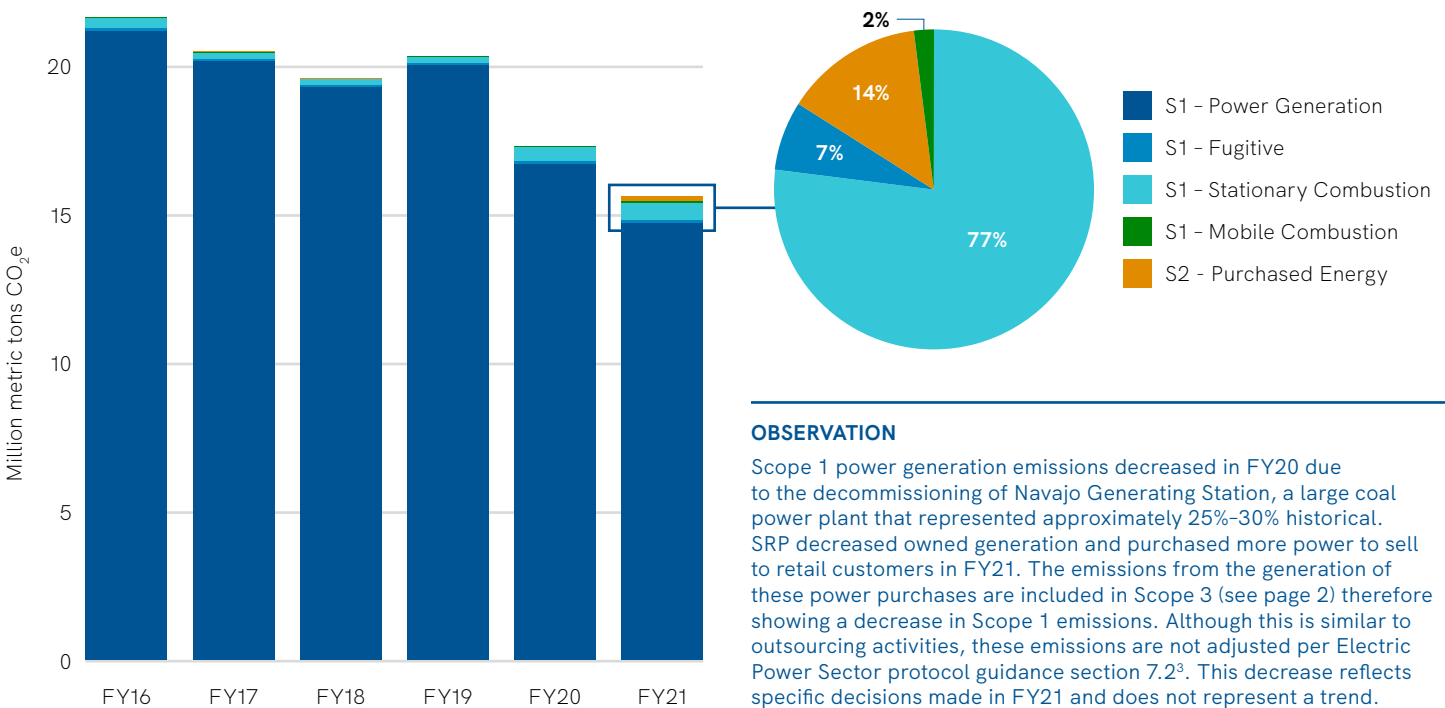


SRP GREENHOUSE GAS EMISSIONS

The information contained in this fact sheet is a summary of the Scope 1 and 2 GHG emissions associated with SRP's owned assets. Fluctuations from year to year are due to changes in generation and generation resources.

