

Springerville Generating Station Unit 4 Repower Project

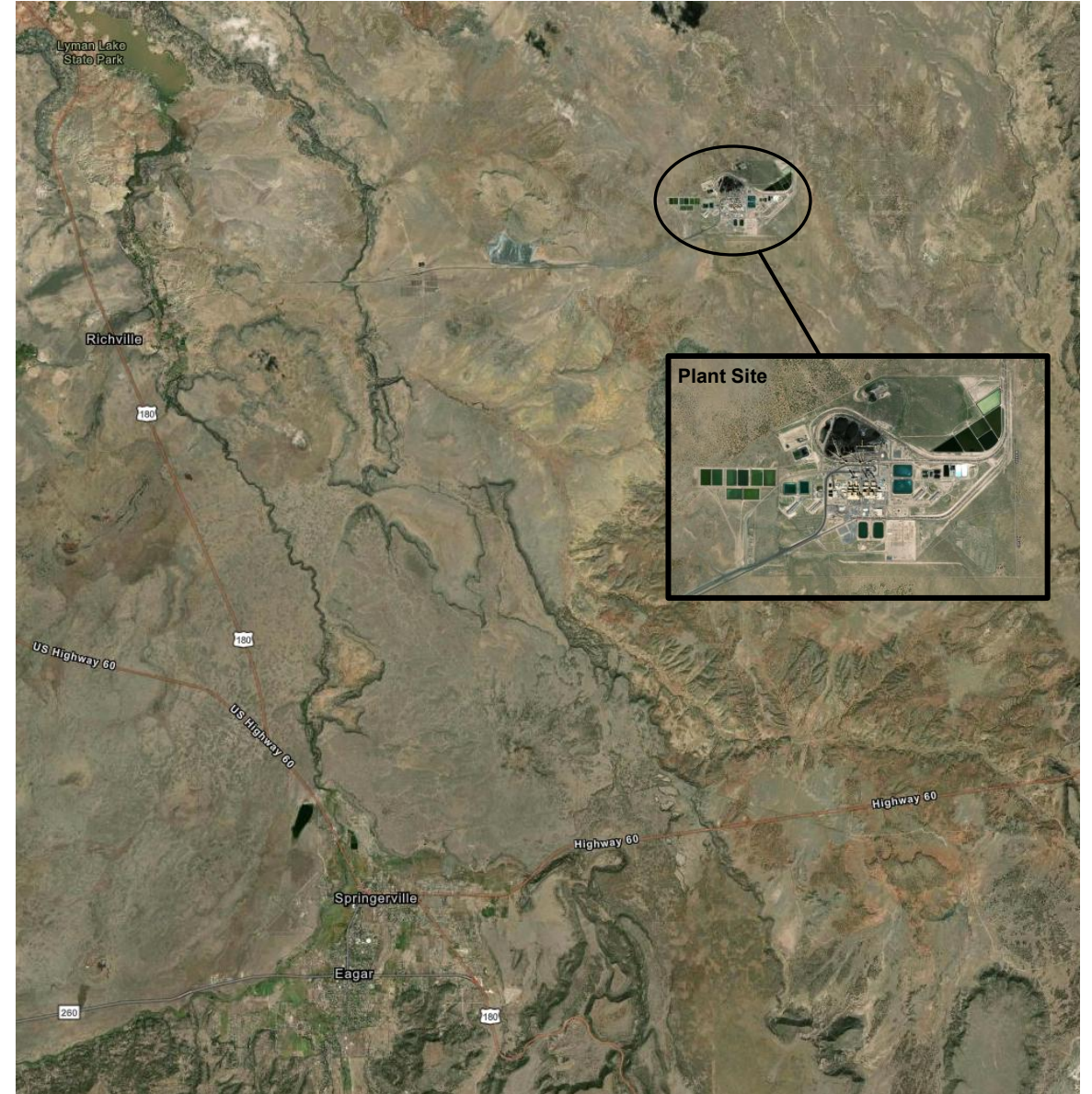
**Application to Amend Certificate of Environmental
Compatibility (CEC) No.74**

Springerville Generating Station (SGS)

- Comprised of 4 separate units, owned by TEP, Tri-State, and SRP
- SRP owns Unit 4 which has been in operation since 2009
- Located ~14-miles northeast of Springerville, Arizona
- Unit 4 has up to 417MW of Capacity

Natural Gas Conversion

- Replace existing coal burners
- Requires new natural gas lateral and fuel yard (FERC jurisdictional)



Significant Uncertainty in Early 2030s

- Regulatory landscape for continued coal operations beyond 2031 is highly uncertain
- Requested capacity continues to grow resource need in early-2030s
 - Load growth uncertainty
 - Tariff uncertainty
 - Tax Credit changes
 - Development, supply chain, and permitting challenges for all generation resources
- Expected cost of new resources for early 2030s have increased significantly in last year
- Capital needs across SRP continue to increase through early 2030s



Benefits of Converting SGS Unit 4 to Gas

- Preserves critical capacity
- Conversion of an existing asset helps diversity supply chain, permitting, and development risk in early 2030s
- Preserve transmission capacity for load-serving need
- Provides flexible bridge to 2040s while other technologies mature
- Timing conversion of SGS4 with SGS 1&2 leverages single pipeline lateral
- Least cost alternative, preserving capital and supporting affordability

Request to Amend CEC No. 74

- SRP is requesting an amendment to CEC No. 74 to allow for the conversion of SGS Unit 4 to run on natural gas instead of coal as its fuel source. This conversion would consist of replacing the burners within the boilers so that the existing SGS power plant infrastructure can accommodate natural gas fuel.

