

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

**POWER COMMITTEE**  
Thursday, January 23, 2025, 9:30 AM

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

Committee Members: Jack White Jr., Chair; and Leslie C. Williams, Vice Chair; and Casey Clowes, Randy Miller, Kathy Mohr-Almeida, Mark Pace, and Paul Rovey

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 ..... CHAIR JACK WHITE JR.
  - Request for approval of the minutes for the meeting of December 17, 2024.
2. Financial Plan 2026 (FP26) Load Forecast.....MARIA NAFF  
  
Informational presentation regarding the FP26 Load Forecast, which will be the baseline for the Phase 2 Resource and Financial Plans covering Fiscal Year 2026 and beyond.
3. 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 the 2024 All-Source Request for Proposals .....WILL FIELDER
4. Report on Current Events by the General Manager and Chief Executive Officer and Designees .....JIM PRATT
5. Future Agenda Topics..... CHAIR JACK WHITE JR.

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.



**THE NEXT POWER COMMITTEE MEETING**  
**IS SCHEDULED FOR THURSDAY, FEBRUARY 20, 2025**

01/16/2025



MINUTES  
POWER COMMITTEE MEETING

DRAFT

December 17, 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 Tuesday, December 17, 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 J.M. White Jr., Chair; L.C. Williams, Vice Chair; and R.J. Miller, K.L. Mohr-Almeida, and M.V. Pace.

Committee Members absent at roll call were C. Clowes and P.E. Rovey.

Also present were Vice President C.J. Dobson; Board Members R.C. Arnett, N.R. Brown, M.J. Herrera, K.J. Johnson, L.D. Rovey, and S.H. Williams; Council Chair J.R. Shelton; Council Liaison G.E. Geiger; Council Members M.L. Farmer, E.L. Gorsegner, J.W. Lines, B.E. Pacey, and C. Resch-Geretti; I.R. Avalos, A.N. Bond-Simpson, M.J. Burger, C.C. Burke, A.C. Davis, M.B. Faulk, J.M. Felty, J. Leavitt, N.J. Mullins, M.D. Naff, M.J. O'Connor, J.M. Pratt, K.S. Ramaley, S.B. Scherer, G.M. Smedley, M.H. Tracey, and J.C. Tucker of SRP; and Pete Ewen of Freeport-McMoRan; Cathy Kim of Copia Power; Stephen Land of Stellar Renewable Power LLC; and Toby Tuttle of Primergy Solar LLC.

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 Friday, December 13, 2024.

Chair J.M. White Jr. called the meeting to order.

Consent Agenda

Chair J.M. White Jr. requested a motion for Committee approval of the Consent Agenda, in its entirety.

On a motion duly made by Board Member K.L. Mohr-Almeida and seconded by Board Member M.V. Pace, the Committee unanimously approved and adopted the following item on the Consent Agenda:

- Minutes of the Power Committee meeting on November 21, 2024, as presented.

Corporate Secretary J.M. Felty polled the Committee Members on Board Member K.L. Mohr-Almeida's motion to approve the Consent Agenda, in its entirety. The vote was recorded as follows:

YES:	Board Members J.M. White Jr., Chair; L.C. Williams, Vice Chair; and R.J. Miller, K.L. Mohr-Almeida, and M.V. Pace	(5)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	Board Members C. Clowes and P.E. Rovey	(2)

### Key Trends Driving Increased SRP Resource Capacity Needs

Using a PowerPoint presentation Angie N. Bond-Simpson, SRP Senior Director of Resource Management, stated that the purpose of the presentation was to provide information regarding key trends driving increased year over year generation resource capacity needs.

A.N. Bond-Simpson provided a chart from Fiscal Year 2000 (FY00) projected through FY35 depicting the impact that load growth in the Phoenix metro area is forecasted to have on SRP's system peak load, measured in megawatts (MW). They said that growth continues to accelerate in small (residential, small commercial, and other entities) and large (large commercial and industrial) customer groups.

