

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

POWER COMMITTEE

Thursday, August 21, 2025, 9:30 AM

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

Committee Members: Robert Arnett, Chair; and Stephen Williams, Vice Chair; and
Nicholas Brown, Mario Herrera, Kevin Johnson, Sandra Kennedy, and Kathy Mohr-Almeida
Association Board of Governors Observer: Larry 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 ROBERT ARNETT

- Request for approval of the minutes for the meeting of June 24, 2025.

2. Renewable Energy Credit (REC) Purchase Program.....NATHAN MOREY

Informational presentation regarding SRP's new REC Purchase Program for residential customers.

3. Solar Development Request for Proposals (RFP) Update BILL McCLELLAN

Informational presentation regarding an update on SRP's RFP seeking a developer with which to contract for the development of multiple solar resources to meet SRP resource needs.

4. 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 Solar Development RFP BILL McCLELLAN

5. 2024 Long-Duration Energy Storage Pilot RFP UpdateCHICO HUNTER

Informational presentation regarding projects selected from the 2024 Long-Duration Energy Storage Pilot RFP.

6. 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 Energy Storage Agreements and Ground Leases for Projects Selected from the 2024-Long Duration Energy Storage Pilot RFPCHICO HUNTER

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 Amend the Energy Storage Agreement and Ground Lease for the Desert Blume Energy Storage Pilot Project..... CHICO HUNTER
8. Report on Current Events by the General Manager and Chief Executive Officer and Designees JIM PRATT
9. Future Agenda Topics CHAIR ROBERT ARNETT

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

June 24, 2025

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, June 24, 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. 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 C. Clowes, R.J. Miller, K.L. Mohr-Almeida, M.V. Pace, and P.E. Rovey.

Also present were President D. Rousseau; Board Members R.C. Arnett, 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 Vice Chair B.E. Pacey; Council Members M.L. Farmer, J.W. Lines, and M.R. Mulligan; L. Arthanari, I.R. Avalos, A.N. Bond-Simpson, A.P. Chabrier, J.D. Coggins, A.C. Davis, B. Davis, J.M. Felty, J.V. Giacalone, A.Y. Gilbert, S.M. Glover, C.M. Hallows, M.R. Hill, L.F. Hobaica, V.P. Kisicki, M.M. Klein, B.J. Koch, C.R. Larson, M.R. Maser, L.A. Meyers, G.A. Mingura, D.B. Mitchell, K.L. Morrison, R.T. Mueller, M.J. O'Connor, B.A. Olsen, M.I. Papa, S.A. Perkinson, J.M. Pratt, J.R. Schuricht, C.M. Sifuentes-Kohlbeck, G.M. Smedley, P.L. Syrjala, R.R. Taylor, and D.G. Wilson of SRP; Ylenia Aguilar de Martinez, Sandy Bahr, and Patrick Woolsey of Sierra Club; Stan Barnes and Ian Calkins of Copper State Consulting Group; Jeffrey Barrett of Apex Clean Energy; Ken Clark of Get Your PHX; Michael Curtis of Hohokam Irrigation and Drainage District; Nelson Davis of Apache County Board of Supervisors; John Deese of Origis Energy; Christy Eichorn of Power Plus, Sasha Hupka of The Arizona Republic; Autumn Johnson of Tierra Strategy; Mamelang Memela of Arizona State University (ASU); Ian O'Connor of Matrix Renewables; Alex Routhier of Western Resource Advocates (WRA); Samantha Salton of Strata Clean Energy; Beatrice Sampson of Ørsted; Kelly Sarber of Epic Star Energy Corp.; Mayor Spence Udall of the City of St. Johns, Arizona; Joy Whiting of Apache County Schools; Katy Wilson of TransAlta Corp.; and Steve Neil and Joe Pedregon, members of the public.

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, June 20, 2025.

