

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

STRATEGIC PLANNING COMMITTEE

Thursday, September 10, 2026, 9:30 AM

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

Committee Members: Krista O'Brien, Chair; Paul Rovey, Vice Chair; and Robert Arnett,
Thomas Galvin, Mario Herrera, Kathy Mohr-Almeida, and Stephen Williams

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 itemCHAIR KRISTA O'BRIEN
 - Request for approval of the minutes for the meeting of June 4, 2026.
2. Artificial Intelligence (AI) at SRP KAITLYN LIBBY
Informational presentation regarding SRP's approach for prioritizing, governing, and implementing AI and automation technologies.
3. SRP 2035 Sustainability Goals Fiscal Year 2026 (FY26) Progress
..... LEAH HARRISON and VARIOUS
Informational presentation regarding key activities and progress made in FY26 toward the achievement of SRP's 2035 Sustainability Goals.
4. Integrated System Plan (ISP) Update MARY FAULK
Informational presentation regarding an update on the progress of the 2027 ISP and an overview of upcoming activities and milestones.
5. Report on Current Events by the General Manager and Chief Executive Officer or Designees JIM PRATT
6. Future Agenda Topics CHAIR KRISTA O'BRIEN

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.



NOTICE WILL BE SENT REGARDING THE NEXT
STRATEGIC PLANNING COMMITTEE MEETING

09/03/2026

MINUTES
STRATEGIC PLANNING COMMITTEE MEETING

DRAFT

June 4, 2026

A meeting of the Strategic Planning Committee of the Salt River Project Agricultural Improvement and Power District (the District) and the Salt River Valley Water Users' Association (the Association), collectively SRP, convened at 9:30 a.m. on Thursday, June 4, 2026, from the Hoopes Board Conference 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.

Committee Members present at roll call were K. O'Brien, Chair; P. Rovey, Vice Chair; and R. Arnett, M. Herrera, K. Mohr-Almeida, and S. Williams.

Committee Member absent at roll call was N. Brown.

Also present were President C. Dobson; Vice President B. Paceley; Board Members K. Clark, C. Clowes, M. Harlan, K. Johnson, and L. Rovey; Council Chair R. Shelton; Council Vice Chair S. Naylor; Council Liaisons G. Geiger and E. Gorseger; Council Members N. Brown, R. Gutierrez, C. Resch-Geretti, W. Sheely, and S. Travise; I. Avalos, A. Bond-Simpson, A. Chabrier, A. Davis, M. Faulk, L. Harrison, L. Hobaica, V. Kisicki, B. Koch, K. Lee, K. Libby, A. Lucas, L. Meyers, A. Mirabito, M. O'Connor, B. Olsen, J. Pratt, M. Purnell, J. Schuricht, and R. Taylor of SRP; Gary Dirks of Arizona State University (ASU); Andy Jacobs of Strategy 48; Alex Routhier of Western Resource Advocates (WRA); Jeff Schneidman of Plattner, Schneidman & Schneider, P.C.; and Susan Schultz of The Board Institute.

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 Strategic Planning Committee meeting at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona, at 9:00 a.m. on Tuesday, June 2, 2026.

Chair K. O'Brien called the meeting to order.

Consent Agenda

Chair K. O'Brien requested a motion for Committee approval of the Consent Agenda, in its entirety.

On a motion duly made by Board Member K. Mohr-Almeida and seconded by Vice Chair P. Rovey, the Committee unanimously approved and adopted the following item on the Consent Agenda:

- Minutes of the Strategic Planning Committee meeting on September 11, 2025, as presented.

Assistant Corporate Secretary L. Hobaica polled the Committee Members on Board Member K. Mohr-Almeida's motion to approve the Consent Agenda, in its entirety. The vote was recorded as follows:

YES:	Board Members K. O'Brien, Chair; P. Rovey, Vice Chair; and R. Arnett, M. Herrera, K. Mohr-Almeida, and S. Williams	(6)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	Board Member N. Brown	(1)

Greenhouse Gas (GHG) Inventory Verified
Results for Fiscal Year 2025 (FY25)

Using a PowerPoint presentation, Anthony Mirabito, SRP Senior Data Analyst, stated that the purpose of the presentation was to provide the results of SRP's third-party verified GHG inventory and carbon intensity metric for FY25. They explained that SRP measures and reports annual GHG mass emissions associated with its operations and its annual carbon intensity of generation serving its retail customers.

A. Mirabito outlined the key reasons that SRP reports its GHG emissions and highlighted that it aligns with industry disclosure standards – FY25 emissions were verified by a third-party and published to The Climate Registry. They reviewed the timeline of the annual carbon reporting.

A. Mirabito reviewed historical GHG emissions supporting SRP's operations and GHG emissions supporting SRP's operations for FY25. They explained that GHG emissions are reported across three scope categories: 1) Scope 1 – emissions directly from company-owned assets or operations; 2) Scope 2 – emissions from electricity purchased and consumed in company operations; and 3) Scope 3 – emissions upstream of company-owned assets or operations.

A. Mirabito presented a chart of GHG emissions from retail energy deliveries from FY05 through FY25. They stated that since 2005, retail energy deliveries have increased by 35%, retail carbon intensity has decreased by 51%, and retail mass has decreased by 34%.

A. Mirabito reviewed SRP's FY25 energy sources – retail energy mix and reminded the Committee that SRP is committed to net-zero carbon emissions for retail energy by 2050. They provided an overview of forecasted retail energy mix for FY35.

A. Mirabito concluded with key takeaways and the GHG reporting resources. They responded to questions from the Committee.

Copies of the handout 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.

Board Member N. Brown; Corporate Secretary J. Felty; Don Erpenbeck of Stantec; and Gloria Greene, a member of the public, entered the meeting during the presentation.

Integrated System Plan (ISP)

Using a PowerPoint presentation, Mary Faulk, SRP Director of Integrated System Planning and Support, stated that the purpose of the presentation was to provide information regarding the purpose and benefits of the ISP, expectations, and timing for the next ISP.

M. Faulk provided an overview and timeline of SRP's ISP and explained how the ISP evolved and how the power system is changing. They explained that the ISP is based on distribution planning, resource planning, transmission planning, customer programs, and forecasting, and it informed by stakeholder and customer engagement.

M. Faulk said that the ISP considers the following plausible futures when making long-term decisions: 1) load growth; 2) emerging technology and supply chain; 3) changing fuel and technology costs; 4) market support and policy shifts; 5) community and customer sentiments; and 6) customer resources. They explained how SRP system strategies are analyzed under different future scenarios.

M. Faulk reviewed the ISP's grounds policies, goals, financial plans, and project decisions. They summarized the ISP's key takeaways, ISP actions – customer grid focused and bulk system focused.

M. Faulk concluded with an overview of the following items: 1) timing and engagement for SRP's first ISP; 2) advisory group composition – regional and local interest groups, customer groups, municipalities, and energy industry groups; 3) refreshing the ISP; 4) 2027 ISP timeline; and 5) next steps.

M. Faulk 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 R. Arnett and A. Mirabito of SRP left the meeting during the presentation.

Carbon Goal Frameworks and Implications for Future Planning

Using a PowerPoint presentation, Angie Bond-Simpson, SRP Senior Director of Resource Management, stated that the purpose of the presentation was to provide information regarding SRP's carbon goals, progress toward those goals, current system, and cost realities.

A. Bond-Simpson stated that SRP's focus is to deliver carbon emissions reduction while maintaining affordable and reliable service for the customers we serve. They reviewed carbon goal metrics and measurements.

A. Bond-Simpson explained how mass and intensity goals work together. They said that SRP's goals are designed to deliver real emissions reductions at scale in a growing system.

A. Bond-Simpson provided an overview of the following: 1) customer considerations; 2) balanced system planning; 3) GHG emissions from retail energy deliveries from FY05 through FY25; 4) SRP's renewable and storage commitments; 5) SRP's lower carbon trajectory from FY05 through current Financial Plan 2027 (FP27); and 6) considerations for future progress. They stated that SRP continues to evaluate the ISP and path forward.

A. Bond-Simpson stated that all 18 SRP 2035 Sustainability Goals and reporting are posted at srpnet.com/2035. They concluded with carbon goal takeaways.

A. Bond-Simpson 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 M. Herrera, Corporate Secretary J. Felty, and Gloria Greene, a member of the public, left the meeting during the presentation.

Report on Current Events by the General Manager and Chief Executive Officer or Designees

Jim Pratt, SRP General Manager and Chief Executive Officer, reported on a variety of federal, state, and local topics of interest to the Committee.

Future Agenda Topics

Chair K. O'Brien asked the Committee if there were any future agenda topics. Board Member K. Mohr-Almeida requested that Management incorporate the social cost of carbon within the monthly financial reports given by Brian Koch, SRP Associate General Manager and Chief Financial Executive.

There being no further business to come before the Strategic Planning Committee, the meeting adjourned at 11:36 a.m.

Lora Hobaica
Assistant Corporate Secretary



Delivering water and power®

ARTIFICIAL INTELLIGENCE AT SRP

Kaitlyn Libby, Director of Corporate Strategy & Risk Management | September 10, 2026



Delivering water and power®

2050 VISION

A secure water and clean
energy future empowers
Arizona to thrive for
generations to come.





THE NEW UTILITY IMPERATIVE

- Serve major growth at unprecedented pace
- Maintain leading reliability & safety
- Modernize grid, technologies, and aging assets
- Reduce carbon emissions
- Keep service affordable
- Improve the customer experience
- Deepen community engagement
- Manage through policy uncertainty
- Evolve culture, skills, and employee experience
- And more...

THE ROLE OF AI AT SRP

Make it easier and faster for our team members to deliver what matters most to our customers by improving how we work and unlocking new ways to fulfill our mission and strategy.



EFFICIENCY & PRODUCTIVITY DRIVER

Simplify or automate routine and manual tasks; free up capacity for higher-priority activities that require human judgment, experience and care.



STRATEGIC ENABLER

Apply AI to achieve SRP's strategic goals and vision by accelerating execution, improving insights, and uncovering new ways of operating.

