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.
MINUTES OF COUNCIL
SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER
DISTRICT

January 10, 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, January 10, 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
January 3, 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, January 10, 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 3rd day of January 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 absent at roll call were M.L. Farmer and I.M. Rakow.

Also present were President D. Rousseau; District Vice President C.J. Dobson;

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, January 6, 2023.

Safety Minute

Using a PowerPoint presentation, Sara C. McCoy, SRP Director of Risk Management, provided a safety minute regarding aggressive driving behaviors and the practice of polite driving habits.

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 D.B. Lamoreaux, seconded by Council Vice Chairman J.R. Shelton and carried, the Council approved the minutes for the meeting of November 8, 2022, as presented.

Corporate Secretary J.M. Felty polled the Council Members on Council Member D.B. Lamoreaux’s motion to approve the minutes for the meeting of October 4, 2022. The vote was recorded as follows:


NO: None (0)

ABSTAINED: None (0)

ABSENT: Council Members M.L. Farmer and I.M. Rakow (2)
Council Committee Chairs and Liaisons Reports

There were no reports from Council Committee Chairs or liaisons.

Open Meeting Law Requirements for SRP Elected Officials

Using a PowerPoint presentation, Ken J. Lee, SRP Senior Director of Legal Services, stated that the purpose of the presentation was to provide information regarding the Arizona Open Meeting Law (OML) requirements for SRP elected officials. He discussed the overall purpose and interpretation of OML and said that the OML is intended to maximize public access to the governmental process, open deliberations and proceedings to the public, and prevent public bodies from making decisions in secret. Mr. K.J. Lee stated that the District’s Board, Council, and their respective Committees, as well as the Boards of the District’s subsidiaries and the SRP CUP are considered public bodies subject to the OML.

Mr. K.J. Lee said that a meeting could occur in person or through technological means. He stated that when a quorum of a public body discusses, proposes, or takes legal action, it is considered a meeting and must meet the requirements of the OML. Mr. K.J. Lee stated that per the OML, public meetings can occur through a one-way electronic communication by one member sent to a quorum of the members of a public body that proposes legal action or through an exchange of electronic communications among a quorum of the members that involves a discussion, deliberation, or the taking of legal action by the public body concerning a matter likely to come before the public body for action.

Continuing, Mr. K.J. Lee discussed how serial communications may violate the OML. He discussed guidelines regarding meeting agendas, communications with media and public, executive sessions, and closed sessions. Mr. K.J. Lee concluded with an overview of the possible consequences of noncompliance.

Mr. K.J. Lee 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.

Conflict of Interest Disclosures for SRP Elected Officials

Using a PowerPoint presentation, Mr. K.J. Lee stated that the purpose of the presentation was to provide information regarding Conflict of Interest disclosures for SRP elected officials.

Mr. K.J. Lee reviewed the Arizona law regarding conflicts of interest and statutory requirements. He defined the meaning of relatives, substantial interest, and remote interests. Mr. K.J. Lee outlined the procedures of what to do if an elected official
believes that there may be a conflict, the SRP process for Conflict of Interest disclosures, and the potential sanctions for violating the law.

Mr. K.J. Lee 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.

Third Party Communication and Social Media Policy for SRP Elected Officials

Using a PowerPoint presentation, Mr. K.J. Lee stated that the purpose of the presentation was to provide information on the Third Party Communication and Social Media Policy for elected officials.

Mr. K.J. Lee stated that the policy was approved by the Board in March of 2019 and attempts to balance elected officials' individual rights to communicate to voters with SRP's need as an entity to speak with one voice. He said that in third party communications regarding SRP operations or policies or when creating or using social media sites or pages, the Members must make it clear that the Member is speaking in their individual capacity and not on behalf of SRP. Mr. K.J. Lee noted that an appropriate disclaimer must be included, and he provided an example of an appropriate disclaimer.

Continuing, Mr. K.J. Lee explained that for SRP intellectual property, the policy provides the following: structure and guidance on the use of SRP intellectual property, including the terms “SRP” and “Salt River Project;” and a process if a dispute arises regarding an elected official's use of SRP's intellectual property.

Mr. K.J. Lee requested that Members provide the Corporate Secretary's Office with any required information regarding social media sites, review and be cognizant of the policy, and contact the Corporate Secretary or Legal Services with any questions related to the policy. He concluded with an overview of the appropriate use of SRP elected official email addresses.

Mr. K.J. Lee 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.

SRP Standards of Conduct and Written Procedures

Using a PowerPoint presentation, Karilee S. Ramaley, SRP Senior Principal Attorney, stated that the purpose of the presentation was to provide training regarding the SRP Standards of Conduct and Written Procedures (SOC Procedures). She reminded the Council that the Board established the SOC Procedures in order to govern the use of confidential transmission information and to help ensure fair wholesale energy and
transmission markets. Ms. K.S. Ramaley stated that while the Federal Energy Regulatory Commission (FERC) adopted SOC rules applicable to regulated utilities, the SRP Board established SRP’s SOC Procedures to be consistent with FERC’s rules. She said that all SRP employees, officers, directors, contractors and consultants must comply with the SOC Procedures.

