

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

JOINT MEETING OF THE BOARD OF DIRECTORS AND COUNCIL WORK STUDY SESSION

Thursday, May 28, 2026, 9:30 AM

PERA Training and Conference Center
1 E. Continental Drive, Tempe, AZ 85288

Roll Call

Safety Minute

1. Call to Order..... PRESIDENT CHRIS DOBSON

2. Overview of SRP's Customers..... VANESSA KISICKI and KYLE CORMIER

Informational presentation regarding SRP's customer base and commitment to service.

3. Understanding SRP's Customers JIM TIEDMANN

Informational presentation regarding the diverse needs, priorities, and expectations of the customers SRP serves.

4. Limited Income Customer Perspective..... KELLY McGOWAN, WILDFIRE AZ

Informational presentation regarding the perspectives, concerns, and priorities of individuals and families in Arizona experiencing economic hardship.

5. Advertising Purpose and Approach..... JAMIE ABBRUSCATO

Informational presentation regarding why and how SRP communicates with and engages its customers through advertising.

6. Arizona Business Community and Economic Development.....DANNY SEIDEN,
ARIZONA CHAMBER OF COMMERCE AND INDUSTRY

Informational presentation regarding the current state and outlook of the local business community, including the perspectives and priorities of current and prospective businesses in the Valley.

7. Large Business Customer Perspectives VARIOUS

Informational presentation regarding the perspectives and expectations of large business customers SRP serves across diverse industries, including data center, semiconductor, and industrial manufacturing.

8. Adjourn.....PRESIDENT CHRIS DOBSON

The Board and Council 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 Board and Council on any of the matters listed on the agenda.

The Board and Council 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 JOINT MEETING OF THE BOARD OF DIRECTORS
AND COUNCIL WORK STUDY SESSION IS SCHEDULED FOR
THURSDAY, JUNE 11, 2026**



SAFETY MINUTE

SRP Board and Council Work Study Session

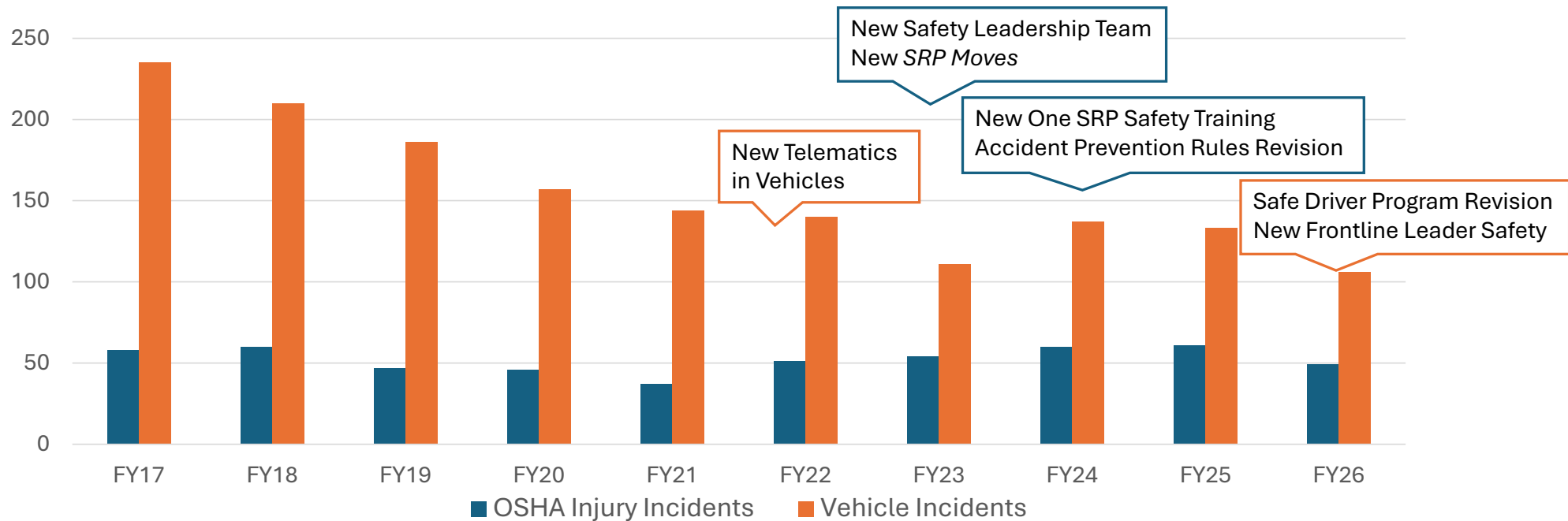
Sara McCoy

Director, Risk Management

May 28, 2026



10 Years: FY17 – FY26 Incident Trends and Improvements



05/28/2026 SRP Board & Council WSS, S.C.McCoy





Delivering water and power®

OVERVIEW OF SRP'S CUSTOMERS

Vanessa Kisicki & Kyle Cormier | May 28, 2026

OVERVIEW OF SRP'S CUSTOMERS

AGENDA

May 28, 2026

1. Serving our customers

- Who we serve
- How we understand them
- Our dedication to service

2. Serving our communities

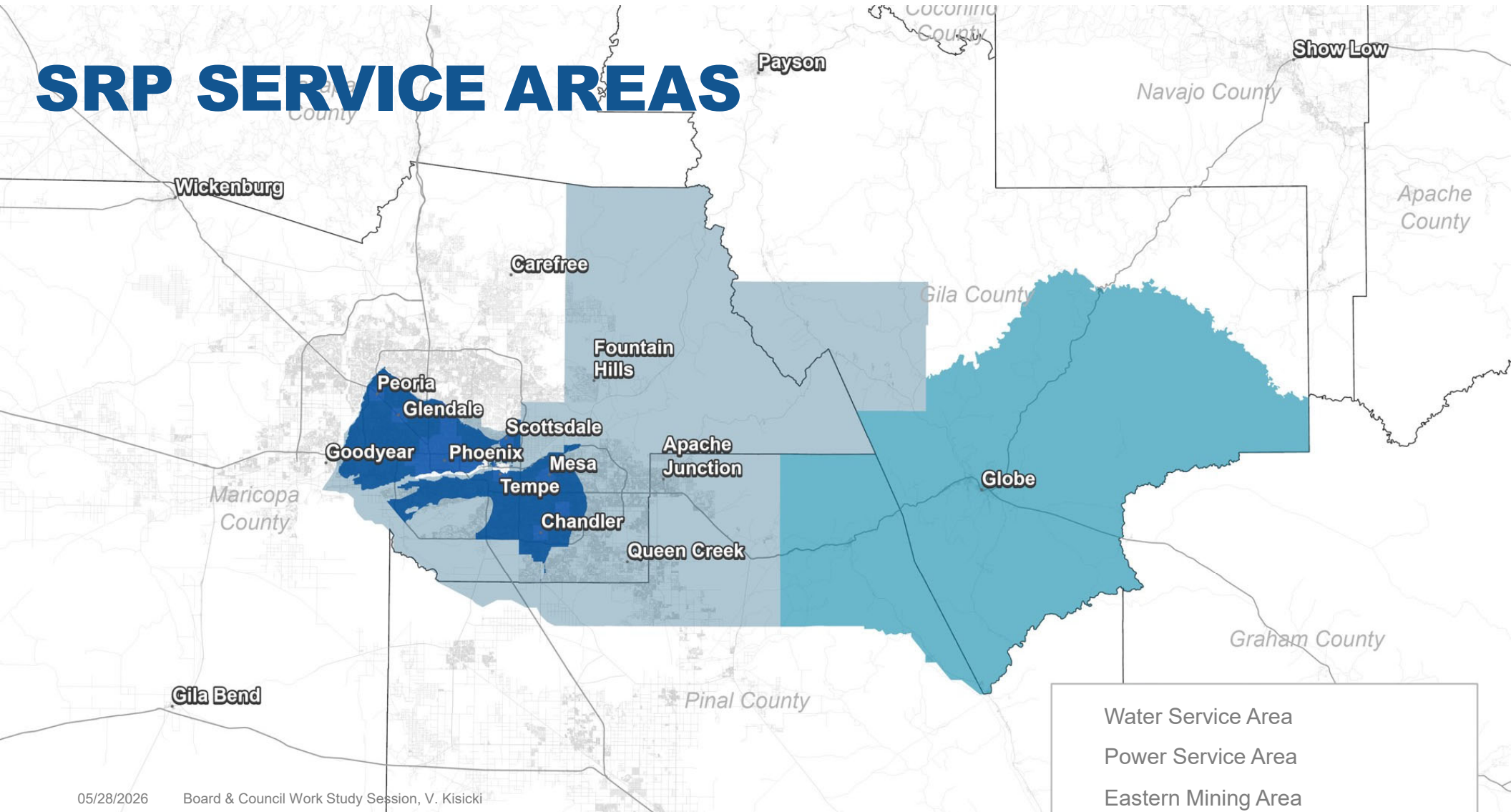
- Evolving conditions
- Our role in economic development



MISSION

**SRP serves our customers and communities
by providing reliable, affordable and
sustainable water and energy.**

SRP SERVICE AREAS





SERVING OUR CUSTOMERS

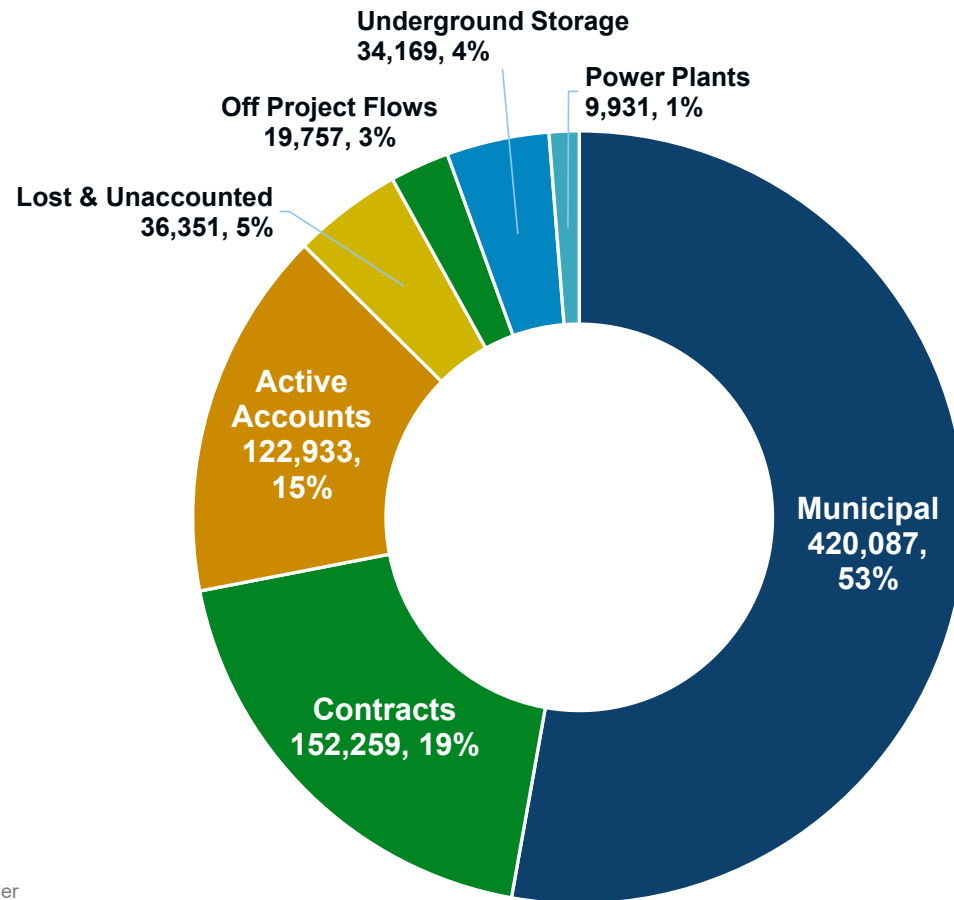
Who we serve, and our commitment to serving them

WHO WE SERVE

SERVING WATER CUSTOMERS WITHIN “THE PROJECT”

CALENDAR YEAR 2025

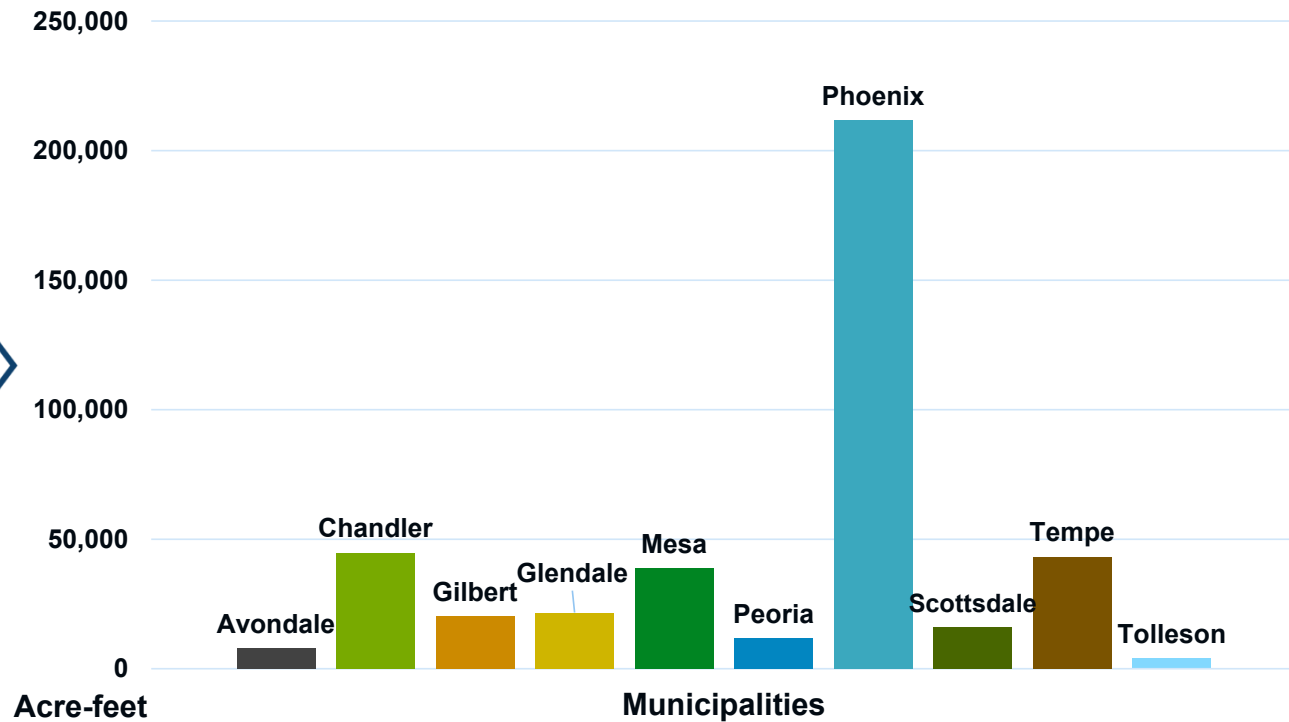
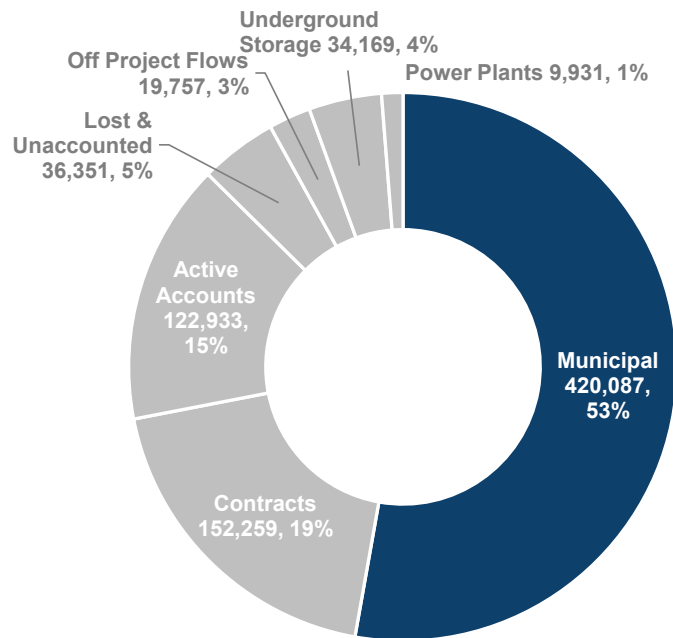
Total Raw Water Deliveries:
795,488 Acre Feet



