

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

FINANCE AND BUDGET COMMITTEE

Thursday, April 24, 2025, No Sooner Than 10:40 AM

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

Committee Members: Mark Pace, Chair; Kathy Mohr-Almeida, Vice Chair; and Casey Clowes,
Randy Miller, Paul Rovey, Jack White Jr., and Leslie C. 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..... CHAIR MARK PACE
 - A. Request for approval of the minutes for the meetings of March 11, March 25, and March 27, 2025.
 - B. Request for approval of the Monthly Cash Statement for March 2025 (District and Association).
2. Prepaid Commodity Transactions TYLER PERRY

Request for approval to enter into one or more long-term, prepaid commodity transactions on or before April 30, 2026 (see proposed resolution).
3. Review of the Financial Results for the Month of March 2025JEREMY FRY
4. Report on Current Events by the General Manager and Chief Executive Officer and Designees.....JIM PRATT
5. Future Agenda Topics..... CHAIR MARK PACE

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 FINANCE AND BUDGET COMMITTEE MEETING
IS SCHEDULED FOR THURSDAY, MAY 22, 2025**

04/17/2025

MINUTES
FINANCE AND BUDGET COMMITTEE

DRAFT

March 11, 2025

A meeting of the Finance and Budget Committee of the Salt River Project Agricultural Improvement and Power District (the District) and the Salt River Valley Water Users' Association (the Association), collectively SRP, convened at 9:30 a.m. on Tuesday, March 11, 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.

Committee Members present at roll call were M.V. Pace, Chair; and R.J. Miller, P.E. Rovey, J.M. White Jr., and L.C. Williams.

Committee Members absent at roll call were K.L. Mohr-Almeida, Vice Chair; and C. Clowes.

Also present were President D. Rousseau; Vice President C.J. Dobson; Board Members N.R. Brown, M.J. Herrera, K.J. Johnson, K.H. O'Brien, L.D. Rovey, and S.H. Williams; Council Chair J.R. Shelton; Council Liaisons W.P. Schrader III and R.W. Swier; Council Members M.L. Farmer, B.E. Pacey, and C. Resch-Geretti; and I.R. Avalos, T.J. Burnett, A.P. Chabrier, W. Christensen, J.D. Coggins, A.C. Davis, J.M. Felty, J. Grimm, L.F. Hobaica, J.W. Hubbard, R.T. Judd, B.J. Koch, K.J. Lee, B.N. Lentsch, M.S. Mendonca, L.A. Meyers, G.A. Mingura, M.J. O'Connor, B.A. Olsen, S.A. Perkinson, J.C. Peters, J.M. Pratt, C.M. Sifuentes-Kohlbeck, P.B. Sigl, J.L. Sotelo, R.R. Taylor, and J.C. Tucker 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 Finance and Budget Committee meeting at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona, at 9:00 a.m. on Friday, March 7, 2025.

Chair M.V. Pace called the meeting to order.

Fiscal Year 2026 (FY26) Water Function Budget

Using a PowerPoint presentation, Travis J. Burnett, SRP Senior Manager of Water Finance and Contracts, stated that the purpose of the presentation was to provide information regarding the proposed FY26 Water Function Budget.

T.J. Burnett presented an overview of the valley water supply and total used by SRP cities in 2020. They provided a graph from 1957 to 2024 reflecting the major transition from agricultural to urban land use.

T.J. Burnett broke down the direct delivery active accounts, total water deliveries, and water delivery as a percentage of total revenues. They explained that the Association's budget includes the following: 1) revenues from water services for shareholders, including city agents, and falling water; and 2) expenses for Operation and Maintenance

(O&M) of the irrigation and drainage system for shareholders as determined by the 1949 contract.

T.J. Burnett further explained that the District's budget includes the following: 1) expenses for capital additions and replacements to the irrigation and drainage system; 2) expenses for reservoir operations, watershed monitoring, water rights protection, water policy engagement, water conservation support, forest restoration, recharge projects, and interconnection facilities, etc., and 3) revenues and expenses from services to non-shareholders such as recharge project leases, well leases, wheeling water services, etc.

T.J. Burnett provided the draft Statement of Revenues and Expenses for the Water Function Budget for FY26 with changes from FY25 to FY26. They explained that Association Members hold water rights to water stored and developed from the Reclamation Project and provide revenue to the Association by paying: 1) the price for delivery of such water based on water type; and 2) administration fees for such delivery service.

T.J. Burnett reviewed the proposed price and fee recommendations for Calendar Year 2026 (CY26) along with the changes from FY25 to FY26. They concluded with an explanation of the average cost per acre foot and provided customer examples.

T.J. Burnett 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.

Board Members S.D. Kennedy and K.L. Mohr-Almeida; Council Member E.L. Gorseger; and V.P. Kisicki of SRP entered the meeting during the presentation.

FY26 Financial Plan and Operating Budget

Using a PowerPoint presentation, B.J. Koch, SRP Associate General Manager and Chief Financial Executive, stated that the purpose of the presentation was to review key assumptions and initiatives for the FY26 Financial Plan (FP26) and Operating Budget. They reviewed SRP's 2035 financial goals and FY25 objectives.

B.J. Koch stated that forecasted sales growth, coupled with generation transition, has significant financial implications. They reviewed historical retail sales and the preliminary forecast for FP26.

B.J. Koch provided graphs of the following: capital spending by segment, FP26 outlook of retail sales and direct costs, projected six-year total cash inflows and outflows, price modeling assumptions, borrowing outlook, Combined Net Revenues (CNR), funds available, debt ratio, and debt service coverage ratio. They concluded with a discussion of next steps, and budget schedule through March 2025.

B.J. Koch responded to questions from the Committee.

Copies of the handout distributed and 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.

D.W. Dreiling of SRP 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 Pratt, SRP General Manager and Chief Executive Officer.

Future Agenda Topics

Chair M.V. Pace asked the Committee if there were any future agenda topics. None were requested.

There being no further business to come before the Finance and Budget Committee, the meeting adjourned at 11:08 a.m.

John M. Felty
Corporate Secretary

MINUTES
FINANCE AND BUDGET COMMITTEE

DRAFT

March 25, 2025

A meeting of the Finance and Budget Committee of the Salt River Project Agricultural Improvement and Power District (the District) and the Salt River Valley Water Users' Association (the Association), collectively SRP, convened at 10:38 a.m. on Tuesday, March 25, 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.

Committee Members present at roll call were M.V. Pace, Chair; K.L. Mohr-Almeida, Vice Chair; and R.J. Miller, P.E. Rovey, J.M. White Jr., and L.C. Williams.

Committee Member absent at roll call was C. Clowes.

Also present were President D. Rousseau; Vice President C.J. Dobson; Board Members R.C. Arnett, K.J. Johnson, S.D. Kennedy, L.D. Rovey, and S.H. Williams; Council Chair J.R. Shelton; Council Liaisons W.P. Schrader III and R.W. Swier; Council Members M.L. Farmer, G.E. Geiger, E.L. Gorsegrner, M.R. Mulligan, B.E. Paceley, C. Resch-Geretti, and N.J. Vanderwey; L. Arthanari, I.R. Avalos, A.N. Bond-Simpson, M.J. Burger, A.P. Chabrier, J.D. Coggins, D.W. Dreiling, J.M. Felty, J. Fry, L.F. Hobaica, R.T. Judd, V.P. Kisicki, M.M. Klein, B.J. Koch, K.J. Lee, B.N. Lentsch, L.A. Meyers, G.A. Mingura, M.J. O'Connor, B.A. Olsen, J.S. Overstreet, S.A. Perkinson, J.C. Peters, J.M. Pratt, J.R. Schuricht, C.M. Sifuentes-Kohlbeck, P.B. Sigl, G.M. Smedley, R.R. Taylor, and J.C. Tucker of SRP; Diane Brown of Arizona Public Interest Research Group (Arizona PIRG); Talon Doucette of Stellar Renewable Energy LLC; Craig Fisher of Goldman Sachs & Co. LLC (Goldman Sachs); Autumn Johnson of Tierra Strategy; Matt Ligouri of Arizona Public Service Company (APS); and Laura Wickham of Southwest Energy Efficiency Project (SWEEP).

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 Finance and Budget Committee meeting at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona, at 9:00 a.m. on Friday, March 21, 2025.

Chair M.V. Pace called the meeting to order.

Consent Agenda

Chair M.V. Pace requested a motion for Committee approval of the Consent Agenda, in its entirety.

On a motion duly made by Vice Chair K.L. Mohr-Almeida and seconded by Board Member R.J. Miller, the Committee unanimously approved and adopted the following items on the Consent Agenda:

- A. Minutes of the Finance and Budget Committee meeting on February 20, 2025, as presented.
- B. Approval of the District and Association Monthly Cash Statement for February 2025.

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

YES:	Board Members M.V. Pace, Chair; K.L. Mohr-Almeida, Vice Chair; and R.J. Miller, P.E. Rovey, J.M. White Jr., and L.C. Williams	(6)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	Board Member C. Clowes	(1)

Copies of the handouts distributed are on file in the Corporate Secretary's Office and, by reference, made a part of these minutes.

Proposed Fiscal Year 2026 (FY26) Financial Plan and Operating Budget Questions and Answers

Using a PowerPoint presentation, Brian J. Koch, SRP Associate General Manager and Chief Financial Executive, stated that the purpose of the presentation was to provide information regarding Management's response to questions and comments from the Committee about the proposed FY26 Financial Plan and Operating Budget.

