



POWER ACT BIENNIAL REPORT

2026 Oregon PUC Report to the Oregon Legislature

Casey Bage, Commission Advisor, Executive Office – OPUC

Agency Contact: Laura Tabor – laura.tabor@puc.oregon.gov

Special Acknowledgements to OPUC contributors and reviewers: Caroline Moore, Scott Gibbens, Karin Power, Letha Tawney, Les Perkins, Nolan Moser, Peter Harkema, Garrett Martin, and Kandi Young



Executive Summary – Biennial POWER Act Report

The Oregon Legislature’s passage of House Bill 3546 (2025), or the “POWER Act,” was a first-of-its-kind statute that has enabled the Oregon Public Utility Commission (the PUC or Commission) to address costs and risks associated with unprecedented load growth stemming from data center development within Oregon’s Investor-Owned Utility (IOU) territories. The POWER Act (the Act) also directs the Commission to produce a biennial legislative report on large load growth; this is the inaugural edition.

The Commission is well into the implementation phase with active dockets for Portland General Electric (PGE) and Pacific Power to ensure POWER Act compliance. The PUC leveraged existing utility-specific investigations into large load growth issues to rapidly implement the POWER Act. Importantly, the Commission recently approved Portland General Electric’s updated rate schedules and rules in compliance with the POWER Act in [Order No. 26-239](#). As a result, PGE customers have experienced an average decrease in electricity rates of 1.3 percent for residential customers, 2.1 percent decrease for commercial customers, and 1.4 percent decrease for industrial customers. Data centers within PGE’s territory have seen an average rate increase of 29 percent. Next, Pacific Power’s POWER Act implementation investigation, which builds on an existing large load tariff approved in 2024, is expected to conclude in late 2026. Idaho Power is subject to the POWER Act but currently does not host any large load data centers, as defined in the Act, within its Oregon territory. No other utilities are subject to the POWER Act.

In this report, the PUC first presents policy developments on a state, local, and national level, and then presents trends in data center load for the utilities subject to the POWER Act as well as other publicly available forecasts on a regional and national basis. The PUC estimates that data center load comprises roughly 15 percent of the IOUs’ current load, and will continue to grow, reaching 25 percent of IOU load by 2030. These trends in data center load growth are distinct and pronounced compared to other large commercial and industrial utility customers. Regional and national load forecasts offer similar trends. The Northwest Power and Conservation Council estimates data center load growth within the Pacific Northwest (PNW) region will roughly double by 2030, most of which will be served by consumer owned utilities (COUs) and the Bonneville Power Administration’s (BPA) system. Electric Power Research Institute provides a national perspective, estimating that Oregon will remain among the nation’s top seven state hosts of data center load and continue to significantly outpace all other states in the PNW region.

The PUC began implementation of the POWER Act, addressing equitable distribution of electricity costs for IOU ratepayers, one facet of the broader data center conversation. Governor Kotek’s Data Center Advisory Committee will issue their preliminary learnings and questions this fall, discussing water impacts, economic development trade-offs, prudent land use, and energy use. The POWER Act provides the PUC with effective tools to address data center load growth impacts within Oregon IOU territory. The PUC lacks visibility into data center impacts outside of IOU service territories as well as broader ripples of regional transmission and generation scarcity impacting the state. Meanwhile, the U.S. Department of Energy is acting to expedite data center interconnection across the nation. The PUC’s next step is completing Pacific Power’s initial investigation this fall. This full report is available from the Legislative Administrator.

