

SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT MEETING NOTICE AND AGENDA

STRATEGIC PLANNING COMMITTEE

Thursday, June 8, 2023, 9:30 AM

SRP Administration Building
1500 N. Mill Avenue, Tempe, AZ 85288

Committee Members: Anda McAfee, Chairman; Paul Rovey, Vice Chairman; and Nick Brown, Randy Miller, Mark Pace, Jack White Jr., and Leslie C. Williams

Call to Order

Roll Call

1. **CONSENT AGENDA:** The following agenda item(s) will be considered as a group by the Committee and will be enacted with one motion. There will be no separate discussion of these item(s) unless a Committee Member requests, in which event the agenda item(s) will be removed from the Consent Agenda and considered as a separate item CHAIRMAN ANDA McAFEE

- Request for approval of the minutes for the meeting of February 9, 2023

2. 2050 Strategic Plan Process Review KAITLYN LIBBY

Informational presentation regarding a preview of the process and timeline by which SRP will establish a strategic vision and plan for 2050.

3. SRP Climate Risk Management..... TOM COOPER

Informational presentation regarding an overview of SRP's efforts around climate risk management.

4. SRP Greenhouse Gas Reporting Overview.....ANTHONY MIRABITO;
and DAN SOBRINSKI, WSP USA

Informational presentation regarding an overview of the greenhouse gas reporting protocols that SRP follows along with the results of SRP's Fiscal Year 2022 (FY22) third-party verified greenhouse gas inventory.

5. SRP's Electric Vehicle (EV) Strategy BURRELL KILMER

Informational presentation regarding an overview of key market drivers and trends affecting SRP, status of EV adoption versus goals, current view on EV adoption forecast in SRP territory, status on key SRP EV activities and initiatives, and priorities for FY24.

6. Report on Current Events by the General Manager and Chief Executive Officer or Designees.....JIM PRATT

7. Future Agenda Topics..... CHAIRMAN ANDA McAFEE

The Committee may vote during the meeting to go into Executive Session, pursuant to A.R.S. §38-431.03 (A)(3), for the purpose of discussion or consultation for legal advice with legal counsel to the Committee on any of the matters listed on the agenda.

The Committee may go into Closed Session, pursuant to A.R.S. §30-805(B), for records and proceedings relating to competitive activity, including trade secrets or privileged or confidential commercial or financial information.

Visitors: The public has the option to attend in-person or observe via Zoom and may receive teleconference information by contacting the Corporate Secretary's Office at (602) 236-4398. If attending in-person, all property in your possession, including purses, briefcases, packages, or containers, will be subject to inspection.



**NOTICE WILL BE SENT REGARDING THE NEXT
STRATEGIC PLANNING COMMITTEE MEETING**

MINUTES
STRATEGIC PLANNING COMMITTEE MEETING

DRAFT

February 9, 2023

A meeting of the Strategic Planning Committee of the Salt River Project Agricultural Improvement and Power District (the District) and the Salt River Valley Water Users' Association (the Association), collectively SRP, convened at 9:30 a.m. on Thursday, February 9, 2023, from the Board Conference Room at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona. This meeting was conducted in-person and via teleconference in compliance with open meeting law guidelines.

Committee Members present at roll call were A.G. McAfee, Chairman; and N.R. Brown and R.J. Miller.

Committee Members absent at roll call were P.E. Rovey, Vice Chairman; and M.V. Pace, J.M. White Jr., and L.C. Williams

Also present were President D. Rousseau; District Vice President C.J. Dobson; Board Members R.C. Arnett, K.J. Johnson, and L.D. Rovey; Council Chairman T.M. Francis; Council Vice Chairman R.J. Shelton; Council Liaisons M.G. Rakow and P.A. Van Hofwegen; Mmes. K.J. Barr, M.J. Burger, A.P. Chabrier, L.F. Hobaica, K.M. Libby, and G.A. Mingura; and Messrs. J.D. Coggins, T. Cooper, J.M. Felty, M. Hummel, K.J. Lee, A.J. McSheffrey, and G. Saint Paul.

Chairman A.G. McAfee appointed Board Member R.C. Arnett to serve as an ex-officio member of the Committee.

In compliance with A.R.S. §38-431.02, Andrew Davis of the Corporate Secretary's Office had posted a notice and agenda of the Strategic Planning Committee meeting at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona, at 9:00 a.m. on Tuesday, February 7, 2023.

Chairman A.G. McAfee called the meeting to order.

Consent Agenda

Chairman A.G. McAfee requested a motion for Committee approval of the Consent Agenda, in its entirety.

On a motion duly made by Board Member R.C. Arnett and seconded by Board Member R.J. Miller, the Committee unanimously approved and adopted the following item on the Consent Agenda:

- Minutes of the Strategic Planning Committee meeting on November 10, 2022, as presented

Corporate Secretary J.M. Felty polled the Committee Members on Board Member R.C. Arnett's motion to approve the Consent Agenda, in its entirety. The vote was recorded as follows:

YES:	Board Members A.G. McAfee, Chairman; and R.C. Arnett, N.R. Brown and R.J. Miller	(4)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	Board Members P.E. Rovey, Vice Chairman; M.V. Pace J.M. White Jr., and L.C. Williams	(4)

SRP 2035 Corporate Goals Review

Using a PowerPoint presentation Kaitlyn M. Libby, SRP Manager of Strategic Planning, stated that the purpose of the presentation was to request re-approval of the 2035 Corporate Goals without changes, which are reviewed on an annual basis to ensure SRP's strategy remains relevant and appropriate amid changes within SRP's operating environment.

Ms. K.M. Libby reminded the Committee that SRP's mission is to serve its customers and communities by providing sustainable, reliable, and affordable water and energy. She stated that as part of the annual review process, Management assessed SRP's 2035 Corporate Goals against current trends and market conditions.

Ms. K.M. Libby reviewed the following trends and market conditions considered in assessing SRP's strategy in its current operating environment: heightened focus on the impacts of climate change; decarbonization of power generation; expanding view of sustainability; accelerating pace of technological advancement; increasing customer and workforce expectations; and unprecedented growth and threat of recession. She discussed major near-term strategy efforts for Fiscal Year 2024 (FY24) and FY25.

In conclusion, Ms. K.M. Libby recommended that the Board re-approve the 2035 Corporate Goals without changes.

Ms. K.M. Libby responded to questions from the Committee.

On a motion duly made by Board Member R.C. Arnett, seconded by Vice Chairman P.E. Rovey and carried, the Committee agreed to recommend Board re-approval, as presented.

Corporate Secretary J.M. Felty polled the Committee on Board Member R.C. Arnett's motion for approval. The vote was recorded as follows:

YES:	Board Members A.G. McAfee, Chairman; P.E. Rovey, Vice Chairman; and R.C. Arnett, and L.C. Williams	(4)
NO:	None	(0)
ABSTAINED:	Board Members N.R. Brown and R.J. Miller	(2)
ABSENT:	Board Members M.V. Pace and J.M. White Jr.	(2)

Copies of the handouts distributed and the PowerPoint slides used in this presentation are on file in the Corporate Secretary's Office and, by reference, made a part of these minutes.

Association Vice President J.R. Hoopes; Board Members K.L. Mohr-Almeida, P.E. Rovey, and L.C. Williams; Ms. K.S. Ramaley; and Mr. M.J. O'Connor entered the meeting during the presentation.

SRP Sustainable Cities Program Pilot

Using a PowerPoint presentation, Tom Cooper, SRP Director of Corporate Strategy, Sustainability, and Economic Services, stated that the purpose of the presentation was to provide information regarding SRP's work with four Valley cities to pilot a Sustainable Cities Program, which was initiated by SRP Economic Development to work with and assist communities in identifying and promoting their sustainable assets and emphasizing their commitment to sustainable growth.

Mr. T. Cooper stated that promoting smart and sustainable economic growth is in line with SRP's 2035 Corporate Goal of proactively partnering with communities and Tribal Nations on economic development initiatives and programs related to water, energy, and sustainability; and SRP's FY23 Corporate Objective of developing and implementing a Sustainable City certification program to help participating communities promote their commitment to sustainable growth.

Mr. T. Cooper explained how sustainable cities are actively working and making significant progress in addressing economic health, the environment, and social/cultural impact through urban planning and city management. He said that sustainable cities are environmentally responsible, resilient, prepared for change, inclusive, and competitive. Mr. T. Cooper introduced Marc A. Valenzuela, SRP Senior Analyst of Economic Development.

Continuing, Mr. M.A. Valenzuela stated that the objective of the pilot program is to work with and assist participating cities in identifying and promoting their sustainable assets, as well as emphasizing their commitment to sustainable growth in order to help ensure they are competitive for talent, investment, and jobs. He said the pilot program is eligible to municipalities that have an economic development department; seek support from their city management; and have an established working sustainability team. Mr. M.A. Valenzuela stated that Gilbert, Mesa, Tempe, and Phoenix are the municipalities currently participating in the pilot program.

Mr. M.A. Valenzuela noted that the pilot program allows communities to meet economic, environmental, and societal goals to be more competitive for investment long-term. He reviewed the questionnaire that was implemented as well as its scoring results.

Mr. M.A. Valenzuela concluded with a discussion of the deliverables and benefits and a timeline of the pilot program. He responded to questions from the Committee.

