

SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT COUNCIL MEETING NOTICE AND AGENDA – AMENDED

DISTRICT COUNCIL
Tuesday, September 12, 2023, 9:30 AM
SRP Administration Building
1500 N. Mill Avenue, Tempe, AZ 85288

Call to Order
Invocation
Pledge of Allegiance
Roll Call
Safety Minute

1. Request for Approval of the Minutes for the Meeting of August 8, 2023
..... CHAIRMAN TYLER FRANCIS
2. Council Committee Chairs and Liaisons Reports ... CHAIRMAN TYLER FRANCIS
3. 2023 SRP Boosters Campaign ALAINA FITZPATRICK
4. Economic OutlookGEORGE HAMMOND and PAUL BACHMAN

Informational presentation regarding the national and local economic outlook by external speaker and economist, George Hammond, followed by a brief overview of the economic implications of relevance for SRP.
5. Executive Session, Pursuant to A.R.S. §38-431.03(A)(3) and (A)(4), to Provide an Update and to Have Discussion or Consultation with Attorneys for Legal Advice Regarding the Sierra Club’s Appeal of the Certificate of Environmental Compatibility (CEC) Related to SRP’s Coolidge Expansion Project (CEP), Sierra Club v. Arizona Corporation Commission (ACC), Maricopa County Superior Court CV-2023-013467
..... MICHAEL O’CONNOR and ROB TAYLOR
6. Report on Current Events by the General Manager and Chief Executive Officer and Designees JIM PRATT
 - A. Power System JOHN COGGINS
 - B. Finance and Information Services AIDAN McSHEFFREY
 - C. Water Resources LESLIE MEYERS
7. Reservoir Report / Weather Report TIM SKARUPA
8. President’s Report PRESIDENT DAVID ROUSSEAU
9. Future Agenda Topics CHAIRMAN TYLER FRANCIS

The Council 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 Council on any of the matters listed on the agenda.

The Council may go into Closed Session, pursuant to A.R.S. §30-805(B), for discussion of 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.



**THE NEXT COUNCIL MEETING IS SCHEDULED FOR
TUESDAY, OCTOBER 3, 2023**

09/06/2023

**SAFETY MINUTE: EMERGENCY EVACUATION
SRP COUNCIL**

**DENNY COX
MANAGER, SAFETY SERVICES
SEPTEMBER 12, 2023**

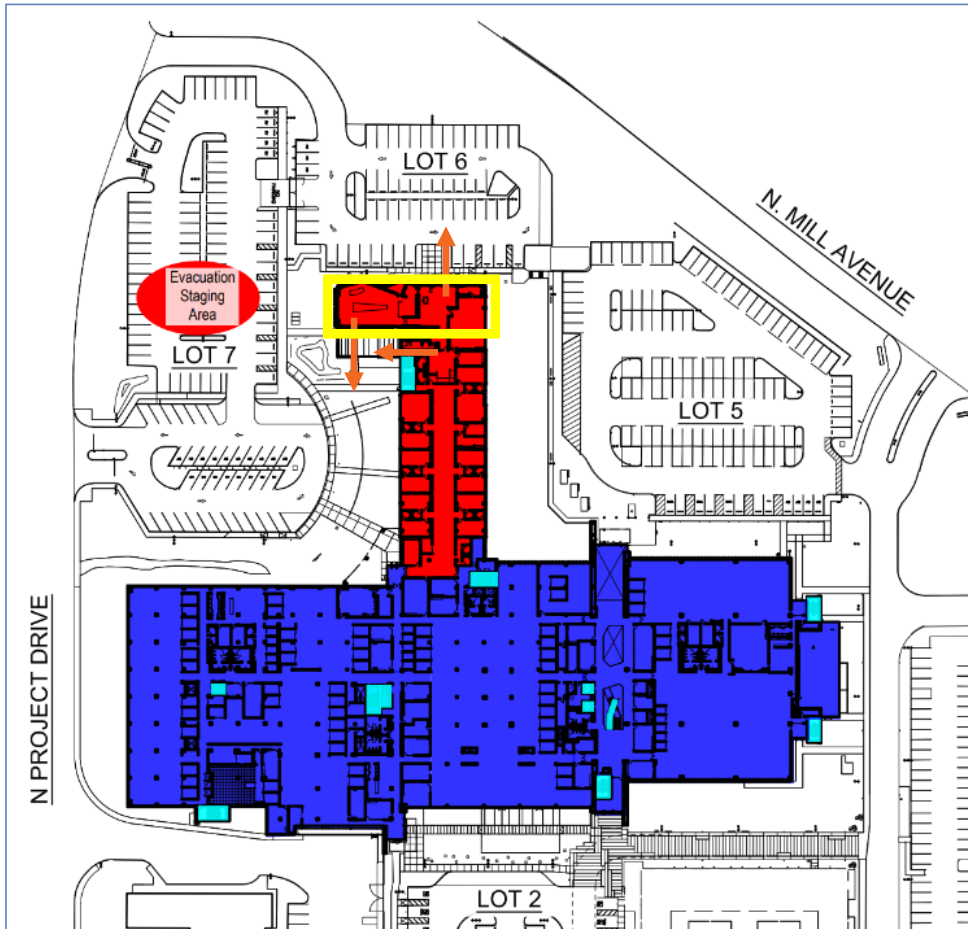


Delivering water and power™

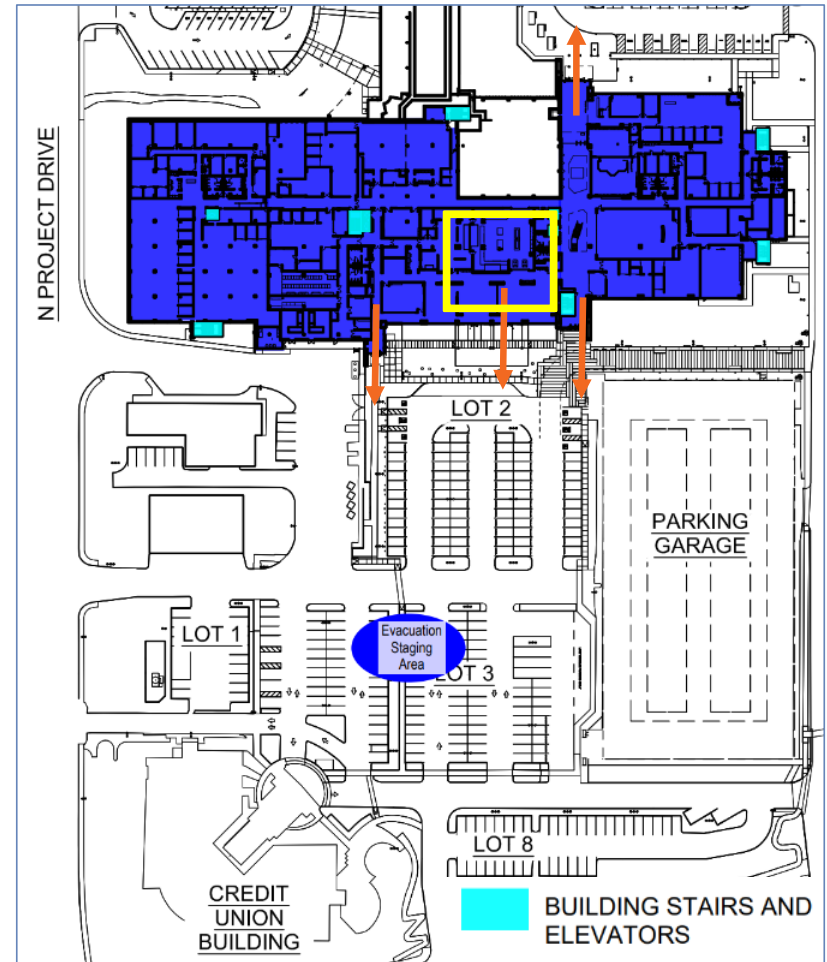
EMERGENCY EVACUATION INSTRUCTIONS

- Report the emergency
 - Life-threatening: 911
 - Non-life threatening: 602-236-5305
- Evacuate
 - Use the nearest exit to outside
 - Don't use elevators unless mobility impaired
- Go to Evacuation Staging Area immediately
 - Report missing or trapped persons
- Do not re-enter building until authorized

BOARD ROOM EXITS



PAB CAFÉ EXITS





MINUTES OF COUNCIL
SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER
DISTRICT

DRAFT

August 8, 2023

A meeting of the Council of the Salt River Project Agricultural Improvement and Power District (the District) convened at 9:30 a.m. on Tuesday, August 8, 2023, from the Board 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. The District and Salt River Valley Water Users' Association (the Association) are collectively known as SRP.

Council Chairman T.M. Francis called the meeting to order, and Corporate Secretary J.M. Felty entered into the minutes the order for the meeting, as follows:

Tempe, Arizona
August 1, 2023

NOTICE OF COUNCIL MEETING

A meeting of the Council of the Salt River Project Agricultural Improvement and Power District (the District) is hereby called to convene at 9:30 a.m. on Tuesday, August 8, 2023, from the Board Room at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona. The purpose of the meeting is to discuss, consider, or make decisions on the matters listed on the agenda.

WITNESS my hand this 1st day of August 2023.

/s/ Tyler Francis
Council Chairman

Council Member D.B. Lamoreaux offered the invocation. Corporate Secretary J.M. Felty led the Council in the Pledge of Allegiance.

Council Members present at roll call were Council Chairman T.M. Francis; Council Vice Chairman J.R. Shelton; and M.B. Brooks, M.L. Farmer, A.A. Freeman, A.M. Herrera, R.S. Kolb, D.B. Lamoreaux, C.M. Leatherwood, J.W. Lines, J.L. Miller, M.R. Mulligan, T.S. Naylor, B.E. Pacey, M.C. Pedersen, I.M. Rakow, M.G. Rakow, W.P. Schrader III, R.W. Swier, H. Tjaarda Jr., N.J. Vanderwey, P.A. Van Hofwegen, and M.A. Warren.

Council Members absent at roll call were J.R. Augustine, G.E. Geiger, A.S. Hatley, M.A. Lewis, W.P. Schrader Jr., and W.W. Sheely.

Also present were District Vice President C.J. Dobson; Council Member M.A. Freeman

of the Association; Board Liaison M.J. Herrera; Director K.B. Woods; Mmes. I.R. Avalos, A.P. Chabrier, L.F. Hobaica, S.C. McCoy, L.A. Meyers, G.A. Mingura, K.M. Montalvo, and C.M. Sifuentes; Messrs. J.D. Coggins, A.C. Davis, J.M. Felty, K.J. Lee, A.J. McSheffrey, B.A. Olsen, J.M. Pratt, G. Saint Paul, and R.R. Taylor; and Ian McClarty of PhoenixNAP.

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 Council of the District meeting at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona, at 9:00 a.m. on Friday, August 4, 2023.

Safety Minute

Using a PowerPoint presentation, Sara C. McCoy, SRP Risk Management Director, provided a safety minute regarding SRP's safety culture.

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. S.C. McCoy left the meeting.

Approval of Minutes

On a motion duly made by Council Member B.E. Paceley, seconded by Council Member P.A. Van Hofwegen and carried, the Council approved the minutes for the meeting of June 6, 2023, as presented.

Corporate Secretary J.M. Felty polled the Council Members on Council Member B.E. Paceley's motion to approve the minutes for the meeting of June 6, 2023. The vote was recorded as follows:

YES:	Council Chairman T.M. Francis; Council Vice Chairman J.R. Shelton; and M.B. Brooks, M.L. Farmer, A.A. Freeman, A.M. Herrera, R.S. Kolb, D.B. Lamoreaux, C.M. Leatherwood, J.W. Lines, J.L. Miller, M.R. Mulligan, T.S. Naylor, B.E. Paceley, M.C. Pedersen, I.M. Rakow, M.G. Rakow, W.P. Schrader III, R.W. Swier, H. Tjaarda Jr., N.J. Vanderwey, P.A. Van Hofwegen, and M.A. Warren	(23)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	Council Members J.R. Augustine, G.E. Geiger, A.S. Hatley, M.A. Lewis, W.P. Schrader Jr., and W.W. Sheely	(6)

Council Committee Chairs and Liaisons Reports

Council Chairman T.M. Francis asked for reports from the Council Committee Chairs and Liaisons to the Standing Board Committees. Council Member T.S. Naylor reported on discussions held at the Power Committee concerning the Coolidge Expansion Project.

Proposed Power Sector Greenhouse Gas Performance Standards

Using a PowerPoint presentation, Kara M. Montalvo, SRP Director of Environmental Services, stated that the purpose of the presentation was to provide information regarding an overview of the Greenhouse Gas (GHG) Performance Standards for existing and new power plants proposed by the U.S. Environmental Protection Agency (EPA).

Ms. K.M. Montalvo reviewed the Clean Air Act (CAA) Standards of Performance and the application of best system of emission reduction (BESR). She provided an overview of the EPA GHG Rule history and the current 2023 EPA proposal that includes New Source Performance Standards (NSPS) and Emission Guidelines for GHG emissions.

Next, Ms. K.M. Montalvo discussed the NSPS and the new gas unit BSER options for units that commence construction after May 2023. She reviewed the Emission Guidelines and the existing coal unit BSER options and existing gas unit BSER options.

Ms. K.M. Montalvo provided an overview of the major topic areas addressed in SRP's comments that will be submitted to the EPA. She concluded with a discussion of key takeaways and next steps.

Ms. K.M. Montalvo responded to questions from the Council.

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.

Director K.B. Woods 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 and Designees

Using a PowerPoint presentation, Jim Pratt, SRP General Manager and Chief Executive Officer, reported on a variety of federal, state, and local topics of interest to the District.

President D. Rousseau entered the meeting during the presentation.

Status of Power System

Using a PowerPoint presentation, John D. Coggins, SRP Associate General Manager and Chief Power System Executive, provided an update on SRP's power system. He provided a summary of July operations, reported that July 2023 had record heat, and provided a peak hour retail load forecast. Mr. J.D. Coggins provided an update on monsoon storm damage, wildfire impacts, battery performance, storm preparation, and storm response support for Tucson Electric Power. He introduced Bobby A. Olsen, SRP Associate General Manager and Chief Planning, Strategy, and Sustainability Executive.

Continuing, Mr. B.A. Olsen discussed the Bring Your Own Thermostat (BYOT) load shed event on July 18th, which resulted in a load reduction of approximately 200 Megawatts (MW). He concluded with an update on new resources in development for 2023 and recent events at the Harquahala Generating Facility.

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.

Status of Financial and Information Services

Using a PowerPoint presentation, Aidan J. McSheffrey, SRP Associate General Manager and Chief Financial Executive, reviewed the combined net revenue (CNR) for the fiscal year-to-date, the financial highlights for the fiscal year through June, and the status of collections through June 2023 within the Fuel and Purchased Power Adjustment Mechanism (FPPAM). He reviewed the preliminary retail energy sales for Fiscal Year 2024 (FY24) and provided a summary of wholesale net revenue for July.

Continuing, Mr. A.J. McSheffrey reviewed natural gas price changes over time in the San Juan Basin and Permian Basin. He concluded with a discussion regarding key recommendations and hedging program enhancements based on KPMG's audit review.

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.

Status of Water Resources

Using a PowerPoint presentation, Leslie A. Meyers, SRP Associate General Manager and Chief Water Resources Executive, provided an update on water resources.

Copies of 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. B.M. Svoma entered the meeting during the presentation.

Reservoir and Weather Report

Using a PowerPoint presentation, Bo M. Svoma, SRP Senior Meteorologist, reviewed the cumulative watershed precipitation outlook from October 2022 to September 2023 and watershed precipitation for Monsoon season 2023-to-date. He reviewed the reservoir storage data for the Salt River, Verde River, C.C. Cragin Reservoir, Lake Pleasant, San Carlos Reservoir, and Upper and Lower Colorado River Basin systems as of August 1, 2023. Mr. B.M. Svoma discussed the surface runoff and pumping data for July 2023 and year-to-date.

Continuing, Mr. B.M. Svoma provided a review of Lake Powell inflow from April 2023 through July 2023. He concluded by providing a seven-day precipitation forecast and a review of the seasonal percent of normal precipitation and temperature from September 2023 through November 2023.

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

President's Report

There was no report by President D. Rousseau.

Future Agenda Topics

Council Chairman T.M. Francis asked the Council if there were any future agenda topics. Council Member M.G. Rakow requested a tour of Coolidge and the town of Randolph. Council Member M.B. Brooks requested that a By-Laws Committee meeting be scheduled. Council Member P.A. Van Hofwegen requested a presentation on the history of water and municipalities.

There being no further business to come before the Council, the meeting was adjourned at 11:48 a.m.