SRP'S SCOPE 1 AND 2 GHG EMISSIONS FY16-FY21

Total CO ₂ e Emissions (metric tons)	FY16	FY17	FY18	FY19	FY20	FY21
Scope 1	22,082,313	20,930,738	19,966,845	20,846,292	17,178,205	15,333,344
Fugitive	106,330	67,046	77,749	77,934	61,336	54,677
Mobile Combustion	16,927	17,495	17,505	17,809	15,946	15,812
Power Generation	21,631,579	20,644,605	19,657,112	20,542,830	16,596,308	14,633,435
Stationary Combustion	327,477	201,593	214,480	207,720	504,615	629,420
Scope 2 – Location-Based	110,370	106,583	88,196	60,936	74,927	144,950
Scope 2 – Market-Based¹	96,565	91,345	74,246	45,389	52,749	119,556
Scope 1 & 2 Market-Based	22,178,879	21,022,084	20,041,091	20,891,681	17,230,954	15,452,900
Net Generation SRP Owned Asset² (MWh millions)	32.7	32.9	31.4	34.6	31.7	31.3



OBSERVATION

Scope 1 power generation emissions decreased in FY20 due to the decommissioning of Navajo Generating Station, a large coal power plant that represented approximately 25%-30% historical. SRP decreased owned generation and purchased more power to sell to retail customers in FY21. The emissions from the generation of these power purchases are included in Scope 3 (see page 2) therefore showing a decrease in Scope 1 emissions. Although this is similar to outsourcing activities, these emissions are not adjusted per Electric Power Sector protocol guidance section 7.2³. This decrease reflects specific decisions made in FY21 and does not represent a trend.

OUR GHG EMISSIONS BOUNDARY

Our GHG inventory aligns with the "GHG Protocol: A Corporate Accounting and Reporting Standard³" and the Climate Registry⁴ protocols and includes all relevant GHGs: CO₂, CH₄, N₂O, HFCs, PFCs and SF₆. Our inventory includes all direct (Scope 1) and indirect (Scope 2) emissions associated with assets under our equity control. SRP's Scope 1 and 2 emission sources include:

Scope 1

- Power Generation: fossil fuel combustion
- Stationary Combustion: boilers, corporate buildings (fuel for heating, domestic water, kitchen equipment, etc.), non-power generation fuel use
- Mobile Combustion: Fleet vehicle use
- Fugitive: coal pile, coal mine, process gases, refrigerants, SF₆ used in transmission

Scope 2

- Purchased energy (electricity used in corporate buildings not already included in SRP's Scope 1 power generation emissions)
- Transmission and distribution losses associated with purchased power going to SRP's retail and wholesale customers

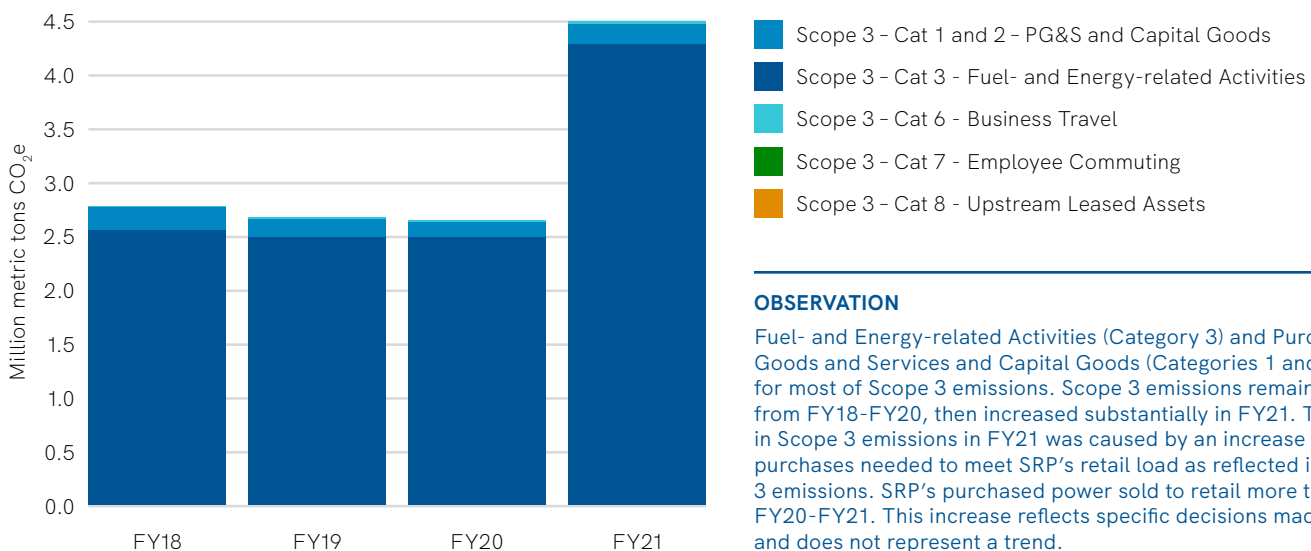
SRP's FY21 Scope 1 and 2 emissions data is pending final verification by the Climate Registry (TCR). Upon official approval, all data will be published in TCR's public Carbon Footprint Registry database.