Copies of the PowerPoint slides used in this presentation are on file in the Corporate Secretary's Office and, by reference, made a part of these minutes.

Ms. L.G. Harrison; and Messrs. D.W. Dreiling, B.A. Olsen, and M.A. Valenzuela entered the meeting during the presentation.

SRP FY22 Sustainability Report

Using a PowerPoint presentation Leah G. Harrison, SRP Manager of Sustainability Policy and Programs, stated that the purpose of the presentation was to provide information regarding the publication of SRP's FY22 Annual Sustainability Report.

Ms. L.G. Harrison provided a layout of the FY22 Sustainability Report located on SRP's website and highlighted how FY22 progress is on track with SRP's 2035 Corporate Goals. She reviewed the redesigned web page for "Sustainability at SRP" located on SRP's website and highlighted key topics. Ms. L.G. Harrison concluded with key FY22 updates and its progress towards 2025 milestones. She introduced Bobby A. Olsen, SRP Senior Director of Corporate Planning, Environmental Services, and Innovation.

Continuing, Mr. B.A. Olsen reviewed a graph depicting retail total carbon intensity and mass forecasted through 2035. He provided an update with respect to development and supply chain challenges. In conclusion, Mr. B.A. Olsen stated that the leading indicators that continue to drive change are 2,586 Megawatts (MW) of coal retirements by 2032, the addition of 2,097MW of solar, 1,140MW of batteries, and 288MW of wind all by 2025, long-duration energy storage pilot, and exploration of pumped-storage hydro.

Ms. L.G. Harrison and Mr. B.A. Olsen responded to questions from the Committee.

Copies of the handouts distributed and the PowerPoint slides used in this presentation are on file in the Corporate Secretary's Office and, by reference, made a part of these minutes.

Mr. M.A. Valenzuela left the meeting during the presentation. Mr. R.T. Judd entered the meeting during the presentation.

Report on Current Events by the General Manager and Chief Executive Officer or Designees

Mike Hummel, SRP General Manager and Chief Executive Officer, reported on a variety of federal, state, and local topics of interest to the Committee.

Ms. L.G. Harrison and Messrs. D.W. Dreiling and B.A. Olsen left the meeting during the report.

Future Agenda Topics

Chairman A.G. McAfee asked the Committee if there were any future agenda topics. Board Member R.J. Miller requested an update regarding the latest geothermal technology and requested leadership training for Board Members. Chairman A.G. McAfee suggested a dashboard of energy technology.

There being no further business to come before the Strategic Planning Committee, the meeting adjourned at 10:50 a.m.

Lora F. Hobaica
Assistant Corporate Secretary

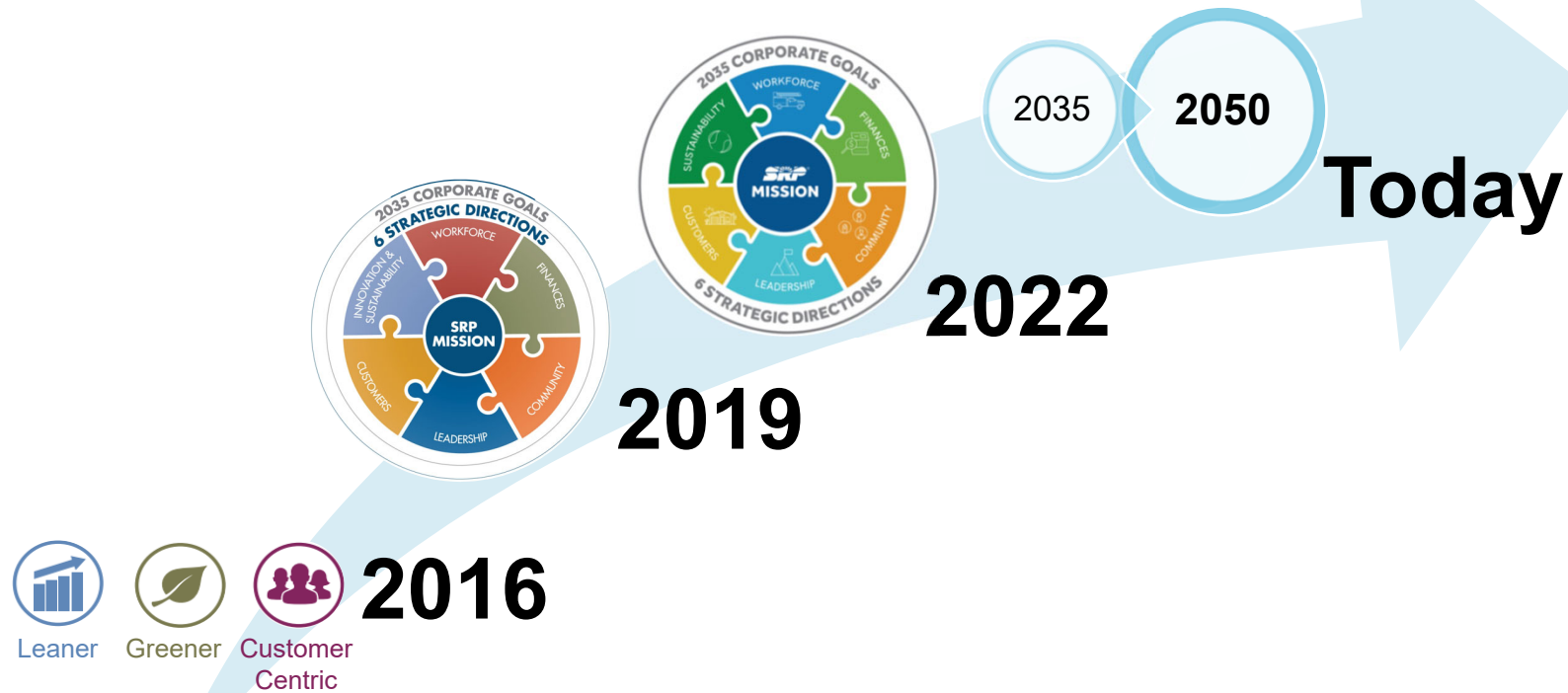
2050 Strategic Plan Process Preview

Strategic Planning Committee

Kaitlyn Libby | June 8, 2023



A STRATEGY-DRIVEN ORGANIZATION



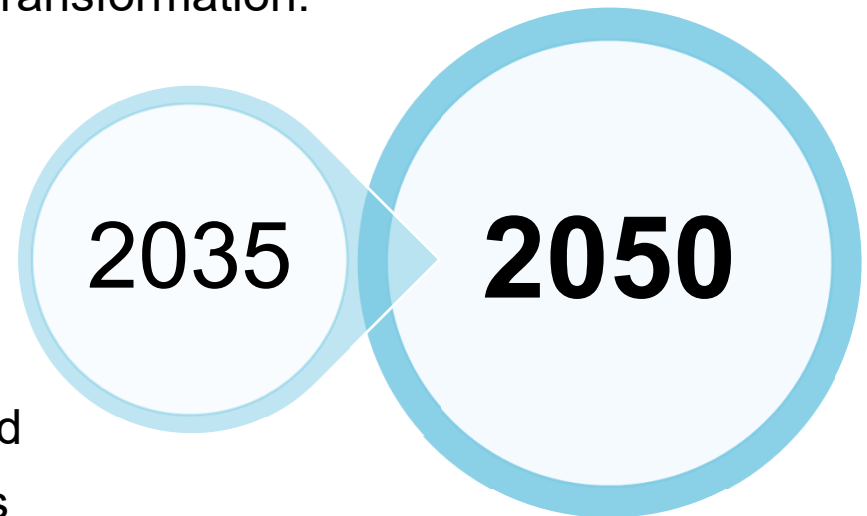


EXTENDING SRP'S STRATEGIC VISION

Goal: Create a resilient strategic plan that positions SRP for long-term success amid significant industry disruption and transformation.

Strategic Plan Includes:

- Strategic vision for 2050
- Updated 2035 Corporate Goals
- Identification of key strategies, capabilities, and resources required to achieve vision and goals



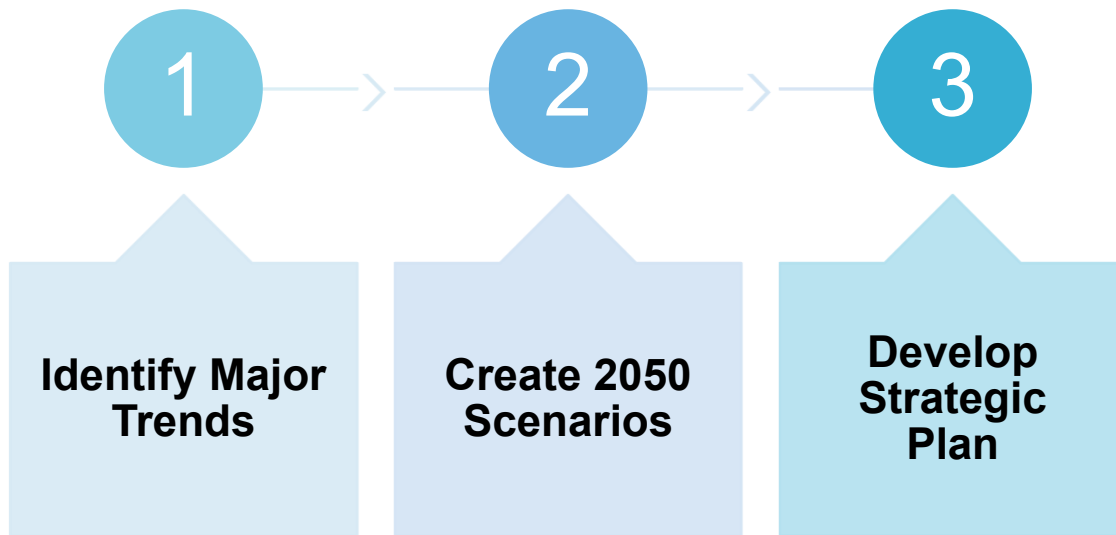


WHY 2050?

