

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

FINANCE AND BUDGET COMMITTEE

Thursday, November 21, 2024, No Sooner Than 10:00 AM

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

Committee Members: Mark Pace, Chair; Kathy Mohr-Almeida, Vice Chair; and Casey Clowes,
Randy Miller, Paul Rovey, Jack White Jr., and Leslie C. 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 item CHAIR MARK PACE

A. Request for approval of the minutes for the meeting of October 24, 2024.

B. Request for approval of the Monthly Cash Statement for October 2024 (District and Association).

C. Request for approval of the Quarterly Cash Statement for Period Ending October 31, 2024 (Association).

2. Review of the Financial Results for the Month of October 2024 VARIOUS

3. Review of SRP's Investment Portfolio of Working Capital and Debt Reserve Investments..... JASON RIGGS

4. Advertising Spend Overview JAMIE ABBRUSCATO

Informational presentation regarding SRP's paid media spend including digital, broadcast, and outdoor.

5. Energy Risk Management (ERM) Update RUSSELL MUELLER

Informational presentation regarding the periodic update on ERM activities. Topics include an overview of commodity prices (natural gas/electricity); a summary of retail natural gas hedging requirements and current hedge levels; current gas transportation under contract and expected incremental needs; the wholesale credit exposure summary; and Board-approved aggregate financial limits and existing financial positions.

6. Executive Session, Pursuant to A.R.S. §38-431.03(A)(2), to Discuss or Consider Records Exempt by Law from Public Inspection, Including Information Specifically Required to be Maintained as Confidential by State Law, Regarding the Proposed Renewable Energy Offering Participation Agreements with Commercial and Industrial Customers..... DAN DREILING

7. Renewable Energy Offering Program..... DAN DREILING

Request for approval to enter into Renewable Energy Offering participation agreements with certain commercial and industrial customers, for up to 480 Megawatts (MW) of renewable energy.

8. Report on Current Events by the General Manager and Chief Executive Officer and Designees JIM PRATT

9. Future Agenda Topics CHAIR MARK PACE

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.



MINUTES
FINANCE AND BUDGET COMMITTEE

DRAFT

October 24, 2024

A meeting of the Finance and Budget 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 10:47 a.m. on Thursday, October 24, 2024, 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 M.V. Pace, Chair; K.L. Mohr-Almeida, Vice Chair; and C. Clowes, R.J. Miller, P.E. Rovey, J.M. White Jr., and L.C. Williams.

Also present were President D. Rousseau; Vice President C. Dobson; Board Members N.R. Brown, M.J. Herrera, S.D. Kennedy, L.D. Rovey, and S.H. Williams; Council Chair J.R. Shelton; Council Liaison W.P. Schrader III; Council Members E.L. Gorsegner, J.W. Lines, J.L. Miller, and B.E. Paceley; I.R. Avalos, B. Brimhall, M.J. Burger, J.D. Coggins, A.C. Davis J.M. Felty, J. Fry, B. Gaarde, K.A. Heth, J.D. Hovis, R.T. Judd, B.J. Koch, K.J. Lee, G.A. Mingura, M.J. O'Connor, B.A. Olsen, S.A. Perkinson, J.M. Pratt, C.M. Sifuentes, R.R. Taylor, G.M. Traasdahl, and J.A. Wright of SRP; Ian Calkins of Cooper State Consulting Group; Leocadie Hull of Capital Power; Curtis Karmazin of Origis Energy; and Jared Necamp of BluEarth Renewables.

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 Finance and Budget Committee meeting at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona, at 9:00 a.m. on Tuesday, October 22, 2024.

Chair M.V. Pace called the meeting to order.

Consent Agenda

Chair M.V. Pace requested a motion for Committee approval of the Consent Agenda, in its entirety.

On a motion duly made by Board Member R.J. Miller and seconded by Board Member P.E. Rovey, the Committee unanimously approved and adopted the following items on the Consent Agenda:

- A. Minutes of the Finance and Budget Committee meeting on September 26, 2024, as presented.
- B. Approval of the District and Association Monthly Cash Statement for September 2024.

Corporate Secretary J.M. Felty polled the Committee Members on Board Member R.J. Miller's motion to approve the Consent Agenda, in its entirety. The vote was recorded as follows:

YES:	Board Members M.V. Pace, Chair; K.L. Mohr-Almeida, Vice Chair; and C. Clowes, R.J. Miller, P.E. Rovey, J.M. White Jr., and L.C. Williams	(7)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	None	(0)

Copies of the handout distributed are on file in the Corporate Secretary's Office and, by reference, made a part of these minutes.

Review of the Financial Results Through September 2024

Jeffery A. Wright, SRP Director of Financial Reporting, referenced the financial handout distributed to the Members relative to the combined highlights of operations of the District and Association for the month of September 2024. Using a PowerPoint presentation, they compared the actual versus budgeted figures for categories such as general fund balance, year-to-date (YTD) combined net revenue (CNR), system sales, and customer accounts. J.A. Wright concluded by reviewing the financial summary and key financial indicators for the month of September 2024 and capital expenditures.

J.A. Wright 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. The financial information in the handouts and PowerPoint slides is unaudited and non-GAAP.

K.A. Heth and J.D. Hovis of SRP; and Curtis Karmazin of Origis Energy left the meeting during the presentation.

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

There was no report on current events by Jim M. Pratt, SRP General Manager and Chief Executive Officer.

Future Agenda Topics

Chair M.V. Pace asked the Committee if there were any future agenda topics. None were requested.

There being no further business to come before the Finance and Budget Committee, the meeting adjourned at 10:56 a.m.

John M. Felty
Corporate Secretary



Statement of Cash Received and Disbursed

October 2024

(\$000)

	<u>District</u>	<u>Association</u>	<u>Total Month</u>	<u>Year-to-Date</u>
Funds Balance Beginning of Period	\$ 993,351	\$ 863	\$ 994,214	\$ 785,829
Cash Receipts:				
Electric Revenues	451,605	---	451,605	2,522,814
Water Revenues	---	896	896	6,581
Electric Customer Deposits	4,411	---	4,411	25,765
Reimbursement on Joint Ownership Projects	23,825	---	23,825	92,147
Construction Contributions and Advances	7,394	---	7,394	200,371
Proceeds from Bond Sales	---	---	---	---
Proceeds from Other Borrowings	---	---	---	---
Transfers from Segregated Funds	552,660	---	552,660	671,882
Sales Tax Collected	29,683	---	29,683	197,174
Other Cash Receipts	<u>32,664</u>	<u>---</u>	<u>32,664</u>	<u>103,212</u>
Total Cash Receipts	<u>1,102,242</u>	<u>896</u>	<u>1,103,138</u>	<u>3,819,946</u>
Fund Transfers - Net	<u>(6,062)</u>	<u>6,062</u>	<u>---</u>	<u>---</u>
Cash Disbursements:				
Purchased Power and Fuel	130,995	---	130,995	733,718
Operations and Maintenance	99,788	2,029	101,817	574,594
Employee Payroll and Payroll Taxes	72,871	5,020	77,891	411,400
Purchased Inventory	27,989	---	27,989	164,624
Cash Segregated for -				
Bond Interest	19,253	---	19,253	116,752
Bond Principal	9,898	---	9,898	59,388
Other Debt - Principal Repayment	---	---	---	---
Other Debt - Interest Expense	1,348	---	1,348	9,018
Capital Expenditures	79,981	---	79,981	544,021
Advances on Joint Ownership Projects	---	---	---	---
Transfers to Segregated Funds	---	---	---	119,597
In Lieu and Ad Valorem Taxes	---	---	---	60,125
Sales Tax Remitted	37,542	---	37,542	192,028
Margin and Collateral Received - Net	17,423	---	17,423	9,359
Miscellaneous Cash Disbursements	<u>8,569</u>	<u>---</u>	<u>8,569</u>	<u>26,505</u>
Total Cash Disbursements	<u>505,657</u>	<u>7,049</u>	<u>512,706</u>	<u>3,021,129</u>
Funds Balance End of Period	<u>\$ 1,583,874</u>	<u>\$ 772</u>	<u>\$ 1,584,646</u>	<u>\$ 1,584,646</u>



Cash Position

October 2024

Composition of Funds Balance	(\$000)		
	<u>District</u>	<u>Association</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 1,166,759	\$ 772	\$ 1,167,531
Other Temporary Investments	123,020	---	123,020
Other Non-Current Investments	<u>294,095</u>	<u>---</u>	<u>294,095</u>
General Fund	<u>1,583,874</u>	<u>772</u>	<u>1,584,646</u>
Segregated Funds			
Electric System Debt Reserve Fund	80,613	---	80,613
Debt Service Fund	179,362	---	179,362
Rate Stabilization Fund	---	---	---
Nuclear Decommissioning Fund	713,618	---	713,618
Post-Retirement Benefits Fund	1,315,800	---	1,315,800
Construction Fund	237,570	---	237,570
RHCP Fund	13,146	---	13,146
HHCP Fund	9,289	---	9,289
SPRHCP Fund	3,776	---	3,776
Four Corners Mine Reclamation Trust	15,783	---	15,783
Other Special Funds	<u>2,188</u>	<u>---</u>	<u>2,188</u>
Total Segregated Funds	<u>\$ 2,571,145</u>	<u>\$ ---</u>	<u>\$ 2,571,145</u>


SALT RIVER VALLEY WATER USERS' ASSOCIATION

STATEMENT OF CASH RECEIVED AND DISBURSED

For Fiscal Quarter Ended October 31, 2024

(In Thousands)

Funds Balance at July 31, 2024	\$ 96
Cash Received:	
Water revenues	\$ 3,076
Other cash receipts	\$ -
Total cash received	\$ 3,076
Operating Funds from SRPAI&PD - Net	\$ 16,184
Total Funds Received	\$ 19,260
Cash Disbursed:	
Operating and maintenance expense	\$ 5,306
Net paychecks and deductions paid to others	\$ 13,278
Corporate and payroll taxes	\$ -
Other	\$ -
Total Cash Disbursed	\$ 18,584
Funds Balance at October 31, 2024	\$ 772