B.J. Koch stated that forecasted sales growth, coupled with generation transition, has significant financial implications on the Financial Plan 2026 (FP26) outlook. They reviewed the following outlook points for FP26: strong sales forecast; higher spending levels to fund generation transition and corporate objectives; and a need for balance and flexibility.

B.J. Koch presented the six-year total cash inflows and outflows from FY26 to FY31 and compared FP25 to FP26 for Combined Net Revenue (CNR), funds available, debt ratio, and debt service coverage ratio. They provided the following overview of the FY26 budget book, which was mailed out on February 28, 2025: 1) operating budget summary; 2) FY25 versus FY26 budget comparison summary; 3) cash inflows and outflows; and 4) CNR.

B.J. Koch discussed in detail the responses to previous Committee questions, the workforce table of organization (T.O.) requesting 217 new positions, and range of salary grades for T.O. position job types. In conclusion, they reminded the Committee that Management will seek approval of the FY26 Operating Budget at Finance and Budget Committee meeting to be held on March 27, 2025.

B.J. Koch 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.

Council Member N.J. Vanderwey; L. Arthanari, J.R. Schuricht, and P.B. Sigl of SRP; Diane Brown of Arizona PIRG; Craig Fisher of Goldman Sachs; and Matt Ligouri of APS left the meeting during the presentation.

Review of the Financial Results for the Month of February 2025

Jeremy Fry, SRP Director of Financial Reporting, referenced the financial handout distributed to the Members relative to the combined highlights of operations of the District and Association for the month of February 2025. Using a PowerPoint presentation, they compared the actual versus budgeted figures for categories such as general fund balance, year-to-date (YTD) CNR, system sales, and customer accounts. J. Fry concluded by reviewing the financial summary and key financial indicators for the month of February 2025 and capital expenditures.

J. Fry responded to questions from the Committee.

Copies of the handout distributed and 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. The financial information in the handouts and PowerPoint slides is unaudited and non-GAAP.

D.W. Dreiling, K.J. Lee, L.A. Meyers, and J.S. Overstreet of SRP let the meeting during the presentation.

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

Jim M. Pratt, SRP General Manager and Chief Executive Officer, reported on a variety of federal, state, and local topics of interest to the Committee. They reminded the Committee of the upcoming Work Study Session regarding the nuclear industry outlook and provided an update on the Coronado Generating Station.

Laura Wickham of SWEEP left the meeting during the report.

Future Agenda Topics

Chair M.V. Pace asked the Committee if there were any future agenda topics. None were requested.

There being no further business to come before the Finance and Budget Committee, the meeting adjourned at 11:25 a.m.

John M. Felty
Corporate Secretary

MINUTES
FINANCE AND BUDGET COMMITTEE

DRAFT

March 27, 2025

A meeting of the Finance and Budget Committee of the Salt River Project Agricultural Improvement and Power District (the District) and the Salt River Valley Water Users' Association (the Association), collectively SRP, convened at 9:48 a.m. on Thursday, March 27, 2025, 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.

Committee Members present at roll call were M.V. Pace, Chair; K.L. Mohr-Almeida, Vice Chair; and R.J. Miller, P.E. Rovey, and J.M. White Jr.

Committee Members absent at roll call were C. Clowes and L.C. Williams.

Also present were President D. Rousseau; Vice President C.J. Dobson; Board Members R.C. Arnett, N.R. Brown, M.J. Herrera, K.J. Johnson, S.D. Kennedy, K.H. O'Brien, L.D. Rovey, and S.H. Williams; Council Chair J.R. Shelton; Council Liaison R.W. Swier; Council Members E.L. Gorseigner M.L. Farmer, M.R. Mulligan, B.E. Paceley, M.C. Pedersen, and C. Resch-Geretti; I.R. Avalos, M.J. Burger, T.J. Burnett, A.P. Chabrier, W. Christensen, J.D. Coggins, D.W. Dreiling, J.M. Felty, S.M. Glover, J. Grimm, L.F. Hobaica, V.P. Kisicki, B.J. Koch, K.J. Lee, B.N. Lentsch, C.M. McJunkin, M.S. Mendonca, L.A. Meyers, G.A. Mingura, D.B. Mitchell, M.J. O'Connor, B.A. Olsen, S.A. Perkinson, J.C. Peters, J.M. Pratt, J.R. Schuricht, C.M. Sifuentes-Kohlbeck, P.B. Sigl, J.L. Sotelo, R.R. Taylor, and J.C. Tucker of SRP; Diane Brown of Arizona Public Interest Research Group (Arizona PIRG); Eric Douglas, Jessica Law, and Bill Slaton of Leading Resources, Inc.; and Alex Routhier of Western Resource Advocates (WRA).

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 Finance and Budget Committee meeting at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona, at 9:00 a.m. on Tuesday, March 25, 2025.

Chair M.V. Pace called the meeting to order.

Request for Approval of the Operating Budget for Fiscal Year 2026 (FY26)

Using a PowerPoint presentation, Brian J. Koch, SRP Associate General Manager and Chief Financial Executive, stated that the purpose of the presentation was to request approval for the FY26 Operating Budget, including the multi-year contracts identified in the FY26 Operating Budget; and the FY26 Water Function Budget, which includes the falling water allocation.

B.J. Koch an overview of the FY25 versus FY26 operating budget comparison summary, FY26 cash inflows and outflows, and FY26 combined net revenues (CNR).

B.J. Koch said that retail sales, primarily driven by residential and commercial sales, are projected to be 84% of SRP's electric energy sales. They also said that retail revenues, primarily driven by residential and commercial revenues, are projected to be 91% of SRP's total revenues.

B.J. Koch explained that SRP's budgeted operating expenses are driven by Operations and Maintenance (O&M) and that fuel and purchased power are the next largest divers, followed by the non-cash item of depreciation and amortization. They stated that generation, distribution, and corporate costs are the top three contributors to SRP's budgeted capital costs, making up approximately 81% of SRP's budgeted capital costs.

B.J. Koch said that They commented on matters relating to the multi-year contracts contained in the FY26 Operating Budget. They reviewed the Statement of Revenues and Expenses for the Association's Water Function Budget for FY26 with changes from FY25 to FY26.

B.J. Koch explained that annual costs for SRP water and electric customers will reduce significantly due to lower taxes and financing costs resulting in estimated net savings. They said that after the approved pricing proposal, SRP remains within the lowest quartile of peer utility prices.

B.J. Koch provided a summary of the FY26 operating budget and said that it maintains a strong credit rating and supports SRP's overall mission. They concluded by recommending approval of the FY26 Operating Budget, including the multi-year contracts identified in the FY26 Operating Budget; and the FY26 Water Function Budget, which includes the falling water allocation.

B.J. Koch responded to questions from the Committee.

On a motion duly made by Board Member J.M. White Jr., seconded by Board Member P.E. Rovey 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 for approval of the FY26 Operating Budget, including the Multi-year contracts identified in the FY26 Operating Budget; and the FY26 Water Function Budget, which includes the falling water allocation:

YES:	Board Members M.V. Pace, Chair; P.E. Rovey and J.M. White Jr.	(3)
NO:	Board Members R.J. Miller and K.L. Mohr-Almeida, Vice Chair	(2)
ABSTAINED:	None	(0)
ABSENT:	Board Members C. Clowes and L.C. Williams	(2)

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.

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

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

Future Agenda Topics

Chair M.V. Pace asked the Committee if there were any future agenda topics. None were requested.

There being no further business to come before the Finance and Budget Committee, the meeting adjourned at 10:39 a.m.

John M. Felty
Corporate Secretary

Statement of Cash Received and Disbursed

March 2025

(\$000)

	District	Association	Total Month	Year-to-Date
Funds Balance Beginning of Period	\$ 1,314,106	\$ 350	\$ 1,314,456	\$ 785,829
Cash Receipts:				
Electric Revenues	271,488	---	271,488	4,018,148
Water Revenues	---	1,834	1,834	22,513
Electric Customer Deposits	3,895	---	3,895	45,974
Reimbursement on Joint Ownership Projects	7,203	---	7,203	140,946
Construction Contributions and Advances	24,373	---	24,373	285,359
Proceeds from Bond Sales	---	---	---	---
Proceeds from Other Borrowings	---	---	---	---
Transfers from Segregated Funds	230,416	---	230,416	1,399,694
Sales Tax Collected	16,689	---	16,689	284,208
Other Cash Receipts	14,747	---	14,747	187,462
Total Cash Receipts	568,811	1,834	570,645	6,384,304
Fund Transfers - Net	(6,966)	6,966	---	---
Cash Disbursements:				
Purchased Power and Fuel	122,123	---	122,123	1,299,378
Operations and Maintenance	98,558	5,048	103,606	1,213,002
Employee Payroll and Payroll Taxes	57,381	3,590	60,971	730,032
Purchased Inventory	21,274	---	21,274	270,035
Cash Segregated for -				
Bond Interest	21,785	---	21,785	226,248
Bond Principal	10,865	---	10,865	111,779
Other Debt - Principal Repayment	104,800	---	104,800	104,800
Other Debt - Interest Expense	660	---	660	14,943
Capital Expenditures	120,371	---	120,371	1,066,895
Advances on Joint Ownership Projects	---	---	---	---
Transfers to Segregated Funds	15,640	---	15,640	376,455
In Lieu and Ad Valorem Taxes	---	---	---	110,451
Sales Tax Remitted	19,087	---	19,087	299,386
Margin and Collateral Received - Net	3,852	---	3,852	33,911
Miscellaneous Cash Disbursements	1,534	---	1,534	34,285
Total Cash Disbursements	597,930	8,638	606,568	5,891,600
Funds Balance End of Period	\$ 1,278,021	\$ 512	\$ 1,278,533	\$ 1,278,533