OPPORTUNITIES TO APPLY AI AT SRP

Many are in use or being piloted today; others are opportunities for the future



EFFICIENCY & PRODUCTIVITY

- Automated content creation, processing, and summarization
- Knowledge retrieval (e.g., “Answer in SRP Context”)
- Code generation support
- Workflow automation
- Decision support and optimization
- Process monitoring and continuous improvement



STRATEGIC ENABLEMENT

- Customer interaction support
- Personalized customer engagement and experience
- Sophisticated system planning and operations
- Intelligent decision-making and forecasting
- Risk and resilience management

**Not exhaustive, for example purposes*

SRP'S APPROACH

THE AI HUB'S ROLE

- Enterprise AI Strategy
- Responsible AI Governance, Policies & Standards
- Intake, Review & Approval Processes
- Solution Selection & Delivery Support
- Workforce Readiness

THE BUSINESS SPOKES' ROLE

- Use Case Identification & Initial Prioritization
- Responsible Adoption & Utilization
- Data Readiness & Data Quality
- Value Realization & Business Outcomes



The Enterprise AI Hub ensures responsible AI adoption through a strategic, business-led approach.

GOVERNANCE & CONTROLS

How SRP ensures safe, secure, and responsible AI adoption

ACCESS & APPROVAL

- **Access to AI tools is tightly controlled** and limited to SRP-approved technologies for business purposes only.
- **Every AI tool or feature goes through a rigorous review** evaluating cybersecurity, legal, privacy, ethical, business value, and vendor considerations.

ACCOUNTABILITY & OVERSIGHT

- **Human accountability, validation, and oversight is required** across all AI use cases.
- **AI supports decision-making; it does not make decisions** on SRP's behalf.
- **AI is used where it is most impactful** and adds meaningful business value.

DATA & USAGE

- **Sensitive operational, employee, customer, and critical infrastructure data is protected** in accordance with applicable regulatory and industry requirements.
- **Licenses and usage are actively monitored and managed** based on fee structures and allocations.

CURRENT INITIATIVES & LOOKING AHEAD

- **Strengthening our foundation for successful AI adoption:**
 - Data readiness (reliable, high-quality data)
 - Formalizing internal processes/governance and AI Hub approach
 - Change management and workforce proficiency
- **Engaging with industry peers and partners:**
 - EPRI Initiatives (SaferAI; AI for Power; DCFlex)
 - Large Public Power Council
 - State universities and community colleges
 - Technology partners
- **Scaling what works while identifying and pursuing next high-value opportunities.**



EMPOWERING OUR WORKFORCE

SRP launched a targeted development program led by ASU as part of our strategic partnership

54 team members

across

**All job levels and
organizations**

focused on

**AI mindset, responsible
use, and practical
business application**



EMPOWERING OUR WORKFORCE

SRP's first-ever AI Hackathon showcased strong innovation, use case identification, and collaboration



“ *Working in energy, we literally power innovation. And that gives us a chance to show how this tech can bring people together, not just optimize tasks.* ”



“ *My biggest takeaway was the power of collaboration, continuous learning, and having the confidence to champion an idea.* ”

“ *I learned how much AI can do, how quickly we can develop apps without coding skills, and especially how to prompt, and last but not least, we need a human intervention and overlook of what AI does!* ”



THANK YOU





SRP 2035 Sustainability Goals Fiscal Year 2026 Progress

Strategic Planning Committee

Leah Harrison and Sustainability Goal Owners | September 10, 2026



MISSION

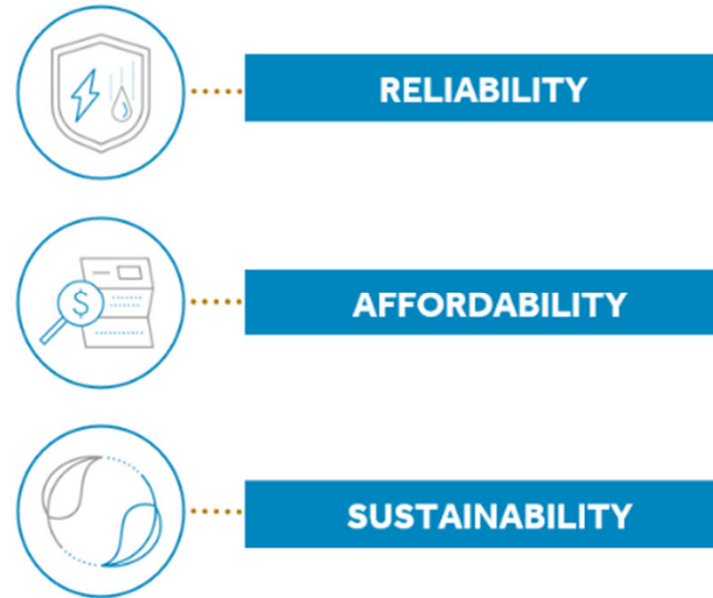
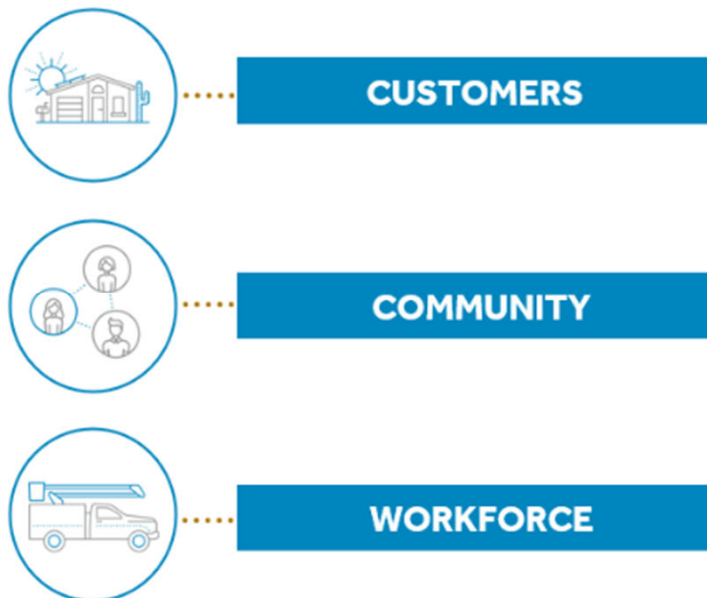
SRP serves our customers and communities by providing reliable, affordable and sustainable water and energy.

2050 VISION

A secure water and clean energy future empowers Arizona to thrive for generations to come.



2035 Strategic Directions

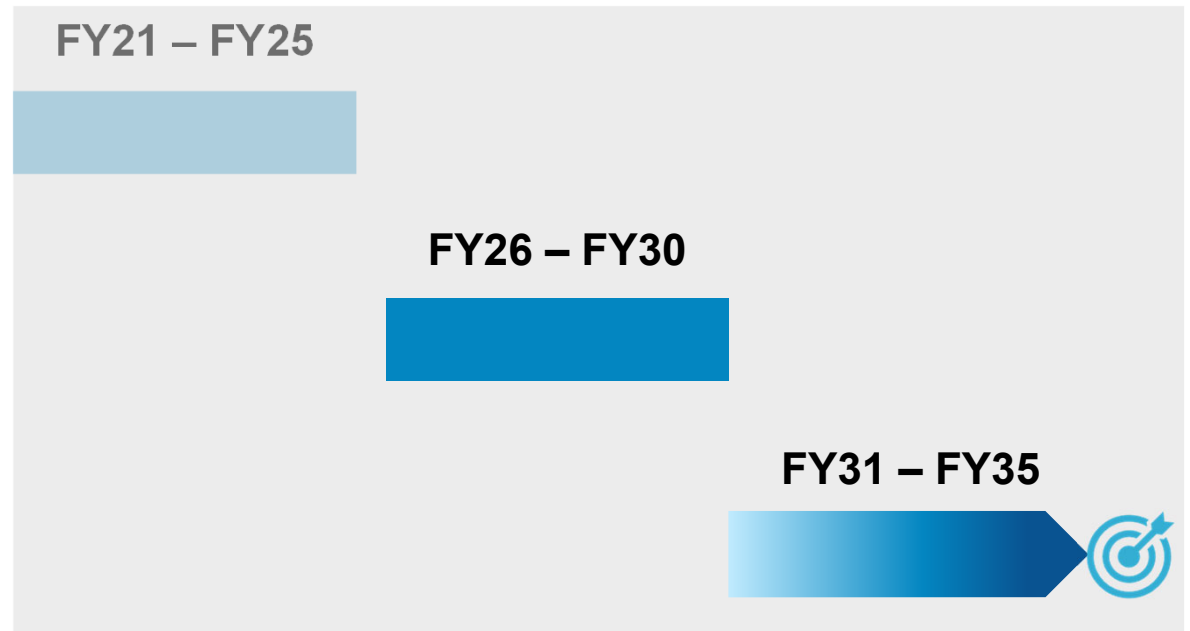


Phased Execution and Action Planning

FOUNDATIONAL EXECUTION
PHASE 1 ACTION PLANS

★ STRATEGIC EXECUTION
PHASE 2 ACTION PLANS

REALIZE GOALS
PHASE 3 ACTION PLANS



2035 Sustainability Goal Progress Snapshot*

Strong Progress



Community Water Conservation



Water Storage

On Track



Generation Carbon



Generation Fleet-Wide Water Reduction



Industrial Waste



Facilities Carbon



Forest Restoration



Supply Chain



Generation Groundwater



Customer Sustainability Sentiment Rating



Energy Efficiency



Demand Response



Transportation Electrification



Electric Technologies



Grid Enablement

Needs Attention



Transportation Fleet Carbon



Municipal Waste

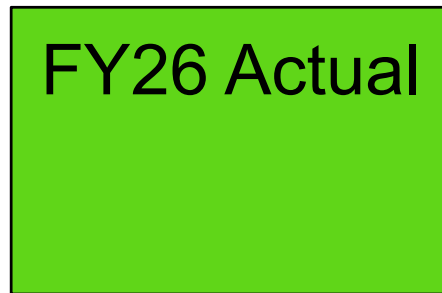
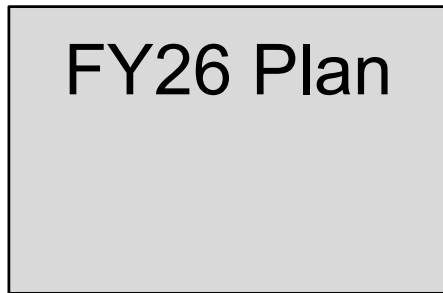