John M. Felty
Corporate Secretary

2023 SRP Boosters Campaign

District and Association Council Meeting

Alaina Fitzpatrick | September 12, 2023

2023 SRP Boosters Campaign

Summary

- Theme: Power of Pledges
- Dates: Monday, September 25 through Friday, October 20 (four weeks)
- Pledge goal: \$1,700,000
- Premier Luncheon: September 20
- Agency spotlight event: PAB October 5 and October 10
- Participation goal has been removed to be more inclusive



2023 SRP Boosters Campaign



2023 SRP Boosters Campaign

Path to success

- Strong presentations to the company that include an ask to pledge
- Great marketing and communications
- Motivated and informed coordinators
- Implementation of new coordinator application
- Executive and management support
- A persistent and creative Board – everyone owns the goal



2023 SRP Boosters Campaign

Risks

- Inflation
- Change of agency selection
- Limited attention (work changes, etc.)



2023 SRP Booster Campaign

Potential

- Pledging continues to increase each year
- Retirees now eligible to participate
- Increased events
 - Two agency events at PAB
 - Additional events hosted at Valley-wide service centers and power plants



thank you!



Economic Outlook

District and Association Council Meeting

George Hammond and Paul Bachman | September 12, 2023



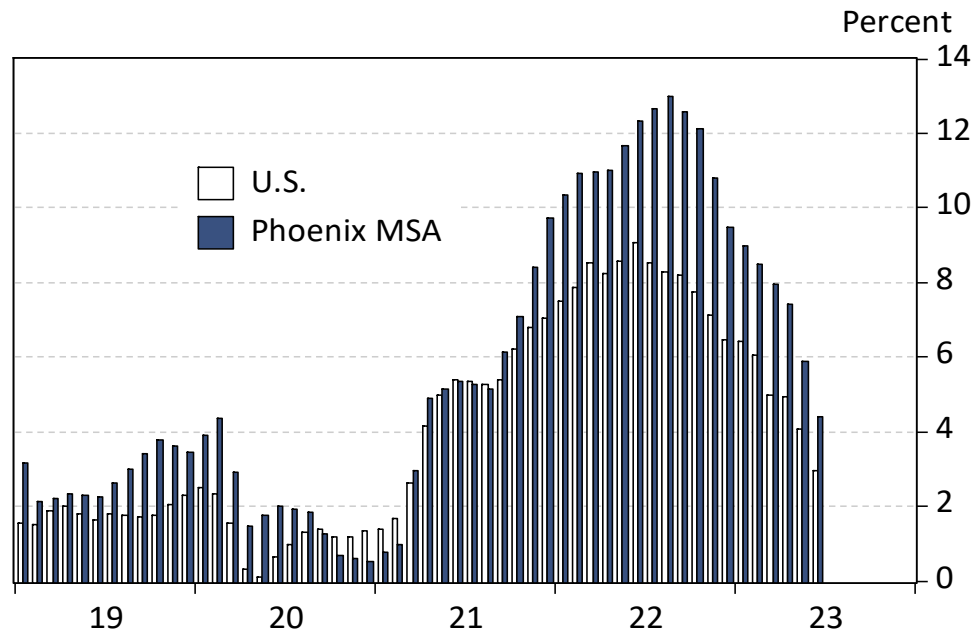
Key Topics

- ▶ **Phoenix inflation is still outpacing the U.S.**
- ▶ **Phoenix housing affordability remains very low**
- ▶ **Phoenix jobs are back on their pre-pandemic trend**
 - ▶ With low unemployment and rapidly rising wages
- ▶ **Baseline U.S. forecast calls for a ‘soft landing’**
 - ▶ With no U.S. recession
- ▶ **Long-term, Arizona far outpaces U.S. growth, with Phoenix leading the way**



Phoenix Inflation Is Outpacing the U.S.

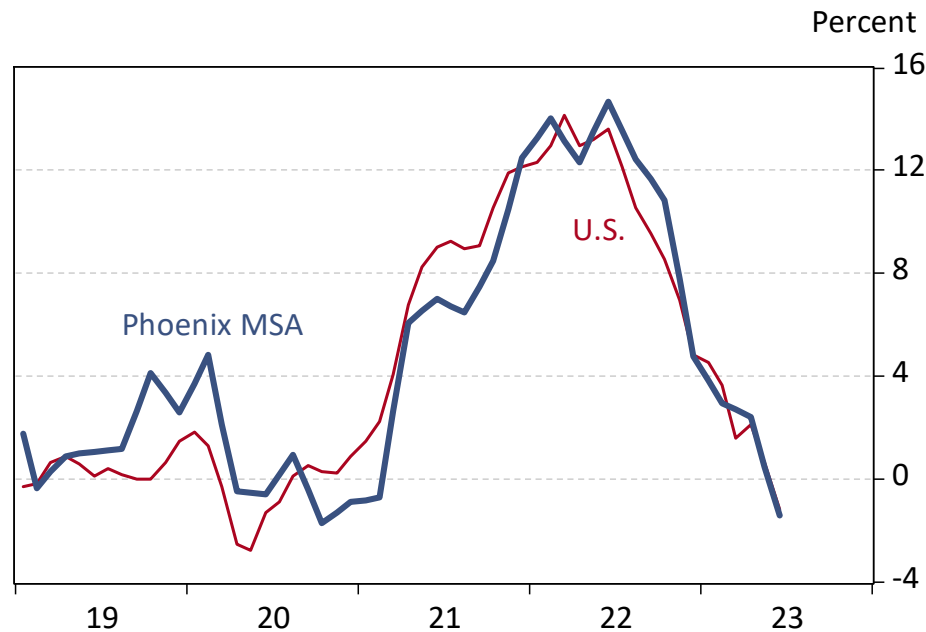
All-Items CPIU, Over the Year



	June 2023
U.S.	3.0%
Phoenix	4.4%

It's Not Because of Commodities Inflation

Commodities CPIU, Over the Year

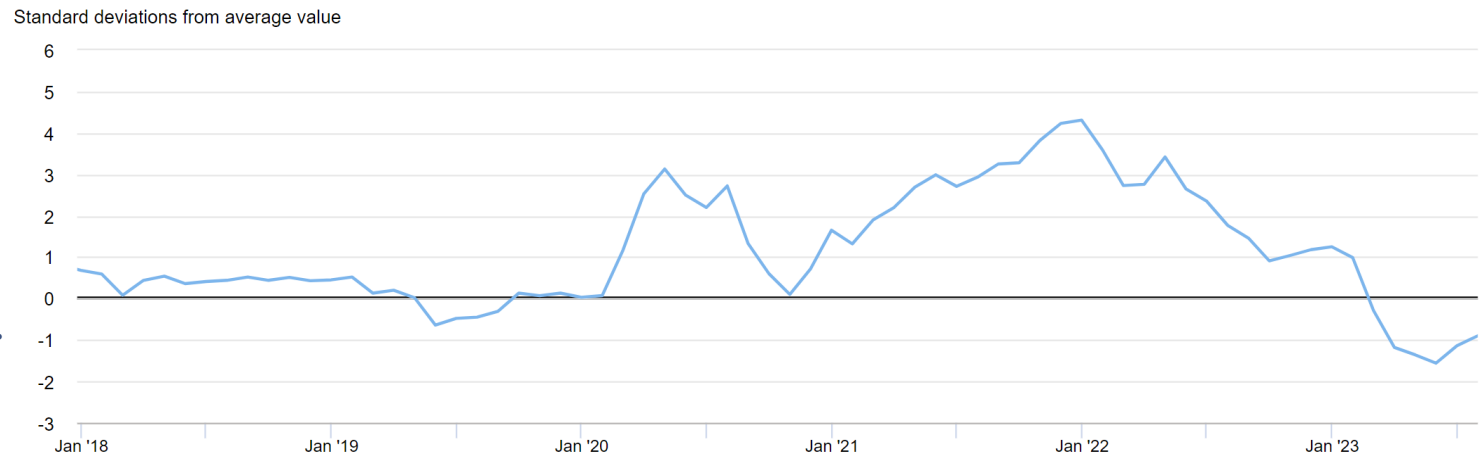


	June 2023
U.S.	-1.2%
Phoenix	-1.4%

Global Supply Chains Matter For Goods Inflation

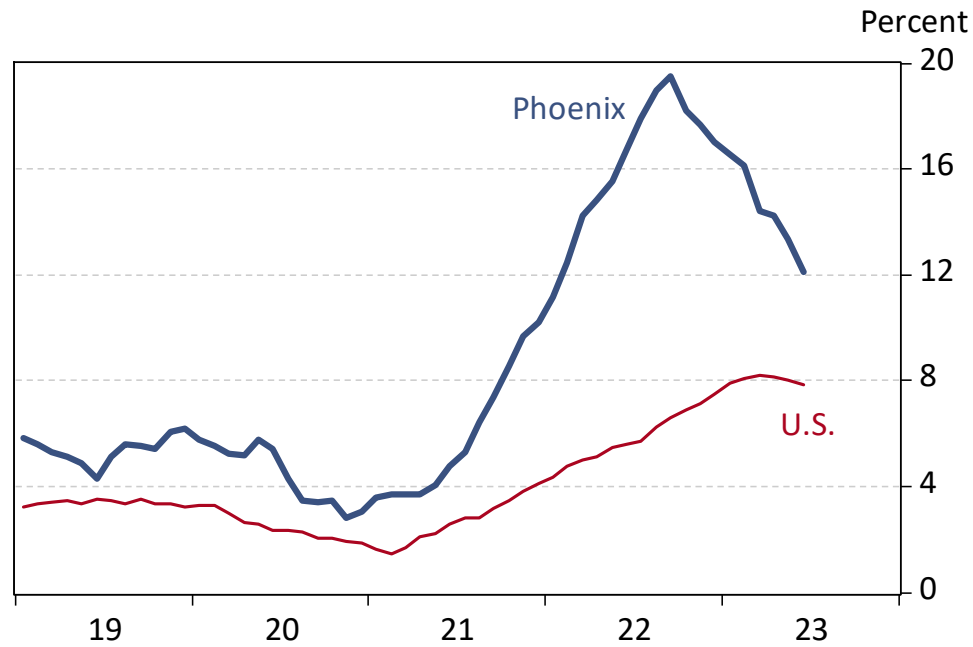
New York Federal Reserve Global Supply Chain Pressure Index

Measured by global transportation costs (sea shipping and air transport) and supply-chain indicators (delivery times, backlogs, and more).



Phoenix Shelter Inflation Far Above U.S.

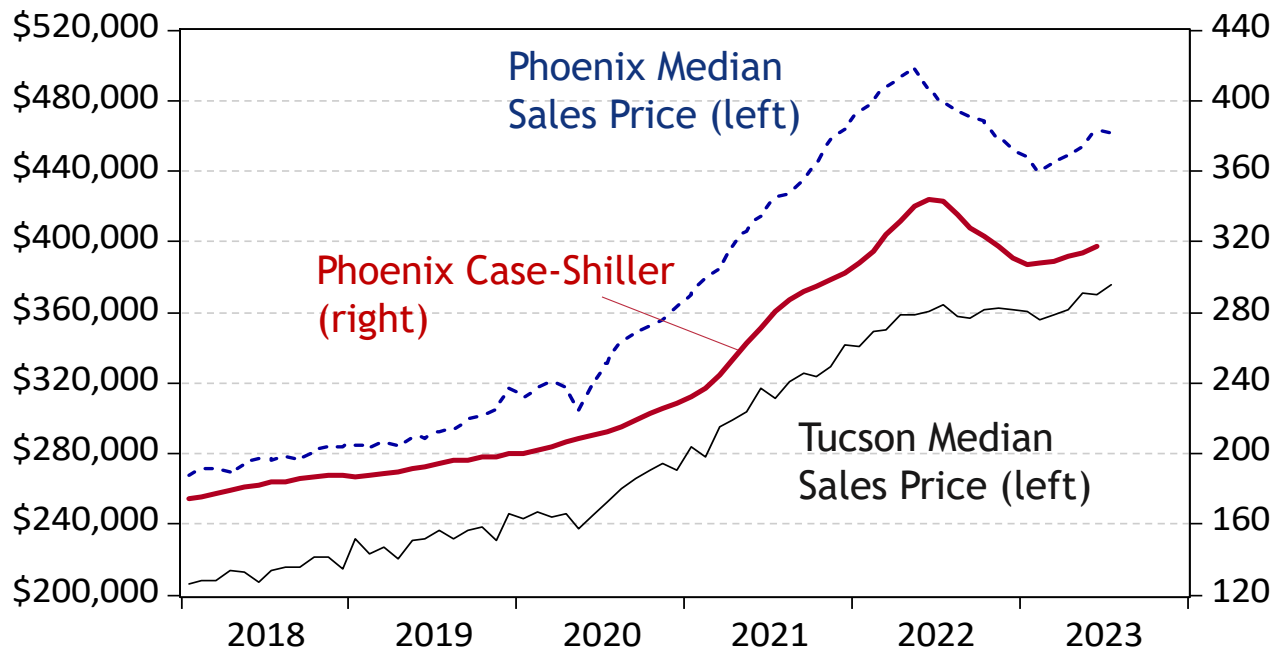
Shelter CPIU, Over the Year



	June 2023
U.S.	7.8%
Phoenix	12.1%

House Prices Have Stabilized

Phoenix and Tucson



Median House Price

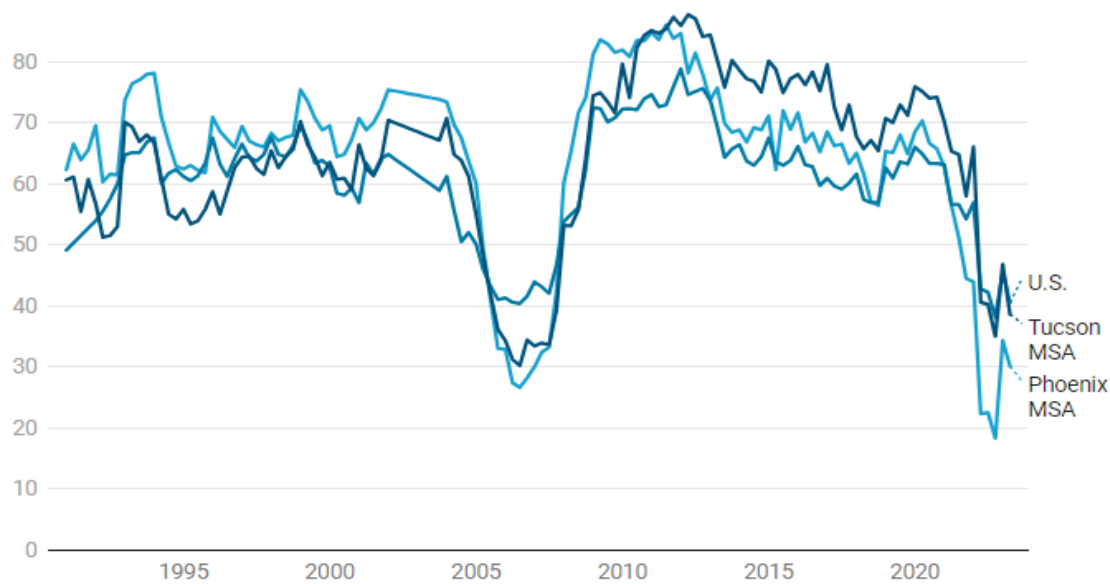
	Tucson	Phoenix
July 2022	\$368,875	\$485,000
July 2023	\$380,000	\$466,332
%change	3.0%	-3.8%

Phoenix median sales price is down **8.6%** from May 2022 peak.
 Tucson median sales price is up **2.7%** from June 2022 peak.

Housing Affordability Trends

NAHB-Wells Fargo

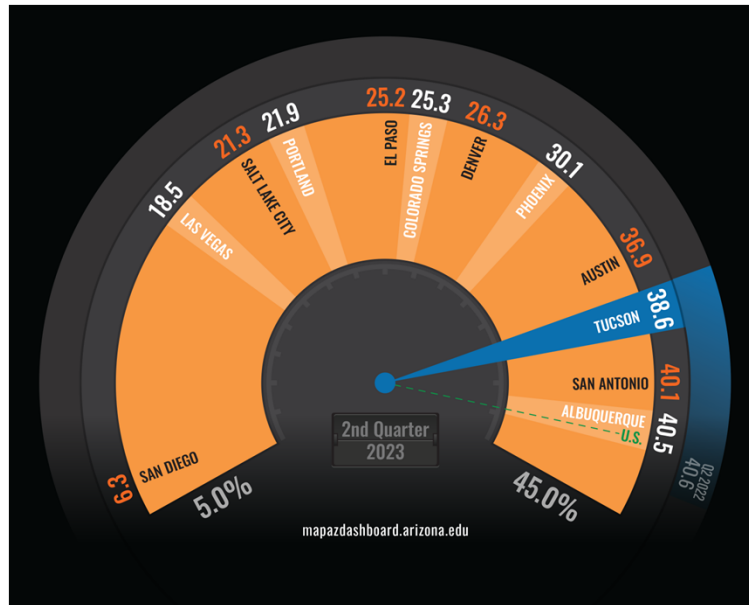
The share of homes sold that are affordable to a family making the median income.