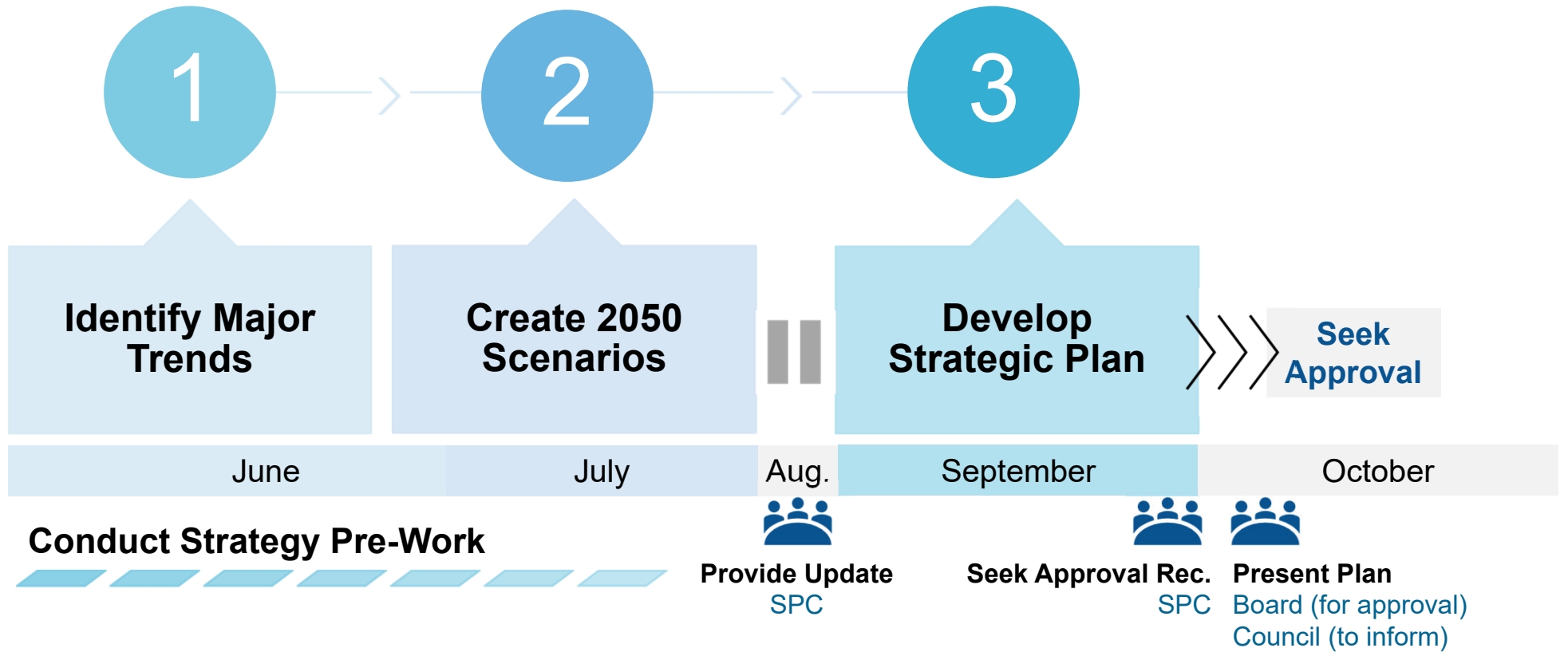
- Contemplate the broader, lasting impacts of...
 - Climate change
 - An electrified economy
 - Rapidly advancing technologies
 - A fully evolved role of the customer
- Guide critical, long-term investment decisions
- Reinforce SRP's role as an industry-leader to ensure long-term customer and community value



STRATEGY PROCESS



▶▶ NEXT STEPS



thank you!



SRP Climate Risk Management

Strategic Planning Committee

Tom Cooper | June 8, 2023

Climate Risk



Risk Exposure
What may change?

Risk Sensitivity
What is in harm's way?

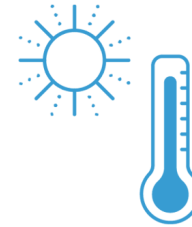
Potential Impact
Does it matter?

Adaptive Capacity
Can we respond?

Vulnerability

**Source: Commonly used Intergovernmental Panel on Climate Change (IPCC) framework for assessing vulnerability to climate change*

What Might Change?