WHO WE SERVE

A CLOSER LOOK: MUNICIPAL DELIVERIES

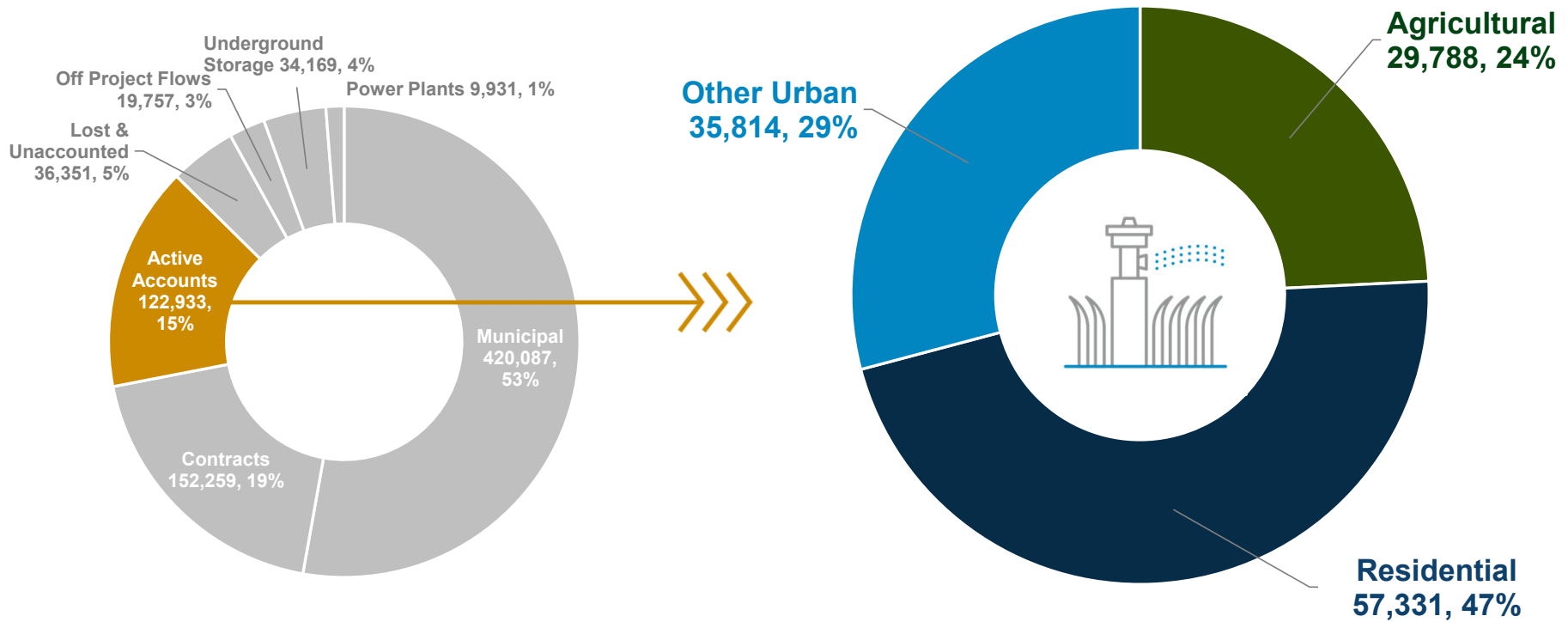
A large share of SRP's raw water deliveries are to Valley cities who treat and distribute water to homes and businesses for use within SRP's water service area



WHO WE SERVE

A CLOSER LOOK: ACTIVE ACCOUNTS

SRP's deliveries within its water service area to agricultural, residential, and other urban customers are more evenly split

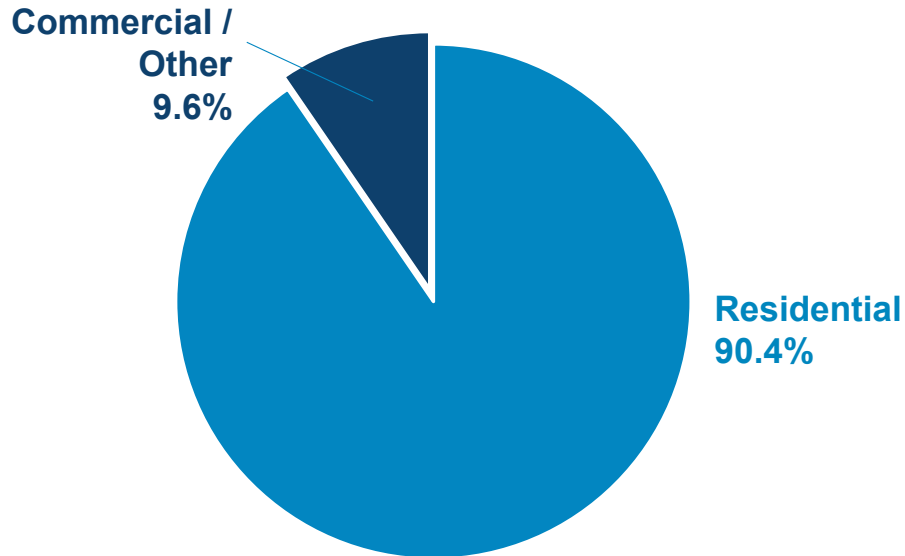


WHO WE SERVE

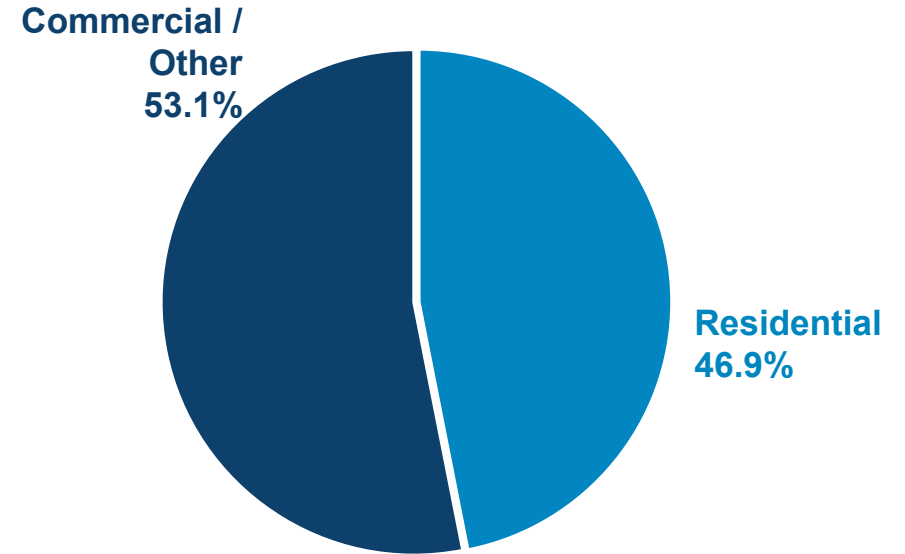
SERVING POWER CUSTOMERS

MAY 2025 – MARCH 2026

Total Electric Customer Accounts Served:
1.2M



Total Electric Revenues:
\$4.2B



WHO WE SERVE

A CLOSER LOOK: RESIDENTIAL

~300k SRP customers are at or below 200% of the federal poverty level

+148k

customers enrolled
in Budget Billing



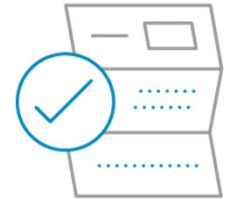
+160k

customers enrolled
in M-Power



+60k

customers enrolled in
SRP's Income-Qualified
Discount





WHO WE SERVE

**A CLOSER LOOK:
COMMERCIAL**

FOUR TIERS SERVED

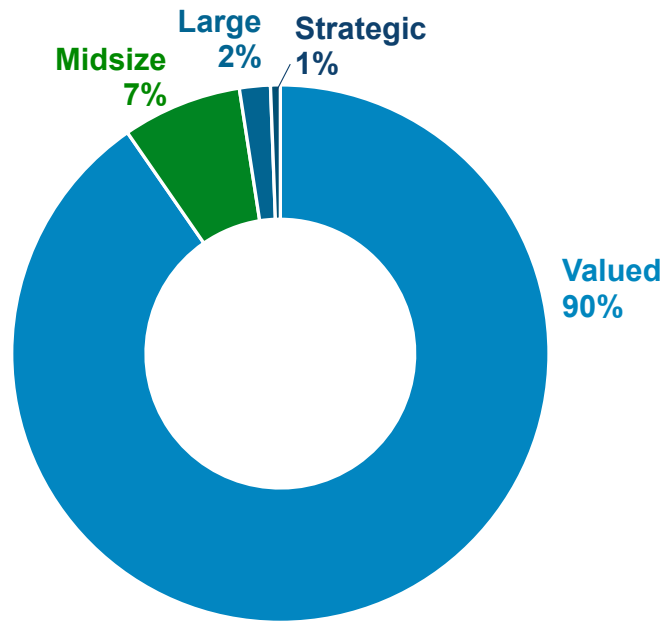
	Annual Revenue	Annual Usage (kWh)
Strategic Tier 1	>\$700k	7.0M
Large Tier 2	\$160-\$700k	1.5M – 7.0M
Mid-Size Tier 3	\$30-\$160k	250,000 – 1.5
Valued Tier 4	<\$30k	<250,000

WHO WE SERVE

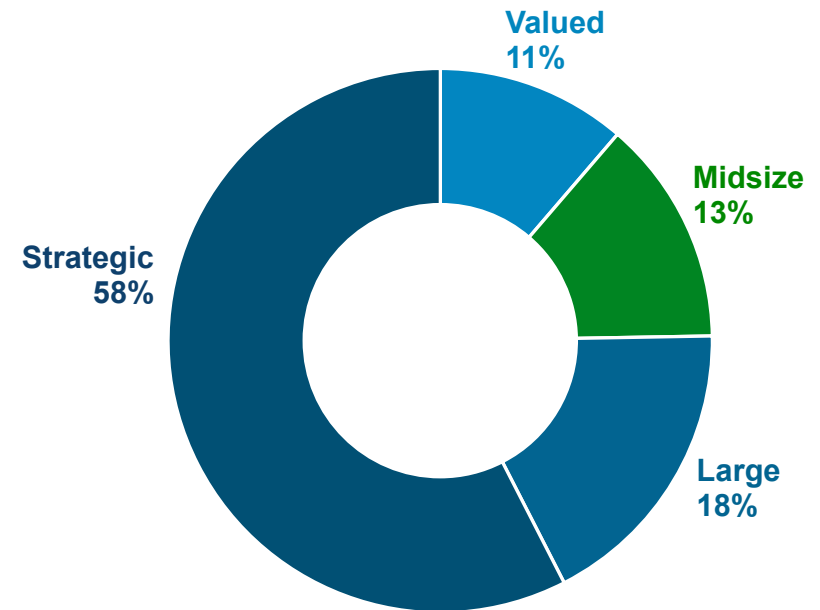
COMMERCIAL CUSTOMERS

FY25 ACCOUNT AND CONSUMPTION DATA

Commercial Electric Customers Served*:
37,463



Energy Delivered to Commercial Customers:
18.6 TWh



SERVING OUR CUSTOMERS

UNDERSTANDING OUR CUSTOMERS



Broad Customer Experience

Ongoing survey to obtain feedback from residential power customers on a variety of topics

Customer Perspectives

Tracking survey of Residential Power, Water, and Commercial customers' overall opinions of and experiences with SRP

Brand Health

Monitors and measures residential & commercial customer and non-customer perceptions of SRP

Syndicated Studies

Independent research on: Customer Satisfaction and Engagement, Sustainability Index & Deep Dive Survey, and Digital Experiences

PLUS

Variety of proprietary and secondary research studies



SERVING OUR CUSTOMERS

SRP'S DEDICATION TO SERVICE

DELIVERING MORE THAN POWER & WATER

#1 in Residential Customer Satisfaction in the West Large segment in 2025

(26th year SRP achieved this ranking)

#1 in Business Customer Satisfaction in the West Large segment in 2025

(16th year SRP achieved this ranking)

#1 overall in Utility Digital Experience in 2026



SERVING OUR COMMUNITIES

Conditions shaping the communities we serve, and SRP's role



STRONG ECONOMIC GROWTH

- Maricopa County ranked **#1** in the U.S. for net migration between 2023 and 2024.
- Maricopa was the **#1** county in the U.S. for new housing units added between 2023 and 2024.
- Phoenix, Surprise, Buckeye, Goodyear, and Maricopa experienced the largest population gains.
- The Southwest is quickly becoming America's semiconductor and advanced manufacturing hub.

SERVING OUR COMMUNITIES

OUR ROLE IN ECONOMIC DEVELOPMENT

SUPPORTING ARIZONA'S ECONOMIC GROWTH

- Dedicated customer resource and liaison
- Strong partnerships with state, regional, and local economic development agencies

**FY26
BY THE
NUMBERS:**

PROJECTS

22

CAPITAL INVEST.

