

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

POWER COMMITTEE
Thursday, April 25, 2024, 9:30 AM

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

Committee Members: Leslie C. Williams, Chairman; Keith Woods, Vice Chairman; and Nick Brown, Randy Miller, Krista O'Brien, Jack White Jr., and Stephen Williams

Call to Order
Roll Call

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

- Request for approval of the minutes for the meeting of February 22, 2024.

2. Palo Verde – Pinal Central Participation Agreements.....BRYCE NIELSEN
Request for approval to enter into the Third and Fourth Amended and Restated Palo Verde – Pinal Central Participation Agreements.

3. Western Resource Adequacy Program (WRAP) Update and Approval to Delay First Binding Season.....JON COOK
Request for approval to delay the District’s binding participation in WRAP from Summer 2026 to a season between Summer 2027 to Summer 2030.

4. Novo BioPower Biomass Power Purchase Agreement (PPA) ELVY BARTON
Informational presentation regarding the 14 Megawatt (MW) Biomass PPA with Novo BioPower, including an overview of SRP’s forest health goals and the benefits of the agreement.

5. Closed Session, Pursuant to A.R.S. §30-805(B), for the Committee to Consider Matters Relating to Competitive Activity, Including Trade Secrets or Privileged or Confidential Commercial or Financial Information, with Respect to a Request for Approval to Amend a PPA for 14 MW of Energy from a Biomass Facility GRANT SMEDLEY

6. Signal Butte Energy Storage Project..... WILL FIELDER
Informational presentation regarding the 250 MW Signal Butte energy storage project selected from the 2023 All-Source Request for Proposals.

7. Closed Session, Pursuant to A.R.S. §30-805(B), for the Committee to Consider Matters Relating to Competitive Activity, Including Trade Secrets or Privileged or Confidential Commercial or Financial Information, with Respect to a Request for Approval to Enter into a 250 MW Energy Storage Agreement WILL FIELDER

- 8. Report on Current Events by the General Manager and Chief Executive Officer or DesigneesJIM PRATT
- 9. Future Agenda Topics.....CHAIRMAN LESLIE C. WILLIAMS

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

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

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



MINUTES
POWER COMMITTEE MEETING

DRAFT

February 22, 2024

A meeting of the Power Committee of the Salt River Project Agricultural Improvement and Power District (the District) convened at 9:30 a.m. on Thursday, February 22, 2024, 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. The District and Salt River Valley Water Users' Association (the Association) are collectively known as SRP.

Committee Members present at roll call were L.C. Williams, Chairman; K.B. Woods, Vice Chairman; and N.R. Brown, R.J. Miller, K.H. O'Brien, J.M. White Jr., and S.H. Williams.

Also present were President D. Rousseau; Board Members R.C. Arnett, M.J. Herrera, A.G. McAfee, K.L. Mohr-Almeida, and L.D. Rovey; Council Vice Chairman J.R. Shelton; Council Liaison J.W. Lines; Council Member R.S. Kolb; Mmes. I.R. Avalos, A.N. Bond-Simpson, M.J. Burger, M.K. Greene, L.F. Hobaica, V.P. Kisicki, L.A. Meyers, G.A. Mingura, E.J. Roelfs, C.M. Sifuentes, and J.L. Tucker; Messrs. J.D. Coggins, J.M. Felty, W.C. Fielder, J.W. Hubbard, B.J. Koch, K.J. Lee, M.J. O'Connor, B.A. Olsen, B.L. Petrey, J.M. Pratt, and G.M. Smedley; Murphy Bannerman of Western Resource Advocates (WRA); Ian Calkins of Copper State Consulting Group; John Deese and Robin Park of Origis Energy; Chris Leger of Interwest Energy Alliance; Debbie Mursch of General Electric (GE) Verona; Doug Patterson of Black Forest Partners; Bridget Sidwell and Zach Walker of Strata Clean Energy; and Collin Thomas of Triple Oak Power.

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 Power Committee meeting at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona, at 9:00 a.m. on Tuesday, February 20, 2024.

Chairman L.C. Williams called the meeting to order.

Consent Agenda

Chairman L.C. Williams requested a motion for Committee approval of the Consent Agenda, in its entirety.

On a motion duly made by Board Member S.H. Williams and seconded by Board Member J.M. White Jr., the Committee unanimously approved and adopted the following item on the Consent Agenda:

- Minutes of the Power Committee meeting on January 25, 2024, as presented

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

YES:	Board Members L.C. Williams, Chairman; K.B. Woods, Vice Chairman; and N.R. Brown, R.J. Miller, K.H. O'Brien, J.M. White Jr., and S.H. Williams	(7)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	None	(0)

Amendments to CO Bar Solar Power Purchase Agreements (PPAs)

Using a PowerPoint presentation, Barry L. Petrey, SRP Manager of Resource Acquisition, stated that the purpose of the presentation was to request approval to amend two solar CO Bar PPAs to facilitate longer project development timelines due to interconnection process reforms.

Mr. B.L. Petrey provided a trajectory of SRP's progress towards its 2025 Megawatt (MW) Solar Goal. He detailed aspects of the CO Bar projects as follows: 1) CO Bar (Phase I) will provide 400 MW of solar capacity; 2) CO Bar D (Phase II) will provide 394 MW of solar capacity; 3) both will be equipped with solar photovoltaic single axis panels developed by Clenera; 4) both will be located in Coconino County, northwest of Flagstaff on 2,400 acres of private land per phase; and 5) both will interconnect at the Moenkopi – Cedar Mountain 500 kilovolt (kV) transmission line.

