



July 26, 2018

To Whom It Concerns:

In February of 2018, the *Clean Energy for a Healthy Arizona* ballot measure was filed with state election officials. If passed, the measure will require the state's public utilities to source half of their power from renewable resources by 2030. The Arizona Association of Economic Development Board of Directors (AAED) opposes this ballot measure.

The measure advocates for cleaner air through the use of solar energy generation. Nuclear power is excluded from the list of renewables, even though it is non-air polluting and emits no carbon into the atmosphere. Currently, 70% of Arizona's carbon free energy - provided by utilities such as APS, SRP, and TEP - is generated by nuclear power from the Palo Verde Power Plant.

AAED opposes the ballot measure Clean Energy for a Healthy Arizona because it will:

- Circumvent the Arizona Corporation Commission, who are elected by Arizona voters, to set electricity rates that are fair, just and reasonable for all stakeholders
- Amend the Arizona Constitution by mandating an energy policy that cannot be modified or adjusted without voter approval and a $\frac{3}{4}$ majority in both the Arizona House and Senate.
- Require the creation of infrastructure necessary to produce 50% of Arizona's energy from renewables, excluding nuclear energy, requiring an enormous investment on the part of Arizona's utility companies. It is estimated that utility users on average may see household electricity bills on the rise by \$1,200 each year.
- Precipitous increase in utility rates would drastically affect Arizona's competitiveness to attract and retain quality businesses and workforce to and in Arizona.

AAED supports renewable energy investment towards a sustainable future, but also believes these investments must be made incrementally and strategically *in order to ensure that we are able to retain our competitive advantage and cost of living*. Our state already has an elected body in the Corporation Commission charged with setting fair utility rates and driving energy policy. If Arizona wishes to accelerate the pace of renewable energy investment, voters already have the ability to do so at the ballot box by voting for Commissioners who support the propagation of renewable energy generation. AAED does not support a constitutional mandate that represents an irresponsible and inflexible approach to promoting renewable energy, one that will have long-lasting ripple effects on Arizona's energy ecosystem.

Sincerely,

A handwritten signature in black ink that reads "Joyce C. Grossman".

Joyce C. Grossman, AZED Pro
Executive Director