\$698M

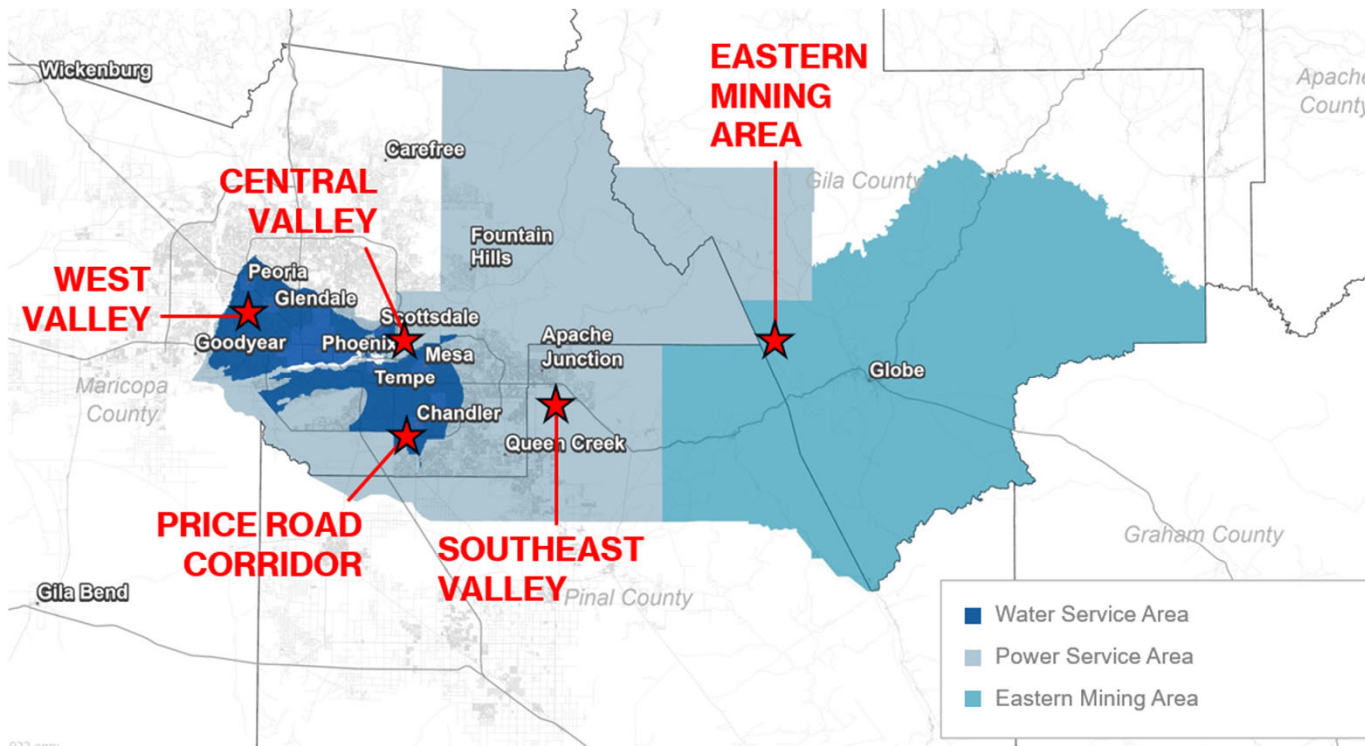
NEW JOBS

3,218



SERVING OUR COMMUNITIES

Economic Growth Hotspots



SRP's Economic Development Pipeline Potential:

- Total active projects: **232**
- Potential creation of **46,447** new jobs to communities
- Combined load requests of **8,554 MW**
- Potential investment of **\$42 billion** in economic growth

(Pipeline represents prospective projects of all sizes and stages)

OVERVIEW OF SRP'S CUSTOMERS

Key Takeaways



- SRP's raw water deliveries are made for use within the SRP water service boundary – referred to as “On Project lands” – whether to cities or to individual accounts



- Residential customers represent ~90% of total electric accounts served, while commercial customers generate more than half of SRP's total electric revenues



- Local economic growth is driving significantly more electricity demand by both commercial and residential customers



- SRP uses a comprehensive and holistic approach to understand its customers, enabling SRP to consistently provide industry-leading service



- Customers' expectations and priorities are evolving, with a growing focus on affordability and digital experiences



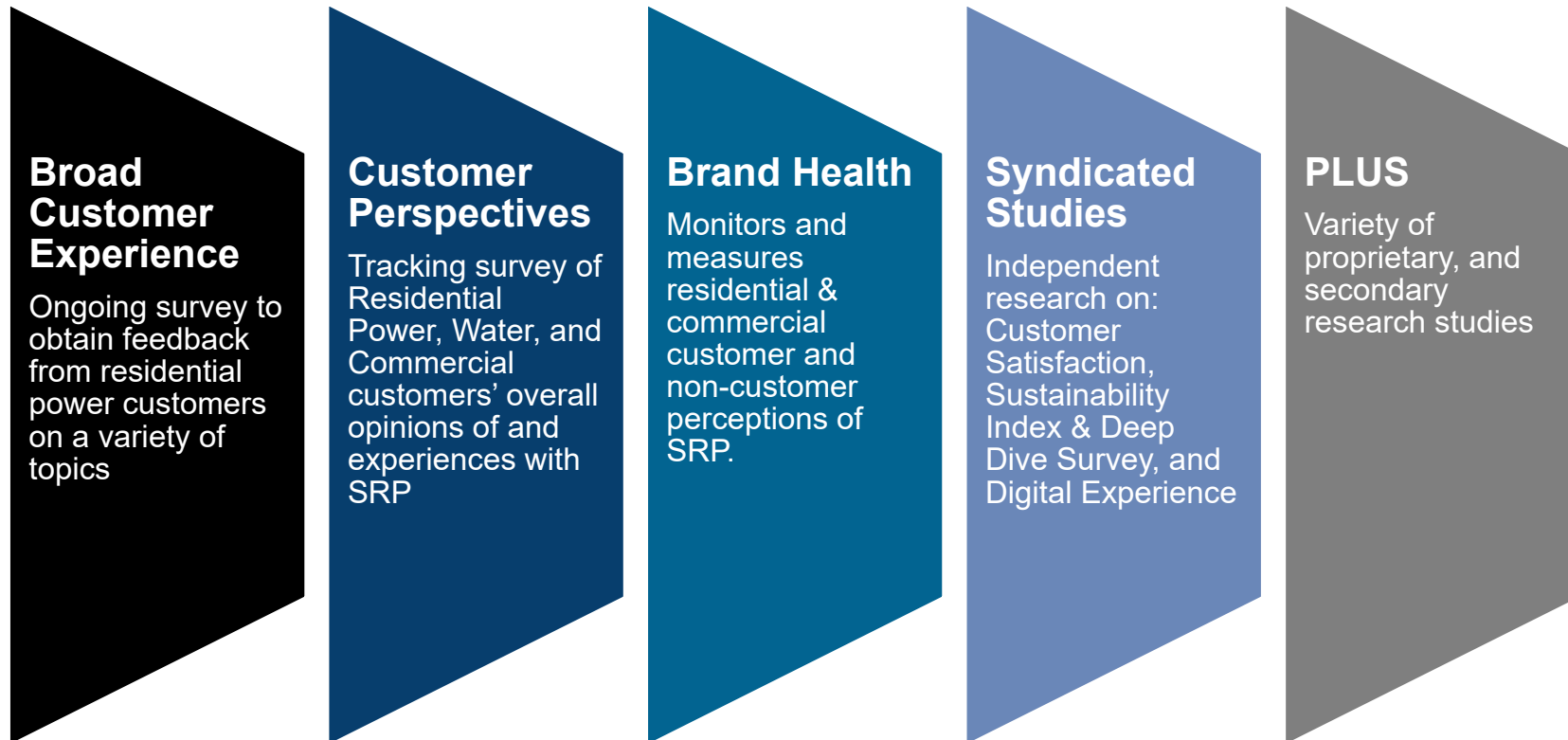
THANK YOU



Understanding SRP's Customers

Jim W. Tiedmann | May 28, 2026

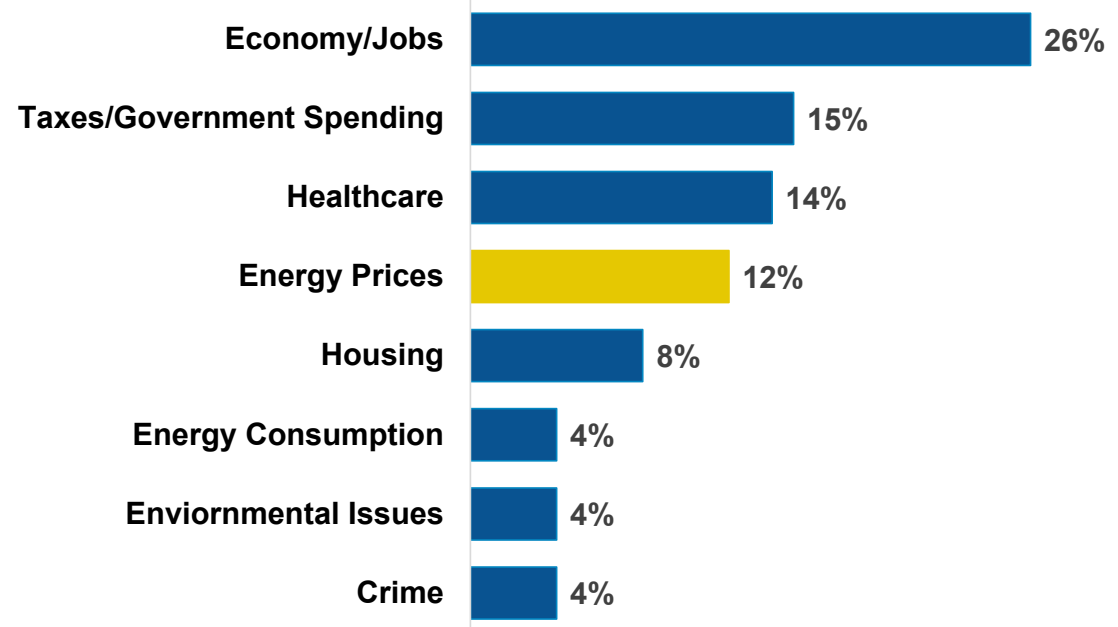
The many ways SRP measures the Voice of the Customer



- Financial and economic pressures (i.e., *jobs, government spending, healthcare and energy prices*) dominate national concerns.

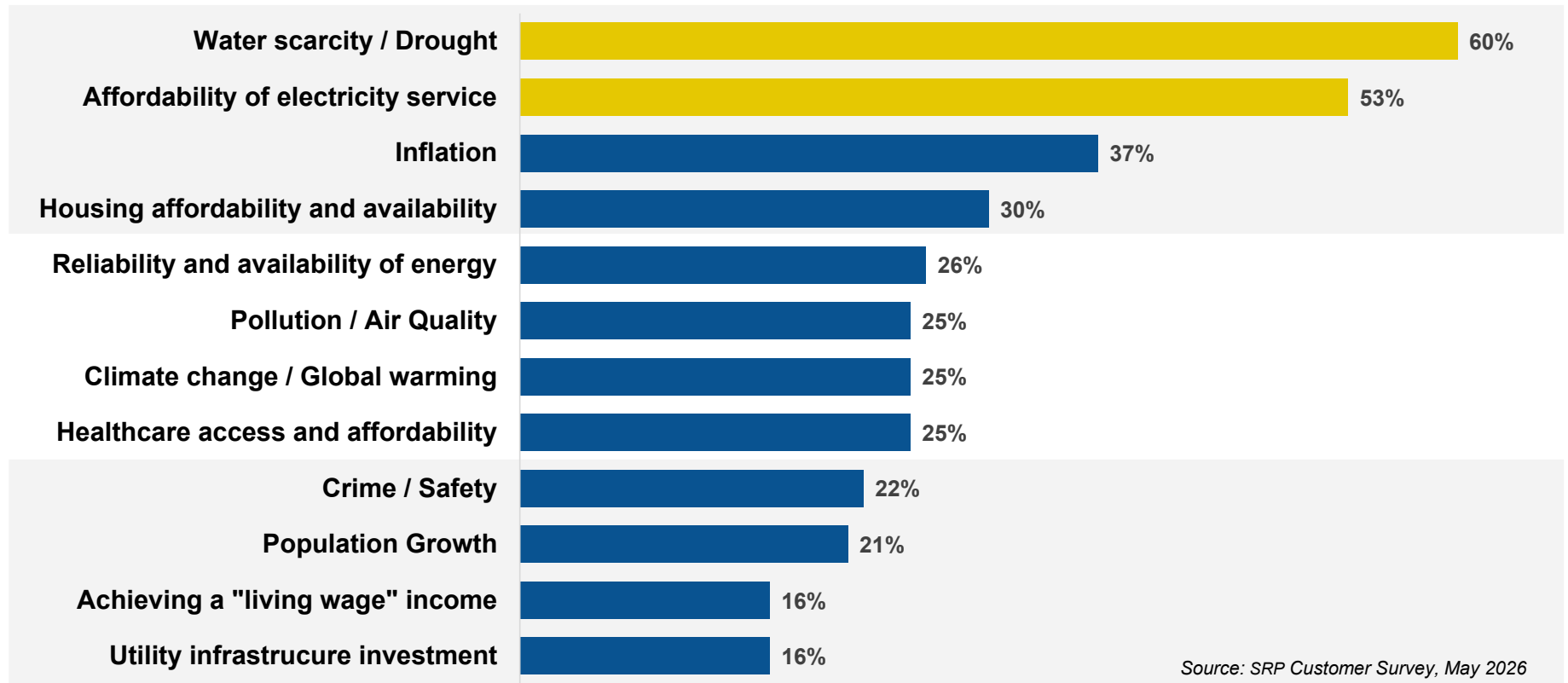
J.D. Power 2025 U.S. Electric Utility Residential Customer Satisfaction Study

Most Important Issue Facing Your Family - National



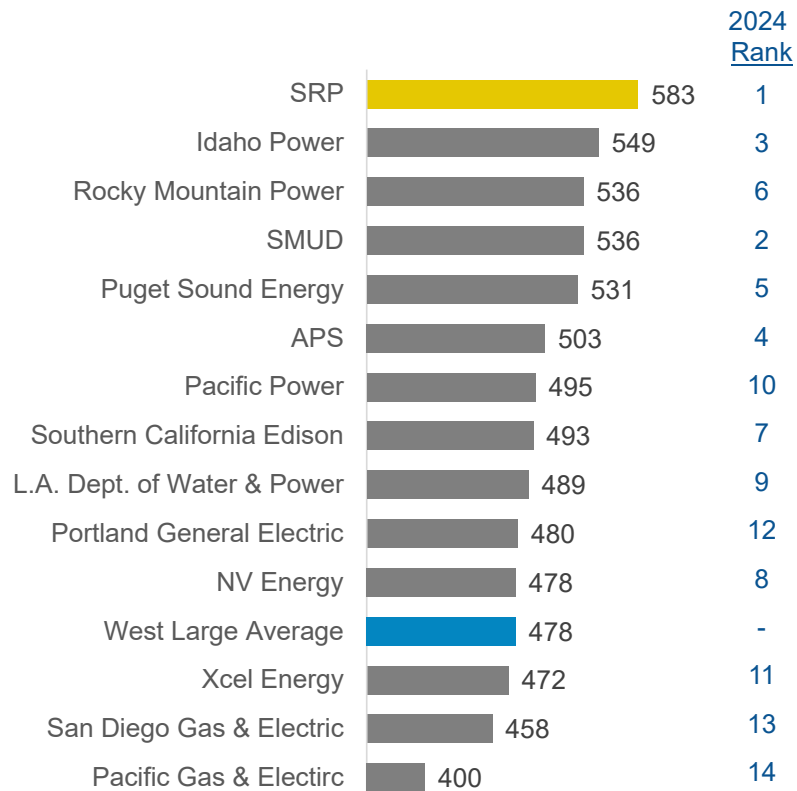
Water scarcity and affordability of electricity are the most concerning future issues facing Arizona.