Mr. B.L. Petrey explained that Clenera is required to enter a new interconnection process with Arizona Public Service (APS) based on the interconnection reforms implemented under the APS tariff. He said that APS confirmed that a restudy of the project under the new interconnection process is required by the tariff. Mr. B.L. Petrey said that Clenera confirmed a new schedule with APS and proposed an amendment to the PPAs to extend an excused transmission delay. He stated that on January 24, 2024, Clenera received its Board approval for the proposed amendments.

Mr. B.L. Petrey reviewed a timeline of the development of the CO Bar projects reflecting the 18-month delays. He said that an assessment concluded that the CO Bar projects 1) are well-developed and have low executability risk; 2) will provide an additional 794 MW of solar capacity; 3) will help SRP meet its long-term carbon reduction goals; 4) will support customer dedicated programs, namely "SRP Solar Choice Select"; and 5) will provide geographic diversity. Mr. B.L. Petrey explained that the project delay is preferred over replacement options due to scale, timing, and overall assessment.

Mr. B.L. Petrey outlined the proposed changes to the PPAs as follows: 1) the excused transmission delay is not to exceed 18 months; 2) the interconnection agreement condition date is extended up to 18 months; 3) the project milestone dates for permitting, interconnection studies, equipment procurement, financing, and construction

are extended up to 18 months. He concluded by requesting approval to authorize the Associate General Manager and Chief Planning, Strategy, and Sustainability Executive, President, Vice-President, or General Manager and Chief Executive Officer, to execute the following: 1) an amendment of the PPA with CO Bar Solar LLC; 2) an amendment of the PPA with CO Bar Solar D LLC; and 3) any subsequent amendments to such agreements that do not materially modify the terms of the agreements.

On a motion duly made by Board Member J.M. White Jr., seconded by Board Member S.H. Williams and carried, the Committee agreed to recommend Board approval, as presented.

Corporate Secretary J.M. Felty polled the Committee Members on Board Member J.M. White Jr.'s motion to recommend Board approval. The vote was recorded as follows:

YES:	Board Members L.C. Williams, Chairman; K.B. Woods, Vice Chairman; and N.R. Brown, R.J. Miller, K.H. O'Brien, J.M. White Jr., and S.H. Williams	(7)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	None	(0)

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.

Vice President C.J. Dobson; Board Member P.E. Rovey; Mmes. A.P. Chabrier and K.S. Ramaley; Mr. R.T. Judd; and Martha Belshaw and Brian Korpics of New Leaf Energy, Inc. entered the meeting during the presentation.

Financial Plan 2025 (FP25) Resource Plan

Using a PowerPoint presentation, Grant M. Smedley, SRP Director of Resource Planning, Acquisition and Development, stated that the purpose of the presentation was to provide information regarding the FP25 Resource Plan.

Mr. G.M. Smedley explained the purpose of the annual resource plans and their relationship to the Integrated System Plan (ISP). He said that since the FP24 Resource Plan, the following changes have been incorporated: 1) the ISP System Strategies; 2) load forecast increase; 3) delays in development of new resources; 4) the 2023 All-Source Request for Proposals (RFP); and 5) the U.S. Environmental Protection Agency (EPA) proposed Greenhouse Gas Rules.

Mr. G.M. Smedley provided a load forecast graph reflecting an annual 3.2% growth of MW peak demand and an annual 4.6% growth of Gigawatt-Hour (GWh) energy demand from FY25 through FY35. He updated the Committee on resources needed to serve the MW peak demand from FY25 through FY35.

Mr. G.M. Smedley outlined the FP25 Plan's new resources planned through FY35, and the six-year financial plan for all resources planned through FY30. He reviewed resource capital expenditures for SRP-owned resources in FP25 and from FY25 through FY35. Mr. G.M. Smedley stated that SRP-owned resources in FP25 include early land acquisition, resource development, transmission, and community support costs. He said that the total resource capital is \$4.5 billion over the six-year financial plan.

Mr. G.M. Smedley provided a trajectory of SRP's lower carbon mass with respect to SRP's proposed 2035 intensity goal. He stated that even with customer demand doubling, the FP26 Resource Plan achieves an 83% reduction in carbon intensity and a 63% reduction in carbon mass by 2035.

Mr. G.M. Smedley concluded with a summarization of SRP's highest implementation priorities and key takeaways. He responded to questions from the Committee.

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

2024 All-Source Request for Proposals (RFP)

Using a PowerPoint presentation, Will C. Fielder, SRP Resource Acquisition Lead, stated that the purpose of the presentation was to provide information regarding issuance of a new All-Source RFP to be issued for resources to meet peak capacity and carbon-free energy needs in the late 2020s.

Mr. W.C. Fielder provided an update of resource needs for Calendar Year 2024 (CY24) through CY30. He summarized provisions of the 2024 All-Source RFP as follows: 1) resources that provide capacity at summer peak; 2) planned carbon-free resource additions; 3) long-development projects with commercial operation dates after 2030; and 4) SRP self-build options will be compared to RFP alternatives. Mr. W.C. Fielder stated that SRP retained Wood Mackenzie to administer the RFP and support evaluation of the responses. Mr. W.C. Fielder said that the 2024 All-Source RFP evaluation criteria is consistent with the evaluation criteria from the 2023 All-Source RFP.