Cash Position

March 2025

Composition of Funds Balance	(\$000)		
	District	Association	Total
Cash and Cash Equivalents	\$ 830,071	\$ 512	\$ 830,583
Other Temporary Investments	163,570	---	163,570
Other Non-Current Investments	284,380	---	284,380
General Fund	1,278,021	512	1,278,533
Segregated Funds			
Electric System Debt Reserve Fund	80,614	---	80,614
Debt Service Fund	100,531	---	100,531
Rate Stabilization Fund	---	---	---
Nuclear Decommissioning Fund	725,488	---	725,488
Post-Retirement Benefits Fund	1,344,221	---	1,344,221
Construction Fund	104,639	---	104,639
RHCP Fund	12,846	---	12,846
HHCP Fund	9,152	---	9,152
SPRHCP Fund	3,605	---	3,605
Four Corners Mine Reclamation Trust	16,041	---	16,041
Other Special Funds	2,702	---	2,702
Total Segregated Funds	\$ 2,399,839	\$ ---	\$ 2,399,839

Prepaid Commodity Transaction

Tyler Perry

Finance and Budget Committee | April 24, 2025

Agenda

- Prepaid Commodity Transaction Overview
- SRP's History with Prepays
- Gas Prepay Transaction Opportunity
- Next Steps
- Approval Request

What is a Prepaid Commodity Transaction

- Financing structure that provides SRP the ability to benefit from lower tax-exempt interest rates
- SRP is not responsible for debt repayment (only required to pay for commodities received)
- Prepays do not impact balance sheet and credit metrics
- Per IRS regulations, prepaid commodities must be consumed by retail customers
- Prepays complement SRP's Resource Plan

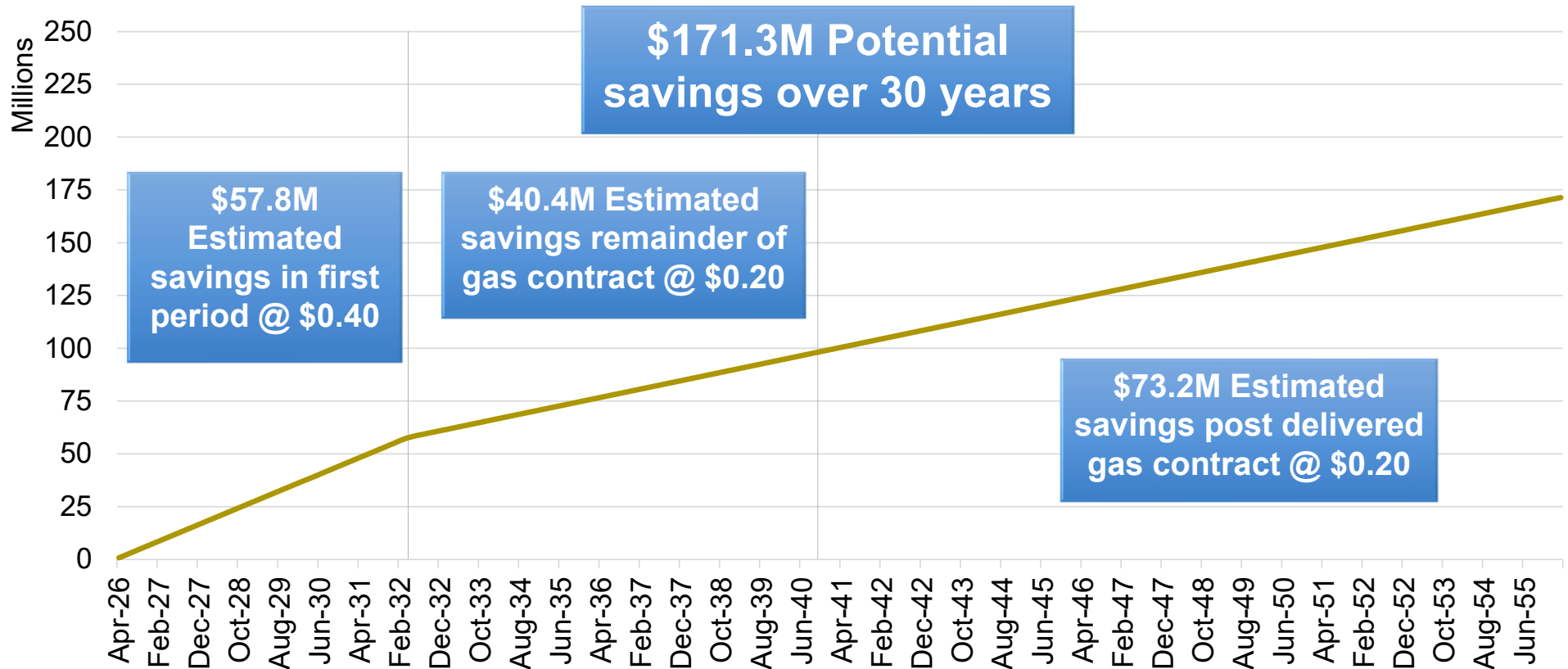
SRP Prepaid Transaction History

- **Salt Verde Financial Corporation (SVFC)**
 - Gas prepaid transaction (2007)
 - Issued \$1.2B in tax-exempt debt
 - Discount of \$1.15 per MMBtu: Savings to date: \$183M. Projected remaining savings: \$153M
- **Recent Gas Prepaid Transactions**
 - Three transactions executed 2020-2023
 - Discount of \$0.26 - \$0.50 per MMBtu: Initial period savings: \$21.9M. Projected future minimum savings: \$60.3M
 - Flexibility to switch from gas to power at SRP's discretion
- **Power PPA Prepaid Transaction**
 - Executed January 2025
 - Discount of 12.9%: Initial period savings: \$73.6M. Projected future savings: \$67.2M
 - Flexibility to switch from power to gas at SRP's discretion

New Prepaid Opportunity

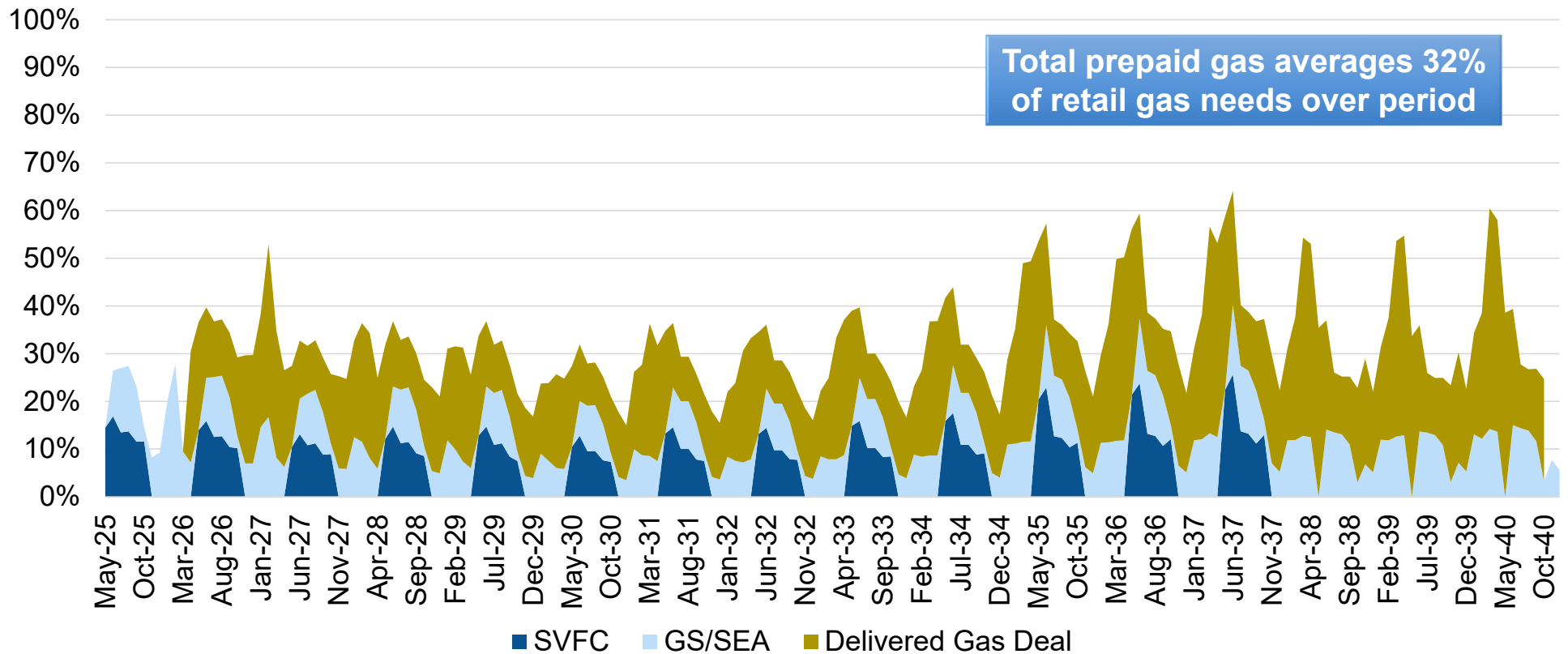
- SRP executed a Board approved delivered gas transaction, October 2024 (the “Delivered Gas Deal”)
 - 65K MMBtu/day delivered to SRP system
 - Term: June 2026 through October 2040
- SRP can assign the gas volumes under the Delivered Gas Deal into a prepay structure to yield savings
 - Ability to switch to electricity at SRP’s discretion
- Current estimated market discount: \$0.40 per MMBtu
- Minimum estimated discount, future periods: \$0.20 per MMBtu