Temperatures



**Storm Frequency
and Intensity**

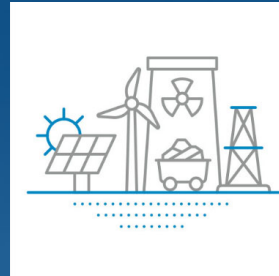


Precipitation

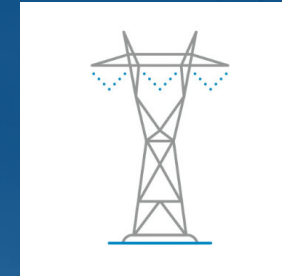


Wildfires

Potential Impacts



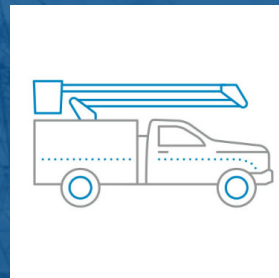
**Power
Generation**



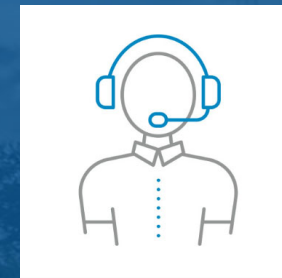
**Power
Delivery**



**Water
Supply**



Employees



Customers



**Supply
Chains**

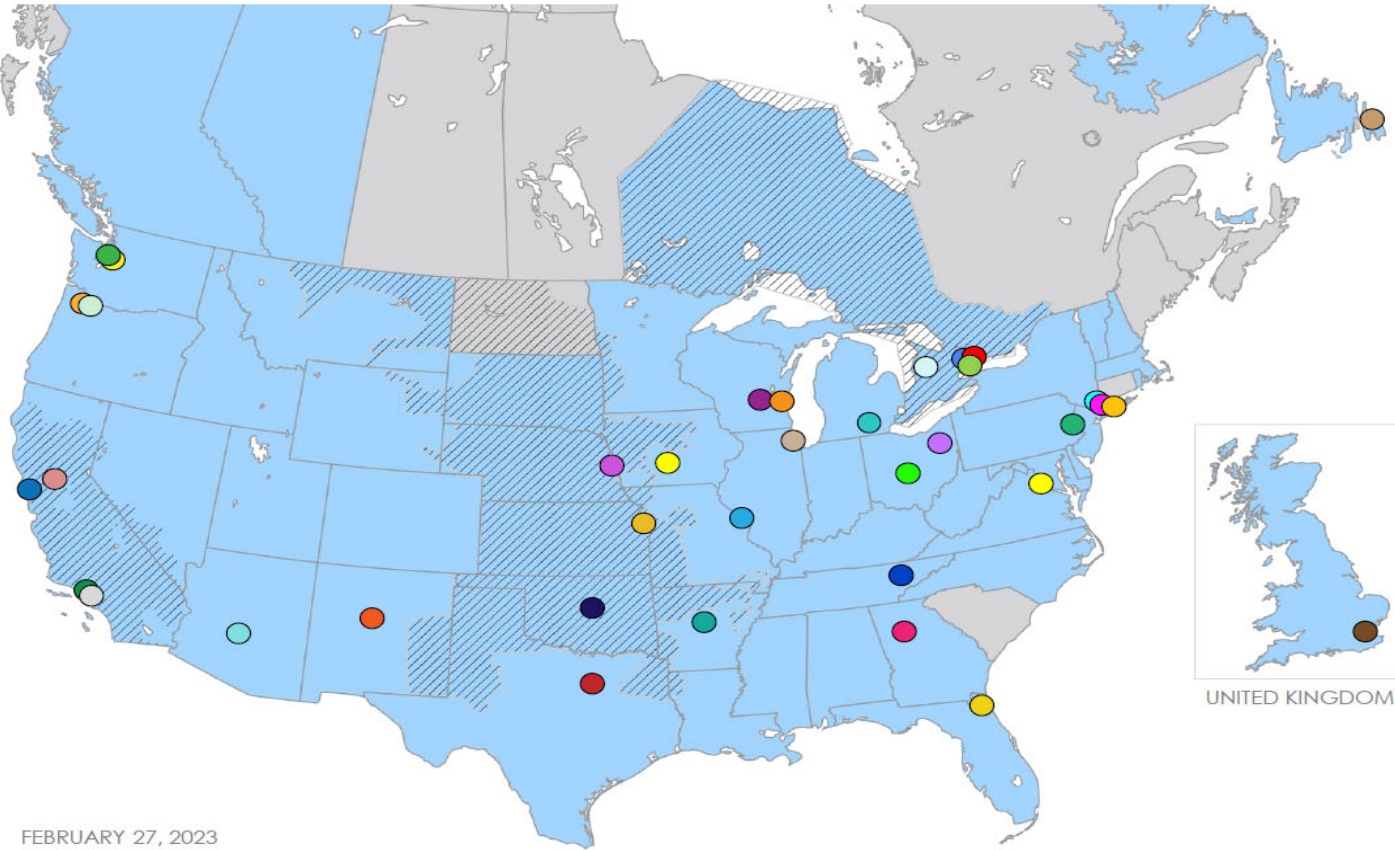
CLIMATE READi

RESILIENCE AND ADAPTATION INITIATIVE

Workstream 1 Workstream 2 Workstream 3



Climate READi Members



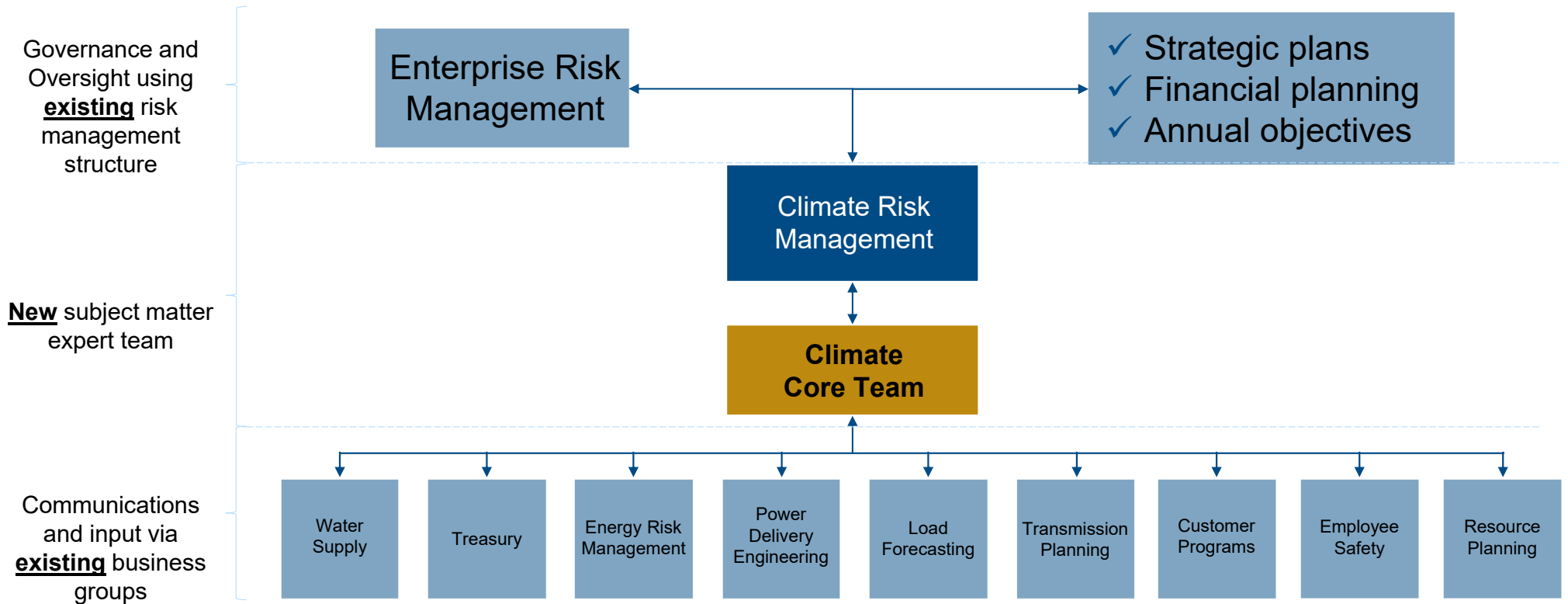
FEBRUARY 27, 2023

○ Member Headquarters ■ Member Operating States/Provinces ▨ ISO Service Territories (only HQ location shown for IPPs)

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aes Indiana	aes Ohio	Alliant Energy.
Ameren	AMERICAN ELECTRIC POWER	BERKSHIRE HATHAWAY ENERGY
BONNEVILLE POWER ADMINISTRATION	ROUNDNESS ENERGY™	California ISO
conEdison	BrucePower	eergy
Consumers Energy	FORTIS inc.	JEA
exelon™	FirstEnergy	nationalgrid
hydro one	ieso Connecting Today. Powering Tomorrow.	year's strongest partner OPPD Oroville Public Power District
LA DWP Los Angeles Department of Water & Power	LIPA Long Island Power Authority	PGE
NEW YORK STATE NY Power Authority	OG&E	PSE PUGET SOUND ENERGY
ONTARIO POWER GENERATION	PG&E	SOUTHERN CALIFORNIA EDISON
PNM	ppl	TVA TENNESSEE VALLEY AUTHORITY
SNP	Seattle City Light	WEC Energy Group
Southern Company	SPP Southwest Power Pool	
VISTRA		

Climate Risk Management Structure



FY24 Priorities

1. Begin to develop SRP-specific comprehensive climate base cases
2. Establish an initial risk inventory of system vulnerabilities and associated risk owners
3. Improve communications and maintain repository of data
4. Continue alignment with SRP strategy and risk management operations

thank you!



The background of the slide features a photograph of solar panels in a field during a sunset or sunrise. The sky is a mix of orange, yellow, and blue, with the sun low on the horizon. The solar panels are in the foreground, creating a grid pattern that recedes into the distance.

SRP Greenhouse Gas Reporting Overview

Strategic Planning Committee

Anthony Mirabito | Sustainability Policy & Programs | SRP

Dan Sobrinski | Senior Vice President | WSP USA

June 8, 2023

What are the Largest GHG Emission Sources? (AZ 2020)



37%

Power Generation



36%

Transportation



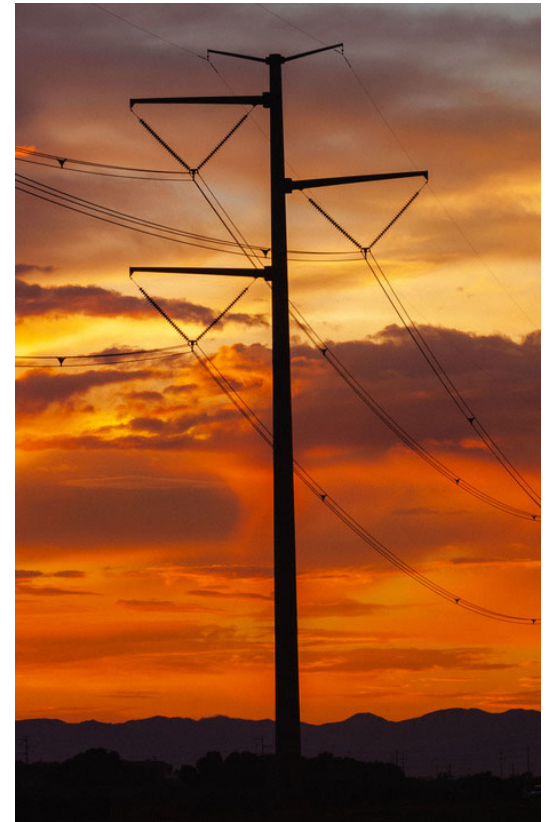
27%

Commercial, Industrial,
Agricultural, Residential

[Greenhouse Gas Inventory Data Explorer | US EPA](#)

Why Does SRP Measure and Report GHG Emissions?

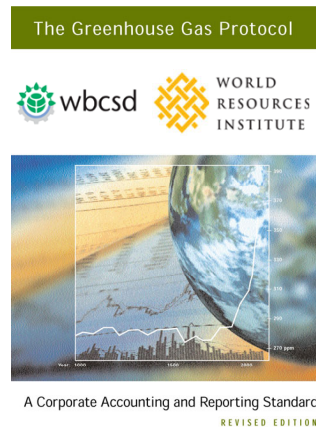
- **Support** attainment of SRP corporate goals
- **Understand** emissions impact of resource decisions
- **Meet** customer data requirements
- **Demonstrate** a commitment to transparency
- **Align** with best practices



How Does SRP Calculate GHG Emissions?