Mr. W.C. Fielder concluded with a discussion of the 2024 All-Source RFP timeline and next steps.

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.

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

There was no report on current events by Jim M. Pratt, SRP General Manager and Chief Executive Officer.

Future Agenda Topics

Chairman L.C. Williams asked the Committee if there were any future agenda topics. Board Member N.R. Brown requested cost breakouts for each category of generation resource and an update on the current development state of small modular nuclear generation resources.

There being no further business to come before the Power Committee, the meeting adjourned at 10:30 a.m.

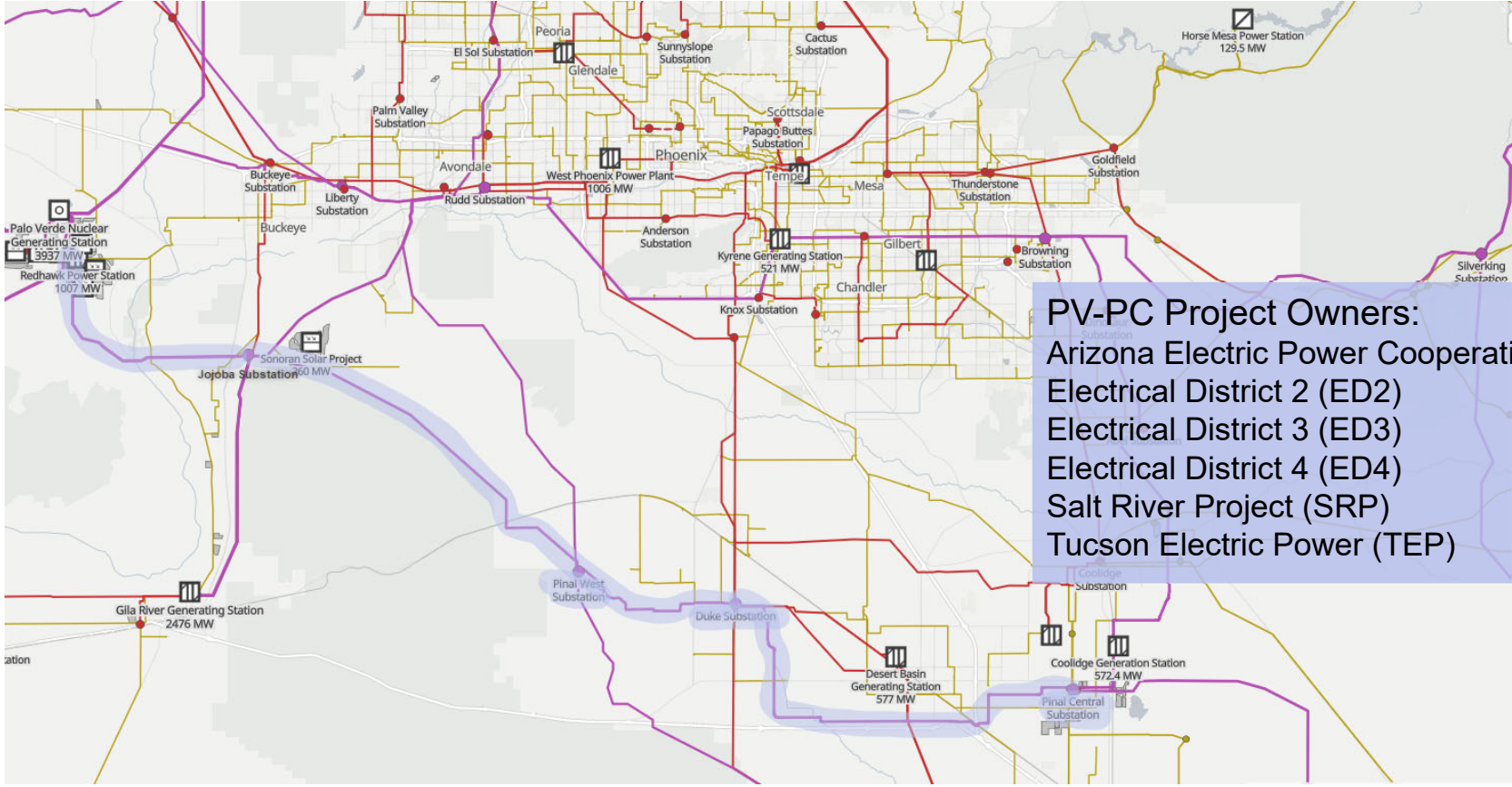
John M. Felty
Corporate Secretary

Request for Authorization to Execute Third and Fourth Amended and Restated Palo Verde - Pinal Central Participation Agreements

Bryce Nielsen, Director
Transmission Planning, Strategy and Development

Power Committee
April 25, 2024

PV-PC Project



PV-PC Project Owners:
Arizona Electric Power Cooperative (AEPCO)
Electrical District 2 (ED2)
Electrical District 3 (ED3)
Electrical District 4 (ED4)
Salt River Project (SRP)
Tucson Electric Power (TEP)

Proposed Changes in the Third Amendment

- Updates:

- The 500 kV transmission line between the Hassayampa and Pinal West switchyards was split into two lines terminating at the Jojoba 500 kV switchyard
 - Ownership Interests
 - Capacity Entitlements
 - Cost Responsibilities
 - Project Description
 - Transmission Line Definitions to include Jojoba Loop-In
- Miscellaneous cleanup of grammar and typos

Proposed Changes in the Fourth Amendment

- Updates:
 - Additional 500/230 kV transformers at Pinal Central
 - Fault Duty credit assessments
 - Flowgate methodology definitions and language revisions
 - Reduction of common facility ratios for Duke and Pinal Central Substations

Request for Approval

- Management requests that the Power Committee recommend that the Board authorize the General Manager and Chief Executive Officer and the Associate General Manager & Chief Power System Executive, or delegee, to execute:
 - The Third Amended and Restated PV-PC Participation Agreement;
 - The Fourth Amended and Restated PV-PC Participation Agreement; and
 - Subsequent amendments that do not materially modify the terms of the PV-PC Participation Agreement.



WRAP Update and Approval to Delay First Binding Season

Power Committee

Jon Cook | April 25, 2024

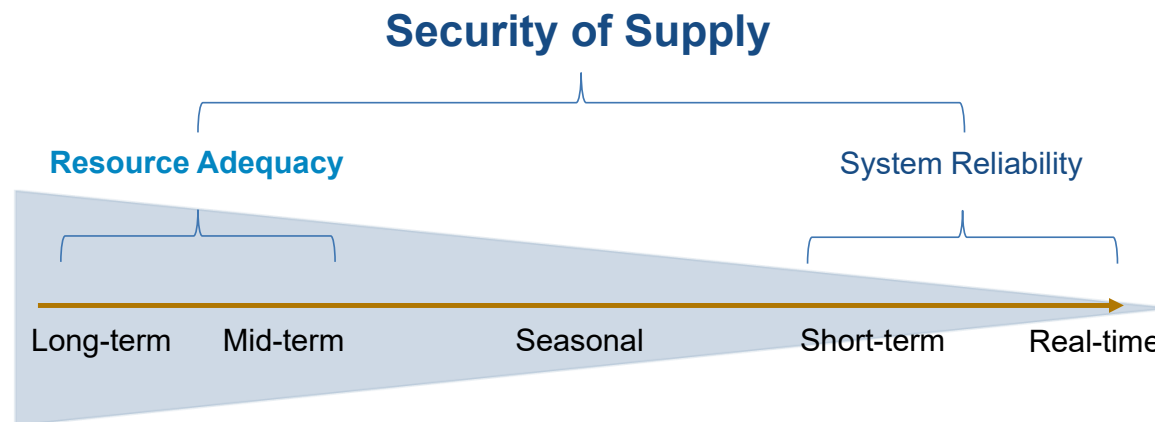
Today's Purpose

- SRP is currently committed to Summer 2026 as first binding season in the Western Resource Adequacy Program (WRAP)
- Summer 2026 no longer appears viable for participants
- Seeking approval to move first binding season to Summer 2027, or later if warranted by future program developments
- WRAP Tariff requires 2-year notice to change first binding season (May 31, 2024 deadline for SRP)

What is Resource Adequacy?

EPRI Definition: “Resource adequacy (RA) is an assessment of whether the current, or projected, resource mix is sufficient to meet capacity and energy needs for a particular grid.”

RA studies measure of the ability of a resource portfolio to meet load across a wide range of uncertain future system conditions, accounting for supply & demand variability



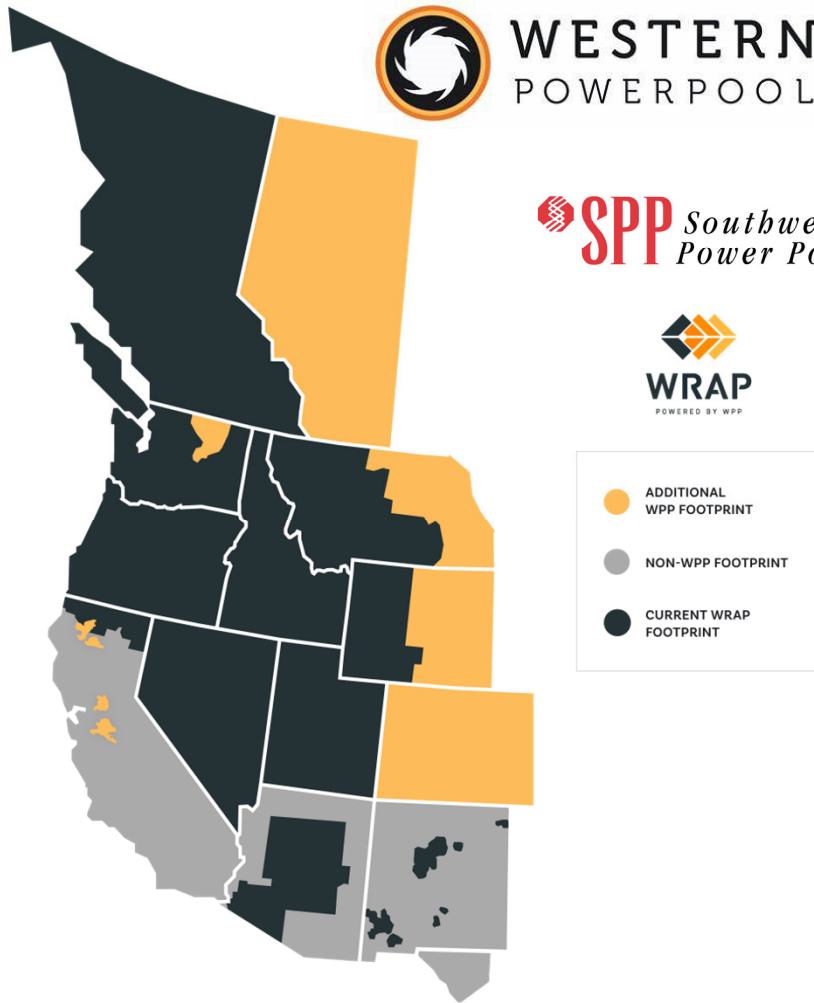
*Source: European University Institute (2021)

