

Gallego/Kelly Programmatic Appropriations Request 2026

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2.Title – Executive Director

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5.Government Affairs Firm – N/A

6. Organization Name – Arizona Power Authority

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8.City - Phoenix

9.County - Maricopa

10.Zip Code – 85007

11. Please select the relevant Appropriations subcommittee for your request:

Energy and Water Development

12.What is the program name or title of this request? – Hoover Stranded Funds

Or Other/TBD

13.Please select the type of request. - Bill Language Request

14. Under which federal agency and/or office does this program fall?

Bureau of Reclamation

15. Under which account(s) does this federal program fall? Colorado River Dam Fund

16.Please indicate the funding level you are requesting for this federal program in FY26. - \$0

17.Please indicate program funding level for FY24. - \$0

18.Please indicate program funding level for FY23. - \$0

19.Please indicate program funding level in the President's FY26 budget request. - \$0

20.Please provide the BILL language you wish to include in the FY26 appropriations bill.

“Sec. –The Secretary of the Interior is authorized to expend all monies in the Colorado River Dam Fund that were and hereafter are recovered on a non-reimbursable basis, for any authorized activity, including operations, maintenance, investigation and cleanup actions, and capital improvements, within the Boulder Canyon Project at Hoover Dam or on land used for the construction and operation of the Hoover Dam, in consultation with the Boulder Canyon Project contractors as identified in the Hoover Power Allocation Act of 2011 (Public Law 112–72).”

21. Was this bill language included in the FY24 appropriations bill? – **No**

22. Please provide the REPORT language you wish to include in the FY26 appropriations bill.

The request would direct the U.S. Bureau of Reclamation to unlock and allocate existing stranded funds within the Colorado River Dam Fund for the operation, maintenance, cleanup actions, and capital improvements of Hoover Dam. These funds will help alleviate the financial burden on hydropower customers, stabilize energy costs, and ensure the dam remains a reliable and efficient power source for western states.

However, Hoover Dam's aging infrastructure requires significant upgrades to maintain reliability. Hydropower customers are contractually obligated to fund maintenance, repairs, and replacements, but they are also facing rising costs due to reduced hydropower generation caused by a prolonged drought. Unlocking stranded funds will help mitigate these cost increases.

Since 2000, approximately \$2 million annually has been collected from ratepayers by the Western Area Power Administration (WAPA) and deposited into the Colorado River Dam Fund. These funds, however, have not been used by Reclamation for Hoover Dam maintenance. Meanwhile, the dam requires \$110 million in major plant investments over the next five years and an additional \$117 million over the following six years, all of which must be paid by its customers. We are seeking the inclusion of bill language to ensure that WAPA and Reclamation will utilize all ratepayer and Hoover contract funds for Hoover Dam project purposes, as originally intended under the Boulder Canyon Project Act. Unlocking approximately \$52 million in stranded funds will provide critical financial relief for hydropower customers while supporting ongoing operations, infrastructure investment, and plant improvements at Hoover Dam.

23. Was this report language included in the FY24 appropriations bill? – **No**

24. Request Justification

Generation at Hoover Dam has reduced 48% in 2024, compared to 2000. This is due to historical drought on the Colorado River. Besides rates increasing over _____% since 2000, Arizona customers have had to acquire more expensive replacement power on the market. Allowing the Bureau of Reclamation to utilize these stranded funds will help stabilize rates and mitigate the drought impact at Hoover Dam.

25. Arizona Connection

The Arizona Power Authority manages the Boulder Canyon Dam (Hoover) allocation, serving 63 customers throughout Arizona. We estimate that these allocations provide resources to over 90% of the private owned land in Arizona, as well as providing resources to _____ tribal entities.

Modify if necessary

26. How many requests for different programs/ projects does your organization plan on submitting? - **1**

27. If your organization is submitting multiple requests for different programs/ projects, please indicate the priority of this request compared to other requests you have submitted. - **1**

28. Please list any Members of the House of Representatives to whom you are submitting the same request. – **Representative Ciscomani**

29. Please provide any additional information that you would like our offices to know about your request. – **Hoover Dam contractors have been working on solving this issue for multiple years. The Help Hoover Dam was introduced last year (House & Senate) and was a bipartisan bill that was supported by multiple members from Arizona, California and Nevada. Nevada is submitting a similar request to their members.**

Modify if necessary

30. Do you plan send documentation to support this request to appropriations@kelly.senate.gov and appropriations@gallego.senate.gov using the subject line template above? - **YES (Letters of Support)**