Most Concerning Future Issues Facing Arizona



Source: SRP Customer Survey, May 2026

J.D. Power 2025 U.S. Electric Utility Residential Customer Satisfaction Index (West Region: Large Segment)

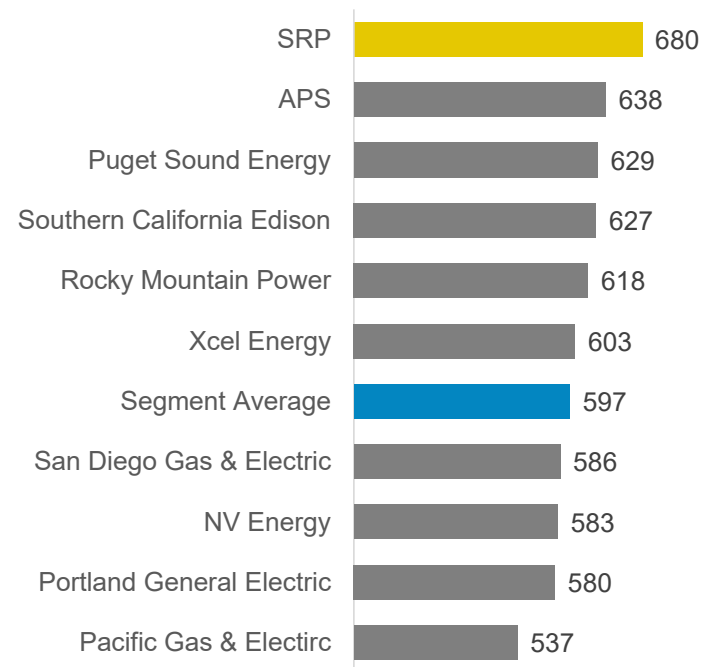


© J.D. Power. All Rights Reserved. CONFIDENTIAL & PROPRIETARY
2025 J.D. Power U.S. Electric Utility Residential Customer Satisfaction Study

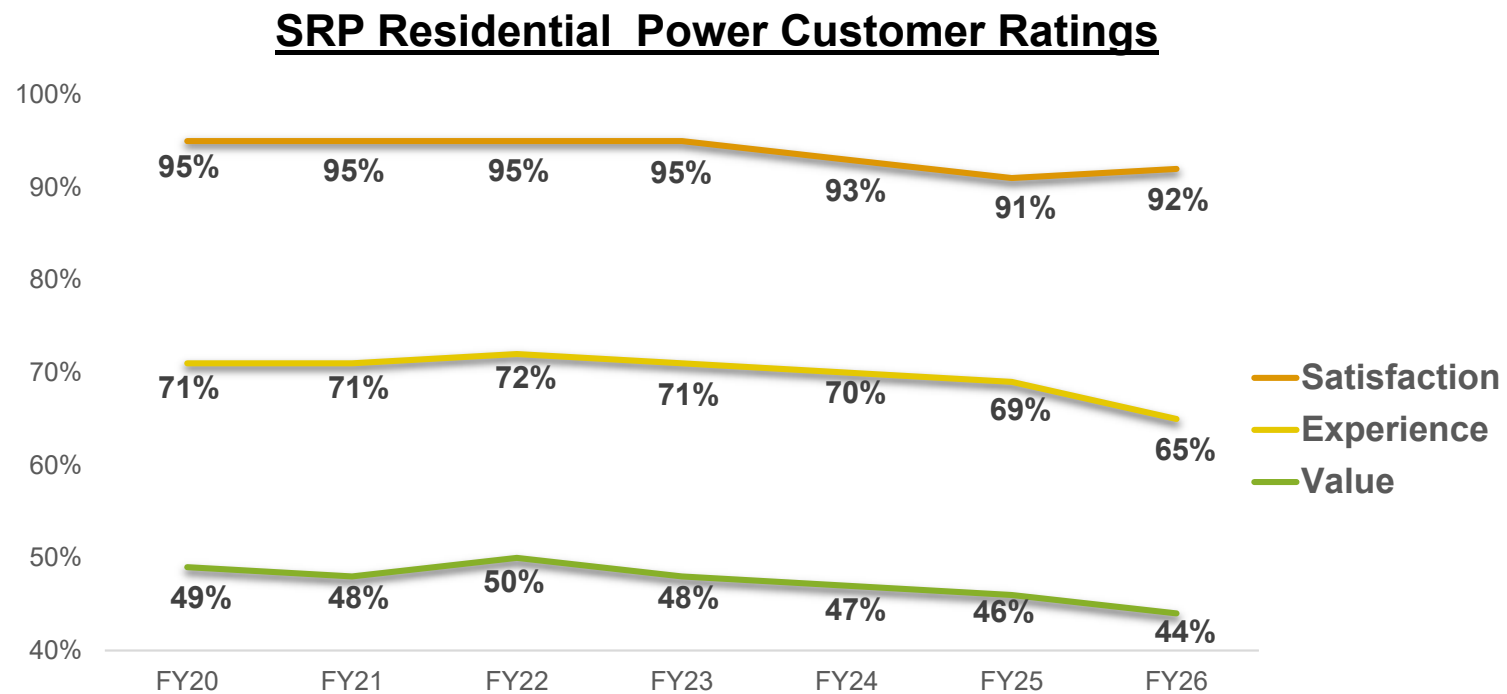
- For Residential Electric Customers, SRP ranked 1st in West Region – Large Segment in 2025.

- For Business Electric Customers, SRP also ranked 1st in West Region - Large segment in 2025.

**J.D. Power 2025 U.S. Electric Utility
Business Customer Satisfaction Index
(West Region: Large Segment)**

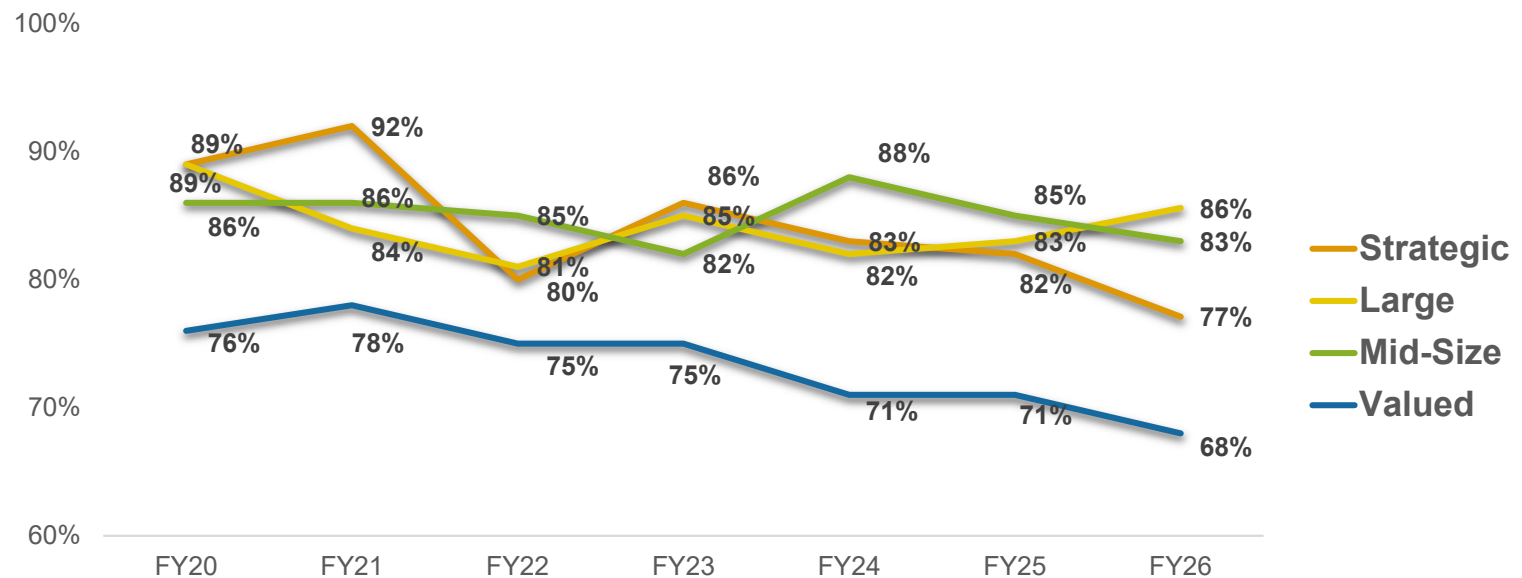


SRP *Customer Satisfaction* holds strong, but economic pressures are impacting other performance ratings.

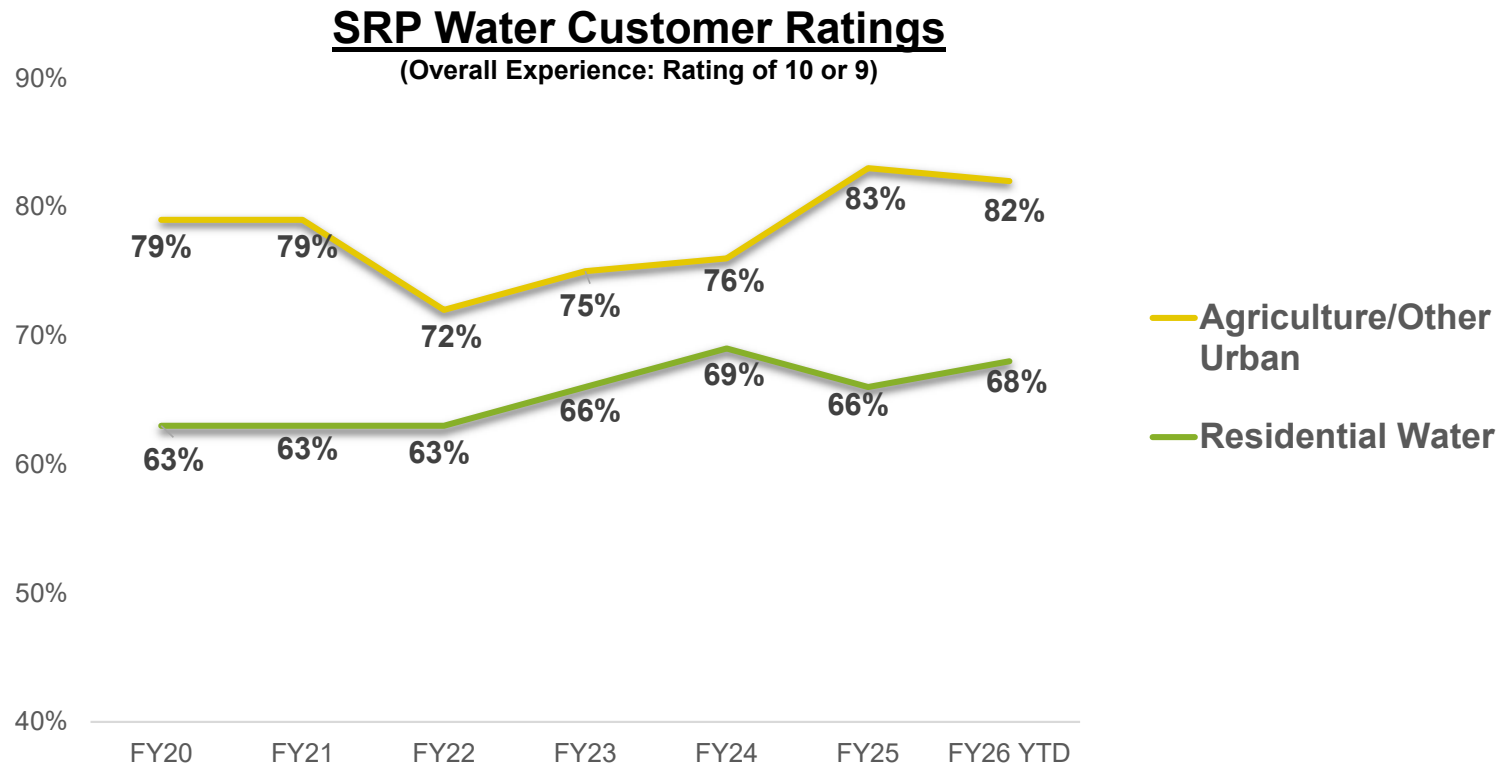


Similarly, among Commercial customers, experience ratings among *Strategic* and *Valued* customers shows recent declines

SRP Business Customer Ratings
(Overall Experience: Rating of 10 or 9)



Experience scores among Residential Water and Agriculture / Other Urban Water customers are stable.



Needs Assessment research identified seven *universally important* residential customer needs.