	Phx	Tus	U.S.
2019Q4	64.9	71.2	63.2
2020Q4	65.7	74.2	63.3
2021Q4	44.5	58.0	54.2
2022Q4	18.3	35.0	38.1
2023Q1	34.3	46.8	45.6
2023Q2	30.1	38.6	40.5

Housing Affordability

NAHB-Wells Fargo

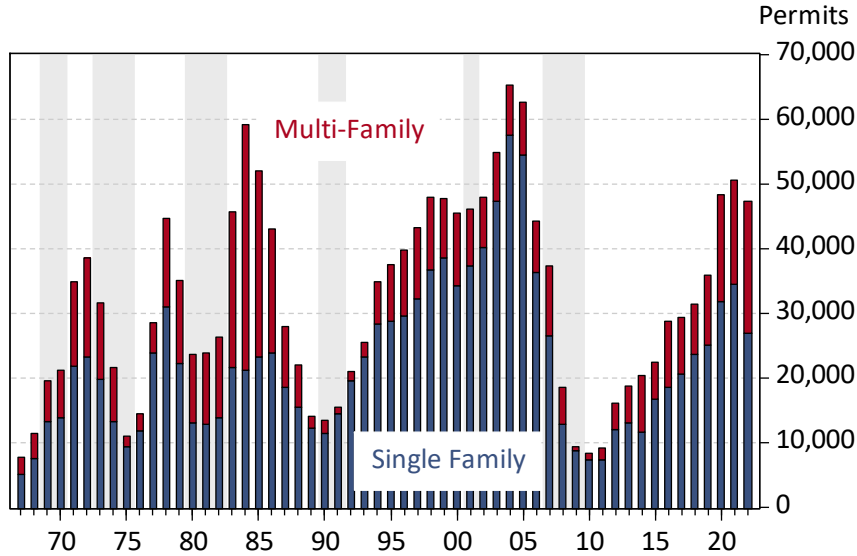


	2019Q4	2023Q2
Los Angeles	11.3	3.2
San Francisco	12.3	7.0
San Jose	20.6	9.0
Seattle	44.3	22.1
U.S.	63.2	40.5

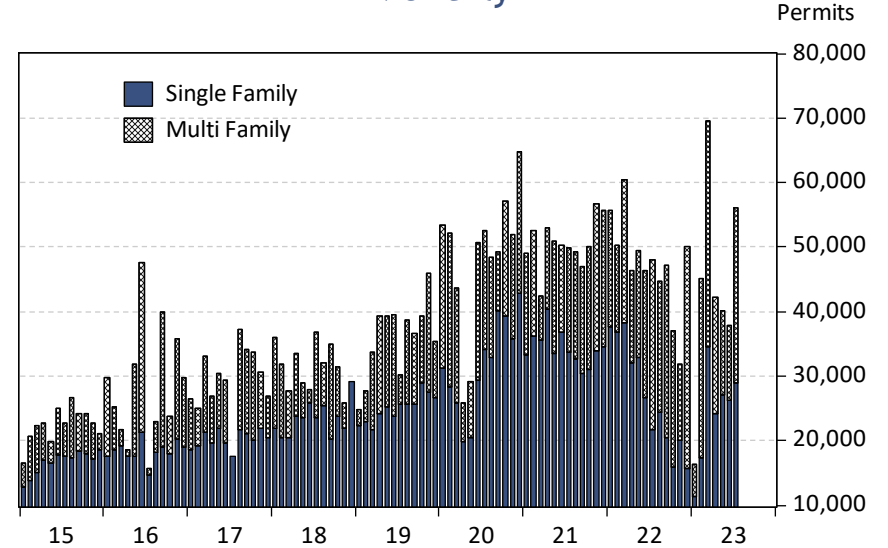
Phoenix Housing Permits

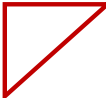
Seasonally Adjusted Annual Rates

Annual



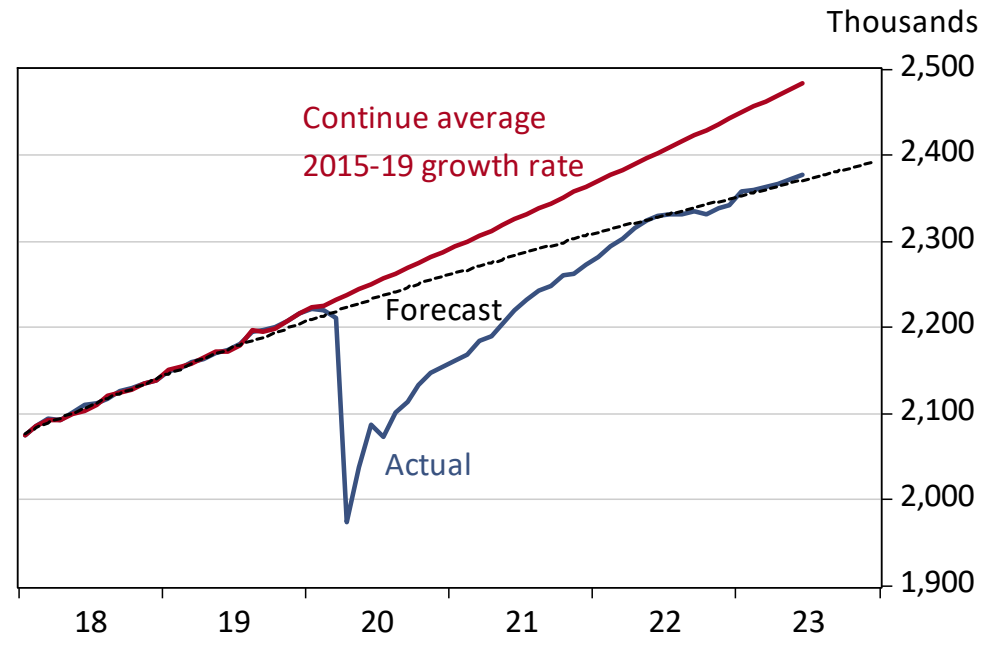
Monthly





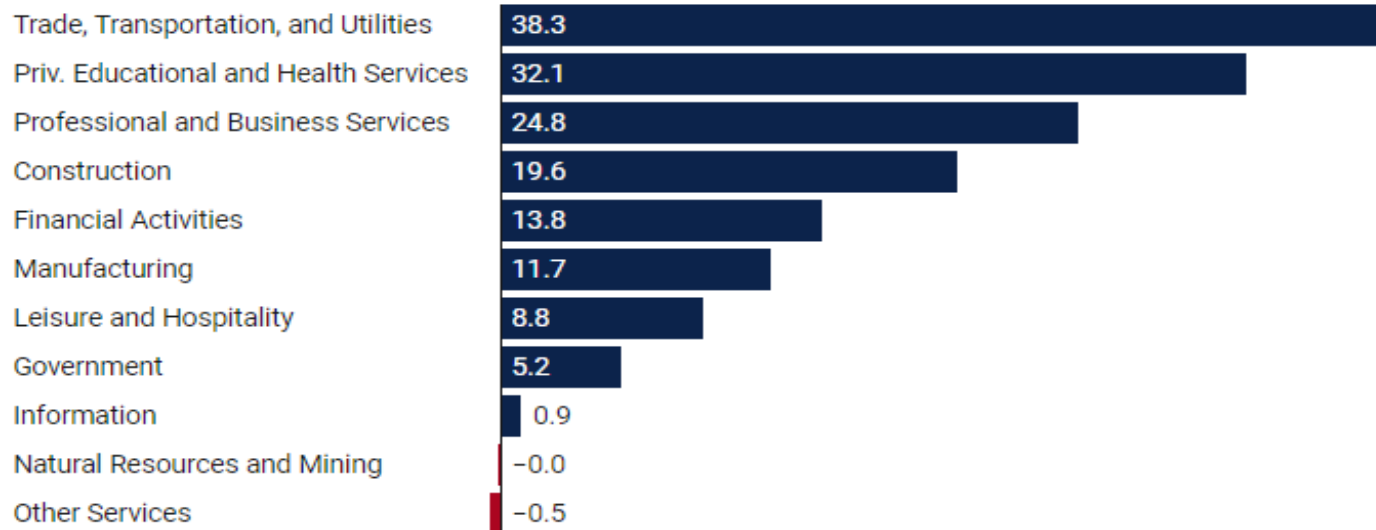
Phoenix Jobs Are Back on Pre-Pandemic Trend

Forecast Completed First Quarter 2020



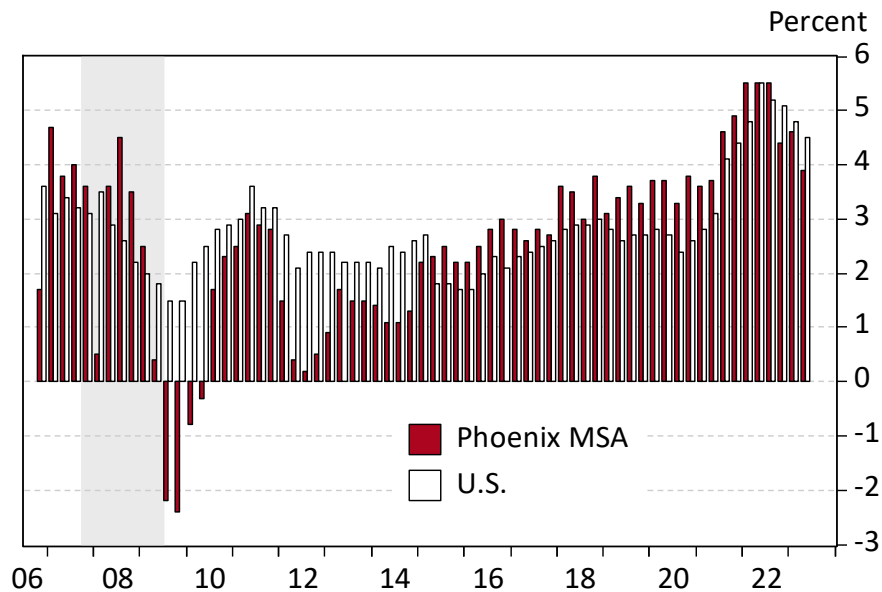
Phoenix MSA Jobs by Industry

Change from February 2020 to July 2023
Thousands, Seasonally Adjusted



Employment Cost Index

Total Private-Sector Compensation for U.S. and Phoenix MSA



Year-Over-Year Percent Change

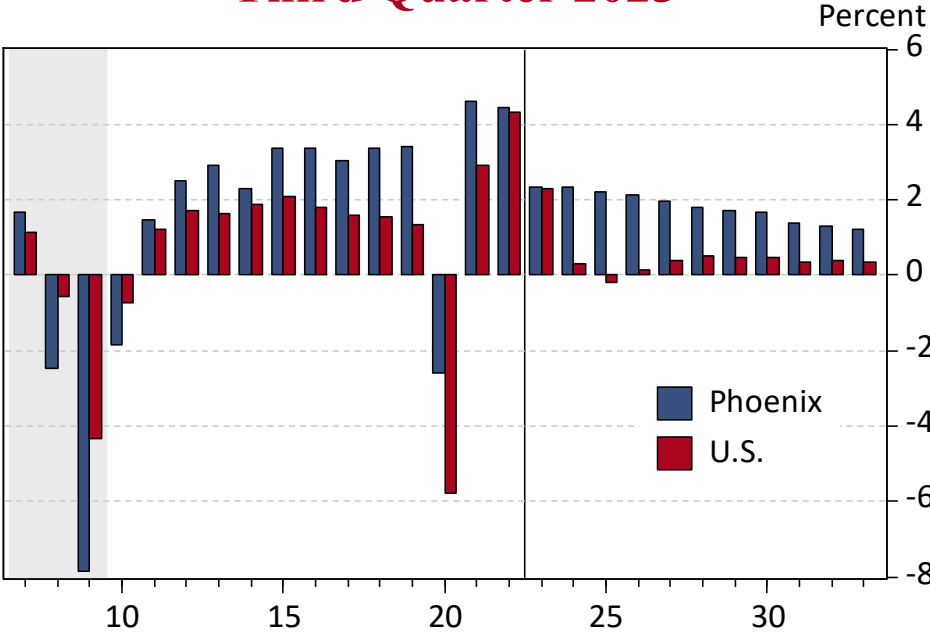
	Phoenix	U.S.
2021Q1	3.6	2.8
2021Q2	3.7	3.1
2021Q3	4.6	4.1
2021Q4	4.9	4.4
2022Q1	5.5	4.8
2022Q2	5.5	5.5
2022Q3	5.5	5.2
2022Q4	4.4	5.1
2023Q1	4.6	4.8
2023Q2	3.9	4.5

https://www.bls.gov/regions/west/news-release/employmentcostindex_phoenix.htm

09/12/2023 District and Association Council, G. Hammond

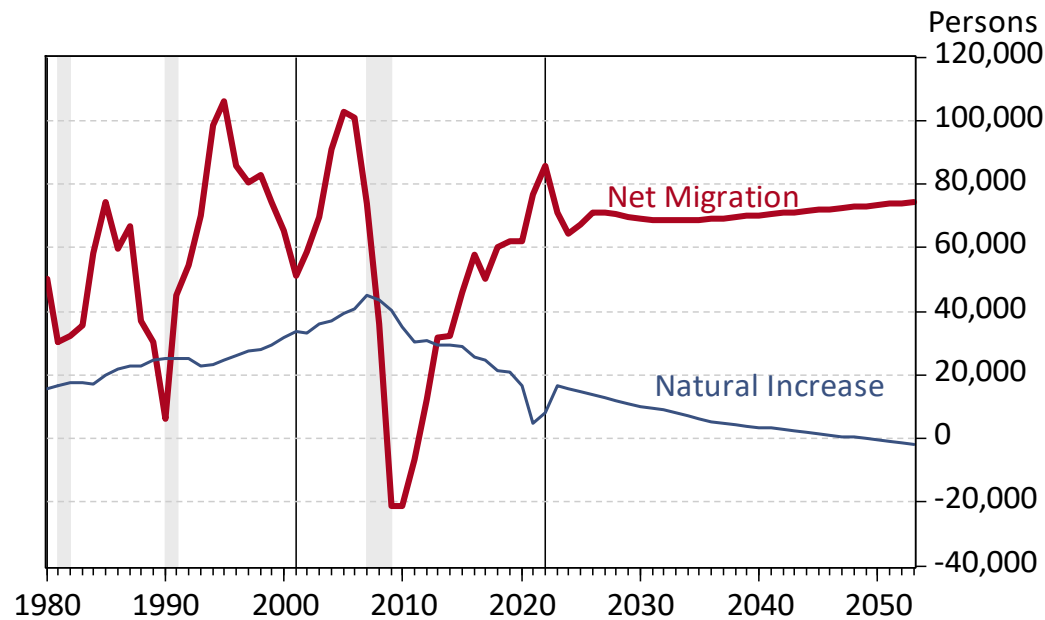
Phoenix MSA And U.S. Job Growth

Third Quarter 2023



Phoenix MSA Net Migration and Natural Increase

Third Quarter 2023



Gross Migration Flows to Arizona

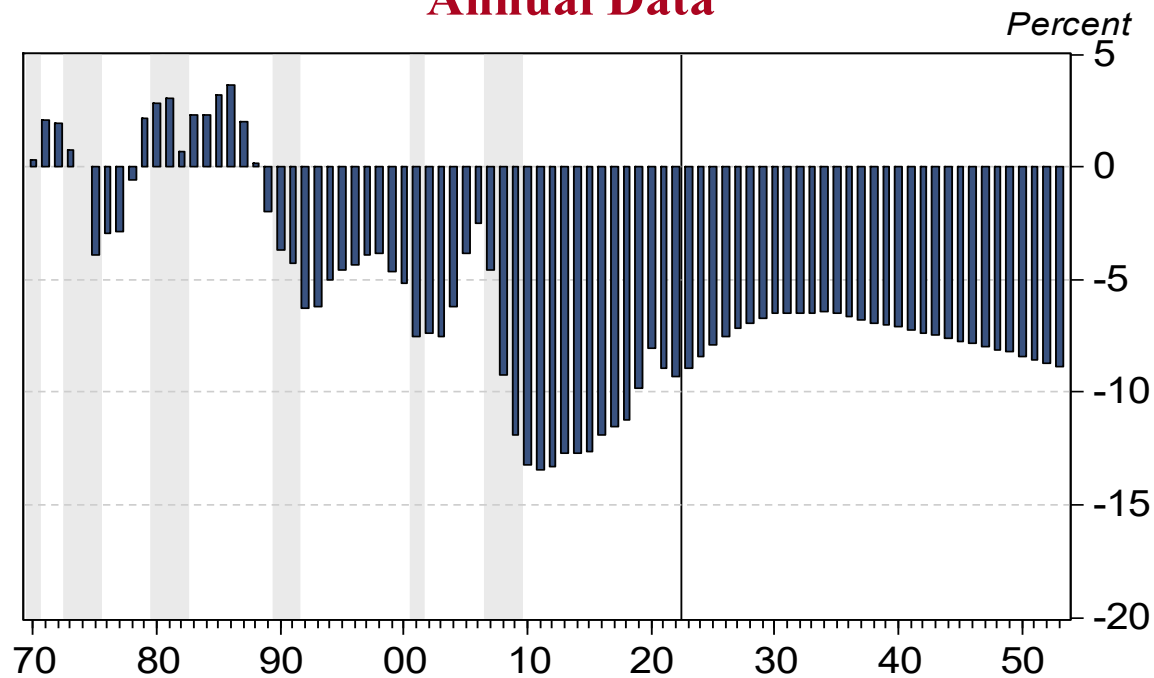
Public Use Microdata Sample, ACS 2017-2021