A.N. Bond-Simpson presented a second chart from FY00 projected through FY35 depicting the impact that energy growth in the Phoenix metro area is forecasted to have on SRP's annual retail sales, measured in gigawatt-hour (GWh). They explained that the high load factor customers will uniquely influence infrastructure requirements.

A.N. Bond-Simpson explained that based on SRP's Integrated System Plan (ISP) Current Trends Scenario, customer demand is forecasted to grow from FY30 through FY35. They highlighted that each annual forecast update has increased expectations for MW peak demand.

A.N. Bond-Simpson further explained that the past four forecasts have steadily increased towards the ISP Desert Boom scenario. They stated that the MW peak demand requirements for summer of FY32 are 1,200 MW higher than the ISP Balanced System Plan.

A.N. Bond-Simpson said that on April 25, 2024, the U.S. Environmental Protection Agency (EPA) finalized the following four significant new regulations impacting the power sector: 1) Greenhouse Gas (GHG) Rules – i) performance standards for new stationary combustion turbines; and ii) emission guidelines for existing coal- and oil-fired steam boiler generating units; 2) Mercury and Air Toxics Standards (MATS) Rule; 3) Legacy Coal Combustion Residuals (CCR) Rule; and 4) Effluent Limitations Guidelines and Standards (ELGs) Rule. They summarized the elements of the final power sector GHG Rule impacting FY26 resource planning decisions (not

comprehensive) as follows: 1) existing coal units – cease coal generation by the end of FY31, or co-fire or fully convert to natural gas by the end of FY29; 2) new natural gas units – capacity factor limited to 40% unless equipped with carbon capture; and 3) noted that the Coronado Generating Station (CGS) and the Springerville Generating Station Unit (SGS4) would be required to close by the end of FY31, as currently configured.

A.N. Bond-Simpson said that the ISP scenario planning analyzed a wide range of plausible futures and resource builds, based on the ISP strategic approaches – technology neutral, no new fossil, and minimum coal. They reminded the Committee that the ISP Balance System Plan was constructed to work well under the following scenarios: 1) Desert Contraction; 2) Current Trends; 3) Strong Climate Policy; and 4) Desert Boom.

A.N. Bond-Simpson provided an overview of the ISP Balance System Plan approach from FY25 through FY35. They highlighted that by FY35, triple the capacity of renewable and storage resources are forecasted, approximately 26,500 MW (an 80% increase in ten years).

A.N. Bond-Simpson reviewed the planning considerations under the Desert Boom conditions. They stated that without new firm generation capacity, the system cannot satisfy reliability requirements under a high load growth scenario.

A.N. Bond-Simpson detailed customer cost from the lens of the FY23 ISP. They discussed the plan in development, aligning on capacity need for Financial Plan 2026 (FP26). A.N. Bond-Simpson noted that the capacity needs for FY32 have doubled since the FP25. They outlined the following strategic decisions for this fiscal year: 1) updated the Resource Plan, balancing costs while adding firm generation capacity; 2) potential expansion of gas pipeline infrastructure to support new gas resources to meet capacity needs; and 3) decisions around key facilities including CGS and SGS4.

A.N. Bond-Simpson concluded with a discussion of next steps. They 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.

Cathy Kim of Copia Power; and Stephen Land of Stellar Renewable Power LLC left the meeting during the presentation. John Deese of Origis Energy entered and left the meeting during the presentation. Board Members C. Clowes, S.D. Kennedy, K.H. O'Brien, and P.E. Rovey; Council Vice Chair T.M. Francis; A.P. Chabrier, J.D. Coggins, R.T. Judd, L.A. Meyers, G.A. Mingura, and R.R. Taylor of SRP; Sarah Buck of Innergex Renewable Energy Inc.; Nicholas Navarro of Power Plus; and Andrew Sharer of Avantus LLC entered the meeting during the presentation.

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

Chair J.M. White Jr. asked the Committee if there were any future agenda topics. None were requested.

There being no further business to come before the Power Committee, the meeting adjourned at 10:53 a.m.

