Media Release

PUC approves framework to protect customers from future data center costs in Pacific Power territory

SALEM, Ore. – The Oregon Public Utility Commission (PUC) has approved a new framework for PacifiCorp (Pacific Power), that helps ensure future data centers pay the costs associated with serving their facilities and that such costs are not shifted to residential and commercial customers.

This decision implements requirements of House Bill 3546 (2025), the POWER Act, which directed the PUC to address how costs associated with large data centers are allocated.

The Commission approved a stipulated agreement among Pacific Power, PUC staff, the Oregon Citizens' Utility Board, and other participating parties. The stipulation resolves all issues in the proceeding and sets a framework specifically designed for Pacific Power's service territory.

"The Commission's decision creates a clear process for serving large data centers while protecting other Pacific Power customers," said Commission Chair Letha Tawney. "As Oregon experiences growing demand from large energy users, like data centers, it's important that the costs associated with that growth are assigned to the customers creating the growth."

The approved structure relies on future agreements between Pacific Power and large data center customers and assigns the costs of serving those customers directly to them, an approach the Commission found worked best for Pacific Power's rural and geographically dispersed service territory. The agreement also includes a one-cent-per-kilowatt-hour surcharge on very large data centers to support energy efficiency programs, essential home repairs, and distributed energy resources that reduce energy costs for customers with the greatest financial need. By helping customers reduce their energy costs and stay current on their bills, the program can reduce data centers' cost impact on other customers.

The Commission also found that the framework supports Oregon's clean energy and climate objectives. The stipulation includes provisions intended to ensure that large data center demand growth does not negatively impact the state's emissions reduction goals, also required by the POWER Act.

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