Facilities Water

***Bolded Goals** highlighted in presentation.

Goal Progress Example

Current Status:



Measured in:

Successes & Challenges in FY26

Looking Ahead

FY26 2035 Sustainability Goal Progress Updates

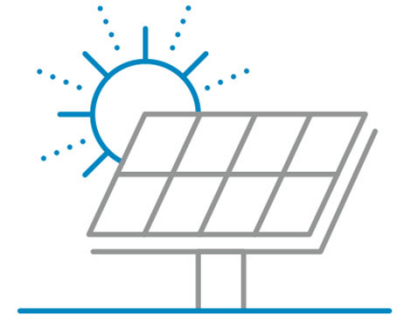
Generation Carbon

Reduce the amount of CO₂ emitted by generation (per MWh) by 82% from 2005 levels by 2035 (~284 lbs/MWh) —
2050 goal: Net-zero carbon emissions

Generation Carbon (for Retail Energy)

Current Status: On Track

FY26 Plan 796	FY26 Actual* 734
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Measured in: *Pounds of CO₂ per MWh delivered to retail customers*

Successes & Challenges in FY26

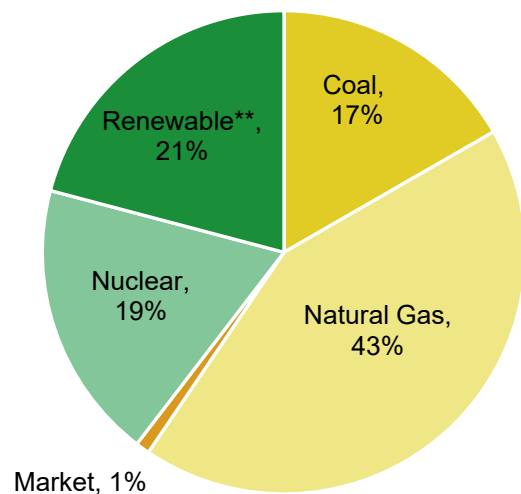
- Market economics reduced coal generation by 29%, as lower-cost market purchases displaced generation.
- Added 155 MW of solar capacity and 450 MW of energy storage, expanding renewable energy production and utilization.
- Steady growth continues to place pressure on year-over-year emissions reductions.

** Preliminary FY26 metric. Not yet third-party verified or submitted to The Climate Registry (TCR). Verification by TCR anticipated in Spring 2027*

FY26 Retail Energy Supply Mix

FY26 Budget

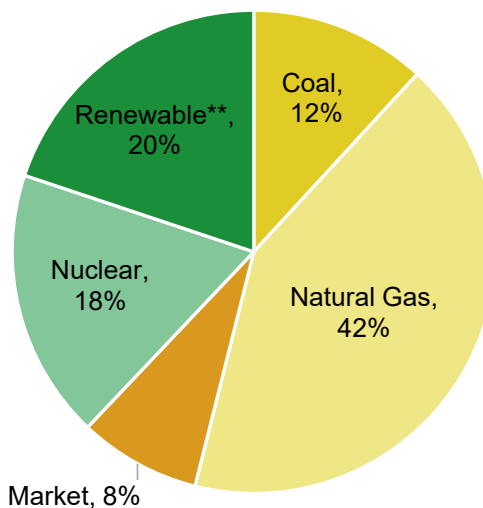
36.7M MWh
Generation



FY26 Actual

(Preliminary*)

37.1M MWh
Generation



- Retail energy deliveries exceeded plan, resulting in higher-than-expected generation.
- Coal generation declined significantly as market economics shifted dispatch decisions.
- Market purchases increased and contributed to carbon performance that exceeded plan.

* Preliminary FY26 metric. Not yet third-party verified or submitted to The Climate Registry (TCR). Verification by TCR anticipated in Spring 2027

** Renewables: Solar, Hydro, Wind, Biomass, Geothermal

FY26 Achievements & Goal Enablement

Commissioned 155 MW of Renewables

- Box Canyon Solar (100 MW)
- SRP-owned Copper Crossing Solar (55 MW)

Commissioned 450 MW of Standalone Storage

- Pediment Battery (250 MW/1,000 MWh)
- Flatland Battery (200 MW/800 MWh)

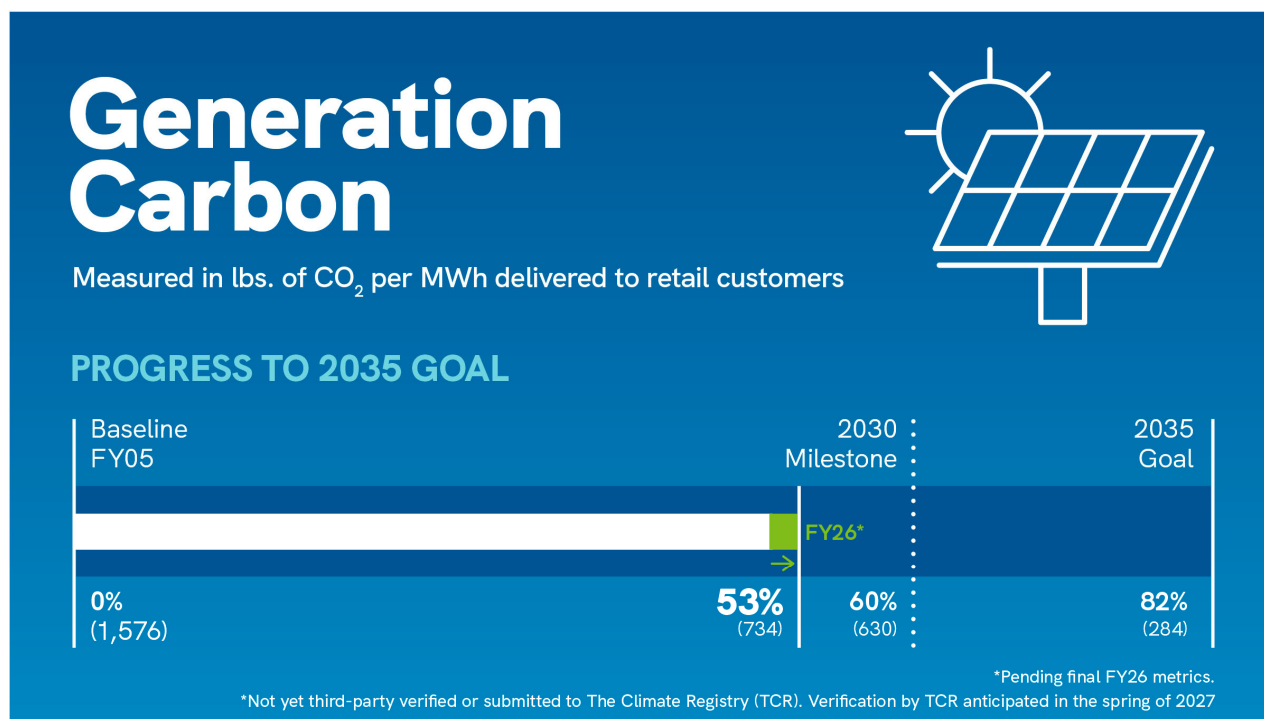
Active Pursuit of Future Projects

- Obtained Board approval for 600 MW of wind, 400 MW of solar, and 450 MW of storage projects.
- Executed binding agreements for 600 MW of wind, 1,100 MW of solar, and nearly 2,300 MW of storage projects.
- Executed Solar Development Agreement with NextEra for up to 3,000 MW of additional solar projects by 2035.



Generation Carbon (for Retail Energy)

Reduce the amount of CO₂ emitted by generation (per MWh) by 82% from 2005 levels by 2035 (~284 lbs/MWh) — 2050 goal: Net-zero carbon emissions



FY26 Results*:

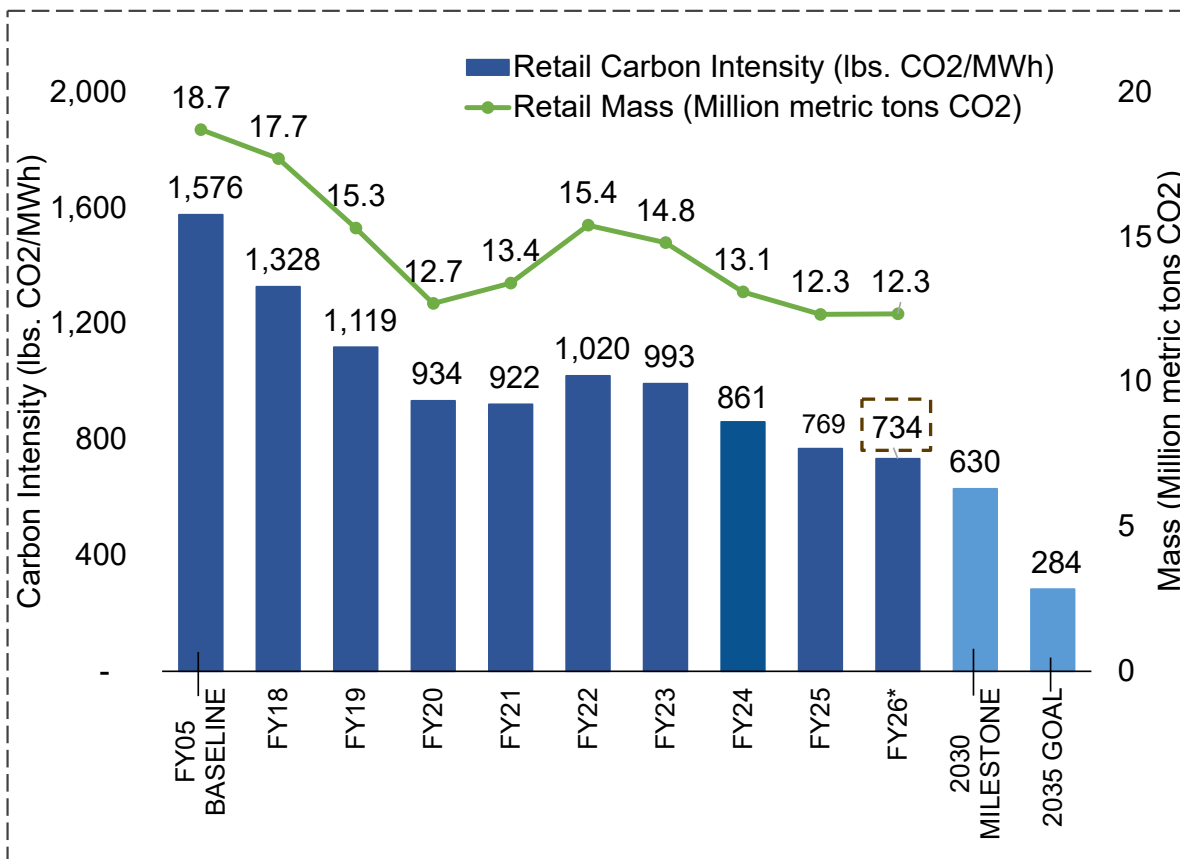
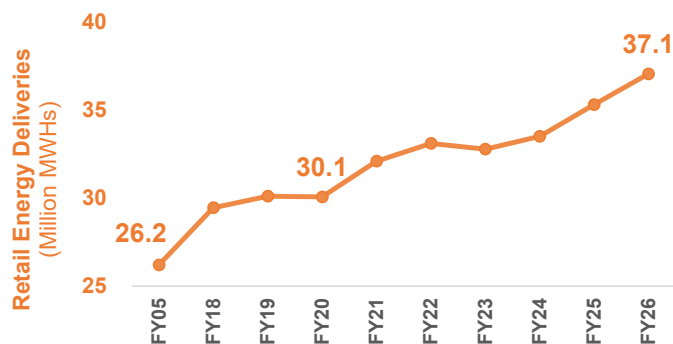
Reduced SRP's retail generation carbon intensity to **734 lbs. CO₂ per MWh** — a **53% reduction** from 2005.