John M. Felty  
Corporate Secretary



# Final Load Forecast for Financial Plan 2026

## Power Committee

Maria Naff | January 23, 2025



# FP26 Forecast Key Points

- Population and economic drivers of growth remain strong
- Data Center increases in the mid-term years of the plan (FY29 and beyond)
- Advanced Manufacturing projects show risk and decrease near-term projections

# Current Economic Outlook



U.S. economy in strong position

Inflation below 3% with interest rates loosening



Low risk of economic downturn

17% risk of economic contraction in 2025 down from 32% last year<sup>1</sup>



Strong employment and population growth in Phoenix

Maricopa is a top 5 U.S. county for population growth<sup>2</sup>

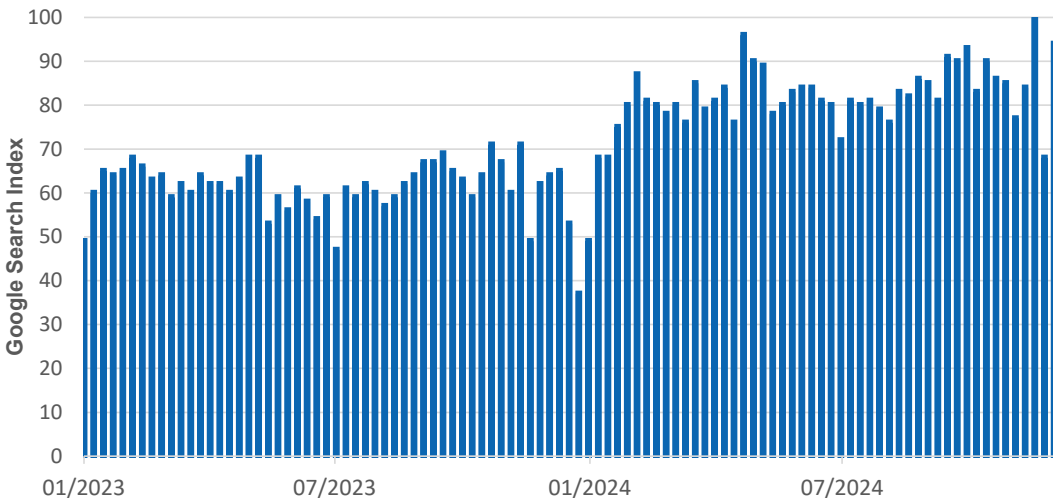


Phoenix is a top 5 U.S. data center market<sup>3</sup>

1. The Survey of Professional Forecasters  
2. [U.S. Census 2023 County Population Estimates](#)  
3. CBRE Research [H1 2024 Report](#)

# National Focus on Data Center Energy Demand

"Data Center" Google searches in the U.S.



**Large Loads Risk Assessment**

**Global electricity demand from data centres could double towards 2026**  
International Energy Agency, 2024

**The Era of Flat Power Demand is Over**

February 6, 2024  
**RBC Imagine™: Powering Innovation**  
Utility sector enabling the AI revolution

