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

CUSTOMER UTILITY PANEL

Thursday, October 30, 2025, 9:30 AM

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

Members: Michael Hutchinson, Chair; Mary Ann Przybylski, Vice Chair; and Tom Burris, Orlando Cazarez, Jesse Gage, Julie Graham, Joan Krueger, Bryant Powell, Jay Schlum, Mark Schnepf, Scott Stilgenbauer, Haylie Studebaker, Alton Washington, and Mari Westerhausen

Roll Call
Safety Minute
Sustainability Minute

1. Request for Approval of the Minutes for the Meeting of August 28, 2025 ..... CHAIR MICHAEL HUTCHINSON

2. President's Office Update ..... VICE PRESIDENT CHRIS DOBSON

3. Pricing Implementation Review ..... JOHN TUCKER

   Informational presentation regarding Board approved changes to SRP's price plans which will take effect in the November 2025 billing cycle.

4. Transmission Line Siting Process, Transmission Expansion Plans, and Large Business Customer Transition Cluster High-Level Results and Customer Provisions ..... NATE TATE, SCOTT SCHARLI, RICK HERNANDEZ, and CHRISTINA HALLOWS

   Informational presentation regarding a combined overview of the transmission line siting process, upcoming transmission projects, the high-level results of the recently completed Transition Cluster Study, and the process and potential provisions that SRP will deploy with respect to addressing the needs and risks associated with serving future large business customers.

5. CUP Member Update ..... CHAIR MICHAEL HUTCHINSON

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

7. Future Agenda Topics ..... CHAIR MICHAEL HUTCHINSON

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 CUSTOMER UTILITY PANEL MEETING IS SCHEDULED FOR THURSDAY, JANUARY 29, 2026

10/23/2025

SAFETY MINUTE: FIRE BLANKETS
SRP CUSTOMER UTILITY PANEL

SARA MCCOY
DIRECTOR, RISK MANAGEMENT

OCTOBER 30, 2025

Delivering water and power™

SAFETY MINUTE: FIRE BLANKETS

TIP: Use the fire blanket for an electrical fire if Halloween inflatables or lights overload.

Steps to use a fire blanket (small fires only):

1. **Protect yourself:** Pull the blanket from its container, hold it in front of you, and wrap the top edge around your hands.
2. **Smother the fire:** Carefully place the blanket over the fire, ensuring it completely covers the flames to cut off oxygen.
3. **Monitor:** Leave the blanket in place at least 30 minutes.

Important safety reminders:

- For electrical fires, turn off the power first.
- Do not use the fire blanket near water on an electrical fire.
- Always have the correct type of fire extinguisher.
- If a fire is uncontrollable, evacuate the area and call 911.

Sustainability Minute
Sustainable Holiday Practices

Customer Utility Panel

Christina Hallows I October 30, 2025

Sustainability Practices During The Holidays

The Holidays are joyous time where people gather to celebrate with loved ones and participate in cherished traditions. With the holidays around the corner, here are some tips to consider to promote a more sustainable season.

1. Carve Smart
Carving pumpkins is one of the most beloved Halloween traditions but it can also be one of the most wasteful. Roast the seeds for snacks, bake the flesh into pies or muffins, and consider composting when done. Check if your town offers pumpkin drop-offs or compost it at home.

2. Plan Your Portions
An estimated 305 million pounds of food is wasted each Thanksgiving. Plan out how much you will need to serve each person attending and purchase only what you will need.

3. LED Christmas Lights
LED lights are about 80% more energy efficient than standard incandescent lights, do not generate enough heat to start an electrical fire, and emit a brighter light. Opting for LED Christmas lights is a game changer for festive decoration.

4. Gift An Experience
The holiday season produces an extra 25 million tons of garbage a year. Gifting an experience such as amusement park tickets, aquarium tickets, or dinner at a nice restaurant is a zero-waste option; and just as meaningful.

MINUTES
CUSTOMER UTILITY PANEL
SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT

DRAFT

August 28, 2025

A meeting of the Customer Utility Panel (CUP) of the Salt River Project Agricultural Improvement and Power District (the District) convened at 9:30 a.m. on Thursday, August 28, 2025, from the Hoopes 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.

CUP Members present at roll call were M. Hutchinson, Chair; M. Przybylski, Vice Chair; and T. Burris, O. Cazarez, J. Gage, J. Graham, J. Krueger, B. Powell, J. Schlum, M. Schnepf, S. Stilgenbauer, H. Studebaker, and M. Westerhausen.

CUP Member absent at roll call was A. Washington.

Also present were Vice President C. Dobson; Board Liaison P. Rovey; Council Chair R. Shelton; Council Vice Chair B. Paceley; Council Member E. Gorsegner; and J. Baran, A. Bond-Simpson, M. Burger, J. Coggins, H. Cruz, M. Greene, Z. Heim, L. Hobaica, V. Kisicki, K. Lee, S. McCoy, K. Moran, K. Morrison, N. Mullins, M. O'Connor, B. Olsen, M. Paydar, C. Sifuentes-Kohlbeck, and R. Taylor of SRP.

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 CUP meeting at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona, at 9:00 a.m. on Tuesday, August 26, 2025.

Safety Minute

Using a PowerPoint presentation, Sara McCoy, SRP Director of Risk Management, provided a safety minute regarding hydration.

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.

Sustainability Minute

Using a PowerPoint presentation, Zack Heim, SRP Senior Director of Power Delivery, provided a sustainability minute regarding sustainable ways to travel.

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.

Approval of Minutes

On a motion duly made by CUP Vice Chair M. Przybylski, and seconded by CUP Member B. Powell, the CUP approved the minutes for the meeting of May 1, 2025, as presented.

Corporate Secretary J. Felty polled the CUP Members on CUP Vice Chair M. Przybylski's motion to approve the minutes for the meeting of May 1, 2025. The vote was recorded as follows:

YES:	CUP Members M. Hutchinson, Chair; M. Przybylski, Vice Chair; and T. Burris, O. Cazarez, J. Gage, J. Graham, J. Krueger, B. Powell, J. Schlum, M. Schnepf, S. Stilgenbauer, H. Studebaker, and M. Westerhausen	(13)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	CUP Member A. Washington	(1)

President's Office Update

Vice President C. Dobson provided a President's Office update.

Load Growth Requires Additional Transmission Infrastructure

Using a PowerPoint presentation, Zack Heim, SRP Senior Director of Power Delivery, stated that the purpose of the presentation was to provide information regarding the vital role of transmission line infrastructure in the electric grid, highlighting its importance in meeting SRP's forecasted energy demand.

Z. Heim provided a transmission planning overview, including a look at the transmission system, transmission asset lifecycle, planning inputs and outputs, planning a network, and key transmission expansion drivers. They discussed the evolving planning requirements, explaining the shift from a serial planning process to a cluster planning process.

Z. Heim provided a large customer strategy map, including project locations, and a table showing the ratio of generation to load. They presented diagrams explaining SRP's current transmission network with traditional generation resources and SRP's future transmission network with a mix of generation resources.

Z. Heim reviewed the following key takeaways from the evolving planning requirements: 1) large-scale customers require system-wide planning; 2) generation and transmission planning are linked; and 3) transmission planning is iterative. They provided a map of near-term transmission projects work in progress.

Z. Heim concluded with an overview of key strategies, including strategic planning practices and partnerships.

Z. Heim responded to questions from the CUP.

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.

S. McCoy of SRP left the meeting during the presentation.

Diversified Energy Resources: Natural Gas Conversion, Natural Gas Pipeline, Pumped Storage, and Nuclear

Using a PowerPoint presentation, Bobby Olsen, SRP Associate General Manager and Chief Planning, Strategy, and Sustainability Executive, stated that the purpose of the presentation was to provide information regarding SRP's efforts to pursue a balance of generation resources that will serve customers and the economy in the near-, mid-, and long-term.

B. Olsen reviewed SRP's Mission and 2025 Vision. They detailed SRP's Financial Plan 2026 (FP26) energy forecast, key drivers for infrastructure needs, and resource plan through Fiscal Year 2035 (FY35). They stated that significant infrastructure is needed for continued growth due to the energy systems for Arizona reaching their limits. B. Olsen discussed Arizona's natural gas pipeline investment, explaining that Transwestern announced a $5.3 billion pipeline expansion for 2030 with SRP, Arizona Public Service (APS), Tucson Electric Power (TEP), and others contracting for priority rights.

B. Olsen provided an overview of SRP's pumped storage project including benefits, key attributes, and costs. They discussed new nuclear exploration, reviewing the new nuclear timeline and magnitude of costs. B. Olsen concluded with an overview of key takeaways.

B. Olsen responded to questions from the CUP.

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.

CUP Chair M. Hutchinson; CUP Member H. Studebaker; Council Vice Chair B. Paceley; and Z. Heim of SRP left the meeting during the presentation.

CUP Vice Chair M. Przybylski assumed the Chair.

CUP Member Update

CUP Vice Chair M. Przybylski asked the CUP if there were any updates. CUP Member B. Powell reported on the Arizona League of Cities and Towns. S. Stilgenbauer reported on their move to Meta from Resolution Copper. J. Krueger provided a City of Gilbert sustainability goal update. M. Westerhausen reported on the new Gateway Library built in the City of Mesa. T. Burris reported on the International Dark Sky Discovery Center, a planetarium under construction in the City of Fountain Hills. M. Schnepf reported on the passing of the Agriculture to Urban (Ag-to-Urban) Bill. CUP Vice Chair M. Przybylski reported that an SRP crew assisted them when a cable was cut at their residence.

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

Rob Taylor, SRP Associate General Manager and Chief Public Affairs Executive, reported on a variety of federal, state, and local topics of interest to CUP. They provided an update on recent litigations and public records requests.

Future Agenda Topics

CUP Vice Chair M. Przybylski asked the CUP if there were any future agenda topics. None were requested.

