

TRUTH VS. LIES: CLEARING UP THE THOMPSON & MYERS RECORD

Lie #1: Thompson & Myers Support the Green New Deal

Truth: Thompson and Myers began eliminating Green New Deal policies immediately upon taking office in 2023. Not only have Thompson and Myers stopped the Green New Deal in its tracks at the Commission, they have eliminated subsidies, repealed green energy mandates, and put backstops in place to ensure Arizona ratepayers are protected from large development costs related to the construction of renewable generation projects.

Lie #2: Thompson & Myers Don't Support President Trump's Energy Agenda

Truth: Thompson and Myers have worked with the White House and the National Energy Dominance Council, on matters like natural gas expansion, permitting and regulatory reform, and transforming outdated and costly coal facilities like Cholla, Springerville, and Coronado, to natural gas. They resisted calls from local officials seeking to force Cholla to re-open as a coal plant, which would have cost APS ratepayers \$1.9 Billion in additional costs!

Lie #3: Thompson & Myers Approved Automatic Rate Increases

Truth: We listened to voters when you asked us to find a way to smooth rate increases out instead of all of us getting hit with a large rate spike every few years, which is why we passed a plan to allow the use of Formula Rates. Formula Rates are not automatic increases; instead, they allow utilities to charge actual costs and prevent over-earning. It spreads the rate increases out over a period of time rather than a large increase every few years, but the utility still has to go through a prudence test every year and ensure any new plant is used and useful before the formula rates are approved.

Lie #4: Thompson & Myers are taking kickbacks for every renewable project they approve.

Truth: This is an absurd lie. If accurate, it would be highly illegal and grounds for removal from office. Every year we file Financial Disclosure statements under the penalty of perjury. Additionally, the Commission does not have regulatory oversight of the construction of renewable generation.

Lie #5: Thompson Supported a Climate Action Plan when he was on Mesa's City Council.

Truth: Even Congressman Andy Biggs has acknowledged that Thompson has a reputation for "fighting against Green New Deal policies in Mesa." Thompson forced Mayor Giles' plan to go before his committee where he offered multiple amendments that gutted the planned ordinance from having any teeth, removing any application to Mesa citizens and businesses, and left the remaining package as nothing more than a symbolic and aspirational gesture for the City.

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LIE #1: THOMPSON AND MYERS SUPPORT THE GREEN NEW DEAL

TRUTH: Thompson and Myers began eliminating Green New Deal policies immediately upon taking office in 2023. Thompson and Myers have introduced Free Market Principals into government regulation and it's working. Renewable generation projects being built today are not constructed or owned by utilities, but instead are privately funded. This reduces ratepayer risk by guaranteeing lowest costs, placing construction costs on private development, and not leaving ratepayers on the hook when renewable generation doesn't produce.

Not only have Thompson and Myers stopped the Green New Deal at the Arizona Corporation Commission, they eliminated subsidies and put backstops in place to ensure Arizona ratepayers are protected from private development. They have eliminated cost shifts, required utilities to use an all-source RFP for the most reliable power at the lowest cost, and ensured that any power procured costs less than what the utility would produce it for otherwise.

Importantly, in early 2024, they did something that no other Republican Commissioner had done previously: they initiated the repeal of the Renewable Energy Standards and Tariffs (REST) and Energy Efficiency Rules. These Green New Deal mandates have cost Arizona ratepayers nearly \$4B since they were put into place in 2001. On March 4, 2026 the Commission voted 5-0 to repeal the REST rules, effectively ending the Green New Deal in Arizona.

Additionally, the Corporation Commission does not regulate non-thermal generation (renewables) like they do thermal generation. The only portion of the project we have authority over is the tie-in to the transmission power lines. As long as the Line Sighting Committee completes its statutory responsibilities as outlined in ARS Title 40, the Commission must approve the tie-in or risk being sued and frivolously costing citizens thousands of dollars.

The principles that Thompson and Myers pushed for are working, as evidenced in the recent public announcement by APS that they are walking back a voluntary company commitment made years ago to be carbon neutral by 2050.

LIE #2: THOMPSON AND MYERS DON'T SUPPORT PRESIDENT TRUMP'S ENERGY AGENDA

TRUTH: Thompson and Myers have led the charge at the Commission for natural gas expansion. Working with the federal government on permitting and regulatory reform to drive the recent announcement of Transwestern Pipeline's expansion from the Permian Basin, and Kinder Morgan's development of a new compressor station to increase capacity into the north valley.

Additionally, Thompson and Myers have ensured Arizona's own energy dominance by approving thousands of MWs of natural gas generation since they were sworn into office.

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Even overturning the previous Republican controlled Commission's denial of SRP's Coolidge Plant natural gas expansion.

They have worked directly with the White House, National Energy Dominance Council, Department of Energy, and the utilities to begin the conversion of outdated and expensive coal plants, including the Cholla coal plant, to natural gas, extending the generating capacity and the life of the plants for another 20+ years. They are also participating in conversations about bringing in new nuclear technology.

With no federal funding to offset costs, Thompson has worked extensively with both the White House and National Energy Dominance Council, saving APS ratepayers over \$1.9 Billion by not forcing the restart of the shuttered Cholla coal plant, which was required to close as a result of Obama era EPA policies. The extra \$1.9 Billion in costs would have gone to things like deferred maintenance, new coal contracts, and the installation of mandated emission and pollution control devices.

Additionally, keeping the Springerville coal plant open past the closure dates would have required upgrades and retrofits in excess of \$450 million. Converting Springerville from coal to natural gas will save ratepayers \$170 million.

