Delivering today, shaping tomorrow

As a community-based, not-for-profit utility, we act in the best interest of our customers, the environment and the communities we serve and strive to help build a better future for Arizona. We will continue to lead the way by exploring innovative efforts that improve the environment and water resiliency at a reasonable cost.
Reducing our carbon footprint

SRP will meet 20% of retail electricity requirements with sustainable resources by 2020 through renewable energy, hydropower, energy efficiency and renewable energy credits. Looking beyond 2020, SRP’s Board of Directors approved new sustainability goals through the year 2035 that will continue our efforts to help build a better future for Arizona.

Learn more about our sustainability plan at srpnet.com/sustainability. Find out how we plan for future energy needs at srpnet.com/future.

By the Numbers

- **$150M** in solar incentives paid to about 20,000 SRP customers from 2004 to 2018
- **$205M** in energy efficiency incentives provided to SRP customers from 2004 to 2018, resulting in more than 15 million megawatt-hours (MWh) saved
- **61** workplace charging station rebates issued to our commercial customers
- **2** pilot programs launched last year for electric forklift conversions and truck refrigeration units

*SRP has the largest workplace charging program in Arizona.*
New Projects Announced

**Battery Energy Storage:** A 25-megawatt (MW)/100 MWh battery energy storage system from Tesla will be installed at our Agua Fria Generating Station in Glendale, Arizona.

**Solar Power Plant:** Two new 100 MW solar projects will be dedicated for industrial and commercial customers to help provide them with solutions to meet their sustainability goals, while also reducing our overall carbon footprint.

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**Where Your Renewable Energy Comes From**

<table>
<thead>
<tr>
<th>SOURCE</th>
<th>SIZE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biomass</td>
<td>14 MW</td>
</tr>
<tr>
<td>Utility-Scale Solar</td>
<td>142 MW</td>
</tr>
<tr>
<td>Wind</td>
<td>127 MW</td>
</tr>
<tr>
<td>Geothermal</td>
<td>43 MW</td>
</tr>
<tr>
<td>Hydro</td>
<td>383 MW</td>
</tr>
<tr>
<td>Rooftop Solar</td>
<td>106 MW</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>815 MW</strong></td>
</tr>
</tbody>
</table>

Visit [srpnet.com/renewable](http://srpnet.com/renewable) to learn more.
Sources of SRP’s greenhouse gas emissions

Monitoring our progress is critical to understanding what must be done. That’s why we are committed to quantifying and reporting our greenhouse gas (GHG) emissions. In 2018, we completed our first Greenhouse Gas Inventory and found that the majority of SRP’s GHG emissions result from the generation of electricity. The charts below illustrate the sources of SRP’s GHG emissions, either as direct emissions from operations (Scope 1) or indirect emissions from purchased electricity (Scope 2).

**Organization-Wide GHG Emissions**
Core Reporting – Scope 1 and 2

<table>
<thead>
<tr>
<th>EMISSIONS SOURCE</th>
<th>METRIC TONS CO₂e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1</td>
<td>19,272,805</td>
</tr>
<tr>
<td>Scope 2</td>
<td>64,378</td>
</tr>
<tr>
<td>FY17 TOTAL EMISSIONS</td>
<td>19,337,183</td>
</tr>
</tbody>
</table>

**Emissions Profile (FY17)**

- Business Support Operations: 0.6%
- Transmission Systems: 0.02%
- 99% Power Generation
Business Support Operations GHG Emissions

Core Reporting – Scope 1 and 2

<table>
<thead>
<tr>
<th>EMISSIONS SOURCE</th>
<th>METRIC TONS CO₂e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchased Utilities</td>
<td>64,378</td>
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<tr>
<td>Fugitive</td>
<td>31,040</td>
</tr>
<tr>
<td>Mobile Combustion</td>
<td>14,464</td>
</tr>
<tr>
<td>Stationary Combustion</td>
<td>9,979</td>
</tr>
<tr>
<td><strong>FY17 TOTAL EMISSIONS</strong></td>
<td><strong>119,862</strong></td>
</tr>
</tbody>
</table>

Emissions Profile (FY17)

- Stationary Combustion: 54%
- Mobile Combustion: 12%
- Fugitive: 26%
- Purchased Utilities: 8%
Responsibly managing water supplies

As one of the largest raw water suppliers in Arizona, we deliver more than 260 billion gallons* of water to the Valley each year and manage a 13,000-square-mile watershed that includes an extensive system of reservoirs, wells, canals and irrigation laterals.

Discover where your water comes from and how we plan for future needs at srpwater.com.

