



**IRRIGATION & ELECTRICAL  
DISTRICTS' ASSOCIATION**



**ARIZONA MUNICIPAL POWER  
USERS' ASSOCIATION**

April 18<sup>th</sup>, 2025

The Honorable Senator Gallego  
Senate Energy and Natural Resources Committee  
302 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Senator Mark Kelly, Ranking Member  
Senate Environment and Public Works Committee  
516 Hart Senate Office Building  
Washington, D.C. 20510

Re: Support for the Arizona Power Authority “Hoover Stranded Funds” Programmatic Request

On behalf of the Irrigation and Electrical Districts Association of Arizona, Inc. (IEDA), we write in support of the Arizona Power Authority’s request for bill language to release stranded funds at the Colorado River Dam Fund. This is a commonsense solution to help an ever-increasing issue faced by public power utilities that receive Hoover power in Arizona, California and Nevada. Unprecedented drought on the Colorado River severely threatens the provision of reliable and affordable electric service to the members and customers represented by our organizations.

IEDA represents 25 members, a majority of which receive and rely on power from Hoover Dam. IEDA has been in existence since 1962, with a primary purpose of protecting the contracts of its members for federal hydropower.

Drought on the Colorado River has had a dramatic impact on Hoover Dam customers, reducing generation by over 48% since 2000. Lower lake levels have reduced the effective head at the dam, reducing capacity. Additionally, conservation methods have reduced the volume of water released downstream, reducing energy. Both have caused this baseload, renewable resource composite rate to grow, year over year. For public power entities with contracts for Hoover power, this has created a major impact, requiring these not-for-profit utilities to acquire purchase power from the wholesale energy market to replace the generation lost at the dam. This replacement power is significantly more expensive than federal hydropower.

As not-for-profit electric utilities, increased costs for replacement power are shouldered directly by public power customers at a time when the country is already facing high inflation and energy prices.

The bill language requested would authorize the Bureau of Reclamation to utilize stranded funds for their intended purpose: *to fund the operation, maintenance, and capital improvements of the Boulder Canyon Project*. Access to these funds will allow the Bureau to mitigate rate impacts now and into the future, freeing up over \$50 million in funds that customers have already pre-paid.

This is urgently needed to help not-for-profit, community-owned utilities served by Hoover Dam to continue to serve their preference customers in desperate need of financial relief during this difficult time. Thank you for your consideration of this important issue.

Sincerely,



Ed Gerak  
IEDA



Russell Smoldon  
AMPUA

IEDA Members

Aguila Irrigation District  
Ak-Chin Indian Community  
Buckeye Water Conservation & Drainage District  
Electrical District No. 6, Maricopa and Pinal Counties, Arizona  
Electrical District No. 7, Maricopa County, Arizona  
Electrical District No. 8, Maricopa County, Arizona  
Harquahala Valley Power District  
Maricopa County Municipal Water Conservation District No. 1  
McMullen Valley Water Conservation & Drainage District  
Ocotillo Water Conservation District  
Queen Creek Irrigation District  
Roosevelt Irrigation District  
Roosevelt Water Conservation District  
Tonopah Irrigation District  
Tohono O'odham Utility Authority  
Yuma Irrigation District  
Yuma-Mesa Irrigation & Drainage District

AMPUA Members

Yuma County Water Users Association  
Hohokam Irrigation & Drainage District  
Avra Valley  
City of Avondale  
Contara Marana  
Electrical District #2  
City of Gilbert  
City of Marana  
Trico Electrical Cooperative  
City of Wickenburg

Mohave Electrical Cooperative  
City of Mesa  
City of Williams  
Mohave Valley Irrigation & Drainage District

Joint Members of AMPUA & IEDA

Arizona Electric Power Cooperative (AEPCO)  
Central Arizona Water Conservation District  
Page Electric Utility  
The City of Safford Salt River Project  
The Town of Thatcher  
Wellton-Mohawk Irrigation & Drainage District