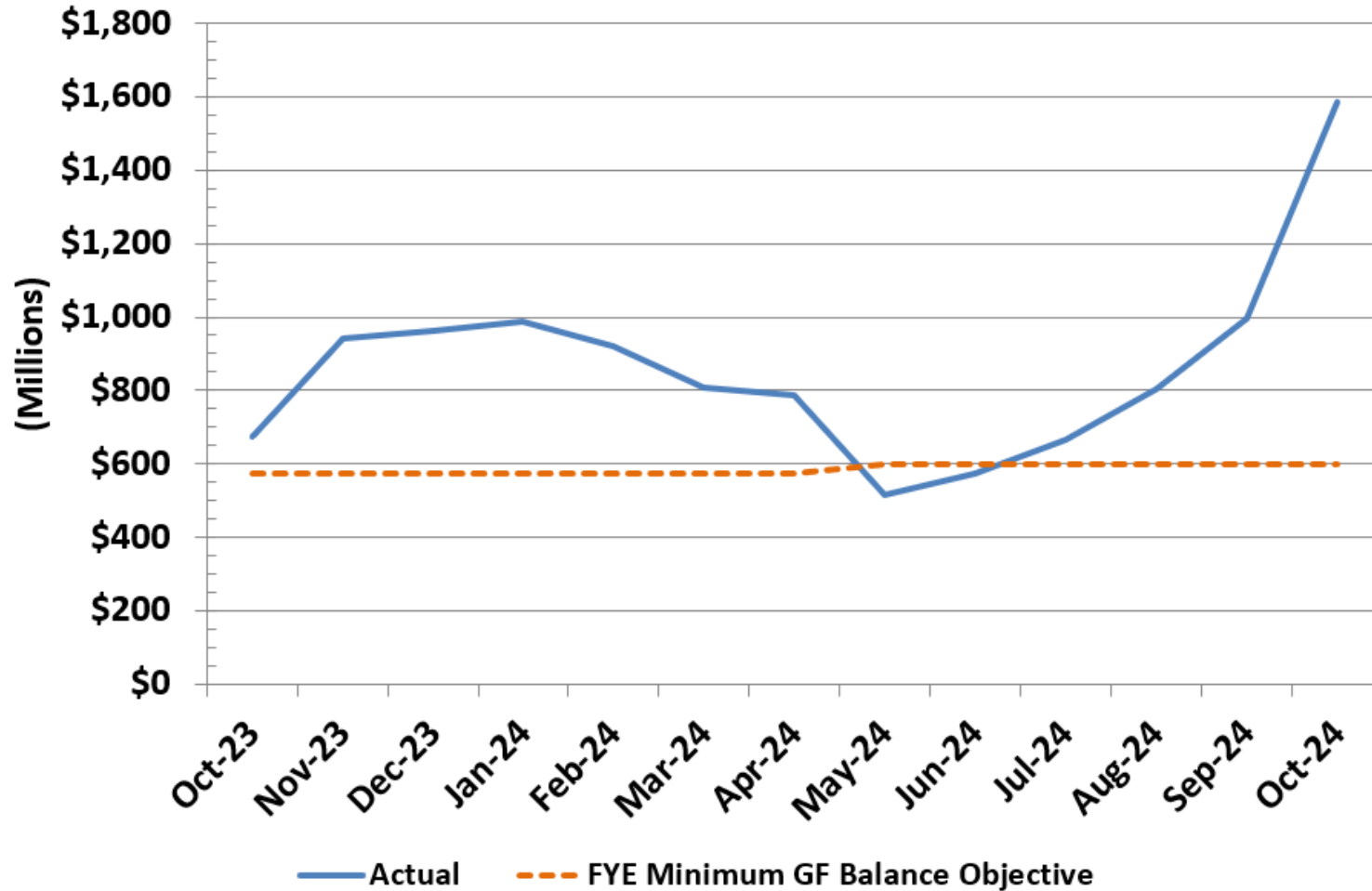


Jason Riggs
Assistant Corporate Treasurer

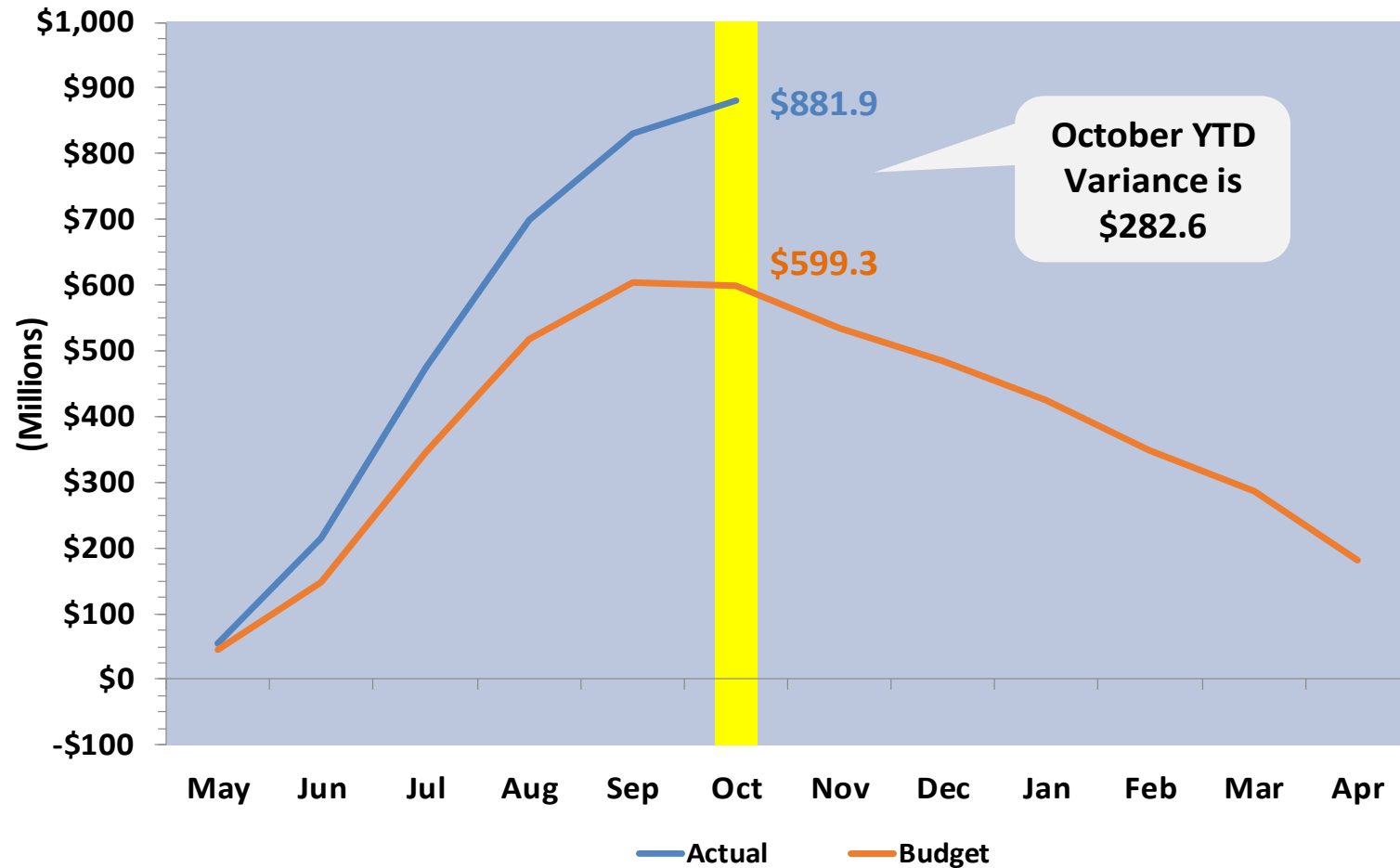
Monthly Financial Report October 2024

Finance & Budget Committee Meeting
Sue Ann Perkinson | November 21, 2024

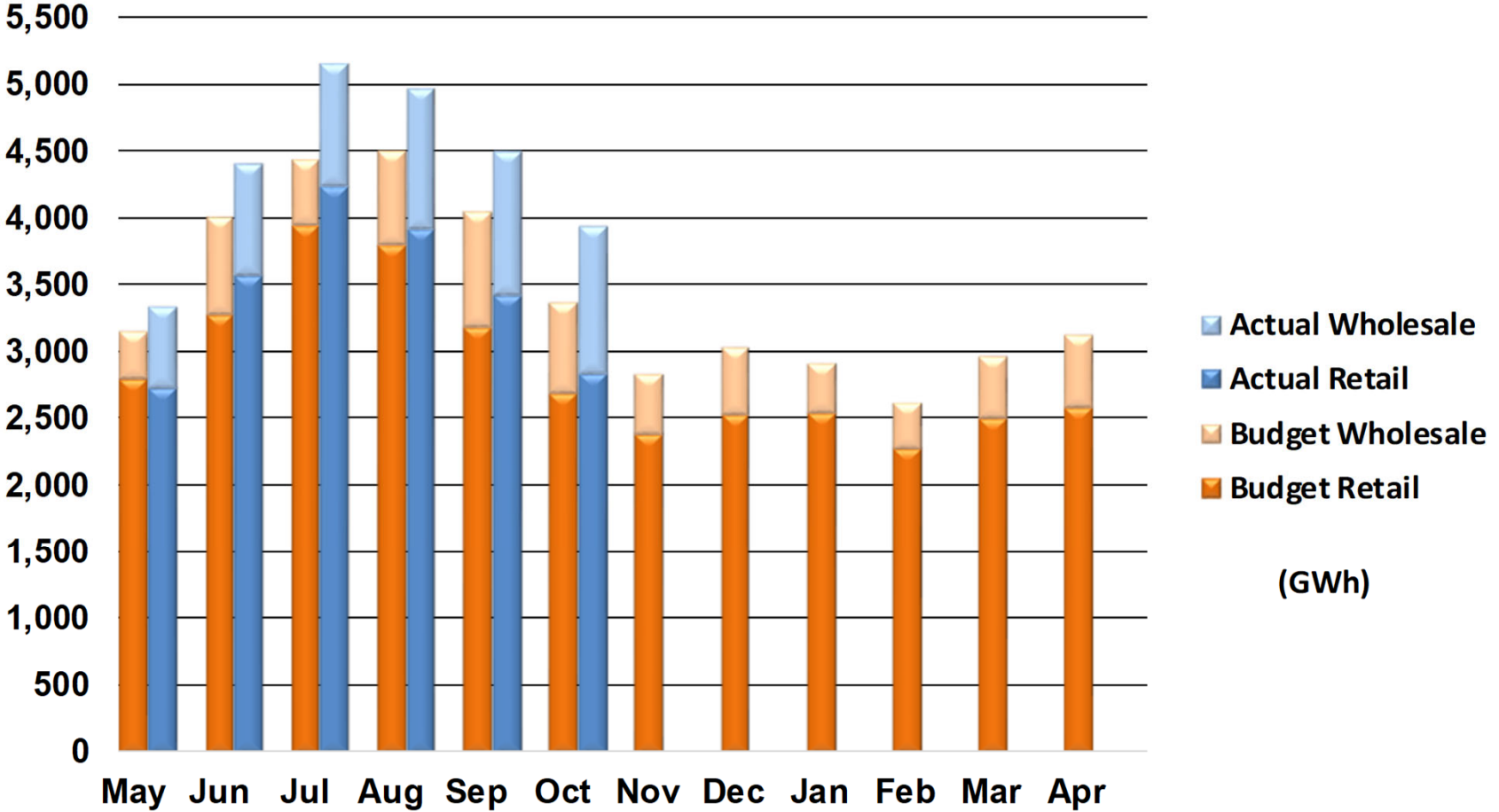
General Fund Balance



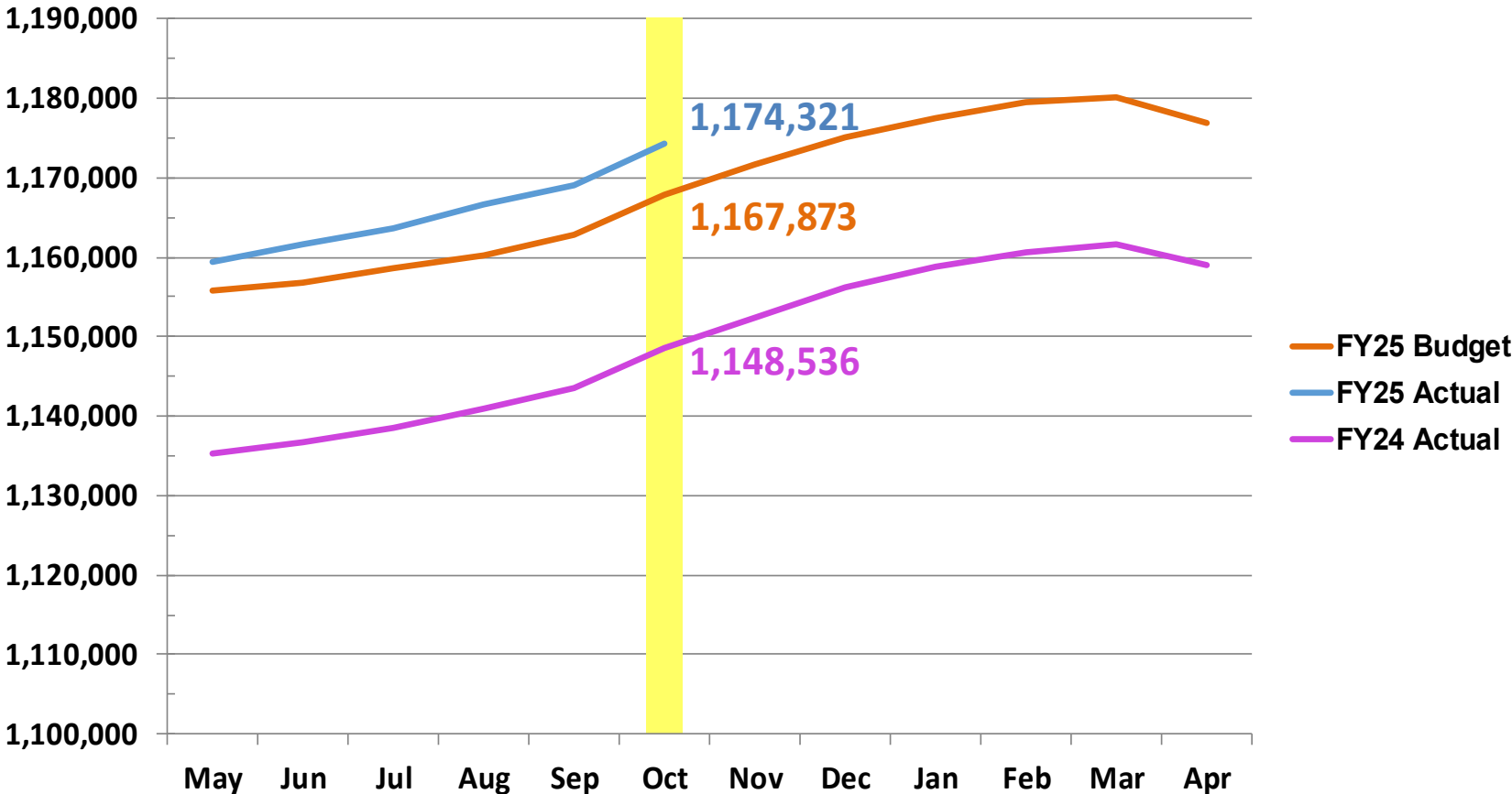
YTD Combined Net Revenue



System Sales



Customer Accounts



Financial Summary - October 2024

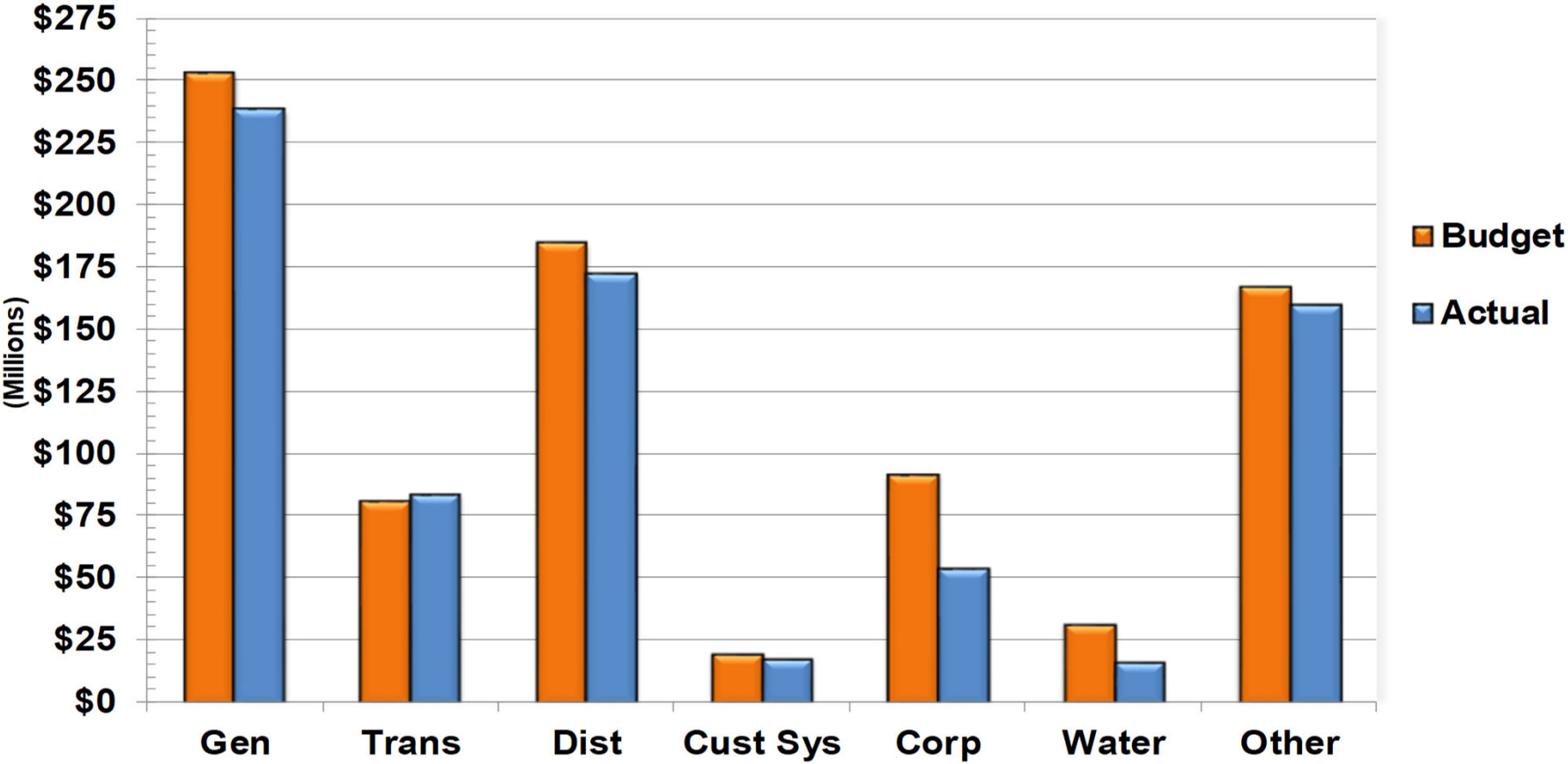
(Thousands)	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Operating Revenues	\$ 391,023	\$ 334,685	\$ 56,338
Operating Expenses			
Fuel	148,071	135,767	12,304
O&M	124,970	126,234	(1,264)
Depr & Tax	58,772	68,997	(10,225)
Total Operating Expenses	<u>331,813</u>	<u>330,998</u>	<u>815</u>
Net Financing Costs	16,032	14,283	1,749
Other, Net	7,356	7,205	151
Combined Net Revenues	<u>\$ 50,534</u>	<u>\$ (3,391)</u>	<u>\$ 53,925</u>