Current Participants

Arizona Public Service
Avista
Bonneville Power Administration
Calpine
Chelan PUD
Clatskanie PUD
Eugene Water & Electric Board
Grant PUD
Idaho Power
NorthWestern Energy
NV Energy
PacifiCorp
Portland General Electric
Powerex
Public Service Company of New Mexico
Puget Sound Energy
Salt River Project
Seattle City Light
Shell Energy
Snohomish PUD
Tacoma Power
The Energy Authority



WESTERN
POWERPOOL



Key Features

Rigorous and transparent resource adequacy methodology applied consistently for all participants

Large, diverse footprint of loads and resources reduces capacity requirement for everyone

Designed to allow capacity sharing between participants during tight conditions

SRP Participation and Benefits

Late 2020 – SRP begins participating in WRAP stakeholder discussions

November 2021 – SRP begins participating in non-binding Forward Showing Program

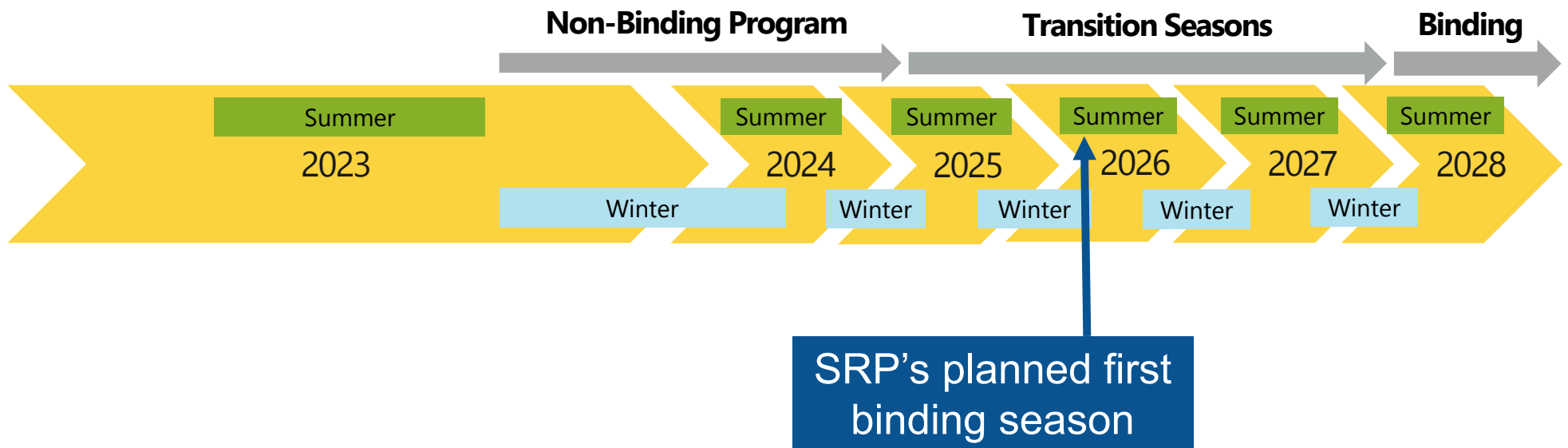
November 2023 – SRP begins participating in non-binding Operations Program