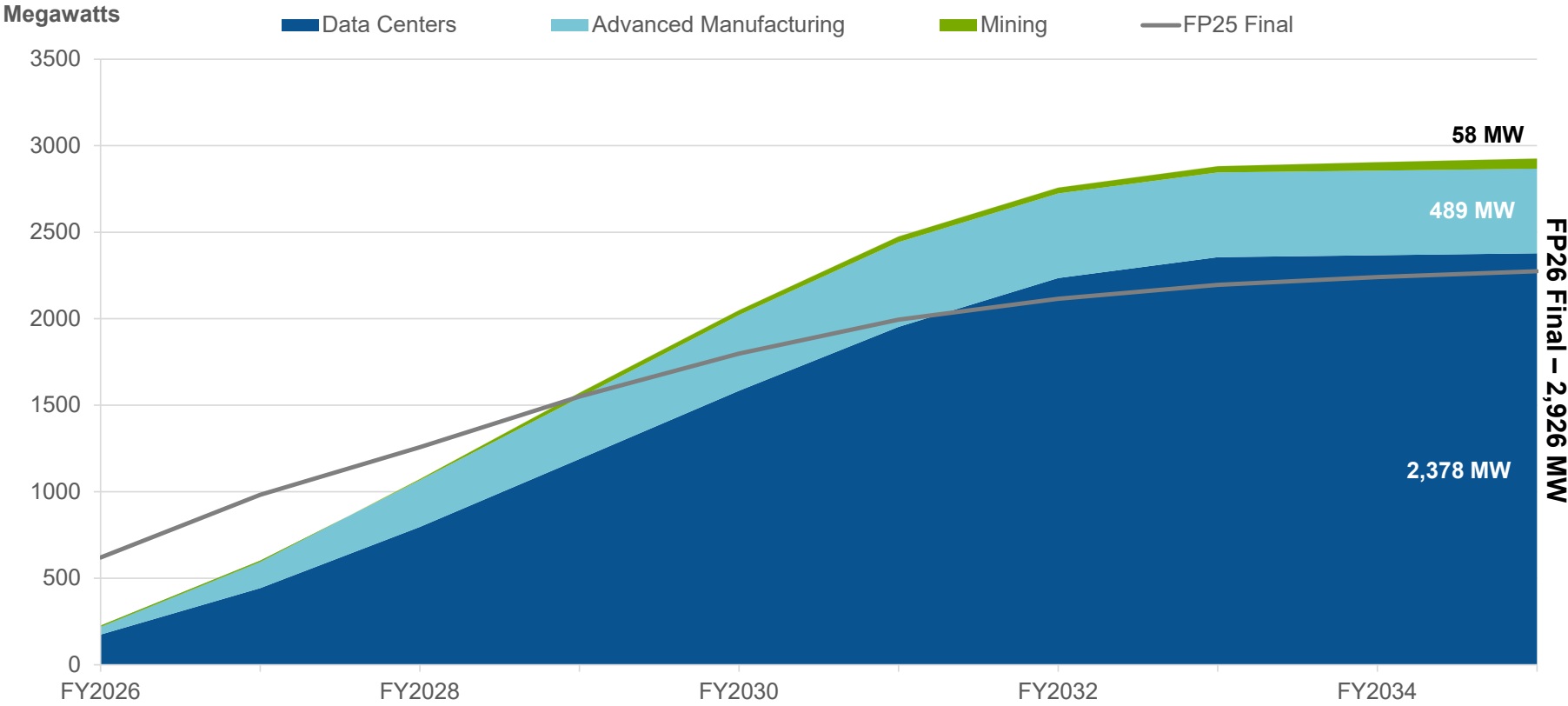
**Powering Intelligence**  
Analyzing Artificial Intelligence and Data Center Energy Consumption  
2024 White Paper