Prepaid Opportunity: Cumulative Savings Projection

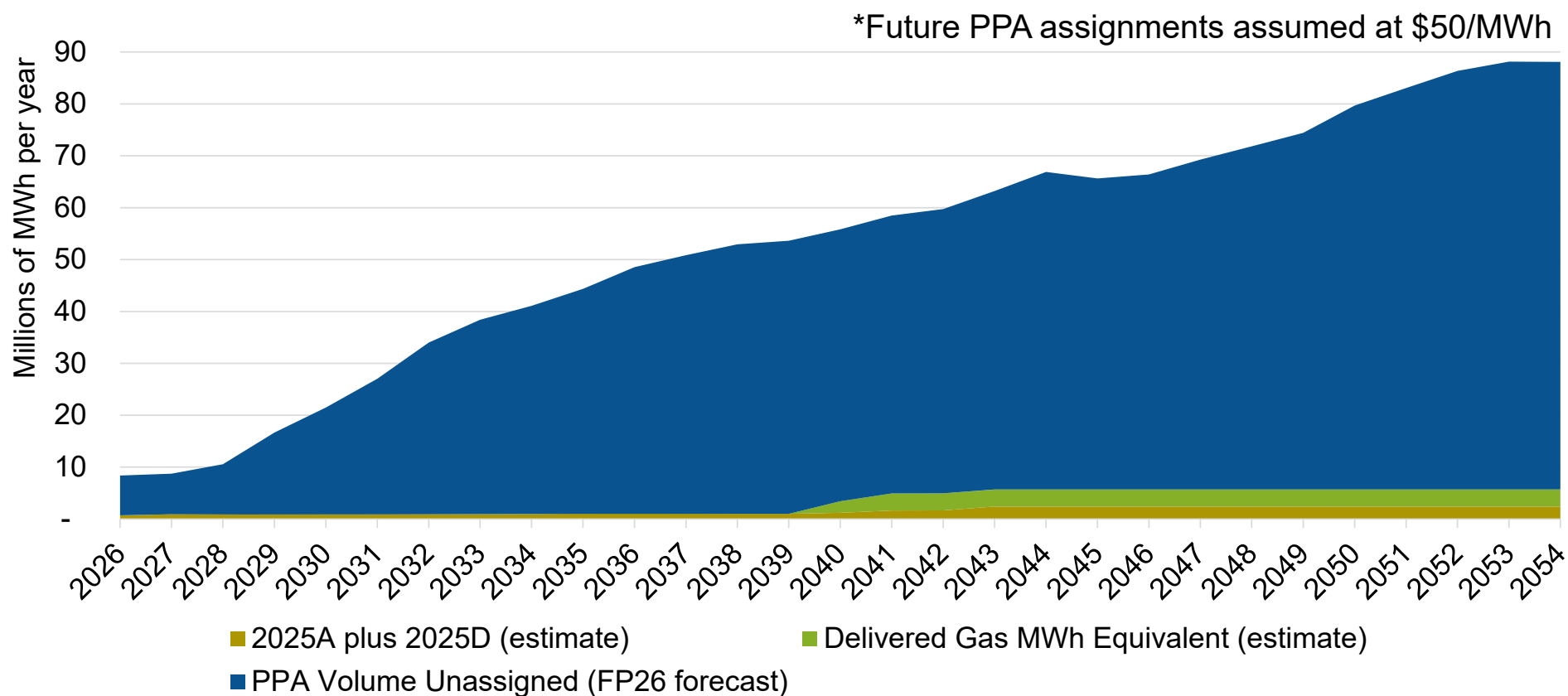


*Projected savings for illustrative purposes only, actual savings subject to market rates at execution

Prepaid Opportunity: Prepay as percent of Retail Needs



Switching Provision: Electric PPA Volume Forecast



Parameter Constraints

- Execution Timing
 - Prior to April 30, 2026
- Volume
 - One or more transactions not to exceed a total of 24,000,000 MMBtu annually (or, if applicable, the equivalent amount of energy)
- Savings
 - Minimum discount of at least \$0.10 per MMBtu (or, if applicable, the equivalent discount in \$ per MWh)
- Term
 - Not to exceed 30 years

Prepaid Transaction Next Steps

- If recommended by the Committee, seek full Board approval
- Select a supplier/investment bank partner and issuer of debt
- Negotiate necessary agreements
- Monitor the market for optimal execution timing
- Upon Board approval, execute prepaid transaction to lock in savings

Approval Request

Request that the Committee recommend that the Board authorize the President, Vice President, General Manager & Chief Executive Officer, Associate General Manager & Chief Planning, Strategy and Sustainability Executive, or Associate General Manager & Chief Financial Executive, to execute:

(a) One or more long-term, prepaid commodity transactions (each, a “Transaction”), each entered into on or before April 30th, 2026, subject to the following conditions and limitations, as further set forth in the proposed form of resolution provided to the Board for adoption:

1. Prepaid gas volume under all Transactions will not exceed 24,000,000 MMBtu per year or, if applicable, the equivalent amount of energy.
2. The maximum term of any Transaction will not exceed 30 years; and
3. Any Transaction must provide a minimum discount of at least \$0.10 per MMBtu or the equivalent discount in \$ per MWh.

(b) In furtherance of the Transactions, one or more assignment and assumption agreements with respect to the purchase agreements for the underlying commodity transactions.

thank you!



**RESOLUTION OF THE SALT RIVER PROJECT AGRICULTURAL
IMPROVEMENT AND POWER DISTRICT AUTHORIZING THE PURCHASE
OF NATURAL GAS AND/OR POWER UNDER ONE OR MORE
COMMODITY PREPAID TRANSACTIONS; AND AUTHORIZING THE
EXECUTION AND DELIVERY OF ONE OR MORE COMMODITY SUPPLY
CONTRACTS AND ASSIGNMENT AGREEMENTS RELATING TO SAID
PURCHASES**

WHEREAS, Salt River Project Agricultural Improvement and Power District (the "District") has a need for additional natural gas or power supplies to serve its customer base; and

WHEREAS, one or more entities (each, an "Issuer") (i) will acquire, obtain financing, and manage secure and economically priced supplies of natural gas and/or electric energy (the "Commodities") for sale to municipalities and other governmental entities, and (ii) has planned to acquire long-term Commodity supplies from certain supplier(s) (each, a "Supplier") on a prepaid discount basis using the proceeds of certain tax-exempt bonds issued by such Issuer (the "Bonds"); and

WHEREAS, Issuer has caused or will cause to be prepared one or more Commodity Supply Contracts (each, a "Commodity Supply Contract"), providing for the purchase of Commodities by the District from Issuer, and Issuer will pledge its interests in the Commodity Supply Contract(s) to support its obligations with respect to the Bonds; and

WHEREAS, the District will pay for Commodities delivered pursuant to a Commodity Supply Contract only if and as such Commodity is delivered and will have no responsibility or liability respecting debt service on any Bonds; and

WHEREAS, the District entered into one or more natural gas purchase agreements (the "Gas Purchase Agreement") with a third party gas supplier (the "Upstream Supplier") pursuant to which the District purchases natural gas on a firm basis ("Firm Gas"); and

WHEREAS, the District has an opportunity to pay discounted prices for the Firm Gas, by entering into a limited assignment and assumption agreement with the Supplier(s) and the Upstream Supplier(s) with respect to one or more Gas Purchase Agreements (an "Assignment Agreement") under which (i) the District will assign, and the Supplier will assume, the District's rights to take delivery of, and the District's obligation to pay for, the Firm Gas under the Gas Purchase Agreement, (ii) Supplier will cause the Firm Gas to be delivered to Issuer, and (iii) Issuer will sell and deliver the Firm Gas to the District, under the Commodity

Supply Contract, at a discount relative to the base amount that would have been originally paid by the District pursuant to the underlying Gas Purchase Agreement (the "Original Gas Price"); and

WHEREAS, the District will have the right, at its discretion and in order to maintain operational flexibility, to switch to discounted market-based electric energy purchases under the Commodity Supply Contract; and

WHEREAS, pursuant to Arizona Revised Statutes, § 48-2301 et seq. (the "Act"), the Board of Directors of the District (the "Board") may enter into, execute, acknowledge, deliver and perform all contracts or agreements that it finds are in the best interest of the District to carry out or accomplish any of the purposes under the Act; and

WHEREAS, the Board has determined that it is desirable and in the best financial interest of the District that the District purchase Commodities from Issuer under the terms of one or more Commodity Supply Contracts, each entered into on or before April 30, 2026, providing in the aggregate for the purchase of no more than 24,000,000 MMBtu/year (or, if applicable, the equivalent amount of electrical energy), each for a term not exceeding 30 years, and each providing a minimum discount of at least \$0.25/MMBtu (or, if applicable, an equivalent discount per megawatt hour with respect to the purchase of market-based electric energy) (collectively, the "Purchase Criteria"); and

WHEREAS, the Board has determined that, to facilitate the Commodity Supply Contracts, it is desirable and in the best financial interest of the District that the District enter into one or more Assignment Agreements; and

WHEREAS, the Board desires to authorize the proper officers of the District to take all necessary steps to finalize and enter into (i) Commodity Supply Contracts meeting the Purchase Criteria, and otherwise under terms and conditions approved by an Authorized Officer (as hereinafter defined) ("Qualifying Commodity Contracts"), and (ii) one or more Assignment Agreements related to the Qualifying Commodity Contracts, for a term not exceeding that of the applicable Qualifying Commodity Contract, and otherwise under terms and conditions approved by an Authorized Officer (the "Qualifying Assignment Agreements").

