6 MWh per month.²² These generation data indicate that Craig is providing vital generation capacity to the region.

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 next decade, particularly in the Basin and Northwest subregions. The West could see energy shortfalls as early as 2028.”²³ 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.”²⁴ 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-

¹⁹ EIA, *Preliminary Monthly Elec. Generator Inventory (based on Form EIA-860M as a supplement to Form EIA-860), Inventory of Operating Generator as of January 2026, Plant State: Colo., Technology: Conventional Steam Coal* (Jan. 2026), www.eia.gov/electricity/data/eia860m/.

²⁰ EIA, *Preliminary Monthly Elec. Generator Inventory (based on Form EIA-860M as a supplement to Form EIA-860), Inventory of Operating Generator as of June 2026, Plant State: Colo., Technology: Natural Gas Fired Combustion Turbine & Natural Gas Stream Turbine* (June 2026), www.eia.gov/electricity/data/eia860m/.

²¹ EIA, *Preliminary Monthly Elec. Generator Inventory (based on Form EIA-860M as a supplement to Form EIA-860), Inventory of Operating Generator as of June 2026, Plant State: Colo., Technology: Onshore Wind Turbine* (June 2026), www.eia.gov/electricity/data/eia860m/.

²² See EIA, *Form EIA-923 detailed data with previous form data (EIA-906/920)*, June 2026, <https://www.eia.gov/electricity/data/eia923/> (choose “2026: EIA-923 June 2026”).

²³ WECC, *2025 W. Assessment of Res. Adequacy*, <https://feature.wecc.org/2025wara/index.html>.

²⁴ *Id.*

dependent resources.”²⁵ 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).”²⁶

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 Bulk Power System operators to manage, resulting in several recent instances of pre-contingent load shedding.”²⁷ 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.”²⁸

Order Nos. 202-25-14, 202-26-21, and 202-26-31 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 [(AI)] data centers and increase in domestic manufacturing.”³¹

²⁵ *Id.*

²⁶ *Id.*

²⁷ 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.

²⁸ *Id.* at vii.

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/>.

³⁰ *Id.*

³¹ Exec. Order No. 14262, 90 Fed. Reg. 15521 (Apr. 8, 2025), <https://www.whitehouse.gov/presidentialactions/2025/04/strengthening-the-reliability-and-security-of-the-united-states-electric-grid>.

In addition, President Trump issued a White House Memo for the Secretary 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 [AI].”³² The President “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.”³³

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 [AI] innovation.”³⁴ WECC’s 2025 Western Assessment of Resource Adequacy estimates that, in the WECC–Rocky Mountain region over the next decade, demand growth will be 27% and peak demand growth 23% stating that “[m]ajor drivers of demand growth in the Rocky Mountain subregion include data centers.”³⁵

SPP West’s resource adequacy concerns were recently demonstrated during summer 2026 when SPP issued multiple Energy Emergency Alerts (EEA). On July 20, 2026, SPP West declared an EEA level 3, followed by an EEA level 2 on July 24, 2026, and an EEA level 1 on August 9, 2026.³⁶ SPP requested the Department to issue emergency Order Nos. 202-26-36, 202-26-37, and 202-26-37A on July 20, 2026, July 26, 2026, and August 3, 2026, respectively, which authorized SPP to dispatch specified generation resources and use backup generation resources to maintain reliability and avoid loss of firm load.

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/>.

³³ *Id.*

³⁴ U.S. Dep’t of Energy, *Res. Adequacy Rep.: Evaluating the Reliability & Sec. of the U. S. Elec. Grid*, at 1 (July 2025), www.energy.gov/sites/default/files/2025-11/DOE%20Final%20EO%20Report%20%28REVISED%20OCT%2027%29.pdf.

³⁵ 2025 *W. Assessment Supplemental Info.*, W. Elec. Coordinating Council, <https://feature.wecc.org/warasupplemental/index.html> (last visited Sep. 16, 2026).

³⁶ SPP, *Summer 2026 Operating Conditions in the SPP W. Balancing Auth. Area* (June 2026), <https://spp.org/documents/77689/summer%202026%20operating%20conditions%20in%20spp%20west%20baa%20report.pdf>.

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,” 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.”³⁷ This statutory language constitutes a specific grant of authority to the Secretary to require that Craig Unit 1 continue to be available to operate when the Secretary has determined that such operation will best meet an emergency.

As described above, the emergency conditions resulting from increasing demand and shortage of electric energy from premature retirement of the Craig Unit 1 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 affected by curtailments or 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 to serve the public interest under FPA section 202(c), Craig Unit 1 shall be made available for operation through December 25, 2026.

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

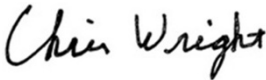
- A. From September 27, 2026, Tri-State, SPP, and the co-owners shall take all measures necessary to ensure that Craig Unit 1 is available to operate to meet the emergency.³⁸ For the duration of this Order, SPP is directed to take every step to employ economic dispatch of Craig Unit 1 only during hours necessary to meet the emergency and 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.

³⁷ 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).

³⁸ WAPA, *Sw. Power Pool RTO Membership Initiative*, <https://www.wapa.gov/about-wapa/the-source/key-topics/southwest-power-pool-membership>.

- 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. SPP and Tri-State, in coordination with the co-owners, 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 October 10, 2026, Tri-State, in coordination with the co-owners, is directed to provide the Department (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 impacts of this Order and its compliance with the conditions of this Order, as requested by the Department from time to time.
- E. Tri-State and the co-owners are directed to file any tariff revisions or waivers with FERC 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 September 27, 2026, through December 25, 2026, with the exception of applicable compliance obligations in paragraph D.

Issued in Washington, D.C. on this Friday, September 25, 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

Colorado Public Utilities Commission

Chairman Eric Blank

Commissioner Megan Gilman

Commissioner Tom Plant