	Arizona		Phoenix MSA		Tucson MSA
California	63,409	California	39,659	California	8,078
Washington	18,503	Washington	12,946	Colorado	2,446
Texas	14,976	Texas	9,980	Texas	2,381
Colorado	13,035	Illinois	9,281	Washington	1,840
Illinois	11,772	Colorado	7,817	Florida	1,495
Oregon	9,158	Minnesota	5,993	Illinois	1,431
Florida	8,166	Oregon	5,839	New Mexico	1,077
Minnesota	8,105	New York	5,418	Oregon	988
New York	7,064	Florida	5,355	New York	822
Utah	6,923	Utah	4,759	Nevada	820

Source: author's calculations, ipums.org, ACS Five-Year 2017-2021, Public Use Microdata Sample

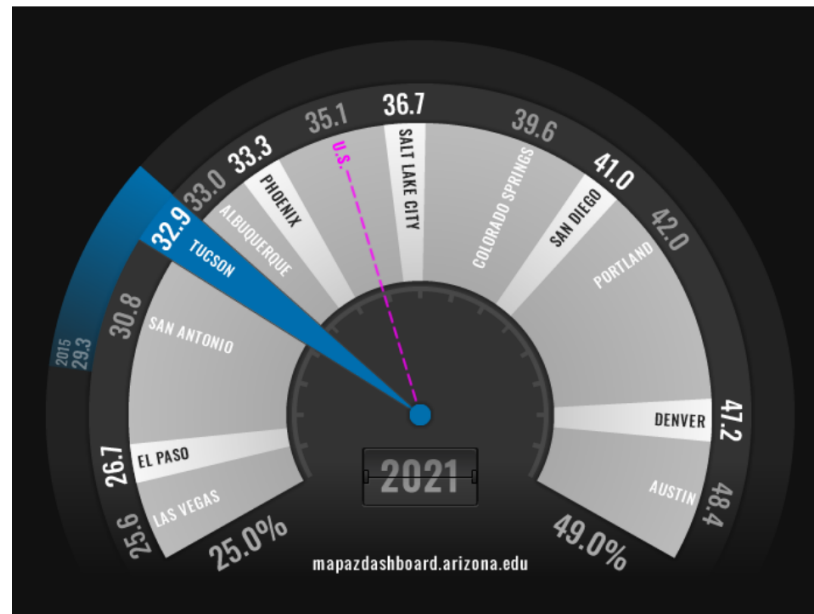
Phoenix Per Capita Personal Income Gap

Annual Data



Four-Year College Attainment Rates

Working-Age Residents, ACS, 2021





Key Takeaways

- ▶ **Inflation is decelerating but still has a long way to go**
- ▶ **Housing affordability has improved modestly**
 - ▶ But remains far below pre-pandemic levels
- ▶ **Phoenix jobs are back on trend**
 - ▶ And the labor market remains very tight
- ▶ **The baseline forecast calls for growth to continue**
- ▶ **In the long run, Phoenix is forecast to far outpace U.S. growth**
 - ▶ But education attainment and water sustainability are important risks

Economic Outlook and SRP

Robust Local Economy with Risks



- Local economic trends indicate continued vigorous load growth
- Tight labor market creates opportunity for higher living standards for some of our residential customers, but the benefits could be spread unevenly across our customer base
- Housing affordability, education levels, and infrastructure pose challenges

thank you!

An aerial photograph of a large dam and reservoir situated in a deep, rugged canyon. The canyon walls are composed of layered, reddish-brown rock formations. The reservoir is a deep blue color, and the dam is a long, curved structure across the middle of the canyon. The sky is a clear, pale blue.

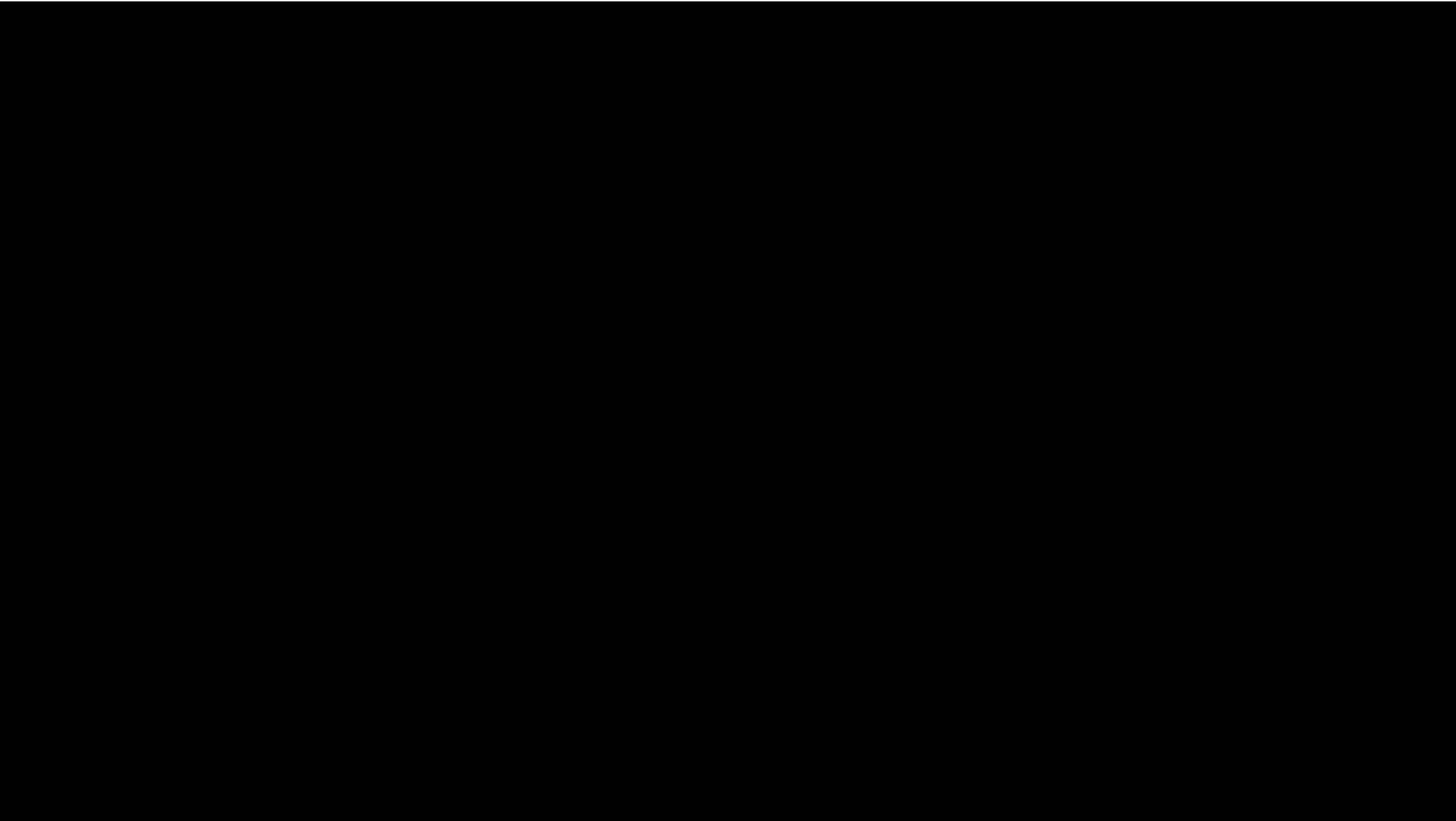
Council Report

Council Meeting

September 11, 2023

Current Events

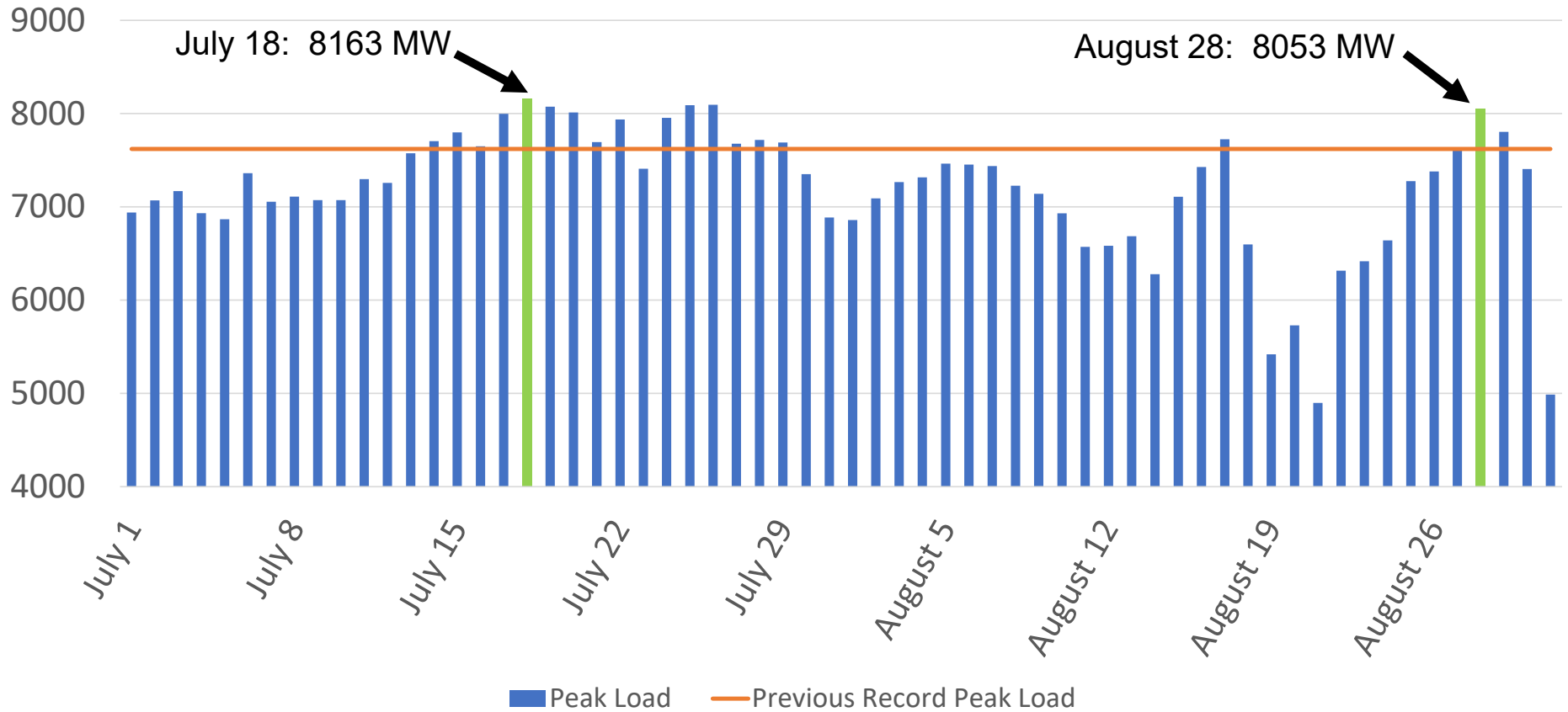
Jim Pratt



Power System Update

John Coggins

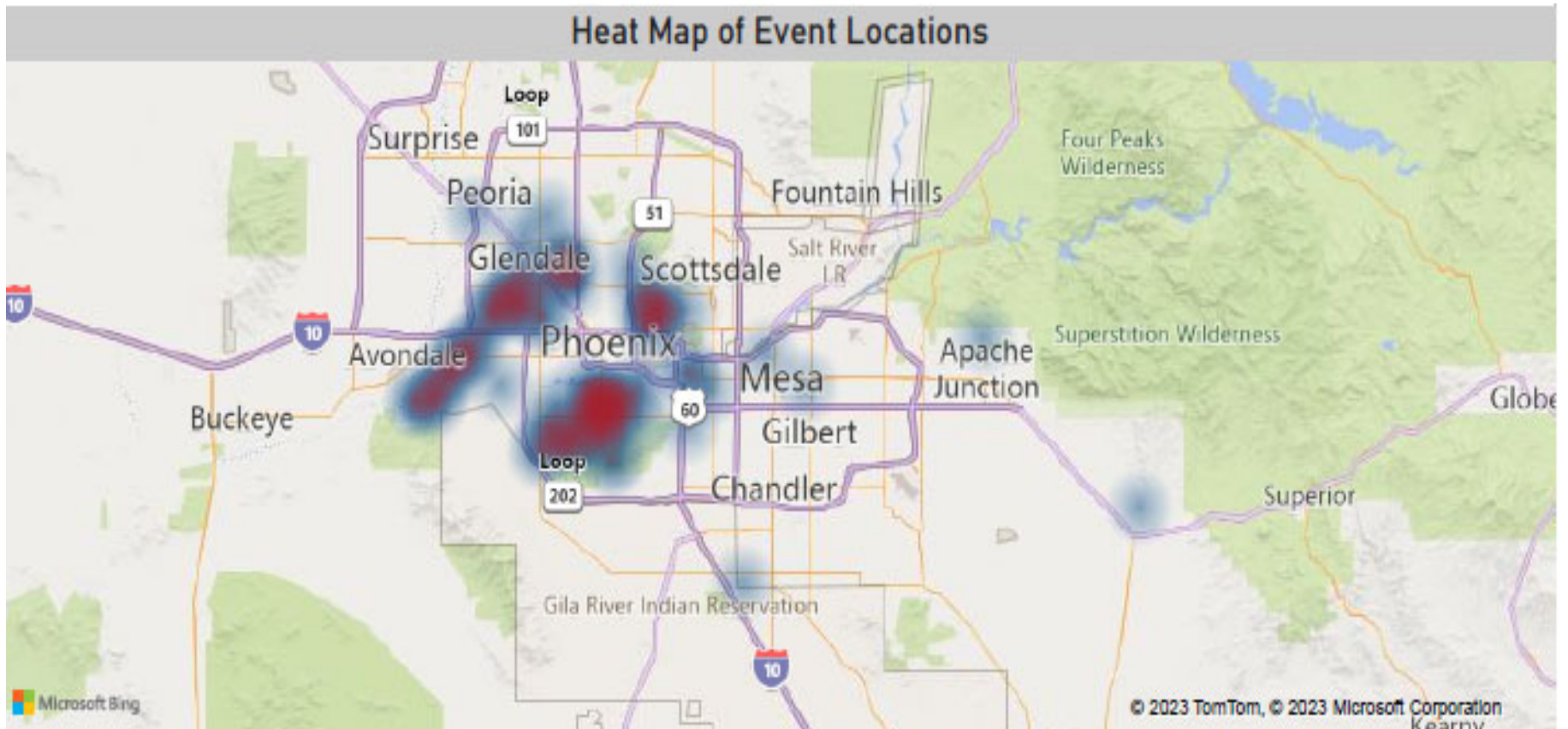
Summer Peak Retail Load



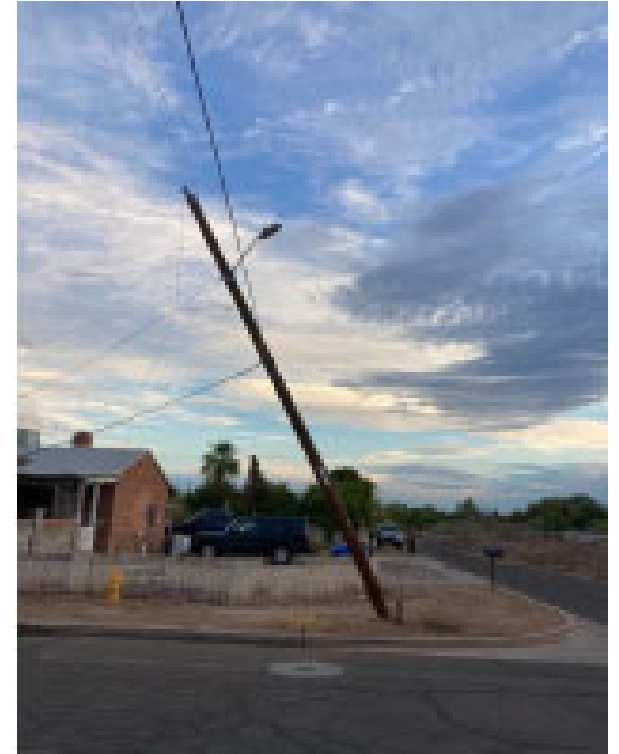
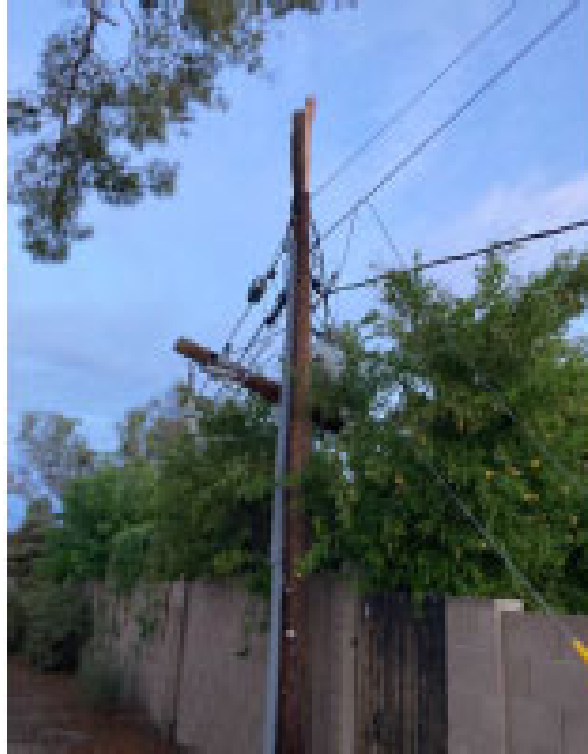
Operational Updates – August 2023

