

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

POWER COMMITTEE
Tuesday, March 25, 2025, 9:30 AM

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

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

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 JACK WHITE JR.

- Request for approval of the minutes for the meeting of February 20, 2025.

2. 2024 All-Source Request for Proposals: Capacity Projects..... WILL FIELDER

Informational presentation regarding projects selected from the 2024 All-Source Request for Proposals.

3. Closed Session, Pursuant to A.R.S. §30-805(B), for the Committee to Consider Matters Relating to Competitive Activity, Including Trade Secrets or Privileged or Confidential Commercial or Financial Information, with Respect to a Request for Approval to Enter into Power Purchase or Energy Storage Agreements for Projects Selected from the 2024 All-Source Request for Proposals WILL FIELDER

4. Overview of Financial Plan 2026 (FP26) Resource Plan..... GRANT SMEDLEY

Informational presentation regarding a summary of inputs, resource selections, and financial and sustainability metrics associated with alternatives considered with the FP26 Resource Plan.

5. Natural Gas Transportation Expansion Alternatives..... JOE GIACALONE

Informational presentation regarding the current state of natural gas transportation, SRP's natural gas transportation portfolio, an outlook for future SRP natural gas transportation requirements, and the proposed expansion alternatives that have been introduced by the interstate pipelines.

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

7. Future Agenda Topics CHAIR JACK WHITE JR.

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
POWER COMMITTEE MEETING

DRAFT

February 20, 2025

A meeting of the Power Committee of the Salt River Project Agricultural Improvement and Power District (the District) convened at 9:30 a.m. on Thursday, February 20, 2025, 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. The District and Salt River Valley Water Users' Association (the Association) are collectively known as SRP.

Committee Members present at roll call were J.M. White Jr., Chair; L.C. Williams, Vice Chair; and R.J. Miller, K.L. Mohr-Almeida, M.V. Pace, and P.E. Rovey.

Committee Member absent at roll call was C. Clowes.

Also present were President D. Rousseau; Board Members R.C. Arnett, N.R. Brown, M.J. Herrera, K.J. Johnson, S.D. Kennedy, and L.D. Rovey; Council Chair J.R. Shelton; Council Vice Chair T.M. Francis; Council Liaison G.E. Geiger; Council Members E.L. Gorsegner, B.E. Pacey, and C. Resch-Geretti; I.R. Avalos, A.N. Bond-Simpson, M.J. Burger, A.P. Chabrier, J.D. Coggins, J.A. Cook, J.M. Felty, L.F. Hobaica, D.J. Jackson, R.J. Klawitter, B.J. Koch, K.J. Lee, L.A. Meyers, G.A. Mingura, M.J. O'Connor, B.A. Olsen, J.M. Pratt, J.R. Schuricht, C.M. Sifuentes-Kohlbeck, P.B. Sigl, G.M. Smedley, P.L. Syrjala, and J.C. Tucker of SRP; Ian Calkins of Copper State Consulting Group; Julie Chao of Bright Night Power; Maxwell Cohen of Ørsted; Cathy Kim of Copia Power; Joy Seitz of American Solar & Roofing; Jessie Ciulla Shea of Energy Dome; and E.S., a member of the public.

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 Power Committee meeting at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona, at 9:00 a.m. on Tuesday, February 18, 2025.

Chair J.M. White Jr. called the meeting to order.

Consent Agenda

Chair J.M. White Jr. requested a motion for Committee approval of the Consent Agenda, in its entirety.

On a motion duly made by Vice Chair L.C. Williams and seconded by Board Member M.V. Pace, the Committee unanimously approved and adopted the following item on the Consent Agenda:

- Minutes of the Power Committee meeting on January 23, 2025, as presented.

Corporate Secretary J.M. Felty polled the Committee Members on Vice Chair L.C. Williams' motion to approve the Consent Agenda, in its entirety. The vote was recorded as follows:

YES:	Board Members J.M. White Jr., Chair; L.C. Williams, Vice Chair; and R.J. Miller, K.L. Mohr-Almeida, M.V. Pace, and P.E. Rovey	(6)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	Board Member C. Clowes	(1)

Appointment of Trapper Mining, Inc. SRP representatives

Using a PowerPoint presentation, Pam L. Syrjala, SRP Senior Director of Supply and Trading, stated that the purpose of the presentation was to request approval to appoint Pam Syrjala, Craig Larson, and Bill Marozzi to serve as SRP representatives to the Board of Directors of Trapper Mining, Inc. and its subsidiaries, effective April 17, 2025.