Background

The Oregon Public Utility Commission (PUC) holds general responsibility over investor-owned utilities' ratemaking "to protect such customers, and the public generally, from unjust and unreasonable exactions and practices and to obtain for them adequate service at fair and reasonable rates" which includes determining whether a new schedule of rates are "fair, just and reasonable."¹ The PUC's responsibilities include among others: Classification of service taking into account "the quantity used, the time when used, the purpose for which used, the existence of price competition or a service alternative, the services being provided, the conditions of service, differential energy burdens on low-income customers and other economic, social equity or environmental justice factors that affect affordability for certain classes of utility customers, and any other reasonable consideration;"² and Ensuring "direct access to some retail electricity consumers must not cause the unwarranted shifting of costs to other retail electricity consumers of the electric company" so that commercial and industrial customers purchasing electricity from an alternative supplier via IOU transmission infrastructure do not unfairly burden other IOU customers.³

The POWER Act, HB 3546 (2025), directs the PUC to create a separate rate class for data centers over 20 megawatts (MW), defined in the bill as large energy use facilities.⁴ The new rate class must be separate and distinct from classifications of service for other commercial or industrial retail electricity consumers and have its own tariff schedule. The bill outlines specific requirements for the tariff schedule, including that it must directly assign costs of serving large energy use facilities to those consumers and mitigate risks of cost shifting to other rate classes. The Act also directs the PUC to require electric utilities serving large energy use facilities to enter into a contract with the consumer and spells out certain requirements for these contracts, including that they be for a duration of 10 years or longer. These requirements apply to contracts entered into on or after the effective date of the bill.

Beginning in 2023, the Commission proactively conducted ongoing investigations into data center impacts. The PUC's foundational work enabled us to implement the POWER Act immediately via pre-existing utility-specific dockets: UM 2377 for Portland General Electric and UE 463 for Pacific Power.⁵ The Commission recently approved Portland General Electric's updated rate schedules and rules in compliance with the POWER Act on July 10, in Order No. 26-239.⁶ A decision in Pacific Power's compliance application is anticipated before the end of the year. Besides Idaho Power, no other utilities are subject to the POWER Act. The Legislature's POWER Act directs the PUC to submit a legislative report every even-numbered year in order to "review trends in load requirements and other implications from retail electricity consumers that

¹ [ORS 756.040](#); [ORS 757.210](#).

² [ORS 757.230](#).

³ [ORS 757.607](#).

⁴ [ORS 757.292](#); H.B. 3546, 83rd Or. Leg. Assem., Reg. Sess. (Or. 2025) (HB 3456 defines "Large energy use facility" as a facility that uses or is able to use 20 megawatts or more and is primarily engaged in providing a service described under code 518210 of the 2022 North American Industry Classification System).

⁵ Oregon PUC Docket No. [UM 2377](#): PUC Investigation of Rule C and I, Marginal Cost Study Treatment; Oregon PUC Docket No. [UE 463](#): [PacifiCorp](#) Advice No. 25-015 Schedule 401.

⁶ [Order No. 26-239](#), OPUC (July 10, 2026).

are large energy use facilities... and other retail electricity consumers that use large amounts of electricity.” This report serves to satisfy that requirement.

Responding to Load Trends

Policymakers across the country are working to ensure that other customers and communities are not harmed by the costs and risks that could be caused by extraordinary load growth from data centers. Oregon is a policy leader on this issue with the passage of the POWER Act. Oregon is the first in the nation to create a specific data center customer classification for electricity rate schedules. Below, we provide an overview of current measures in place to address data center impacts as well as other opportunities to address those impacts.

State Activities

The POWER Act has provided the Commission with additional tools to directly address the risks posed by the pace and magnitude of data center load growth. The Commission was well prepared to act when the POWER Act was signed into law, allowing for expedited implementation via individual dockets for PGE and Pacific Power.⁷ The Commission has scrutinized utility proposals via contested case processes, in order to ensure stakeholder engagement and well-reasoned decisions based on extensive records. The Commission has completed its decision for PGE in Docket No. UM 2377. Decisions are not finalized for Pacific Power in Docket No. UE 463 and will be based on the record developed in that case. In implementing the statute through decisions, the Commission has focused on:

- *Fairly allocating costs to data center customers:* Existing methodologies for spreading system costs across customer classes and directly assigning certain costs to large customers were not designed for the speed and magnitude of load growth brought by data center development. New POWER Act-derived methodologies reflect data center driven costs and line extension policies that can better capture and allocate the costs of this extraordinary load growth.
- *Protecting other customers from the risk of overbuilding:* Utilities make long-term infrastructure and generation investments to meet large customers’ stated needs. Even when costs are allocated fairly, data centers may not fully cover their costs if their load is lower than expected or if they do not remain a customer long enough. In UM 2377, the Commission set additional terms of service derived from the POWER Act to prevent other PGE customers from paying off these investments if the large load does not materialize as expected. For example, the Act established a minimum contract length of 10 years to avoid stranded costs borne by all ratepayers. Understanding that no two data centers are the same, the Commission decided on a 10-year minimum contract length that scales up depending upon the anticipated electricity demands of the facility.
- *Creating system benefits:* In addition to mitigating impacts on the energy system, the POWER Act can encourage data centers to reduce their impact on the grid by using less

⁷ OPUC Docket No. [UM 2377](#) for Portland General Electric and Docket No. [UE 463](#) for Pacific Power.

power or use power flexibly at times when the grid is stressed, given further incentives to do so are present. The infrastructure built for data centers, including their own backup generation and load controlling tools, can provide larger system benefits if developed thoughtfully. The Commission's decisions in UM 2377 incentivized data centers to collaborate with PGE on site design and operation to maximize those benefits as well as minimize costs and impacts on the grid.

The Commission recently approved PGE's filing to comply with the POWER Act resulting in an average decrease in electricity rates of 1.3 percent for residential customers, 2.1 percent for commercial customers, and 1.4 percent for industrial customers.⁸ Data centers within PGE's territory will see an average increase of 29 percent. A decision is anticipated in Pacific Power's initial application in late 2026. The PUC plans to further investigate opportunities to create system benefits, including incentives for flexible data centers that are able to limit their peak power demands, and pathways to procure non-emitting power generation sources in a manner that does not negatively impact utilities' ability to comply with House Bill 2021's emission reduction requirements for all IOU customers.

The POWER Act addresses the direct impacts of IOUs' engagement with data centers, however data center load growth throughout the state and region has indirect impacts on the costs IOU customers face. Oregon customers are reliant on an interconnected regional grid facing limitations in new transmission and generation capacity.⁹ Rapid load growth of this scale may raise the cost of clean generation required to meet SB 1547 (2016) and HB 2021 (2021) obligations and the larger efforts to electrify sectors such as transportation.¹⁰ Visibility into data center development outside of IOU territories would help Oregon policymakers understand the scale and scope of this risk.

Beyond the PUC's role, Governor Kotek has convened a Data Center Advisory Committee which is actively reviewing a broader set of factors including water impacts, economic development trade-offs, prudent land use, and energy use. The Data Center Advisory Committee plans to issue their preliminary learnings and questions report in fall 2026.

Municipal Moratoriums

Hillsboro was the first City in Oregon to enact a moratorium on new data center development applications. The Hillsboro City Council unanimously passed the 120-day moratorium during a special meeting on Monday July 27, 2026.¹¹ Salem's City Council followed suit and voted unanimously to move forward with a temporary moratorium on Monday August 3, 2026.¹² Woodburn's City Council is considering a temporary moratorium as signaled by its 45-day notice to the Oregon Dept. of Land Conservation and Development, commencing a statutory

⁸ [Order No. 26-239](#), OPUC (July 10, 2026).

⁹ PAC. NW. UTILS. CONF. COMM. (PNUCC), [NORTHWEST REGIONAL FORECAST OF POWER LOADS AND RESOURCES: AUGUST 2026 THROUGH JULY 2036](#), 4–17 (PNUCC, 2026).

¹⁰ S.B. 1547, 78th Or. Leg. Assem., Reg. Sess. (Or. 2016) (Elimination of Coal from Electricity Supply); H.B. 2021, 81st Or. Leg. Assem., Reg. Sess. (Or. 2021) (Clean Energy Targets).

¹¹ Holly Bartholomew, [Hillsboro approves data center moratorium](#), OPB (July 27, 2026).