- Daily record heat continued – 52 days at 110+ degrees
- Assets performed well overall
- No major unplanned outages
 - Agua Fria Unit 3 remains on outage
- Reliability indicators remain on track
- August 17th Energy Emergency Alert (EEA 1)
- August 19th vehicle accident, 7200 customers on outage
- August 31st monsoon storm event

August 31st Monsoon Storm



August 31st Monsoon Storm cont'd



Parlett Substation – Cracked Cable Issue



Navajo Generating Station Decommissioning



Before the Decommissioning



After the Decommissioning

Safety Recognition

Kyrene Generating Station



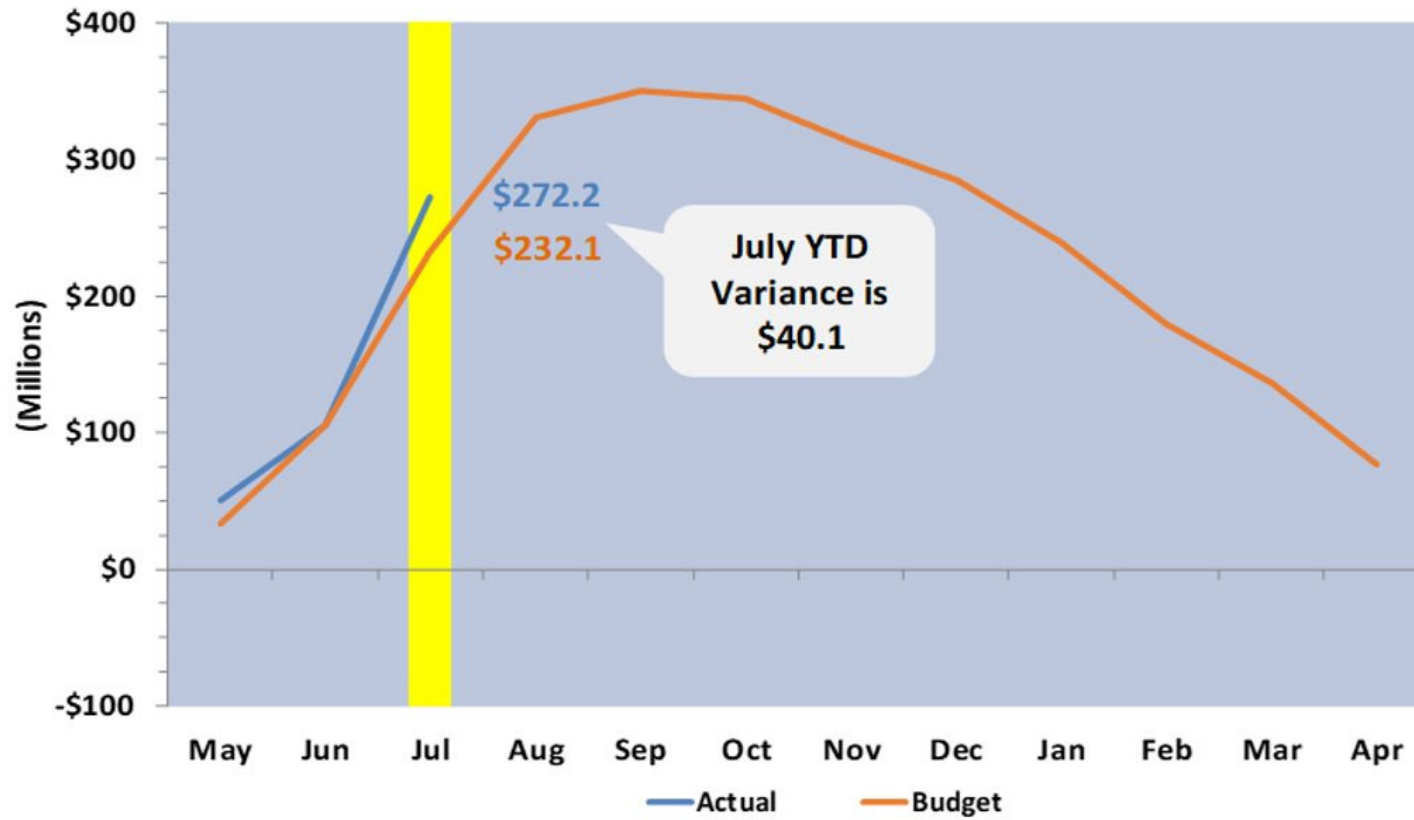
Substation Design, Construction & Maintenance



Financial Update

Aidan McSheffrey

Combined Net Revenues

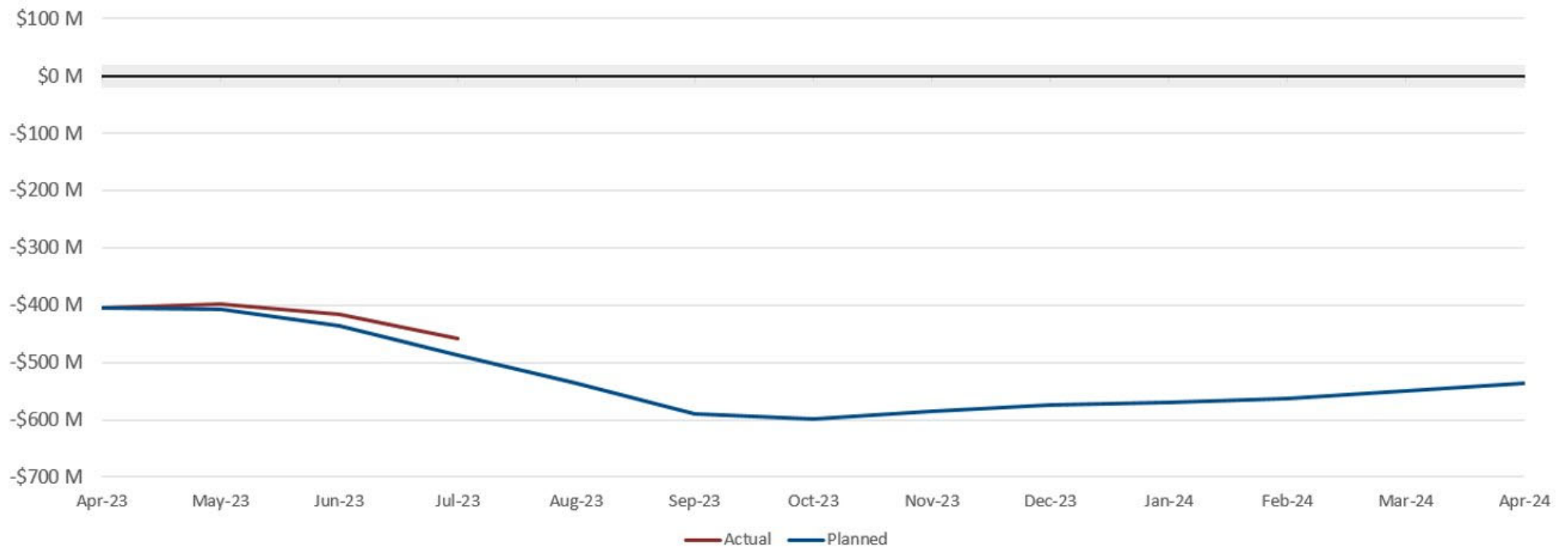


Financial Summary

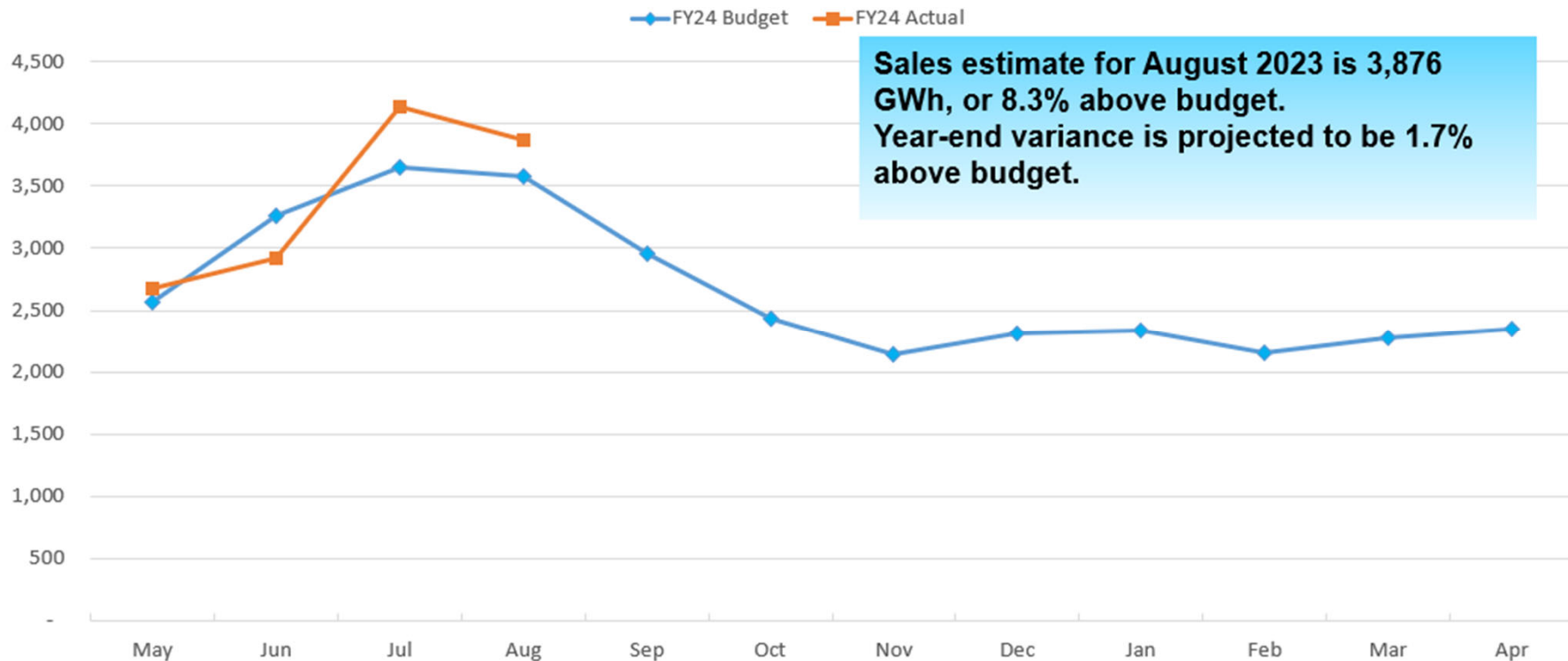
July 2023

\$ Millions	Actual	Budget	Variance	% of Budget
Combined Revenues	\$565.5	\$494.2	\$71.3	114%
Combined Expenses	\$398.6	\$367.4	\$31.2	108%
Comb Net Revs (Loss)	\$166.9	\$126.8	\$40.1	132%
Funds Available	\$212.0	\$162.4	\$49.6	131%
Capital Expenditures	\$87.7	\$109.4	(\$21.7)	80%

Fuel and Purchased Power Adjustment Mechanism Fiscal YTD Through July 2023



FY24 Preliminary Retail Energy Sales (GWh)



August Wholesale Summary

Wholesale Net Revenue

Budget
\$9.8M

Estimate
\$20.2M

Primary Drivers:

- Above budget bilateral wholesale margin
 - Mid-month heat wave in West
- Above budget volume

FY24 Bond Sale

- New money deal
- FY24 Approved Budget:
\$655M +/-
- Approval/price forecast:
Nov 2023

Team

Lead Bank:

TBD...

Advisor:



Bond Counsel:



Tax Counsel:





Water Stewardship

Leslie Meyers

Arizona Governor's Water Policy Council Update





Governor's Water Policy Council

Council Focus Areas & Objectives

Review and make recommendations for changes to Assured Water Supply policies – legislatively, administratively, or by executive action-to address the challenges revealed by Assured Water Supply modeling projections, while continuing to:

- Strengthen the integrity of the Assured Water Supply program,
- Protect consumers and aquifers, and
- Ensure future growth is not reliant on mined groundwater.

Develop recommendations for a water management framework to assist rural Arizona communities to manage their groundwater resources.