Continuing, Ms. K.S. Ramaley explained the following SOC classifications: transmission function employees, marketing function employees, and no conduit employees. She provided a summary of general requirements of the SOC Procedures, non-public transmission function information, and the limited exceptions.

Ms. K.S. Ramaley 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.

Public Records Act Requirements

Using a PowerPoint presentation, Katy A. Heth, SRP Principal Managing Attorney, stated that the purpose of the presentation was to provide information regarding Public Records Act requirements. She described the Public Records Act as it relates to the District. Ms. K.A. Heth said that for the purpose of accountability and transparency in government, the Arizona Public Records Act was originally adopted in Arizona in 1901.

Ms. K.A. Heth reviewed the Arizona Public Records Act background and application. She defined the meaning of public record, officer, and public body, and discussed the District’s position.

Ms. K.A. Heth 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.

Mr. R.T. Judd entered the meeting.

Executive Session: Ellis v. SRP

Council Chairman T.M. Francis requested a motion to enter into executive session of the District Council, pursuant to A.R.S. §38-431.03(A)(3) and (A)(4), to have discussion or consultation with attorneys for legal advice and to give instructions on pending and contemplated litigation with respect to Ellis, et al. v. SRP, Case No. 2:19-cv-01228-SMB.

On a motion duly made by Council Member P.A. Van Hofwegen, seconded by Council Member B.E. Paceley and carried, the District Council convened into executive session at 10:21 a.m.
Corporate Secretary J.M. Felty polled the Council Members on Council Member P.A. Van Hofwegen’s motion to enter into executive session. The vote was recorded as follows:


NO: None (0)

ABSTAINED: None (0)

ABSENT: Council Members M.L. Farmer and I.M. Rakow (2)


Executive Session: SRP v. ACC

Council Chairman T.M. Francis requested a motion to enter into executive session of the District Council, 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 SRP’s Certificate of Environmental Compatibility (CEC) application regarding the Coolidge Expansion Project (CEP), SRP v. Arizona Corporation Commission (ACC), Maricopa County Superior Court CV-2022-008624.

On a motion duly made by Council Vice Chairman J.R. Shelton, seconded by Council Member P.A. Van Hofwegen and carried, the District Council convened into executive session at 10:40 a.m.
Corporate Secretary J.M. Felty polled the Council Members on Council Vice Chairman J.R. Shelton’s motion to enter into executive session. The vote was recorded as follows:


NO: None (0)

ABSTAINED: None (0)

ABSENT: Council Members M.L. Farmer and I.M. Rakow (2)

Director K.L. Mohr-Almeida left the meeting.


Mmes. K.A. Heth, J. Oh, and K.S. Ramaley left the meeting. Director K.L. Mohr-Almeida entered the meeting.

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

Using a PowerPoint presentation, Kelly J. Barr, SRP Associate General Manager and Chief Strategy, Corporate Services, and Sustainability Executive, reported on a variety of federal, state, and local topics of interest to the District. She provided an update on the Palo Verde Generating Station. Ms. K.J. Barr also provided an update on the Southwest Clean Hydrogen Innovation Network (SHINe), a regional clean hydrogen hub in the Southwest developed by SRP and other members from the Center for an Arizona Carbon-Neutral Economy (AzCaNE). Rob R. Taylor, SRP Associate General Manager and Chief Public Affairs Executive, provided a political update.
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 Power System**

Using a PowerPoint presentation, John D. Coggins, SRP Associate General Manager and Chief Power System Executive, provided an update on the SRP’s power system. Referencing the 2022 Grid Performance Report, he provided a summary of the distribution system’s reliability performance.

Copies of the handouts and 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 status of collections through November 2022 within the Fuel and Purchased Power Adjustment Mechanism; and the preliminary retail energy sales for Fiscal Year 2023 (FY23). He provided a summary of wholesale net revenue for December. Mr. A.J. McSheffrey concluded with a review of SRP’s recent bond refunding and new money deals.

Copies of the handout distributed and 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. She provided an overview of the Water Infrastructure Finance Authority of Arizona (WIFA) and discussed the possible projects for WIFA funding.

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. C.E. Ester entered the meeting during the presentation.

**Reservoir and Weather Report**

Using a PowerPoint presentation, Charlie E. Ester, SRP Manager of Surface Water Resources, reviewed the total precipitation from December 27, 2022 to January 3, 2023 and discussed the cumulative watershed precipitation outlook from October 2022 to June 2023. He provided images of the current snowpack and the Tonto Creek streamflow on
January 1, 2023 and January 2, 2023. Mr. C.E. Ester reviewed the Salt, Tonto, and Verde January 2, 2023 peak streamflows and provided comparison of Water Year 2022 and Water Year 2023 streamflow forecasts.