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT AS FOLLOWS:

SECTION 1. Authorization of Transaction. The Board hereby finds and determines that it is desirable and in the best interest of the District and is in furtherance of one or more purposes authorized or permitted under the Act, to enter into one or more Qualifying Commodity Contracts and one or more

Qualifying Assignment Agreements. The Board hereby authorizes and approves the purchase of the Commodities and the consummation of all transactions contemplated by any Qualifying Commodity Contract, and the assignment of the Gas Purchase Agreement(s) that are the subject of any Qualifying Assignment Agreement.

SECTION 2. Execution of Documents. The President, Vice President, General Manager & Chief Executive Officer, Associate General Manager & Chief Planning, Strategy and Sustainability Executive, and Associate General Manager & Chief Financial Executive (each, an "Authorized Officer") are, and each of them hereby is, authorized to execute and deliver the Qualifying Commodity Contracts and the Qualifying Assignment Agreements (each in such form as may be approved by the Authorized Officer(s)), and all documents, certificates and any other deliverables related thereto, with such changes, additions, and deletions as are approved by such Authorized Officer executing the same (said execution being conclusive proof of approval of the Qualifying Commodity Contract, the Qualifying Assignment Agreement, and other documents). The Secretary and the Assistant Secretary of the District are each hereby authorized to cause the seal of the District to be affixed to such documents and to attest the same as necessary.

SECTION 3. Authority of Officers. Each Authorized Officer, and other employees of the District directed by an Authorized Officer are, and each of them hereby is, authorized to: execute such certificates, documents, and other instruments, and take any other actions reasonably required or desirable to complete the transactions contemplated by any Qualifying Commodity Contract and any Qualifying Assignment Agreement, including, but not limited to, (i) cooperating with any Issuer and the underwriters of the Bonds, and their agents and representatives (collectively, the "Issuer Representatives"), (ii) providing the Issuer Representatives with information relating to the District as is necessary for use in the preparation and distribution of any preliminary or final official statement or other disclosure document used in connection with the sale of the Bonds, and (iii) delivering any necessary tax certificates or documentation necessary to evidence the District's compliance with any tax or continuing disclosure requirements arising as a result of the District's execution of a Qualifying Commodity Contract or a Qualifying Assignment Agreement; and to take such actions consistent with this Resolution, and to do such other acts and things, as may be necessary or advisable in connection with the purchase of the Commodities under any Qualifying Commodity Contract and the assignment of any Gas Purchase Agreement under a Qualifying Assignment Agreement.

SECTION 4. Amendments. Following the execution of any Qualifying Commodity Contract or any Qualifying Assignment Agreement, each Authorized Officer, and other officers and employees of the District directed by an Authorized Officer are, and each of them hereby is, authorized to execute any amendments

thereto that do not materially modify the terms thereof.

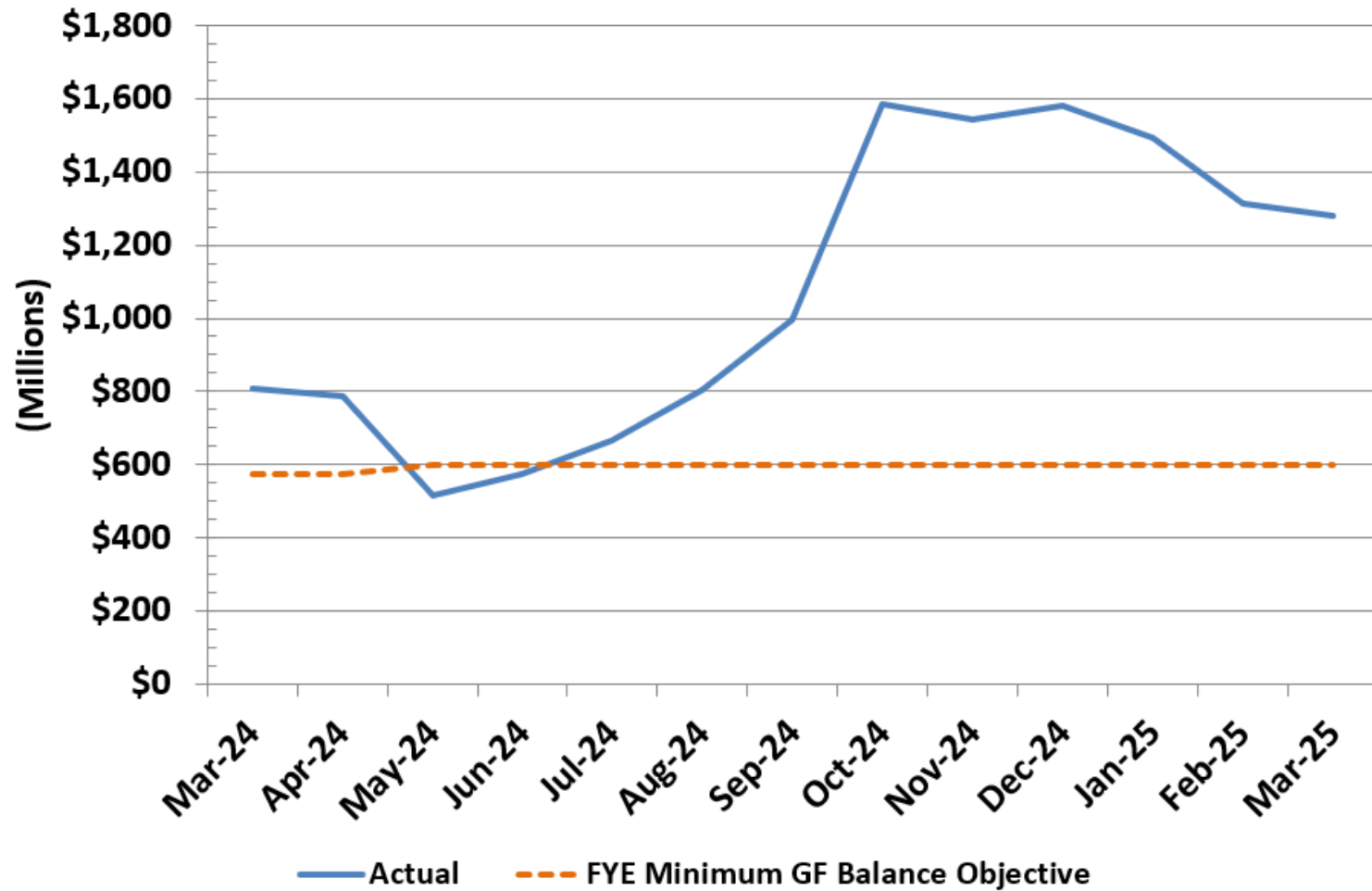
SECTION 5. Effective Date. This Resolution shall take effect immediately.