P.L. Syrjala provided background on Trapper Mining, Inc. They stated that Trapper Mining, Inc. supplies coal to Craig Generating Station Units 1 and 2. P.L. Syrjala explained that Trapper Mining, Inc. is owned by SRP, PacifiCorp, and Platte River Power Authority with SRP having a 43.72% ownership. They said that Trapper Mining, Inc. is governed by a seven-member board, each owner may nominate and appoint their own board members, and three seats on the board are allocated to SRP.

P.L. Syrjala stated that board members also serve on Trapper Mining, Inc.'s subsidiaries - William Fork Land Company and Williams Fork Mining Company. They said that board members cast a number of votes reflecting a pro-rata ownership share and allocated board seats; SRP directors cast 14.6 votes each.

P.L. Syrjala concluded by recommending approval to appoint the following individuals to represent SRP on the board of Trapper Mining, Inc. and the board of any subsidiaries of Trapper Mining, Inc.:

- Pam Syrjala, SRP Senior Director of Supply and Trading
- Craig Larson, SRP Senior Director of Base Load Generation and Major Projects
- Bill Marozzi, SRP Lead Fuel Supply

P.L. Syrjala responded to questions from the Committee.

On a motion duly made by Board Member M.V. Pace, seconded by Board Member K.L. Mohr-Almeida and carried, the Committee agreed to recommend Board approval, as presented.

Corporate Secretary J.M. Felty polled the Committee Members on Board Member M.V. Pace's motion to recommend Board approval. The vote was recorded as follows:

YES:	Board Members J.M. White Jr., Chair; L.C. Williams, Vice Chair; and R.J. Miller, K.L. Mohr-Almeida, M.V. Pace, and P.E. Rovey	(6)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	Board Member C. Clowes	(1)

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.

Preliminary Financial Plan 2026 (FP26) Resource Plan

Using a PowerPoint presentation, Grant M. Smedley, SRP Director of Resource Planning, Acquisition, and Development, stated that the purpose of the presentation was to provide information regarding the Preliminary FP26 Resource Plan.

G.M. Smedley provided an overview of the 2024 accomplishments that align with SRP's Integrated System Plan (ISP) Board-approved system strategies as follows: 1) commissioned six new resources, a total of 1,100 megawatts (MW); 2) closed the 2023 All-Source Request for Proposals (ASRFP), executing contracts for 1,300 MW storage and 500 MW solar from 2026 through 2028; 3) issued the 2024 ASRFP, seeking 3,000 MW storage and 1,200 MW solar from 2029 through 2030; 4) issued the solar partnership Request for Proposal (RFP) to add 3,000 MW by 2035; and 5) initiated proactive transmission projects to enable 5,000 MW or more of new generation and storage. They explained the annual resource planning and acquisition process and how it relates to the transmission interconnections process. G.M. Smedley introduced Jon A. Cook, SRP Principal Analyst of Predictive Analytics.

Continuing, J.A. Cook explained that resource adequacy (RA) is an assessment of whether the current, or projected, resource mix can meet capacity (maximum capability in MW) and energy (total amount in MW-hours (MWh)) needs for a particular grid. They said that planning for uncertainty means studying the system under a wide range of possible conditions related to resource performance, load shape, weather, and forecast error.

J.A. Cook highlighted that RA is no longer only about peak load hours because supply and demand are both changing throughout the day, seasons, and year. They stated that there is a need to study all hours of the year to fully capture system risk.

J.A. Cook said that detailed loss-of-load studies are the new best practices. They stated that these studies identify both capacity and energy needs and allow for the assessment of reliability value based on a resource's ability to provide energy when the system needs it most.

J.A. Cook highlighted that the two RA challenges that drive SRP's resource needs are as follows: 1) summer capacity, which is a familiar need that has been increasing over the past few years due to significant load growth; extreme heat events (multiple days greater than 115 degrees Fahrenheit); highest risk hours shifting from late afternoon to after sunset; and the growing need for firm and longer duration resources; 2) winter energy, which is an emerging need due to increasing large customer loads entering into SRP's forecast that consistently consume significant amounts of energy across all hours and all seasons; and 3) solar output, which is significantly lower in winter, especially on cloudy days; and coal retirements. They said that solar output in winter is almost half of summer due to fewer daylight hours and that additional resources will be needed to meet total energy needs of SRP customers.