Continuing, Mr. C.E. Ester 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 January 9, 2023. He reviewed the surface runoff and pumping data for December 2022 and year-to-date.

Mr. C.E. Ester provided an overview of the Colorado River Basin snowpack as of January 5, 2023. He provided a seven-day precipitation forecast and concluded with a review of the eight to fourteen-day percent of normal precipitation from January 13, 2023 through January 19, 2023 and seasonal percent of normal precipitation from January 2023 through March 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

President D. Rousseau reported on the upcoming General Manager and Chief Executive Officer succession planning and selection process.

Future Agenda Topics

Council Chairman T.M. Francis asked the Council if there were any future agenda topics. None were requested.

There being no further business to come before the Council, the meeting was adjourned at 12:18 p.m.

John M. Felty
Corporate Secretary
SAFETY MINUTE:

Go **S-L-O-W**

- **Slow** to 15-25mph
- **Let** vehicles already circulating go ahead
- **Obey** one-way signs
- **Watch** for pedestrians, bicyclists, vehicles

*YIELD, DON’T MERGE*

How to Drive in a Roundabout

Remember these KEY tips

1. **SLOW DOWN**
2. **LOOK LEFT**
3. **PROCEED WITH CAUTION**

For more information visit azdot.gov/roundabouts

02/07/2023 SRP Council, S.C.McCoy
How to Drive in a Roundabout

Remember these KEY tips

1. SLOW DOWN
2. LOOK LEFT
3. PROCEED WITH CAUTION

Go SLOW:
- Slow down to 15-25 mph when entering.
- Let vehicles already circulating go ahead.
- Obey all one-way signs.
- Watch for pedestrians, bicyclists, emergency vehicles and large vehicles.

Traffic always travels counterclockwise around the center island.

For more information visit azdot.gov/Roundabouts
FAQ’s

What is the difference between a traffic circle and a modern roundabout?

Many traffic circles require circulating vehicles to grant the right of way to entering vehicles and can be very large or very small. They can operate at higher speeds and often require motorists to move from one lane to another.

Modern roundabouts include improvements such as yielding to as opposed to merging with circulating traffic, deflection at entry and low-speed entry by design.

Is a modern roundabout like a four-way stop?

No, a modern roundabout is not a four-way stop. Both intersections are what the engineering community calls a “method of moving traffic,” but four-way stops require all traffic to stop prior to entering the intersection. Modern roundabouts require motorists to yield at entryways. All traffic entering a modern roundabout must follow the golden rule of the modern roundabout: Never merge. Here are some other differences between roundabouts and four-way stops:

- Four-way stops yield to the right, while roundabouts yield to the left (similar to a right turn at a red light).
- Traffic in a modern roundabout circulates counterclockwise.
- Motorists coming from different directions take turns in a first-come-first-served order at a four-way stop. This is not the case with roundabouts, where each driver chooses a safe gap to enter.

How do I enter a modern roundabout when traffic is congested?

First, slow down! You should approach a modern roundabout at no more than 25 mph. Most importantly, do not merge. Always yield to traffic in circulation when entering a modern roundabout. Do not attempt to cut in front of traffic, but wait for a safe gap. The drivers already in the roundabout have the right of way.

Will modern roundabouts slow down traffic?

In most situations, a modern roundabout can handle higher traffic volumes with less delay than traffic signals because motorists do not stop for traffic lights. A two-lane roundabout will handle the same capacity as other major intersections in the Valley, and a three-lane roundabout handles up to 6,000 vehicles per hour.

Are roundabouts safe for pedestrians and bicyclists?

While it depends on the number of pedestrians and vehicles, in many instances, a modern roundabout can be safer for pedestrians than a traffic signal. Pedestrian crossing is reduced to two simple crossings of one-way traffic that is proceeding at relatively slow speeds. Pedestrian safety is improved further by the a pedestrian crosswalk sign placed right where a vehicle enters a modern roundabout. Even with this precaution, it is recommended that pedestrians always use caution and designated crosswalks.

Auto-pedestrian crash rates are usually lower at modern roundabouts than traffic signals. Also pedestrian injuries that do occur tend to be less serious because of the relatively low speeds demanded by modern roundabouts.

Properly designed modern roundabouts safely accommodate bicycles. Because vehicles are traveling at 15-25 mph, bicyclists can negotiate this traffic mode like a car.

What’s the price tag? Are modern roundabouts more costly to the taxpayer?

The price tag of modern roundabouts versus traditional traffic-control methods can vary. Demographics, geography and environmental elements all make a difference when engineers, communities, and city and state planners begin to consider how to move traffic from one street to another.