Monthly Financial Report

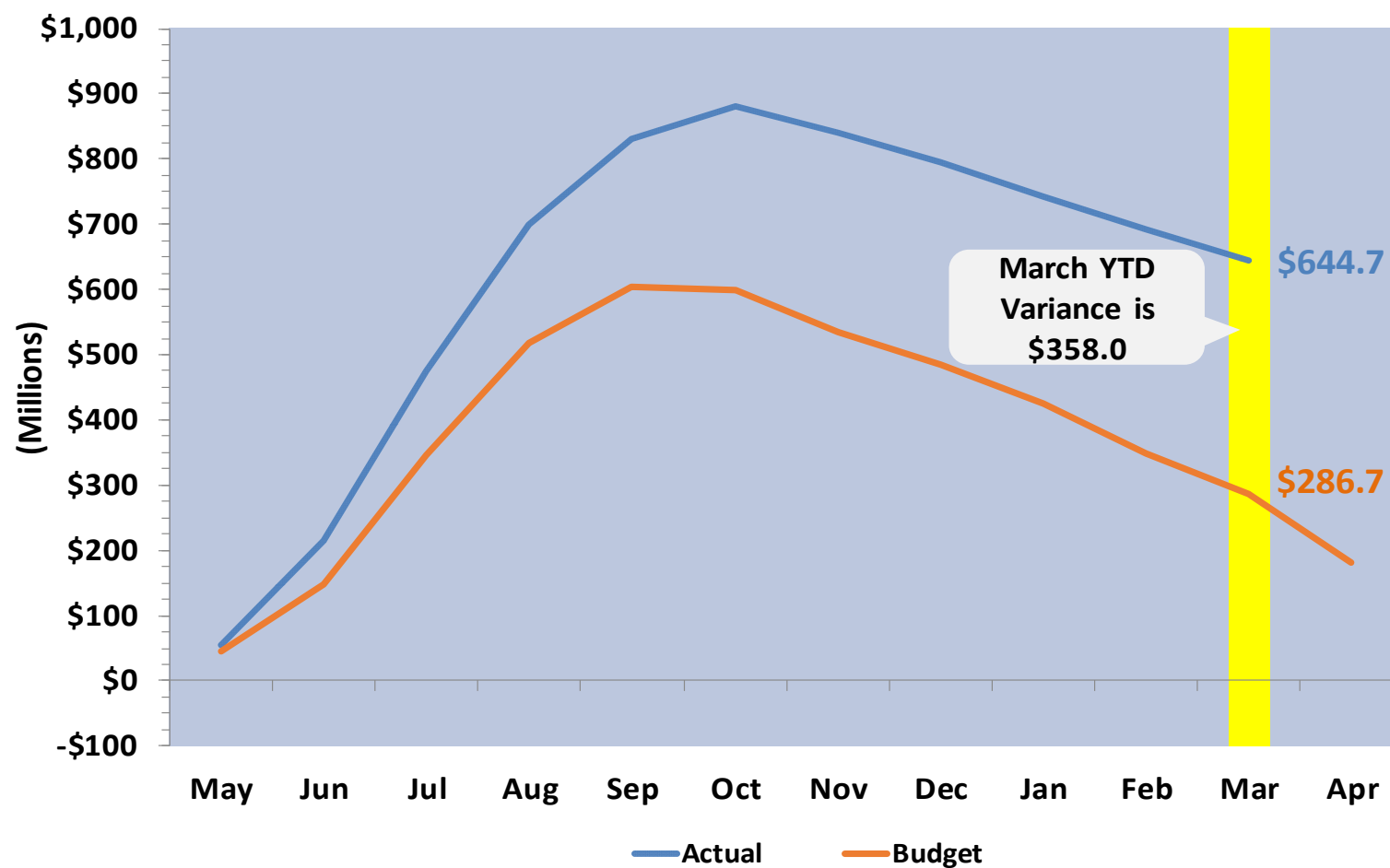
March 2025

Finance & Budget Committee Meeting
Jeremy T. Fry | April 24, 2025

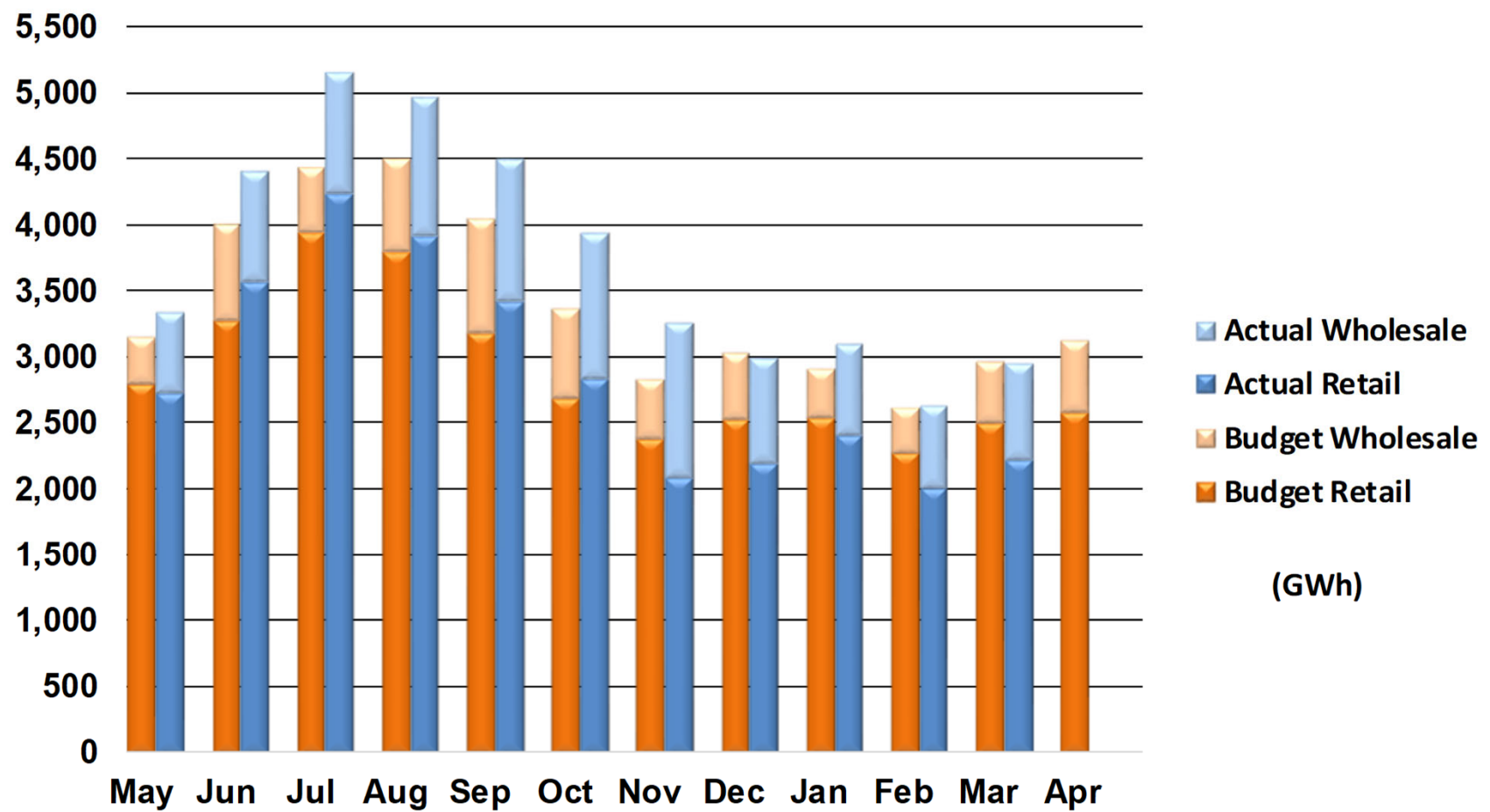
General Fund Balance



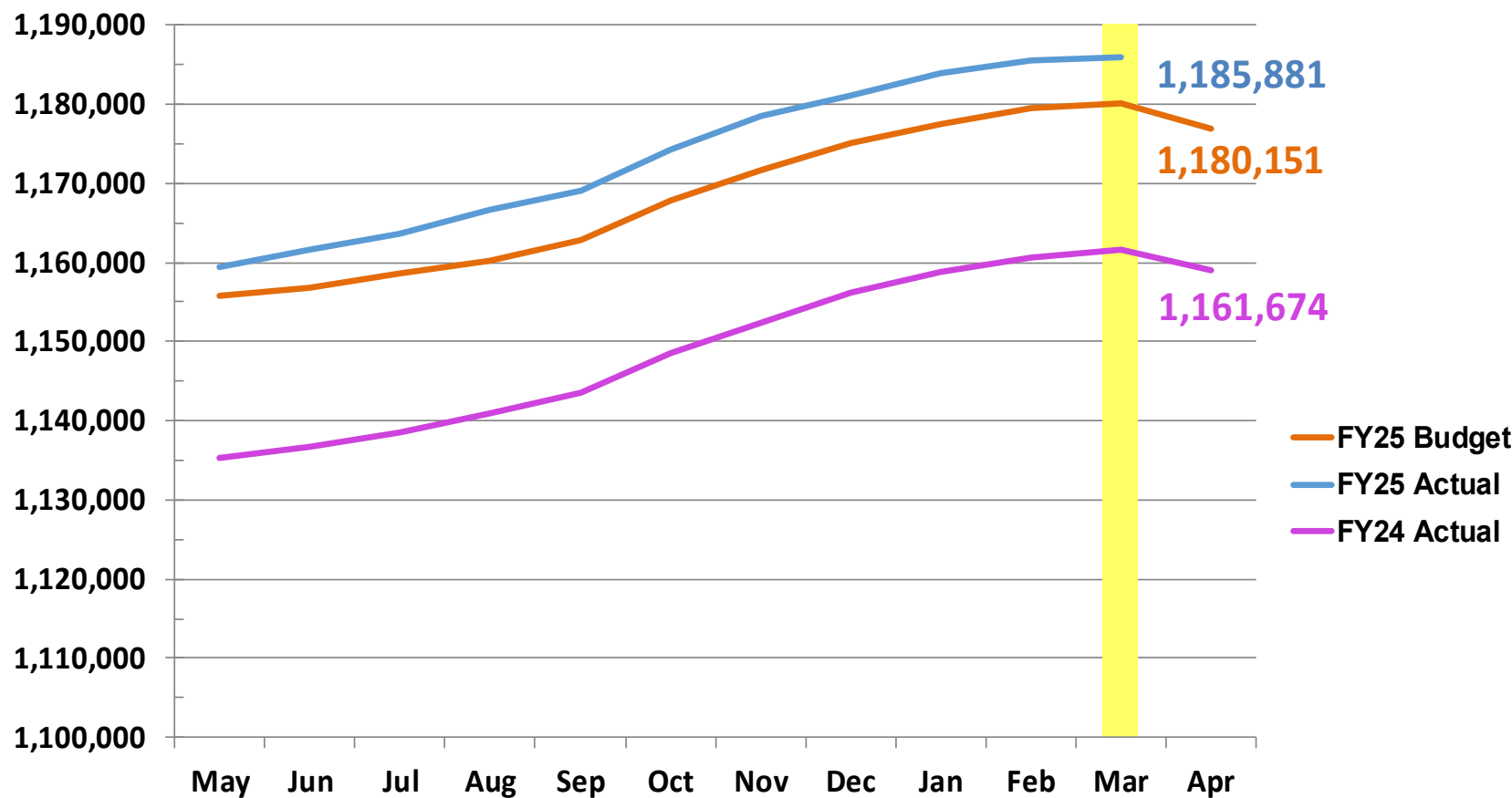
YTD Combined Net Revenue



System Sales



Customer Accounts



Financial Summary - March 2025

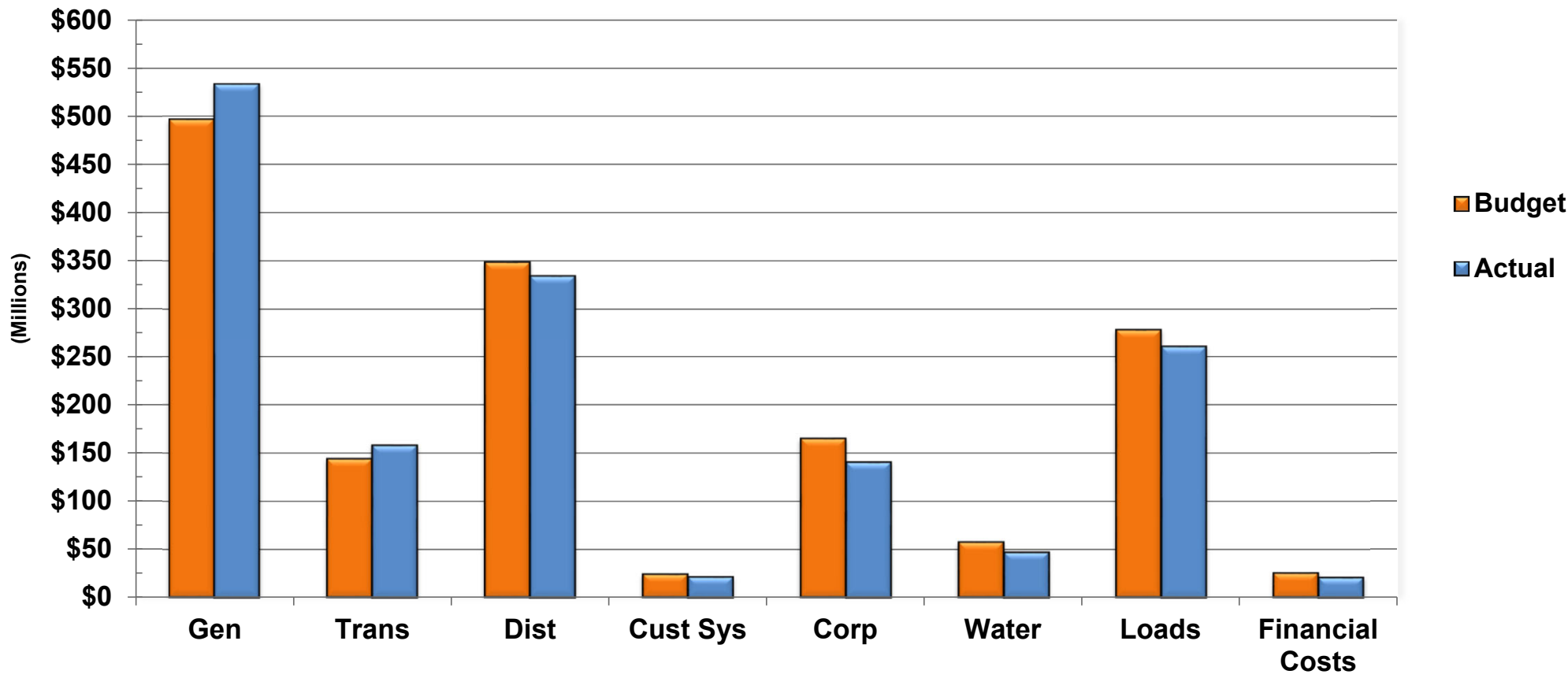
(Thousands)	Actual	Budget	Variance
Operating Revenues	\$ 272,907	\$ 270,964	\$ 1,943
Operating Expenses			
Fuel	113,299	130,011	(16,712)
O&M	128,687	122,780	5,907
Depr & Tax	70,120	70,523	(403)