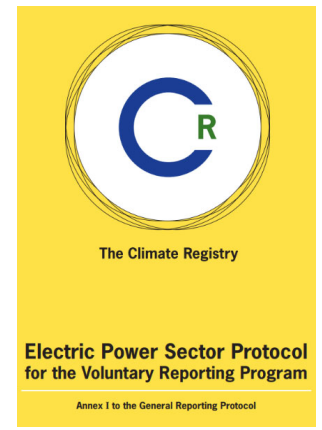
Greenhouse Gas Inventory

- Measures emissions from **All SRP Operations**
- **Mass**-based (total metric tons of CO₂)



Carbon Intensity

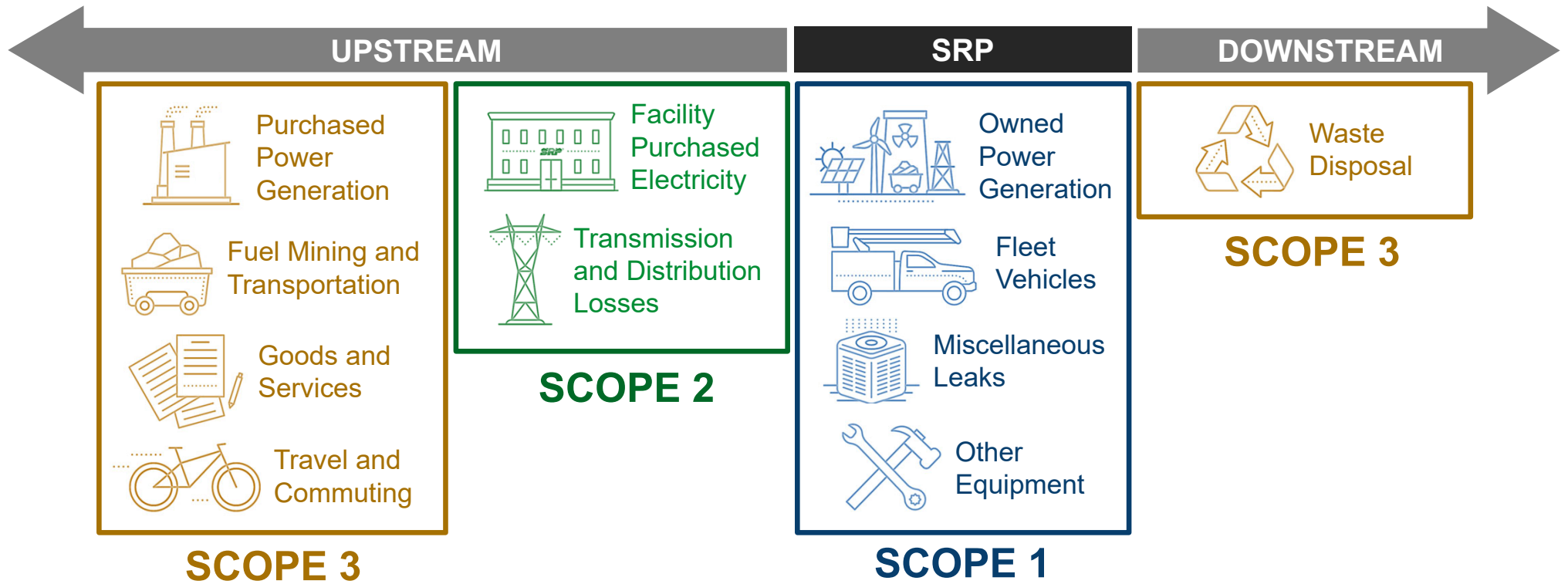
- Measures emissions from **Power Sold to Customers**
- **Rate**-based (pounds of CO₂ per MWh generated)



Both are audited against industry standard best practices.

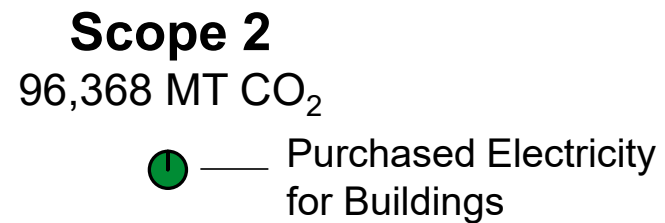
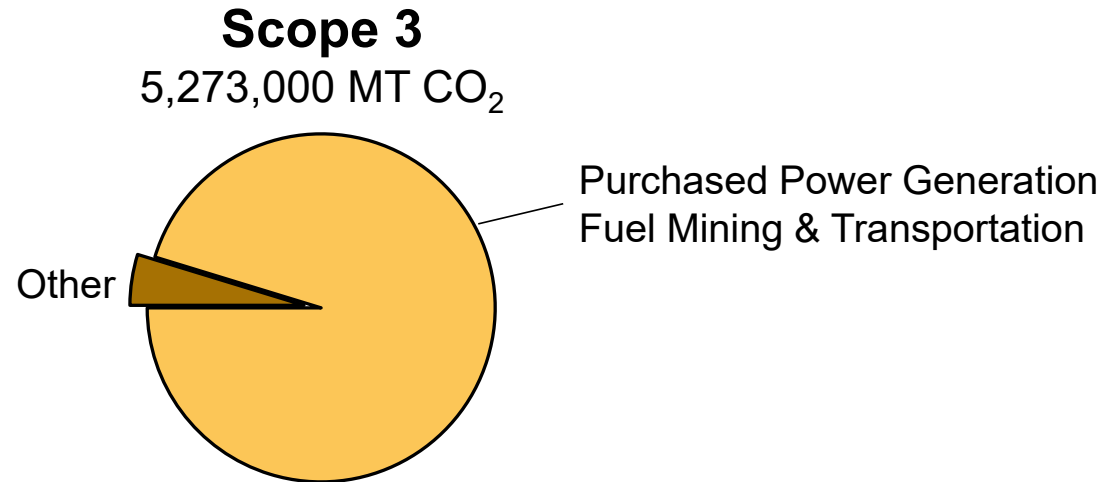
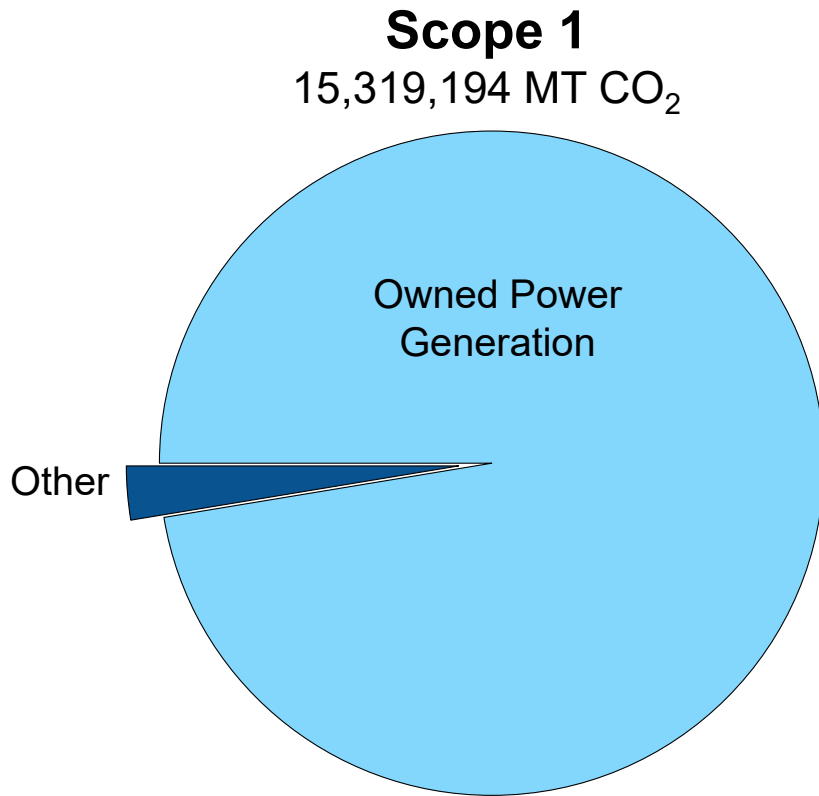
SRP Operations: Emission Sources

GHG Inventory emissions are reported in 3 categories called **Scopes**.