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 M.V. Pace and seconded by Vice Chair L.C. Williams, the Committee unanimously approved and adopted the following item on the Consent Agenda:

- Minutes of the Power Committee meeting on May 22, 2025, as presented.

Corporate Secretary J.M. Felty polled the Committee Members on Board Member M.V. Pace'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 C. Clowes, R.J. Miller, K.L. Mohr-Almeida, M.V. Pace, and P.E. Rovey	(7)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	None	(0)

Permitting Challenges for Renewable Projects in Arizona

Using a PowerPoint presentation, Buchanan Davis, SRP Director of Local Government Affairs, stated that the purpose of the presentation was to provide information regarding the permitting challenges faced by renewable energy development projects and how SRP collaborates with developers, elected officials, and stakeholders to support necessary approvals. They commented on various national news articles related to renewable energy.

B. Davis said that developers carry the bulk of the responsibility when it comes to getting renewable energy projects off the ground, especially when it comes to securing local approvals. They noted that the responsibilities of developers include the following: 1) navigating local zoning laws and secure conditional use permits; 2) conducting thorough environmental and community impact assessments, which require time, expertise, and often, third-party consultants; 3) engaging with the public through hearings and stakeholder outreach, which can be unpredictable and emotionally charged; and 4) combating misinformation and ideological resistance, which can derail projects even when all technical and legal boxes are checked. B. Davis discussed the emerging challenges across Arizona in the Mohave County, Chino Valley, Yavapai County, and the Coolidge and Eloy area. They presented an aerial view of the Coolidge and Eloy area.

B. Davis provided an overview of ideological opposition to renewable energy and SRP's collaborative approach with industry partnerships and local government advocacy. They concluded with lessons learned from the field and key factors for looking ahead.

B. Davis and G.M. Smedley 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 Member C. Clowes left the meeting during the presentation. Board Member S.D. Kennedy; Council Members E.L. Gorseegner and C. Resch-Geretti; D.W. Dreiling, M.K. Greene, K.A. Heth, S.A. Horgen, and R.T. Judd of SRP; Craig Fisher of Goldman Sachs; James Warshawski of TransAlta Corp.; and Gloria Greene, a member of the public, entered the meeting during the presentation.

Coronado Generating Station (CGS) Coal-to-Gas Conversion

Using a PowerPoint presentation, Bobby A. Olsen, SRP Associate General Manager and Chief Planning, Strategy, and Sustainability Executive, stated that the purpose of the presentation was to request approval to convert the existing boilers at CGS from coal to gas. They introduced Grant M. Smedley, SRP Director of Resource Planning, Acquisition, and Development.

G.M. Smedley presented a chart of remaining summer capacity needs from Fiscal Year 2026 (FY26) through FY35 and a chart depicting the Financial Plan 2026 (FP26) resource plan's diverse mix of resource additions by FY35.

G.M. Smedley summarized the benefits of converting CGS from coal to gas as follows: 1) preserves critical capacity and energy at a time of unprecedented need; 2) provides firm capacity that supports reliability goals; 3) lowest cost alternative, preserving capital and supporting affordability; 4) provides a flexible bridge to mid-2040s while other technologies mature; and 5) supports achievement of SRP's sustainability goals. They outlined the strategies for replacing CGS capacity as follows: managing capital – convert CGS from coal to gas by end of 2029; increase firm flexible capacity – replace CGS with new gas generation by end of 2031; and accelerate long-duration batteries – replace CGS with lithium-ion batteries by end of 2031. G.M. Smedley presented the cost and carbon dioxide emission estimates for each alternative.

G.M. Smedley provided a target coal-to-gas conversion timeline from 2025 through 2030 and discussed key takeaways. They concluded by requesting approval to authorize the General Manager and Chief Executive Officer or the Associate General Manager and Chief Planning, Strategy and Sustainability Executive to execute the documents, instruments, and agreements, and take or authorize such other action, necessary to implement the conversion of the CGS as contemplated herein, and enable the combustion of natural gas at CGS.

G.M. Smedley responded to questions from the Committee.