Key Financial Indicators - YTD October 2024

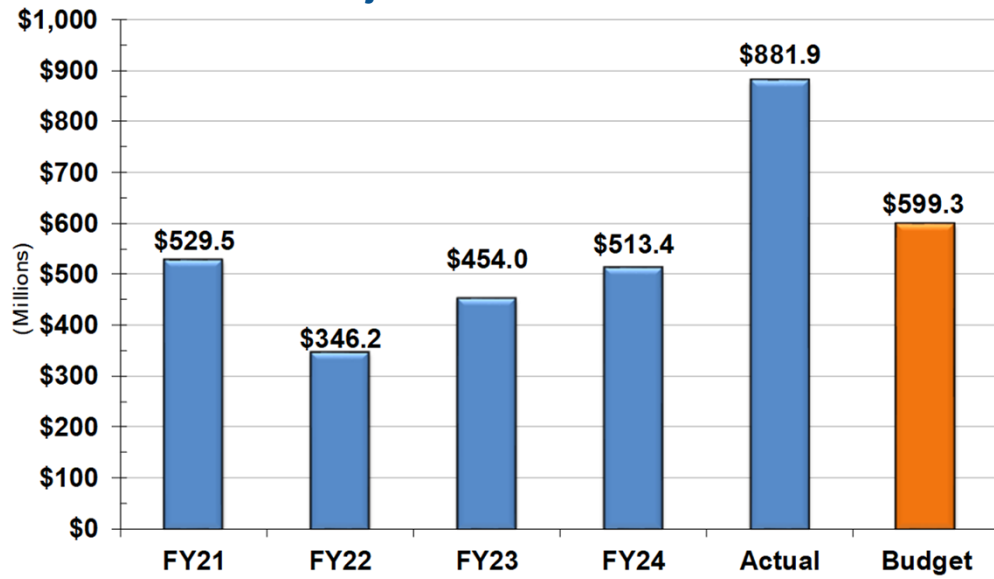
(Thousands)	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Funds Available	\$ 1,113,037	\$ 829,847	\$ 283,190
Debt Service Coverage	7.44	6.00	1.44
Debt Ratio*	46.7	47.4	(0.7)
Capital Expenditures	\$ 742,546	\$ 829,632	\$ (87,086)

***Debt Ratio represents Projected Actual compared to Annual Budget**

Capital Expenditures - YTD October 2024



CNR without Fair Value Adjustments - YTD October 2024

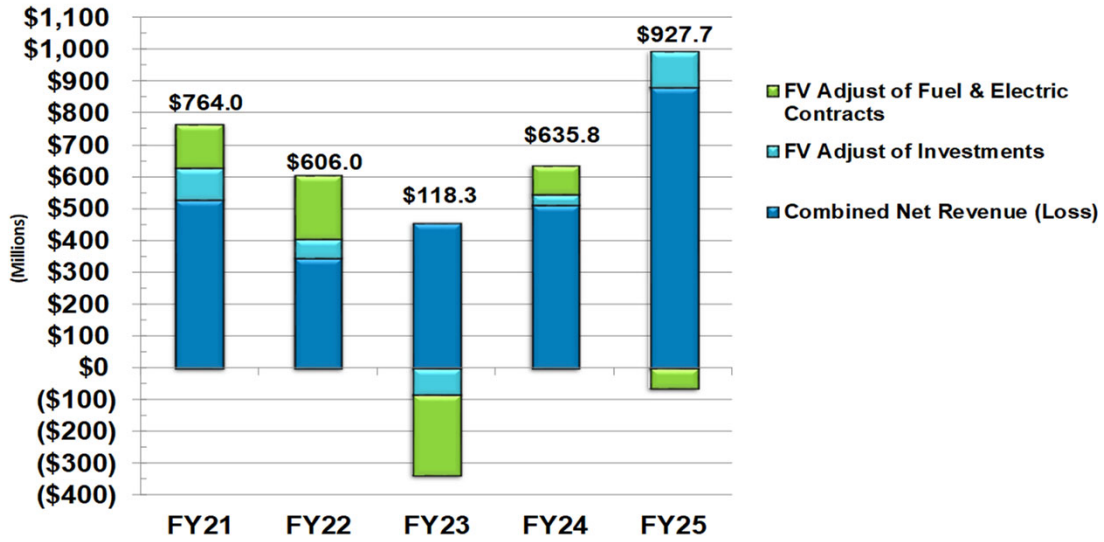


11/21/2024 Finance & Budget Committee Meeting, S.A. Perkinson

(Non-GAAP, Unaudited) 1

1

CNR with Fair Value Adjustments - YTD October 2024

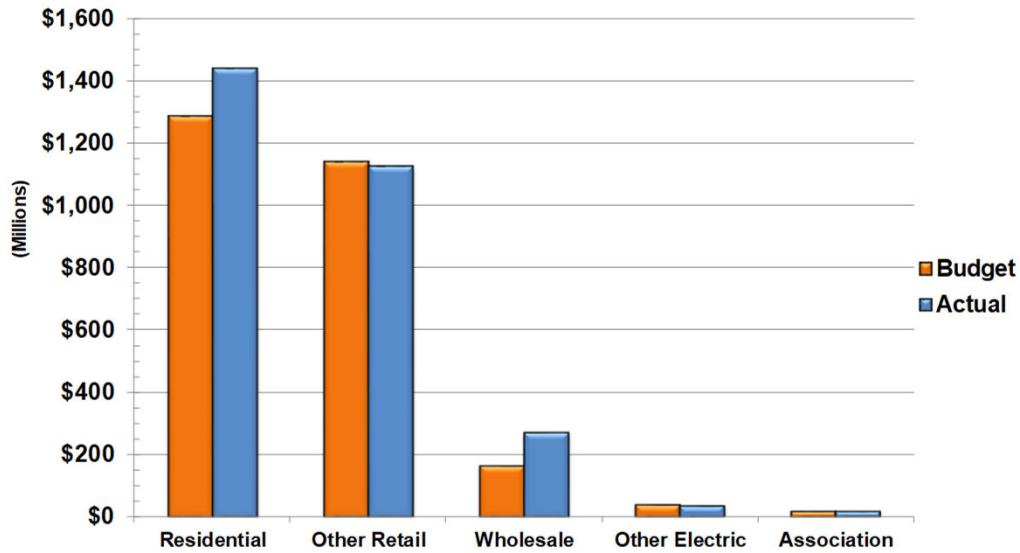


11/21/2024 Finance & Budget Committee Meeting, S.A. Perkinson

(Non-GAAP, Unaudited) 2

2

Combined Operating Revenues - YTD October 2024

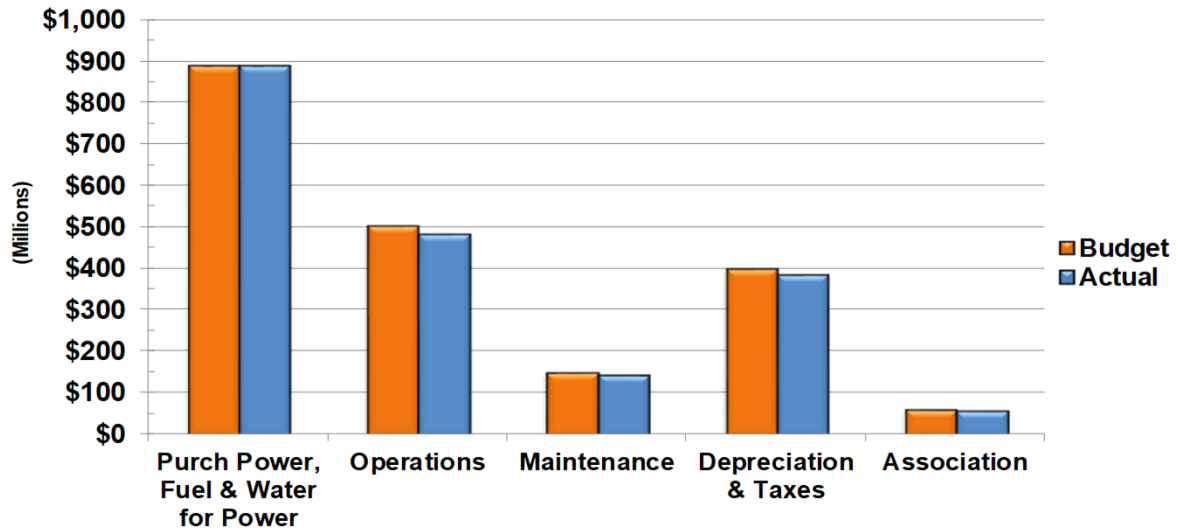


11/21/2024 Finance & Budget Committee Meeting, S.A. Perkinson

(Non-GAAP, Unaudited) 3

3

Combined Expenses - YTD October 2024

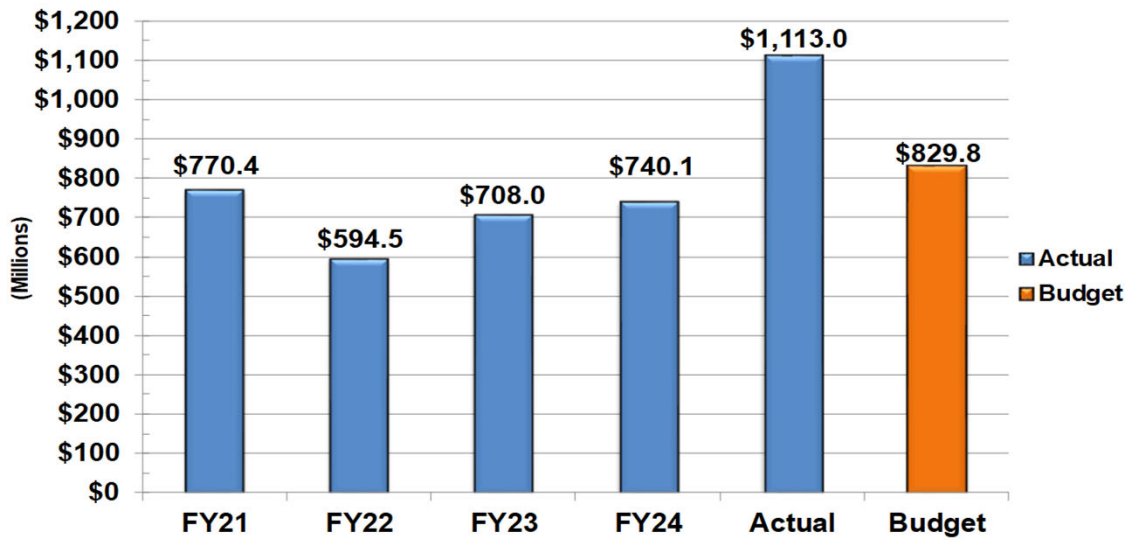


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(Non-GAAP, Unaudited) 4

4

Funds Available - YTD October 2024

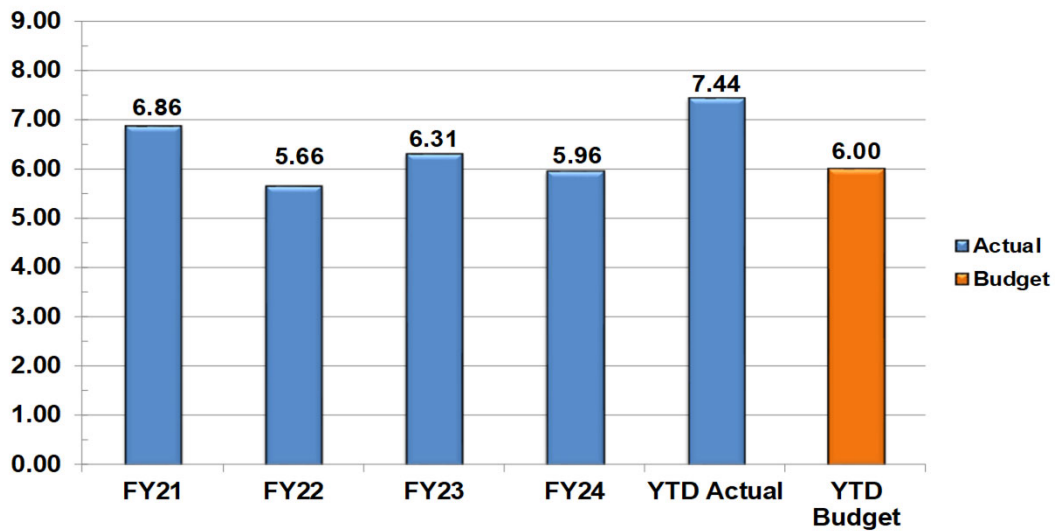


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(Non-GAAP, Unaudited) 5

5

Debt Service Coverage - YTD October 2024



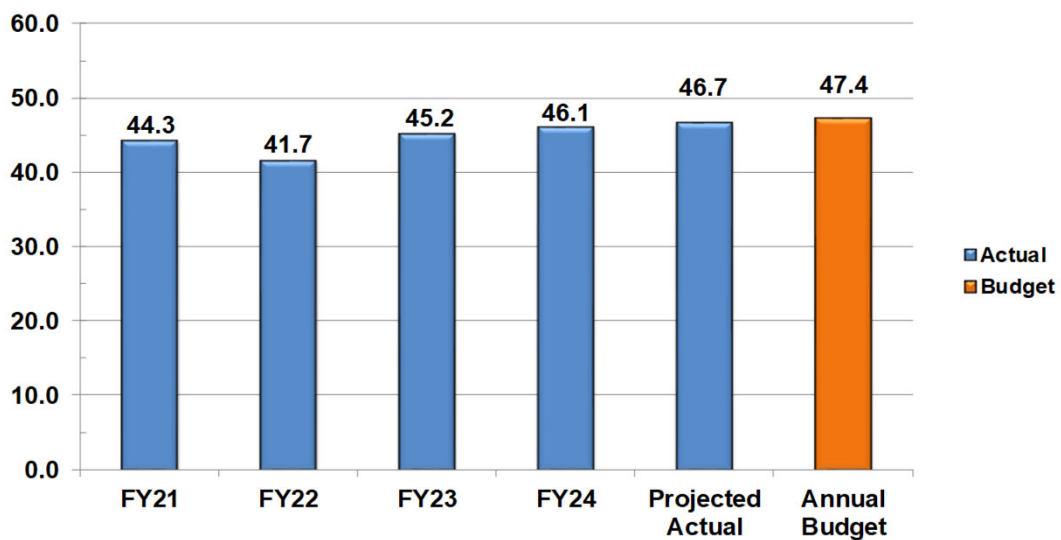
Note: Debt Service Coverage Ratio on Total Debt