There being no further business to come before the CUP, the meeting adjourned at 11:34 a.m.

John Felty
Corporate Secretary

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PRICING IMPLEMENTATION REVIEW

CUSTOMER UTILITY PANEL

John Tucker | October 30, 2025

SRP Board Pricing Principles

These are the pricing principles the Board follows when making pricing decisions

Gradualism

Changes should be evolutionary, not revolutionary (avoid large price adjustments)

Cost Relation

Prices need to reflect the cost of service

Choice

Pricing options should be provided to help customers manage their energy costs

Equity

Customers should pay their share of the costs SRP incurs on their behalf

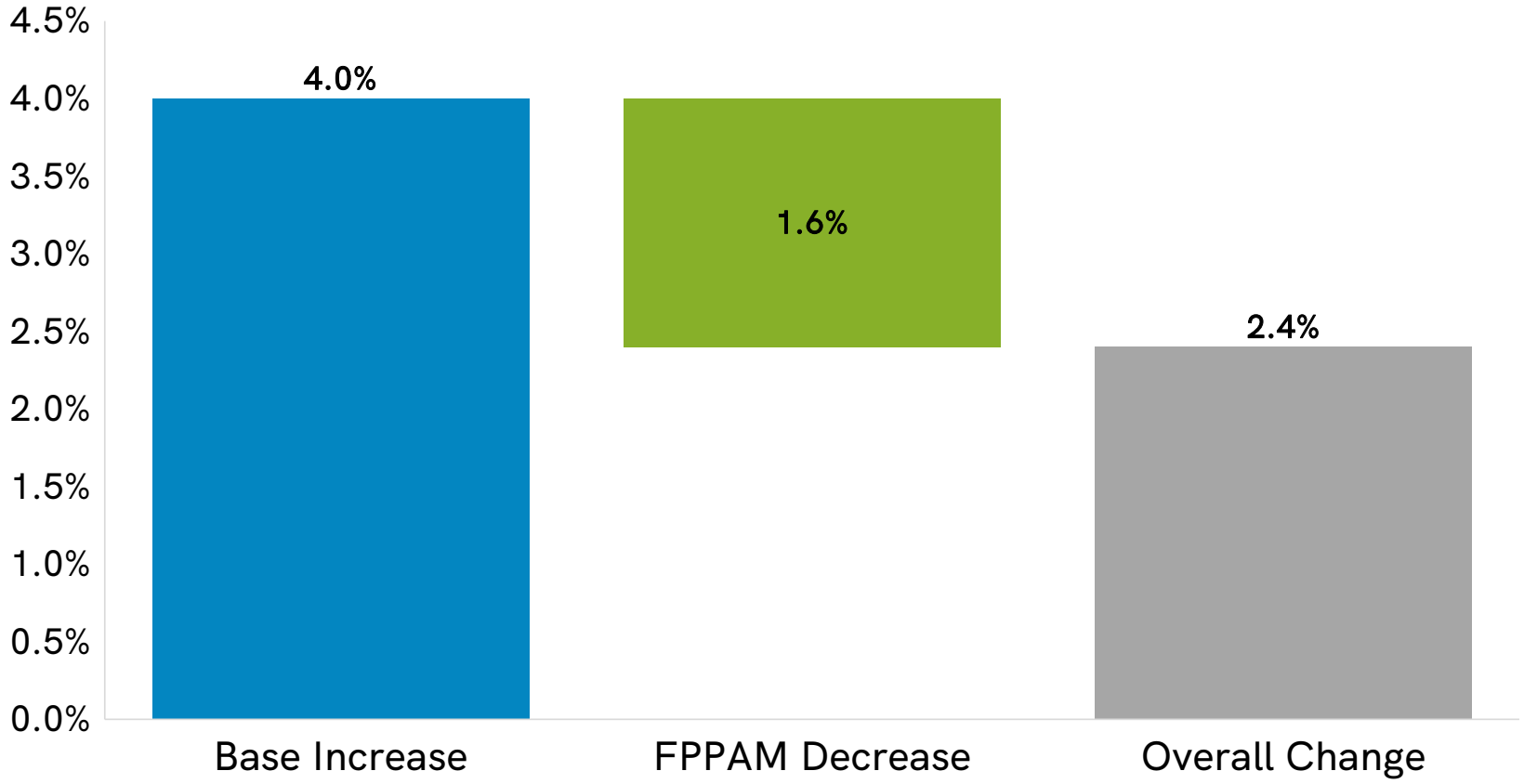
Sufficiency

Prices need to maintain SRP's financial health

2025 Price Process Objectives

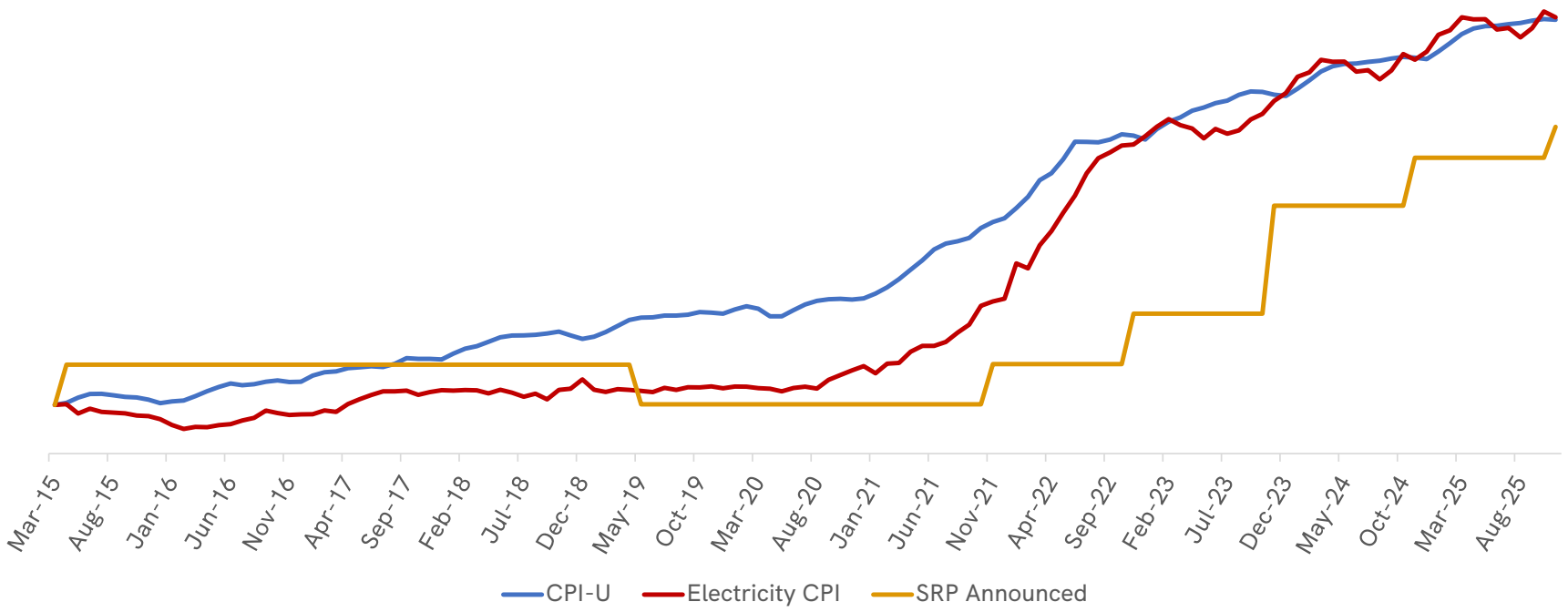
- Limited revenue increase
- Simplified residential price plan portfolio
- Increase assistance to limited-income customers
- Align TOU hours with evolving costs
- Address common solar customer concerns
- Protections for existing customers from new large load investments

Revenue Changes



SRP Prices vs Inflation Since 2015

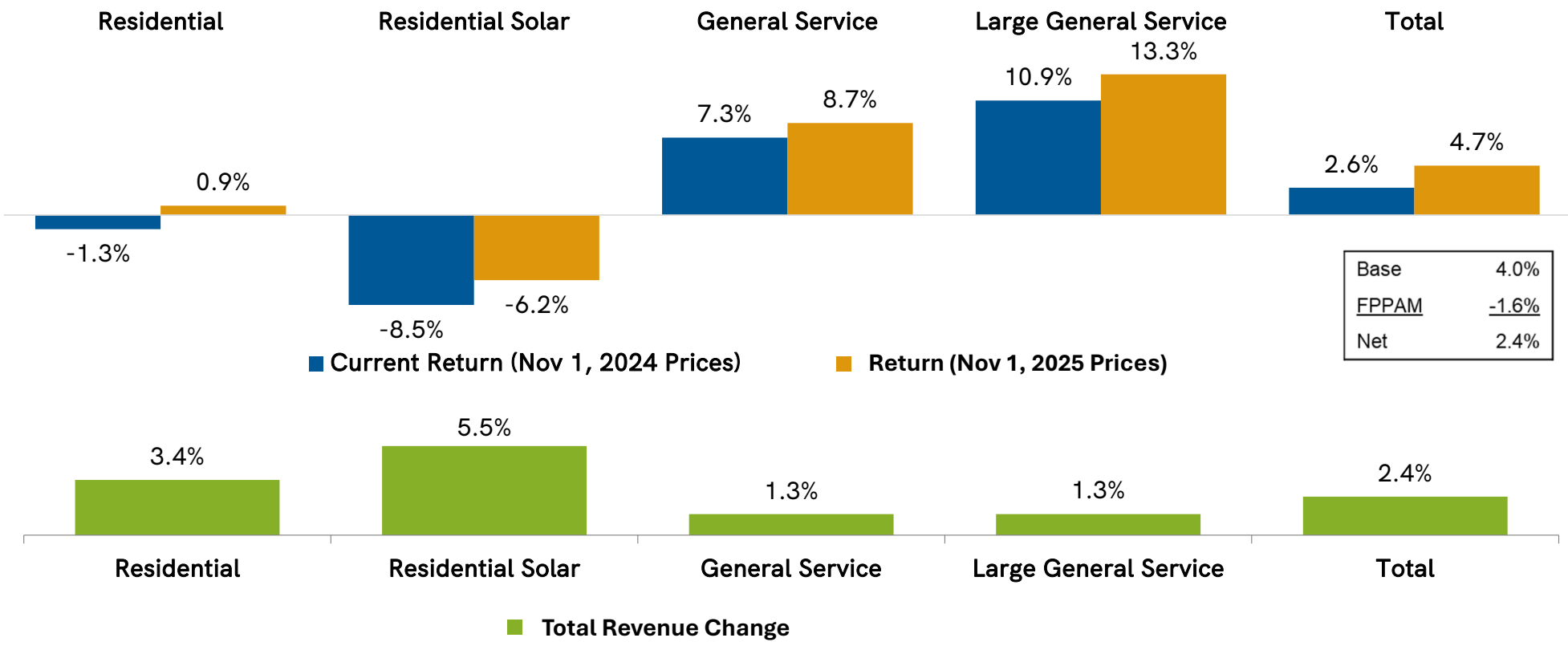
SRP's retail rates have increased at a pace less than inflation over the last 10 years