Council Member M.R. Mulligan asked the Chair to speak and stated that he had asked multiple questions regarding CGS coal-to-gas conversion via email but did not receive responses to all of the questions until four days prior to the meeting where Management was seeking Board approval. Jim M. Pratt, SRP General Manager and Chief Executive Officer, responded that the emailed questions that were asked were very detailed, and it was difficult to be responsive in such a short amount of time; however, the questions were answered as soon as possible. J.M. Pratt said that the topic had been discussed for many months in meetings where members could have asked many of these questions and could have been provided answers well in advance of management's formal request for Board approval.

On a motion duly made by Board Member P.E. Rovey, seconded by Vice Chair L.C. Williams and carried, the Committee agreed to recommend Board approval, as presented.

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

YES:	Board Members J.M. White Jr., Chair; L.C. Williams, Vice Chair; and M.V. Pace and P.E. Rovey	(4)
NO:	Board Members R.J. Miller and K.L. Mohr-Almeida	(2)
ABSTAINED:	None	(0)
ABSENT:	Board Member C. Clowes	(1)

Copies of the handouts 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.

B. Davis and D.G. Wilson of SRP; John Deese of Origis Energy; and Kelly Sarber of Epic Star Energy Corp. left the meeting during the presentation; and James Warshawski of TransAlta Corp. left and reentered the meeting during the presentation. Vice President C.J. Dobson; Council Member R.W Swier; Will Greene of Southwest Energy Efficiency Project (SWEET); Amanda Ormond of ASU; and Greg Patterson, a member of the public, entered the meeting during the presentation.

Closed Session: Natural Gas
Transportation Capacity Agreement

Chair J.M. White Jr., called for a closed session of the Power Committee at 10:50 a.m., 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 for the District to enter into a proposed Natural Gas Transportation Capacity Agreement.

A.N. Bond-Simpson, D.W. Dreiling, M.K. Greene, C.M. Hallows, S.A. Horgen, C.R. Larson, M.R. Maser, D.B. Mitchell, M.I. Papa, and J.R. Schuricht of SRP; Ylenia Aguilar de Martinez, Sandy Bahr, and Patrick Woolsey of Sierra Club; Stan Barnes and Ian Calkins of Copper State Consulting Group; Jeffrey Barrett of Apex Clean Energy; Ken Clark of Get Your PHX; Michael Curtis of Hohokam Irrigation and Drainage District; Nelson Davis of Apache County Board of Supervisors; Christy Eichorn of Power Plus; Craig Fisher of Goldman Sachs; Will Greene of SWEEP; Sasha Hupka of The Arizona Republic; Autumn Johnson of Tierra Strategy; Mamelang Memela and Amanda Ormond of ASU; Ian O'Connor of Matrix Renewables; Alex Routhier of WRA; Samantha Salton of Strata Clean Energy; Beatrice Sampson of Ørsted; Mayor Spence Udall of the City of St. Johns, Arizona; James Warshawski and Katy Wilson of TransAlta Corp.; and Joy Whiting of Apache County Schools; and Gloria Greene, Steve Neil, Greg Patterson, and Joe Pedregon, members of the public, left the meeting.

The Committee reconvened into open session at 11:08 a.m. with the following Members and others present: 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, R.J. Miller, K.L. Mohr-Almeida, K.H. O'Brien, M.V. Pace, L.D. Rovey, P.E. Rovey, J.M. White Jr., L.C. Williams, and S.H. Williams; Council Chair J.R. Shelton; Council Vice Chair B.E. Paceley; Council Members M.L. Farmer, E.L. Gorseger, J.W. Lines, M.R. Mulligan, C. Resch-Geretti, and R.W. Swier; and L. Arthanari, I.R. Avalos, A.P. Chabrier, J.D. Coggins, A.C. Davis, J.M. Felty, J.V. Giacalone, A.Y. Gilbert, S.M. Glover, K.A. Heth, M.R. Hill, L.F. Hobaica, R.T. Judd, V.P. Kisicki, M.M. Klein, B.J. Koch, L.A. Meyers, G.A. Mingura, K.L. Morrison, R.T. Mueller, M.J. O'Connor, B.A. Olsen, S.A. Perkinson, J.M. Pratt, C.M. Sifuentes-Kohlbeck, G.M. Smedley, P.L. Syrjala, and R.R. Taylor of SRP.