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(Non-GAAP, Unaudited) 6

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Debt Ratio - YTD October 2024



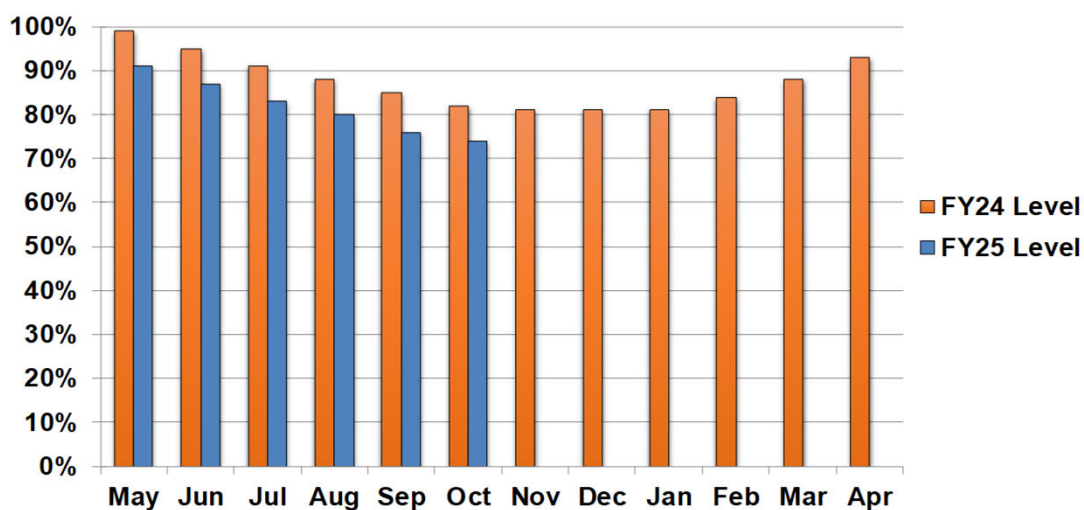
Note: Prior Years and Budget are Fiscal Year-End Ratios

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(Non-GAAP, Unaudited) 7

7

Water Storage Levels



11/21/2024 Finance & Budget Committee Meeting, S.A. Perkinson

(Non-GAAP, Unaudited) 8

8

Cash Management Investment Portfolio Review

Finance & Budget Committee
November 21, 2024

Why We're Here

Annual compliance review of total cash investment portfolio

- Investment Policy
 - Authorized limits and investment types
 - Portfolio metrics
- Compliance Statement

Cash Management Investment Policy Overview

Purpose

- To specify the policies and procedures that support the prudent and systematic investment of surplus funds

Scope

- Working capital and debt service funds

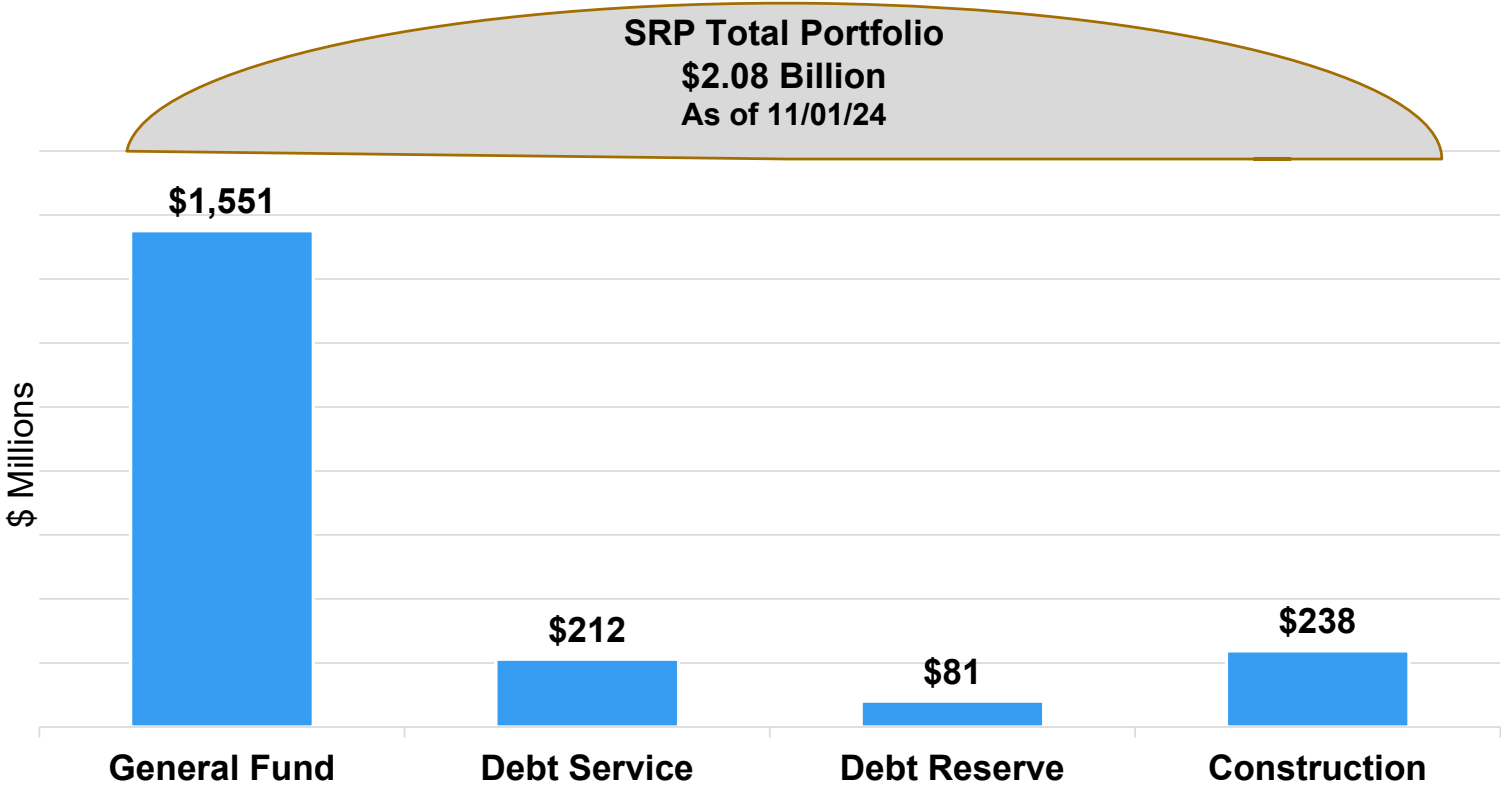
Objectives

- Capital Preservation
- Capital Liquidity
- Investment Yield

Standards of Care

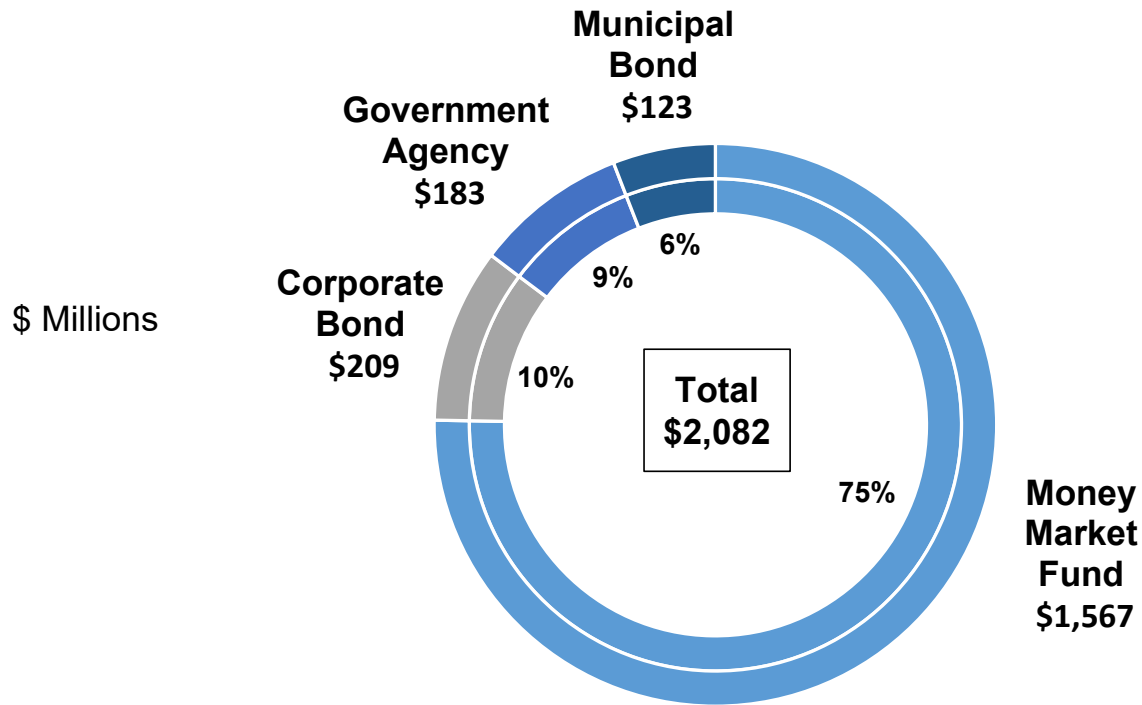
- Prudence
- Delegation of Authority
- Investment Procedures
- Internal Controls
- Ethics and Conflicts of Interest