**Joule**

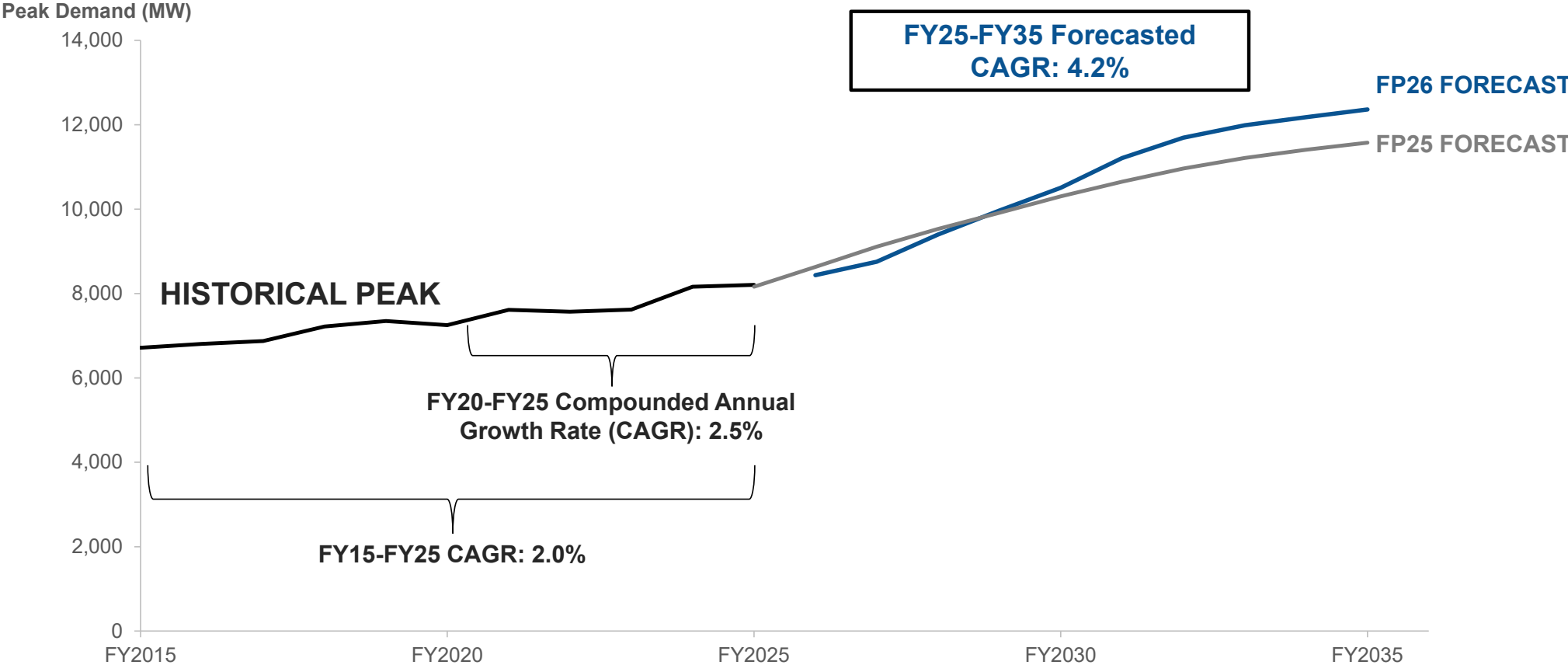
Commentary  
The growing energy footprint of artificial intelligence  
**J.P.Morgan**