Sometimes the financial cost of right-of-way acquisition is higher than the cost of traffic signal construction, and sometimes it is not a factor. For example, though modern roundabouts do not require traffic-light electricity, the maintenance of landscaping or public art can be a cost. However, the reduction in fatal, injury and pedestrian crashes can reduce other costs, including car insurance premiums, health insurance premiums, and physical and emotional trauma. When safety factors go up, the cost to society goes down.
Ways SRP Measures the Voice of the Customer

Customers’ feedback about their experiences with SRP and expectations for products and services.
<table>
<thead>
<tr>
<th>J.D. POWER</th>
<th>CP</th>
<th>BCX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry Benchmark</td>
<td>EPIC metric measurement</td>
<td>Real-time CX measurement</td>
</tr>
<tr>
<td>Track CX metrics</td>
<td>Understand broad CX drivers</td>
<td>Understand customer behavior’s</td>
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<tr>
<td>Understand broad and specific CX drivers</td>
<td>Track CX metrics</td>
<td>impact on CX</td>
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<td></td>
<td>Advance indicator of JDP</td>
<td>Understand program participation</td>
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<td>impact on CX</td>
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## Study Use Recommendations

<table>
<thead>
<tr>
<th>J.D. POWER</th>
<th>CP</th>
<th>BCX</th>
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<tbody>
<tr>
<td>☐ Comparison to industry</td>
<td>☐ Track EPIC Performance</td>
<td>☐ Impact of a single/bundle of programs on CX and other metrics</td>
</tr>
<tr>
<td>☐ Monitor industry best practices</td>
<td>☐ Help prioritize goals based on key drivers</td>
<td>☐ Link overall CX to interaction CX to help prioritize actions</td>
</tr>
<tr>
<td>☐ Monitor for customer issues</td>
<td>☐ Monitor customer issues</td>
<td>☐ Monitor for customer issues</td>
</tr>
<tr>
<td></td>
<td>☐ Track topical issues</td>
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02/07/2023 District and Association Council, E. Gould
J.D. Power – 2022 Electric Residential Overview

Purpose:
• Quantify factors that drive overall customer satisfaction
• Compare overall customer satisfaction + perceptions
• Track attributes to determine gaps relative to other utilities

Overall Customer Satisfaction Index – 2022 West Large

<table>
<thead>
<tr>
<th>Utility</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>SRP</td>
<td>796</td>
</tr>
<tr>
<td>SMUD</td>
<td>764</td>
</tr>
<tr>
<td>Rocky Mountain Power</td>
<td>758</td>
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<tr>
<td>Portland General Electric</td>
<td>758</td>
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<tr>
<td>NV Energy</td>
<td>747</td>
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<tr>
<td>Puget Sound Energy</td>
<td>742</td>
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<tr>
<td>APS</td>
<td>741</td>
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<tr>
<td>Pacific Power</td>
<td>740</td>
</tr>
<tr>
<td>Xcel Energy-West</td>
<td>725</td>
</tr>
<tr>
<td>Southern California Edison</td>
<td>722</td>
</tr>
<tr>
<td>L. A. Dept. of Water &amp; Power</td>
<td>717</td>
</tr>
<tr>
<td>West Large</td>
<td>717</td>
</tr>
<tr>
<td>San Diego Gas &amp; Electric</td>
<td>691</td>
</tr>
<tr>
<td>Pacific Gas and Electric</td>
<td>659</td>
</tr>
</tbody>
</table>

02/07/2023 District and Association Council, E. Gould
SRP again ranked first in the West Large in 2022 while ratings in the segment were flat or declining.

### Overall Customer Satisfaction Index 2022

<table>
<thead>
<tr>
<th>Utility</th>
<th>2022 Score</th>
<th>Diff. from 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>SRP</td>
<td>796</td>
<td>-10</td>
</tr>
<tr>
<td>SMUD</td>
<td>764</td>
<td>-16</td>
</tr>
<tr>
<td>Rocky Mountain Power</td>
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<td>-1</td>
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<tr>
<td>Portland General</td>
<td>756</td>
<td>1</td>
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<tr>
<td>NV Energy</td>
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<td>Puget Sound Energy</td>
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<tr>
<td>APS</td>
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<td>7</td>
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<td>-13</td>
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<td>San Diego Gas &amp; Electric</td>
<td>691</td>
<td>-39</td>
</tr>
<tr>
<td>Pacific Gas and Electric</td>
<td>659</td>
<td>-20</td>
</tr>
</tbody>
</table>

**Diff. from 2021**

-10, -16, -1, 1, -11, -7, 7, -13, -23, -22, -13, -17, -39, -20

*Index based on 100 – 1000 point score
▲▼ Significantly different than other utilities/SRP (graph) or significantly different from 2021 (table) at a 95% confidence level*
J.D. Power Residential Study Overall Customer Satisfaction Index - SRP
SRP’s Customer Satisfaction Index improved nearly 100 index points over the last 10 years.