By the Numbers

60-year agreement with the Salt River Pima-Maricopa Indian Community extending the operating period for the Granite Reef Underground Storage Project

6,000 smart irrigation controllers distributed, saving customers more than 122 million gallons of water

1.9 billion gallons of water saved by conserving energy in our operations and by relying on less water-intensive types of power generation such as solar and wind

*This number has been updated since the initial printing of this report.
Forests & Watershed Health

The water in SRP’s system starts as snow in the forests of northern and eastern Arizona. The health of the forests impacts the quality and sustainability of our shared water supply.

To improve watershed health, we’ve planted more than 1 million trees and revitalized over 7,000 acres of forest land. See a timeline of our efforts at srpnet.com/forest.

Other Facts

We launched the watershedconnection.com site to share real-time water conditions for Arizonans planning a day at the lake, on the river or in the forest.

In partnership with the National Forest Foundation, we established the Northern Arizona Forest Fund to complete watershed restoration projects on our Salt and Verde river watersheds.
Planting 1,400 trees to promote urban shade tree canopy

In an effort to expand the shade tree canopy, reduce the urban heat island effect and promote a more sustainable community, we partnered with the City of Phoenix to remove 400 trees from around the city that are encroaching on power lines and replace them with approximately 1,400 trees in parks, schools and public areas. The trees that are removed through the Right Tree/Right Place program present safety and reliability issues for SRP and local neighborhoods.

Our tree planting efforts will remove an estimated 5,400 tons of carbon dioxide, equal to taking more than 1,000 passenger vehicles off the road.
Sustainable water supplies for Goodyear

As one of the Valley’s largest suppliers of water, we are using our existing infrastructure to help Goodyear solve a water supply issue. We will transport Goodyear’s Central Arizona Project water from a nearby facility through our canal system to a pipeline that will run 5 miles west to a water treatment facility the city plans to build. The agreement is one piece of a larger effort by SRP’s Water Strategy team to look for new and innovative ways to make use of existing supplies, reduce groundwater use and bring new water into the Valley.

Sustainability in action with HQ improvements project

The renovation of our headquarters provides us with an opportunity to make a meaningful contribution to our 2035 Sustainability Goals, which include reducing carbon emissions from our offices and fleet by 30% and reducing water use at our facilities by 45%.

By opting for a renovation vs. demolition of the existing structure, we were able to recycle, reuse or revitalize 90% of construction material within the building structure. We are also working with the U.S. Green Building Council on Leadership in Energy and Environmental Design certification for the project.

By the Numbers

1.9M cubic ft. of material avoided from landfill, equal to 1,725 loaded 40-yd. dump trailers

9,600 tons of carbon emissions avoided, equal to taking 1,700 cars off the road for one year

93 tons of greenhouse gases avoided by using recycled carpet

34% recycled material in new furniture

60% estimated building energy reduction
Capturing the sun with Arizona’s largest solar and battery storage plant

Pinal Central Solar Energy Center is a solar power plant equipped with a battery system that stores energy and enables us to provide clean energy when customer usage is at its highest and needed most.

The 20 MW solar power plant, which is Arizona’s largest solar and battery storage facility, generates enough solar energy to power 5,000 homes and stores excess energy in a state-of-the-art 10 MW lithium-ion battery storage system.

Cool technology for Bashas’ freezers

Viking Cold Solutions worked in subzero temperatures to install a thermal energy storage system at the Bashas’ distribution center in Chandler. The project, funded by SRP, is the first of its kind in the state to use a low-impact, sustainable system that offers significant energy savings, the ability to control when energy is used, and heightened protection for frozen food products. We are collaborating with Arizona State University’s School of Sustainable Engineering and the Built Environment, along with Nexant’s Utility Services Group, to measure the results of the project and will explore the potential impact of this technology in the Phoenix area.
A culture of sustainability

SRP’s culture is built on more than 100 years of stewardship and service. We are friendly, respectful, collaborative and conscientious. Community service and environmental stewardship are part of who we are. If you share these values, consider joining our team. Visit srpnet.com/careers to get started.

By the Numbers

2,200 pounds of paper towels composted from our headquarters

115 Green Team members from 18 SRP facilities

120 employees who use workplace charging and have developed an Employee Interest Group

31,627 volunteer hours worked by employees to benefit 237 community nonprofit agencies

40% reduction in the amount of paper used by our Land Department

95% of equipment from our Transformer Shop recycled

> 60% of SRP’s sedan fleet converted from gasoline to plug-in electric and hybrid vehicles

75 tons of fly ash (a coal byproduct) diverted from landfill and recycled to make building materials
Change starts with our employees

Collecting SRP logo shirts for reuse. Gathering soft plastic to keep these items out of the landfill. Establishing a list of sustainable caterers. These are just a few examples of the sustainability-related projects SRP’s Green Team members have introduced at the company.

Founded in February 2018, the Green Team is a grassroots voluntary effort that empowers SRP employees to build a culture of sustainability by giving them an outlet for introducing new initiatives that limit our impact on the environment.
Corporate Headquarters

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