Data center this, data center that

# Expected Growth in Large Customer Load (MW)

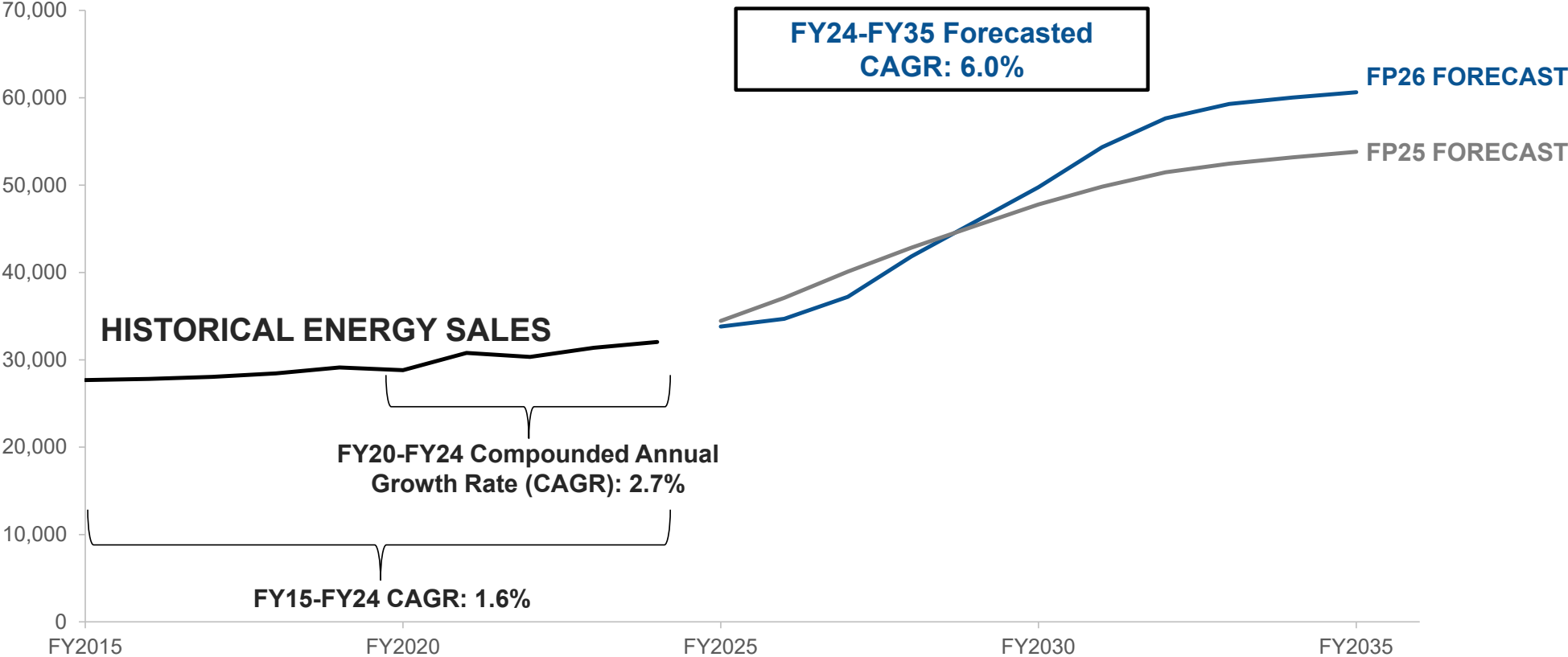


# FP26 Peak Load Forecast



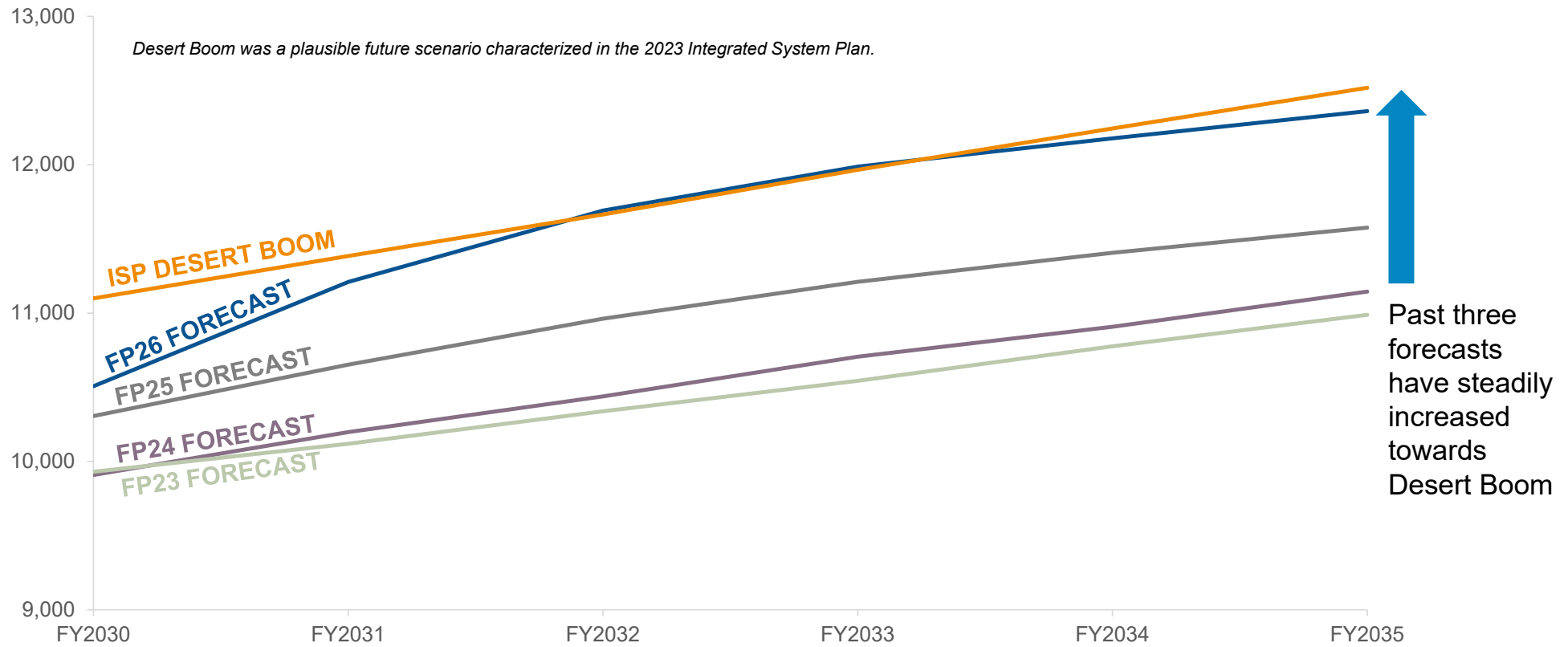