Customer Satisfaction by Year

<table>
<thead>
<tr>
<th>Year</th>
<th>Customer Satisfaction Index</th>
</tr>
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<tbody>
<tr>
<td>2012</td>
<td>700</td>
</tr>
<tr>
<td>2013</td>
<td>709</td>
</tr>
<tr>
<td>2014</td>
<td>730</td>
</tr>
<tr>
<td>2015</td>
<td>738</td>
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<td>2020</td>
<td>806</td>
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<td>2021</td>
<td>806</td>
</tr>
<tr>
<td>2022</td>
<td>796</td>
</tr>
</tbody>
</table>

West Large region rank
- 1: 1 1 1 1 1 1 1 1 1 1 1

Ranking in the nation
- 3 3 2 3 10 7 8 7 4 8 3

Index based on 100 – 1000 point score
- ▲▼ Significantly different from current wave at a 95% confidence level
J.D. Power Residential Index Score Comparisons - SRP

SRP was rated highest in Customer Care, Billing & Payment, and PQ&R. Price declined the most in 2022.

Customer Satisfaction and Factors

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Customer</td>
<td>806</td>
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<tr>
<td>Satisfaction Index</td>
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<td>858</td>
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<tr>
<td>Power Quality &amp;</td>
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<td>845</td>
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<tr>
<td>Reliability</td>
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<tr>
<td>Price</td>
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<td>Corporate Citizenship</td>
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<td>756</td>
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<tr>
<td>Billing &amp; Payment</td>
<td>760</td>
<td>853</td>
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<tr>
<td>Communications</td>
<td>747</td>
<td>845</td>
</tr>
<tr>
<td>Customer Care</td>
<td>867</td>
<td>858</td>
</tr>
</tbody>
</table>

Index based on 100 – 1000 point score
▲▼ Significantly different from current wave at a 95% confidence level
Key Takeaways

- 1st in nation, 3 years out of 24 years
- 1st in the West Large region, 23 years out of 24 years (21 years in a row)

Uses

- Compare performance in six key areas to other utilities nationwide
- Guidance on where to focus efforts
- Improvements to website, mobile apps, and outage communications
- Opportunity increase communications recall, awareness of sustainability and safety initiatives
- Understand expectations of customers moving into service territory
Customer Perspectives
Customer Perspectives (CP)

**Purpose:**
- Measure customers’ overall opinions & perceptions
- Provide high-level direction for decision making

**Application:**
- Track key performance metrics and customer touchpoints in strategic focus areas
- Track EPIC customer satisfaction
- Provide over-arching research design to be supported by other detailed/diagnostic studies
- Customer comments/ ways to better serve
Customer Classes Measured

Customer Perspectives

Power
- Residential
- Valued Business
- Mid-Size Business
- Large Business
- Strategic Customers

Water
- Residential
- Agriculture/Other Urban
- Municipalities
Performance as an electric company

Experience as a customer

Value

% rating 10/9 on 10-point scale

Q: Please rate your overall experience as an SRP customer./ How would you rate the overall value you receive from SRP considering the amount you pay for services?/ How would you rate SRP's overall performance as an electric company?
Overall Takeaways of FY23 Q2

Customer satisfaction and experience remained stable

Notable improvements in performance:
- Power Reliability
- Use of renewable energy sources increased to an all-time high
- Website ratings
- Metrics directly related to the water management
- Valued Business Energy Manager ratings having the appropriate knowledge

Opportunities exist:
- More ways to save - overall pricing & value perceptions
- Energy efficiency programs
- Communication about environmental efforts
- Commitment to the future and innovation
Broad-based Customer Experience (BCX)
Broad Customer Experience (BCX)

Overall Customer Experience Trend 93,509
BCX Uses

- Distinguish what enhances, detracts or doesn't affect customer experience.
- Measure marketing/communications efforts
- Facilitates in-depth analysis
BCX Key Takeaways

Capabilities:
• Track sentiment, ratings in near real-time
• Surveys are flexible
• Detect small changes in corporate metrics over time
• Enables advanced analysis + modeling of customer behavior, needs, expectations
• Monitor customers' opinions new or piloted programs

Opportunities:
• Understand key drivers of overall customer experience + other metrics
• Development new programs and services
thank you!
SRP Wells & Recharge Facilities

~270 Active Wells
Age Range 1919-2023
Conjunctive Management = Drought Protection
Well Drilling, Design, and Construction

Replacement Wells
• Aging wellfield
• Water quality improvement
• Land development

New Wells
• System enhancement
• Strategic partnerships
• Power generation
Water Well Design and Construction

- Marginal water quality
- Good quality water
- Sand, silt, gravel (Aquifer)
- Clay (impermeable)

Water sample

02/07/2023 Council Meeting Presentation, S. Morris
Well Design & Installation

- Good quality water
- Marginal water quality

~1000'

02/07/2023 Council Meeting Presentation, S. Morris
# Well Maintenance & Reliability