Investment Portfolio: Fund Breakdown



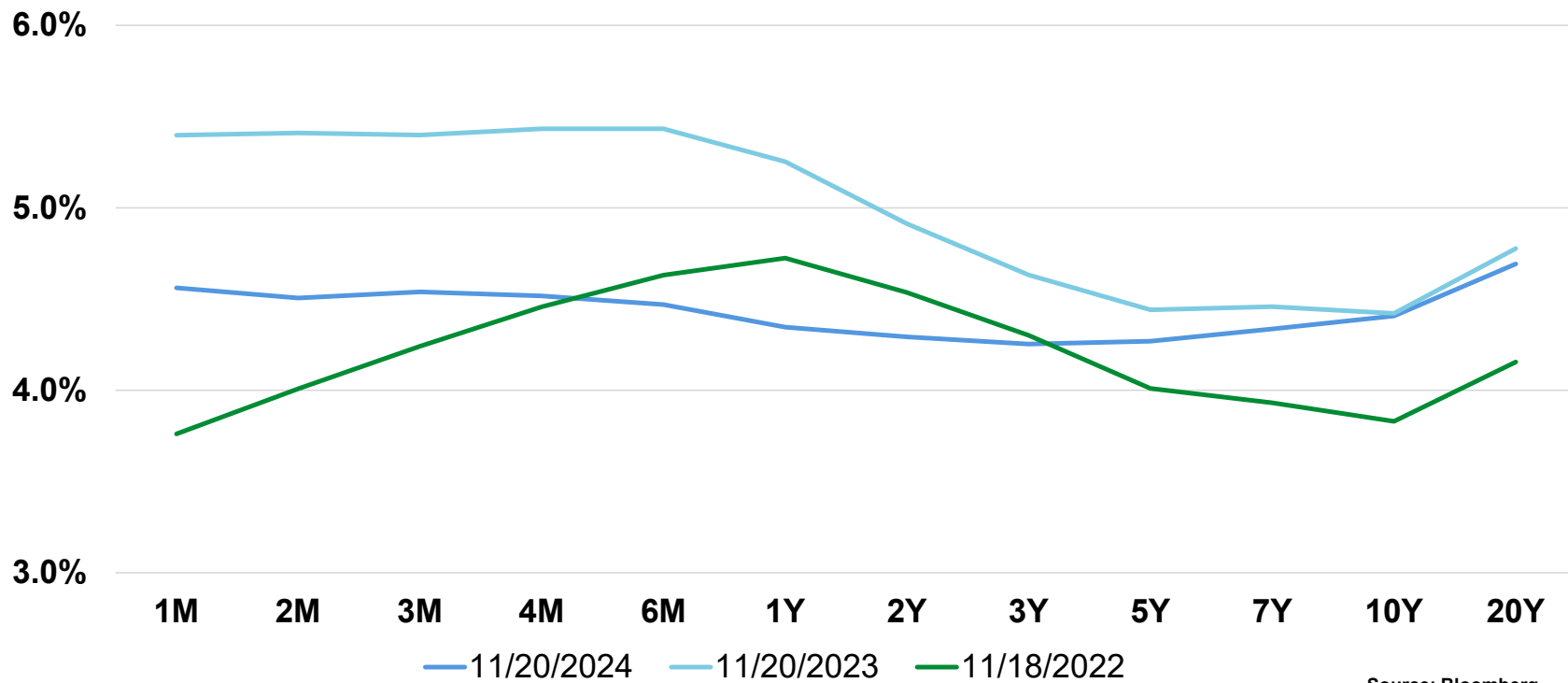
Investment Portfolio: Product Type

Total Portfolio by Product Type
As of 11/01/24



Yield Curve: Impacts Portfolio

Treasury Yield Curve - Historical and Current
As of 11/20/24

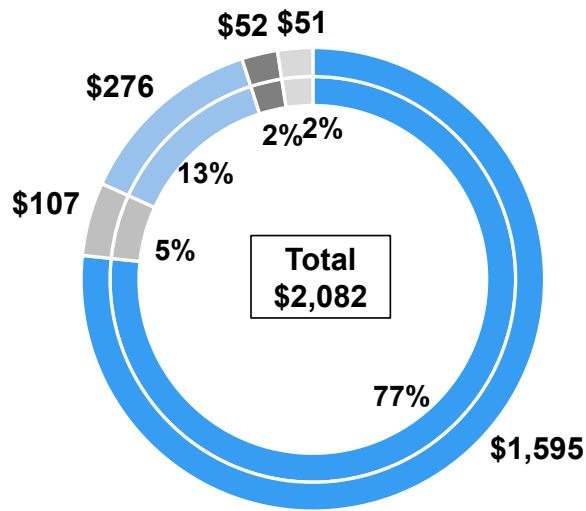


Source: Bloomberg

Portfolio Metrics: Liquidity, Yields, Maturities

All figures as of 11/01/24

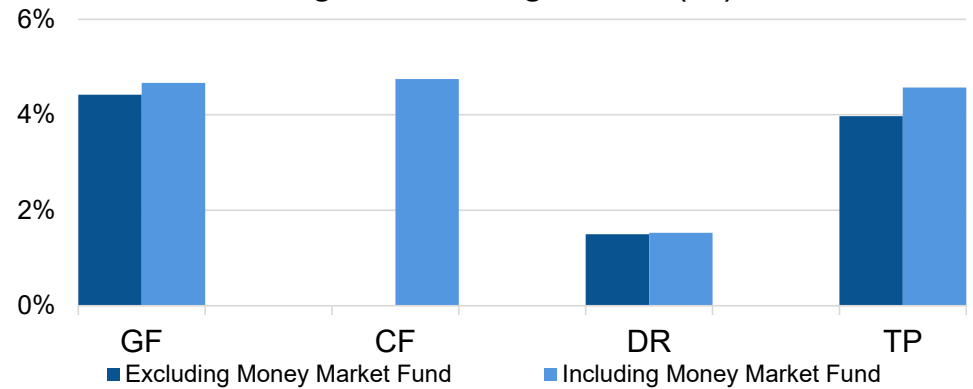
Portfolio Liquidity



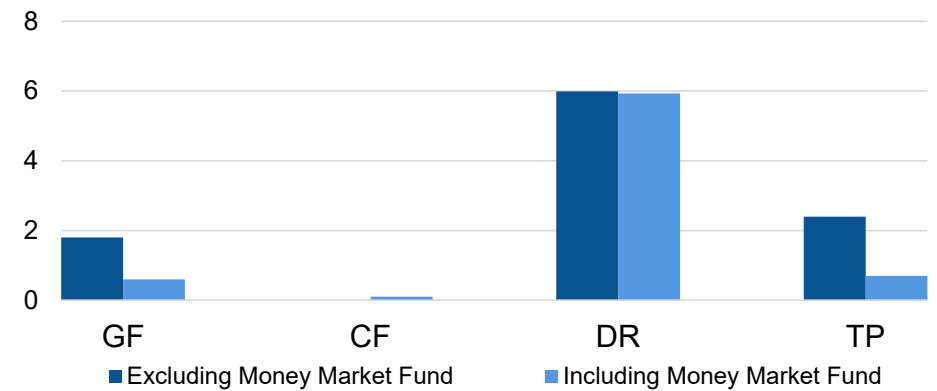
\$ Millions

■ 1 - 90 days ■ 91 days - 1 year ■ 1 - 3 years ■ 3 - 5 years ■ 5+ years

Weighted Average Yield (%)



Weighted Average Maturity (Yrs)



Investment Policy Statement of Compliance

The Investment Portfolio meets all of the credit, liquidity, maximum limits, security type, maximum maturity, prudence, controls, custody, and safety objectives the Policy requires.



Combined District Investments

As of 11/01/2024

Number	Maturity	Type	Description	Yield	Principal	Cost Basis
1	11/1/2024	Money Market Fund	Dreyfus Government Cash Management MMF	4.76	\$ 295,000,000.00	\$ 295,000,000.00
2	11/1/2024	Money Market Fund	Federated Government Obligations Premier Fund	4.77	\$ 310,000,000.00	\$ 310,000,000.00
3	11/1/2024	Money Market Fund	BlackRock FedFund Government MMF	4.76	\$ 200,000,000.00	\$ 200,000,000.00
4	11/1/2024	Money Market Fund	BlackRock FedFund Government MMF	4.76	\$ 78,893,007.72	\$ 78,893,007.72
5	11/1/2024	Money Market Fund	First American Gov't MMF	4.79	\$ 819,340.00	\$ 819,340.00
6	11/1/2024	Money Market Fund	Fidelity Government Portfolio Institutional MMF	4.74	\$ 1,000,000.00	\$ 1,000,000.00
7	11/1/2024	Money Market Fund	Fidelity Government Portfolio Institutional MMF	4.74	\$ 103,519,850.33	\$ 103,519,850.33
8	11/1/2024	Money Market Fund	Fidelity Government Portfolio Institutional MMF	4.74	\$ 158,662,553.45	\$ 158,662,553.45
9	11/1/2024	Money Market Fund	Fidelity Government Portfolio Institutional MMF	4.74	\$ 108,881,666.50	\$ 108,881,666.50
10	11/1/2024	Money Market Fund	Goldman Sachs Financial Square Government Fund	4.78	\$ 310,000,000.00	\$ 310,000,000.00
11	11/12/2024	Corporate Bond	Equitable Financial Life 11/12/24, 1.10%	5.18	\$ 7,525,000.00	\$ 6,940,307.50
12	11/12/2024	Corporate Bond	Equitable Financial Life 11/12/24, 1.10%	4.95	\$ 2,000,000.00	\$ 1,863,892.41
13	12/13/2024	Government Agency	FHLB 12/13/24, 2.75%	5.04	\$ 8,995,000.00	\$ 8,795,400.95
14	1/10/2025	Corporate Bond	John Deere Capital Corp 01/10/25, 1.25%	5.28	\$ 10,000,000.00	\$ 9,569,390.00
15	3/28/2025	Corporate Bond	Citigroup Global Markets 03/28/25, 5.60%	5.60	\$ 10,000,000.00	\$ 10,000,000.00
16	4/1/2025	Corporate Bond	Goldman Sachs Group Inc 4/1/25, 3.50%	4.68	\$ 10,000,000.00	\$ 9,948,822.00
17	4/23/2025	Corporate Bond	National Securies Clearing 04/23/25, 1.50%	4.56	\$ 10,000,000.00	\$ 9,333,400.00
18	5/1/2025	Municipal Bond	State of Wisconsin 05/01/25, 4.415%	4.60	\$ 7,500,000.00	\$ 7,482,000.00
19	5/2/2025	Government Agency	FHLMC 05/02/25, 0.46%	0.46	\$ 5,000,000.00	\$ 5,000,000.00
20	6/3/2025	Corporate Bond	Amazon.com Inc 06/03/2025, 0.80%	5.35	\$ 10,000,000.00	\$ 9,275,000.00
21	6/24/2025	Corporate Bond	Pacific Life Global Funding 06/24/25, 1.20%	5.50	\$ 10,000,000.00	\$ 9,316,300.00
22	7/15/2025	Corporate Bond	United Health Group 07/15/25, 3.75%	4.40	\$ 10,000,000.00	\$ 9,952,700.00
23	8/1/2025	Corporate Bond	Bank of America Corp 08/01/25, 3.875%	4.47	\$ 10,000,000.00	\$ 9,956,054.70
24	8/15/2025	Corporate Bond	Union Pacific Corp 08/15/23, 3.25%	5.20	\$ 10,000,000.00	\$ 9,684,141.18
25	8/25/2025	Government Agency	FHLMC 08/25/25, 3.50%	3.53	\$ 2,000,000.00	\$ 2,000,000.00
26	9/15/2025	Corporate Bond	National Rural Utilities Co-op 09/15/25, 5.10%	5.10	\$ 10,000,000.00	\$ 10,000,000.00
27	10/1/2025	Municipal Bond	State of Hawaii 10/01/25, 4.801%	4.80	\$ 2,000,000.00	\$ 2,000,000.00
28	11/10/2025	Corporate Bond	Pepsico 11/10/25, 5.25%	5.05	\$ 10,000,000.00	\$ 10,036,340.00
29	12/8/2025	Government Agency	FFCB 12/08/25, 4.625%	4.63	\$ 10,000,000.00	\$ 10,000,000.00
30	12/10/2025	Corporate Bond	Guardian Life Global Funding 12/10/25, 0.875%	5.73	\$ 10,000,000.00	\$ 8,997,000.00
31	1/6/2026	Corporate Bond	Met Life Global Funding 01/06/26, 5.00%	5.35	\$ 10,000,000.00	\$ 9,926,500.00
32	1/15/2026	Municipal Bond	State of Connecticut 1/15/26, 3.31%	4.15	\$ 8,570,000.00	\$ 8,485,585.50
33	2/27/2026	Government Agency	FHLB 02/27/26, 2.00%	2.01	\$ 1,350,000.00	\$ 1,350,000.00
34	3/15/2026	Municipal Bond	New York State Dormitory Authority 03/15/26, 2.738%	4.25	\$ 9,095,000.00	\$ 8,885,269.30
35	3/30/2026	Government Agency	FHLB 03/30/26, 0.86%	4.19	\$ 4,000,000.00	\$ 3,813,520.00
36	4/2/2026	Corporate Bond	New York Life Global Funding 04/02/26, 4.70%	5.52	\$ 10,000,000.00	\$ 9,813,820.00
37	4/6/2026	Government Agency	FHLB 04/06/26, 2.60%	2.67	\$ 2,000,000.00	\$ 1,996,000.00
38	4/28/2026	Government Agency	FHLB 04/28/26, 0.70%	0.70	\$ 10,000,000.00	\$ 10,000,000.00
39	4/28/2026	Government Agency	FHLMC 04/28/26, 1.00%	1.00	\$ 1,000,000.00	\$ 1,000,000.00
40	6/15/2026	Corporate Bond	Southern California Gas 06/15/26, 2.60%	4.55	\$ 10,000,000.00	\$ 9,546,400.00
41	7/30/2026	Government Agency	FHLMC 07/30/26, 0.80%	0.80	\$ 2,000,000.00	\$ 2,000,000.00
42	8/5/2026	Government Agency	FFCB 08/05/26, 4.375%	4.05	\$ 15,000,000.00	\$ 15,092,100.00
43	8/7/2026	Corporate Bond	Wells Fargo Bank NA 08/07/26, 5.45%	4.01	\$ 10,000,000.00	\$ 10,251,200.00
44	9/1/2026	Municipal Bond	Port of Morrow Oregon 09/01/26, 2.402%	4.20	\$ 7,700,000.00	\$ 7,356,272.00
45	9/15/2026	Municipal Bond	Pennsylvania State Public School Bldg Auth 09/15/26, 5.426%	4.35	\$ 8,000,000.00	\$ 8,152,800.00
46	10/1/2026	Municipal Bond	State of Texas 10/01/26 4.701%	4.20	\$ 4,000,000.00	\$ 4,050,920.00
47	10/1/2026	Municipal Bond	State of Texas 10/01/26, 5.272%	5.27	\$ 3,000,000.00	\$ 3,000,000.00
48	10/29/2026	Government Agency	FHLB 10/29/26, 0.60%	0.60	\$ 2,745,000.00	\$ 2,745,000.00
49	10/30/2026	Corporate Bond	Morgan Stanley Bank NA 10/30/26, 5.882%	4.98	\$ 10,000,000.00	\$ 10,235,700.00
50	11/1/2026	Municipal Bond	State of Georgia 11/01/26, 4.964%	4.18	\$ 10,000,000.00	\$ 10,152,000.00
51	11/25/2026	Government Agency	FHLB 11/25/26, 0.72%	0.74	\$ 2,180,000.00	\$ 2,178,256.00
52	12/11/2026	Government Agency	FHLB 12/11/26, 4.875%	4.39	\$ 10,000,000.00	\$ 10,133,800.00
53	12/15/2026	Municipal Bond	Utah Transit Authority 12/15/26, 1.411%	4.01	\$ 7,000,000.00	\$ 6,626,830.00
54	1/1/2027	Municipal Bond	City of Cleveland OH Airport System 01/01/27, 2.692%	4.00	\$ 4,045,000.00	\$ 3,934,086.10
55	2/15/2027	Municipal Bond	City of Milwaukee WI 02/15/27, 5.25%	4.32	\$ 5,000,000.00	\$ 5,101,700.00
56	5/1/2027	Municipal Bond	State of Wisconsin 05/01/27, 2.196%	4.05	\$ 2,500,000.00	\$ 2,382,725.00
57	5/5/2027	Corporate Bond	Unilever Capital Corp 05/05/27, 2.90%	4.19	\$ 10,000,000.00	\$ 9,673,500.00
58	7/1/2027	Municipal Bond	Florida St Board of Admin 7/1/27, 1.705%	4.37	\$ 10,000,000.00	\$ 9,284,500.00
59	7/15/2027	Municipal Bond	City of Portsmouth VA 7/15/27, 1.05%	4.00	\$ 6,315,000.00	\$ 5,809,547.40
60	7/28/2027	Government Agency	FHLB 07/28/27, 0.80%	0.80	\$ 1,250,000.00	\$ 1,250,000.00
61	8/1/2027	Municipal Bond	Commonwealth of Massachusetts 08/01/27, 4.00%	3.47	\$ 9,175,000.00	\$ 9,308,037.50
62	9/1/2027	Municipal Bond	Virginia College Building Authority 09/01/27, 0.94%	3.97	\$ 9,200,000.00	\$ 8,449,464.00
63	9/12/2027	Corporate Bond	Northwestern Mutual Global Funding 9/12/27, 4.11%	4.18	\$ 9,495,000.00	\$ 9,476,674.65
64	9/15/2027	Municipal Bond	Tennessee State School Bond Auth 09/15/27, 4.848%	4.05	\$ 10,000,000.00	\$ 10,216,500.00
65	10/20/2027	Government Agency	FFCB 10/20/27, 1.30%	1.32	\$ 1,525,000.00	\$ 1,523,475.00
66	10/22/2027	Corporate Bond	State Street Corp 10/22/27, 4.33%	4.30	\$ 10,000,000.00	\$ 10,008,300.00