# FP26 Energy Forecast

Retail Energy Sales (GWh)



# Trending Towards Desert Boom

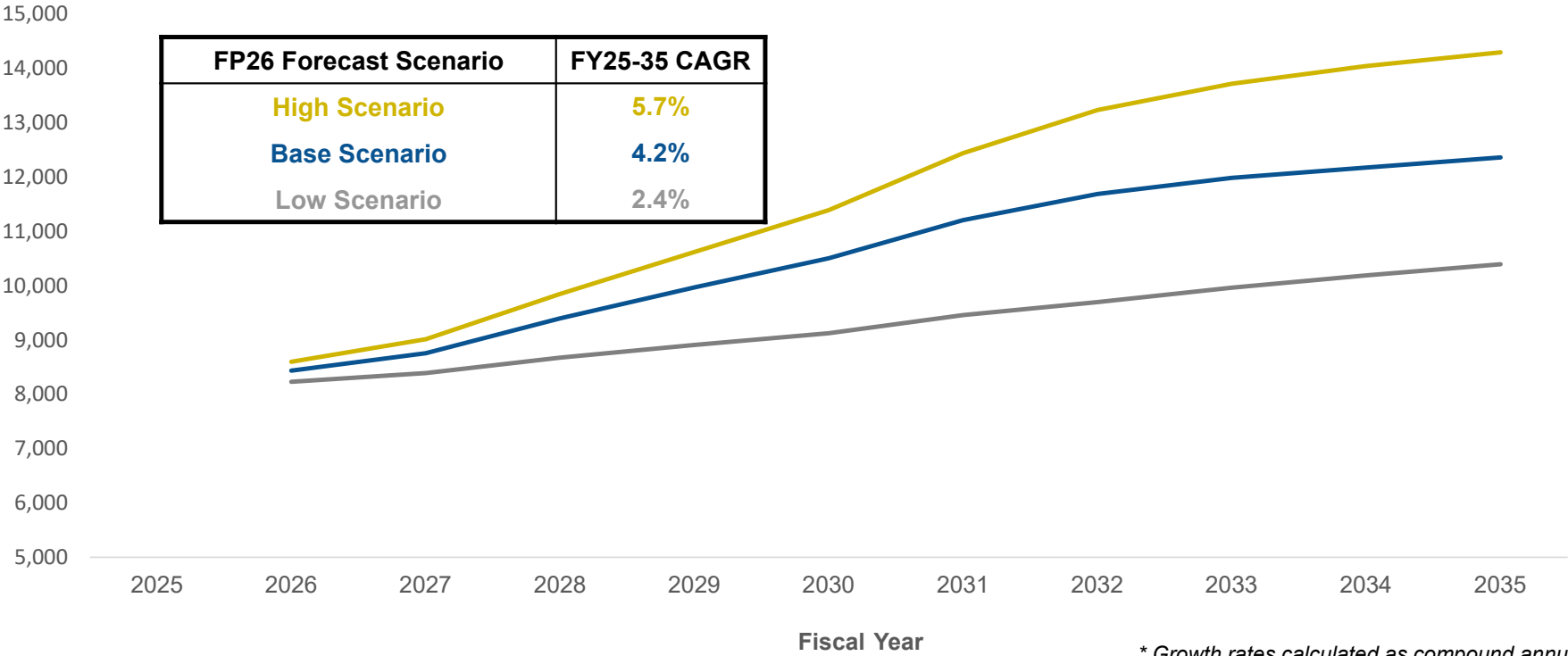
Peak Demand (MW)