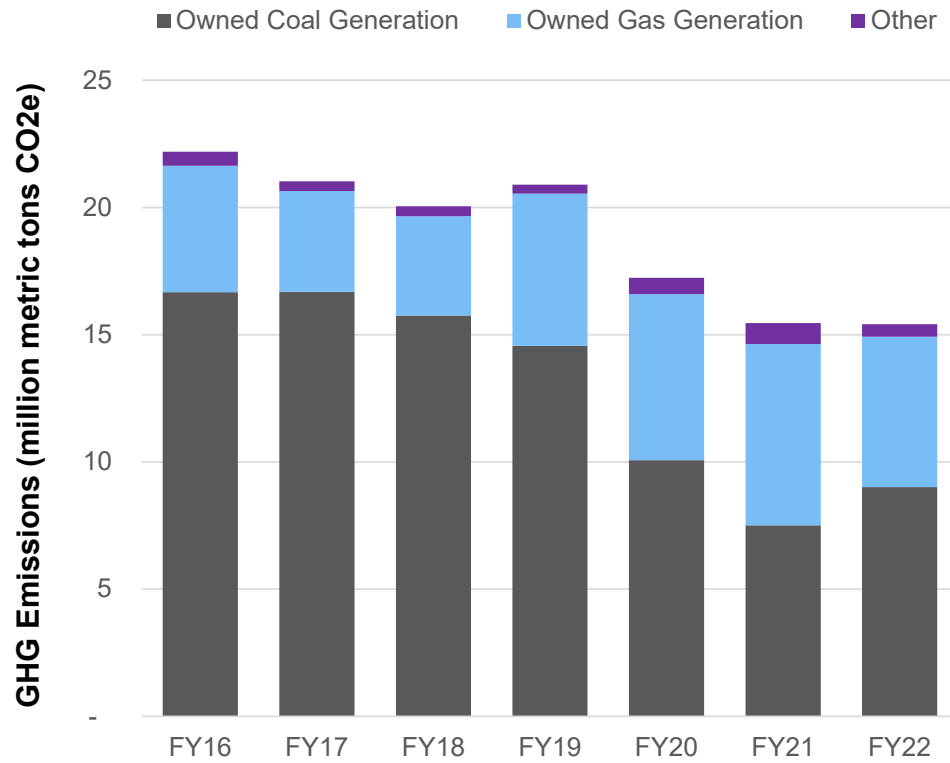
SRP Operations: Emissions in FY22

MT CO₂ = Metric Tons of Carbon Dioxide

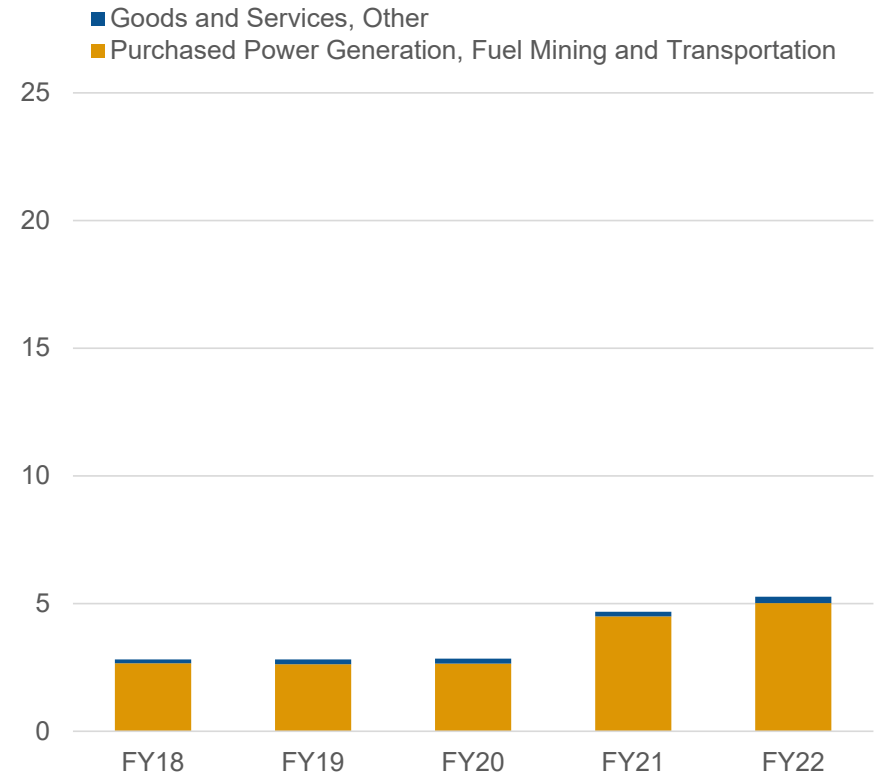


SRP Operations: Emissions Over Time

Scope 1 and 2 Emissions

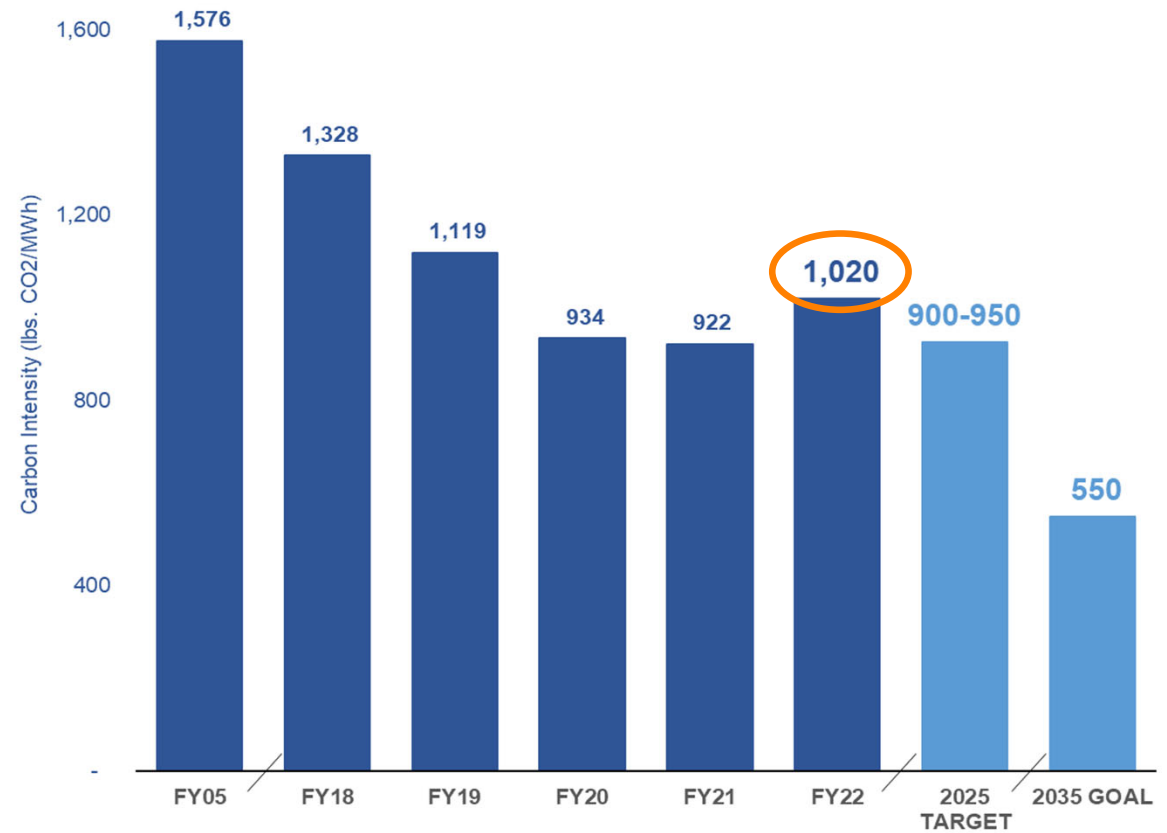


Scope 3 Emissions

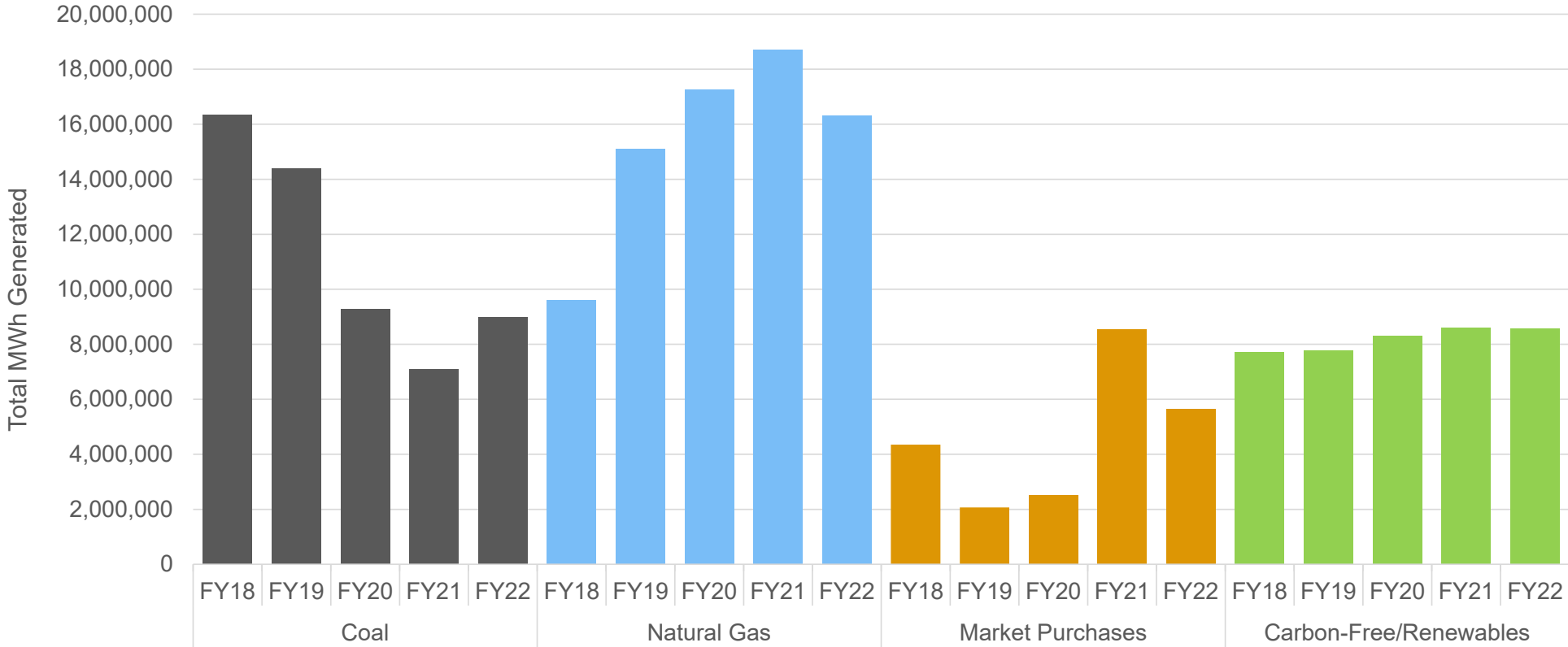


Power Sold to SRP Customers: Carbon Intensity in FY22

- SRP's *retail total* carbon intensity for FY22 is **1,020** lbs. CO₂/MWh
- Customers receive product-specific emission rates
- Climate Registered™ Platinum status for The Climate Registry's reporting year 2021