Combined District Investments

As of 11/01/2024

Number	Maturity	Type	Description	Yield	Principal	Cost Basis
67	11/19/2027	Government Agency	FHLMC 11/19/27, 1.00%	1.00	\$ 2,000,000.00	\$ 2,000,000.00
68	11/30/2027	Government Agency	FNMA 11/30/27, 0.75%	0.77	\$ 2,300,000.00	\$ 2,297,700.00
69	5/18/2028	Government Agency	FFCB 05/18/28, 1.20%	1.20	\$ 2,500,000.00	\$ 2,500,000.00
70	6/22/2028	Government Agency	FFCB 06/22/28, 1.05%	1.07	\$ 2,000,000.00	\$ 1,998,000.00
71	10/23/2028	Government Agency	FNMA 10/23/28, 3.625%	3.91	\$ 20,000,000.00	\$ 19,794,400.00
72	10/27/2028	Government Agency	FHLB 10/27/28, 1.00%	1.00	\$ 540,000.00	\$ 540,000.00
73	4/30/2029	Government Agency	FFCB 04/30/29, 1.50%	1.50	\$ 1,000,000.00	\$ 1,000,000.00
74	8/10/2029	Government Agency	FHLMC 08/10/29, 1.00%	1.00	\$ 2,000,000.00	\$ 2,000,000.00
75	8/20/2029	Government Agency	FNMA 08/20/29 1X Call 8/20/25, 4.00%	4.15	\$ 20,000,000.00	\$ 19,870,000.00
76	12/7/2029	Government Agency	FHLMC 12/07/29, 1.10%	1.10	\$ 2,960,000.00	\$ 2,960,000.00
77	12/17/2029	Government Agency	FNMA 12/17/29, 1.20%	1.20	\$ 500,000.00	\$ 500,000.00
78	1/25/2030	Government Agency	FHLB 01/25/30, 1.25% Step-Up	2.17	\$ 1,460,000.00	\$ 1,460,000.00
79	4/25/2030	Government Agency	FFCB 04/25/30, 1.83%	1.84	\$ 2,675,000.00	\$ 2,674,331.25
80	4/29/2030	Government Agency	FFCB 04/29/30, 1.68%	1.68	\$ 3,500,000.00	\$ 3,500,000.00
81	6/11/2030	Government Agency	FFCB 06/11/30, 1.45%	1.45	\$ 2,500,000.00	\$ 2,500,000.00
82	12/2/2030	Government Agency	FHLB 12/02/30, 1.27%	1.27	\$ 2,500,000.00	\$ 2,500,000.00
83	1/13/2031	Government Agency	FFCB 01/13/31, 2.10%	2.12	\$ 935,000.00	\$ 934,532.50
84	1/28/2031	Government Agency	FHLB 01/28/31, 1.28%	1.28	\$ 1,000,000.00	\$ 1,000,000.00
85	8/11/2031	Government Agency	FFCB 08/11/31, 1.24%	1.24	\$ 2,000,000.00	\$ 2,000,000.00
86	1/26/2032	Government Agency	FHLB 01/26/32, 1.50% Step-Up	2.28	\$ 1,210,000.00	\$ 1,210,000.00
87	5/19/2032	Government Agency	FHLB 05/19/32, 1.68%	1.68	\$ 1,565,000.00	\$ 1,565,000.00
88	6/24/2032	Government Agency	FFCB 06/24/32, 1.50	1.50	\$ 2,060,000.00	\$ 2,060,000.00
89	8/12/2032	Government Agency	FHLMC 08/12/32, 1.25%	1.26	\$ 1,750,000.00	\$ 1,748,250.00
90	9/30/2032	Government Agency	FNMA 09/30/32, 1.30%	1.35	\$ 1,500,000.00	\$ 1,493,250.00
91	12/22/2032	Government Agency	FNMA 12/22/32, 1.25%	1.30	\$ 2,000,000.00	\$ 1,990,000.00
92	1/27/2033	Government Agency	FHLMC 01/27/33, 1.50%	1.50	\$ 2,000,000.00	\$ 2,000,000.00
93	6/8/2033	Government Agency	FHLB 06/08/33, 1.65%	1.65	\$ 1,800,000.00	\$ 1,800,000.00
94	7/14/2033	Government Agency	FHLMC 07/14/33, 1.55%	1.55	\$ 3,500,000.00	\$ 3,500,000.00
95	9/9/2033	Government Agency	FNMA 09/09/33, 1.35%	1.36	\$ 2,000,000.00	\$ 1,999,000.00
96	2/17/2034	Government Agency	FHLB 02/17/34, 1.65%	1.67	\$ 1,000,000.00	\$ 999,000.00
97	7/25/2034	Government Agency	FHLB 07/25/34, 2.45%	2.47	\$ 1,910,000.00	\$ 1,908,567.50
98	7/27/2034	Government Agency	FHLMC 07/27/34, 1.60%	1.60	\$ 2,000,000.00	\$ 2,000,000.00
99	5/14/2035	Government Agency	FFCB 05/14/35, 1.95%	1.95	\$ 2,500,000.00	\$ 2,500,000.00
100	6/11/2035	Government Agency	FHLB 06/11/35, 1.75%	1.75	\$ 1,500,000.00	\$ 1,500,000.00
101	1/14/2036	Government Agency	FHLB 01/14/36, 1.73%	1.74	\$ 1,000,000.00	\$ 1,000,000.00
102	2/22/2036	Government Agency	FHLB 02/22/36, 1.80%	1.82	\$ 1,200,000.00	\$ 1,198,800.00
103	2/25/2036	Government Agency	FFCB 02/25/36, 2.10%	2.12	\$ 900,000.00	\$ 899,550.00

Advertising Spend Overview

Jamie Abbruscato | 11/21/2024

Marketing Helps Achieve Corporate Goals

SRP MISSION

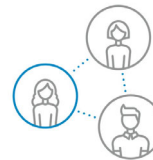
SRP serves our customers and communities by providing reliable, affordable, and sustainable water and energy.