- #1  Secure personal data
- #2  Lowest possible rates
- #3  Quick outage response
- #4  Reliable power
- #5  Outage updates
- #6  Planned-outage notices
- #7  Issues resolved on contact

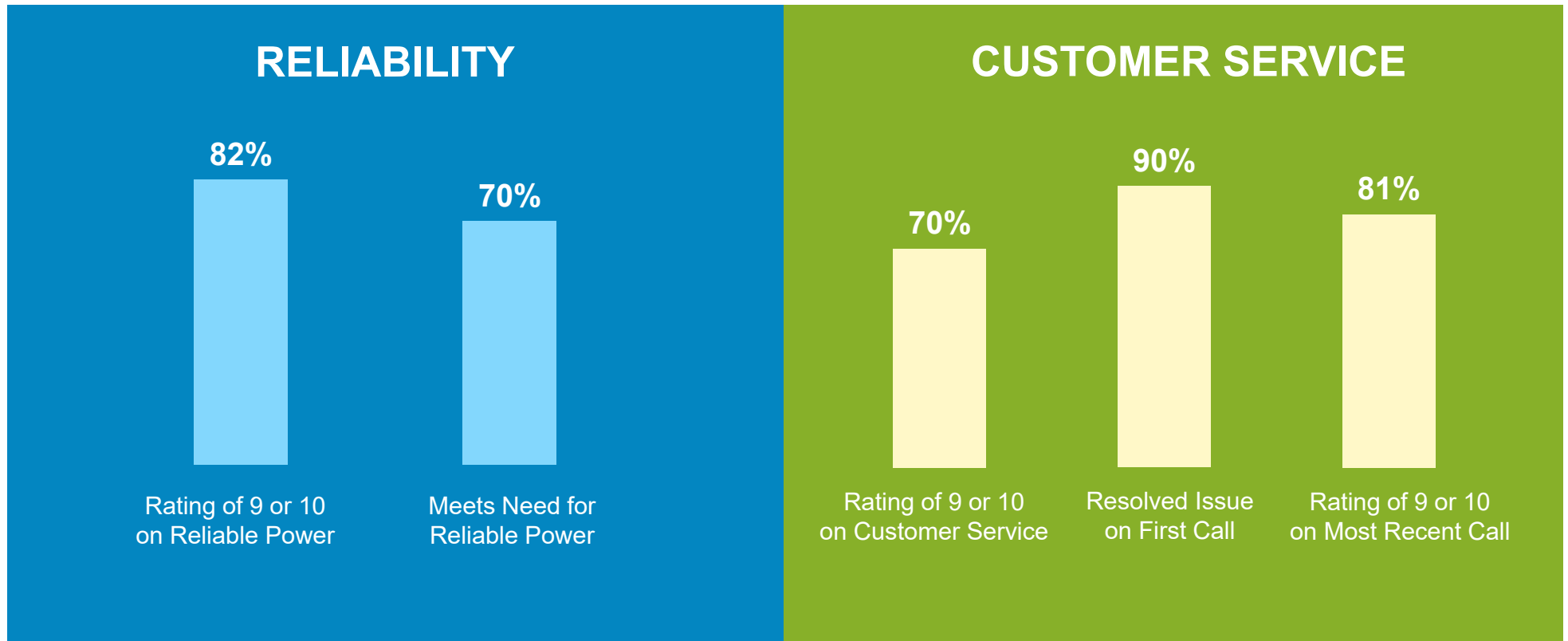
Critical Needs persisting from 2019

- Outage response & updates
- First-contact resolution

Needs that declined in priority since 2019

- Clean energy
- Grid modernization

SRP excels where it matters most: *'Reliability'* and *'Customer Service'*.



SRP's '*Digital Experience*' is falling short of customer expectations.

SRP is not meeting expectations on:

- Automated self-service
- Real-time usage visibility & high-usage alerts
- Recommendations to manage costs
- Consistent experience across App, website and other channels

What SRP is doing to close the gap:
(expected March 2027)

CUSTOMER
MODERNIZATION
PROGRAM

'Lowest Possible Rates' is becoming harder to deliver as external factors exert growing pressure.



U.S. electricity prices increased

~13%

nationwide from 2022 to 2025.

(US Energy Information Administration)

National consumer sentiment fell to **58** in 2025 reaching historic lows, driven by high prices, uncertainty over tariffs and concerns about employment stability.

(U.S. Consumer Sentiment Index, University of Michigan)



Energy prices are now

4th

highest concern for U.S. families.



(J.D. Power, 2025)

Average national monthly energy bill rose



34%

from **\$141** to **\$189** from 2020 to 2025.

(J.D. Power, 2025)

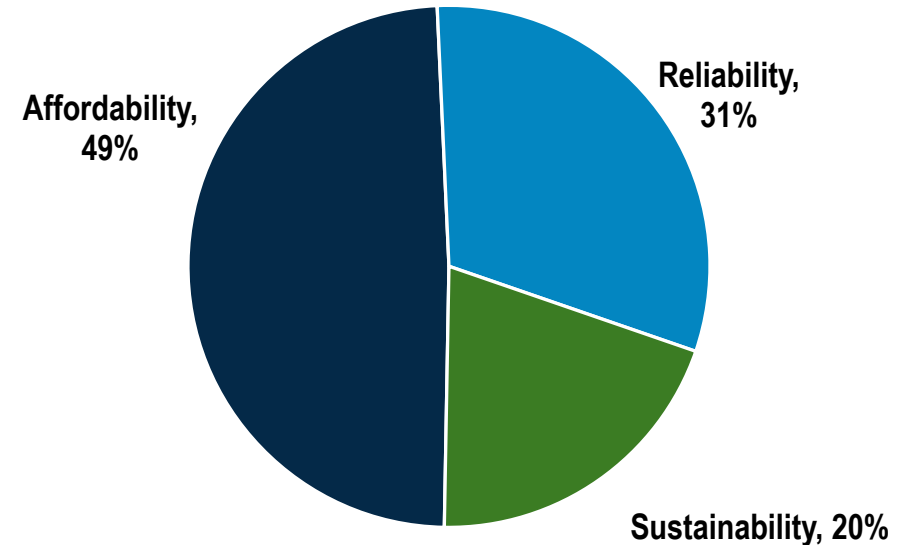


34% of households reduced basic necessities (food or medicine) to pay an energy bill.

(Census Bureau's 2024 Household Pulse survey)

Affordability is the leading priority today and for SRP's future energy mix.

**Priority Ranking for SRP's Future Energy Mix:
Affordability, Reliability & Sustainability
(% Ranked 1st)**





Serving our customers

Understanding differing customer needs and expectations

SERVING OUR CUSTOMERS

NEW SEGMENT CONTINUUM

Updated the 2019 Customer Segmentation.

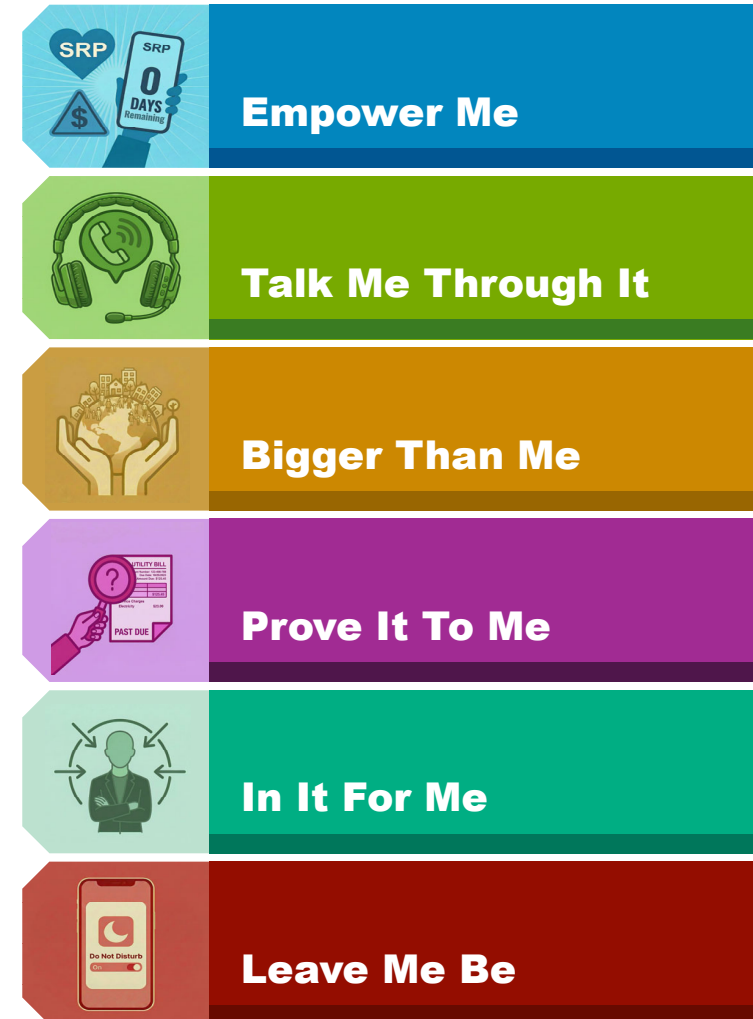
Six customer segments identified.

Continuum ranges from customers who ***actively want SRP involvement*** to those who ***prefer minimal contact***.

Segment names focus on customer needs and engagement.

HIGHER
ENGAGEMENT

LOWER
ENGAGEMENT



SEGMENT OVERVIEWS



Empower Me (17%)

Key Descriptor: ***Financially strained but highly loyal***

- **Who:** Younger, single, female, larger HHs; renters with high energy burden
- **SRP Relationship:** Highest trust & advocacy
- **What's different:** High enrollment in M-Power & IQD; actively manage usage; most digitally engaged
- **What matters:** Affordability support and cost control



Talk Me Through It (25%)

Key Descriptor: ***Community-minded and loyal to SRP but strongly tech-averse***

- **Who:** Older, longer-tenured homeowners
- **SRP Relationship:** Strong trust & loyalty
- **What's different:** preference for human interaction; Tech averse
- **What matters:** Reliability, reassurance regarding outages, and live support

SEGMENT OVERVIEWS (Cont'd)



Bigger Than Me (21%)

Key Descriptor: ***Future-focused, socially responsible, blends personal ambition & sustainability values.***

- **Who:** Higher income; newer residents
- **SRP Relationship:** Positive, but conditional trust; expect SRP's values to align with personal values
- **What's different:** Community is a priority; motivated by sustainability
- **What matters:** Transparency, purpose, and future-focused planning



Prove It to Me (13%)

Key Descriptor: ***Digitally adept yet distrustful and financially strained***

- **Who:** Younger renters, smaller households; short Phoenix tenure; lower incomes & higher energy burden
- **SRP Relationship:** low trust, transactional (view SRP as a bill)
- **What's different:** Digitally capable; disengaged; under enrolled in assistance programs
- **What matters:** Clear value, affordability, frictionless digital experiences

SEGMENT OVERVIEWS (Cont'd)



In It For Me (16%)

Key Descriptor: ***Characterized by, self-focus and disengagement***

- **Who:** Higher income homeowners; larger homes with energy-intensive amenities; heavy users of smart tech and EV's
- **SRP Relationship:** Low satisfaction & advocacy despite long tenure; transactional relationship
- **What's different:** Self-focused, seek personal benefit (rebates)
- **What matters:** Control, optimization (bill comparison) and "Best" price plan confidence

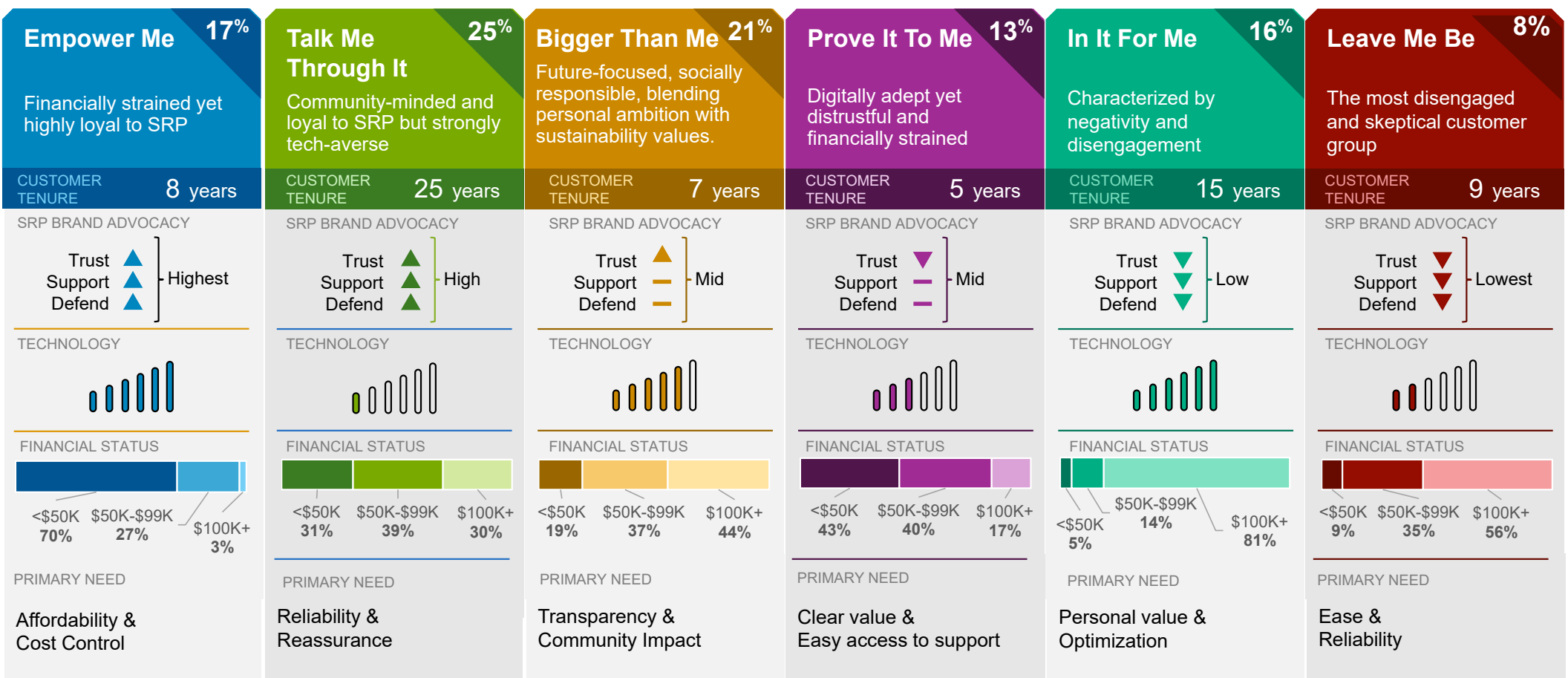


Leave Me Be (8%)

Key Descriptor: ***Most disengaged and skeptical, unmotivated by community, financially comfortable***

- **Who:** Financially comfortable homeowners; low concern about cost
- **SRP Relationship:** Lowest trust and advocacy; minimal desire for interaction
- **What's different:** Actively disengaged; Op-out/ unsubscribe mindset
- **What matters:** Reliability (outweighs affordability; effortless, self-service

Six customer types. Six very different sets of expectations.