Benefits of WRAP participation

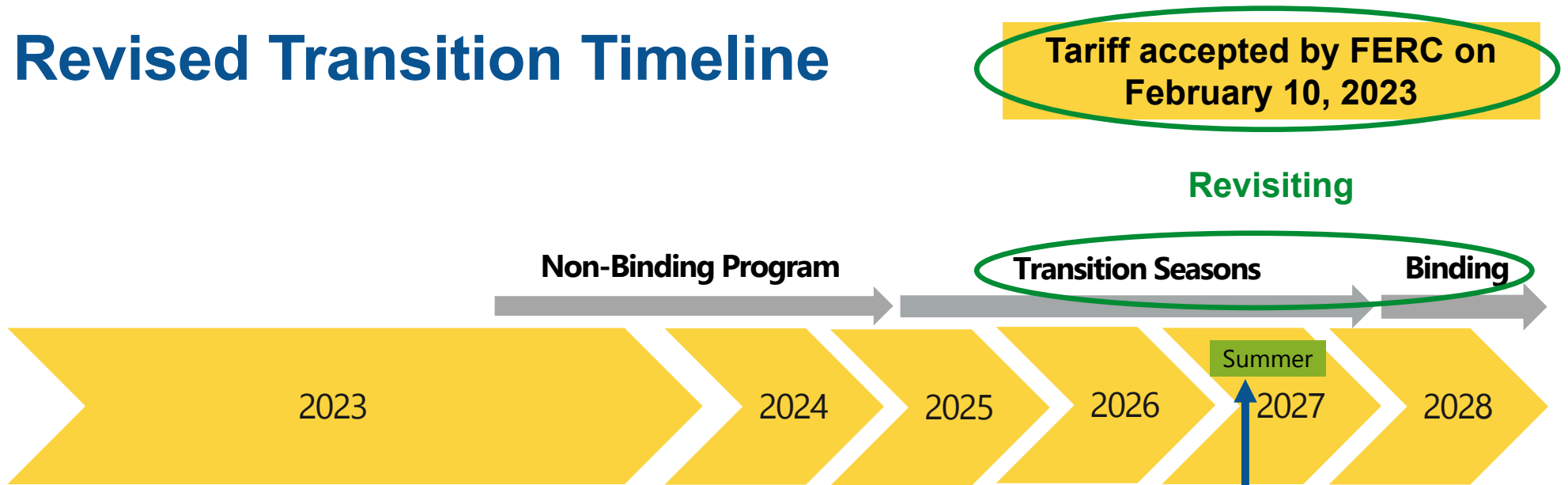
- Robust RA program built on rigorous methodology and sound principles
- Ensures a standardized approach to resource adequacy assessments
- Potential source of support during times of critical system need

Original Transition Timeline

Tariff accepted by FERC on February 10, 2023



Revised Transition Timeline

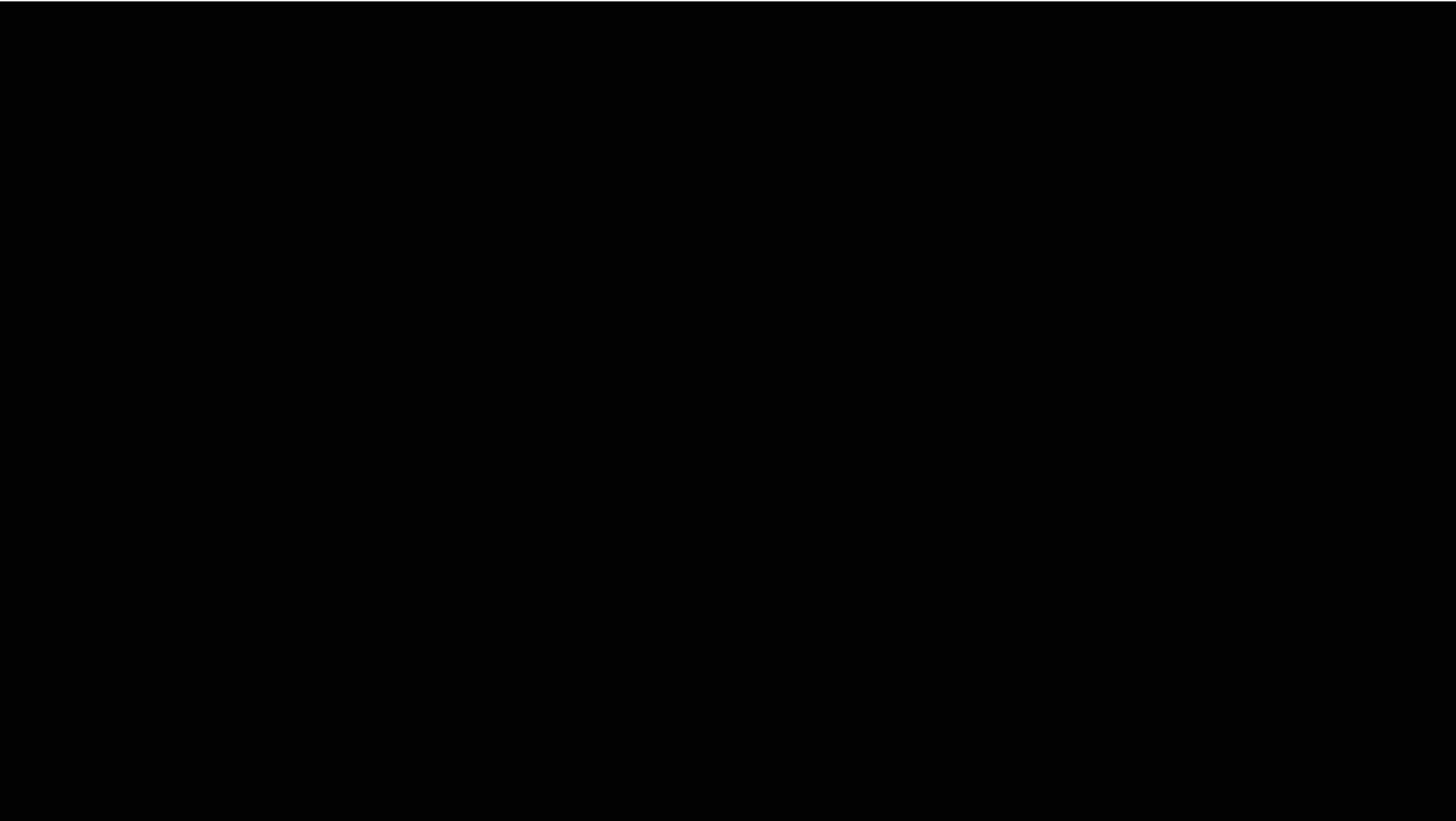


- WRAP participants delaying binding season to provide time for new resource development and align with day-ahead markets
- No WRAP participants planning to go binding in Summer 2026
- SRP's priority is critical mass for WRAP