A.N. Bond-Simpson, D.W. Dreiling, M.K. Greene, C.M. Hallows, C.R. Larson, D.B. Mitchell, M.I. Papa, and J.R. Schuricht of SRP; Ylenia Aguilar de Martinez, Sandy Bahr, and Patrick Woolsey of Sierra Club; Ian Calkins of Copper State Consulting Group; Michael Curtis of Hohokam Irrigation and Drainage District; Nelson Davis of Apache County Board of Supervisors; Will Greene of SWEEP; Sasha Hupka of The Arizona Republic; Autumn Johnson of Tierra Strategy; Alex Routhier of WRA; Beatrice Sampson of Ørsted; Mayor Spence Udall of the City of St. Johns, Arizona; and Steve Neil and Joe Pedregon, members of the public, entered the meeting.

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 11:08 a.m.

John M. Felty
Corporate Secretary

SRP REC Purchase Program

Power Committee Meeting

Nathan Morey, Director of Customer Programs | August 21, 2025

Background

- 2024 Price Process – Board-Approved Management Recommendations

Details of Future Commitments

Management commits, separately from this pricing proceeding, to the following actions, which address many stakeholder comments and concerns raised in this proceeding:

2. Renewable Energy Certificates (REC) Purchase Program

Management commits to developing a new residential solar program that recognizes the benefits associated with residential solar installations. The program will be designed to provide a simple path for residential customers to realize a financial benefit for Renewable Energy Certificates (RECs), applicable to their solar generation, by transferring those environmental attributes to SRP. The program, if approved, will not only support SRP's renewable energy goals, but will also reinforce sustainable energy solutions.

What is a REC?

- A Renewable Energy Certificate (REC) serves as proof that renewable energy was generated. It is a tradable, nonphysical commodity representing the environmental attributes of 1 megawatt-hour (MWh) of electricity generated from a renewable energy source (e.g., solar, wind).
- RECs are used to track and report a claim to the use of clean energy.

Customer / Stakeholder Research

- Customer Focus Group Research
 - Conducted in-depth focus group discussion with existing solar customers
 - Gathered feedback on REC messaging, program & incentive models, and enrollment intent
- Key Takeaways
 - Monthly production-based bill credits preferred over upfront or annualized incentives.
 - Appreciated the simplicity, alignment with solar generation, and bill reduction
 - Customers are interested in participating, noting appreciation for the ability to monetize RECs
- Industry & Stakeholder Engagement
 - Held discussions with industry stakeholders through Price Process information requests, stakeholder meetings, and email exchanges

Program REC Valuation

- RECs purchased through this program will reflect the nature of SRP's residential Behind-the-Meter (BTM) solar generation – 53% consumed on site, and 47% exported to SRP's grid
 - Two relevant REC market products have been chosen to serve as proxies for the different types of RECs purchased – US/Canada Solar RECs and WECC Solar RECs
- 2025 weighted average cost of the two proxies:
 - $(53\% * \text{US/Canada Solar REC}) + (47\% * \text{WECC Solar REC}) = \$4.81/\text{MWh}$
- Value will be reviewed prior to each program year (May 1st – April 30th) and adjusted if market indicators shift by 20% or more.