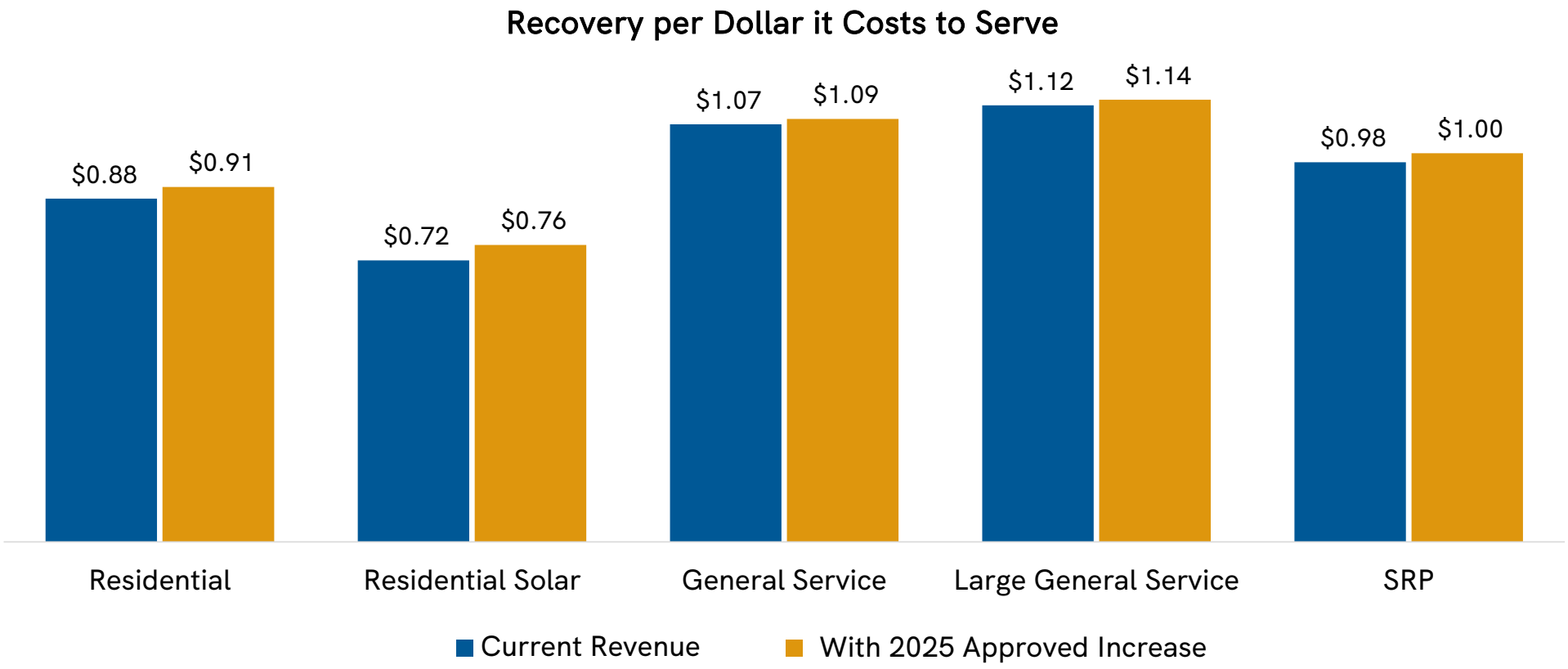
SRP Announced reflects permanent price changes from April 2015-Present. 2.4% projection made to reflect Nov 2025 increase.
CPI-U and Electricity CPI Electricity based data from Apr 2015-Nov 2024 and projected forward for Dec 2024-Nov 2025

Average Adjustment Varies by Class

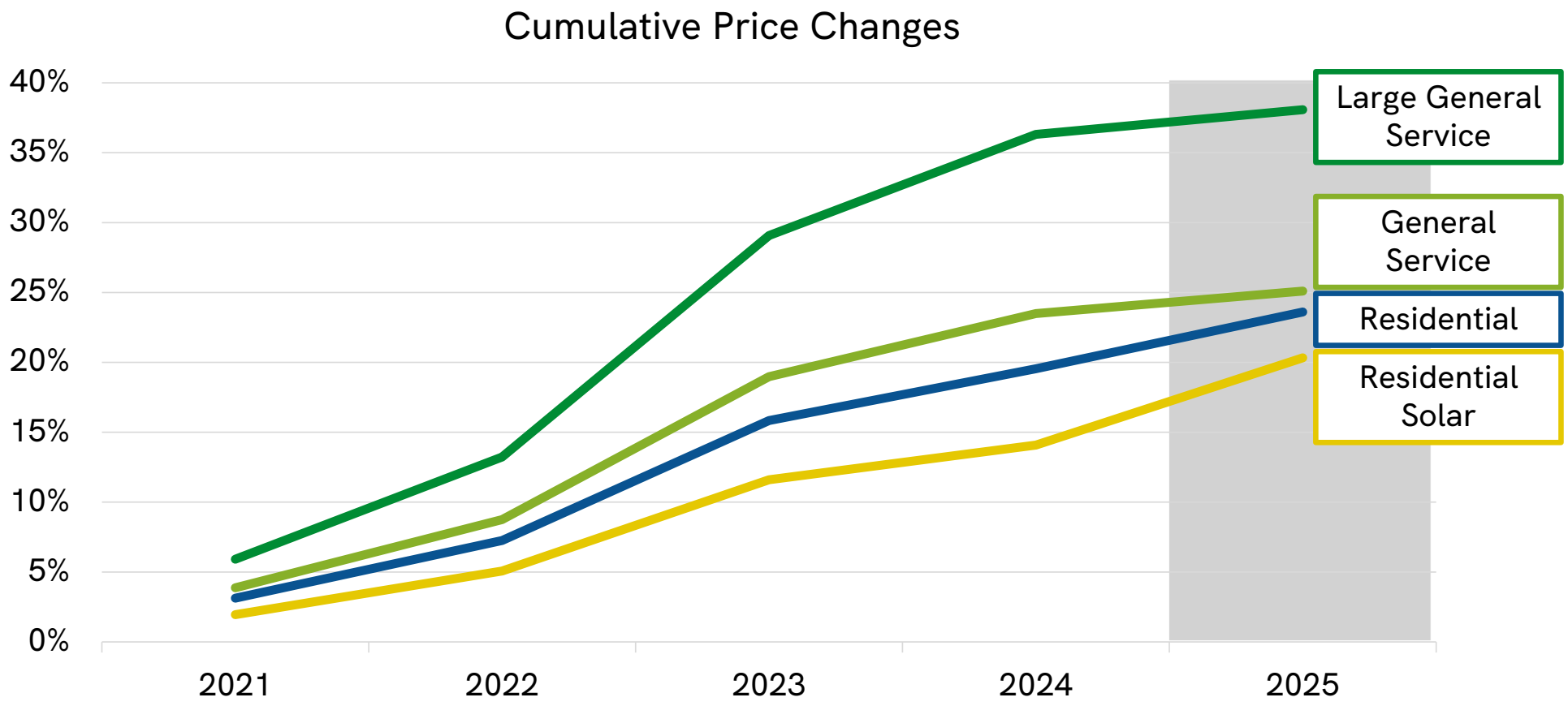
Being mindful of Board Pricing Principles of Gradualism, Cost Relation, Choice, Equity, and Sufficiency



Improved Equity in Recovery of Cost to Serve by Class



Recent Price Changes



Simplified Residential Price Plan Suite

	Name	Description	Applicability
E-16	Demand Price Plan for Time-of-Use	Manage Demand 5-10 p.m. and Save (daily super off-peak 8 am – 3 pm)	Solar & Non-Solar
E-23	Standard Price Plan	Basic Price Plan	Non-Solar*
E-24	M-Power Pre-Pay	Pre-Pay	Non-Solar
E-28	Time-of-Day Service w/ Super Off-peak	Conserve 6-9 p.m. and Save (daily super off-peak 8 am – 3 pm)	Solar & Non-Solar

*Certain grandfathered solar customers are eligible for a limited time

Monthly Service Charge Tiers - Applicability

TIER 1	TIER 2	TIER 3
		
28% of residential customers	69% of residential customers	3% of residential customers

MSC	$20	$30	$40
Average Customer Grid Cost	$35	$39	$49
Applicability	Single unit in a multi-family house, apartment unit, condominium unit, townhouse, or patio home with service of 0-225 amps	Dwellings not in tier 1 with service of 0-225 amps	Any residence with service of more than 225 amps