Total Operating Expenses	312,106	323,314	(11,208)
Net Financing Costs	17,821	16,703	1,118
Other, Net	9,303	7,251	2,052
Combined Net Revenues	\$ (47,717)	\$ (61,802)	\$ 14,085

Key Financial Indicators - YTD March 2025

(Thousands)	Actual	Budget	Variance
Funds Available	\$ 1,164,126	\$ 712,053	\$ 452,073
Total Debt Service Coverage Ratio	4.74	3.56	1.18
Debt Ratio*	46.7	47.4	(0.7)
Capital Expenditures	\$ 1,517,146	\$ 1,539,053	\$ (21,907)

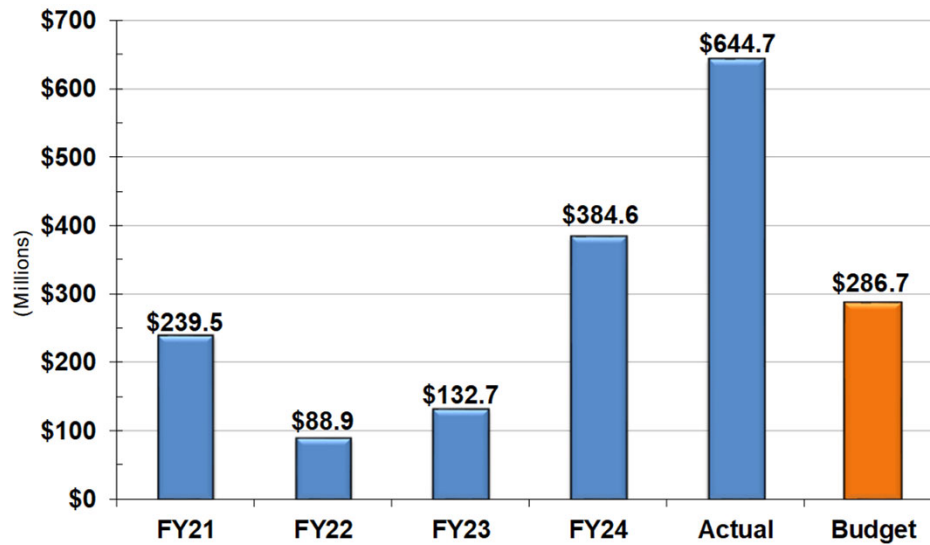
***Debt Ratio represents Projected Actual compared to Annual Budget**