Program Costs & Benefits

- Program Costs
 - Annual program costs are expected to ramp from ~\$700k to \$3 million in REC compensation
 - Total investment estimated at \$23.9 million in REC compensation through April 30, 2035
 - Average participant's generation is expected to develop ~\$60/year in REC compensation
- SRP Benefits
 - Enables traceable, renewable energy accounting for the distributed generation on SRP's system, in support of SRP's Board-approved 2035 Sustainability Goals
 - Projected to result in ~2% improvement in reported carbon intensity by 2035, based on forecast acquisition of ~4.6 million RECs

Final Program Design

Parameter	SRP REC Purchase Program
Customer Eligibility	New and Existing Residential Rooftop Solar Customers who own claim to RECs (previously incented systems and/or leased systems will be ineligible)
Customer Incentive	\$0.005 per kWh of metered generation, applied as a monthly bill credit (to be reviewed prior to each program year that begins on May 1 st)
Program Term	Open for customer enrollment & participation through April 30, 2035

Next Steps

- Finalize Back-Office Processes
 - Develop, test, and standup bill credit calculations and associated billing mechanisms
 - Develop and integrate application, web content, messaging
- Launch Program by November 1st
 - Open enrollment via the Interconnection Application and SRP's website
 - Program announcement will be delivered to existing solar customers and local installers soon after

thank you!



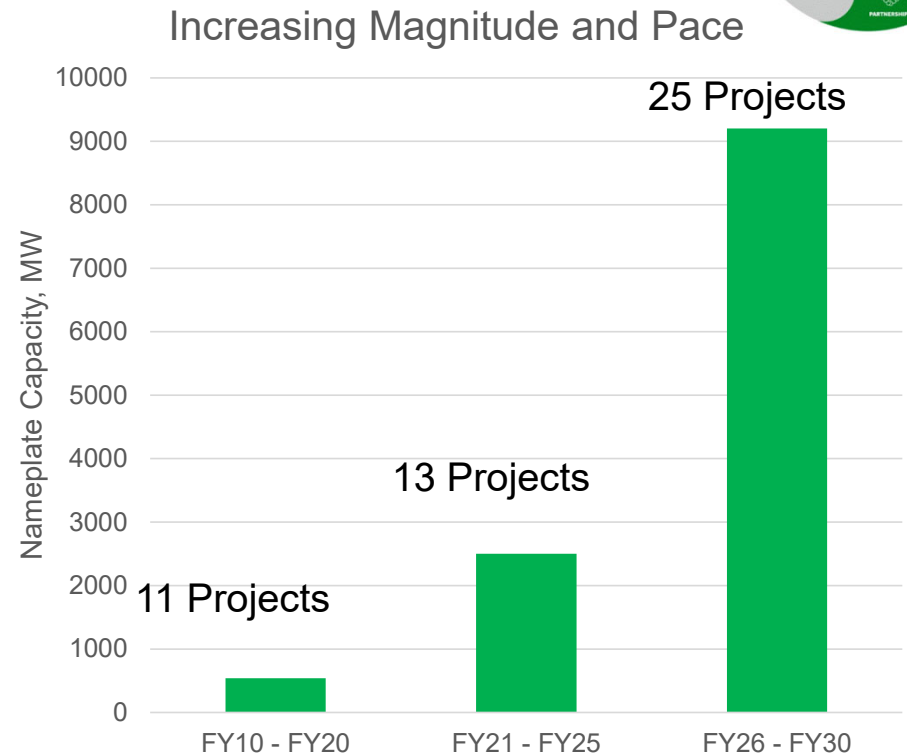
Solar Development Request for Proposals Update