Income Qualified Discount (Economy Price Plan) Changes

Income as % of Federal Poverty Level	Current Program	November 2025 (Step 1)	Future EPP (Step 2)
0-50%	$23 per month	$35 per month	43% of Bill
51-100%			30% of Bill
101-150%			23% of Bill
151-200%	Not Eligible	$10 per month	6% of Bill
Timeframe	Now	November 2025	Pending System Capability
Est. Annual Program Cost	$20 Million	$41 Million (+$5M Bill Assistance)	$53 Million (Continue $5M Bill Assistance)

TOU Hour Change

- Key changes
  - New on-peak hours
  - Super off-peak hours of 8 am – 3 pm
- Necessary to impact future resource decisions
- Provides time for customers to learn and understand new plans
- Provides time to support gradual migration of 360,000+ customers

On-Peak Hours of Critical Importance	
12 PM – 1 PM	7
1 PM – 2 PM	7
2 PM – 3 PM	7
3 PM – 4 PM	7
4 PM – 5 PM	6
5 PM – 6 PM	4
6 PM – 7 PM	1
7 PM – 8 PM	2
8 PM – 9 PM	3
9 PM – 10 PM	5

Commercial; Residential Demand

Residential TOU

Benefits to Solar Customers

1) Same TOU price plans as non-solar customers
   - Maintain demand rate offering
2) Same Monthly Service Charge
   - A reduction from the current level
3) Export rate: 23% initial increase based on publicly-available market price (updated annually)
4) Keep the four existing residential solar price plans open until the Nov 2029 billing cycle
5) REC incentive program, on schedule for Nov 1, 2025
6) Virtual Power Plant (VPP) pilot program, on schedule for Dec 31, 2025

Improved Protections for Existing Customers from Large Load Investments

- Extremely large-load customers will require SRP to make significant investments in generation and transmission assets
- Transmission and substation cost risk are mitigated through CIAC
- Adjustments were required to minimize risk of SRP's current customers paying increased generation costs due to customer load not materializing as forecasted
- Primary solution: Minimum demand charge for customers over 20 MW, after Nov 1, 2025

Benefits in the Board Approved Changes

TOU Hours

- Super off-peak encourages **lower carbon** and **lower cost energy**
- Lowers **peak capacity** needs
- Many customers **benefit** from the new hours
- **Schools have bill decrease** of 3.1% or $1M+ a year

Solar Customers

- MSC for solar customers will be **lowered**
- The **export rate will increase** to 3.45 cents from 2.81 cents for E-13/E-14 customers
- A **3-hour on-peak option** for solar customers will exist
- Demand rate **optional**

Limited Income and Customer Protections

- 93% of limited income customers will get a **decrease**
- **100,000+ more** customers will be newly eligible for EPP
- **$5M** in Bill Assistance
- Protects **all customers** from large customer loads

Transmission Line Siting Process, Upcoming Projects, and Large Business Customer Transition Cluster High-Level Results and Customer Provisions

CUSTOMER UTILITY PANEL

October 30, 2025

Nate Tate, Scott Scharli, Rick Hernandez, Christina Hallows

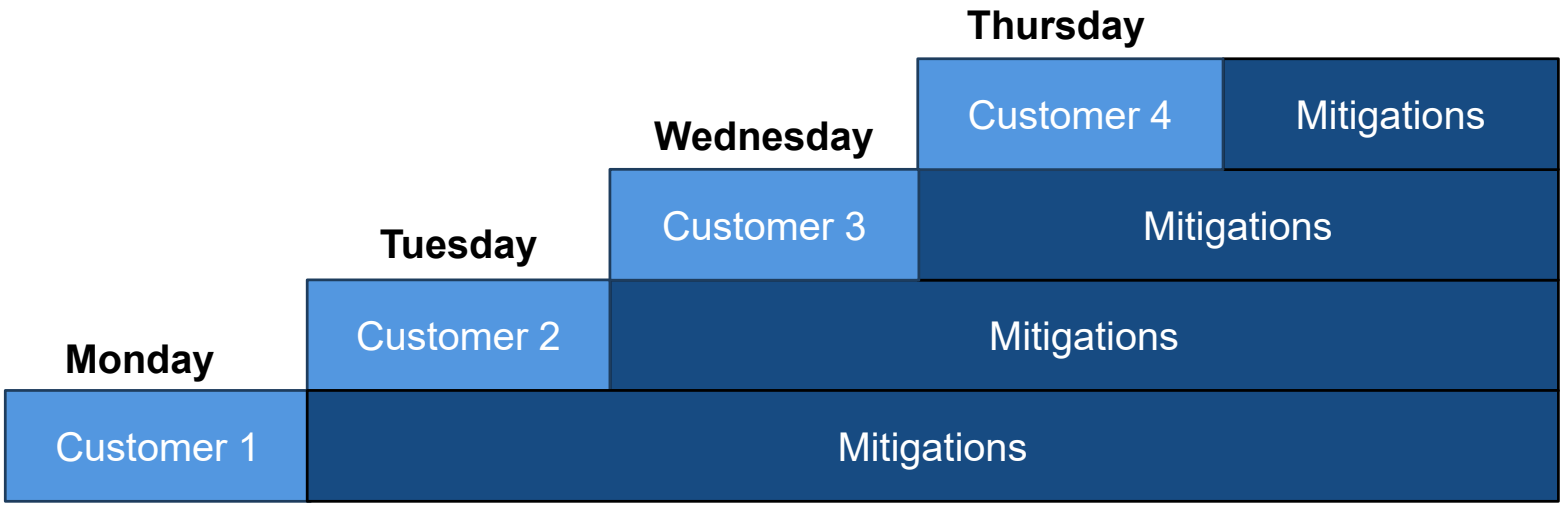
Transition Cluster High-Level Results

Summary of Transition Cluster Results

- New Approach and Processes
  - To address unprecedent customer requests for significant infrastructure and load
  - Moved from legacy “serial” to new “cluster” study approach
  - Introduced new Large Customer Integration Process (LCIP) – **April 2025**
  - SRP’s inaugural Transition Cluster Load Impact Study – **24 Customers**
  - Cluster Study results to customers – **October 2025**
- Results
  - Total new load – **7.2 GW**
  - **83** network upgrades on SRP, APS and WAPA transmission systems
  - Total transmission upgrade cost - **$12.8B**
    - $10.9B Network upgrades
    - $1.9B customer-specific interconnection facilities

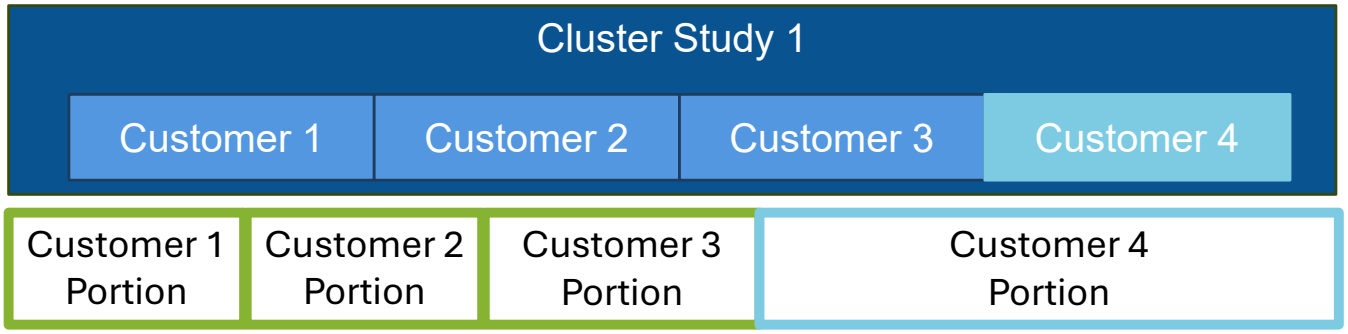
From Serial Planning Process…

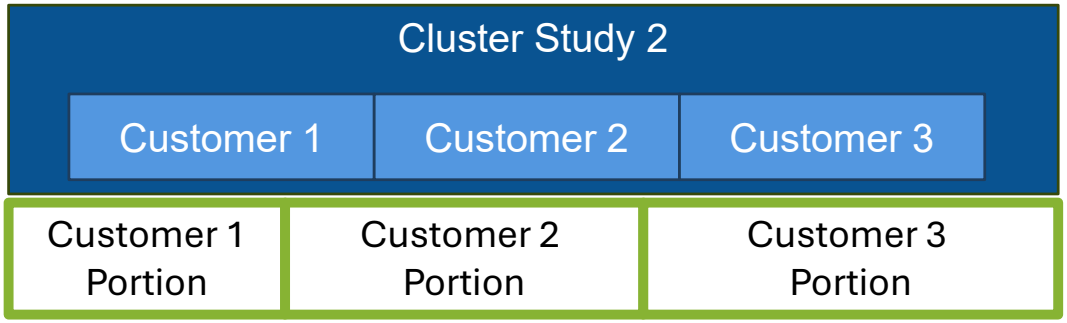
Each subsequent study accounts for previous mitigations