Produced **12.3 million metric tons of CO₂ emissions** on a mass basis.

GHG Emissions From Retail Energy Deliveries Over Time

- **Retail Carbon Intensity** has **decreased by 53%** since 2005
- **Retail Mass** has **decreased by 34%** since 2005

- **Retail Energy Deliveries** have **increased by 42%** since 2005



* Preliminary FY26 metric. Not yet third-party verified or submitted to The Climate Registry (TCR). Verification by TCR anticipated in Spring 2027

Generation Fleetwide Water Reduction

Achieve 30% reduction in generation-related water use intensity across all water types from 2005 baseline

Generation Fleetwide Water Reduction

Current Status: On Track



FY26 Plan
405

FY26 Actual*
397

Measured in: *Gallons per MWh of generation-related water use*

Successes & Challenges in FY26

- Market economics reduced coal generation by 29%, as lower-cost market purchases displaced generation.
- Targeted recovery projects and infrastructure upgrades reduced water losses.
- Enhanced controls improved water management and process-water efficiency.
- Ongoing conservation initiatives continue to identify and capture water savings.
- Steady growth continues to place pressure on year-over-year water reductions.

** Preliminary FY26 metric. Not yet third-party verified or submitted to The Climate Registry (TCR). Verification by TCR anticipated in Spring 2027*

FY26 Generation Water Highlights

Operational Efficiency and Water Stewardship

Gila River Generating Station

- Water Recovery Upgrades: Increased water recycling and reuse.
- Control Room Visibility Tool: Reduced water waste through enhanced controls.
- Demineralizer Improvements: Improved reliability while minimizing water waste.

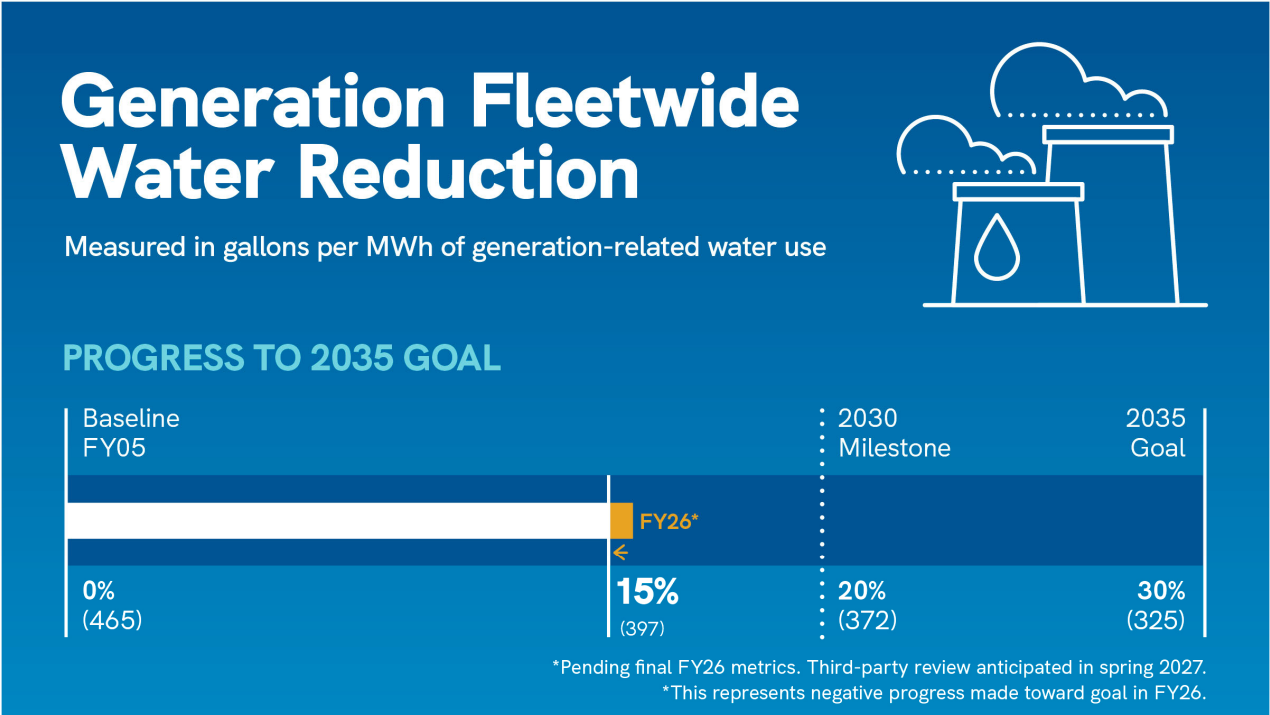
Agua Fria Generating Station

- Water System Modifications: Reduced water losses and improved utilization.
- Fire Water System Replacement: Eliminated persistent leaks and improved reliability.
- RO Treatment Optimization: Improved purification efficiency and equipment protection.



Generation Fleetwide Water Reduction

Achieve 30% reduction in generation-related water use intensity across all water types from 2005 baseline

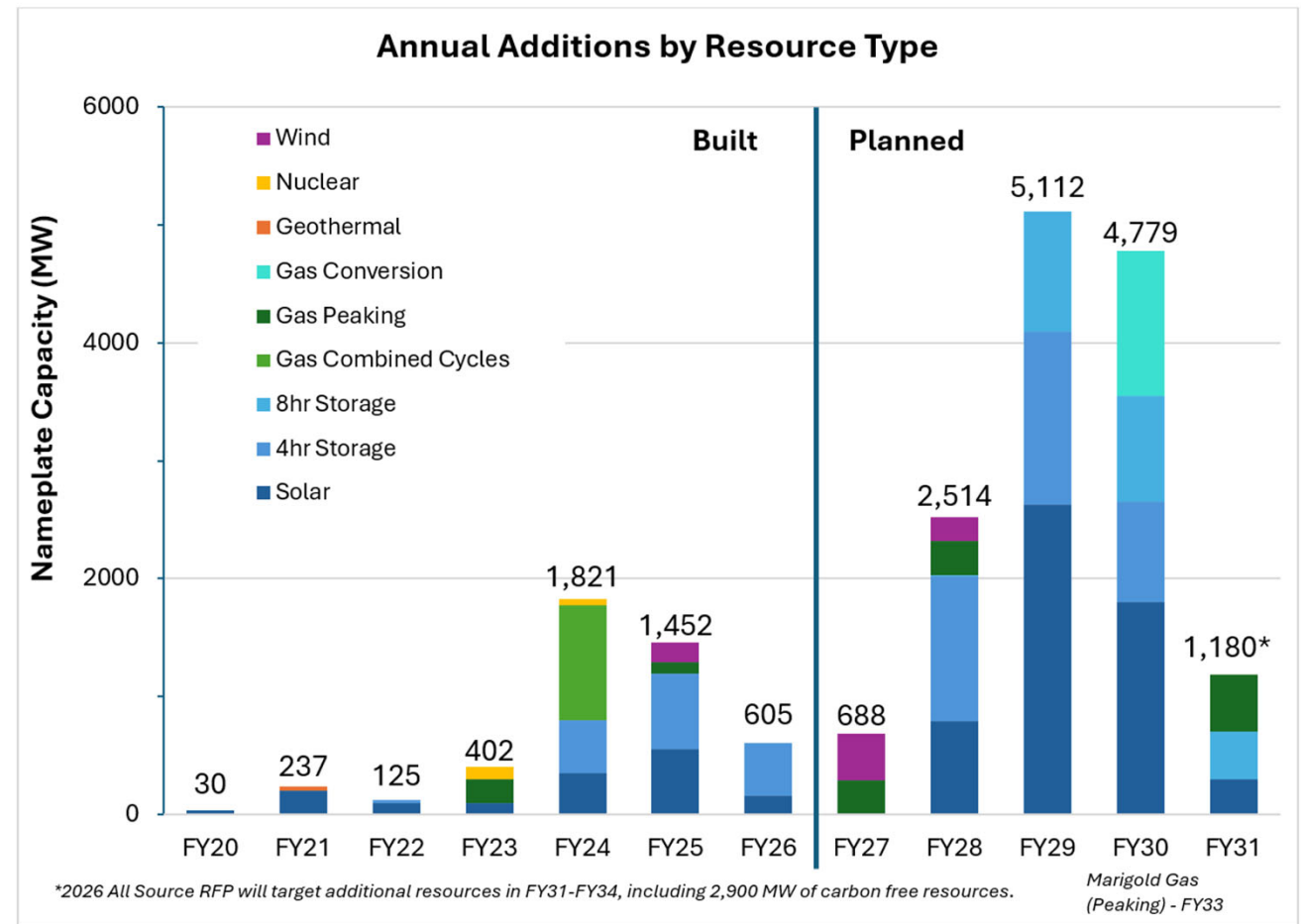


FY26 Results*:

Reduced generation-related water use intensity to **397 gallons per MWh** — a **15% reduction** from 2005.