Application to Amend CEC process



Components of the Environmental Analysis

Land Use No material impact compared to coal-fired operations.

Air Quality Emission Reductions Expected

Recreation No material impact compared to coal-fired operations.

Visual No material impact compared to coal-fired operations.

Cultural No material impact compared to coal-fired operations.

Biological No material impact compared to coal-fired operations.

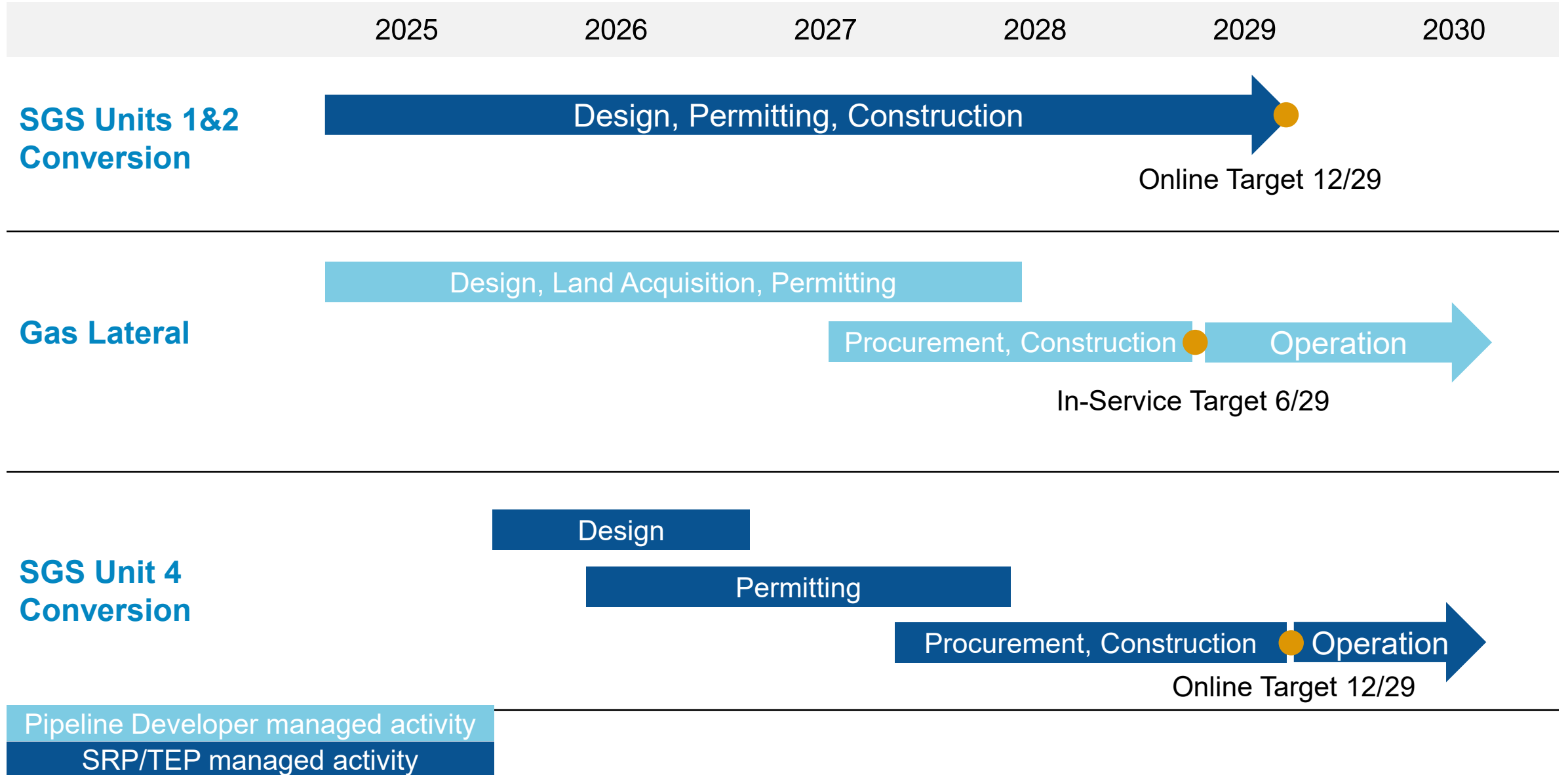
Noise No material impact compared to coal-fired operations.

Water No material impact compared to coal-fired operations.

Air Quality Analysis

- Under forecasted operating scenarios air emissions are expected to decrease significantly.
- Conducting modeling assessment to analyze potential effects of the conversion on ambient concentrations of CO, NO₂, SO₂, PM₁₀, and PM_{2.5}.
- Modeling results will be included in the CEC amendment application.
- Significant Permit Revision application submittal for the SGS Title V operating permit to the Arizona Department of Environmental Quality is planned for 2026.

SGS4 Coal-to-Gas Conversion Timeline



Upcoming Dates

- April 14, 2026 - In-person Open House Meeting – Round Valley High School at 5pm
- April 16, 2025 - Virtual Public Meeting at 5:30pm
- May 1, 2026 - Planned submittal of CEC amendment application
- June 10, 2026 - Anticipated ACC Open Meeting Date
- Summer 2029 - Planned natural gas pipeline completion
- December 29, 2029 - Planned project commercial operation date



THANK YOU

Contact Us

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