Capital Expenditures - YTD March 2025





CNR without Fair Value Adjustments - YTD March 2025

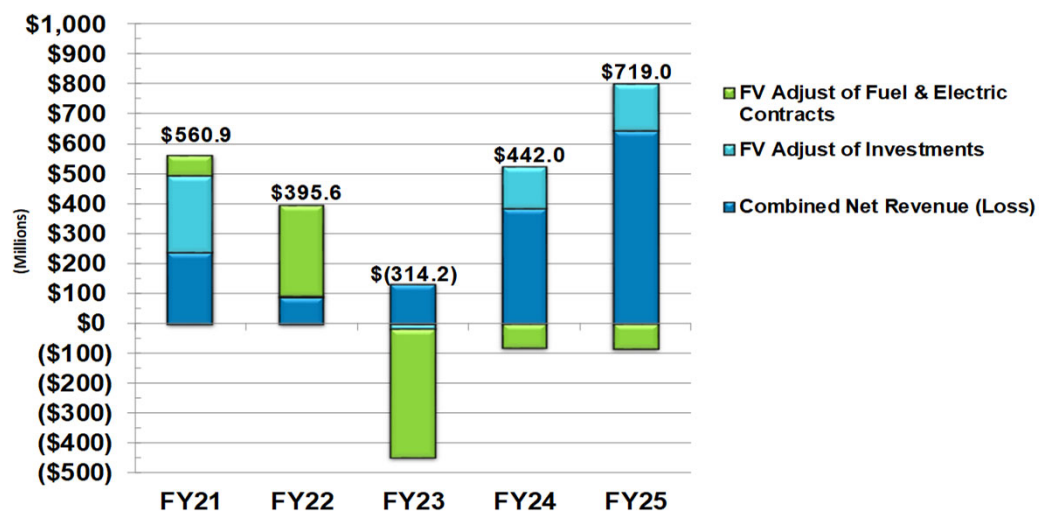


04/24/2025 F&B Committee Meeting, J.T. Fry

(Non-GAAP, Unaudited) 1

1

CNR with Fair Value Adjustments - YTD March 2025

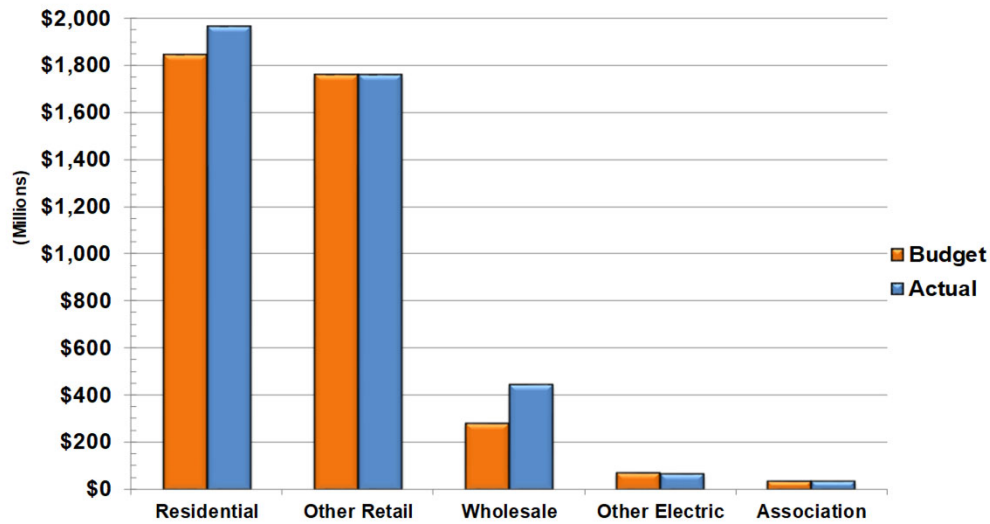


04/24/2025 F&B Committee Meeting, J.T. Fry

(Non-GAAP, Unaudited) 2

2

Combined Operating Revenues - YTD March 2025

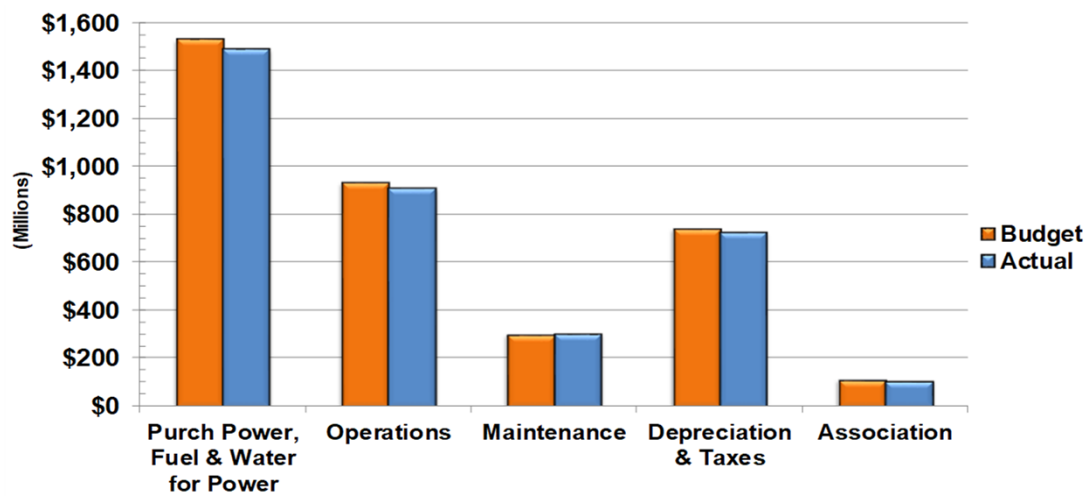


04/24/2025 F&B Committee Meeting, J.T. Fry

(Non-GAAP, Unaudited) 3

3

Combined Expenses - YTD March 2025

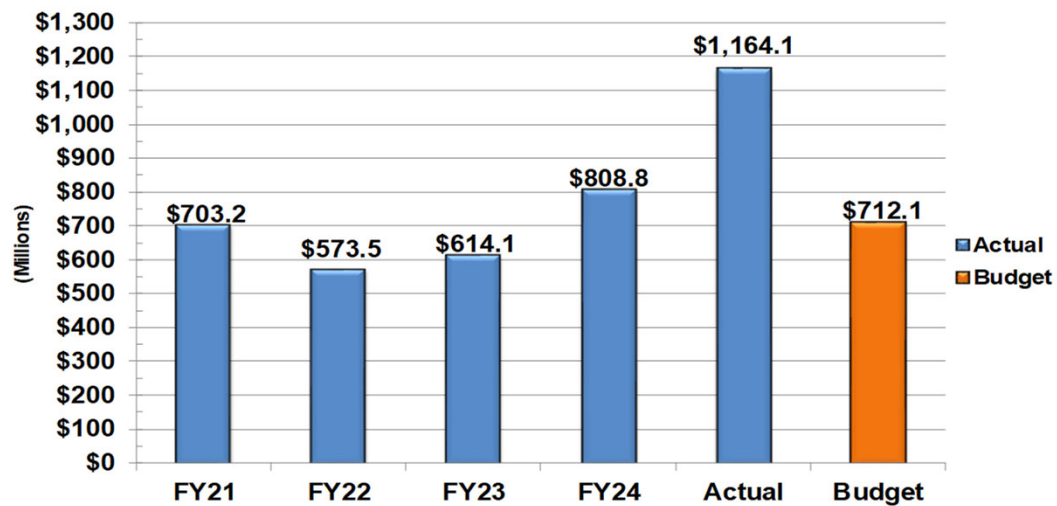


04/24/2025 F&B Committee Meeting, J.T. Fry

(Non-GAAP, Unaudited) 4

4

Funds Available - YTD March 2025

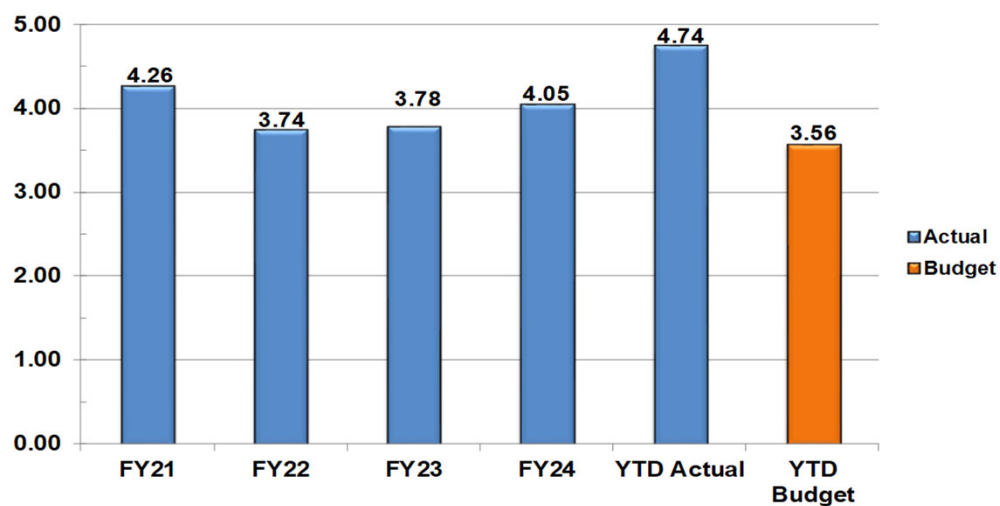


04/24/2025 F&B Committee Meeting, J.T. Fry

(Non-GAAP, Unaudited) 5

5

Total Debt Service Coverage Ratio - YTD March 2025

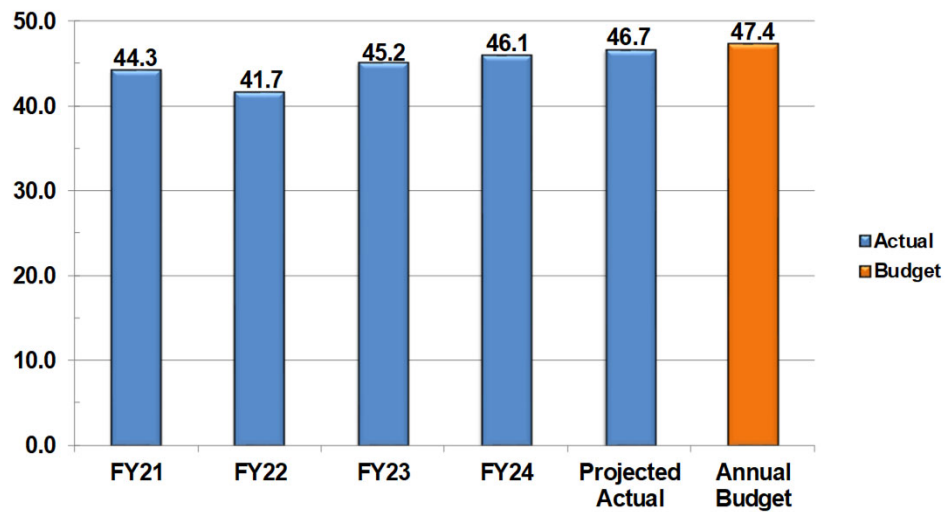


04/24/2025 F&B Committee Meeting, J.T. Fry

(Non-GAAP, Unaudited) 6

6

Debt Ratio - YTD March 2025



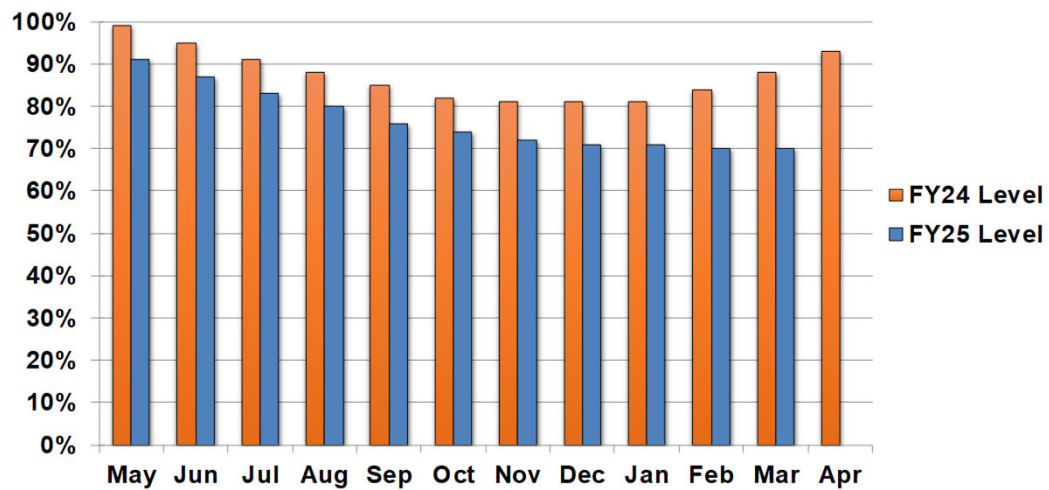
Note: Prior Years and Budget are Fiscal Year-End Ratios

04/24/2025 F&B Committee Meeting, J.T. Fry

(Non-GAAP, Unaudited) 7

7

Water Storage Levels



04/24/2025 F&B Committee Meeting, J.T. Fry

(Non-GAAP, Unaudited) 8

8