Past three forecasts have steadily increased towards Desert Boom

# Planning for Uncertainty – Peak Demand Load Growth Scenarios

Peak Demand (MW)

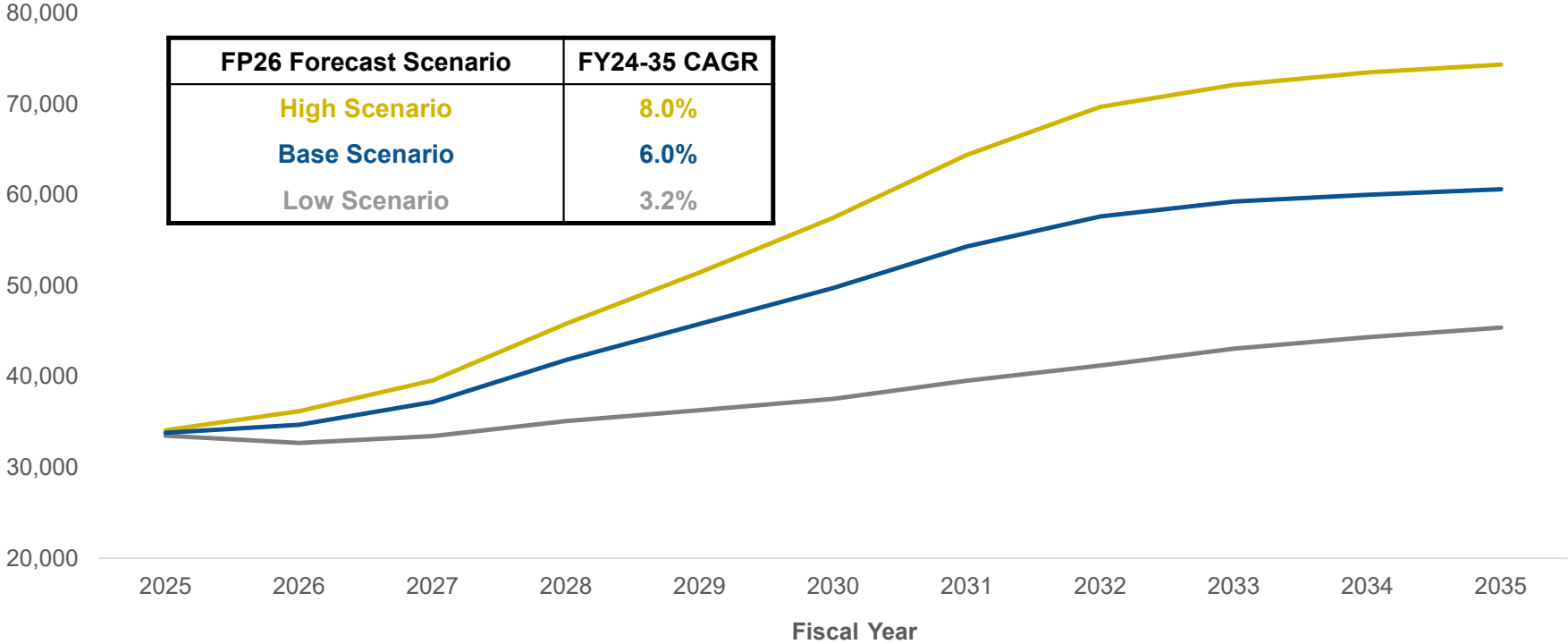


\* Growth rates calculated as compound annual growth



# Planning for Uncertainty – Energy Demand Load Growth Scenarios

Retail Energy Sales (GWh)



\* Growth rates calculated as compound annual growth

# Key Takeaways

- Growth rates for electricity demand through 2035 were revised upwards for the FP26 Forecast
- Near-term downward revision due to delays in advanced manufacturing projects
- Medium-term upward revision due to increased data center projections
- SRP will continue to monitor key trends in the data center and advanced manufacturing industries

**Thank you!**