Critical mass building for Summer 2027 as first binding season

Request for Approval

Management requests that the Power Committee recommend that in accordance with the terms discussed herein, the Board authorize the President, Vice President, General Manager and Chief Executive Officer, or Associate General Manager & Chief Planning, Strategy, and Sustainability Executive to execute the necessary agreements and related documents with the Western Power Pool indicating a first WRAP binding season between Summer 2027 and Summer 2030.





14 MW Novo BioPower Biomass Power Purchase Agreement

Power Committee Meeting

Elvy Barton | April 25, 2024

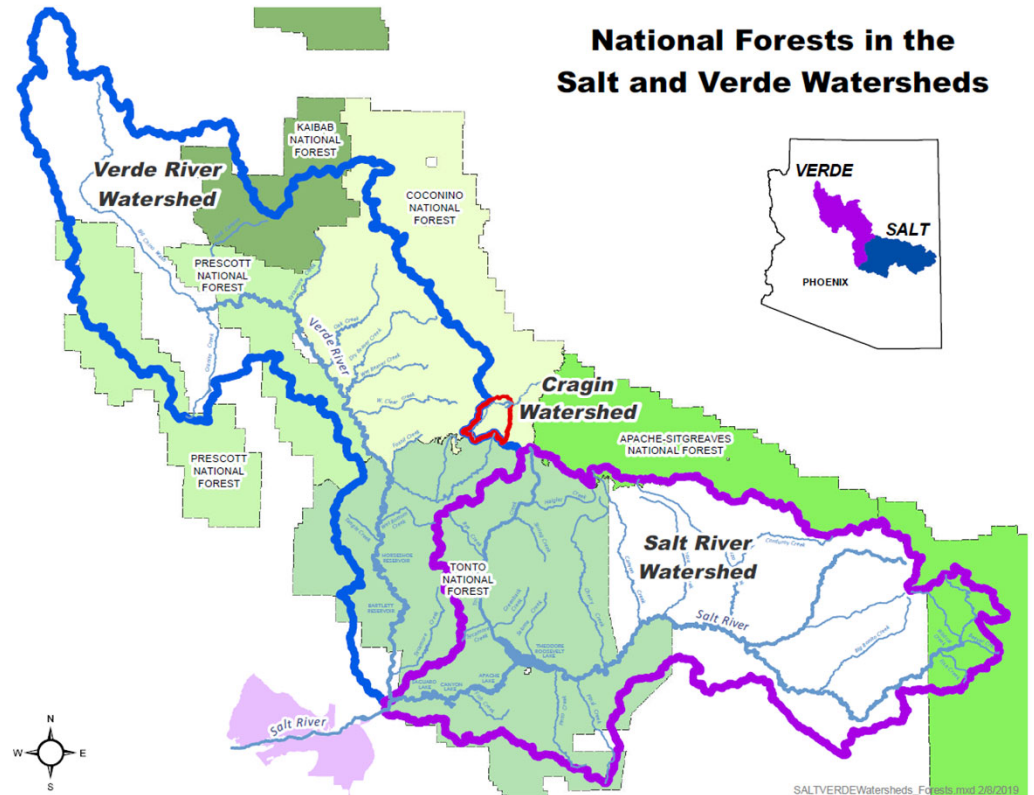
Agenda

- Forest Health Goal
- Power Purchase Agreement Benefits



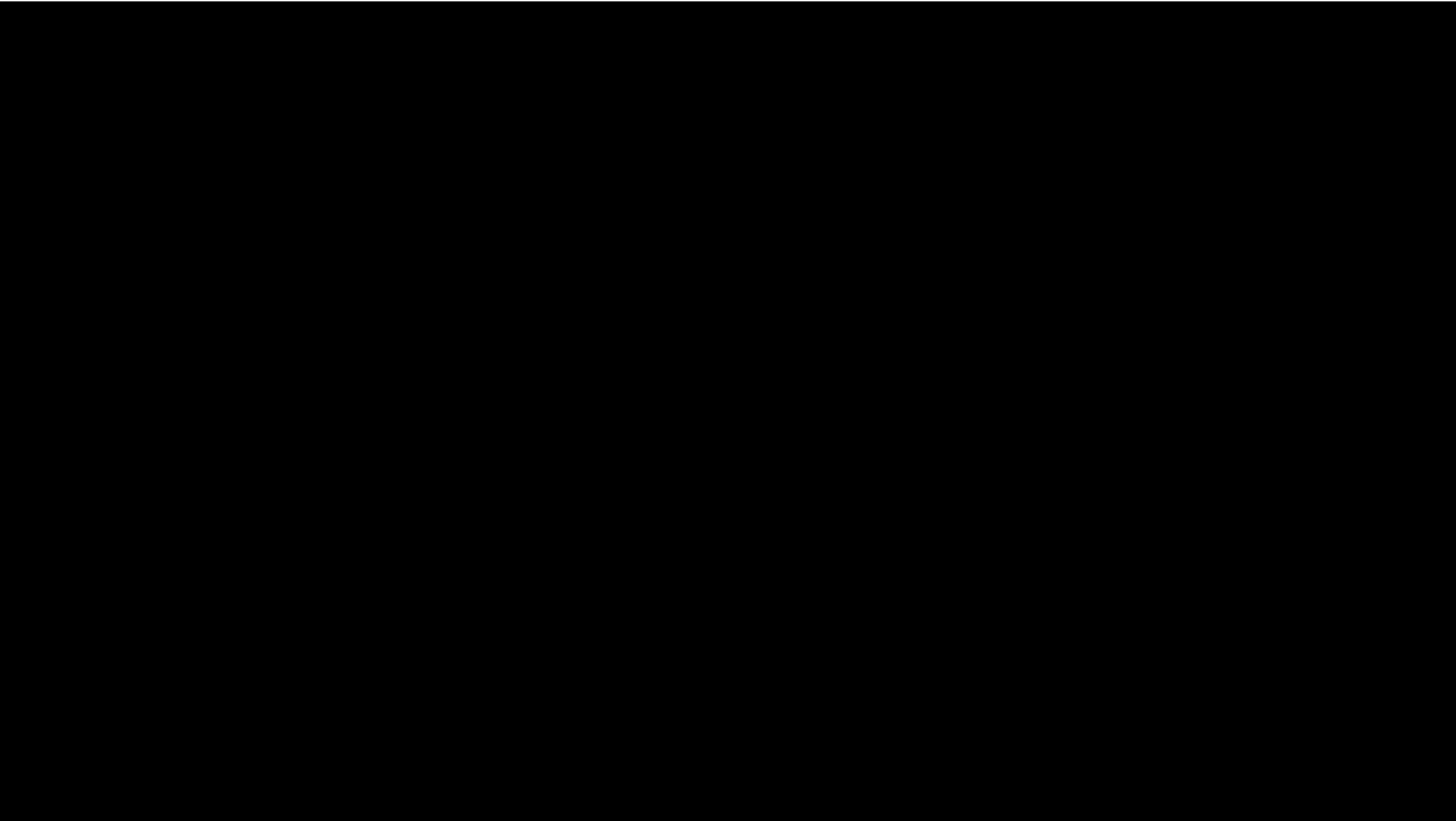
Forest Health Goal

Increase SRP's leadership role in forest restoration treatments through partnerships, influence, education and support for industry to thin 800,000 acres by 2035.



Novo Power Purchase Agreement Benefits

- 14MW of highly certain baseload energy