Deadline: December 2023



Governor's Water Policy Council

AWS Committee Recap

June 27 Committee Meeting

- Issue, task, objective & principles
- Structure, process & timeline
- Initial concepts & discussion:
 - Wildcat and build to rent
 - Commingling
 - Infrastructure
- Identification of additional concepts

July 13 Subcommittee Meeting

- Discussed several concepts:
 - Commingling
 - Future Infrastructure
 - “Hybrid” designation concept
 - “Nested” designation concept
 - Incentivizing development on ag land
- Retiring grandfathered rights

August 15 Committee Meeting

- Discussed three concepts:
 - Build to rent developments
 - “Wildcat” developments
 - Retiring grandfathered rights



Governor's Water Policy Council

Rural GW Committee Recap

June 29 Committee Meeting

- Summary of recent groundwater management concepts
- Reviewed “starting point” proposal
- Formed subcommittee

July 11 Subcommittee Meeting

- Began discussion on several concepts:
 - Identify priority groundwater basins
 - Statewide measuring and monitoring
 - Groundwater management framework
Immediate mitigation options for priority areas
 - Begin evaluation process for regulatory overlays
 - Infrastructure



Governor's Water Policy Council

Rural GW Committee Recap

August 9 Subcommittee Meeting

- Reviewed current groundwater basin data
- Narrowed concept discussions to two focus areas:
 - Measuring and reporting
 - Framework for managing rural groundwater

August 17 Committee Meeting

- Summary of subcommittee meeting discussions
- Began reviewing LGSA framework



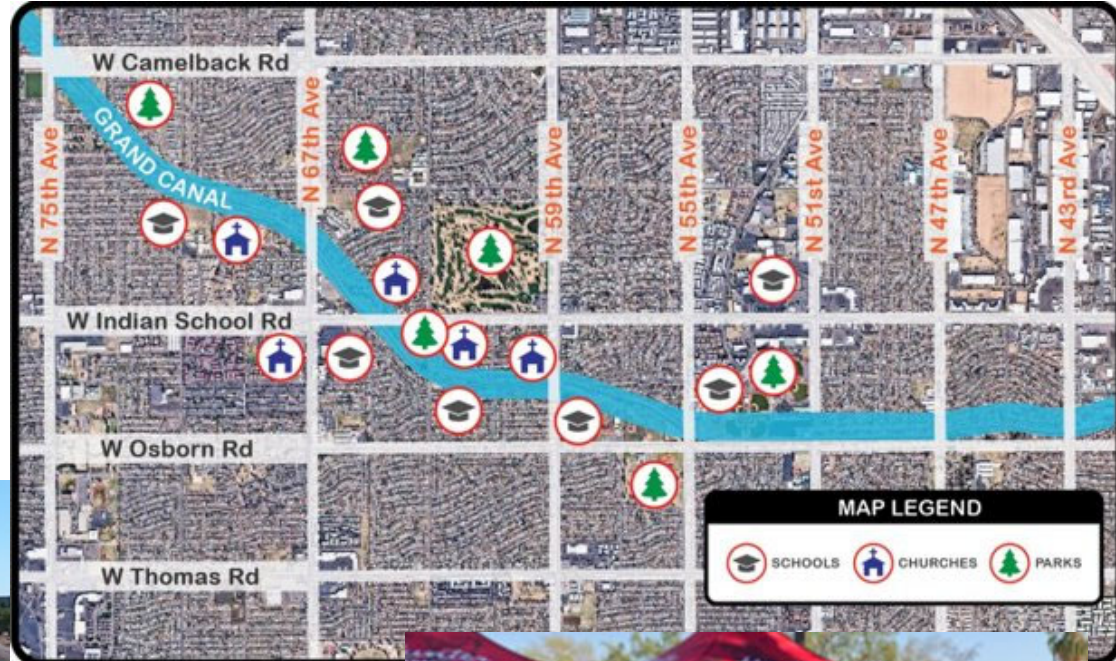
Governor's Water Policy Council

Upcoming Meetings & Next Steps

- Committees will meet at least once a month through December 2023, continuing to build out the working concepts for each committee
- Dates for the next two committee meetings and the next Council meeting:
 - **Assured Water Supply Committee**
 - Tuesday, September 12, 2023, 10:00 am – 12:00 pm
 - **Rural Groundwater Committee**
 - Thursday, September 14, 2023, 10:00 am – 12:00 pm
 - **Governor's Water Policy Council (tentative)**
 - Friday, October 27, 2023, 1:00 – 3:00 pm

Grand Canalscape







Operating Environment July 2023

	Actual	Budget	Variance	% of Budget
Elec Customers – July 2023	1,138,603	1,132,383	6,220	101%
Elec Customers - April 2023	1,135,989			
Elec Customers – July 2022	1,113,583			
System Sales GWH	4,093.5	3,653.7	439.8	112%
Wholesale Sales GWH	582.1	348.4	233.7	167%
Total A.F. Water Delivered	90,873	106,000	(15,127)	86%

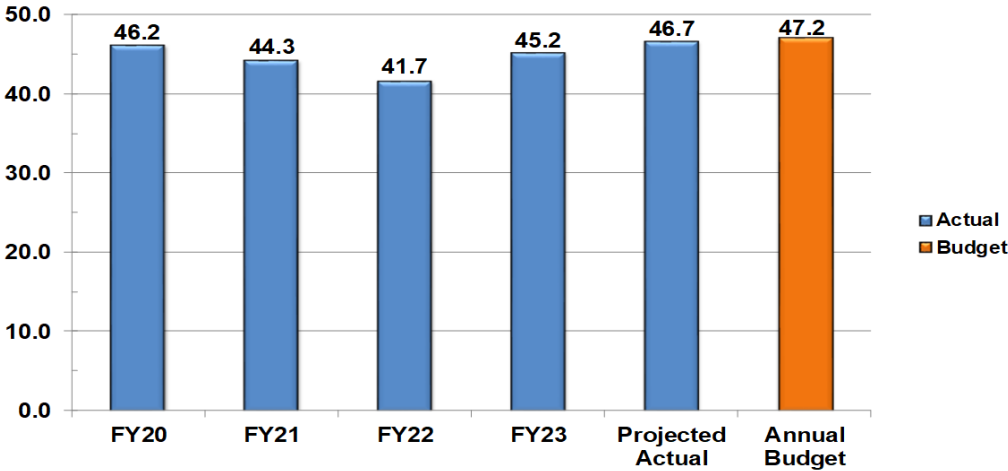
(Non-GAAP, Unaudited)

Financial Summary July 2023

\$ Millions	Actual	Budget	Variance	% of Budget
Combined Revenues	\$565.5	\$494.2	\$71.3	114%
Combined Expenses	\$398.6	\$367.4	\$31.2	108%
Comb Net Revs (Loss)	\$166.9	\$126.8	\$40.1	132%
Funds Available	\$212.0	\$162.4	\$49.6	131%
Capital Expenditures	\$87.7	\$109.4	(\$21.7)	80%

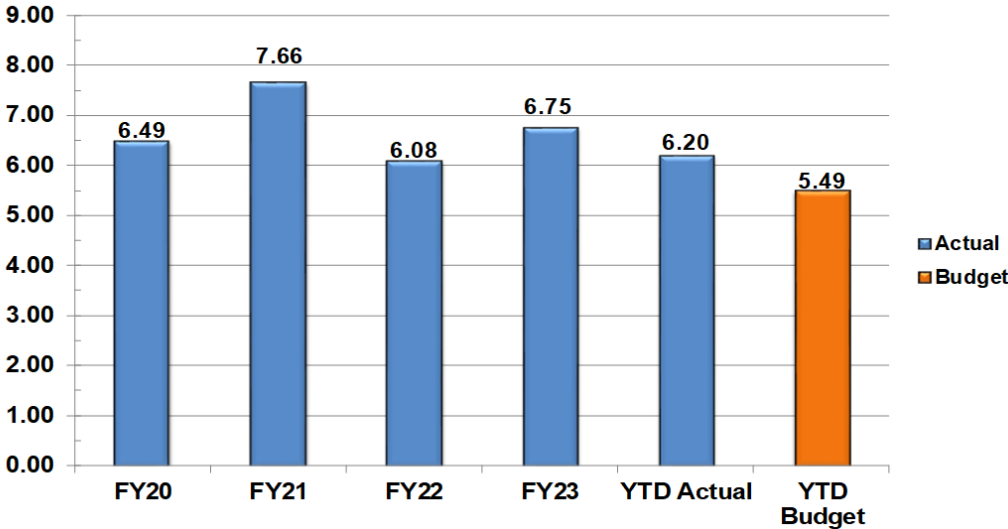
(Non-GAAP, Unaudited)

Debt Ratio July 2023



(Non-GAAP, Unaudited)

Debt Service Coverage Ratio July 2023



(Non-GAAP, Unaudited)

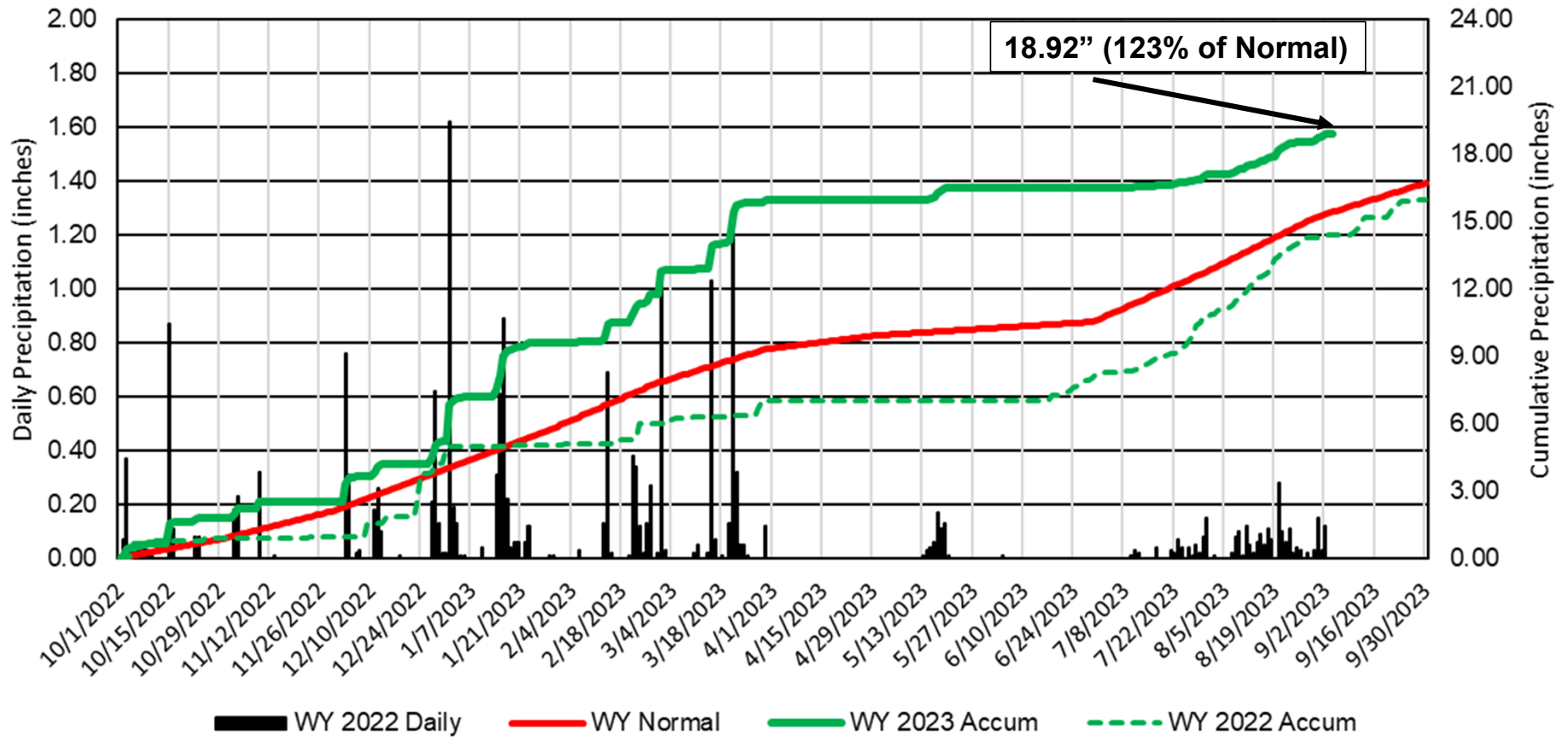
Water Supply and Weather Report

September Council Meeting

September 12, 2023

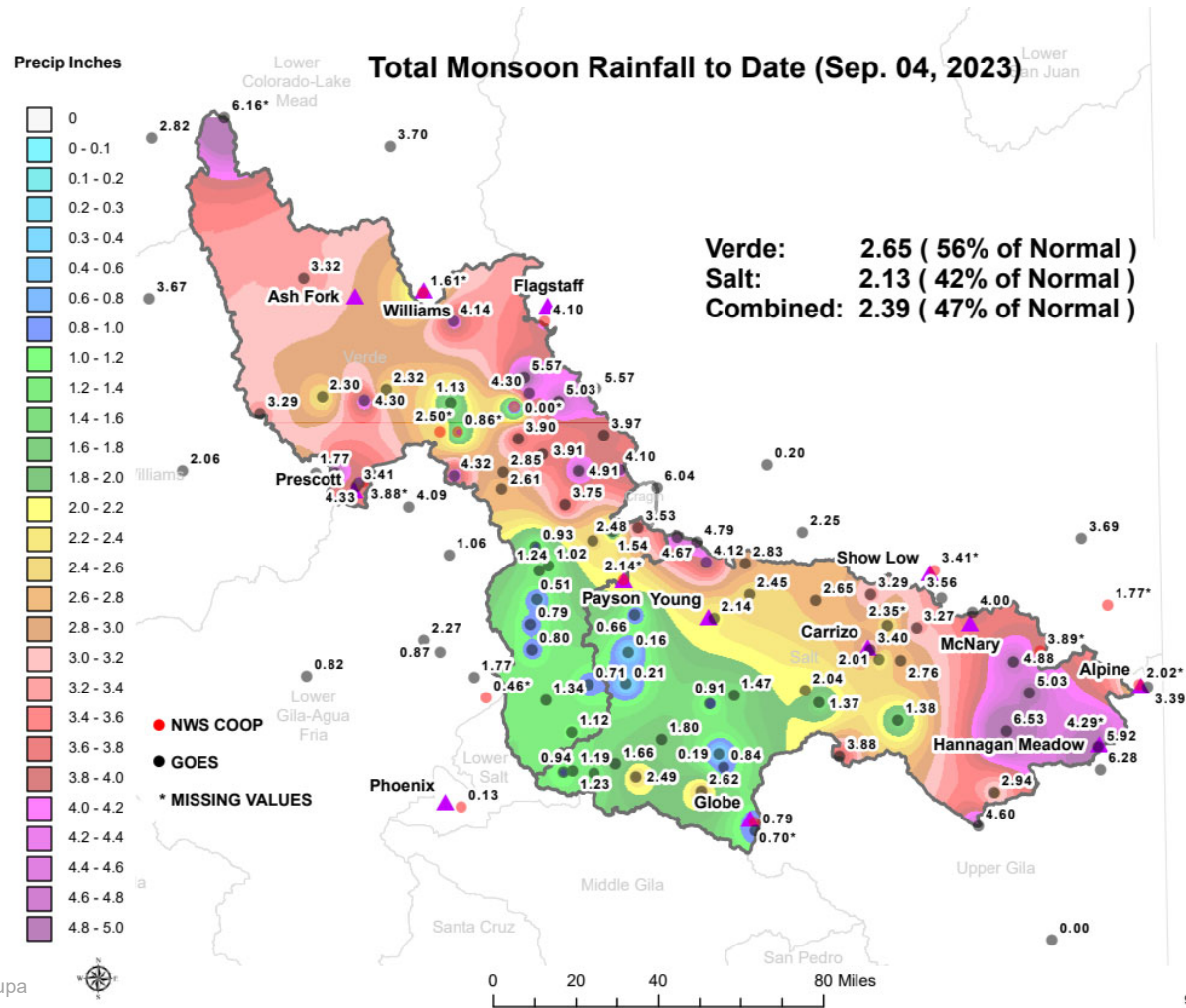
Tim Skarupa

Cumulative Watershed Precipitation: Water Year (Oct 2022 - Sep 2023)



18.92" (123% of Normal)