Looking Ahead

- 400 MW of wind expected online in FY27
- 14+ GW of planned resource additions through FY31
- Nearly 80% of planned additions are carbon-free and water-free resources and energy storage



Facilities Carbon

Reduce carbon emissions from facilities by 45% on a mass basis from 2016 baseline

Facilities Carbon

Current Status: On Track

FY26 Plan
34.7M

FY26 Actual
32.9M

Measured in:
*Pounds of CO₂e emissions
from SRP facilities*

Successes & Challenges in FY26

- East Valley Service Center Warehouse EVAP conversion
- Complete year with Technology Studio Building in portfolio
- Decommissioned 16th Street and 27th Street
- Demolished buildings at Foothills Training Facility
- Employee Growth – added 809 TOs since FY21
- Shifting building portfolio
- Continued adoption of fleet and employee electric vehicles



Facilities Carbon

Reduce carbon emissions from facilities by 45% on a mass basis from 2016 baseline



FY26 Results:

32.9 million lbs. CO₂e from SRP facility operations — an **increase of 3.4 million** lbs. CO₂e from FY25.

Facilities Carbon

Looking Ahead

- Continued implementation of Tridium-Niagara building automation
- Comprehensive building renovations
- Continued efforts on building portfolio reductions
- Evaluate potential photovoltaic building systems



Facilities Water

Reduce water use at SRP facilities by 45% on a mass basis from 2016 baseline

Facilities Water

Current Status: Needs Attention

FY26 Plan

60M

FY26 Actual

69.4M

Measured in:
*Gallons of water used in
SRP facilities*

Successes & Challenges in FY26

- East Valley Service Center Warehouse EVAP conversion
- Complete year with Technology Studio Building in portfolio
- Decommissioned 16th Street and 27th Street
- Demolished buildings at Foothills Training Facility
- Landscape irrigation maturation stage
- Shifting building portfolio
- Budget constraints



Facilities Water

Reduce water use at SRP facilities by 45% on a mass basis from 2016 baseline



FY26 Results:

Used **69.4 million gallons** of water in SRP facilities — a **decrease of 0.6 million gallons** from FY25.

Facilities Water

Looking Ahead

- Continued chiller plant and EVAP cooling upgrades
- Continued irrigation system upgrades utilizing new landscape standards
- Utilize municipality WaterSmart dashboards to identify leaks and issues earlier
- Continued efforts on building portfolio reductions



Transportation Fleet Carbon

**Reduce carbon emissions from fleet by 30% on a mass
basis from 2016 baseline**

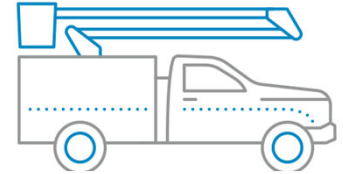
Transportation Fleet Carbon

Current Status: Needs Attention

FY26 Plan
33.2M

FY26 Actual
35.3M

Measured in:
*Pounds of CO₂e emissions
from SRP vehicle fleet*

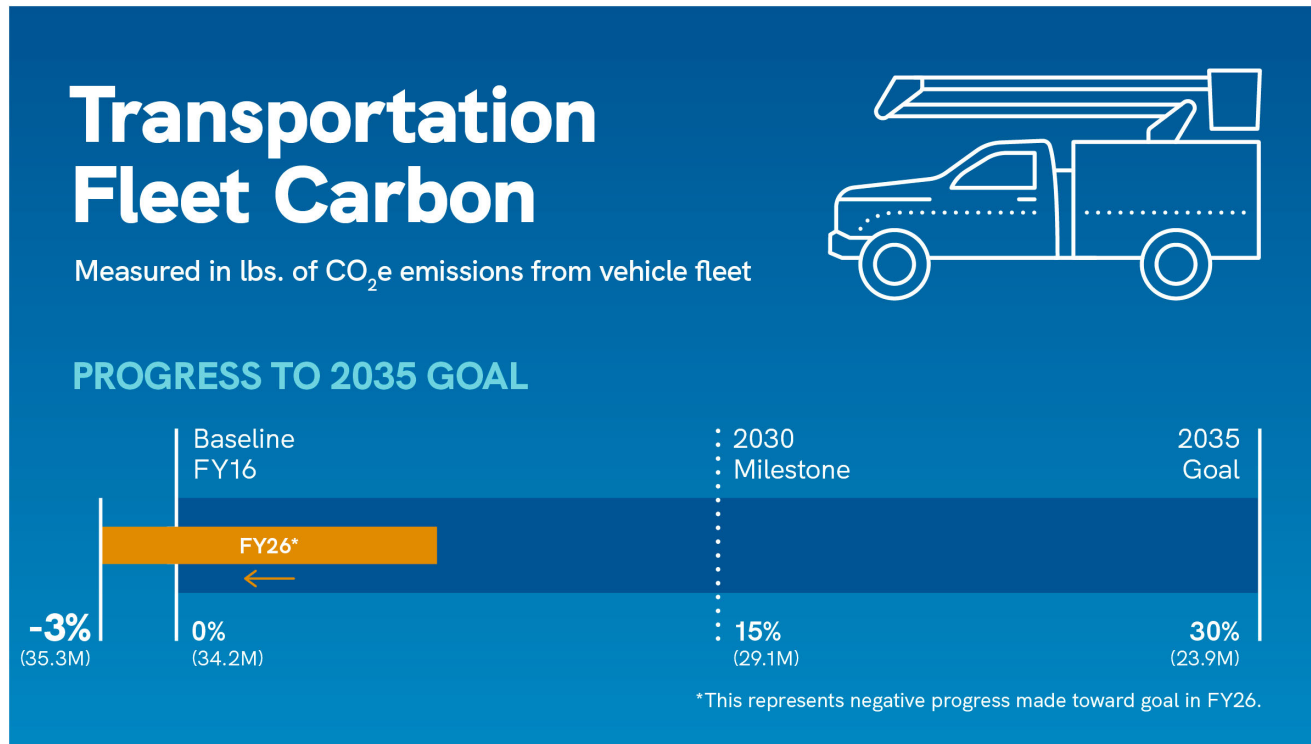


Successes & Challenges in FY26

- Fleet idle reporting to department leaders, avoiding 875K lbs. of CO₂ emissions
- 24 EVs purchased
- Transitioned 13 heavy duty assets to more efficient medium duty
- Fleet Growth – 63 additional assets since FY25
- Miles Driven – 1,000,000 mile increase since FY25
- Manufacturers discontinued production of ½ ton EV pickup trucks

Transportation Fleet Carbon

Reduce carbon emissions from fleet by 30% on a mass basis from 2016 baseline



FY26 Results:

Produced **35.3 million lbs. CO₂e** from operating SRP fleet vehicles — **an increase of 3.7 million lbs. CO₂e** from FY25.

Transportation Fleet Carbon

Looking Ahead

- Continued focus on idle reduction
- Leverage electric Power Take-Off (ePTO) technology, allowing climate control and vehicle accessories to run without engine operation in MD/HD vehicles
- Pilot emerging EV trucks compatible with some SRP operations
- Right-size fleet to optimize efficiency for job duty

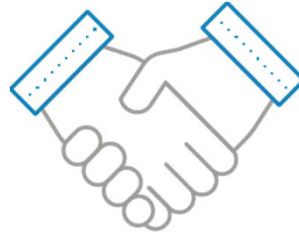


Supply Chain

Incorporate sustainability criteria into sourcing decisions for 100% of managed spend* and integrate sustainability criteria into the supplier pre-qualification requirements for 100% of SRP suppliers

***Defined as spend managed by SRP's Purchasing Services**

Supply Chain



Current Status: On Track

FY26 Plan
50%

FY26 Actual
51%

Measured in:

% of managed spend with sustainability criteria in sourcing decisions

Successes & Challenges in FY26

- A supplier pre-qualification process has been fully integrated into SRP' supplier onboarding tool.
- Supply Chain is now actively pre-qualifying all new SRP suppliers when onboarded.
- SRP's supplier onboarding tool has been enriched to include Dun & Bradstreet environmental risk data for every SRP supplier.
- Progress in FY26 toward increasing the percentage of managed spend incorporating sustainability criteria into sourcing decisions was limited due to the lack of tools and technology to support the process. With these tools and technologies now in place, significant advancement is expected in FY27 and beyond.

Supply Chain

Incorporate sustainability criteria into sourcing decisions for 100% of managed spend* and integrate sustainability criteria into the supplier pre-qualification requirements for 100% of SRP suppliers

*Defined as spend managed by SRP's Purchasing Services



FY26 Results:

51% of managed spend incorporated sustainability criteria into sourcing decisions — **constant from 51%** in FY25.

Supply Chain

Looking Ahead

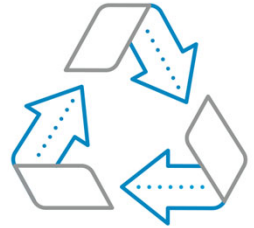
- The next key initiative is to qualify SRP's existing supplier base against established qualification criteria. Supply Chain will leverage analytics to identify suppliers that have not yet been prequalified and will systematically complete the qualification process until 100% of SRP suppliers have been assessed and qualified.
- In addition, Supply Chain will continue prequalification of all new SRP suppliers on sustainability criteria.
- Monitor and assess metrics and Dun & Bradstreet enrichment data to identify opportunities to improve and enhance process and supplier environmental risk management

Municipal Waste

**Divert 75% of municipal solid waste by 2035;
100% by 2050**

Municipal Waste

Current Status: Needs Attention



FY26 Plan

54%

FY26 Actual

48%

Measured in:
*% municipal solid waste
diversion rate*

Successes & Challenges in FY26

- 20 Mill food recycling containers rolled out across 13 facilities
- Coffee ground composting expanded across 8 facilities
- Total office waste volume is down 25% from FY25
- PAB compost down 40% vs FY25
- SRP paper diversion down 46% vs FY25
- Contractors and temporary staff unfamiliar with SRP's waste diversion practices

Municipal Waste

Divert 75% of municipal solid waste by 2035; 100% by 2050



FY26 Results:

Diverted 48% of municipal solid waste (MSW) —
A decrease from 54.7% in FY25.