- SRP's purchased power fueled by biomass from "SRP Watershed"
- Supports approximately 80,000 acres of forest thinning over 10 years
- Supports 650 rural jobs and 15 forest product businesses
- Municipality Biomass Power Partnership – Commitments of \$18M from 4 municipalities



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. The reservoir is a deep blue color, and the dam is a long, low structure across the valley. The sky is a clear, pale blue.

Signal Butte Energy Storage Project

Power Committee

Will Fielder | April 25, 2024

Agenda

- Project Information
- Benefits

Project Information

Resource Type: Grid-Charge Storage (Lithium-Ion Battery)

Capacity: 250 MW / 1,000 MWh (4-hours)

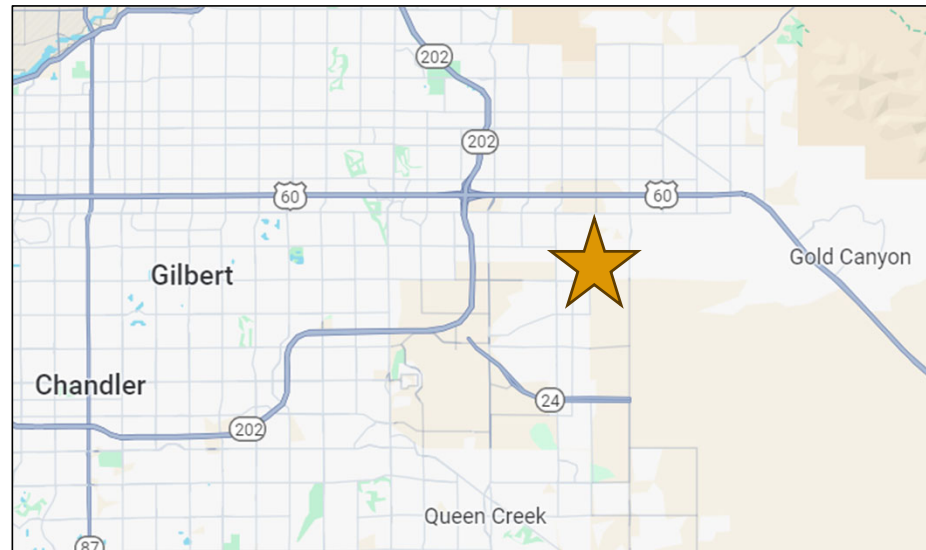
Expected Commercial Operation: May 4, 2026

Location: Mesa, AZ

Developer: Aypa Power*

Interconnection: Browning 230kV

*Initial developer was Eolian



Benefits

Contributes to near-term capacity need for 2026

One of highest scoring projects for 2026 commercial operation

Favorable terms

thank you!