¹² Whitney Woodworth, [Salem City Council votes in favor on moratorium](#), Statesman J. (Aug. 4, 2026).

review period.¹³ Clackamas County’s Board of Commissioners unanimously filed a similar 45-day notice on Tuesday August 11, 2026.¹⁴

Federal Activities

The Federal Energy Regulatory Commission (FERC) issued show cause orders in June 2026 directing six regional transmission organizations (RTOs)/independent system operators (ISOs) to either justify existing interconnection timelines or reform their processes to fast-track large loads of 20 megawatts or greater.¹⁵ RTO and ISO Interconnection queues have historically been designed for a slower, more methodical process, and those queues are experiencing a surge in interconnection requests tied to data centers and artificial intelligence buildout. Previously, the U.S. Department of Energy had directed FERC via an unprecedented Advanced Notice of Proposed Rulemaking to “ensure the timely and orderly interconnection of large loads to the transmission system.”¹⁶ FERC’s show cause order requires that grid operators specifically address the following five categories of reforms:

1. Developing efficient transmission service application and study processes, including consideration of alternative transmission technologies;
2. Preventing cost shifting and requiring transparency into transmission costs;
3. Accommodating co-location agreements and behind-the-meter generation;
4. Providing new transmission services for flexible large loads;
5. Developing a process to study generating facilities that serve electrically proximate large loads and co-located loads

Oregon currently does not belong to an RTO/ISO, so this order does not directly implicate our state. However, two of the six RTOs that must comply with the show cause orders include the California ISO, or CAISO, and the Southwest Power Pool, or SPP. Both CAISO and SPP are actively expanding their day-ahead markets to include new utility service territories. Pacific Power and Portland General have both committed to joining CAISO’s Extended Day Ahead Market (EDAM) by the end of 2026, while Bonneville Power Administration has tentatively committed to joining SPP’s Markets+ no earlier than 2028. Joining CAISO’s EDAM or SPP’s Markets+ is a voluntary utility-by-utility process and does not commit those Oregon entities, nor the state of Oregon, to formally joining any ISO/RTO. FERC also has left the rulemaking open to further direction or action, so additional orders or direction may yet implicate Oregon utilities.

Bonneville Power Administration is not under FERC-jurisdiction. BPA has undertaken a reform of its load interconnection queue and has multiple efforts in various stages of implementation, all falling under the broader Grid Access Transformation (GAT) work stream.¹⁷

¹³ John Baker, *Woodburn eyes data center issues*, Woodburn Indep. (Aug. 1, 2026)

¹⁴ Austin De Dios, *Clackamas County votes to move forward with data center ‘pause.’*, Oregonlive.com (Aug. 19, 2026).

¹⁵ *Order Nos. EL26-67–EL26-72*, 195 FERC ¶ 61,211–216 (June 18, 2026)

¹⁶ *Advanced Notice of Proposed Rulemaking* (ANOPR) *Interconnection of Large Loads to the Interstate Transmission System*, Advance Notice of Proposed Rulemaking (Oct. 23, 2025).

¹⁷ *Grid Access Transformation Project*, BONNEVILLE POWER ADMIN., <https://www.bpa.gov/energy-and-services/transmission/grid-access-transformation-project> (last visited Aug. 31, 2026) (including, the Line and Load Interconnection [LLI], Load Area Reinforcement Studies [LARS], and the RAPID initiative [expediting new large load access framework] are focused on load interconnection. Implementation of these initiatives is expected in late 2026 and 2027 with physical delivery in 2028 and beyond).

Load Trends By the Numbers

Load Trends of Oregon Utilities Under the Power Act

The scope of the POWER Act and PUC regulatory jurisdiction include investor-owned utilities (IOUs) in Oregon only. Thus, we focus on load trends for large energy use facilities that are customers of the state's IOUs. We include broader regional data from other institutional sources in order to provide further context.