By approving the conversion of Coronado from coal to natural gas, Myers and Thompson saved SRP ratepayers from possible conversion to long-duration lithium-ion batteries which would have cost \$1.2 billion more than converting to natural gas, and would have created reliability and firm capacity issues that come with renewables.

In 2023, Thompson and Myers co-sponsored an amendment that requires APS to replace any generation lost from the potential future closure of the Four Corners Power Plant with equally reliable and dispatchable generation, like natural gas. Recently, Myers and Thompson pressed APS to develop a plan to re-open Cholla as a natural gas or similar dispatchable generation site.

Myers spent countless hours working with the Federal Energy Regulatory Commission to amend Rules that would have had a negative impact on Arizona's ratepayers, like Rule 1920, and the repeal of Rule 871 to significantly reduce the timeframe to obtain natural gas permits through the federal government.

Most recently, Thompson and Myers were able to engage their colleagues to join a 19-state coalition of Attorneys General to push back against Blackrock Investments' strategy to invest in Arizona utilities and subsequently push for ESG/DEI policies on the utilities they invest in. Arizona was the only Commission in the United States to join the lawsuit.

LIE #3: THOMPSON AND MYERS APPROVED AUTOMATIC RATE INCREASES

TRUTH: We listened to voters when you asked us to find a way to smooth rate increases instead of all of us getting hit with a large rate spike every few years, which is why we passed a plan to allow the use of Formula Rates. Formula Rates have been used by FERC since the 1960's, and have been in place for some time in several Republican held states like Florida, Louisiana, North Dakota, and Texas.

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Formula Rates **are not** automatic increases; instead, they require utilities to charge actual costs and prevent over-earning. It spreads the rate increases out over a period of time rather than a large increase every few years, but the utility still has to go through a prudence test every year and ensure any new plant is used and useful before the formula rates are approved. The expenses will still be scrutinized by the Residential Utility Consumer Office, ACC Staff, the public, and by the Commissioners.

Besides allowing for gradualism, it also makes the process MUCH more transparent and accessible to the general public. No longer will a member of the public have to get a lawyer and intervene in the rate case just to get the data that is used in determining rates. They now simply follow the process on the website.

Additionally, formula rates actually save the customers money. When the utility holds on to debt that its customers owe, that debt is allowed to accrue interest (think of the utility as a credit card). The longer it takes to pay it back, the more interest is accruing on hundreds of millions of dollars! Now, by smoothing out the rate increases, it also reduces the interest owed to the utility.

Lie #4: Thompson & Myers are taking kickbacks for every renewable project they approve.

Truth: This is an absolute lie with no “proof” whatsoever. This would be highly illegal and would be grounds for removal from office. Thompson has spent his entire adult life in the public eye, joining the United States Air Force at 19, serving the citizens of Mesa as a Councilmember from 2015-2023, and serving the citizens of Arizona on the Commission from 2023 to today. His life has been an open book. He learned that integrity can’t be bought, but it can be lost. And once lost, it’s nearly impossible to rebuild the trust of the citizens. Likewise for Nick, as a business owner he knows his reputation and integrity are what instill trust in his customers. As elected officials, we are required to file annual Financial Disclosure Statements and acknowledge under penalty of perjury that the information provided is true and correct. Furthermore, the Commission does not approve or deny renewable projects. The Commission only has oversight of the line sighting component of renewables, which concerns the connection of the project to the larger grid.

Lie #5: Thompson Supported a Climate Action Plan when he was on Mesa’s City Council.

Truth: Even Congressman Andy Biggs has acknowledged that Thompson has a reputation for “fighting against Green New Deal policies in Mesa.” During his time on Council, Thompson was the Chair of the City’s Sustainability Committee. In 2021, Mayor John Giles directed staff to bring forward a Climate Action Plan for the City, which Thompson vehemently opposed the mandate. As the Chair of the Sustainability Committee, Thompson forced the Plan to come through his committee for consideration. Knowing he didn’t have the votes to kill the Plan, Thompson offered multiple amendments that made the goals “aspirational”, meaning there are no legal requirements or binding mandates. He also kept the Plan from applying to the business community and the citizens of Mesa.

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Through his actions, he strategically eliminated the Plan's full implementation as was originally written, rendering the plan a symbolic gesture.

EXPERIENCE MATTERS

The Arizona Constitution Title 15 requires that the Commission shall prescribe just and reasonable rates and charges to be made and collected by public service corporations for services rendered. That allows Arizona's regulated utilities to recover their costs through rate making. Denying a utility's ability to recover prudently incurred costs that have improved our grid would be a direct violation of the Arizona Constitution.

Fuel (natural gas and coal), poles, wires, pipes, employees, and even inflation all goes into the costs, along with attorney fees. The typical process for ratemaking takes nearly 18 months, so the money the utility spent nearly two years ago or more, is a big composition of our rates.

Additionally, Myers and Thompson have worked tirelessly to reduce Arizona's regulatory lag and improve our regulatory ranking, which previously sat last in the nation. By moving Arizona to the middle of the pack, Arizona's utilities have access to cheaper capital, saving ratepayers money. Think of it like a credit rating; the worse your rating, the higher your interest rate.

Thompson and Myers have also demanded that "growth pays for itself", meaning the cost to serve large load users like TSMC and data centers, will not be placed on the residential and commercial ratepayers. Instead, the total cost will be borne by the end user.

Finally, Arizona is now playing an important role in policy at the national and Federal level as Arizona electric utilities explore the day-ahead energy market. Both Thompson and Myers are actively participating to ensure both Arizona's electric grid and Arizona's consumers are protected as the process moves forward.

To learn more about Kevin and Nick, visit their websites at:

<https://thompsonforcorpcomm.com/>

<https://nickmyers.us/>

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