The information contained in this fact sheet is a summary of the Scope 3 GHG emissions primarily associated with SRP's direct purchases of fuels and indirect purchases of other goods and services.

SRP'S SCOPE 3 GHG EMISSIONS FY18-FY21

Total CO ₂ e Emissions (metric tons)	FY18	FY19	FY20	FY21
Scope 3	2,792,000	2,714,000	2,663,000	4,482,000
Category 1 and 2 - Purchased Goods and Services (PG&S) and Capital Goods	219,000	229,000	177,000	172,000
Category 3 - Fuel- and Energy-related Activities	2,565,000	2,478,000	2,480,000	4,306,000
Category 6 - Business Travel	3,700	3,000	1,700	400
Category 7 - Employee Commuting	4,100	4,100	4,500	3,000
Category 8 - Upstream Leased Assets	170	170	150	150

Note: Numbers rounded to reflect inherent uncertainty in Scope 3 emissions.



OBSERVATION

Fuel- and Energy-related Activities (Category 3) and Purchased Goods and Services and Capital Goods (Categories 1 and 2) account for most of Scope 3 emissions. Scope 3 emissions remained consistent from FY18-FY20, then increased substantially in FY21. The increase in Scope 3 emissions in FY21 was caused by an increase in power purchases needed to meet SRP's retail load as reflected in Category 3 emissions. SRP's purchased power sold to retail more than doubled FY20-FY21. This increase reflects specific decisions made in FY21 and does not represent a trend.

OUR GHG EMISSIONS BOUNDARY

Our GHG inventory aligns with the "GHG Protocol: A Corporate Accounting and Reporting Standard"³ and the Climate Registry⁴ protocols. Our GHG inventory includes all GHGs relevant to our organization, including: CO₂, CH₄, N₂O, HFCs and SF₆. Our inventory includes the value chain (Scope 3) emissions most relevant to our business. SRP's Scope 3 emission sources include:

Scope 3

- Categories 1 & 2: purchased goods and services and capital goods
- Category 3: fuel-and-energy-related activities (e.g., upstream extraction and transportation of fuels, emissions from wholesale energy purchased for SRP's retail customers)
- Category 6: business travel (e.g., air travel, hotel stays, rental car)
- Category 7: employee commuting (e.g., car, bus, rail, carpool, alternative fuel vehicles)
- Category 8: upstream leased assets (electricity, natural gas, refrigerant)



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¹SRP quantifies both location- and market-based emissions. Market-based emissions account for renewable and supplier-specific power purchases.

²Generation is net of station service and includes acquisitions for all years, matching the boundary of emissions (aligns with GHG Protocol).

³The Climate Registry, *General Reporting Protocol v. 3.0 and Electric Power Sector Protocol v. 1.3*. <https://www.theclimateregistry.org/>

⁴World Resources Institute and World Business Council for Sustainable Development, *The Greenhouse Gas Protocol, A corporate Accounting and Reporting Standard, Revised Edition*. <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>