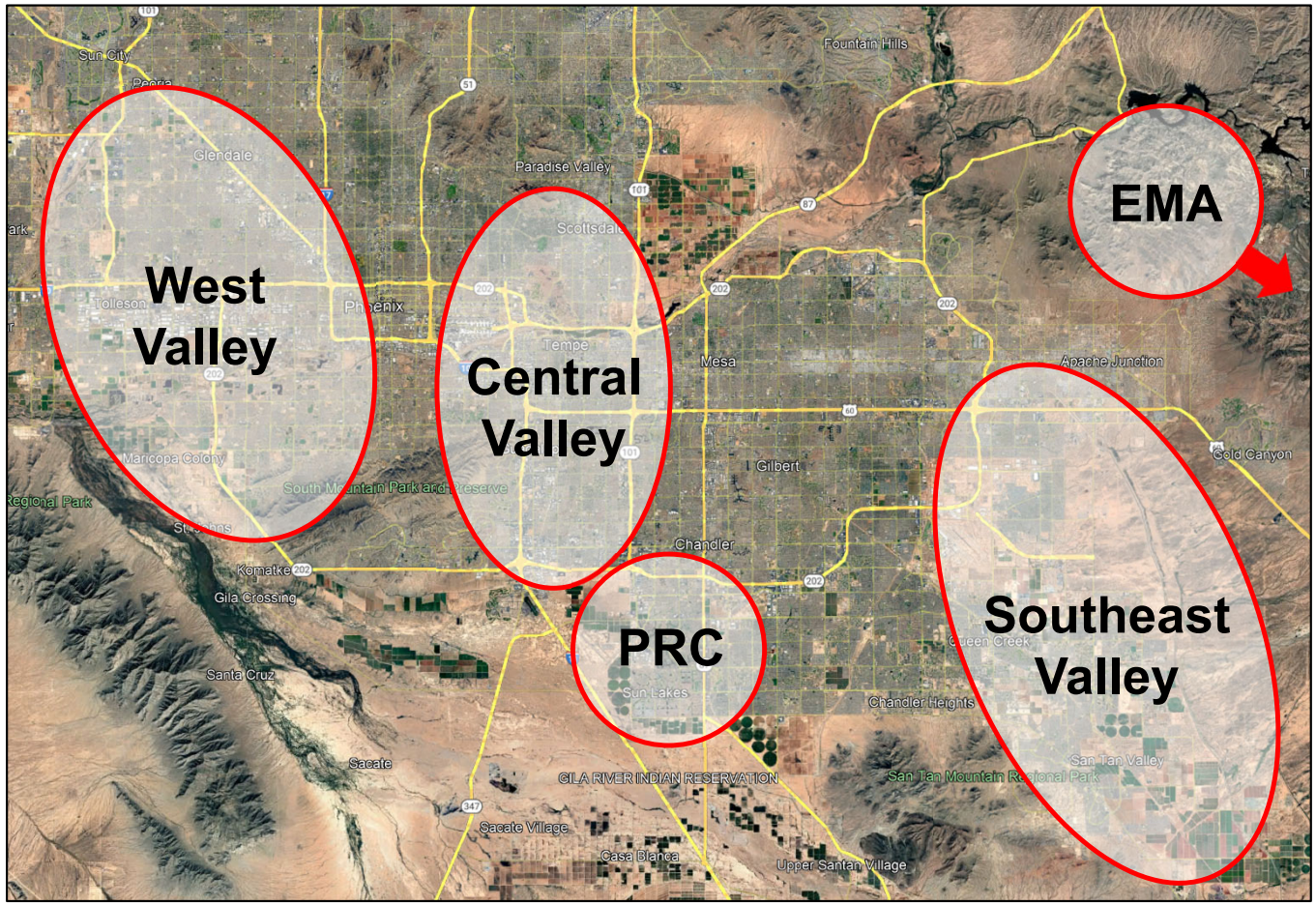
Friday

….To A Cluster Planning Process





Projects Map



Area	Serial	Cluster
WV	4 Proj 1.4 GW	11 Proj 2.4 GW
CV	6 Proj 972 MW	1 Proj 150 MW
PRC	7 Proj 1.4 GW	2 Proj 234 MW
SEV	16 Proj 3 GW	10 Proj 4.4 GW
EMA	2 Proj 210 MW	None
Total	**35 Proj 7 GW**	**24 Proj 7.2 GW**

- 52 Data Center (24 are new LCIP projects)
- 4 Manufacturing
- 2 Mining
- 1 Hospitality

Mitigations Map

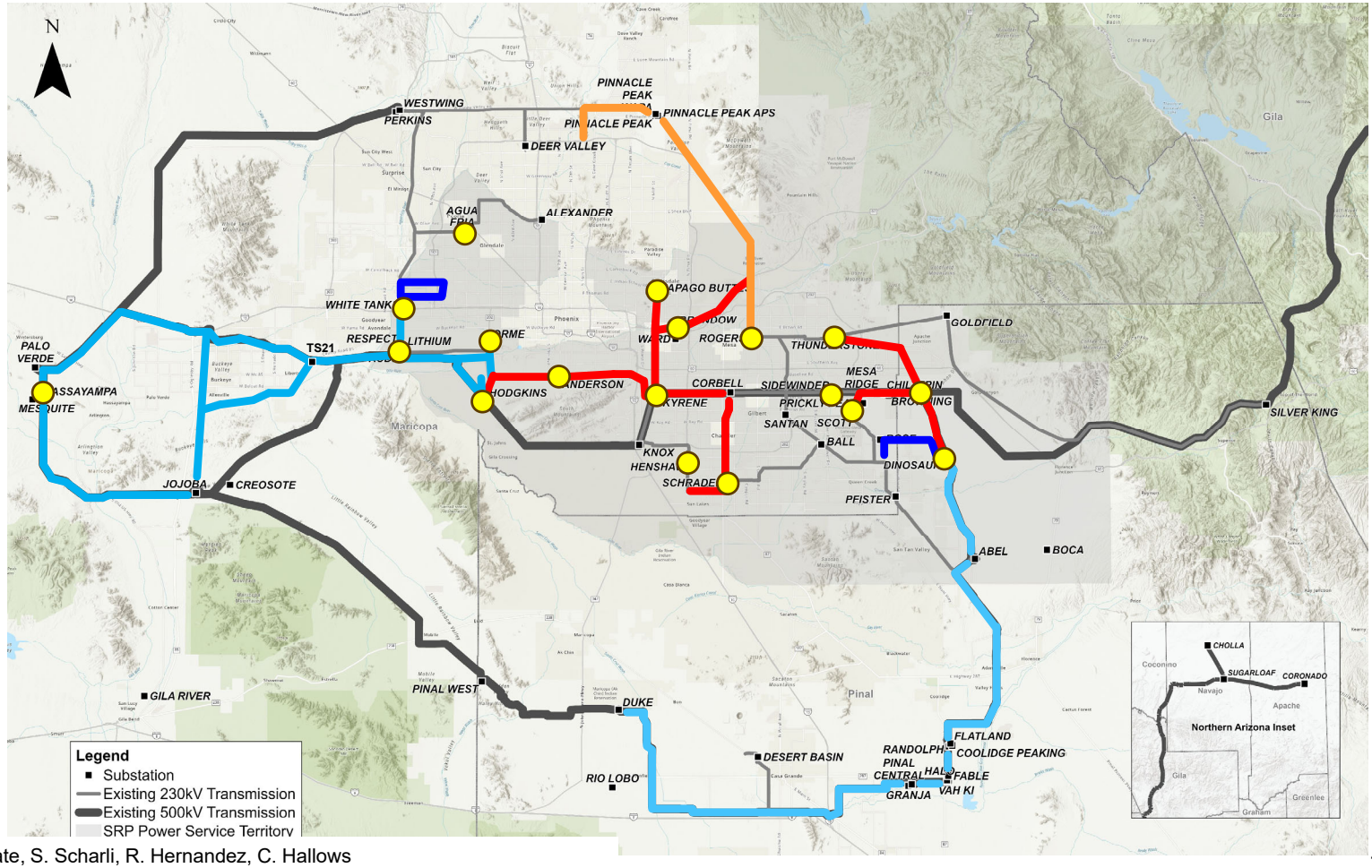
Upgrade Line

New Line (CEC)

UG Load Loop & Projects Served

Upgrade Line (Non-SRP)

Short Circuit Mitigation



Network Upgrades Requiring Certificate of Environmental Compatibility (CEC)

New Line	Approx. Miles	Cost ($M)
Abel - Pinal Central 500 kV Line #2	32	$421
Duke - Pinal Central 500 kV Line #2	35	$485
Pinal Central - Dinosaur 500 kV	45	$785
Hassayampa - TS21 500 kV Lines #2	42	$1,074
Hassayampa - TS21 500 kV Lines #3	31	$398
Hodgkins - TS21 500 kV Line #1 (includes station and 230kV/500kV connections)	18	$1,195
Hodgkins - TS21 500 kV Line #2	18	$821
Hodgkins - Orme - TS21 230 kV Line	24	$59
TS21 - White Tanks 230 kV Line (includes station and UG load loop)	12	$924
Abel - Randolph 230 kV Line #2	25	$299
Orme – Hodgkins – Anderson	Modify Existing CEC	

Cost Responsibilities – Top 5 & Bottom 5

Project Name	Project Load	Initial Capacity	Total Cost Responsibility ($M)
LA25P16	1120 MW	30 MW	**$962 - $1,466**
LA25P12	1000 MW	50 MW	
LA25P04	540 MW	23 MW	
LA25P23	438 MW	7 MW	
LA25P19	432 MW	8 MW	
LA25P24	126 MW	13 MW	**$131 - $196**
LA25P14	150 MW	1 MW	
LA25P06	50 MW	2 MW	
LA25P07	148 MW	15 MW	
LA25P18	86 MW	9 MW	

Uncertainties

- Large Business Customer final load-serving requirements
- Schedule dependencies among 83 network upgrade projects
- Non-SRP system impact and upgrade costs (APS and WAPA)
- Non-standard construction
- Land acquisition

Customer Process & Potential Credit Support Provisions

Large Customer Integration Process (LCIP)