SERVING OUR CUSTOMERS

COMMERCIAL FOCUS

- Commercial customer base is *evolving rapidly*
- Research *complexity is increasing.*
- Opportunity exists to *deepen our understanding.*

Key Takeaways

- **Affordability has emerged as the dominant customer priority**, fundamentally reshaping expectations of SRP.
- **SRP remains strong on core delivery**—leading in reliability, customer service, and overall satisfaction vs. peers.
- **Customer sentiment is softening**, driven primarily by rising costs and external economic pressures.
- **Expectations are shifting** toward proactive, digital, and self-service experiences, where gaps still exist.
- **Customer needs vary significantly by segment**, requiring more targeted, differentiated approaches to effectively deliver value.

thank you!





MARKET INSIGHTS & ANALYTICS

Residential Power Customer Overview | May 28, 2026



U.S. ELECTRICITY PRICES INCREASED ~13% nationwide from 2022 to 2025.

Source: U.S. Energy Information Administration



NATIONAL CONSUMER SENTIMENT FELL TO 58 in 2025, reaching historic lows, driven by high prices, uncertainty over tariffs and concerns about employment stability.

Source: U.S. Consumer Sentiment Index, University of Michigan



ENERGY PRICES ARE NOW THE 4th- highest concern for U.S. families.

Source: J.D. Power, 2025

THE AVERAGE NATIONAL MONTHLY ENERGY BILL ROSE 34% from **\$141** to **\$189** from 2020 to 2025.



Source: J.D. Power, 2025

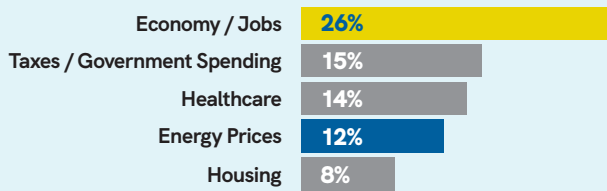
34% OF HOUSEHOLDS REDUCED BASIC NECESSITIES (food or medicine) to pay an energy bill.



Source: Census Bureau's 2024 Household Pulse survey

MOST IMPORTANT ISSUE FACING YOUR FAMILY

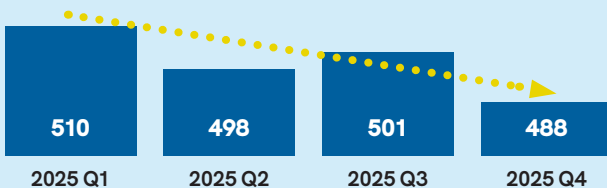
Across the US, Economy / Jobs is the top issue consumers face.



(National sample) | Source: J.D. Power Electric Utility Residential Study, Final 2025

IN 2025, THE POWER INDUSTRY OVERALL EXPERIENCED A DECLINE IN PERCEPTIONS

J.D. Power Overall Customer Satisfaction Index



(National sample) | Source: J.D. Power Electric Utility Residential Study, Final 2025

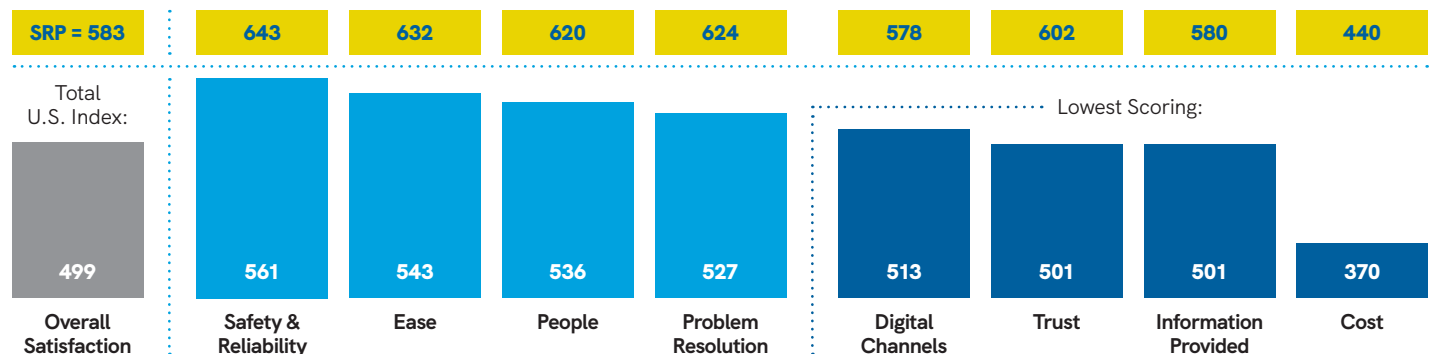
FOR THE 24TH CONSECUTIVE YEAR, SRP ACHIEVED A 1ST-PLACE RANKING (WEST LARGE REGION)

2025 J.D. Power Residential Power Customer Satisfaction Index

	2025 West Large Rank	2024 Rank
SRP	583	1
Idaho Power	549	3
Rocky Mountain Power	536	6
SMUD	536	2
Puget Sound Energy	531	5
APS	503	4
Pacific Power	495	10
Southern California Edison	493	7
L.A. Dept. of Water & Power	489	9
Portland General Electric	480	12
NV Energy	478	8
West Large Average	478	
Xcel Energy	472	11
San Diego Gas & Electric	458	13
Pacific Gas & Electric	400	14

(West Large region) | Source: J.D. Power Electric Utility Residential Study, Final 2025

SRP CONTINUES TO OUTPERFORM THE INDUSTRY ON MULTIPLE DIMENSIONS



Source: J.D. Power Electric Utility Residential Study, Final 2025

MOST CONCERNING FUTURE ISSUES FACING ARIZONANS

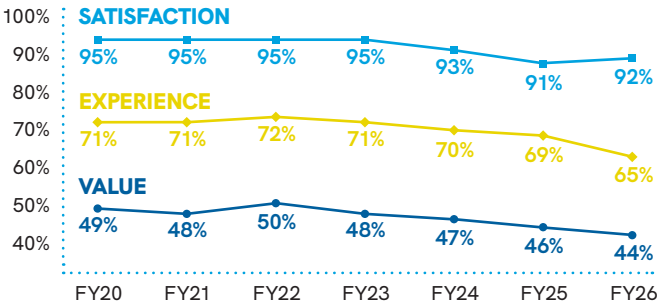
SRP customers mentioned water scarcity and affordability as the most concerning issues facing Arizonans in the future.



Source: SRP Customer Survey, May 2026

RESIDENTIAL POWER CUSTOMER RATINGS

Economic pressures and higher energy costs are resulting in declines in SRP performance ratings.



Source: Customer Perspectives Residential Power Tracking Study, FY26

TOP 7 MOST IMPORTANT CUSTOMER NEEDS

- #1 Secure personal data
- #2 Lowest possible rates
- #3 Quick outage response
- #4 Reliable power
- #5 Outage updates
- #6 Planned-outage notices
- #7 Issues resolved on contact

Source: SRP Residential Power Customer Needs Assessment 2025

SRP SHOWS STRENGTH IN RELIABILITY AND CUSTOMER SERVICE



Sources: FY25 and FY26 YTD Customer Perspectives (CP) Residential Power survey, Customer Needs Assessment, Broad Customer Experience (BCX) survey

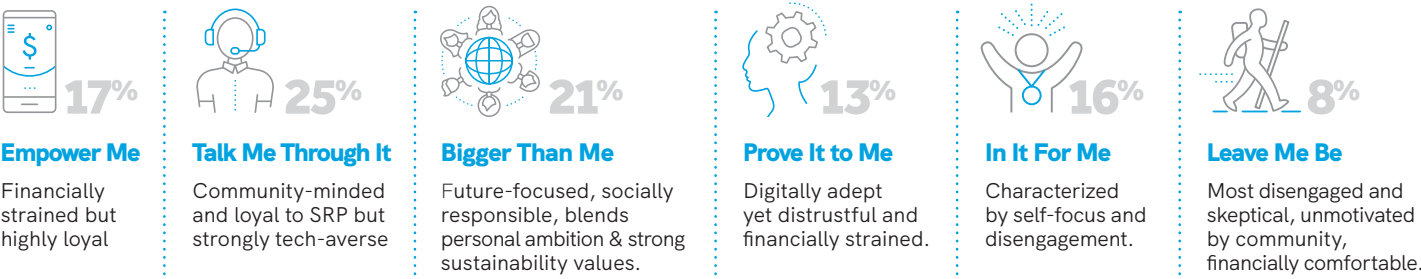
SRP CUSTOMERS BRAND ADVOCACY PERFORMANCE FY26

Four-in-five customers trust SRP has best interests of the community in mind.



*Score is composite of three metrics: trust, support and defend.

SIX CUSTOMER SEGMENTS, EACH WITH DIFFERENT NEEDS AND REQUIREMENTS FROM SRP





Energy Affordability & Low-Income Customers

Kelly McGowan, *Executive Director*

Ignite Lasting Change



01

Introduction & Background

Ignite Lasting Change



01 - About Wildfire

Ignite Lasting Change

Mission: *Igniting Community Action to End Poverty in Arizona*

About: We work with partners throughout Arizona to provide education on the causes and consequences of poverty, improve public policy impacting low-income Arizonans, and design programs that contribute to a more equitable Arizona. In FY25, Wildfire had the following outcomes across our programs:

HEAF: Utility & Cooling Assistance

7,862	21,834	\$4.2M	105
households served	household members	utility assistance payments	HVAC replacements

Utility bill payments, deposits, A/C repairs & HVAC replacements for income-eligible households. \$7.7M delivered · 35 partners.

SNAP Outreach

28,879	11,563	72	100%
applications completed	new SNAP enrollees	community partners	statewide coverage

Statewide enrollment, education & advocacy — including significant outreach to counter federal SNAP funding threats to Arizona households.

Diaper Demonstration Program

905,538	2,570	1,509	3,943
diapers distributed	households served	wraparound services	service referrals

Diapers and wraparound services for low-income families statewide — reducing health risks and helping caregivers maintain stable employment and housing.

Advocacy & Policy

SB1805	\$1M
manufactured housing utility protection bill	Weidner/AG settlement administered by Wildfire

SB1805: Caps landlord utility charges at cost + \$8 admin — protecting manufactured housing tenants.

Weidner/AG Settlement: AZ AG selected Wildfire to administer \$1M for tenants impacted by RealPage rent price-fixing.

01 - Wildfire & SRP: Partnership Accomplishments

Ignite Lasting Change

2025 Price Proceeding

SRP Income-Qualified Discount

Two-tier monthly discount targeting relief to income level: \$35/month for households at 0–150% FPL and \$10/month for 151–200% FPL. Effective November 2025 nearly 93% of enrolled customers seeing a bill decrease.

Meet Elizabeth



Mesa resident living with MS in a manufactured home on a fixed income. CAHRA weatherized her home using SRP funds — dramatically reducing her utility costs. Wildfire brought Elizabeth to the 2025 State of the State to meet the Governor and speak to the impact of these programs.

05/28/2026 Board & Council Work Study Session, K. McGowan

What SRP's Commitment Has Delivered

\$5M

in annual bill assistance administered by Wildfire — increased from \$1M in the 2025 Price Proceeding, helping income-eligible SRP customers stay current on their bills

4,166

households served through Wildfire's community partner network since July — \$2,934,637.00 in direct bill assistance distributed to SRP customers

\$250K

invested annually by SRP in Wildfire's Heat Relief Network — funding A/C replacements for households that could not otherwise afford to stay cool

54

SRP customers received A/C replacements through Wildfire's Heat Relief program — critical cooling relief in Arizona's extreme heat

02

The Need

Ignite Lasting Change



02 - Poverty: Income

Ignite Lasting Change

The 2026 Federal Poverty Levels (FPL) sets the maximum gross income for a household of two at...

50% FPL

\$10,824 / year
\$902 / month
\$5.20 / hour

100% FPL

\$21,648 / year
\$1,804 / month
\$10.41 / hour

150% FPL

\$32,472 / year
\$2,706 / month
\$15.61 / hour

200% FPL

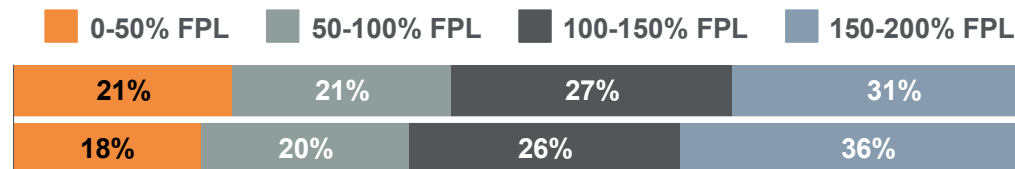
\$43,296 / year
\$3,608 / month
\$20.82 / hour

In Gila, Maricopa, and Pinal counties,

27%

of residents are
below 200% federal
poverty level

Of those below 200% FPL, their incomes are distributed



Individuals (Census)

Customers
(SRP Estimate)

Source: SRP & U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

02 - Characteristics of People with Incomes Below 125% FPL

Ignite Lasting Change

*In Gila, Maricopa, and Pinal counties, of residents **below 125%** of the federal poverty level,*



70%

work, or are 65 & older
or under 16 years old

30% are in
households with
single moms



31% are
under 18
years old



19% have a
disability

14% are 65 &
older

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

05/28/2026 Board & Council Work Study Session, K. McGowan

02 - FPL & Living Wage (LW)

Ignite Lasting Change

The Living Wage below is for the Phoenix-Mesa-Chandler area and is a minimum subsistence household income to meet all necessary costs like payroll, taxes and basic needs. It is *not* a thriving wage, meaning it does not include a budget for savings, retirement, or leisure.