Monsoon 2023 Rainfall to Date



North American Monsoon

All-Time Record Hot Summer



Phoenix, Arizona

Mean Daily Average Temperature

1	97.0°	2023
2	96.7°	2020
3	95.1°	2015
4	95.1°	2013
5	94.9°	2019

Phoenix Sky Harbor Airport
Records date back to 1895

Climatological Summer defined as June | July | August



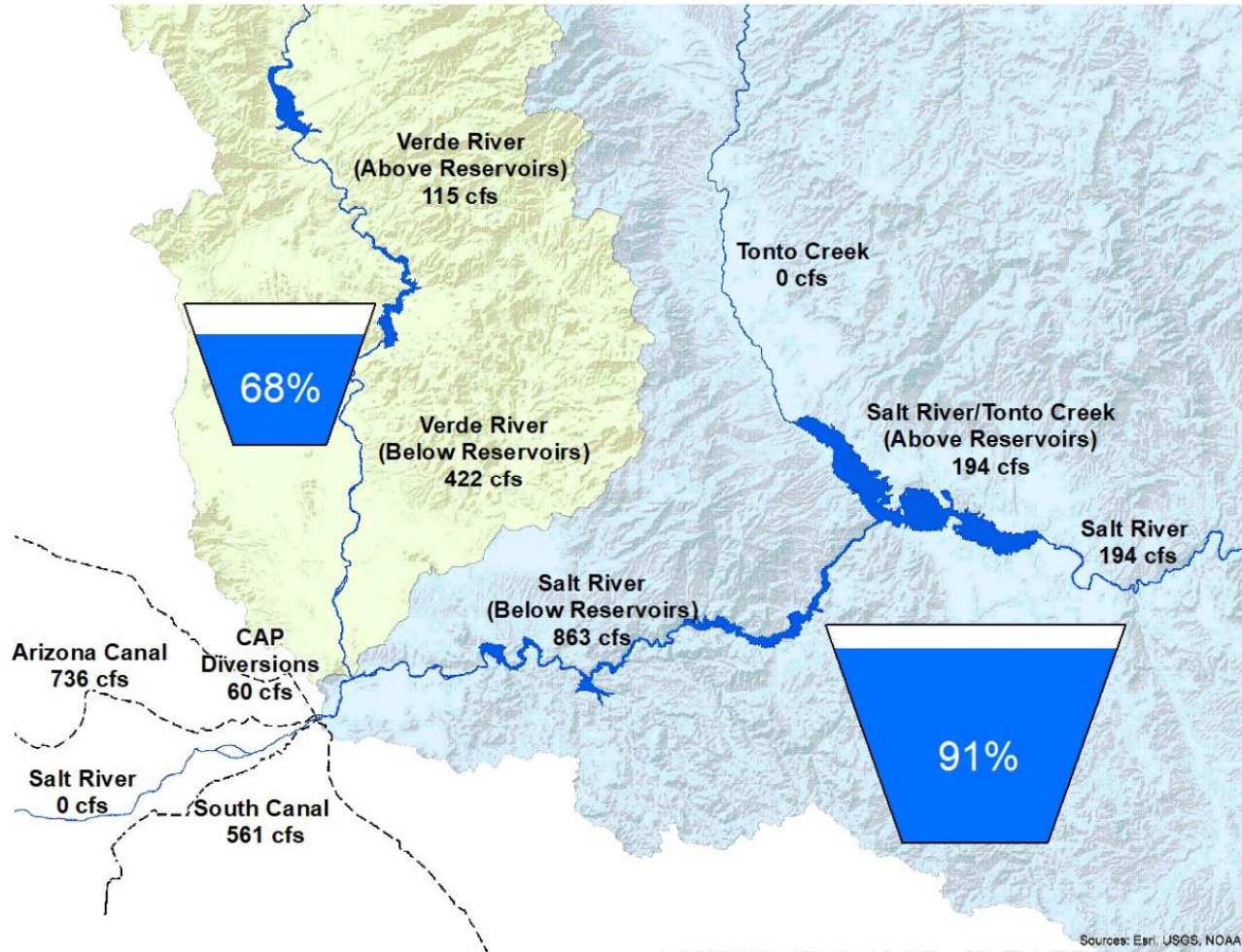
Summer = June-August

SRP Reservoir System Status

September 1, 2023

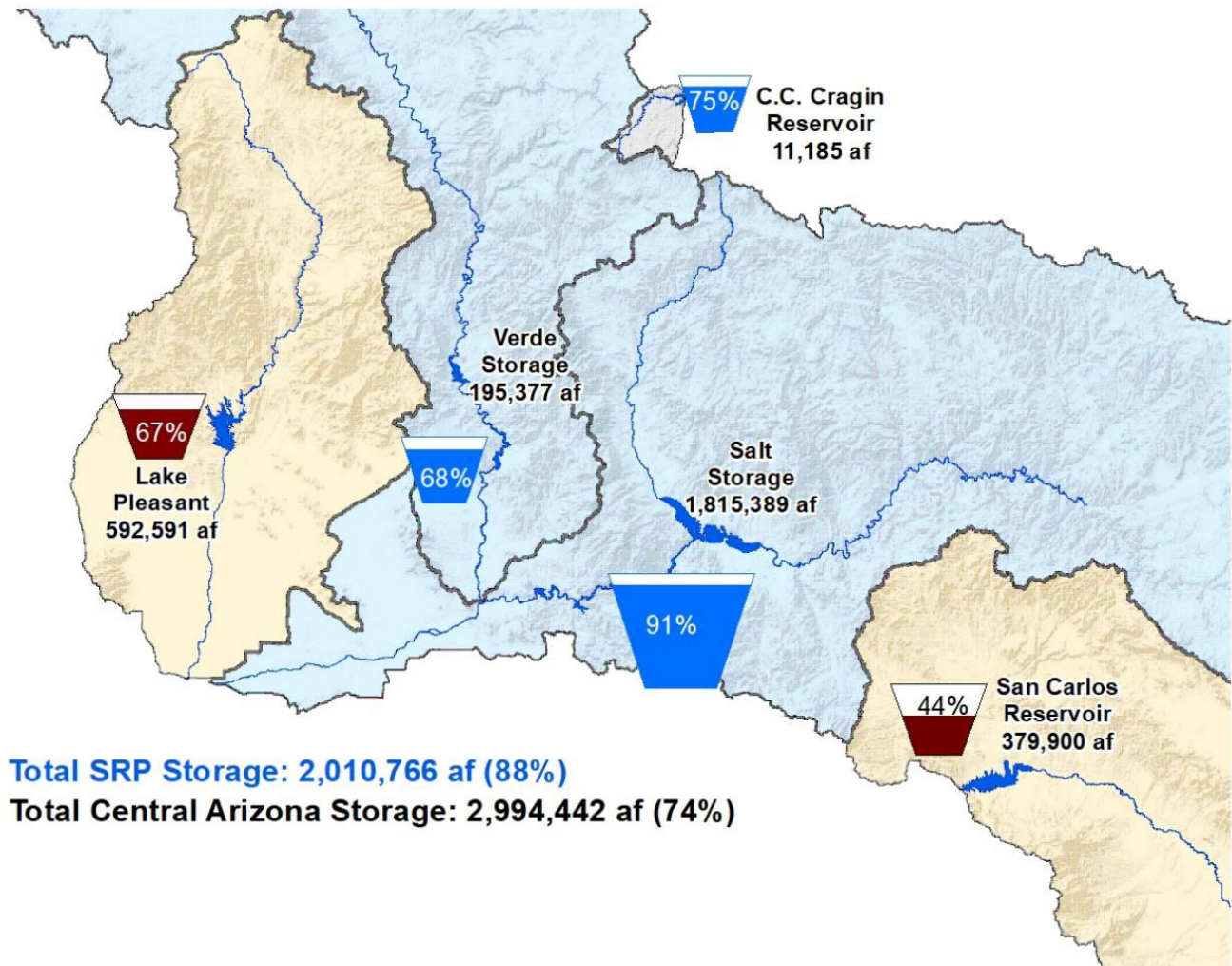
Current Storage:

Salt	1,815,389 AF
Verde	195,377 AF
Total	2,010,766 AF

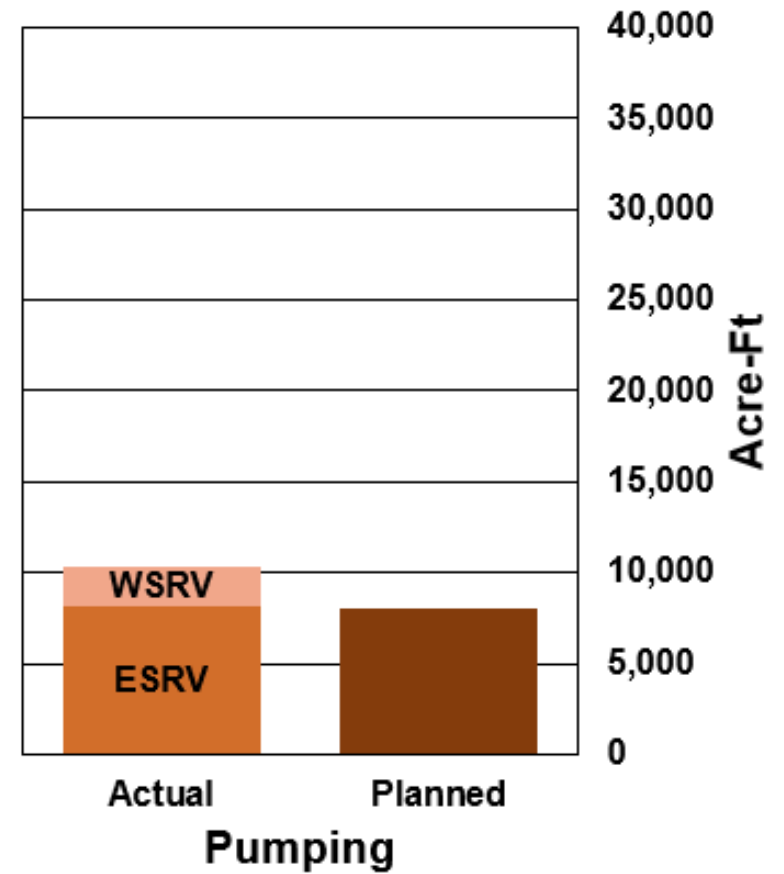
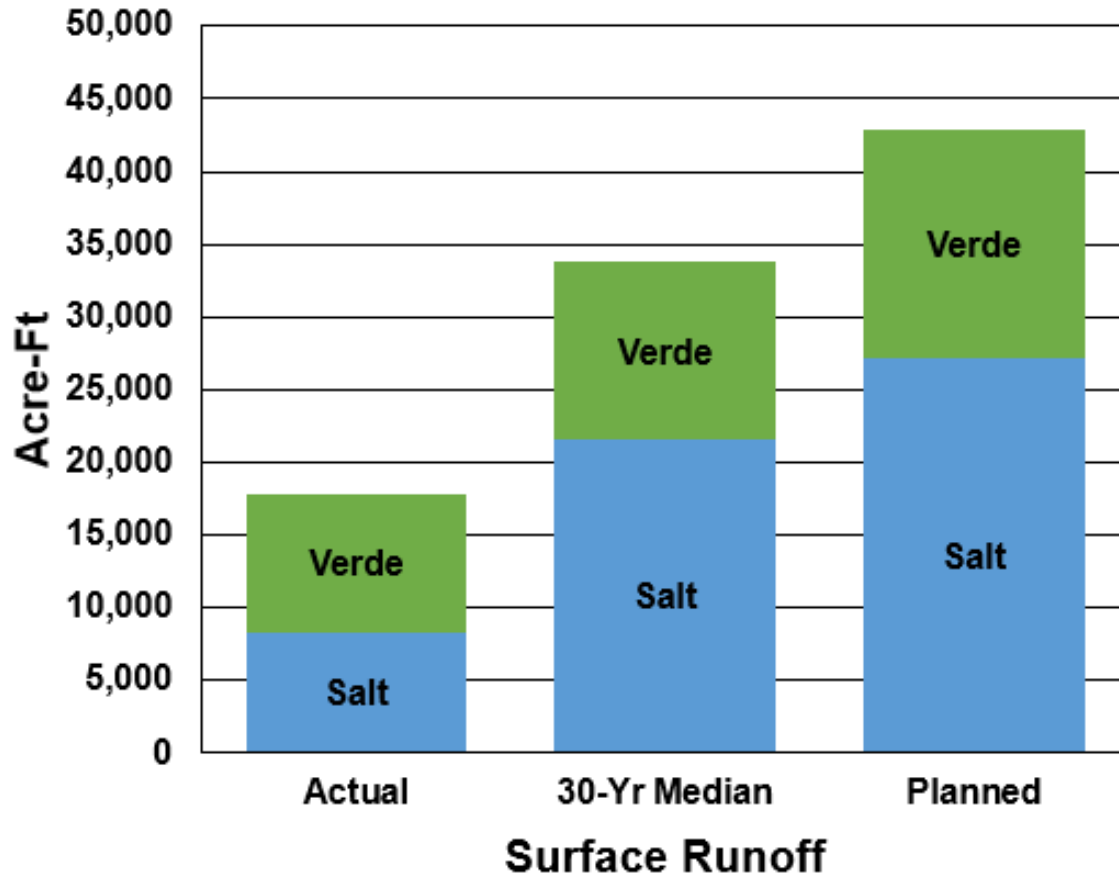


Central Arizona Reservoir Status

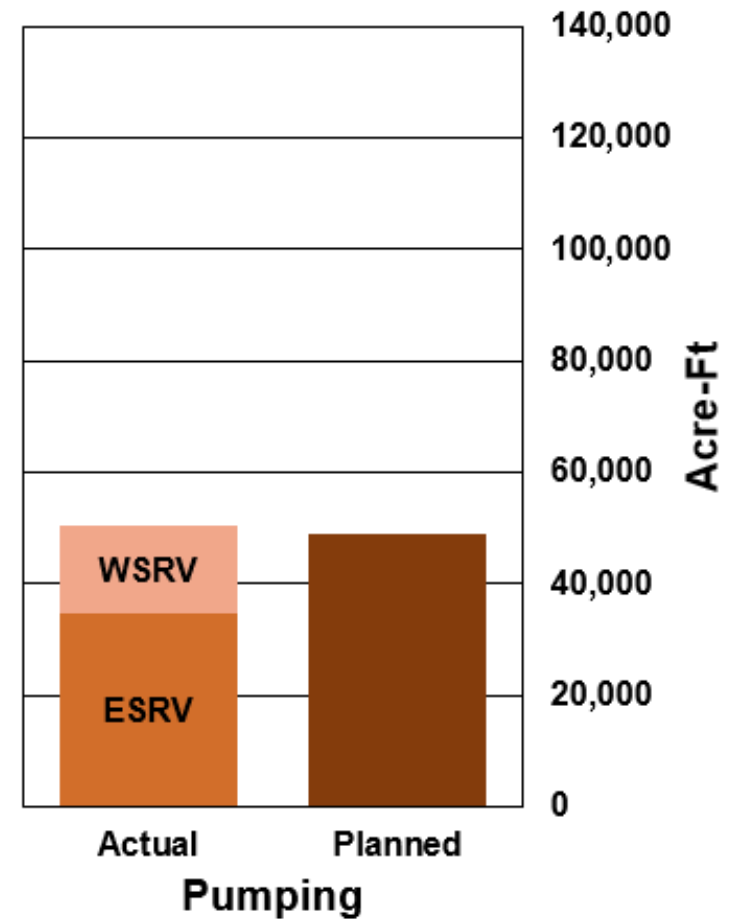
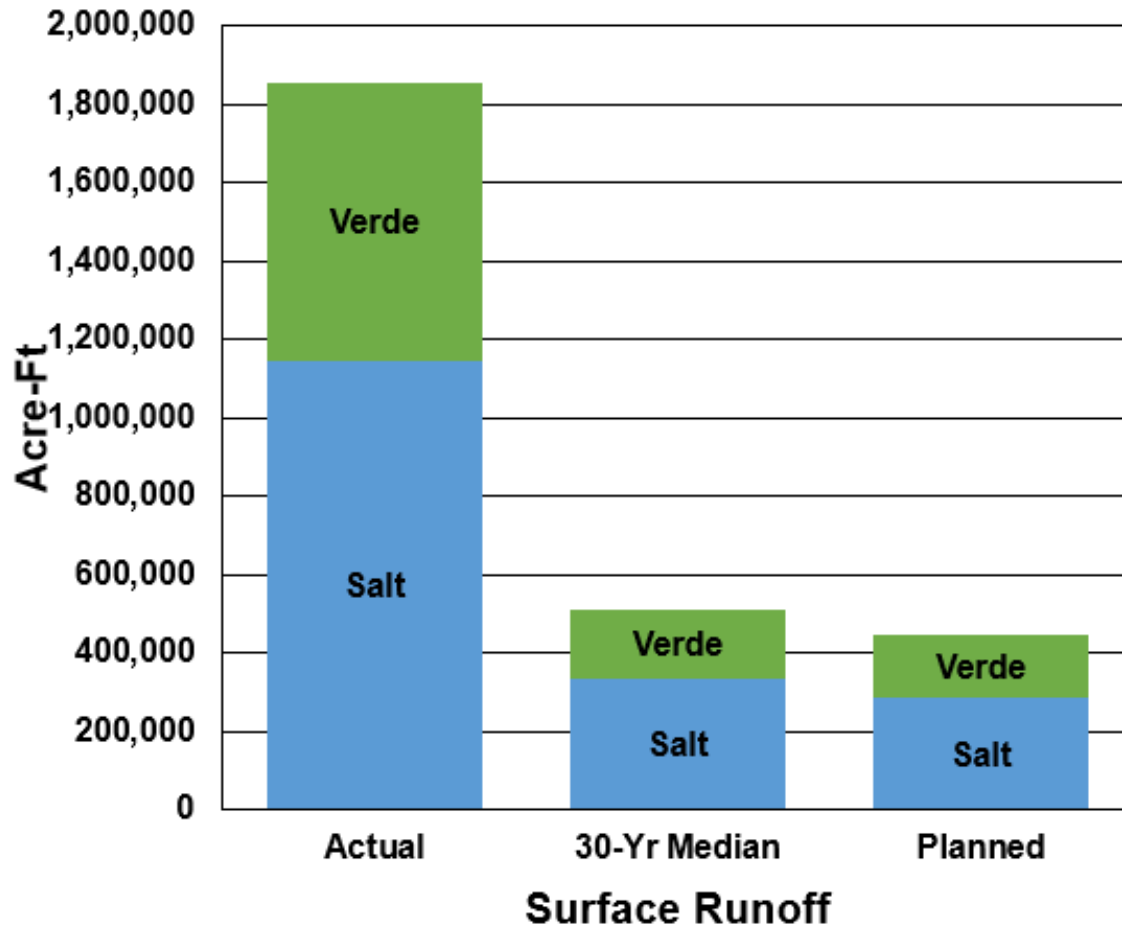
September 1, 2023