Application Process	• Feasibility assessment at proposed project site, including relevant SRP representatives • Fee: $40k • Timeline: 3-4 months
Load Impact Study & Conceptual Scope	• Cluster Load Impact Study identifies mitigations related to transmission capacity request • Project Scoping Agreement outlines project scope and estimated project duration & cost • Fee: $250k, Milestone 1 & 2 - 60% Contribution in Aid of Construction (CIAC) • Timeline: ~8 months
Contractual Requirements	• Preliminary Agreement for Electric Service (AES) with agreed upon customer contracted load • Collateral: Amount based on Minimum Demand • Timeline: Customer dependent
Detailed Scope of Construction and Operation	• Design, Construction, and Operations Agreement finalizes transmission capacity and terms & conditions associated with project design & construction • Fee: Remaining 40% CIAC, Point of Interconnection, Network Upgrades • Timeline: ~3-4 months
Final Conditions of Power Service	• Final AES provides permanent power agreement, maintenance and rate schedule • Timeline: Less than 1 month

Financial Provisions to Reduce SRP's Risk

Upfront fees

- Cover the cost of labor for upfront project screening and studies

CIAC

- Cover capital costs of transmission and point of inter-connection (POI) substation infrastructure

Minimum demand charge collateral

- Protect generation investments if customer demand does not materialize

E-67 minimum demand charge

- Cover generation and operations expenses if customers do not perform

Performance Provisions

- Cover generation and revenue if customers do not perform as committed

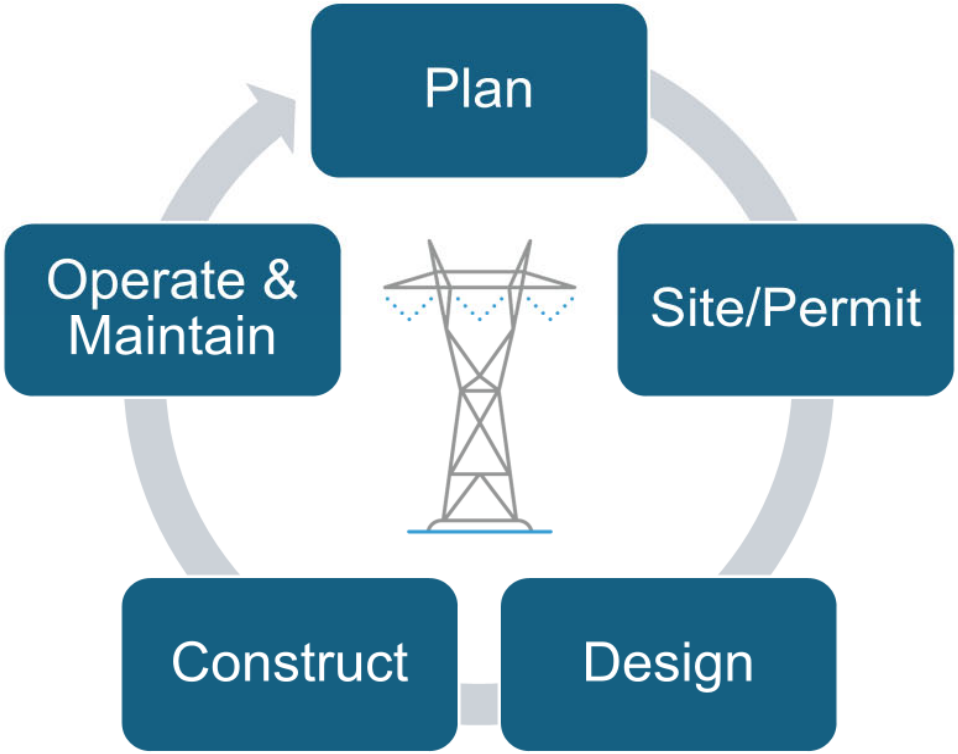
Key Terms in AES

- Contract Term
- Minimum Demand Charge
- Collateral Requirements
- SRP Credit Granted for Collateral
- Underperformance
- Overperformance
- Termination Provisions
- Renegotiation Provisions