Hourly / Annual Income per Working Adult by Type and Household Characteristics					
	Single Adult, No kids	2 Working Adults, No Kids (income /adult)	Single Parent, 2 Kids	2 Adults (1 Working), 2 Kids	2 Working Adults, 2 Kids (income /adult)
200% FPL	\$15.35 / \$31,920	\$10.41 / \$21,648	\$26.28 / \$54,672	\$31.75 / \$66,048	\$15.88 / \$33,024
Living Wage	\$25.47 / \$52,978	\$17.16 / \$35,699	\$55.27 / \$114,962	\$43.50 / \$90,480	\$29.32 / \$60,986
% of Jobs in Occupations w/ Median Annual Salaries below LW	62%	19%	93%	90%	66%

Occupations in Phoenix-Mesa-Chandler area with a
median annual wage **below the living wage** for a single adult

Building & Grounds
Cleaning & Maintenance

Farming, Fishing,
& Forestry

Construction
Laborers

School Social
Workers

Personal Care & Service

Healthcare Support

Food Preparation
& Serving Related

Production &
Manufacturing

Community
Health Workers

Pre-School Teachers &
Teaching Assistants

Office & Admin
Support

Living Wage Source: Amy K. Glasmeier, "Living Wage Calculator," Massachusetts Institute of Technology, 2025. Accessed on 1/29/2025, <https://livingwage.mit.edu/metros/38060>

Occupations Source: Bureau of Labor Statistics' Occupational Employment and Wage Estimates, May 2023, AZ - Phoenix-Mesa-Chandler MSA, <https://www.bls.gov/oes/tables.htm>

02 - Energy Burden

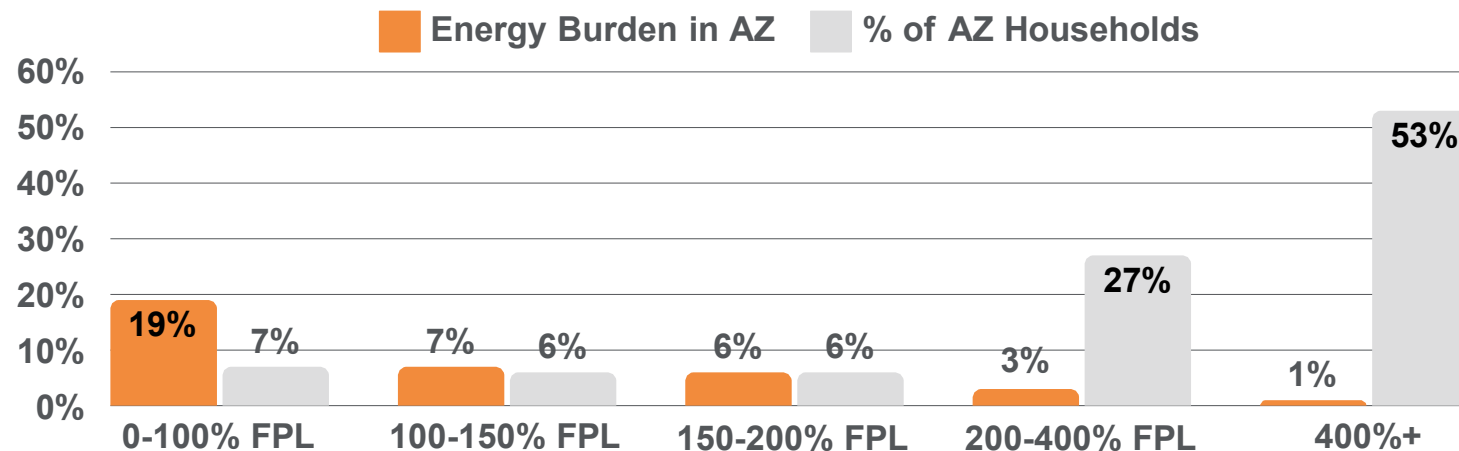
Ignite Lasting Change

the portion of a household's income spent on energy costs

10% or more burden is considered extreme/severe

6% or more burden is considered high

AZ's average energy burden is 2%



Increased **energy burden is** independently **associated with** increased **eviction filing rates**, holding rent burden constant

1. Hatch, M. E., & Graff, M. (2024). Housing costs are not a monolith: The association between neighborhood energy burdens and eviction filing rates. *Cities*, 150, 104995.

2. Low Income Energy Affordability Data (LEAD) Tool, U.S. Department of Energy and National Renewable Energy Laboratory

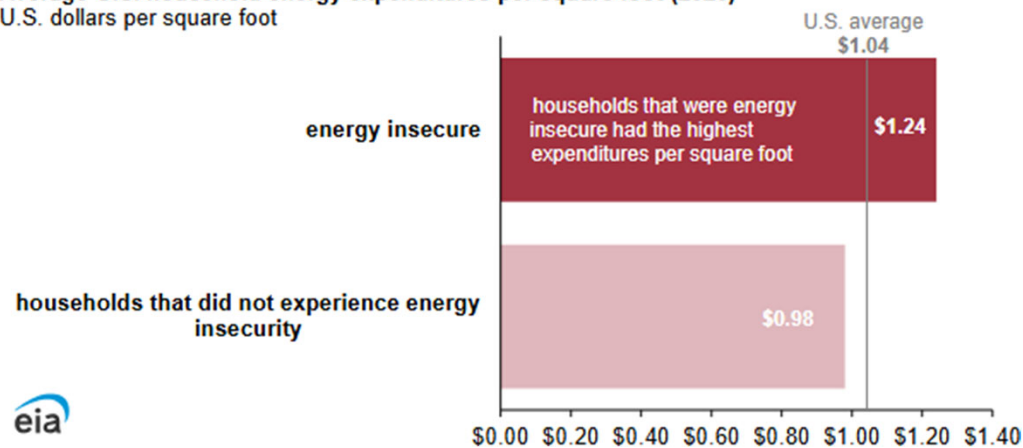
02 - Energy Insecurity

Ignite Lasting Change

inability to adequately meet basic household heating, cooling, & energy needs over time

Disparities in energy efficiency worsen energy insecurity

Average U.S. household energy expenditures per square foot (2020)
U.S. dollars per square foot



It's the interplay between **physical conditions of housing**, **household energy expenditures**, and **energy-related coping strategies**.

Coping with energy insecurity:

- Forgo other basic needs like food & medicine
- Implement energy-limiting behaviors that can negatively impact health & safety
 - Maintain unsafe indoor temperatures
 - Using a stove to heat the home

Energy insecurity is often self-replicating:

- Causes a cycle of limited income potential making it difficult to afford energy bills
 - Increased negative mental & physical health conditions leads to missing work
 - Lower educational attainment for children

1. Hernández, D. (2016). Understanding 'energy insecurity' and why it matters to health. *Social science & medicine*, 167, 1-10.

2. <https://www.eia.gov/todayinenergy/detail.php?id=56640>

02 - Energy Insecurity in Arizona

Ignite Lasting Change

In the last 12 months, **46.5% of Arizonans experienced** at least one indicator of **energy insecurity**, including:

- **21%** were unable to pay their energy bill in full for at least one month
- **27%** kept their home at an unsafe/unhealthy temperature
- **36%** reduced or forwent expenses for basic household necessities, such as medicine or food, in order to pay an energy bill

1. *Energy Insecurity Data is from the U.S. Census Bureau Household Pulse Survey, Cycle 09 & <https://energyinsecuritydashboard.shinyapps.io/shinyappDeploy/>*

03

Opportunities for SRP Leadership

Ignite Lasting Change



03 – Enhance Income Qualified Discount

Ignite Lasting Change

Background: The current Income Qualified Discount has two discount tiers. Wildfire and SRP co-developed a 4-tier discount structure, pending system upgrades needed to implement it.

2-Tiers: Effective Date November 2025

- Tier 1: **0-150% FPL** receives a **\$35 monthly discount**
- Tier 2: **150-200% FPL** receives a **\$10 monthly discount**

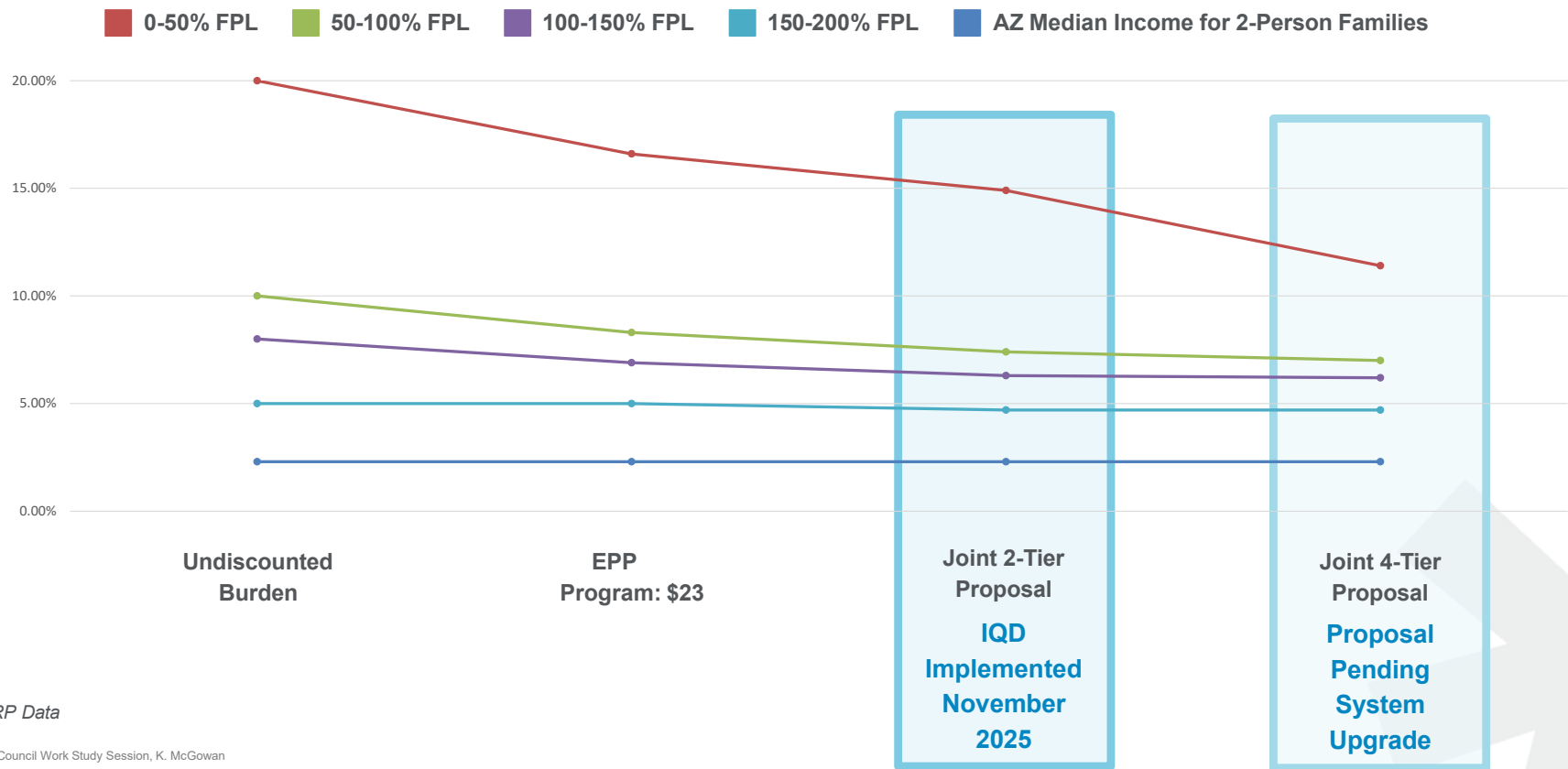
4-Tiers: Effective Date Pending System Upgrade

- Tier 1: **0-50% FPL** receives a **43% discount** off total bill
- Tier 2: **50-100% FPL** receives a **30% discount** off total bill
- Tier 3: **100-150% FPL** receives a **23% discount** off total bill
- Tier 4: **150-200% FPL** receives a **6% discount** off total bill

03 - Impact on Energy Burden

Ignite Lasting Change

Energy Burden for Category Median Income & Monthly Bill*



03 – Pilot Arrearage Management Program (AMP)

Ignite Lasting Change

What is an AMP?

A structured program that helps income-eligible customers resolve existing utility debt rather than disconnection or balances that become unrecoverable. Most effective alongside tiered discounts: discounts prevent future arrears, the AMP resolves what already exists.

Reduces uncollectable debt: converts delinquent accounts to paying customers, cutting write-offs and the costs of disconnection, late notices, and reconnection.

Builds positive payment patterns: structured arrangements create consistent habits, stabilizing revenue and giving customers a sustainable path to good standing.

Keeps households safely connected: prevents the health and safety consequences of disconnection and unsafe energy under-consumption.

National Grid Massachusetts has offered an electric AMP since the 1990s. Portland General Electric in Oregon is implementing one in 2026. California has run a statewide water arrearage program. PG&E in California runs a Match My Payment program offering income-eligible customers a dollar-for-dollar match on past-due balances, up to \$1,000.

10

states use AMPs
electric & water utilities

~1%

added to ratepayer bills
offset by reduced write-offs & admin costs

12

monthly payments to clear debt
standard AMP forgiveness structure

03 - Expand Bill Assistance Eligibility

Ignite Lasting Change

- **200% FPL (\$43,296/year for a 2-person household) was never designed as an energy affordability threshold. The data shows hardship extends well above it, and is growing.**
- **Arizona utilities received more than 326,000 calls for bill assistance in 2024. 13% of all 211 Arizona crisis helpline callers that year were concerned about their electricity bill — many of them above the 200% FPL cutoff.**

1 in 3 US households struggle to pay energy bills

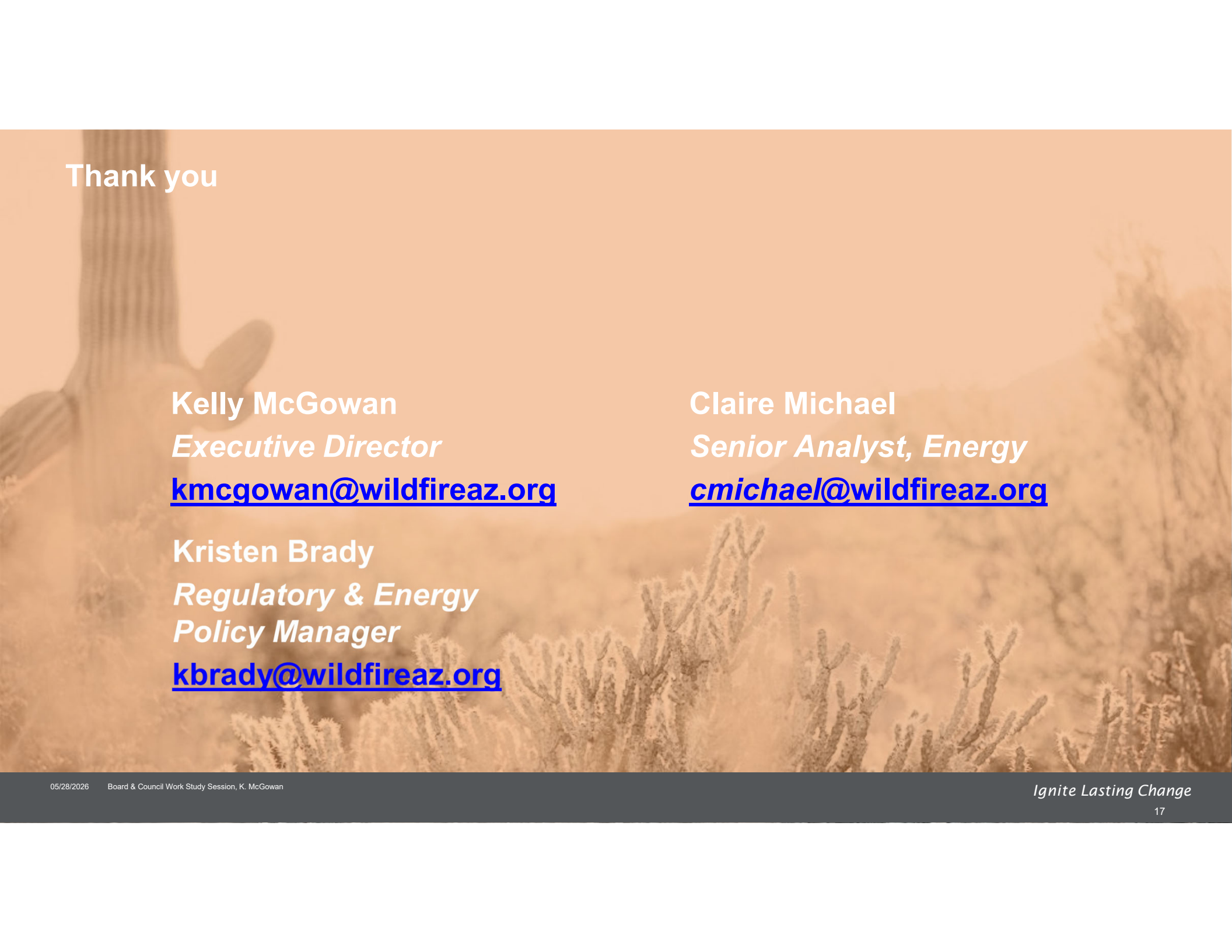
Up from 1 in 4 in 2020. The Southwest has seen the steepest increases — a 10% jump between 2020 and 2024.

