

Southwest Public Power Agency

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New Agency Adds Strength to Small Arizona Utilities

PHOENIX, AZ – 18 public and Tribal Arizona utilities are entering into an agreement to operate the “Southwest Public Power Agency.” This new joint action agency – authorized by state law – will manage through a formal pool all or most of its members’ power resources and facilitate the supply of additional energy needed to meet their customers’ loads. The initial pool members include irrigation and electrical districts, municipal electric utilities and tribal utilities.

SPPA was formed to give these publicly owned, not-for-profit electric utilities a mechanism to jointly manage and dispatch their power resources and pursue affordable power supply opportunities for the customers they serve.

“The formation of SPPA will allow its participants to enhance the value of their power supply and transmission resources and improve access to additional energy resources,” said Electrical District No. 3 General Manager Bill Stacy, the Board President for the Agency. “SPPA will be able to give members economies of scale, in terms of managing existing resources and developing new ones. We see a lot of benefits for our customers, particularly those in Arizona’s rural or tribal areas.”

The new ED5-Palo Verde transmission project, to be operational in January 2015, is an example of a project jointly undertaken by many SPPA members. It will allow access for many Arizonans to affordable electricity and transmission access to Palo Verde. The 25-year 271 MW Power Purchase Agreement and a proposed Energy Management Service Agreement with Sempra Generation are additional examples.

SPPA members contract for multiple resources, including federal hydropower, primarily from Hoover, Parker-Davis and Glen Canyon Dams. That power is marketed and transmitted by the Western Area Power Administration, either directly or through the Arizona Power Authority. SPPA members also purchase wholesale power from other utilities to fill the balance of their energy needs.

Please see www.SPPA.biz for additional information.

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