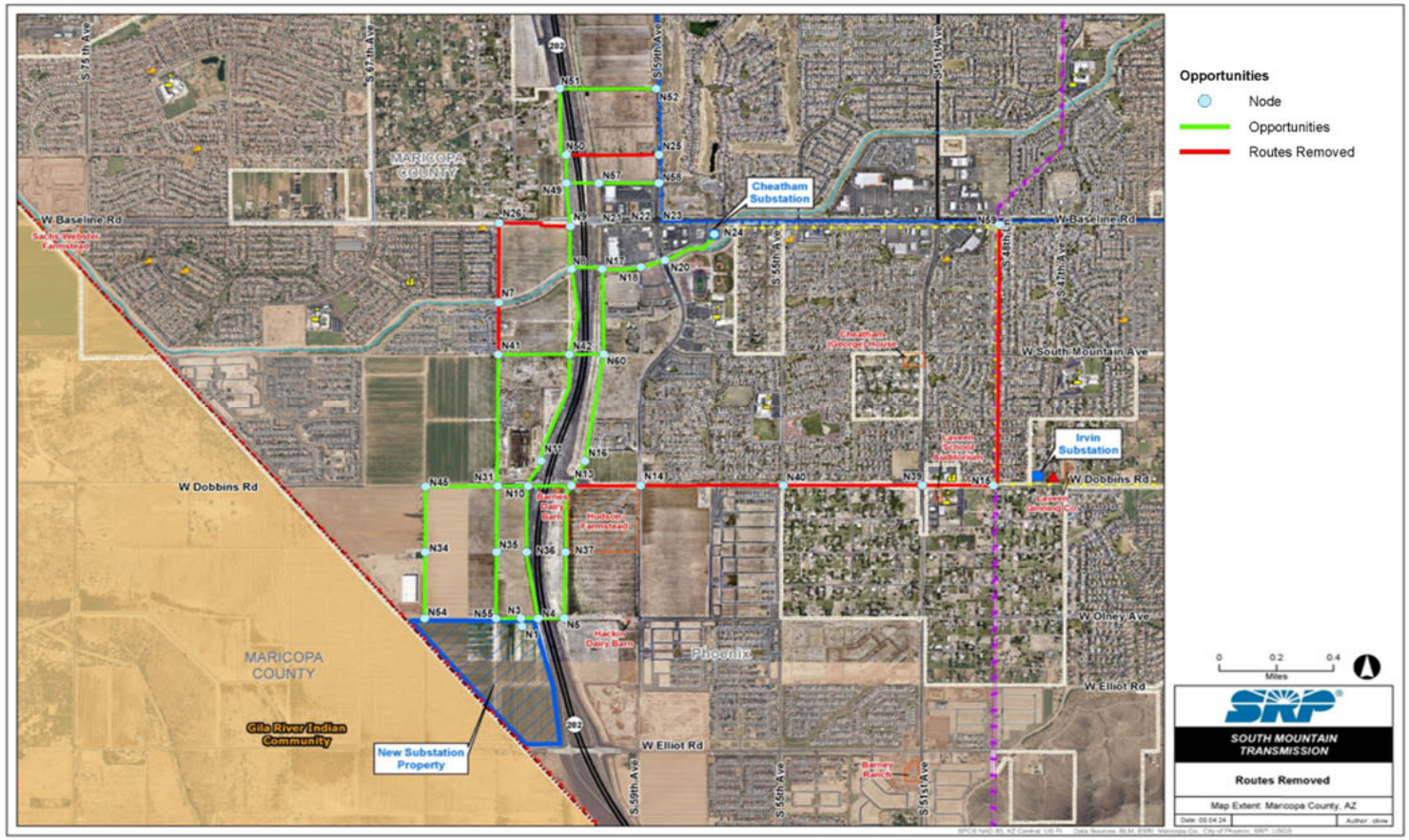
Transmission Siting Overview

TRANSMISSION SITING OVERVIEW

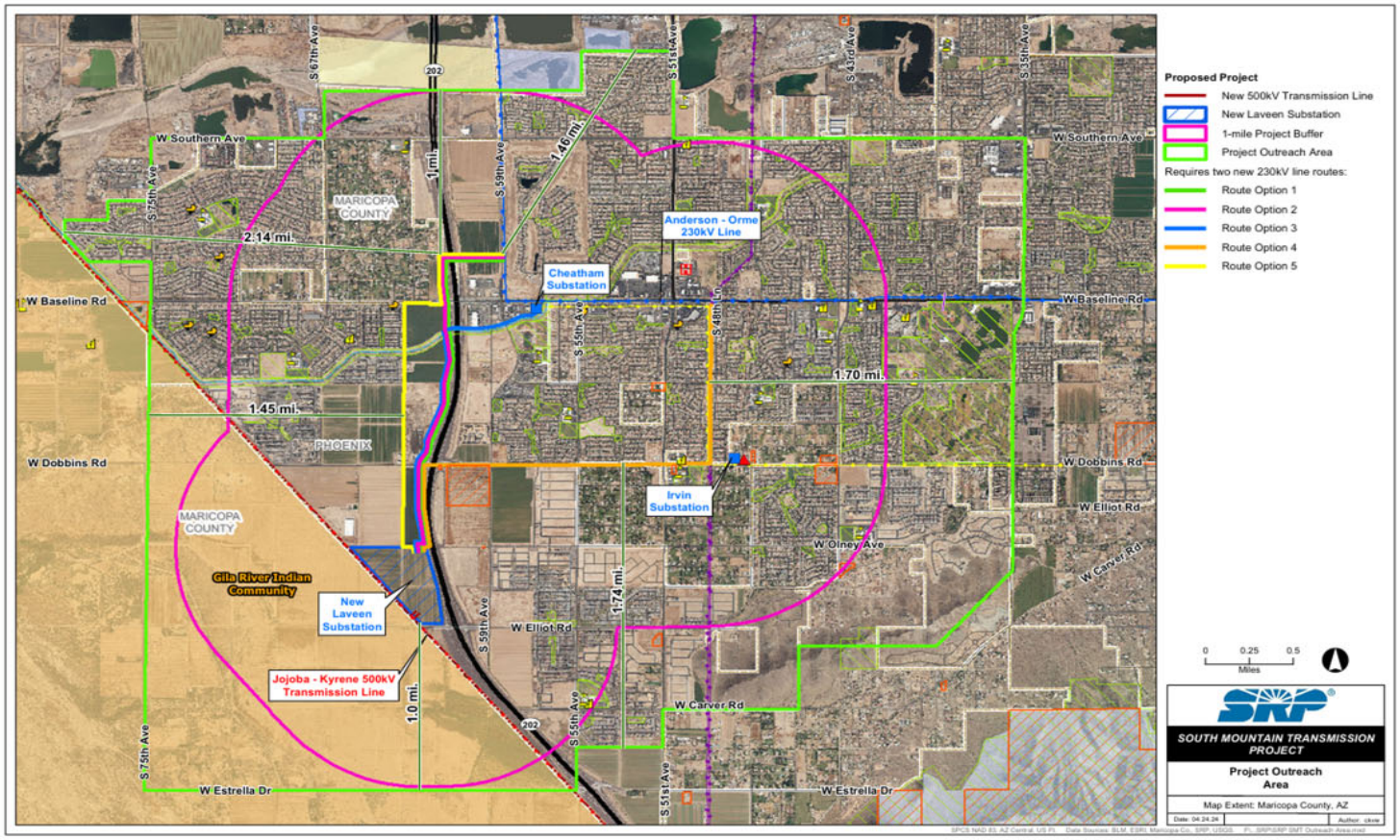
Transmission Asset Lifecyle



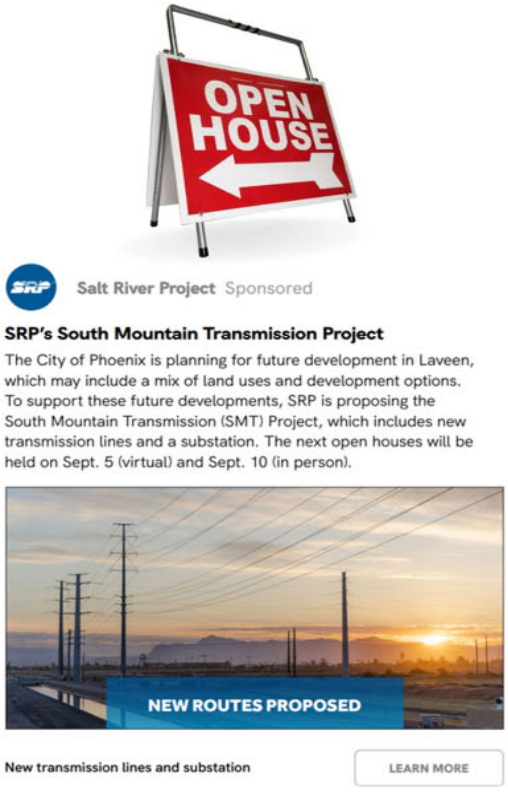
Line Route Analysis

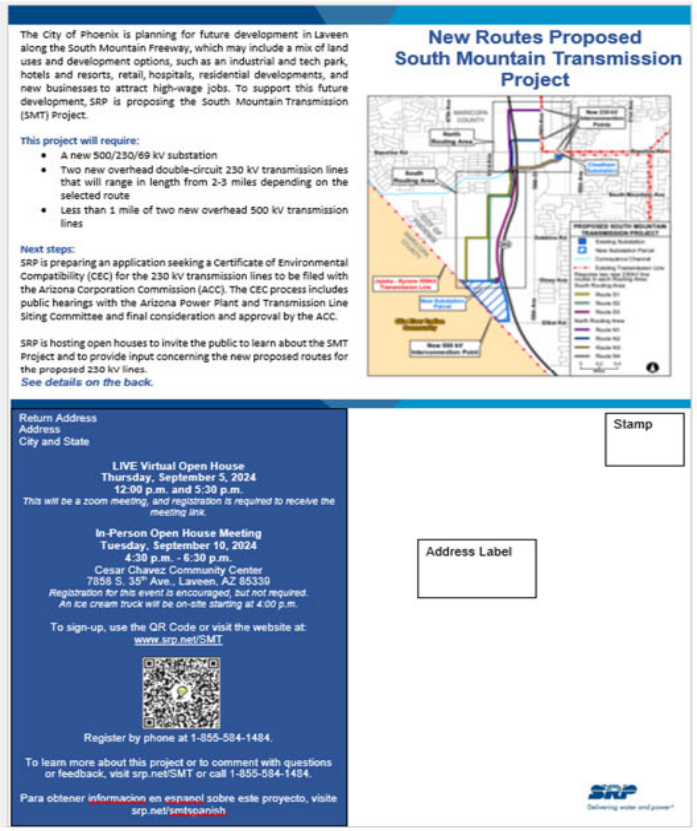


Public Engagement Plan



Project Communication Strategy





Engagement Statistics

Mailers

- Notification radius 1-2 miles= 57,634 mailers

Emails

- 90,187 emails sent
- 280 Clicks

Social Media

- Facebook/Instagram, Nextdoor
  - Impressions= 88,973
  - Reach= 11,013
  - Clicks= 614

Engagement Statistics

OPEN HOUSES

- 2 In-Person offerings
  - 45 attendees
  - 18 written comments/questions
- 4 Virtual offerings
  - 127 attendees
  - 74 written comments/questions

Typical Stakeholder Questions

Why can't you just put the power lines underground?

Are my rates going to go up?

What are the EMF impacts to me and my family?

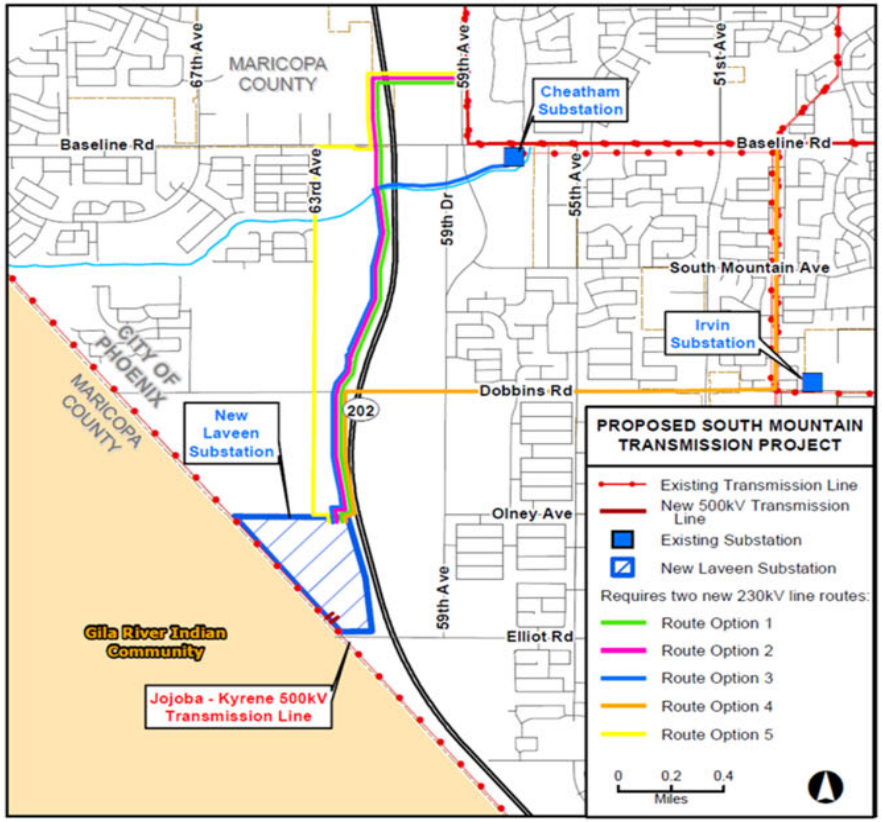
Magnetic fields from common household appliances (mG)[1]

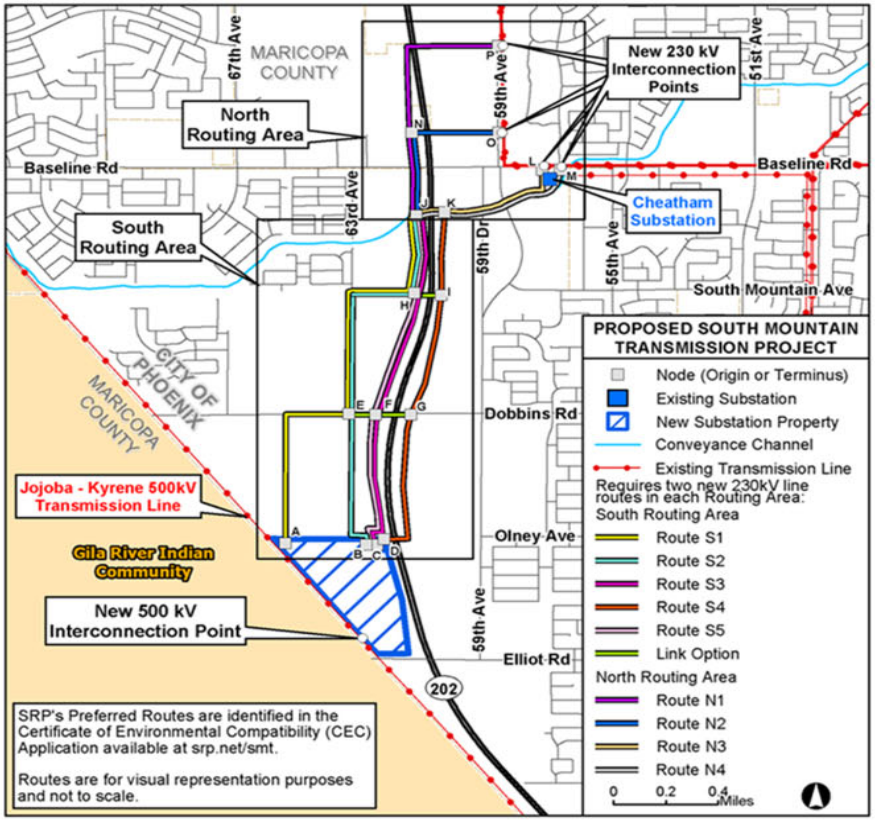
ELECTRICAL DEVICE	6" FROM SOURCE[2]	1' FROM SOURCE	2' FROM SOURCE	4' FROM SOURCE
Hair dryers	1-700	1-70	10	1
Vacuum cleaners	100-700	20-200	4-50	1-10
Microwave ovens	100-300	1-200	1-30	2-20
Irons	6-20	1-3	-	-
Televisions	-	7-20	2-8	4

