



IRRIGATION & ELECTRICAL DISTRICTS' ASSOCIATION OF ARIZONA

Scott Lund
Regional Manager, DSW Region
Western Area Power Administration
P.O. Box 6457
Phoenix, AZ 85005-6457

August 17, 2026

Re: BCP Public Comment Forum –FY 2027 Base Charge

Dear Scott:

On behalf of IEDA, we are writing with regards to the meetings held July 16th, 2026 and August 17th, 2026. IEDA appreciates the Bureau of Reclamation (BOR) and Western Area Power Administration's (WAPA) work on preparing the information. We especially appreciate the efforts made during BOR's mid-year review and WAPA's actions taken to maintain a stable base charge from 2026 to 2027.

As you are well aware, hydrology and design limitations are our biggest problems and the actions taken to protect Lake Powell are having negative impacts on Hoover generation. As mentioned in the meeting, recent agreements have the potential to further reduce the generation presented during the meeting by an estimated 74,460 MWh. This will likely increase the energy rate to about 15.99 mills/kWh, which would be an increase of 23.5% over the 2026 energy rate.

We were disappointed to hear about the cost share opportunity with A9, but glad to see that the recently freed PRB funds are starting to be applied. As mentioned at the meeting, IEDA would appreciate an ongoing tracking/tally sheet to understand what has been spent during which years, and to provide an understanding of remaining funds.

Given the secretarial order releasing the funds contemplated rate mitigation, did BOR contemplate any utilization of the PRB funds to reduce the base charge further, given the rate impacts?

One rate impact we were disappointed to see is the large increase in Visitor Services (\$1.5M) with no corresponding increase in revenue. The economics of the Visitor Center no longer works as intended, which was to help alleviate the burden on the cost of construction of the Visitor Center on the customers. Power customers have been subsidizing tourism at Hoover

since at least Covid. We appreciate recent efforts to reduce the shortfall, but with the reduction in generation, it is something that we can no longer shoulder.

IEDA represents 27 members in Arizona. IEDA has been in existence since 1962, with a primary purpose of protecting the contracts of its members for federal hydropower.

Sincerely,

A handwritten signature in blue ink that reads "Ed Gerak". The signature is written in a cursive style with a small circular mark at the end of the last name.

Ed Gerak
IEDA