2035 CORPORATE GOALS

Six Strategic Directions



CUSTOMERS



COMMUNITY



WORKFORCE



AFFORDABILITY

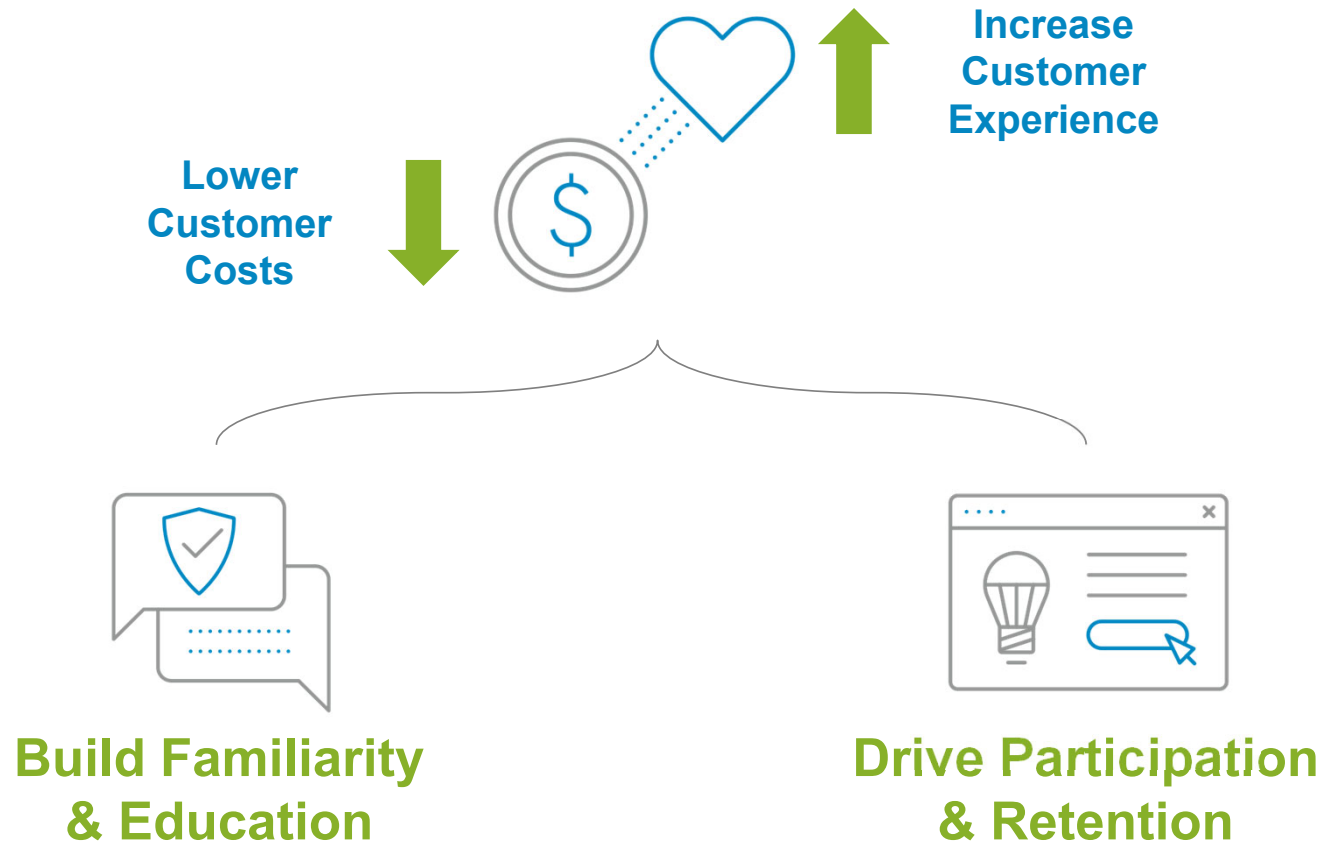


RELIABILITY

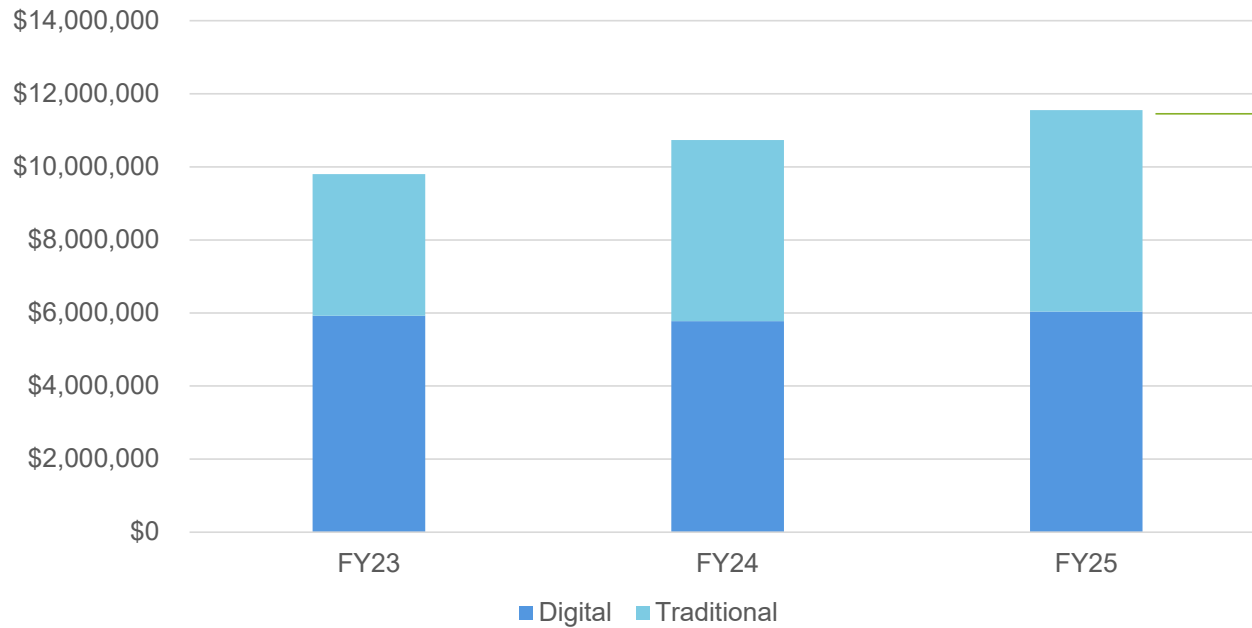


SUSTAINABILITY

Advertising Strategy



Annual Advertising Budget



\$11.5MM advertising budget

2.2MM customers

\$5.25 / cost per customer

FY25 Cost Per Customer by Program

\$5.25 / customer



Sustainability

\$2.01



Energy Efficiency

\$1.64



Billing, Payment & Customer Care

\$0.92



Safety

\$0.35



Workforce

\$0.14



Water

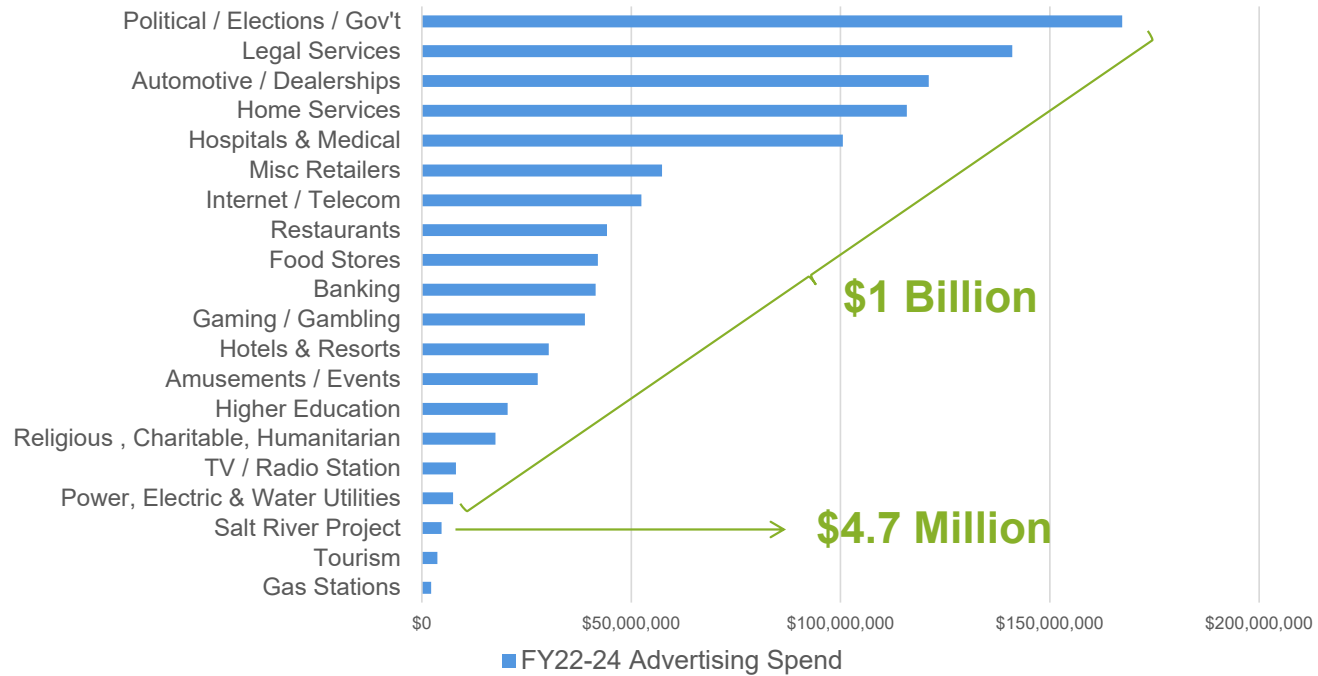
\$0.12



Corporate Secretary

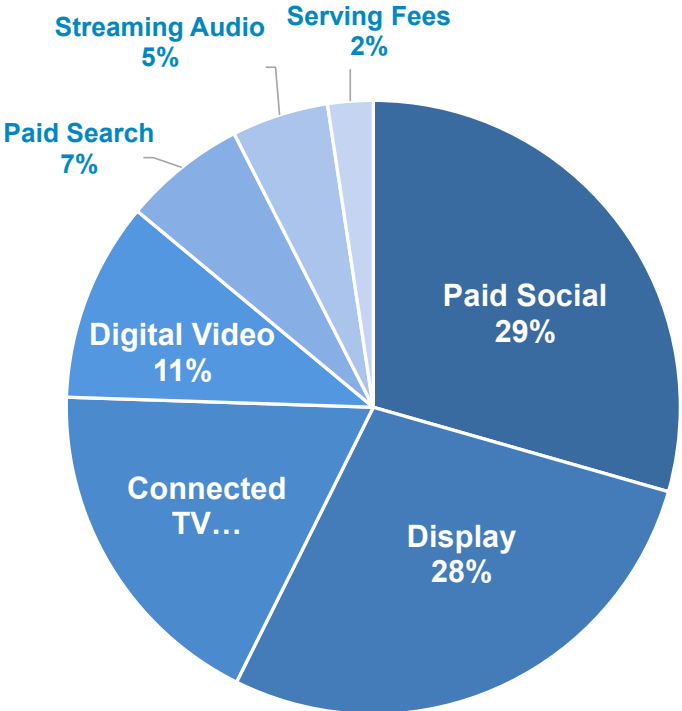
\$0.06

Share of Voice | Phoenix Market

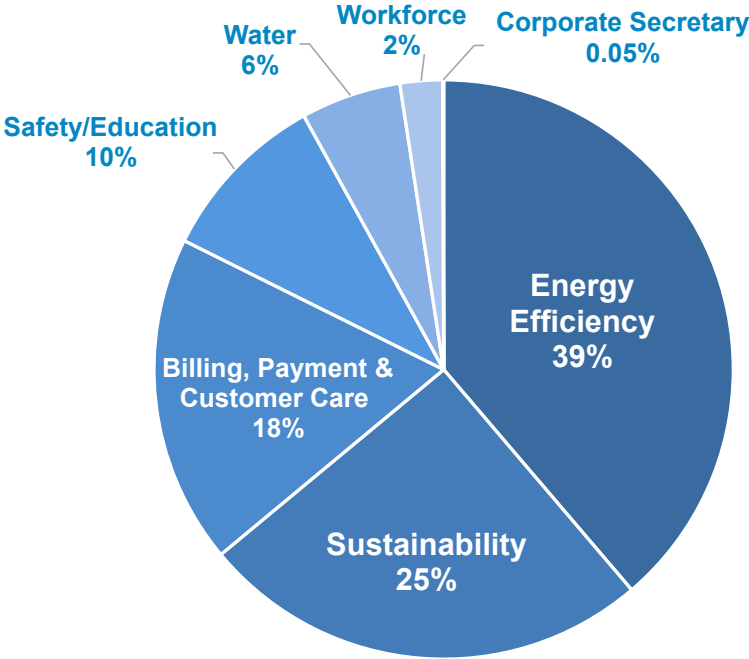


Digital Advertising Spend | FY23 & FY24

Channels



Programs



questions?

thank you!