Total mass of MSW decreased from 1,551 tons in FY25 to 1,168 tons in FY26.

Municipal Waste

Looking Ahead

- Strengthen communication between SRP teams and custodial staff regarding waste diversion programs.
- Evaluate each landfill container for actual need and purpose, then remove or relocate unnecessary capacity across SRP
- Increase food diversion and extend paper-towel composting using existing food-recycling and coffee-ground collection infrastructure
 - Review placement of Mill food-recycling containers to increase participation and diversion
 - Expand paper-towel composting at facilities already equipped for food scraps and coffee-ground collection
- Industry-wide progress remains difficult for plastic film, Styrofoam, food packaging, and other hard plastics without scalable downstream pathways
- Food waste diversion remains SRP's strongest near-term opportunity; outreach and targeted education can grow participation as the food-recycling industry expands

Industrial Waste

**Divert 95% of nonhazardous industrial solid waste sent to
Investment Recovery; 100% by 2050**

Industrial Waste

Current Status: On Track

FY26 Plan
77%

FY26 Actual
75%

Measured in:
*% non-hazardous industrial
solid waste diversion rate*



Successes & Challenges in FY26

- Granulator upgrade increased throughput 98%
- Treated wood pole recycling expanded—1,365 tons recycled to date
- Cable jacketing successfully transformed into flash graphene
- Clean-wood contamination persists
- Recyclables taken to landfill in error
- Overall industrial waste volume increased 24% from FY25

Industrial Waste

Divert 95% of nonhazardous industrial solid waste sent to Investment Recovery; 100% by 2050



FY26 Results:

Diverted **75%** of non-hazardous industrial solid waste (NHISW) — **constant from 75%** in FY25. Total mass of NHISW **increased** to 19,351 tons from 15,648 tons in FY25.

Industrial Waste

Looking Ahead

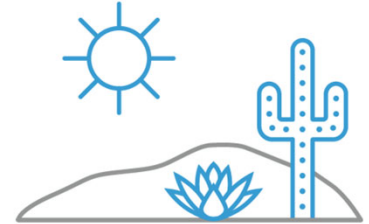
- Roll out SRP's new industrial waste training for all field employees
- Use AI-enabled cameras to identify contamination, analyze waste streams, and uncover diversion opportunities
- Upgrade priority disposal areas with clearer signage, improved layouts, and consistent operating standards
- Advance the SRP– ASU cable-jacketing project through technical refinement, peer-reviewed publication, patent protection, and process scale-up
- Refine waste disposal practices across SRP facilities to improve material segregation and support waste diversion efforts.

Community Water Conservation

Achieve 5 billion gallons (~15,300 acre-feet) of water conservation by 2035 through partnership

Community Water Conservation

Current Status: On Track



FY26 Plan
850M

FY26 Actual
1.19B

Measured in:

*Gallons of water
conservation achieved*

Successes & Challenges in FY26

- Updated reporting for the Waterfluence program for 2024 and 2025 accounted for 586M+ gallons from 373 sites in Avondale, Chandler, Goodyear and Tempe.
- Collaboration with Customer Programs incorporated savings from water efficiency devices distributed through power-side programs like SRP Marketplace and Home Energy Assessments.
- New collaborations with nonprofits, including AZ Water-Wise Kits and Friends of the Verde River grants, completed their first full reporting cycles.

Community Water Conservation

Achieve 5 billion gallons (~15,300 acre-feet) of water conservation by 2035 through partnership



FY26 Results:

1.19 billion gallons of water saved through SRP programs — a **331% increase in total water savings.**

Community Water Conservation

Looking Ahead

- Gallons saved will continue to grow as new programs are established and partners submit their first annual reports.
- Other new programs, like municipal landscape efficiency assessments and flood irrigation projects, are maturing towards debut reports next FY.
- FY27/28 will focus on launching new partnerships and renewing/expanding existing partnerships through 2035.
- Potential challenges for this goal include alignment of water savings reporting for emerging partnerships.



AZ Water-Wise Kits ready to ship out across the state from Environmental Education Exchange's HQ



Cox Foundation grant for the Community Irrigation Revitalization Initiative (CIRI)

Forest Restoration

Increase SRP's leadership role in forest restoration treatments through partnerships, influence, education and support for industry to thin 800,000 acres total by 2035

Forest Restoration

Current Status: On Track

FY26 Plan
286K

FY26 Actual
286K

Measured in:
Acres thinned



Successes & Challenges in FY26

- Executed two new MOUs with The Nature Conservancy and Pheasants Forever/Quail Forever
- Renewed MOU with the Department of Forestry and Fire Management
- Published a biochar RFP
- Launched one-time Healthy Forest Initiative donations via credit card
- Collaboratively funded & implemented 11 restoration projects across 10 partners
- Federal delays
- Heritage survey backlogs

Forest Restoration

Increase SRP's leadership role in forest restoration treatments through partnerships, influence, education and support for industry to thin 800,000 acres total by 2035



FY26 Results:

Aggregate total of **286,297 acres** of forest thinned — an **increase of 46,014 acres** from FY25.

Forest Restoration

Looking Ahead

Focus areas:

- In Progress: 2 new key partnerships with Kaibab National Forest & Western Landowners Alliance on White Mountain Apache Tribal lands
- Biochar contract(s) & initial adopters program
- SRP Quantitative Wildfire Risk Assessment helping focus on priority areas for investments

Expected challenges:

- Uncertainty with federal funding; forest leadership cautious with committing to take on new large-scale, long-term projects
- Heritage surveys leading to project delays, not as many "shovel-ready" projects available
- Potential ESA listing of the Pinyon Jay



Water Storage

Lead efforts in water storage and drought resiliency by storing at least 1 million acre-feet of water supplies underground and pursuing the long-term viability of increasing beneficial use during flood events by up to 100,000 acre-feet

Water Storage

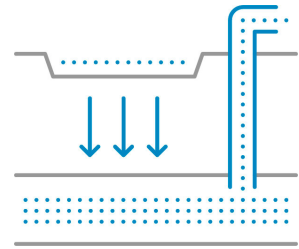
Current Status: Achieved

FY26 Plan
998.5K

FY26 Actual
1.03M

Measured in:

*Acre-feet of water stored
underground*



Successes & Challenges in FY26

- Successfully met storage goal by storing just over 1 million acre-feet of water underground through partnership with the Gila River Indian Community. This water has been stored in multiple AMAs and irrigation districts, providing a geographically diverse area of storage to support drought resiliency in central Arizona.
- Finalized water storage reconciliations.

Water Storage

Lead efforts in water storage and drought resiliency by storing at least 1 million acre-feet of water supplies underground and pursuing the long-term viability of increasing beneficial use during flood events by up to 100,000 acre-feet



FY26 Results:

Stored **1,032,242 acre-feet** underground — **100% to target.**

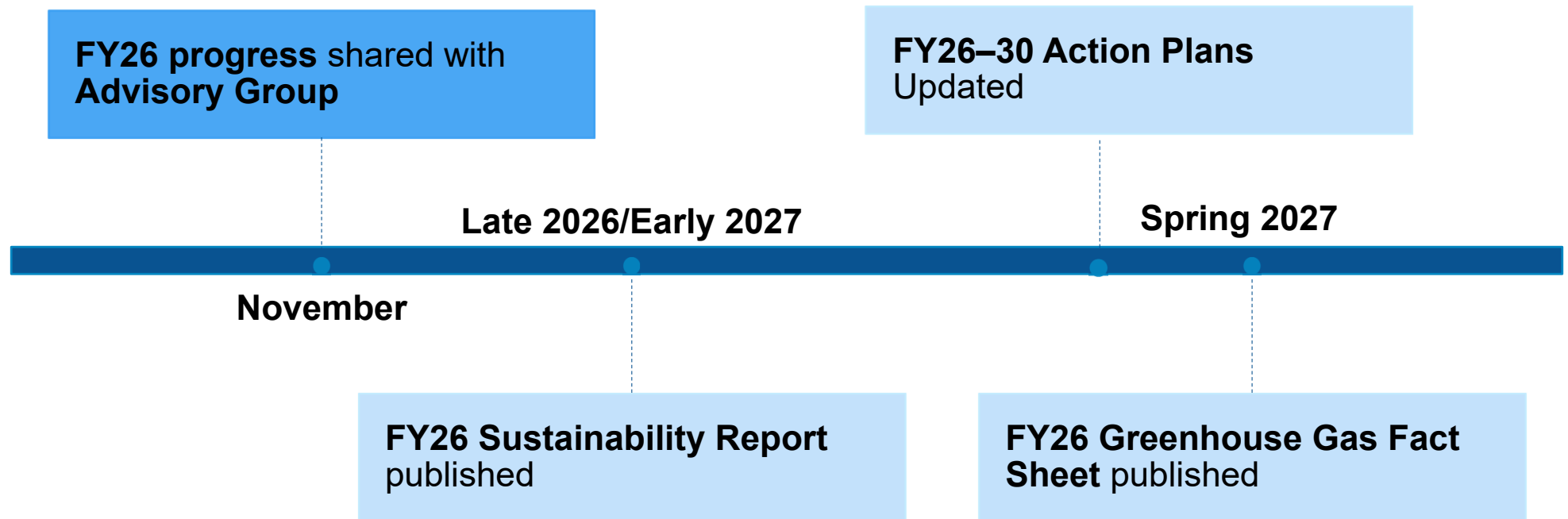
Water Storage

Looking Ahead

- Uncertain hydrology poses a challenge for realizing the benefit of the FCS temporary deviation before the expiration of the five-year pilot program.
- Infrastructure limitations pose a challenge to beneficiaries' ability to fully utilize FCS water if a permanent FCS deviation is pursued.
- Planning is underway to extend or renew the temporary deviation permit.



Next Steps



Reporting Available: SRP.net/2035

thank you!



FY26 PROGRESS UPDATE:

SRP 2035 SUSTAINABILITY GOALS

The table below summarizes efforts from May 2025 through April 2026 (FY26) and details planned annual progress to goal and actual annual progress achieved.

