



POWER Act Implementation

Data Center Advisory Committee

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POWER Act - Elements



- Directs changes for IOU tariffs
- Defines “Large Energy Use Facility” as data center or crypto mining facility larger than 20 MW
- Creates a new data center customer class
- Requires:
 - Cost allocation that protects other customers
 - Minimum contract elements
 - Risk mitigation, e.g. avoiding stranded costs
- Mandates legislative reporting; sunsets in 2035

Implementing the POWER Act



- Legislation usually implemented through rulemakings.
- POWER Act sets specific requirements for electricity tariffs, which are decided in contested cases (e.g., rate cases).
- The PUC had existing dockets to update large-load tariffs.
- Avoiding delays and duplication by implementing through existing utility-specific dockets:
 - UM 2377 -- Portland General Electric
 - UE 463 – PacifiCorp
 - Idaho Power may be addressed in a future case

PGE Result: UM 2377 Order No. 26-154



Issued May 7, 2026

Order includes dozens of economic, engineering, and policy decisions, in four areas:

- 1) Reallocation of costs from Residential, Commercial, and Industrial Customers to Data Centers
- 2) Guarantees payments for investments made to serve Data Centers
- 3) Ensures supply necessary to serve data centers is HB 2021 compliant
- 4) Requires very large Data Centers to support the system through investment in energy efficiency for energy burdened customers

PGE Result: UM 2377 Order No. 26-154



Cost Allocation

- Peak Growth Modifier – Allocates growth-related transmission & generation capital costs to customer classes based on recent growth.
- Energy Growth Modifier – Calculates isolated impact of load growth on net power costs, and allocates to classes that have grown more recently.

Stranded Asset Protection

- Minimum Demand Charge – Customers pay minimum 90% of requested capacity regardless of actual consumption.
- Contract Lengths – Contract lengths scale with customer size, with minimum of 10 years and maximum of 30 years.
- Exit Fee – If customer leaves system, they will pay minimum demand charges for remainder of contract, plus the value of distribution assets built for them.

PGE Result: UM 2377 Order No. 26-154

Emissions

- Generation Queue - Before a data center connects to the system, utility must determine whether the customer's load growth would lead to a violation of HB 2021. If so, the customer must wait to connect until HB 2021 compliant resources are procured.
- Special Contracts – Customers may sign special contracts for specific HB 2021 compliant renewable resources and pay for the entirety of the resource in order to move ahead in the queue.

Community Benefits

- Targeted Energy Support Program – A 1¢/kWh surcharge will be applied to all large energy use facilities that are 100 MW or greater to fund non-cost-effective energy efficiency upgrades.

PGE Filing Implementing PUC Order



Compliance Filing Process

- Filed June 3, 2026 (200 pages of tariff edits)
- Under review by PUC Staff and stakeholders – does it properly implement the order?
- Commission decision scheduled for July 7

Proposed Rate Impacts

- +29% for large load data center customers
- -1.3% for residential customers
- -3.7% for small business customers
- -2.2% for commercial customers
- -1.5% for industrial customers

Next Steps

- **PGE**

- Complete review of the compliance filing and address any Staff or stakeholder issues
- Request for reconsideration or appeal may be filed within 60 days of the Order

- **PacifiCorp (UE 463) Schedule**

- July: Testimony
- August: Hearing
- September: Legal Briefing
- October: Order Anticipated
- November: Compliance Filing



For More Information

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