Power Committee Meeting

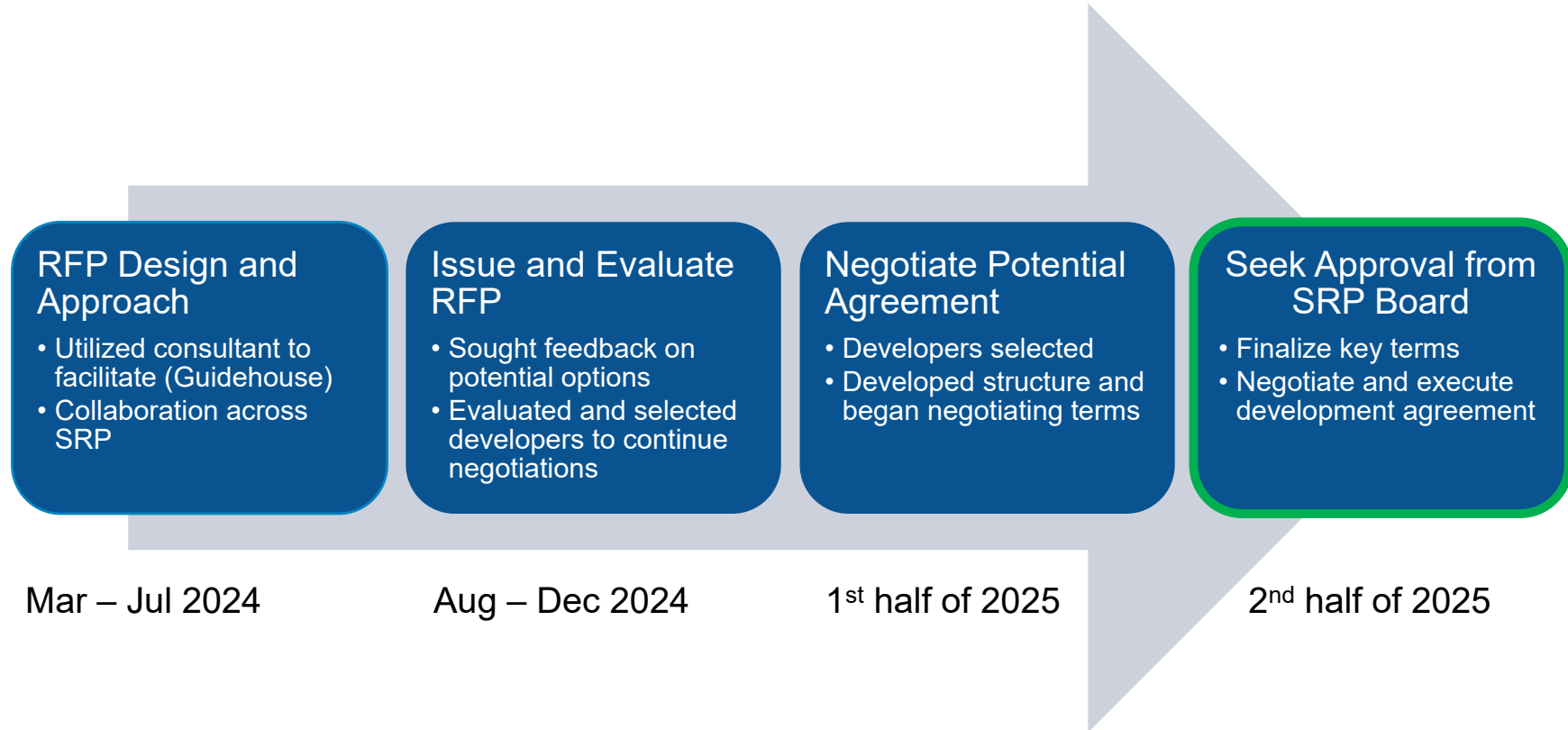
Bill McClellan | August 21, 2025

Solar Development Need

- Renewables are part of the Balanced System Plan supporting carbon and water reductions
- Targets 3000MW for solar development to compliment regular All Source Request for Proposal and self-build processes
- Potential benefits of proposed approach:
 - Improve coordination in operations
 - Diversify resource procurement/development methods
 - Utilize developer experience & resources
 - Improve community engagement
 - Reduce financial risk



Solar Development Proposal Process



thank you!