GOAL	FY26 PLAN	FY26 ACTUAL	2035 GOAL	METRIC
GENERATION CARBON ¹	795	734	284	Pounds of CO ₂ per MWh delivered to retail customers
FACILITIES CARBON	34.7M	32.9M	25.5M	Pounds of CO ₂ e emissions from SRP facilities
TRANSPORTATION FLEET CARBON	33.2M	35.3M	23.9M	Pounds of CO ₂ e emissions from SRP vehicle fleet
FACILITIES WATER	60M	69.4M	40.6M	Gallons of water used in SRP facilities
GENERATION ACTIVE MANAGEMENT AREA GROUNDWATER	38%	38%	0%	3-year rolling average of generation-related groundwater use
GENERATION FLEET-WIDE WATER REDUCTION ¹	405	397	325	Gallons per MWh of generation-related water use
WATER STORAGE ²	998.5K	1.03M	1M	Acre-feet of water stored underground
COMMUNITY WATER CONSERVATION	850M	1.19B	5B	Gallons of water conservation achieved
SUPPLY CHAIN	50%	51%	100%	% of managed spend with sustainability criteria in sourcing decisions
MUNICIPAL WASTE	54%	48%	75%	% municipal solid waste diversion rate
INDUSTRIAL WASTE	77%	75%	95%	% non-hazardous industrial solid waste diversion rate
ENERGY EFFICIENCY	3.4M	3.58M	4M	MWh of annual aggregate energy savings
DEMAND RESPONSE	180	201	300	MW of dispatchable DR and load management programs
TRANSPORTATION ELECTRIFICATION	100K	83K	1M	EVs supported in SRP service territory
	80%	73%	90%	EV charging load managed through passive and active programs
ELECTRIC TECHNOLOGIES	123K	112K	320K	MWh of annual aggregate energy impact
GRID ENABLEMENT ³	100%	100%	100%	% of customer distributed energy resources interconnection applications approved annually
CUSTOMER SUSTAINABILITY SENTIMENT RATING ³	Above Industry Average	Above Industry Average	Above Industry Average	Annual industry average of the J.D. Power Sustainability Index
FOREST RESTORATION	286K	286K	800K	Acres thinned

¹ Pending final FY26 Metrics.

² Water storage target achieved.

³ This goal is an annual target.

For more information on SRP's 2035 Sustainability Goals, visit our website at srp.net/2035.



Integrated System Plan (ISP) Update

Strategic Planning Committee
Mary Faulk | September 10, 2026

ISP Recent Progress

Kicked off the ISP

Shared an overview with Strategic Planning Committee in June

Onboarded Advisory Group members and held initial meeting

Synthesized recent customer research

ISP Stakeholder Engagement Framework

Goals: Inform; Listen & Consider; Build Understanding & Trust



SRP Elected Officials & Representatives

Strategic guidance and customer-focused input

- Strategic Planning Committee
- SRP's Customer Utility Panel



Customers & Communities

Broad community and focused customer perspectives

- **Customer Research**
- Community Education Opportunities
- Public Meetings



External Stakeholders

Informed stakeholder perspectives and dialogue

- **Advisory Group Meetings**
- **Open Stakeholder Meetings**
- External Education Opportunities



SRP Employees

Internal awareness and organizational alignment

- Learning Sessions
- Internal Company Communications

Building the ISP: Initial Open Stakeholder Invitations

- | | | | | |
|---|---|---|--|--|
| 1. AARP | 28. Arizona State Land Department | 61. DMB | 90. Mercy Gilbert Medical | 118. Seguro Energy |
| 2. Advanced Energy Economy | 29. Arizona State University | 62. East Valley Chamber of Commerce | Center/Dignity Health | 119. Sierra Club |
| 3. AEP CO | 30. Avangrid Renewables | 63. East Valley Partnership | 91. Mesa Community Action Network | 120. Southwest Energy Efficiency Project |
| 4. AES Clean Energy | 31. Atlas Renewable Power | 64. Enel Green Power North America | 92. Mesa Gateway Airport | 121. Southwestern Power Group |
| 5. Air Products | 32. AzCPA | 65. Energy Exemplar, LLC | 93. Mesa Public Schools | 122. St. Johns |
| 6. American Lung Association | 33. AZ Thrives | 66. Environmental Defense Fund | 94. Meta | 123. St. Paul Church, Randolph |
| 7. AMPUA | 34. AZ PIRG | 67. EPRI | 95. Microchip Technology | 124. Starwood Energy Group Global, Inc. |
| 8. AMWUA | 35. AZ Strategies | 68. Forest Service U.S. Department of Agriculture | 96. Mitsubishi Power | 125. Sustainable Energy Power Alliance |
| 9. Apache County | 36. AZ Sustainability Alliance | 69. Fort McDowell Yavapai Nation | 97. Navajo County | 126. The Nature Conservancy (Arizona Thrives) |
| 10. Apache County Economic Development | 37. Balanced Rock Power | 70. Freeport-McMoRan Copper and Gold | 99. New Life Christian Center, Coolidge | 127. Tierra Strategy |
| 11. Apex Clean Energy | 38. Basha's | 71. Gamage & Burnham Attorneys at Law | 100. NextEra Energy Resources | 128. Tormoen Hickey, LLC |
| 12. Apple Inc. | 39. Beatitudes Campus | 72. General Electric | 101. Northern Arizona University | 129. Town of Florence |
| 13. AriSEIA | 40. Boeing | 73. Gila Bend | 102. NREL | 130. Town of Springerville |
| 14. Arizona Cattle Growers Association | 41. Building Owners and Managers Association (BOMA) | 74. Gilbert | 103. Onward Energy | 131. Tucson Electric Power |
| 15. Arizona Center for Law in the Public Interest | 42. Bureau of Land Management | 75. Glendale | 104. Origis Energy | 132. United Dairymen of Arizona |
| 16. Arizona Chamber of Commerce | 43. Calpine | 76. Google | 105. Orsted Onshore North America | 133. University of Arizona |
| 17. Arizona Commerce Authority | 44. Candela Renewables | 77. Greater Phoenix Economic Council | 106. PAC Worldwide | 134. Valle Del Sol Strategic Initiatives: The Real Arizona Coalition |
| 18. Arizona Competitive Power Alliance | 45. Casa Grande | 78. Greater Phoenix Leadership | 107. Page | 135. Valley Partnership |
| 19. Arizona Cotton Growers Association | 46. Chicanos Por La Causa | 79. Greenlots/Shell Recharge Solutions | 108. Pattern | 136. Vote Solar |
| 20. Arizona Energy Policy Group | 47. Christian Care Inc., Mesa District | 80. Home Builders Association of Central Arizona | 109. Phoenix Chamber of Commerce | 137. Walmart |
| 21. Arizona Farm Bureau | 48. City of Apache Junction | 81. Hospice of the Valley | 110. Pinal County | 138. Wärtsilä North America, Inc. |
| 22. Arizona Hispanic Chamber of Commerce | 49. City of Chandler | 82. Innergex | 111. Profile Precision Extrusions | 139. West Marc |
| 23. Arizona Lodging and Tourism Association | 50. City of Mesa | 83. Intel | 112. Queen Creek Chamber of Commerce | 140. Western Grid Group |
| 24. Arizona Power Authority | 51. City of Phoenix | 84. Interwest Energy Alliance | 113. Queen Creek Unified School District | 141. Western Resource Advocates |
| 25. Arizona Public Service | 52. City of Tempe | 85. Invenergy | 114. Roosevelt Water Conservation District | 142. Wildfire |
| 26. Arizona Residential Utility Customer Office | 53. CMC Steel, AZ | 86. JKL Consulting Services, LLC | 115. Salt River Pima-Maricopa Indian Community | |
| 27. Arizona Solar Deployment Alliance | 54. CommonSpirit Health | 87. Kroger Co. | 116. SRP Customer Utility Panel | |
| | 55. ConnectGen, LLC | 88. Kyl Center for Water Policy | 117. Scottsdale | |
| | 56. Coolidge | 89. Local First Arizona | | |
| | 57. Copper State Consulting Group | | | |
| | 58. Cushman & Wakefield | | | |
| | 59. Cyrus One | | | |
| | 60. Digital Realty | | | |

SRP's 2027 ISP Advisory Group



SRP's 2027 ISP Advisory Group



2027 ISP Advisory Group Meeting Map



What we will ask the Advisory Group:

- Which uncertainties matter most to customers and communities?
- What system considerations are most important to analyze in long-term planning approaches?
- What results matter most related to affordability, reliability, and sustainability?
- Which results or metrics would benefit from additional explanation or context?
- How might SRP improve stakeholder engagement for future integrated system planning processes?

ISP Advisory Group Meeting #1: Build the Foundation

August 28, 2026

- Introductions
- ISP Overview & Expectations
- Planning Team Panel Discussion
- Customer Research Insights
- Facilitated Stakeholder Discussion

Meeting Goals



**Understand the ISP
process and Advisory
Group role**



**Build relationships
between stakeholders and
planning teams**



**Explore key trends
shaping SRP's future**

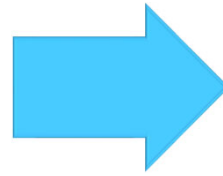


**Gather initial perspectives
to inform development of
the ISP Study Plan**

Advisory Group Input will Shape the 2027 ISP

What we asked in Session 1

- Which future uncertainties matter most?
- What trends could most affect customers and communities?



