

Or Current Property Owner
XXX E. Santan Street
Gilbert, AZ 85296

September 26, 2002

Dear Current Property Owner,

SRP is in the process of expanding the Santan Generating Station at its existing facility in Gilbert. As part of this expansion SRP will fulfill various conditions that are set forth in its Certificate of Environmental Compatibility (CEC) issued by the Arizona Corporation Commission.

A Community Working Group (CWG) was established to refine the onsite and offsite landscaping concepts submitted during the power plant hearings. Much of the onsite landscaping will serve to help shield views of the plant from neighboring communities. The CWG has completed the plans for onsite design and transferred the responsibility for the offsite plan to SRP. SRP has developed a plan under which the individual homeowners' associations and/or County residents surrounding the plant will conduct the offsite design. SRP will provide funds and landscaping materials to these groups in order to accomplish that objective.

Taking into consideration the varied conditions in the surrounding area, SRP will work with eligible communities and allocate a fund based on these four factors:

- **Proximity to the plant site:** Properties located closer to the plant will receive a higher percentage of the funds.
- **Subdivision area:** Those developments with more acreage will receive an additional percentage of the funds. This allows for consideration of lot sizes and open and common areas.
- **Number of lots within the subdivision:** Subdivisions with higher lot per acre ratios will receive an additional percentage of the funds.
- **Special condition areas:** Conditions exist where residential lots next to open and common areas may have greater visibility of the plant site. When such conditions exist, allowances will be made to provide additional funding for mitigation.

Under SRP's plan, 21 different communities are considered eligible for participation. In most cases, the established HOAs for those communities will receive the allocation whereas County residents will receive the allocation individually.

As a resident of the County you are invited to participate in the individual landscaping program established for residential properties of those County residents living within 1-¼ miles from the center of the generating plant. Participants in the program who live south of the generating station may be eligible to receive one thousand, two hundred and one dollars (\$1201.00) in landscape materials. Eighty percent of the fund will be provided as a voucher to a local nursery toward the purchase of plant material. Twenty percent will be distributed in the form of a check to help with ancillary improvements to your landscape watering system, ground cover, or any grass replacement. To be assessed for eligibility to be included in the program you must return the attached form expressing your interest and provide SRP with 1) proof of ownership on each eligible parcel and 2) two documents presenting proof of residency on each parcel (i.e. copy of power bill, Town service bill, etc...).

Please feel free to share the details of this program with your neighbors. Receipt of the attached acknowledgement and request to assess eligibility must be received by SRP no later than October 31, 2002 to be included in the program. Once eligibility has been determined SRP will distribute the fund within 30 days.

If you have any questions regarding this program please contact Michelle Colores at (602) 236-5442.

Please sign the attached form and return with proof of eligibility to SRP, Attention: Michelle Colores, PO Box 52025, Mailstation ISB669, Phoenix, Arizona 85072 by October 31st 2002 to be included as a program participant.

**Santan Expansion Project
County Landscaping Program**

I _____ reside at _____
_____ and have reviewed the
acknowledgement letter and eligibility requirements. I would like to participate in the program and am attaching
proof of eligibility for each residential parcel.

Signed
Date