Typical EMF levels near SRP power lines (mG)[3]

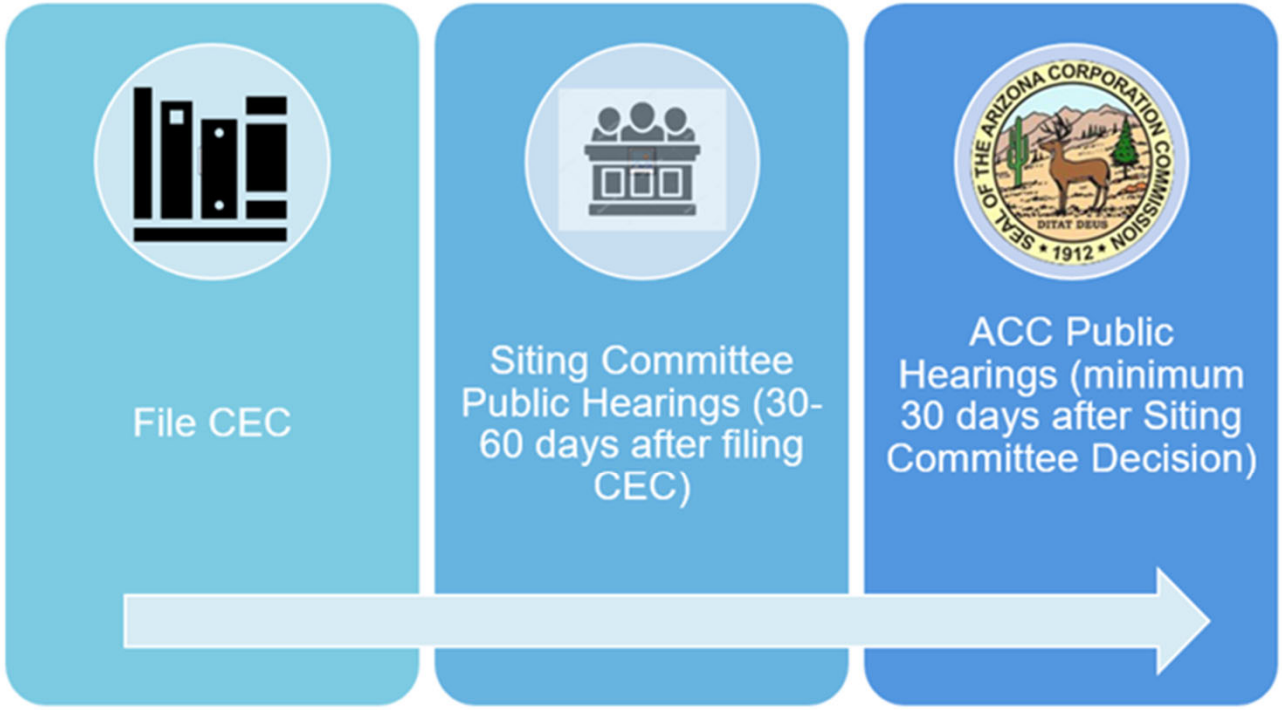
LOCATION	EMF STRENGTH
Directly under overhead transmission line	5 to 100
100 feet away from overhead transmission line	1 to 20
Directly over underground distribution line	6 to 30
20 feet away from underground distribution line	2 to 10

Incorporating Stakeholder Feedback





Regulatory Process



Line Siting Hearing

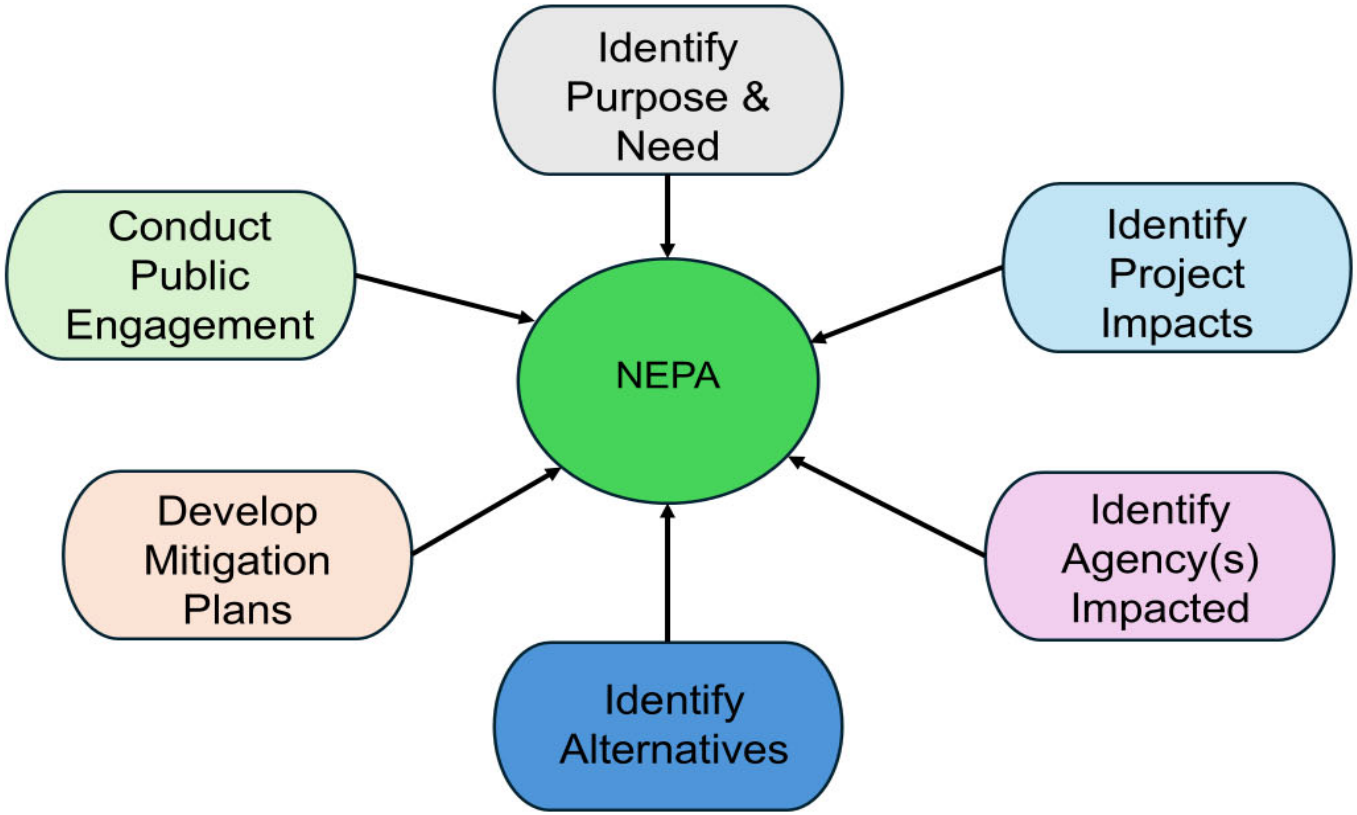
First step in the approval process: the Power Plant and Line Siting Committee

Applicant presents the proposed project details

Applicant provides testimony under oath

Hearing duration is typically a week

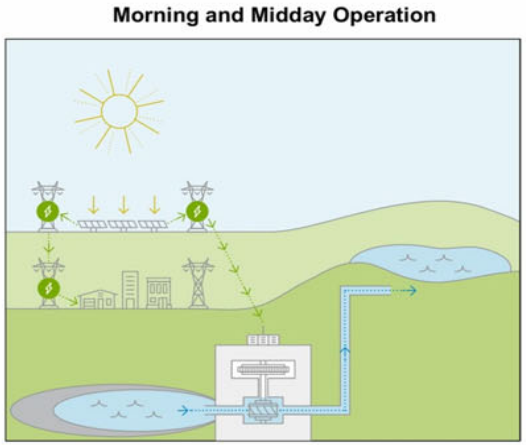
NEPA Process

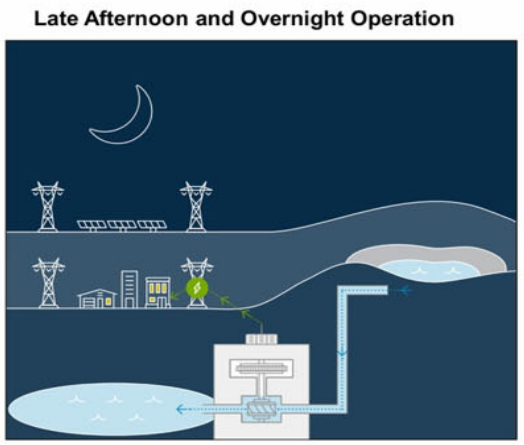


Upcoming Generation Projects

PUMPED STORAGE

- Proposed to generate between 1,000MW - 2,000MW
- In service by 2033





CGS REPURPOSING

- Converting current coal fired turbines to natural gas
- In service by 2029

thank you!