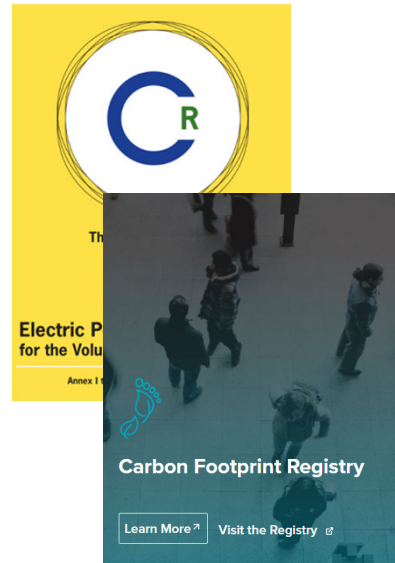
Power Sold to SRP Customers: Generation Over Time



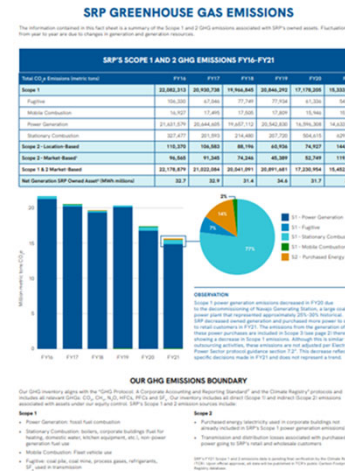
Where Does SRP Report Emissions Data?



SRP Website
srp.net/2035



The Climate Registry
Carbon Footprint Registry



GHG Fact Sheet
coming soon to SRP website

The image is a 'SRP Power Content Label - Fiscal Year 2022'. It is a table that provides information about the carbon intensity and renewable energy content of SRP's electricity. The table includes columns for 'Resource (based on kWh)', 'Standard Retail', 'Renounced Customer Renewables (g CO₂e/kWh)', and 'Solar Choice (Begin 12/12)'. The 'Standard Retail' column shows a carbon intensity of 1,037 g CO₂e/kWh.

Resource (based on kWh)	Standard Retail	Renounced Customer Renewables (g CO ₂ e/kWh)	Solar Choice (Begin 12/12)
Fossil Fuel Resources	62.2%	0%	
Coal	22.2%	0%	
Gas	40.0%	0%	
Renewable Resources	37.8%	100%	
Hydro	2.1%	100%	
Solar	1.7%	100%	
Wind	0.7%	100%	
Biomass	0.3%	100%	
Unspecified Power	13.4%	0%	
Unspecified Power	0.2%	0%	
Grand Total	100%	100%	

Power Content Label
provided to customers

thank you!

Informational Presentation regarding SRP's Electric Vehicle (EV) Strategy

Strategic Planning Committee

Burrell Kilmer | June 8, 2023

Executive Summary – Key Takeaways

EV Market inflection point, but still in Early Adopter phase

Demand > Supply, for now

EV Charging challenges, outside the home

SRP EV adoption ahead of targets

Significant SRP activity underway to prepare

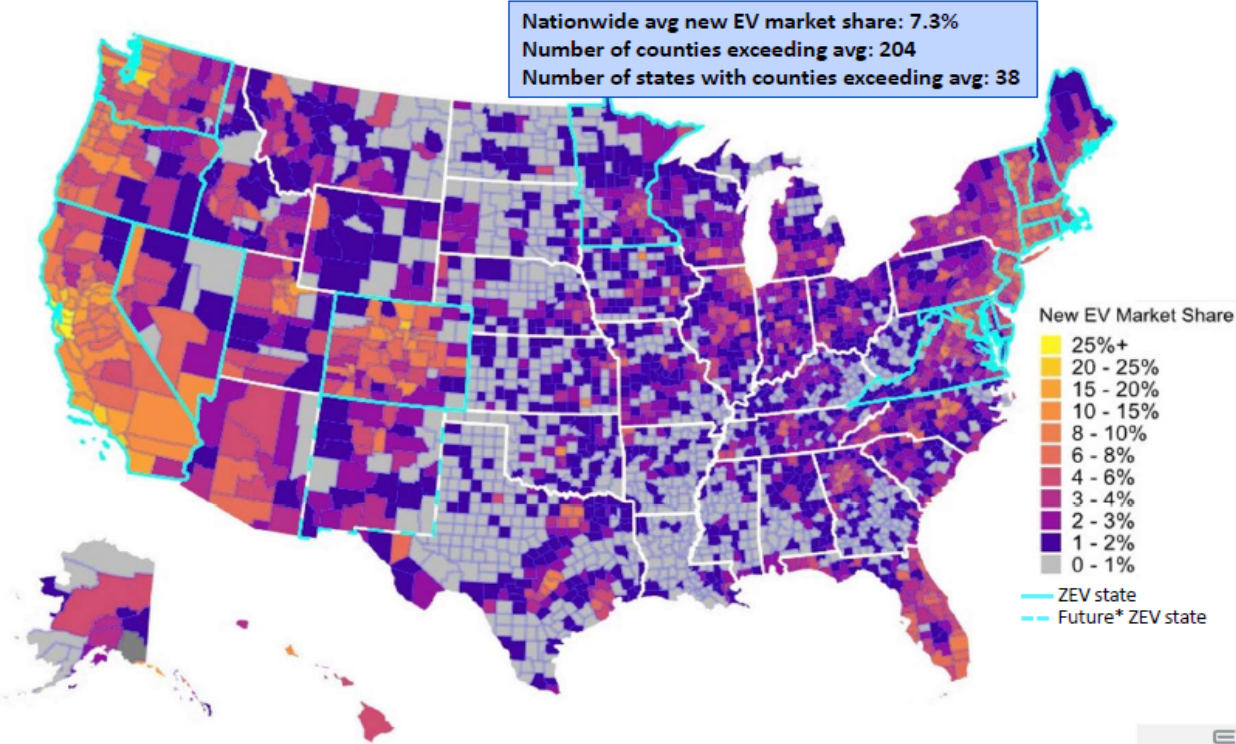
EPRI stepping up

Managed Charging requires clarity to align actions

Key Market Drivers and Trends

U.S. nationwide new EV Market Share hit 7.4% at the end of 2022

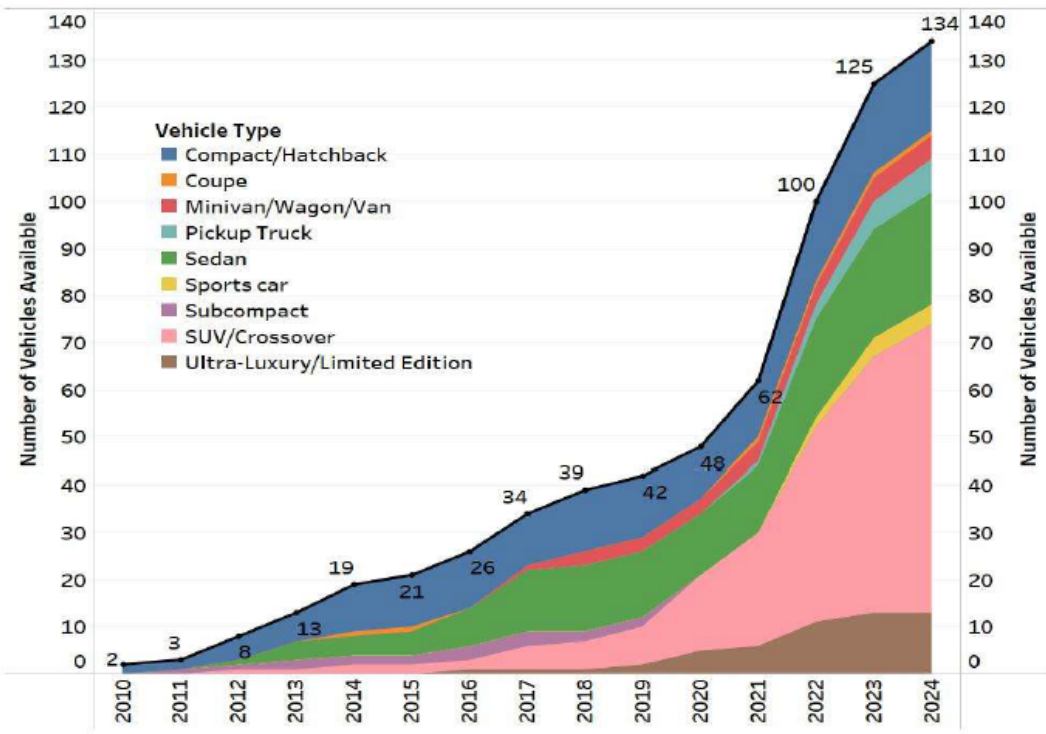
Top 5 counties in CA and Top 15 counties outside CA	
Santa Clara, CA	35.4%
Marin, CA	33.3%
Alameda, CA	32.1%
San Mateo, CA	31.4%
San Francisco, CA	28.3%
San Juan, WA	21.9%
Boulder, CO	21.6%
King, WA	20.1%
Yakutat, AK	20.0%
Loudoun, VA	19.2%
Jefferson, WA	17.3%
Multnomah, OR	16.6%
Summit, UT	16.1%
Falls Church city, VA	16.1%
Howard, MD	15.6%
Arlington, VA	15.3%
Essex, NJ	14.9%
Snohomish, WA	14.9%
Clackamas, OR	14.5%
Charlottesville city, VA	14.3%