Long Duration Energy Storage Pilot Projects

Power Committee | Open Session

Chico Hunter | August 21, 2025

Overview

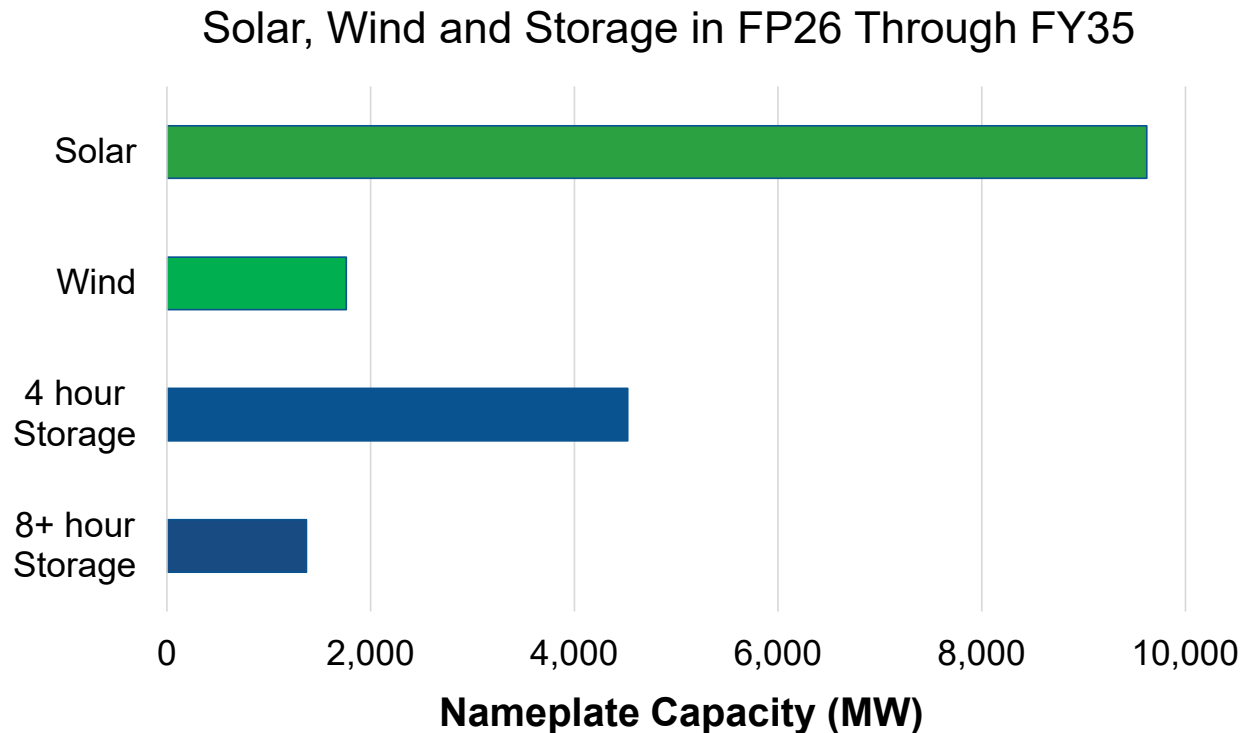
Purpose: Provide update on the projects selected from the 2024 Long Duration Energy Storage Requests for Proposals

Agenda:

- Need for long duration energy storage
- 2024 Request for Proposals (RFP)
- Project timeline
- Selected projects