200% FPL leaves too many behind

MIT's Living Wage Calculator puts the living wage for a single adult at \$52,978/year. 200% FPL is \$43,296. The gap between threshold and reality is significant.

Energy insecurity is moving up the income ladder

Energy insecurity is increasingly affecting households with higher incomes and better insulation. Limiting assistance to 200% FPL misses a growing share of SRP customers who cannot afford adequate energy.

A background image of a desert landscape with saguaros and cholla cacti under a hazy sky.

Thank you

Kelly McGowan
Executive Director
kmcgowan@wildfireaz.org

Claire Michael
Senior Analyst, Energy
cmichael@wildfireaz.org

Kristen Brady
*Regulatory & Energy
Policy Manager*
kbrady@wildfireaz.org





ADVERTISING PURPOSE & APPROACH

Jamie Abbruscato | May 28, 2026

WHY WE ADVERTISE

MARKETING HELPS ACHIEVE CORPORATE GOALS

SRP MISSION

SRP serves our customers and communities by providing reliable, affordable, and sustainable water and energy.

2035 CORPORATE GOALS

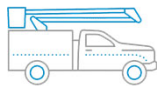
Six Strategic Directions



CUSTOMERS



COMMUNITY



WORKFORCE



AFFORDABILITY



RELIABILITY



SUSTAINABILITY

WHY WE ADVERTISE

ADVERTISING HELPS CUSTOMERS LOWER THEIR COSTS

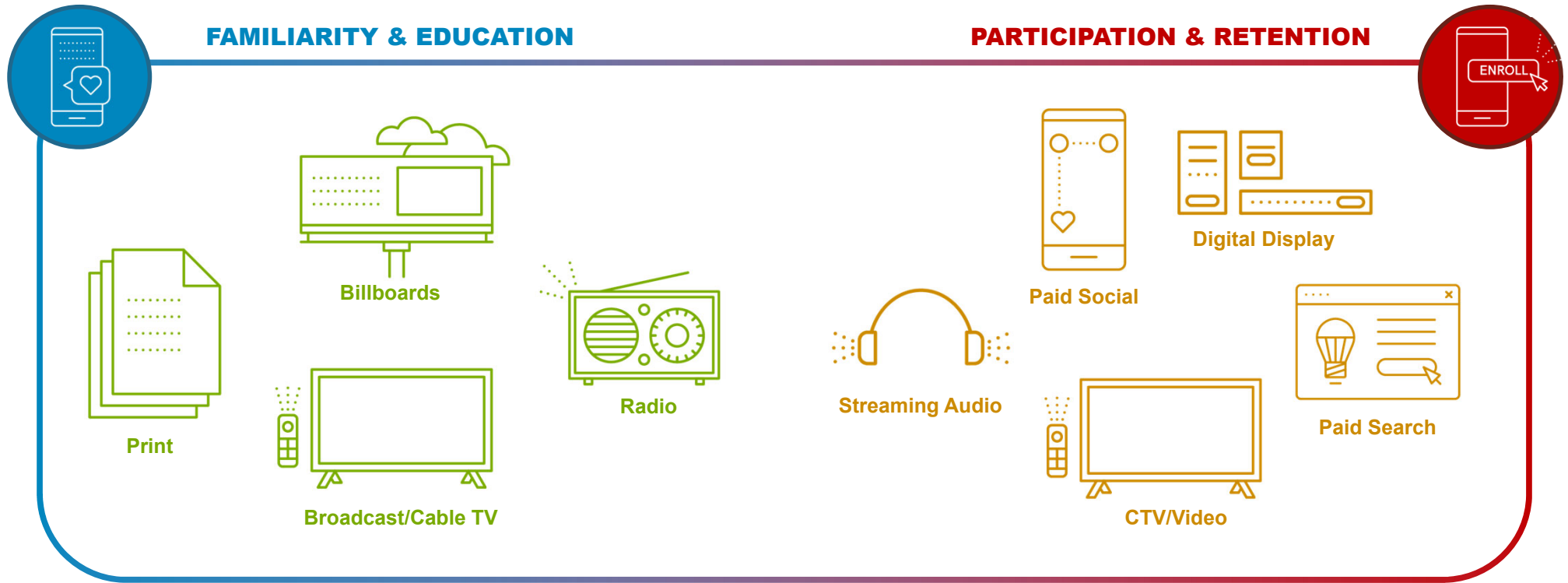


**BUILD FAMILIARITY
& EDUCATION**

**DRIVE PARTICIPATION
& RETENTION**

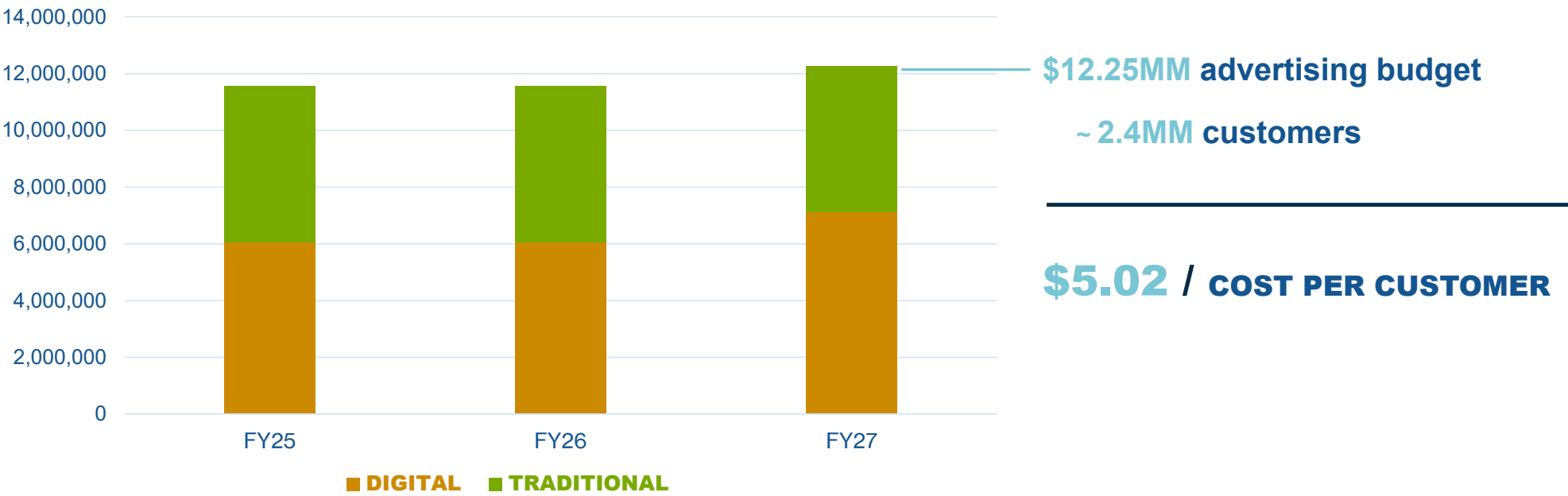
WHY WE ADVERTISE

CHANNELS REACH CUSTOMERS WHERE THEY ARE



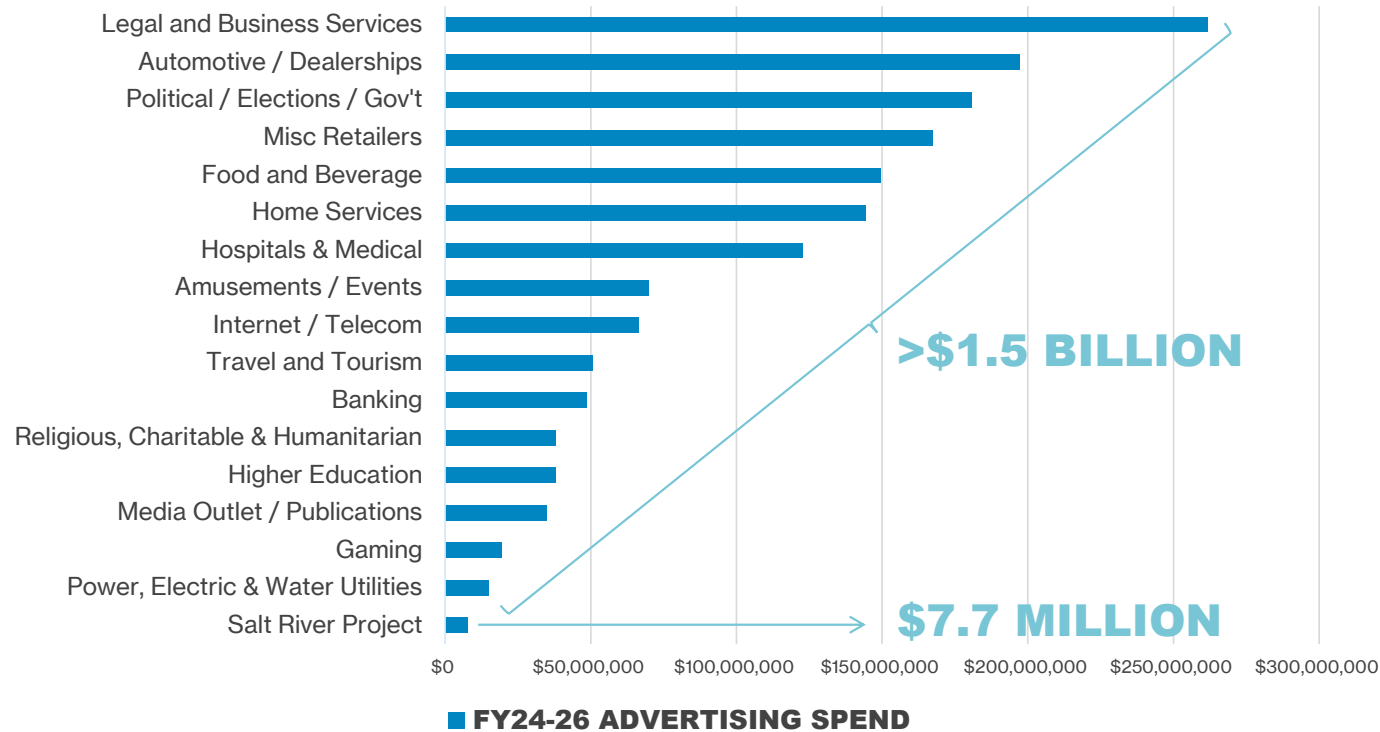
WHY WE ADVERTISE

ADVERTISING BUDGET



WHY WE ADVERTISE

SRP MAINTAINS A MINIMAL SHARE OF VOICE

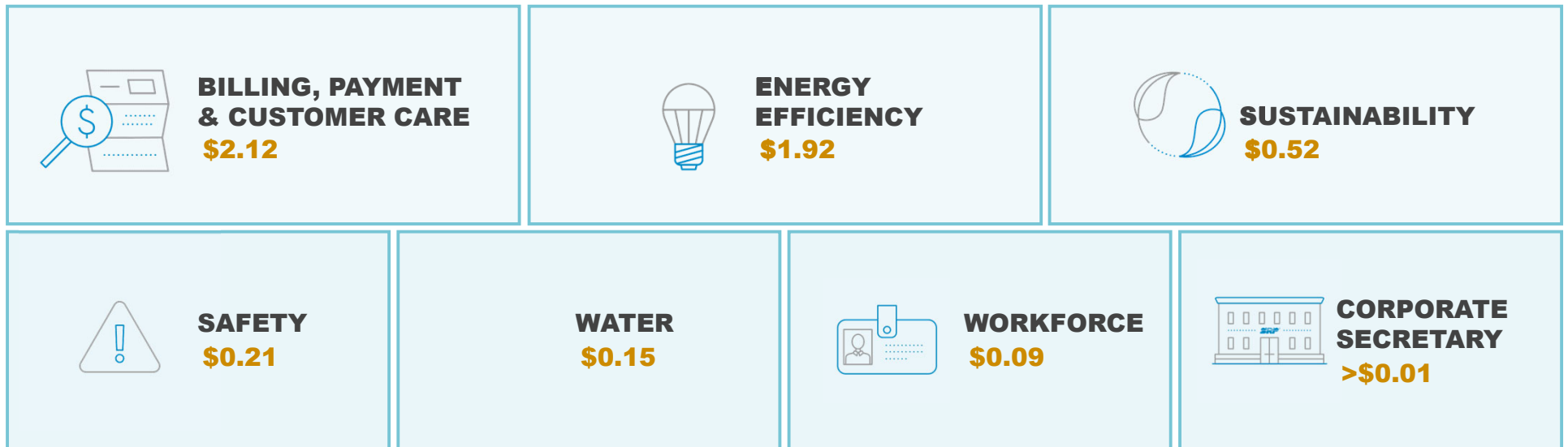


Source: Media Radar 2026, Phoenix DMA, Traceable TV, Radio and OOH Spends

WHY WE ADVERTISE

90% OF BUDGET FOCUSED ON SAVING ENERGY & MONEY

\$5.02 / CUSTOMER





QUESTIONS?



THANK YOU



SRP BOARD & COUNCIL WORK STUDY SESSION

LARGE BUSINESS CUSTOMER PERSPECTIVE

MODERATOR: DANNY SEIDEN, ARIZONA CHAMBER OF COMMERCE & INDUSTRY



Jim Evers

Vice President, Ohio Site and Frontend Global Facilities
General Manager



Brett Thompson

Energy Manager



Bill Jabjiniak

Senior Vice President, National Community /
Government Relations

