



October 3, 2023

Governor Katie Hobbs  
1700 W. Washington Street  
Phoenix, AZ 85007

Dear Governor Hobbs,

Since statehood, Arizonans have entrusted their Governor to push back against the federal government when its policies fail and harm the state. The current energy crisis for residents living within the San Carlos Irrigation Project warrants your fulfillment of the important duty and obligation.

As you should be aware, Florence and Coolidge residents recently received alarmingly high electric bills in September; our constituents, many of whom are on fixed incomes, reported their energy bills increasing by over 250% in one month. The San Carlos Irrigation Project (SCIP), managed by the Bureau of Indian Affairs, initiated the drastic rate hikes without adequate notice and clearly without thinking through the practical effects of their actions.

Because SCIP is a rare utility wholly managed by the federal government, the Legislature and Corporation Commission do not have the authority to remedy this crisis for residents. Captive to the federal government, residents are terrified by the uncertainty of what the future holds for their tenuous financial outlook in a time of historic inflation.

It is not lost on us that last month, as you celebrated the withdrawal of critical domestic natural resources that could have been used for low-cost energy production, residents of Florence and Coolidge received news of the on-the-ground impacts of the Biden-Harris Administration's failed energy policy agenda. With your letter to President Biden in May encouraging the permanent federal taking of Arizona land, you facilitated the removal of the country's best source of uranium deposits from energy production and capitulated to the Administration's continued erosion of domestically sourced low-cost energy options for tribal, rural, disadvantaged, and underserved communities throughout the state.

It is also not lost on us that last week, the Biden-Harris Administration celebrated the announcement of "More Than \$167 Million in Grid Resilience Formula Grants to States and Tribes Across the Country," including \$13,287,833 to "the Executive Office of the State of Arizona," which the SCIP might not even be eligible for.

Your "Resiliency Office" will undoubtedly be responsible for disbursing these funds, but, due to the fact that the federal government seems to award grants to tribes separately from states and that the federal government seems to require funds to be used only for the purpose of completing projects that the Administration deems to be consistent with the Administration's radical "clean energy" goals (rather than

for the purpose of providing financial relief to communities that have been negatively impacted by such goals), it is unclear whether the unprecedented rate hike associated with the SCIP qualifies the community for a disbursement.

The Biden-Harris Administration claims that its “Investing in America agenda” is about “decreasing energy costs” and “keeping the lights on for millions of Americans across the country,” but all we have observed is decreased availability of domestically sourced low-cost energy options for our state’s economy and consumers and massive rate hikes for disadvantaged communities, such as the SCIP, which are some of the poorest in the state.

With your proud line of communication to the Biden-Harris Administration on energy policy now open, we encourage you to use it to find a way to provide relief for the negatively impacted residents of the SCIP and push back against the Biden-Harris Administration on behalf of the ratepaying citizens of our state held hostage to the federal government.

Sincerely,



T.J. Shope  
Senate President Pro Tempore



Sine Kerr  
Senate Majority Whip



Teresa Martinez  
House Majority Whip



Gail Griffin  
Chair, House Energy Committee