How it will be applied

- ISP study plan scenarios
- ISP study plan metrics
- ISP study plan strategic focuses

Understanding Residential and Small Business Customer Perspectives

Shared with ISP
Advisory Group in
August

Recent Insights

- Surveys
- Greatest needs/ concerns
- Sentiments on affordability, reliability, sustainability
- Expectations of SRP

Fall 2026

Focus Groups

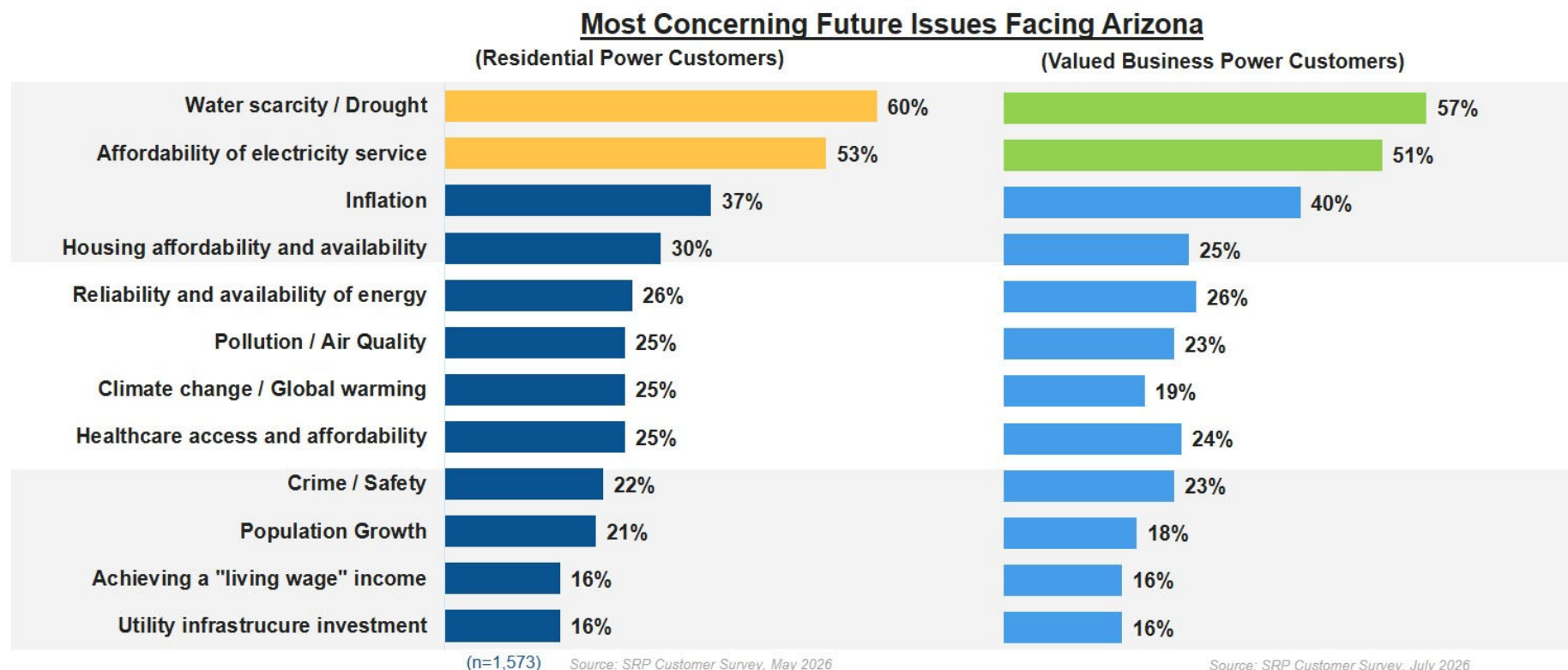
- Small customer groups
- Deeper understanding on specific items

Winter 2026 -
Summer 2027

Survey

- Choice surveys
- Prioritize key planning considerations
- Understand combinations of attributes customers are most and least willing to support

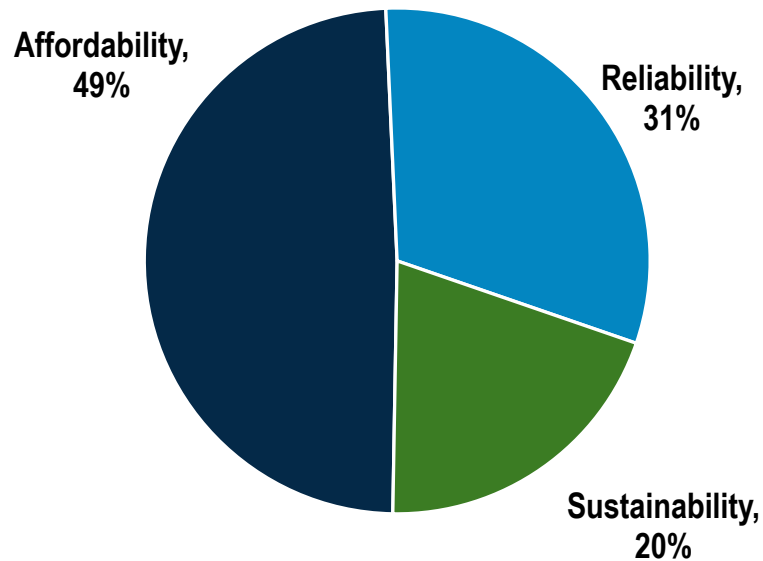
Customers are Making Energy Decisions Against a Backdrop of Water Scarcity, Affordability, and Inflation



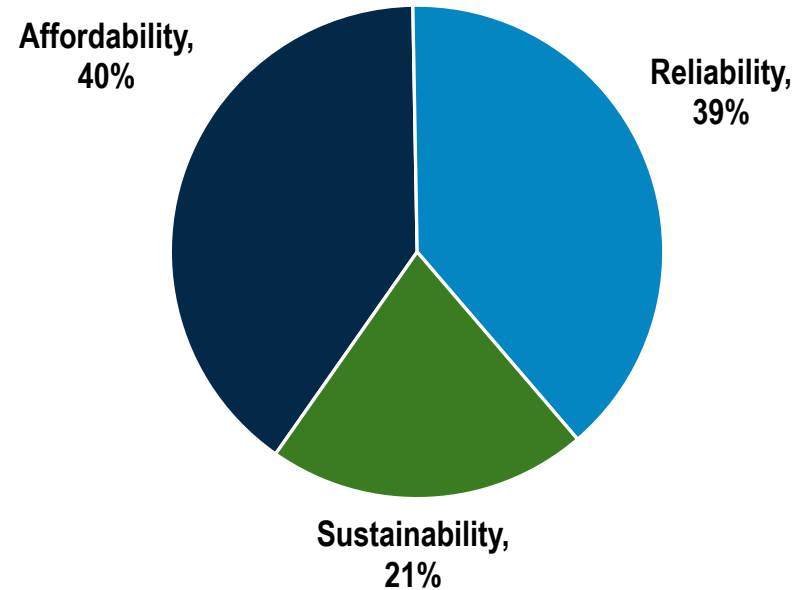
Q: Which potential future issues facing Arizona are most concerning to you? Please select up to five items.

Affordability is the Leading Priority Ranking for SRP's Future Energy Mix

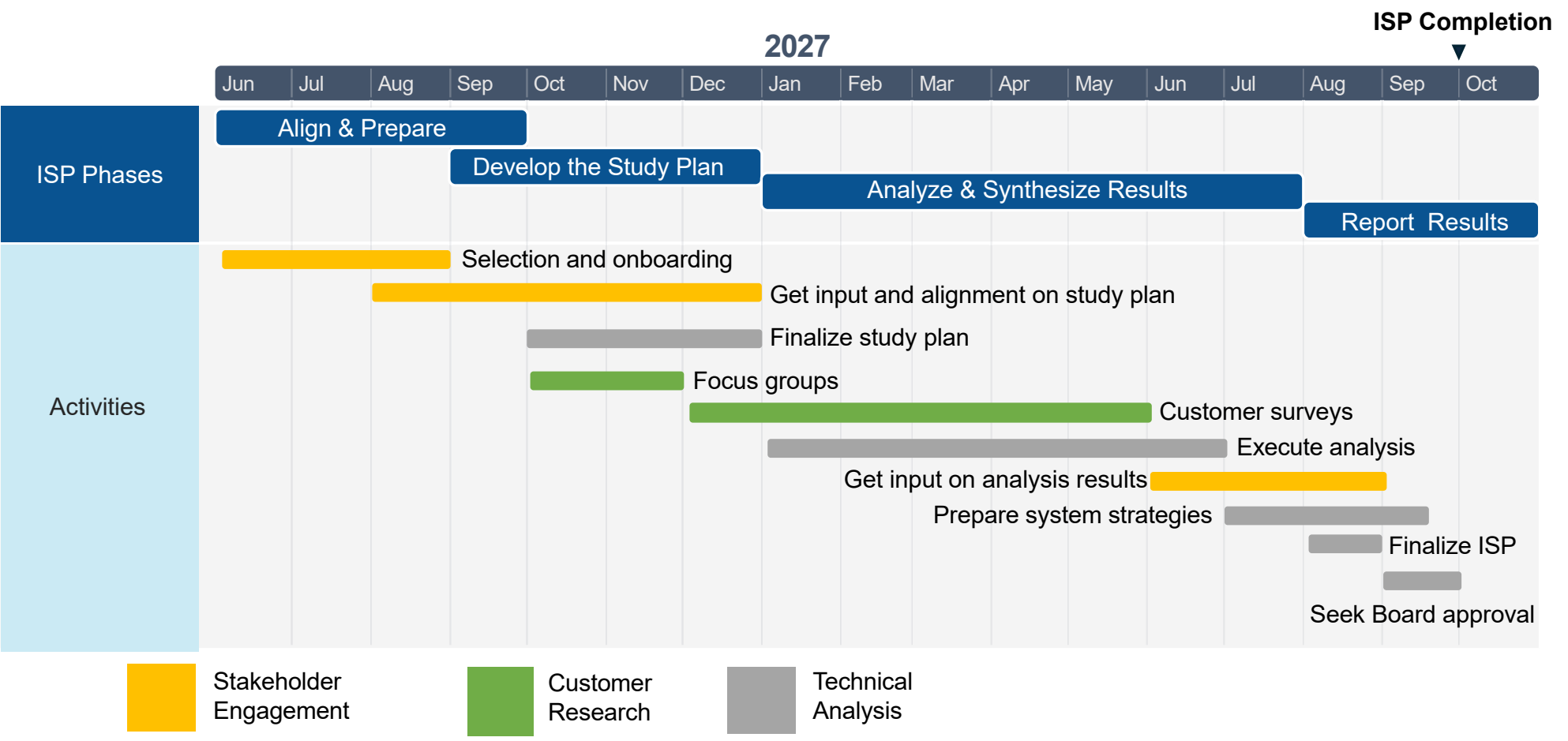
Residential Priority Ranking
(% Ranked 1st)



Valued Business Customers Priority Ranking
(% Ranked 1st)



2027 ISP Timeline



Next Steps

Solicit Advisory Group input for the study plan (October)

Provide an update to the Strategic Planning Committee (November)

Hold first open stakeholder meeting (November)

Finalize study plan (December)

Begin ISP analysis (January 2027)

thank you!