Long Duration Energy Storage (LDES) Drivers

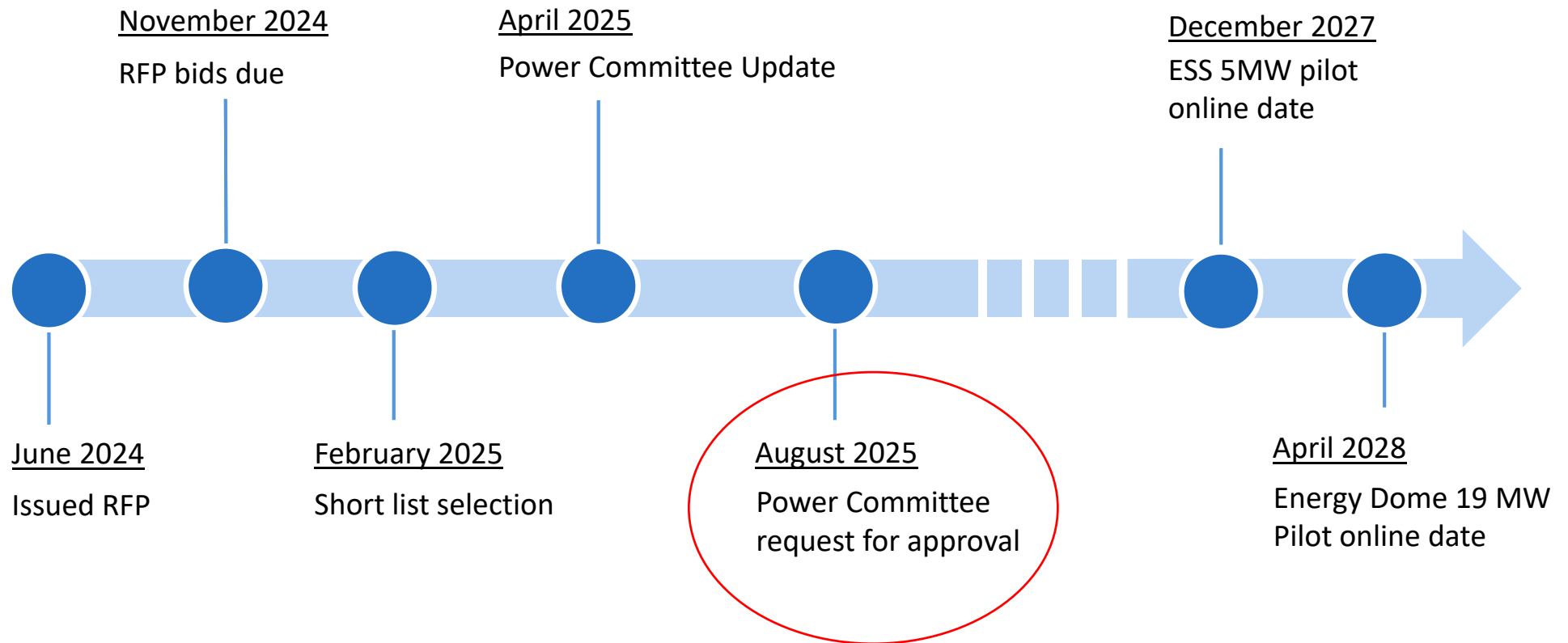
- Carbon goals
- High load growth
- Storage resource diversity
- Longer duration needed for night-time customer loads



2024 LDES Pilot RFPs

- Inverter-based pilot at Copper Crossing Energy and Research Center
 - 5MW, 10-hour duration
 - 10-year Energy Storage Agreement (ESA)
 - 12 bidders; 11 met all required criteria
 - Selected ESS Inc.
- Non-inverter-based pilot at Coronado Generating Station
 - 5MW-50MW, 10-hour duration
 - 20-year ESA
 - 8 bidders; 7 met all required criteria
 - Selected Energy Dome

Project Schedule



ESS Technology Description



- Iron-Chloride flow battery
- Water-based electrolyte
- New Energy Base utility-scale design
- Estimated life: 25 years – daily cycling
- Domestic factory operating
- Pilot size: 5 MW, 10-hour
- Pilot Term: 10 years
- COD: December 2027



5 MW ESS Energy Base rendering

Energy Dome Technology Description



- CO₂ battery (expands and compresses CO₂)
- Similar components and maintenance to conventional power plant
- High visual impact
- Estimated life: 30 years - daily cycling
- Pilot size: 19 MW, 10 hours
- Pilot Term: 20 years
- COD: April 2028



20 MW, 10-hour pilot, Italy, July 2025

thank you!