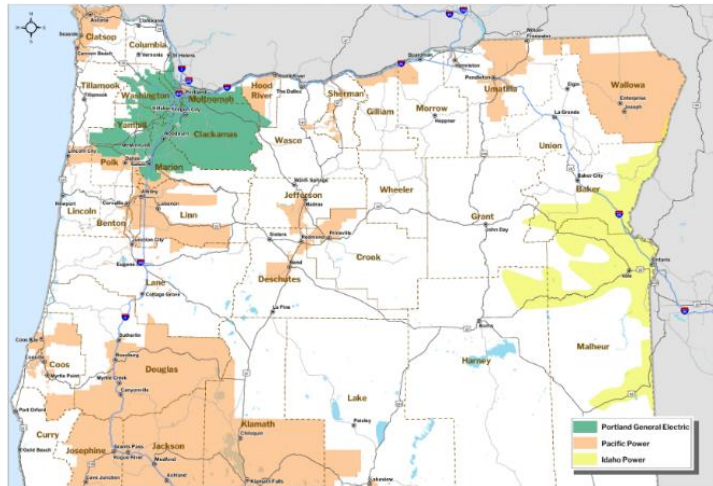


Figure 1: Map of OR IOU Territories under POWER Act Jurisdiction

The graph below shows a ten-year trajectory for customers that are subject to the POWER Act and IOU customers of a similar size that are not data centers. The dataset is a combination of IOU actuals from 2021 to July, 2026 and projections to 2030. The data is aggregated across utilities to protect commercially sensitive information. Idaho Power does not host any customers that meet the 20-megawatt threshold set forth in the POWER Act, so no Idaho Power data is present in this graph. The graph includes direct access customers that use an IOU's infrastructure to receive power purchased from other suppliers.

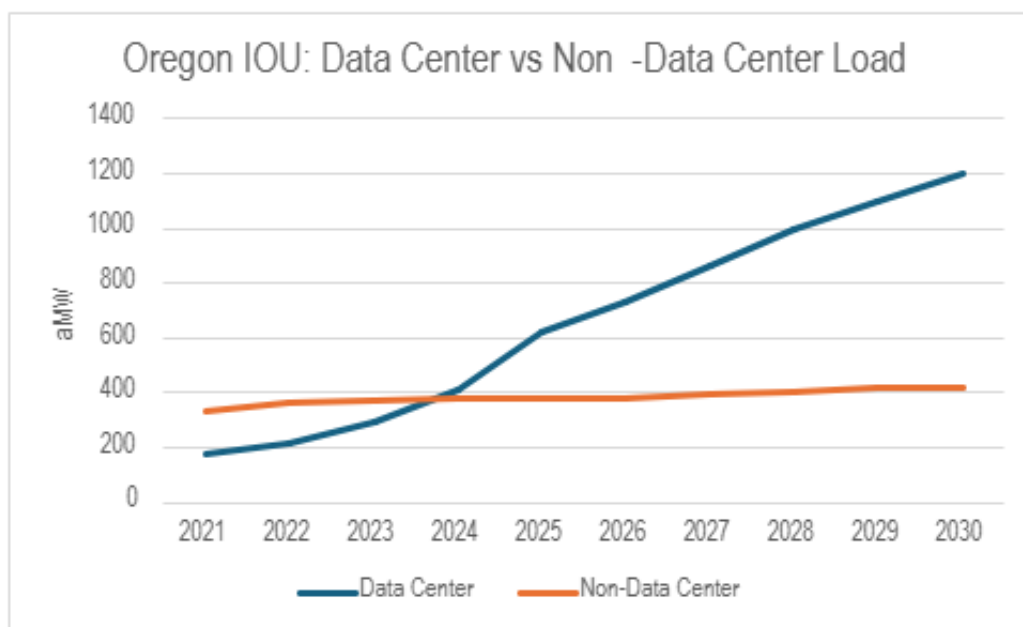


Figure 2: Data Center Load in Oregon IOU Territory Compared to Other 20+MW IOU Customers

Review of load trend data indicates that data center load is indeed growing and is projected to grow at significantly higher rates than other large customers. Data center load grew at an average rate of approximately 36 percent per year since 2021 and is projected to grow at approximately 14 percent per year through 2030. Currently, data centers as a class make up roughly 15 percent of the IOUs’ load and is projected to jump to 25 percent of all IOU load by 2030. The graph below compares data center load growth trends to other customer class trends.

