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## **Witnesses: Obama Admin Actions and Regulations Threaten Jobs, Drive Up Costs of Water and Power, Burden Local Economies**

**Phoenix, AZ** – Today, the House Subcommittee on Water and Power held an [oversight field hearing](#) in Phoenix, Arizona entitled, “*Evaporating Prosperity: How Federal Actions Are Driving Up Water and Power Costs, Threatening Jobs and Leaving Arizonans High and Dry.*” At the hearing, Subcommittee Chairman Tom McClintock (CA-04) and Arizona Congressmen Paul Gosar and David Schweikert heard from witnesses about how federal actions and regulations are threatening Arizona’s jobs and economy, and driving up the costs of water and power in the State.

*“A generation ago, the principal objective of federal water and power policy was to create an abundance of both,” [said Chairman McClintock](#). “But that objective has been abandoned in favor of radical and retrograde ideology that has caused government-created shortages and economic devastation throughout the West. The threatened destruction of Arizona’s water and electricity supplies by federal fiat would leave local communities at the mercy of catastrophic wildfires and economic ruin. I believe that today’s testimony will help usher in a new era, when proven practices and common sense will replace the ideological extremism that has dominated our water, power and forest policies for the past generation.”*

Activist environmental groups and the Environmental Protection Agency have targeted the Navajo Generation Station (NGS) for actions that could lead to closure. NGS closure would threaten over 3,000 jobs and could cost Arizona over \$20 billion in lost gross state product. As a chief supplier of electricity in the State and the power supply to the Central Arizona Project, Arizona’s primary water delivery system, NGS’s closure would increase costs for water and power consumers and endanger current and future Indian water right settlements.

*“Arizona and across the nation are facing tough times as a result of the federal government overstepping its boundaries and imposing arbitrary regulations. Today’s hearing, held at my request, underscores the dire ramifications of proposed regulations and bureaucratic red tape which threaten the strength and health of Arizona communities. Water is a precious commodity, and resources throughout the West are stretched thin. The federal government should be working with Arizonans, not against them, to ensure an abundance of water and power. Today’s testimonies provided a simple solution for the federal government: Get out of the way and abandon the junk science and political volleying that has shaped this Administration’s resource policies,” [said Rep. Paul Gosar \(AZ-01\)](#).*

*“At a time when we are desperate for jobs and economic growth, this administration continues to do everything in its power to implement job-killing policies of fringe environmental groups. The Navajo Generation Station affects tie into nearly every aspect of the Arizona economy. Shutting it down would cause a catastrophic rippling effect causing massive increases in power, water, and food costs,”* **said Rep. David Schweikert (AZ-05).**

On March 16, 2012, Secretary of Energy Steven Chu released a [Memorandum for Power Marketing Administrators](#) that outlined four specific directives that could lead to higher energy costs. Witnesses at the hearing stated that the memo raises serious concerns about the manner and scope of how the PMAs’ mission would dramatically change. These actions would increase energy rates and shift costs to consumers that receive no benefit. According to testimony, the memo takes a top-down approach that would enforce national directives that would supersede or conflict with existing federal, state and local authority, endangering affordable power in Arizona and throughout the nation.

*“Secretary Chu’s Memo directs the administrators of the PMAs to begin a process to fundamentally change the way they do business which will increase electricity rates for millions of rural Americans and may not provide meaningful benefits,”* **said Tom Jones**, Chief Executive Officer for Grand Canyon State Electric Cooperative Association.

Witnesses also spoke of deteriorating forest health caused by the absence of active forest management that has fueled a dramatic increase in the intensity and frequency of catastrophic wildfires. Overcrowded forests filled with dead and diseased trees foster high intensity wildfires that strip vegetation and alter soil composition which increases the probability of severe erosion, floods and surface water pollution to rivers, lakes and reservoirs. Unnatural forest density coupled with drought and wildfires cause further damage to the landscape, threaten public safety, wildlife, and water and power infrastructure. In Tombstone, Arizona federal regulations are preventing the town from repairing vital water infrastructure destroyed by the Monument Wildfire and its aftermath. These federal actions are placing the town at risk.

*“Tombstone does not have the water to fight a major fire. The people of Tombstone deserve better than to have a federal agency block their rights to restore their water!”* **said Arizona State Senator Gail Griffin.**

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