EPRI

Key Market Drivers and Trends

Increasing types of EVs coming to the U.S. market
 Average driving range of fully-electric vehicles is ~270 miles by 2024



Key Market Drivers and Trends

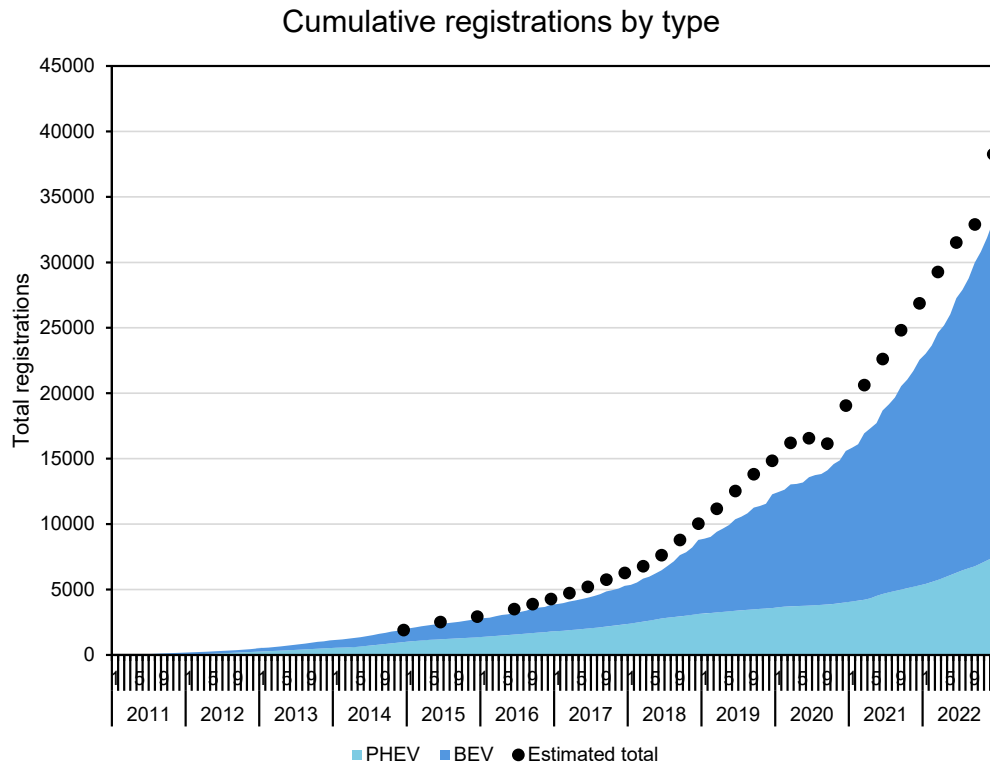
EV Market – Q1 2023

- ↗ Impacts of Inflation Reduction Act
- ↗ Microchip and other shortages easing
- ↗ Light duty truck options expanding – RAM1500, Chevy Silverado
- ↗ Tesla price swings, others responding
- ↗ Manufacturers standardizing platforms
- ↗ Fleets interested and planning

EV Charging Market – Q1 2023

- ↘ AC charging increasing (12 kw+) – grid planning impacts for utilities
- ↗ Chain store public fast charging expands
- ↘ Public charging reliability challenges
- ↔ Federal funding significant, but slow to deploy
- ↗ Tesla opening supercharger network
- ↔ V2X captures attention (F150 Lightning), but still niche application
- ↔ Electric big rig charging ~350kw DC; ~1MW expected in 12-24 months

Status of SRP EV Adoption vs. Targets



SRP Adoption Target:

- 38,274 EV's vs. 39,000 FY23 Corporate Objective

Outlook:

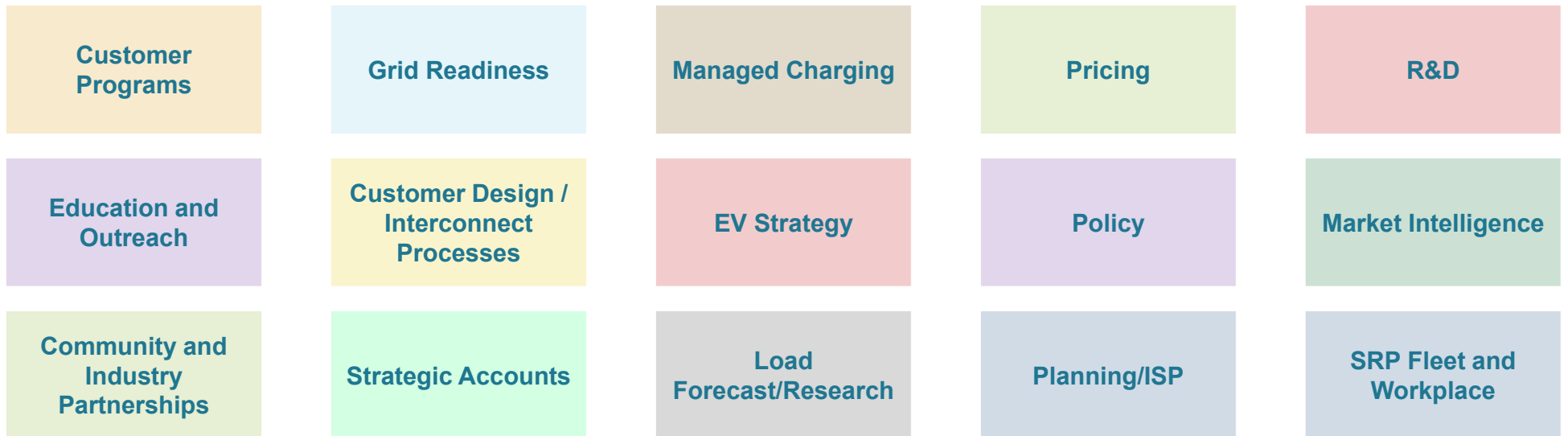
- Near term, adoption growth expected to continue recent trend, although constrained by OEM manufacturing capacity
- Longer term, depends on reducing EV prices, increasing consumer acceptance, increased used EV availability, and continued EV favorable policies nationally



Status on Key Activities

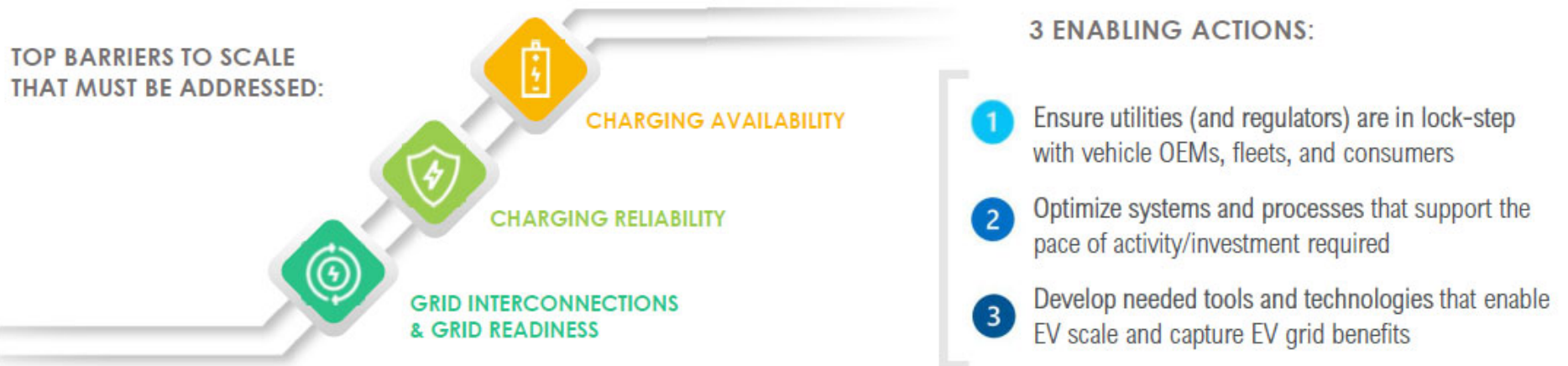
2035 Goals:

- Support the **enablement of 500,000 EVs** in SRP's service territory, and
- **Manage 90% of EV charging** through price plans, dispatchable load management, OEM integration, connected smart homes, and behavioral and other emerging programs.



Significant activities are underway across the organization to prepare for the growth in EVs

Status on Key Activities – EPRI EVs2Scale2030



FY24 Priorities

Managed Charging – Chart a Course

- Strategies for EV Load Shaping > Inform ISP
- Implementation Roadmap

EPRI EVs2Scale2030 Program

Develop EV Strategy Guideposts

Manage and Coordinate EV Initiatives Across SRP

Expansive Collaboration with External Stakeholders

Formalize Tracking of Emerging/Future Technology and Market Trends

- Monitor maturity and assess timing of SRP impacts