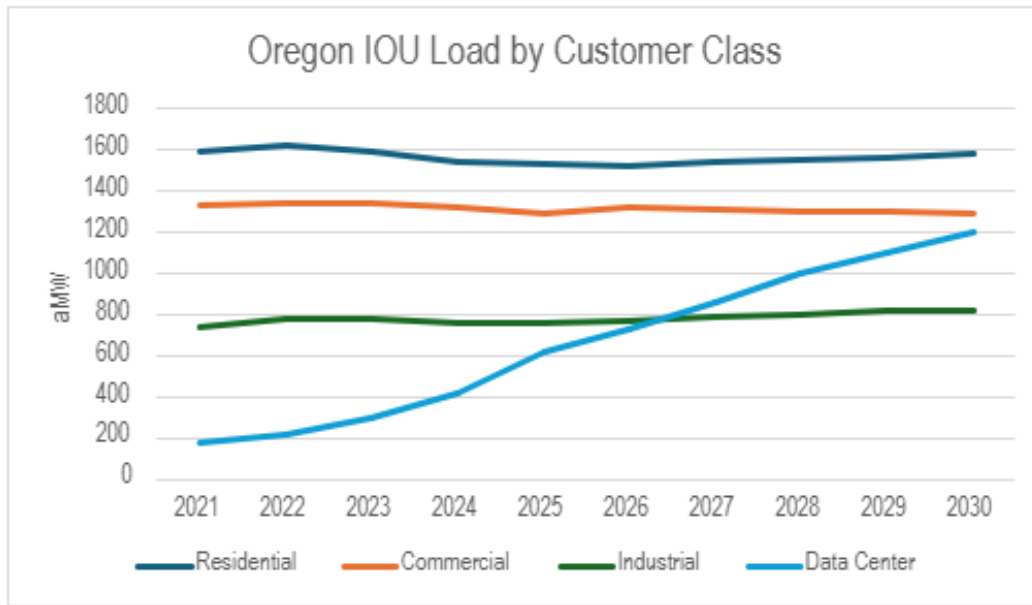


Figure 3: Data Center Load in Oregon IOU Territory Compared to Other Customer Classes

Broader Regional and Nationwide Trends

Regional and national data sets offer context for Oregon’s IOU load trends in the broader landscape but are not directly comparable to the PUC’s data above.

Northwest Power and Conservation Council’s 9th Power Plan

The Northwest Power and Conservation Council (The Council) develops a regional electric power and conservation plan that includes a twenty-year load forecast for Idaho, Western Montana, Washington, and Oregon. The Council is currently developing the 9th Power Plan slated for publication at the end of 2026 or beginning of 2027. A draft of the plan currently out for public comment, cautions that “There is significant uncertainty in future data center growth for the region.”¹⁸ The Council’s 9th Power Plan public data includes data center load growth projections from 2024–2030.¹⁹ The Council retrieved the data underpinning its forecast in March of 2025. The Council’s and the PUC’s data do not originate from the same sources and therefore will differ in

¹⁸ NORTHWEST POWER AND CONSERVATION COUNCIL, DRAFT NINTH POWER PLAN: TECHNICAL APPENDIX F ELECTRICITY DEMAND FORECAST 31–33 (2026), https://www.nwcouncil.org/fs/19988/ninthplan_appendixf.pdf.

¹⁹ NORTHWEST POWER AND CONSERVATION COUNCIL, DRAFT NINTH POWER PLAN: TECH LOAD FORECAST (2026), (Figure 4 below represents a combination of historical estimates based on EIA data, utility IRP data, and other sources, they may exclude smaller data centers, and incremental, forward-looking data center load projects, published in 2025).

methodology and estimates but offer a high-level illustration of broad data center load trends in the region.