August 2023

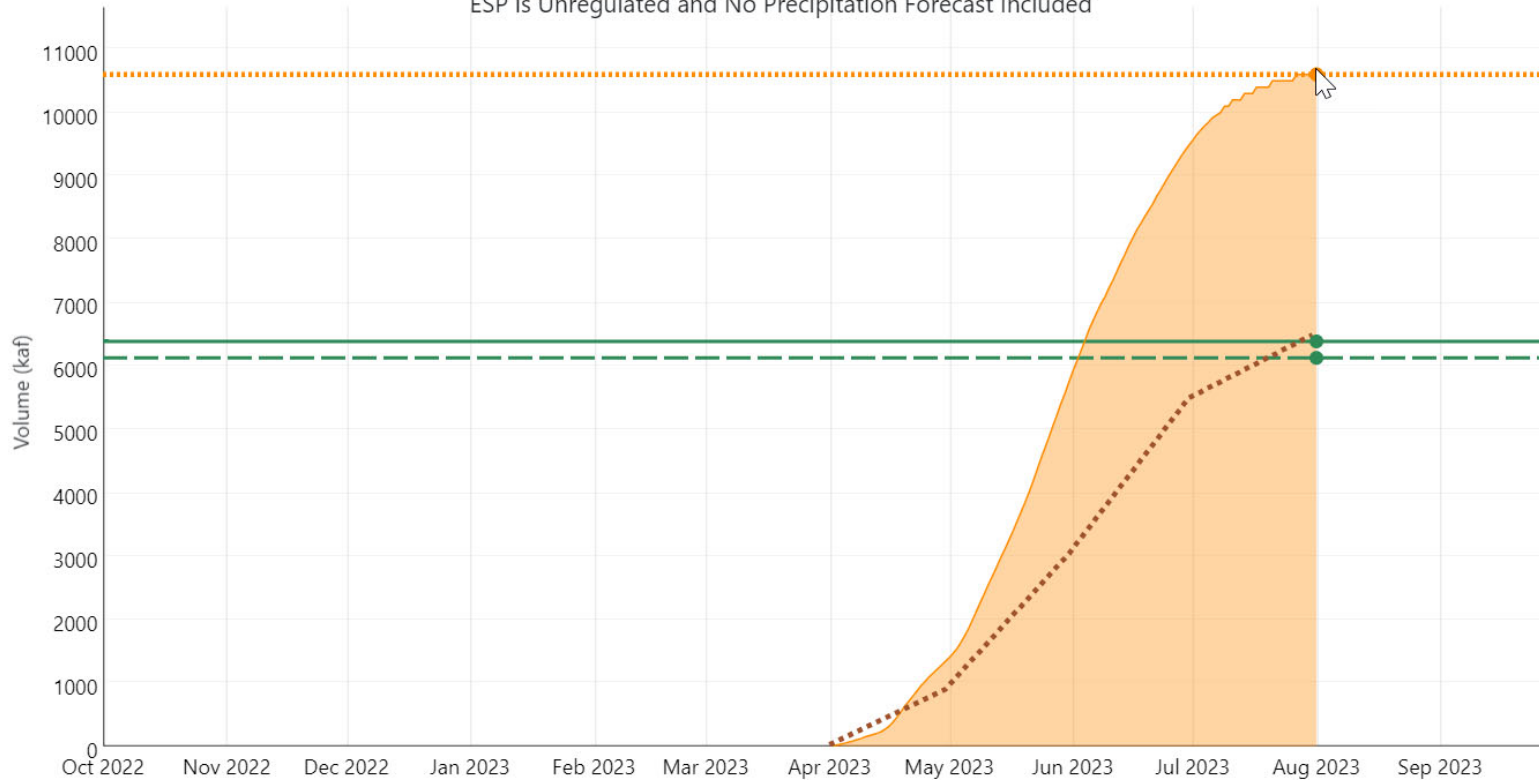


Year to Date 2023



April-July Lake Powell Inflow

Colorado - Lake Powell, Glen Cyn Dam, At (GLDA3)
 Period: Apr-Jul, Observed Volume: 10600 kaf (166% Average, 173% Median)
 ESP is Unregulated and No Precipitation Forecast Included



2023/08/01:
Average: 6390
Median: 6130
Observed
Accumulation: 10600
Observed Total: 10600

CBRFC
 Unregulated Inflow
 into Lake Powell
 (April – July)

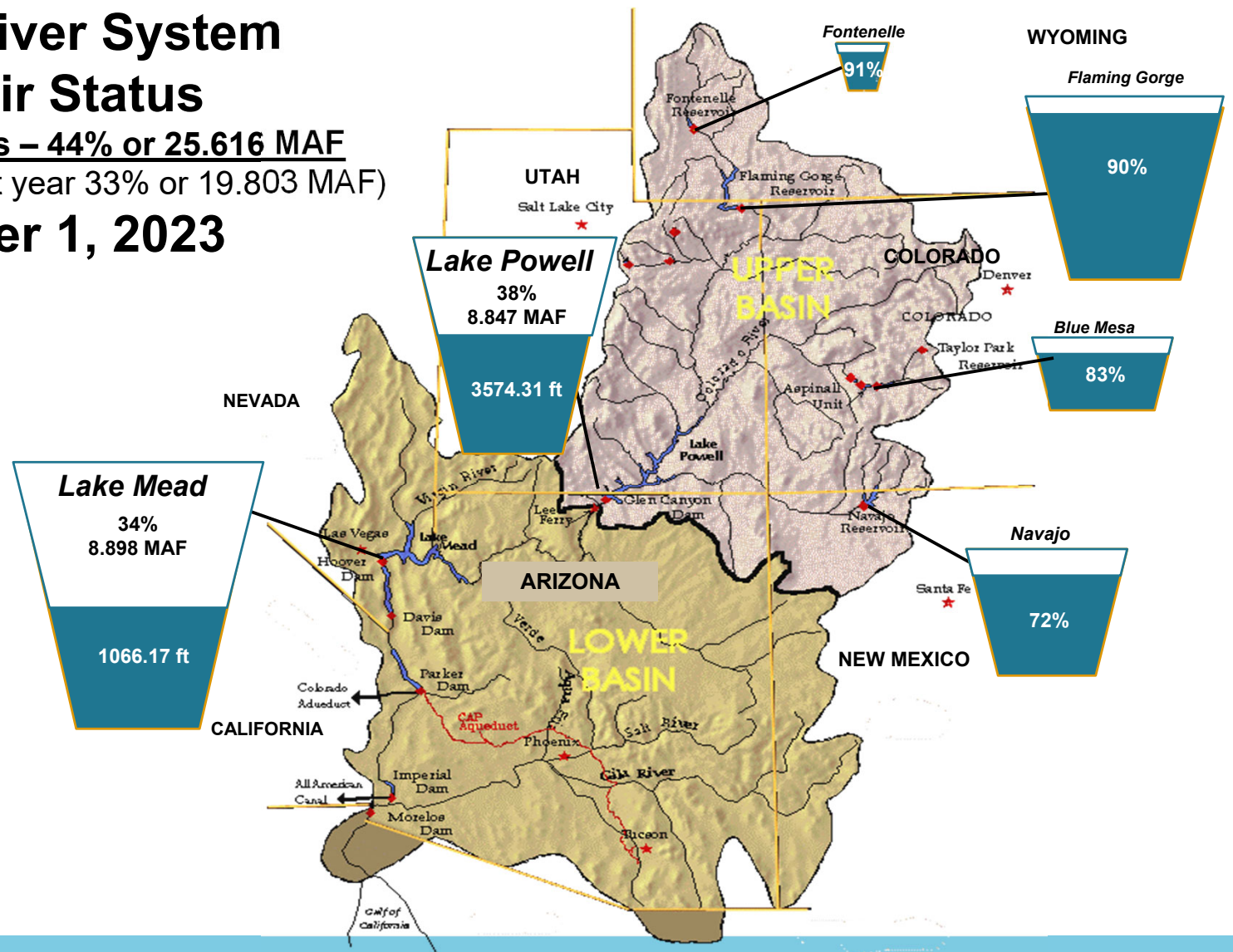
10,600,000 AF
 (166% of average)

Colorado River System Reservoir Status

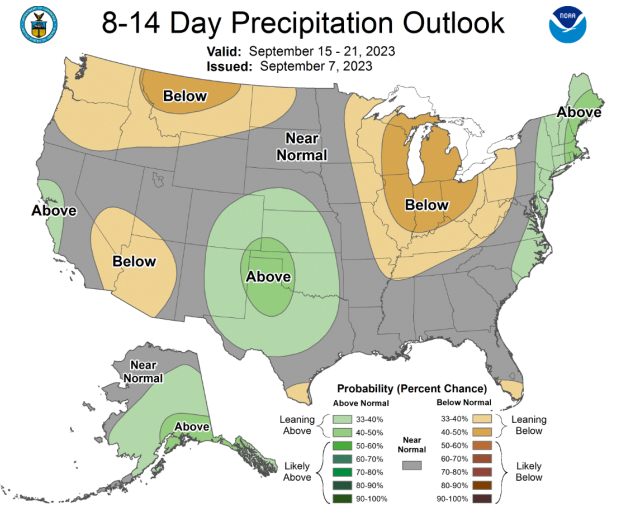
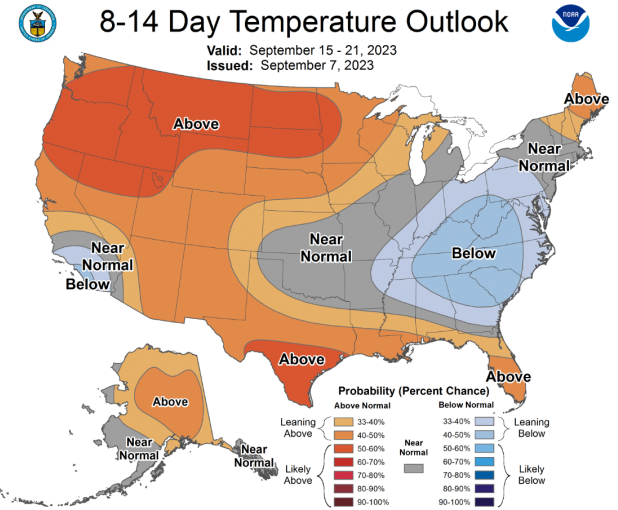
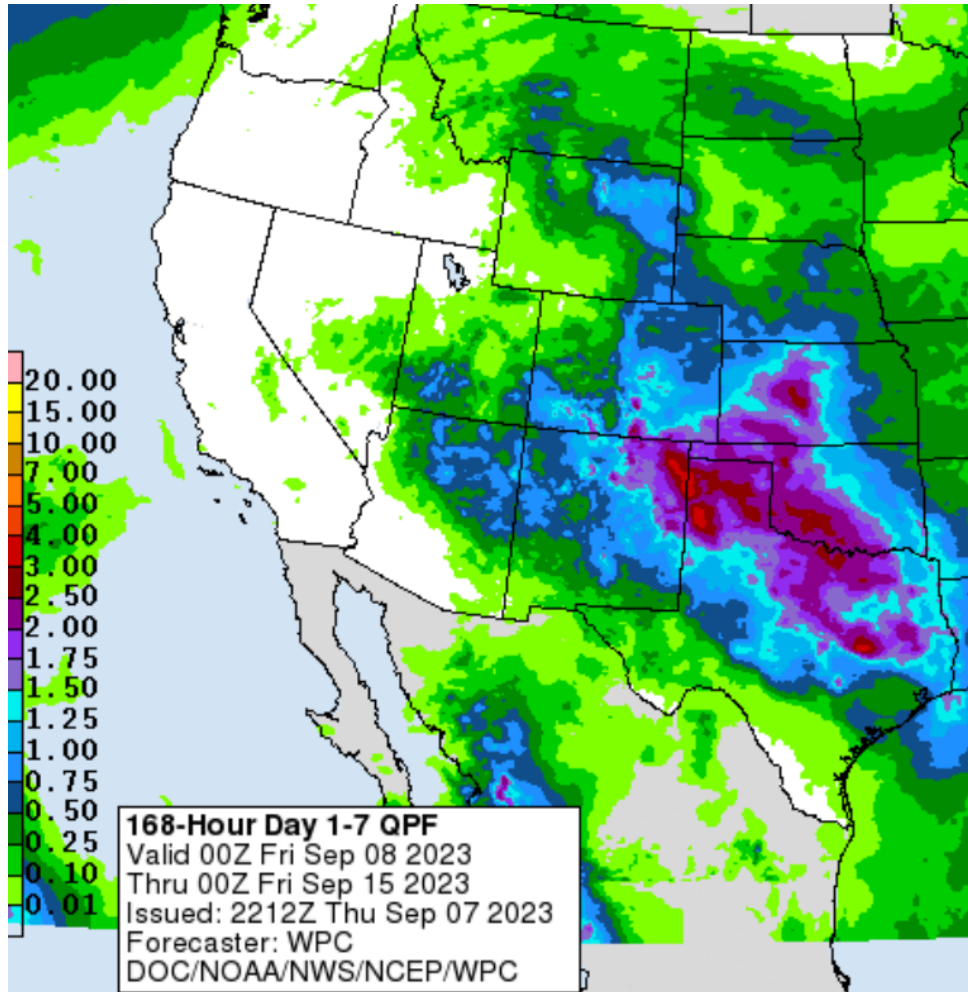
Total System Contents – 44% or 25.616 MAF

(Total system contents last year 33% or 19.803 MAF)

September 1, 2023



7-day Precipitation Forecast



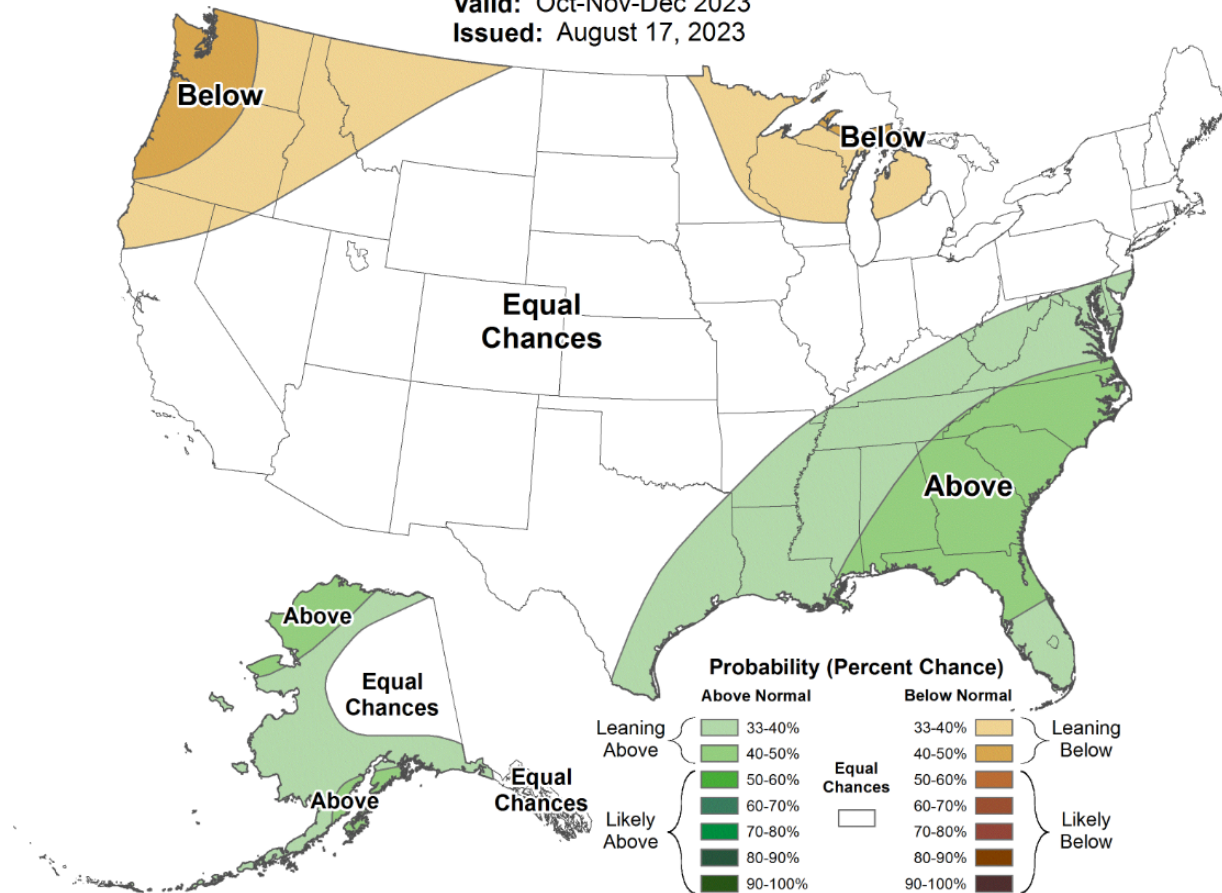
Oct.-Dec. 2023 Seasonal Outlook



Seasonal Precipitation Outlook



Valid: Oct-Nov-Dec 2023
 Issued: August 17, 2023



thank you!