![Image of well maintenance and reliability](image)

## Groundwater Well Test Data

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Value 1</th>
<th>Value 2</th>
<th>Value 3</th>
<th>Value 4</th>
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<tbody>
<tr>
<td>Date</td>
<td>07/01/2023</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Location</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Flow</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pumping Level</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Head</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Pump Capacity (GPM)</td>
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</tr>
<tr>
<td>Drawdown</td>
<td></td>
<td></td>
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<tr>
<td>Drawdown (GPM)</td>
<td></td>
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<tr>
<td>Flow Water GPM</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

02/07/2023 Council Meeting Presentation, S. Morris
Well Condition & Assessment Tools
SRP/City Connect Wells

Cost Savings

- 50/50 cost share for well drilling, engineering design, and well equipping
- SRP pays to bring water to the ground surface; city pays for additional head into their system
- SRP performs and pays for pump and well maintenance on SRP owned equipment
- City connect wells are given high priority for repair

Improved Efficiencies

- SRP designs the pump to run most efficiently to the city’s system
- SRP performs annual efficiency testing and flowmeter verification
- Pump and well maintenance is scheduled prior to failure
- City can purge well into SRP’s system

02/07/2023 Council Meeting Presentation, S. Morris
Collaborative Partnerships

New River Agua Fria River Underground Storage Project (NAUSP)

Granite Reef Underground Storage Project (GRUSP)
Recharge Status

**GRUSP**
- Facility closed on Sept. 2019, reopened May 2021
- 2021 total deliveries: 22,758 AF
- 2022 total deliveries: 31,070 AF
- 2023 declared capacity: 40,000 AF
- **Total storage inception to date: 1,207,200 AF**

**NAUSP**
- 2021 total deliveries: 23,823 AF
- 2022 total deliveries: 20,008 AF
- 2023 declared capacity: 25,600 AF
- **Total storage inception to date: 269,743 AF**

**SRP Groundwater Savings Facility (GSF)**
- **Total storage inception to date: 960,625 AF**
Recovery Agreements

Underground Water Storage and Recovery Over Time

- **Annual Amount Stored**
- **Annual Recovery**
- **Long-Term Storage Credit Recovery**
- **Net Annual LTSCs Accrued**

*Net Total LTSC Balance (AF) Available for Recovery (through most recent year displayed)*

7.00M

02/07/2023 Council Meeting Presentation, S. Morris
System Optimization & Planning

Depth to Water, 2022

Legend
Depth to Water, 2022
Value in feet
Depth to Water (ft)
0 - 40
41 - 80
81 - 120
121 - 160
161 - 200
201 - 240
241 - 280
281 - 320
321 - 360
361 - 400
401 - 450
451 - 500
501 - 550

Figure 11. Simulated 10-year Water Level Decline by 2033
(SRP Pumping Increase from 130,000 APY to 200,000 APY)
Challenges & Opportunities

• Prolonged drought
• Increasing demand for pumping capacity
• Infrastructure and land availability
• Water quality
thank you!
Current Events

Mike Hummel
Power System Update

John Coggins
January Operations Summary

• Customer peak demand: 4573 MW
  • Occurred on January 24 with 37-degree temperature
  • 92 MW higher than forecast
• Overall, power system assets performed well
• Maintenance outage season continues
Pattern Energy's SunZia Project Map

Pinal Central Substation

SunZia Transmission
Interconnection Project at Pinal Central Substation

• Purpose
  • Facilitate the delivery of Pattern Energy’s wind generation from central New Mexico (3,000 MW) to potential customers in Arizona and California

• Project scope
  • Interconnect Sun Zia 500kV transmission project from central New Mexico (Customer: Pattern Energy)
  • Interconnect new 230kV line from nearby ED5 substation (Customer: WAPA)
  • Other reliability enhancements
  • Total unloaded project reimbursable cost by customers: $43 million

• Project schedule
  • Construction started in September 2022
  • Construction to be completed April 2025
Pinal Central Substation
Pinal Central Substation
New 230kV Line Dead-end and Circuit Breakers
Pinal Central Substation - 230kV West Bus Extension
Pinal Central Substation – New Transformer Foundation
Financial Update

Aidan McSheffrey
Combined Net Revenues

- **December YTD Variance is $114.9**

- Actual revenue peaks in September at $355.3 million and drops sharply in December to $240.4 million.