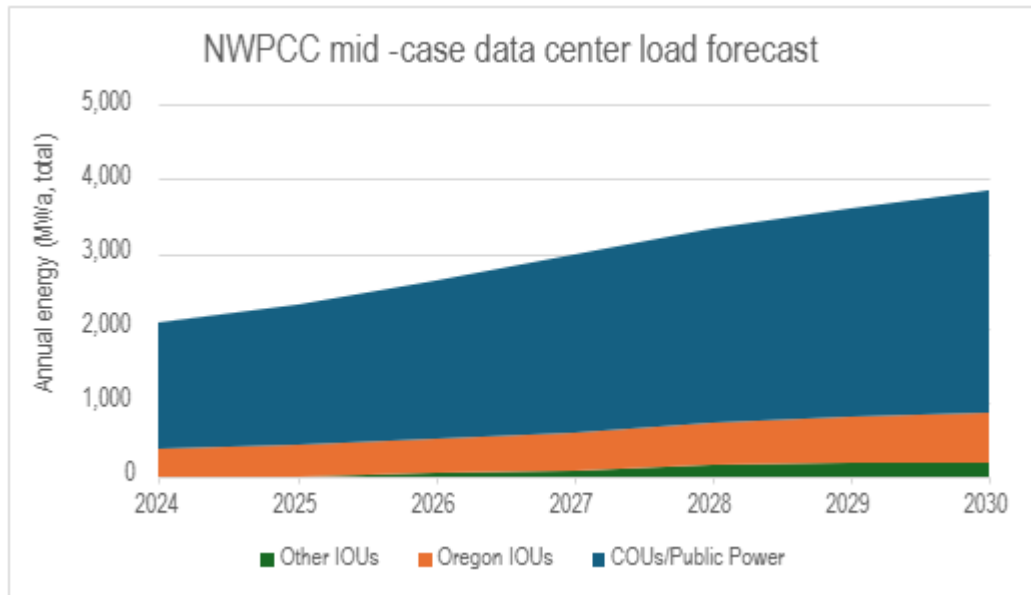


Figure 4: NWPCC’s Regional Growth Projections for Data Center Loads (By Host Entity)

Based on the Council’s projections, public power – a blend of consumer-owned utilities and Bonneville Power Administration (BPA) – remains the largest and fastest growing host of data center loads in the region, labeled as “COU’s/Public Power” in the graph above.²⁰ COU/Public Power load is likely to continue to account for the majority of data center load growth within the region into 2030. IOU’s under the purview of the PUC may decline as a proportion of overall data center load within Oregon and the greater region.

Electric Power Research Institute (EPRI) Powering Intelligence Report 2026

EPRI’s report provides nationwide and regional projections for the electricity demands of data centers out to 2030.²¹ The EPRI report is included to help illustrate where Oregon is expected to fall within the national landscape.²² EPRI’s forecast suggests that Oregon will remain the largest host of data center load among the four Pacific Northwest states, with that disparity between Oregon and the other PNW states growing larger. Furthermore, EPRI’s report projects that Oregon will remain among the nation’s top seven hosts of data center load, which includes Texas, Virginia, Ohio, Arizona, Georgia, and Indiana.

²⁰ NWPCC, DRAFT NINTH POWER PLAN: TECH LOAD FORECAST (2026).

²¹ ELECTRIC POWER RESEARCH INSTITUTE, [POWERING INTELLIGENCE 2026: UPDATED SCENARIOS OF U.S. DATA CENTER ELECTRICITY USE AND POWER STRATEGIES](#) (2026).

²² Instead of measuring average energy usage, EPRI reports its load projections in terms of nominal capacity, so the graphs below should not be compared to the graphs above.