Energy Risk Management Update

Finance & Budget Committee

Russell Mueller | November 21, 2024

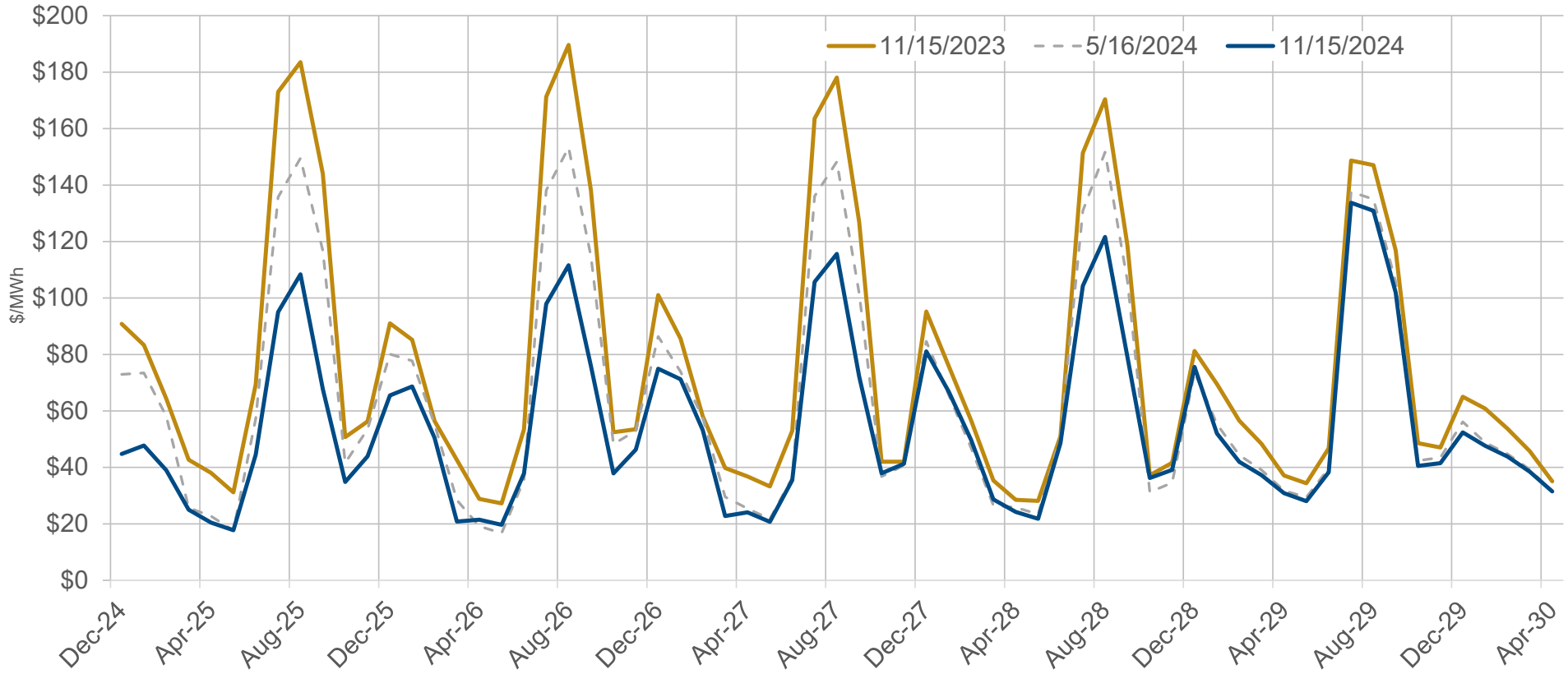
Electricity Prices

Front Month Palo Verde On-Peak



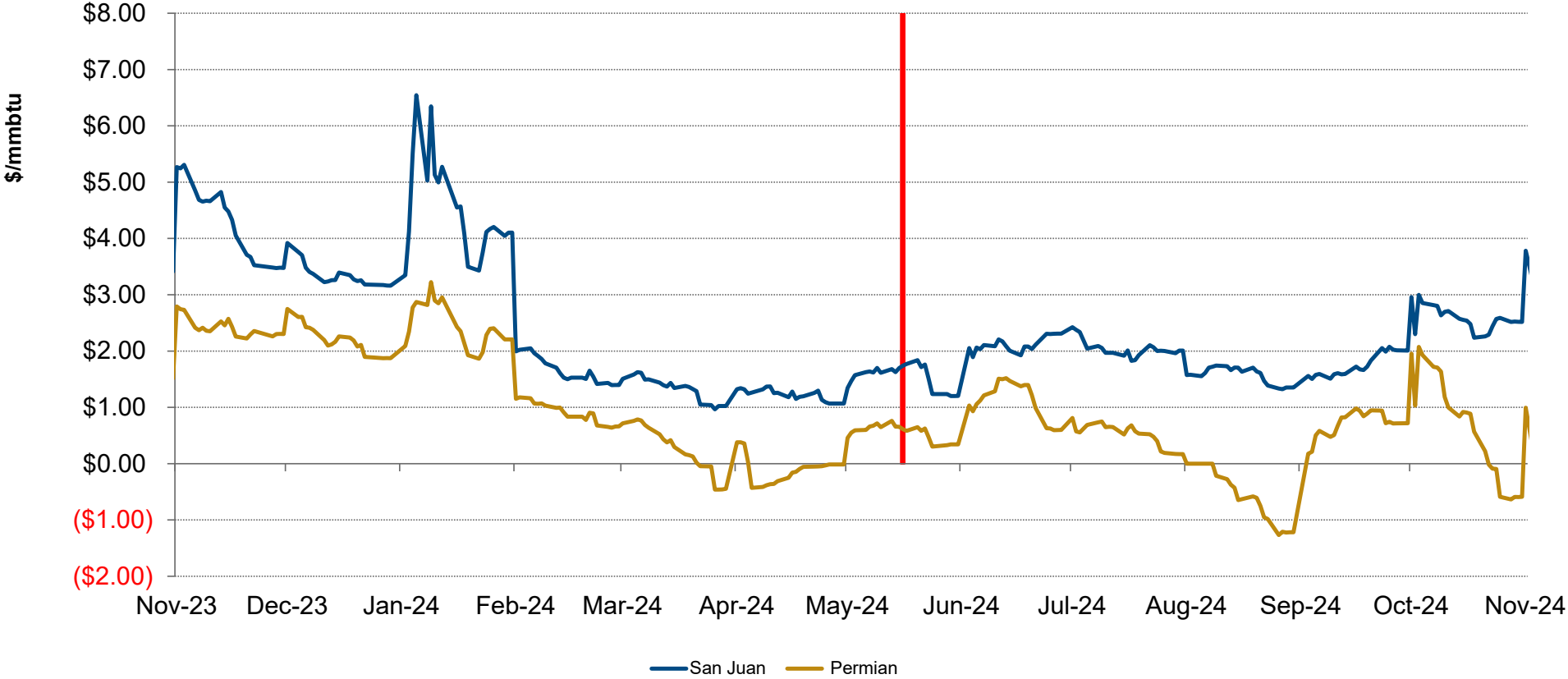
Electricity Forward Curve

Change in Palo Verde On-Peak Prices Since 2024



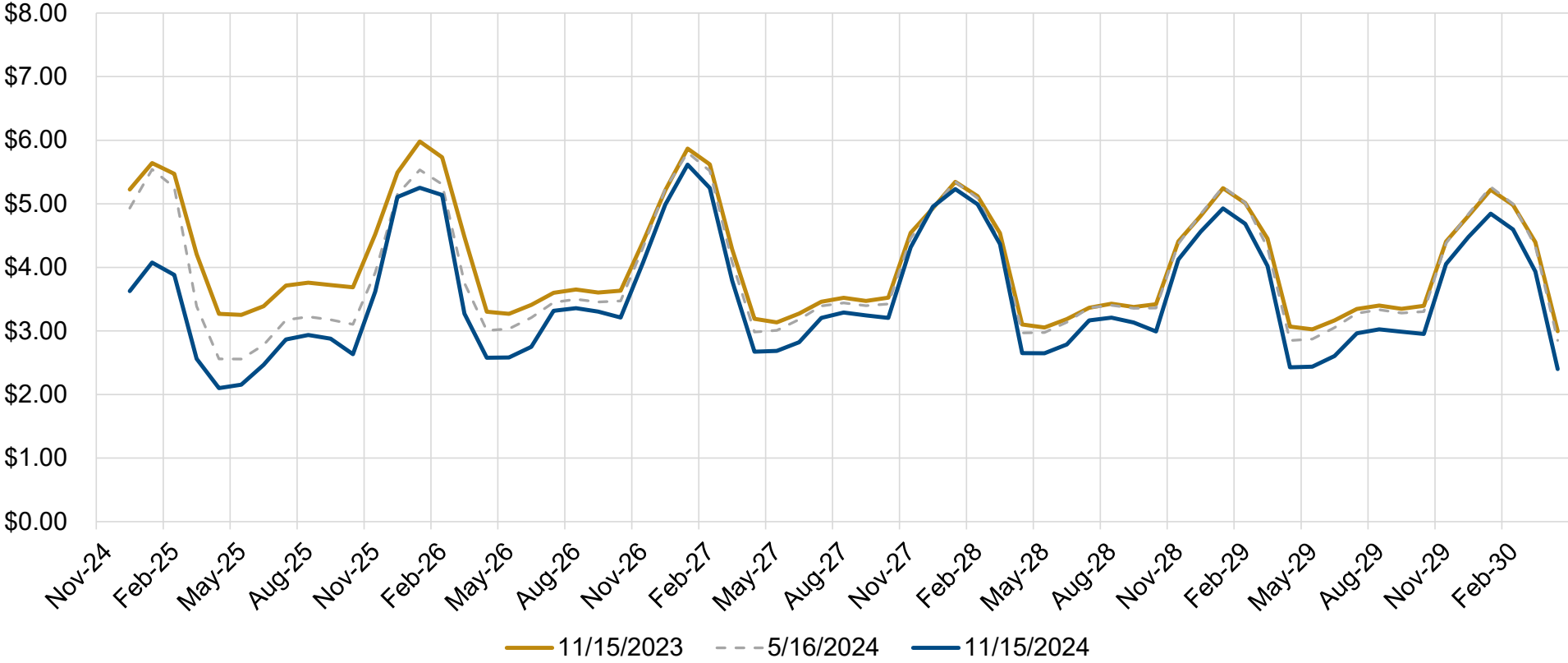
Natural Gas Prices

Front Month Permian & San Juan Basins



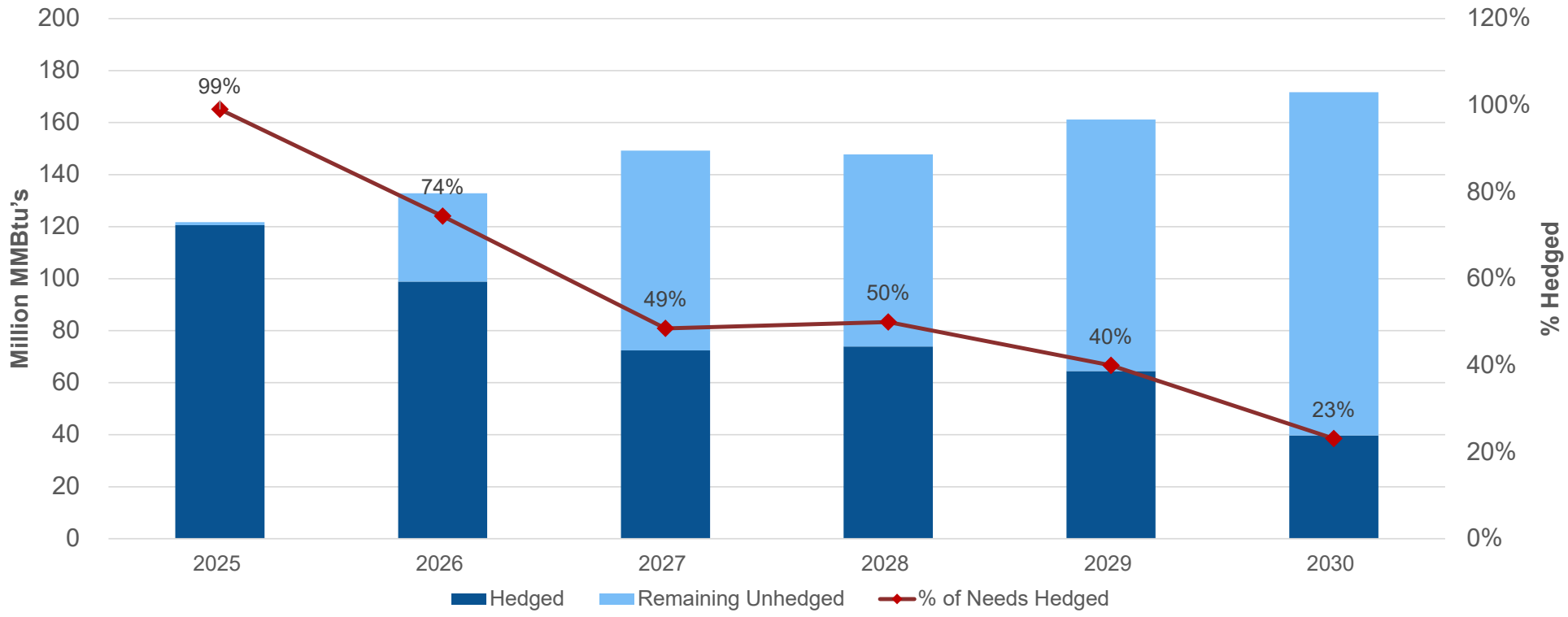
Natural Gas Forward Curve

Change in San Juan Basin Prices Since 2024



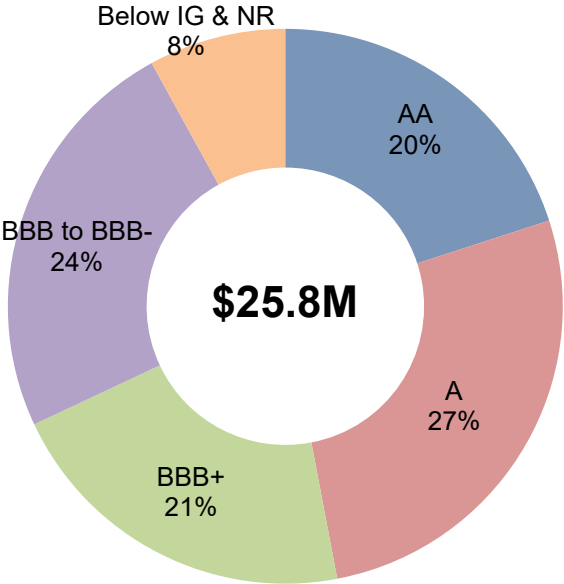
Retail Natural Gas Hedging

Expected Requirements and Hedge Levels (FP25)

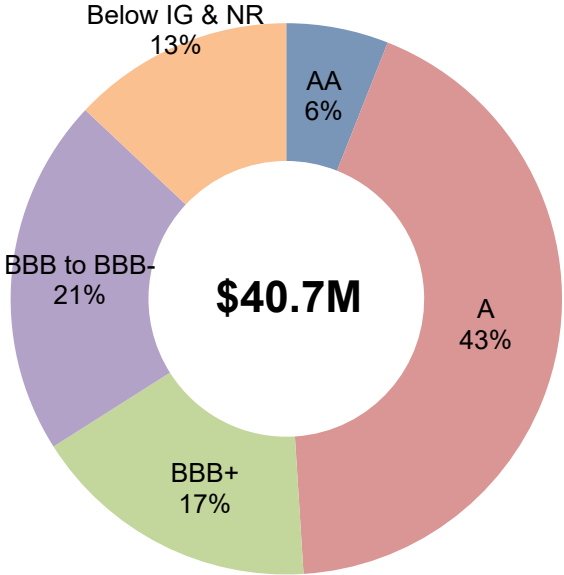


Credit Exposure by Rating

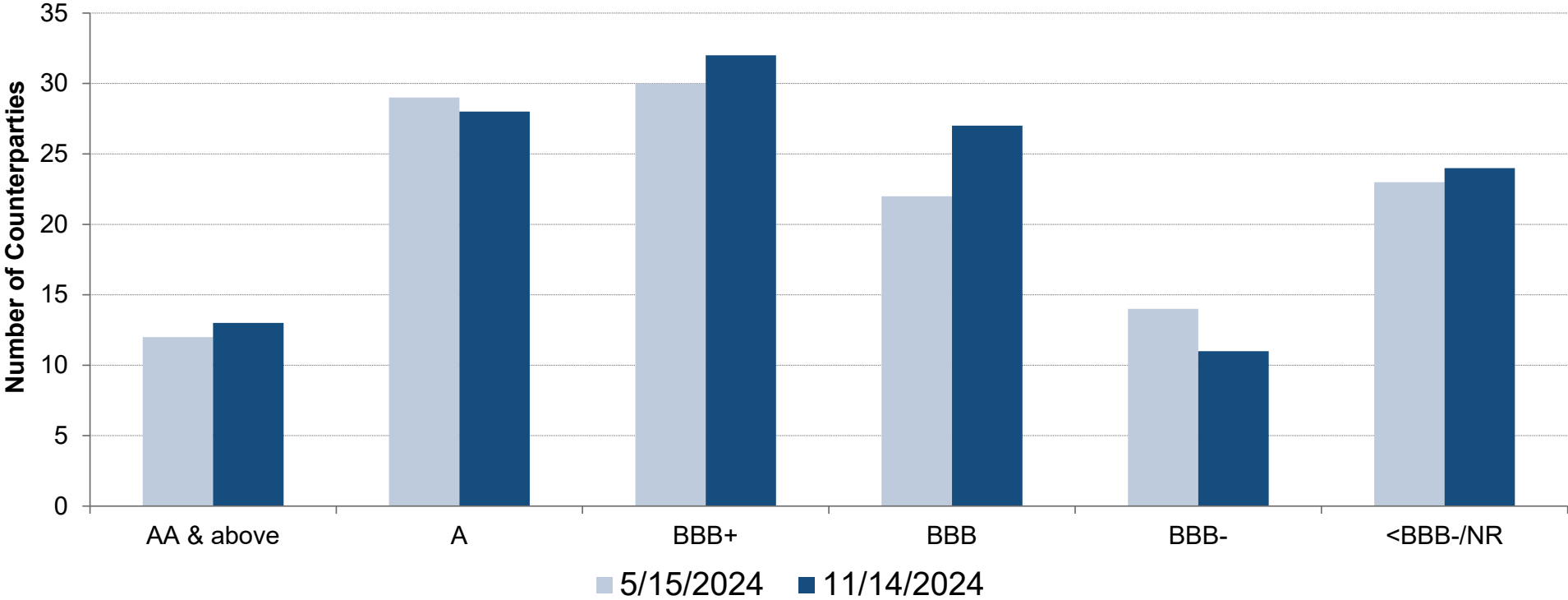
5/15/24



11/14/24



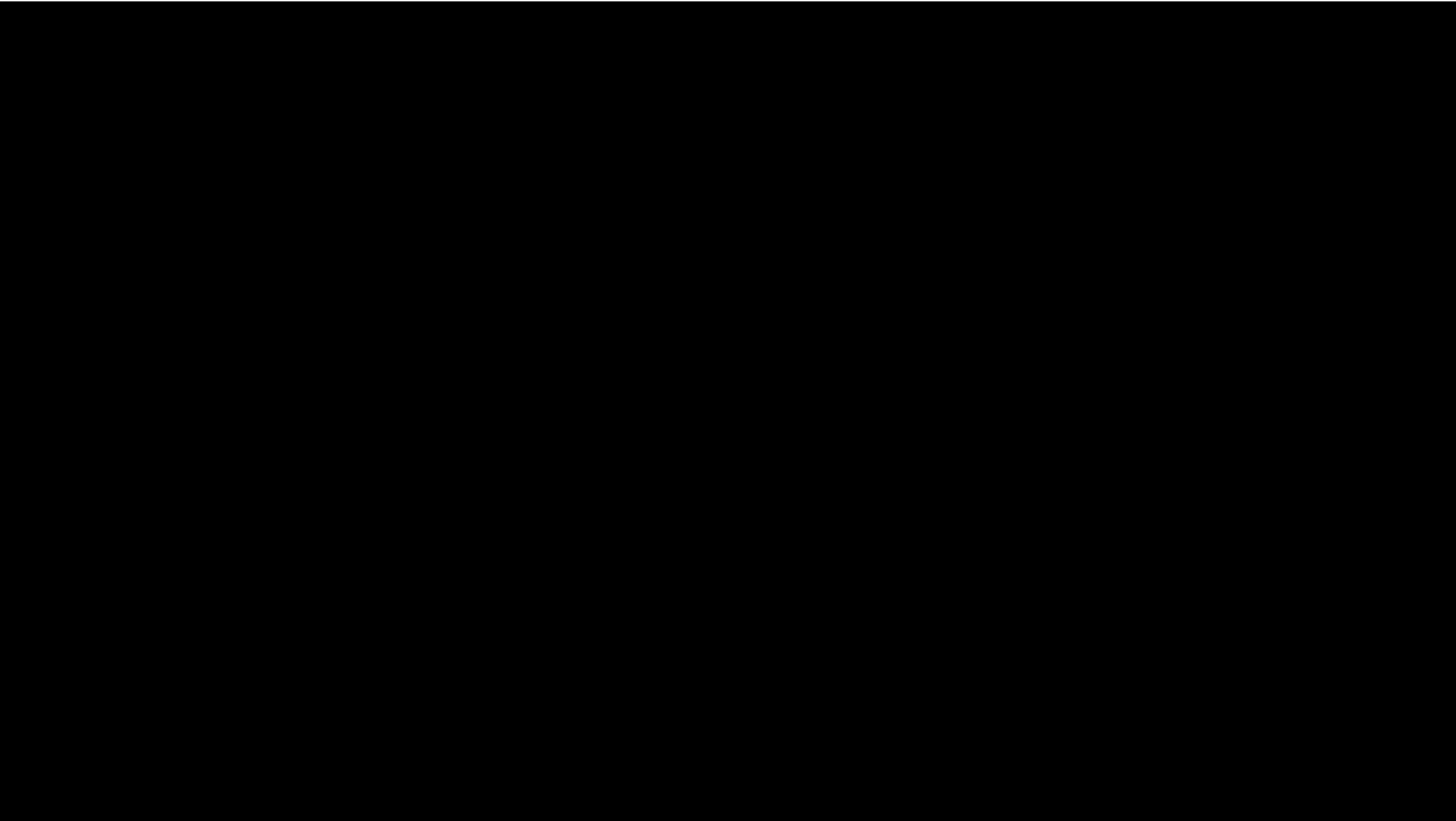
Counterparties by Credit Rating



Aggregate Financial Limits

Commodity	Limit	Current Position	% of Limit
Electricity	\$150M	\$47.2M	31%
	3M MWh	935K MWh	31%
Natural Gas	\$2B	\$1.3B	65%
	750M MMBtu	383M MMBtu	51%
Unleaded Gas	\$2.6M/FY	\$0.0M	0%
	900k gal/FY	0k gal	0%
Diesel	\$75M	\$11.2M	15%
	25M gal	2.6M gal	11%
Greenhouse Gas and Emissions Compliance Instruments	\$40M	\$7.1M	18%
	1.8M allowances	184K allowances	10%

thank you!





Renewable Energy Offering

Finance & Budget Committee Meeting (Open Session)

Dan Dreiling – Senior Director, Customer Strategy

November 21, 2024



Delivering water and power™

Agenda

- Purpose
- Current Program Offerings
- Program Design
- Program Terms
- Next Steps
- Recommendation

Purpose

- Be responsive to customers' desire for a “green” future.
- Ensure a clean energy product is offered to all SRP customers.
- Provide customers a means to participate in, and accelerate their commitment to, a sustainable future.
- Further SRP's commitment to renewable energy, while maintaining reliability and affordability.
- Provide additional program offerings to meet the needs of large business customers.

Current Customer Activity

Customer Offering	Participating Customers	Subscribed MWh	Subscribed MW
Sustainable Energy Offering	33	830,000	300
Solar Choice	6,403	92,150	32
Solar Choice Select	22	324,000	118
REC Select	6	14,200	N/A

Program Design Considerations

- Provide strategic business customers a way to go green to a greater extent than available under SRP's standard offering
- Leverage Arizona-based solar renewable resources
- Consistent pricing for participating customers
- Simple to understand and implement
- Address needs of various large business customer segments

Program Terms

- 100 MW from CO Bar I earmarked for program – expected COD Dec 2026
- 380 MW from CO Bar II earmarked for program – expected COD April 2027
- Term of customer agreements will be through April 30, 2035
- Program priced at fixed \$0.005 / kWh premium
- Renewable Energy Credits retired on behalf of the program to count towards SRP sustainability goals
- Conditional termination rights for SRP and participating customers

Next Steps

- Obtain Finance & Budget Committee recommendation and full Board approval to proceed with program
- Finalize contractual details, back-office and billing processes
- Approach interested customers with offer and execute agreements

Recommendation

Request that the Committee recommend that the Board authorize the General Manager and Chief Executive Officer, the Associate General Manager and Chief Customer Executive, or the Associate General Manager and Chief Financial Executive, to execute Renewable Energy Offering participation agreements with business customers, under terms substantially similar to those presented herein, and any subsequent amendments to any such agreement that do not materially modify the terms of the agreement.

Questions?