- The variance for December is calculated as $355.3 - $240.4 = $114.9 million.
## December Financial Summary

<table>
<thead>
<tr>
<th>$ Millions</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Combined Revenues</td>
<td>$334.4</td>
<td>$229.8</td>
<td>$104.6</td>
<td>146%</td>
</tr>
<tr>
<td>Combined Expenses</td>
<td>$375.1</td>
<td>$290.0</td>
<td>$85.1</td>
<td>129%</td>
</tr>
<tr>
<td>Comb Net Revs (Loss)</td>
<td>($40.7)</td>
<td>($60.2)</td>
<td>$19.5</td>
<td>68%</td>
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<tr>
<td>Funds Available</td>
<td>$1.5</td>
<td>($17.2)</td>
<td>$18.7</td>
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</tr>
<tr>
<td>Capital Expenditures</td>
<td>$108.0</td>
<td>$114.1</td>
<td>($6.1)</td>
<td>95%</td>
</tr>
</tbody>
</table>

2/7/2023 Council Meeting, A. McSheffrey
Fuel and Purchased Power Adjustment Mechanism
YTD Through December 2022

2/7/2023 Council Meeting, A. McSheffrey
FY22 Preliminary Retail Energy Sales (GWh)

Sales estimate for January 2023 is 2,271 GWh or 3.9% above budget. Year-end variance is projected to be 0.7% above budget.
January Wholesale Summary

Primary Drivers:

• Above budget wholesale volumes and margins
  • High natural gas prices continue to keep electricity prices elevated in the Western U.S.
Water Resources
Leslie Meyers
Santa Rosa Canal
Settlement Agreement Terms

Funding for Decoupling Wells

- Districts receive commitment of government funding by December 31, 2022 – sufficient to fund the “decoupling project. $50 million ($25 million each will satisfy)
- Funding to date – $13.9 M ($5 M – MSIDD WaterSMART, $5 M – AZ, $3.8 M - $1.9 M each)
- Districts notify Ak Chin by Jan. 9.
- Agreement by Ak Chin and districts to extend period to Feb. 20

Staged Decoupling of the Districts’ Wells from the Santa Rosa Canal – 3 yrs

- Yr 1 – 6 designated MSIDD wells, 6 designated CAIDD wells
- Yr 2 – 6 designated MSIDD wells, 6 designated CAIDD wells
- Yr 3 – cease all groundwater pumping into the SRC.

Limitations on winter pumping every yr.
## Settlement Terms Cont.

<table>
<thead>
<tr>
<th>Constituent</th>
<th>Santa Rosa Canal Settlement (Year 1, 2, 3)</th>
<th>Central Arizona Project Wheeling Water Quality (Proposed delivery standard)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sodium (mg/l)</td>
<td>140, 130, 120</td>
<td>110</td>
</tr>
<tr>
<td>Chloride (mg/l)</td>
<td>150, 150, 150</td>
<td>170</td>
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<tr>
<td>Boron (mg/l)</td>
<td>0.50, 0.50, 0.50</td>
<td>0.50</td>
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<tr>
<td>Electrical Conductivity (ECw) (dS/m)</td>
<td>1.3, 1.2, 1.1</td>
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</tr>
<tr>
<td>Sodium Absorption Rate (SAR)</td>
<td>3.7, 3.5, 3.4</td>
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</tr>
<tr>
<td>Nitrate, as Nitrogen (mg/l)</td>
<td>7, 6, 4</td>
<td>1</td>
</tr>
<tr>
<td>Total Dissolved Solids (TDS) (mg/l)</td>
<td>750, 725, 700</td>
<td>747</td>
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</tbody>
</table>
thank you!
Operating Environment
December 2022

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elec Customers – Dec 2022</td>
<td>1,132,828</td>
<td>1,129,411</td>
<td>3,417</td>
<td>100%</td>
</tr>
<tr>
<td>Elec Customers - April 2022</td>
<td>1,112,684</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Elec Customers – Dec 2021</td>
<td>1,112,236</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>System Sales GWH</td>
<td>2,202.0</td>
<td>2,188.6</td>
<td>13.4</td>
<td>101%</td>
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<tr>
<td>Wholesale Sales GWH</td>
<td>539.1</td>
<td>567.8</td>
<td>(28.7)</td>
<td>95%</td>
</tr>
<tr>
<td>Total A.F. Water Delivered</td>
<td>30,502</td>
<td>29,000</td>
<td>1,502</td>
<td>105%</td>
</tr>
</tbody>
</table>

(Non-GAAP, Unaudited)

Financial Summary
December 2022

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>% of Budget</th>
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<td>95%</td>
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</table>

(Non-GAAP, Unaudited)
Debt Ratio
December 2022

Debt Service Coverage Ratio
December 2022

(Non-GAAP, Unaudited)
January Storm Totals

Watershed Precipitation Summary: January 1 - 25, 2023

Verde: 4.71 (314% of Normal)
Salt: 4.04 (269% of Normal)
Combined: 4.38 (292% of Normal)
Cumulative Watershed Precipitation: Fall-Winter-Spring (WY 2023)

9.61” (163% of Normal)
Reservoir Inflows – January runoff response

January Reservoir Inflow:

- High efficiency runoff and streamflow response from Jan 1-3 and Jan 15-17 storms
- Salt River observed significant runoff up to a peak near 25,000 cfs. Tonto Creek observed increases up to 18,000 cfs.
- Verde River increased up to 16,000 cfs in January.
- Total SRP reservoir inflow for Jan 1-31 is well above median at about 341,000 AF (681% of median). 9th highest January inflow on record.
Runoff - January 17, 2023

Tonto Creek on 1/17 @ 12:00 (18,500 cfs)

Sycamore Creek on 1/17 @ 13:00 (~1,000 cfs) Resulted in spill Granite Reef up to 700 cfs
Verde Watershed Snowpack – January 27, 2023

Fry SNOTEL
47” depth and 12.1” SWE
Oak Creek Watershed (7,200’)

I-40 near Parks, AZ (24-36”)

Bar-M Wash 6,400’ (27” depth)

Happy Jack SNOTEL
43.5” depth and 12.4” SWE
Lake Mary Road (7500’)

2/7/2023, Council Meeting, S. Flora
Watershed Snowpack - Feb 1, 2023

Verde - Snow coverage: 54%, SWE volume: 604,000 AF

Salt - Snow coverage: 66%, SWE volume: 468,000 AF
Watershed Snowpack - Feb 1, 2023

2nd highest Verde snowpack (SWE) in last 30 years (2010)

2/7/2023, Council Meeting, S. Flora
Water Year 2023 Streamflow Forecast

Feb 1 Streamflow Forecast

For Jan 1 – May 31, 2023

Salt - 489,000 AF
Tonto – 104,000 AF
Verde - 419,000 AF

Total – 1,012,000 AF (224% of median)

Last year actual – 217,000 AF

Reservoir Projections:

Roosevelt – 96% by May 1

Verde System -100% with potential spill near 100,000 AF
SRP Reservoir System Status

February 1, 2023

**Current Storage:**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Salt</td>
<td>1,597,331 AF</td>
<td></td>
</tr>
<tr>
<td>Verde</td>
<td>194,578 AF</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,791,909 AF</td>
<td></td>
</tr>
</tbody>
</table>
Central Arizona Reservoir Status

February 1, 2023

Total SRP Storage: 1,791,909 af (78%)
Total Central Arizona Storage: 2,704,879 af (67%)
January 2023

Surface Runoff

- Actual
- 30-Yr Median
- Planned

- Verde
- Salt

Pumping

- Actual
- Planned

WSRV
ESRV
Due to well above median inflows and snowpack on the watershed, the total PROP Groundwater use for 2023 is expected to be reduced by at least 50KAF (or more).

A reduction of 50KAF (changing total 2023 GW use from 200 KAF to 150 KAF) has been implemented for current operations.

A final determination will be made in Feb/March for reduction in GW for PROP.

### Physical Pumping Summary 2023: Monthly

<table>
<thead>
<tr>
<th>Month</th>
<th>PROP</th>
<th>GSF Planned</th>
<th>Planned Physical</th>
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<tr>
<td>January 1</td>
<td>7,000</td>
<td>0</td>
<td>7,000</td>
</tr>
<tr>
<td>February</td>
<td>7,500</td>
<td>0</td>
<td>7,500</td>
</tr>
<tr>
<td>March</td>
<td>10,500</td>
<td>3,000</td>
<td>7,500</td>
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<tr>
<td>April</td>
<td>14,500</td>
<td>7,000</td>
<td>7,500</td>
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<tr>
<td>May</td>
<td>16,000</td>
<td>7,516</td>
<td>8,484</td>
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<tr>
<td>June</td>
<td>17,500</td>
<td>7,500</td>
<td>10,000</td>
</tr>
<tr>
<td>July</td>
<td>20,000</td>
<td>10,300</td>
<td>9,700</td>
</tr>
<tr>
<td>August</td>
<td>16,000</td>
<td>7,000</td>
<td>9,000</td>
</tr>
<tr>
<td>September</td>
<td>13,500</td>
<td>3,800</td>
<td>9,700</td>
</tr>
<tr>
<td>October</td>
<td>11,500</td>
<td>1,750</td>
<td>9,750</td>
</tr>
<tr>
<td>November</td>
<td>8,000</td>
<td>0</td>
<td>8,000</td>
</tr>
<tr>
<td>December</td>
<td>8,000</td>
<td>0</td>
<td>8,000</td>
</tr>
<tr>
<td>Total</td>
<td>150,000</td>
<td>47,866</td>
<td>102,134</td>
</tr>
</tbody>
</table>
Colorado River System Reservoir Status

Total System Contents – 32% or 19.080 MAF
(Total system contents last year 37% or 21.813 MAF)

February 1, 2023
Colorado River Basin Snowpack (SWE) – February 1, 2023

CBRFC
Unregulated Inflow into Lake Powell Forecast (April – July)

6,700,000 AF (105% of average)
7-day Precipitation Forecast

8-14 Day Precipitation Outlook
Valid: February 10 - 16, 2023
Issued: February 2, 2023
thank you!