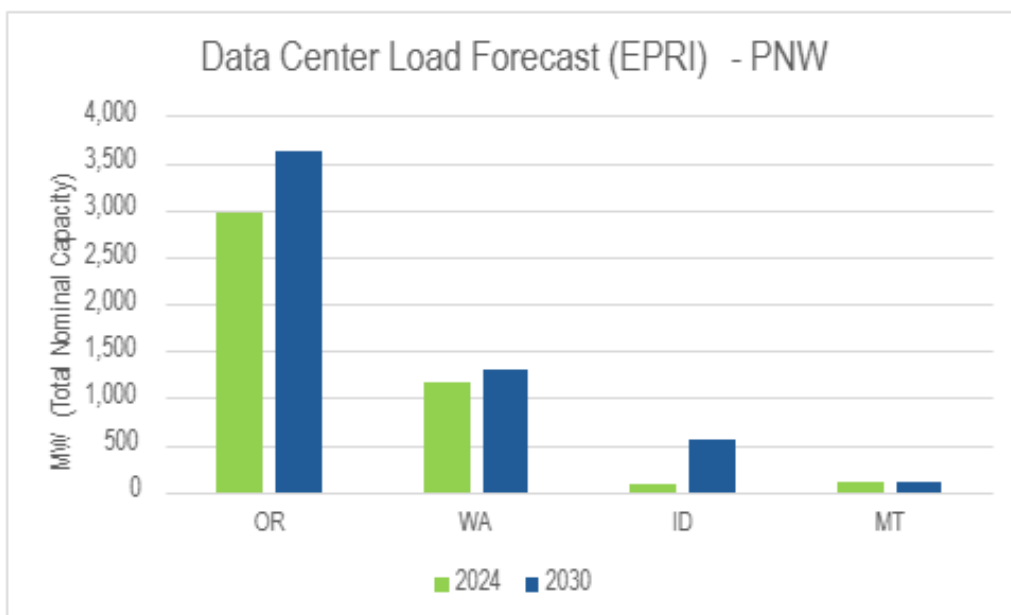


Figure 5: EPRI's Regional Growth Projections for Data Center Load (By State)

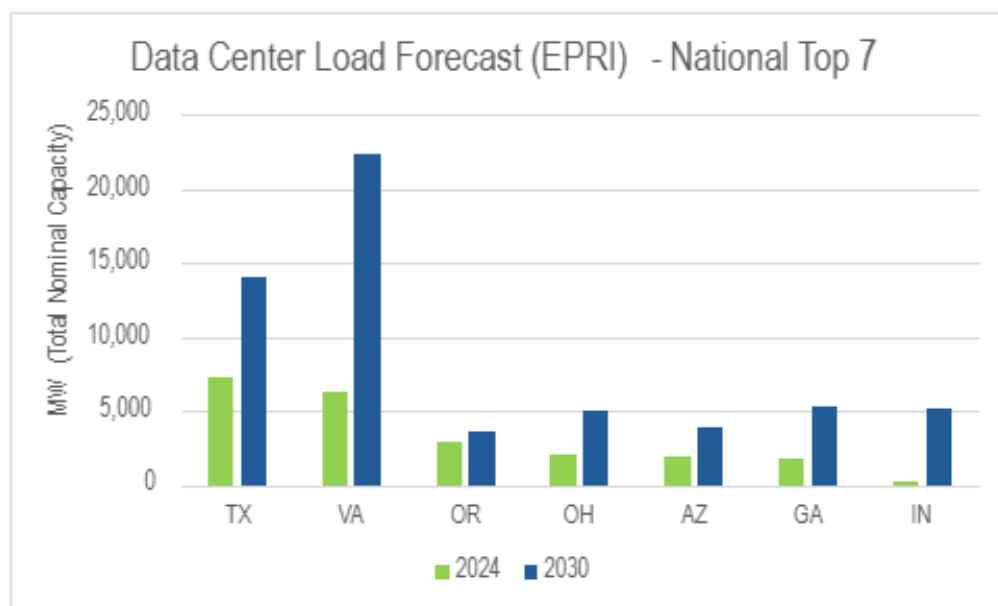


Figure 6: EPRI's Top-7 National Growth Projections for Data Center Load

Conclusion

Data center load trends are extraordinary compared to other large users and customer classes. Data center development is expected to continue to increase in Oregon. The POWER Act has provided an opportunity to address the equitable allocation of direct data center costs for IOU customers. Growth of data centers in Oregon, hosted by other utilities, may create indirect costs for IOU customers outside the scope of the POWER Act. Further reporting to increase transparency and understanding may serve legislators as they develop a complete picture of Oregon's ongoing discussion of the scale and scope of appropriate data center policies.