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May 19, 2025

The Honorable Celeste Maloy House Committee on Natural Resources Subcommittee on Water, Wildlife and Fisheries 1324 Longworth House Office Building Washington, D.C. 20515

Re: Question for the Record

Dear Congresswoman Maloy:

Thank you for your service on the House Natural Resources Subcommittee on Water, Wildlife and Fisheries and for your question following the April 30, 2025, *"Advancing Federal Water and Hydropower Development: A Stakeholder Perspective"* hearing. We appreciate the opportunity to provide Salt River Project's (SRP) perspective and elaborate on the importance of maintaining and enhancing Glen Canyon Dam hydropower generation.

SRP receives hydropower from Glen Canyon Dam under two agreements. First, SRP holds a preference power contract under the Colorado River Storage Project Act of 1956 (CRSP Act). In addition, SRP is entitled to hydropower generated at Glen Canyon Dam under a power exchange agreement with the Western Area Power Authority (WAPA). In the 1960s, SRP and Reclamation collaborated on an innovative power exchange agreement that helped SRP meet increasing power demands in the Salt River Valley and Reclamation to meet power delivery responsibilities under the CRSP Act. Congress enacted the CRSP Act to authorize construction of a series of dams, reservoirs, and hydroelectric power plants to store water and generate hydropower for use across the Upper Colorado River Basin (Colorado, New Mexico, Utah, and Wyoming). Reclamation was responsible for constructing the reservoirs and electric transmission systems to deliver the electricity to the intended beneficiaries. Under the exchange, SRP, in collaboration with other utilities, built power generation facilities in Colorado and New Mexico to deliver power to intended CRSP Project beneficiaries in exchange for receiving hydropower generated at Glen Canyon Dam. The innovative exchange saved Reclamation the expense of building additional power transmission systems in the Upper Basin to serve CRSP Project beneficiaries. Congress established WAPA in 1977 which took over implementation of the exchange with SRP. Under these authorities, SRP is entitled to 350 MW of hydropower directly from Glen Canyon Dam and over 600 MW pending the availability of transmission capacity. SRP is one of over 170 entities that receive hydropower from facilities constructed under the CRSP Act, including Glen Canyon Dam. These entities include electric cooperatives, municipalities, irrigation districts, publicly owned facilities, state and federal agencies, and tribes.



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Hydropower generation from Glen Canyon Dam is an important resource for SRP to meet summer peak capacity, a key driver of SRP resource needs. SRP's system is located within the Western Interconnection where current resource plans – including SRP's own Integrated System Plan – forecast unprecedented load growth over the next decade, driven in part by rapid expansion of large energy customers, such as data centers and advanced manufacturing facilities. Temperatures in SRP's service area routinely exceed 110°F in the summer. These conditions produce SRP's highest annual system demand. For instance, last year SRP set a new system peak record, over 8,200 MW on August 4, 2024. SRP's peak demand is expected to grow to nearly 8,500 MW for the upcoming summer 2025 and to more than 11,000 MWs by the summer of 2030. Without maintaining and enhancing the Glen Canyon hydropower resource, there is a risk that the power exchange resources could become stranded in Colorado, resulting in significant reliability and financial risks to more than 3 million SRP customers in central Arizona.

Glen Canyon hydropower also plays an integral role in grid reliability. Hydrogeneration is one of the system's most reliable power sources, with the least exposure to non-policy availability disruptions, including weather events, fuels disruption, and auxiliary system issues. Particularly in high-demand times of the year, hydropower from Glen Canyon can also materially influence regional power market dynamics, and any decrease or absence thereof may challenge SRP and others to procure adequate capacity for emergency system needs, at significant added expense, on the day-ahead or real-time markets. Hydropower generation at Glen Canyon Dam is a clean and renewable dispatchable resource that reliably generates power during these difficult hours. Moreover, Glen Canyon hydropower complements the increasing amount of solar generation on the system as it produces energy in the critical late afternoon and evening hours when solar generation fades. Such dispatchability is critical to preserve during Glen Canyon Dam bypass operations. There is a cost to SRP customers during any such curtailments, but even more importantly, the risk to grid reliability greatly increases during these critical hours.

Concurrently, the generation resource needs of SRP and the western power grid at large are increasing at an extraordinary rate, and the grid currently lacks surplus capacity due to load growth, resource retirements, and delays in replacement resources created by supply chain and other challenges. Arizona and the Desert Southwest continue to attract and support emerging industries vital to national security and self-sufficiency, including domestic semiconductor manufacturing, data centers, and critical mineral resources, largely due to its reputation for power grid reliability. Glen Canyon Dam hydrogeneration is part of a diverse and dynamic regional power portfolio that will allow the United States to maintain its strategic edge in the 21st century.

SRP appreciates continued Congressional efforts to support the pragmatic balancing of Glen Canyon hydrogeneration with compliance needs for sensitive fish species downstream, displayed in H.R. 1001 and reflected in the Basin Fund Preservation Act (S.887) cosponsored by Senators Lee and Curtis. Interior's ability to strike a well-informed balance and mitigate associated impacts to Glen Canyon hydropower and the Upper Colorado River Basin Fund is vitally important. The Glen Canyon Dam Adaptive Management Program makes recommendations to the Interior Secretary, who retains decision-making authority for



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experimental dam releases; the stated goal of Glen Canyon's Long-Term Experimental and Management Plan (LTEMP) relating to the hydropower resource is to "maintain or increase Glen Canyon Dam electric energy generation...to the greatest extent practicable."¹ It is vitally important that the United States maintains and enhances hydropower generation at Glen Canyon Dam, both for SRP and the broader region.

Thank you again for the opportunity to participate in this hearing and provide insights into this important matter. Please reach out to me if you desire any further information.

Sincerely,

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Patrick B. Sigl Director Water and Natural Resources Law

¹ Record of Decision for the Glen Canyon Dam Long-Term Experimental and Management Plan, Final Environmental Impact Statement, Attachment A: Objectives and Resource Goals of the LTEMP, **Page A-2.**

