



ARIZONA STATE SENATE
Fifty-Sixth Legislature, Second Regular Session

FACT SHEET FOR S.B. 1345

Arizona power authority; continuation

Purpose

Continues the Arizona Power Authority (APA) for eight years.

Background

In 1944, the APA was established for the purposes of acquiring and marketing Arizona's share of the electric power allocated by the Boulder Canyon Project Act of 1928. Today, the APA continues to pursue generation or transmission projects using hydroelectric power developed from the waters of the Colorado River in addition to solar, nuclear or geothermal power sources ([Arizona Power Authority](#)). The APA may acquire or construct and operate electric transmission systems, standby or auxiliary plants and facilities and generate, store, produce, sell at wholesale, transmit and deliver such electric power to qualified purchasers. The APA does not receive state general funds ([A.R.S. § 30-121](#)).

The Senate Natural Resources, Energy and Water and the House of Representatives Land, Agriculture and Rural Affairs Committee of Reference (COR) held a public meeting on Thursday, January 11, 2024, to review and consider the APA's responses to the sunset factors. The COR recommended that the Legislature continue the APA for eight years. The APA terminates on July 1, 2024, unless continued by the Legislature ([A.R.S. § 41-3024.16](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Continues, retroactive to July 1, 2024, the APA until July 1, 2032.
2. Terminates the APA on January 1, 2033, if the APA:
 - a) has no outstanding contractual obligations with the United States or any U.S. agency;
 - b) has no debts or obligations that were issued to finance the cost of the Hoover Power Plant Modifications Project, the Hoover Power Plant Upgrading Project or other facilities related to the Boulder Canyon Project; and
 - c) has otherwise provided for paying or retiring these debts or obligations.
3. Requires the APA to continue until any existing contractual debt or obligation is fully satisfied or a satisfactory provision has been made to pay or retire the debt or obligation.
4. Contains a purpose statement.
5. Becomes effective on the general effective date, with a retroactive provision as noted.