Continuing, G.M. Smedley reviewed remaining summer capacity needs projected from Fiscal Year 2026 (FY26) through FY35. They concluded with a discussion regarding the current issuance of 2025 ASRFP and next steps.

J.A. Cook and G.M. Smedley 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.

P.L. Syrjala of SRP left the meeting during the presentation. K. Arita of SRP entered and left the meeting during the presentation. J.A. Cook and G.M. Smedley of SRP left the meeting after the presentation. Vice President C.J. Dobson; Council Member R.W. Swier; and R.R. Taylor of SRP entered 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 J.M. White Jr. asked the Committee if there were any future agenda topics. Board Member K.L. Mohr-Almeida requested a Work Study Session regarding an overview of the transmission including the following: 1) an overall view of the state grid and main interstate ties; 2) economics of transmission – who owns the grid; 3) reconductoring and how that can increase capacity for existing lines; 4) co-location of transmission lines and the use of existing corridors; and 5) costs and timing of transmission investments.

There being no further business to come before the Power Committee, the meeting adjourned at 10:25 a.m.

John M. Felty
Corporate Secretary

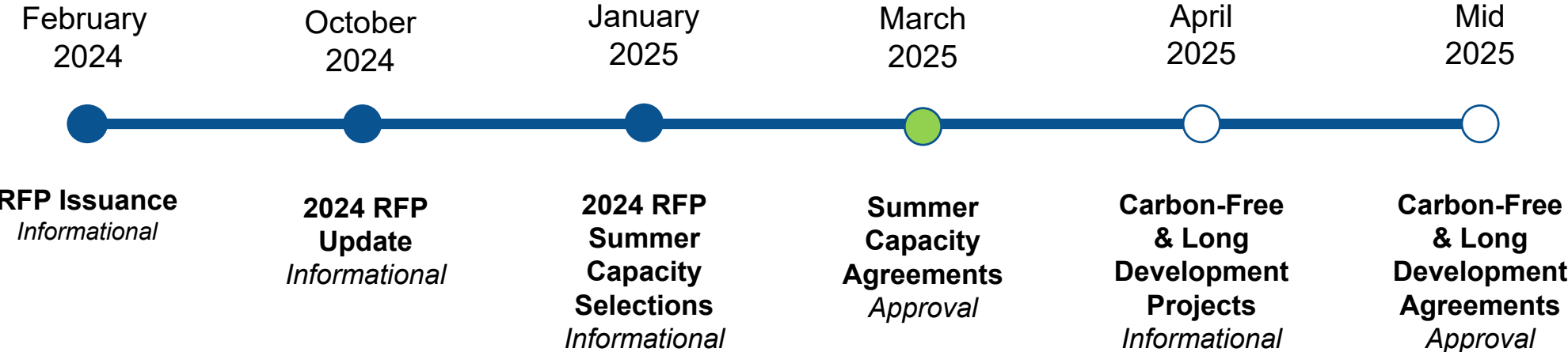
An aerial photograph of a large dam and reservoir situated in a deep, rugged canyon. The canyon walls are composed of layered, reddish-brown rock. The reservoir is a deep blue color, and the dam is a long, curved structure across the middle of the canyon. The sky is a clear, pale blue.

2024 All-Source Request for Proposals: Capacity Projects

Power Committee Meeting

Will Fielder | March 25, 2025

Recap of 2024 RFP Timeline



- Previous Power Committee meeting
- Current Power Committee meeting
- Future Power Committee meeting

Overview of Selected Capacity Projects

Project	Developer	Technology	Capacity (MW)
CO Bar + D	Clenera	Storage to Existing Solar	794
Maverick	Prologis	Storage	200
<i>Confidential</i>	NextEra	Storage	200
Pediment II	Aypa	Storage	250
Sierra Luna	Plus Power	Storage	150
Cygnus	SB Energy	Solar and Storage	400
Chimney Canyon	Clearway	Solar and Storage	375
Red Hills	Stellar	Solar and Storage	500

Overview of Selected Capacity Projects



Summary

- Recommended projects meet capacity needs through 2030 and contribute to 2035 sustainability goals
- Agreements incorporate new requirements based on lessons learned
- Confidential terms to be discussed in closed session



thank you!



Overview of FP26 Resource Plan

Power Committee

Grant Smedley March 25th, 2025

Agenda

- Process Overview
- Changes since FP25
- FP26 Resource Selections
- Affordability and Sustainability Metrics
- Implementation Priorities
- Key Takeaways



Process Overview

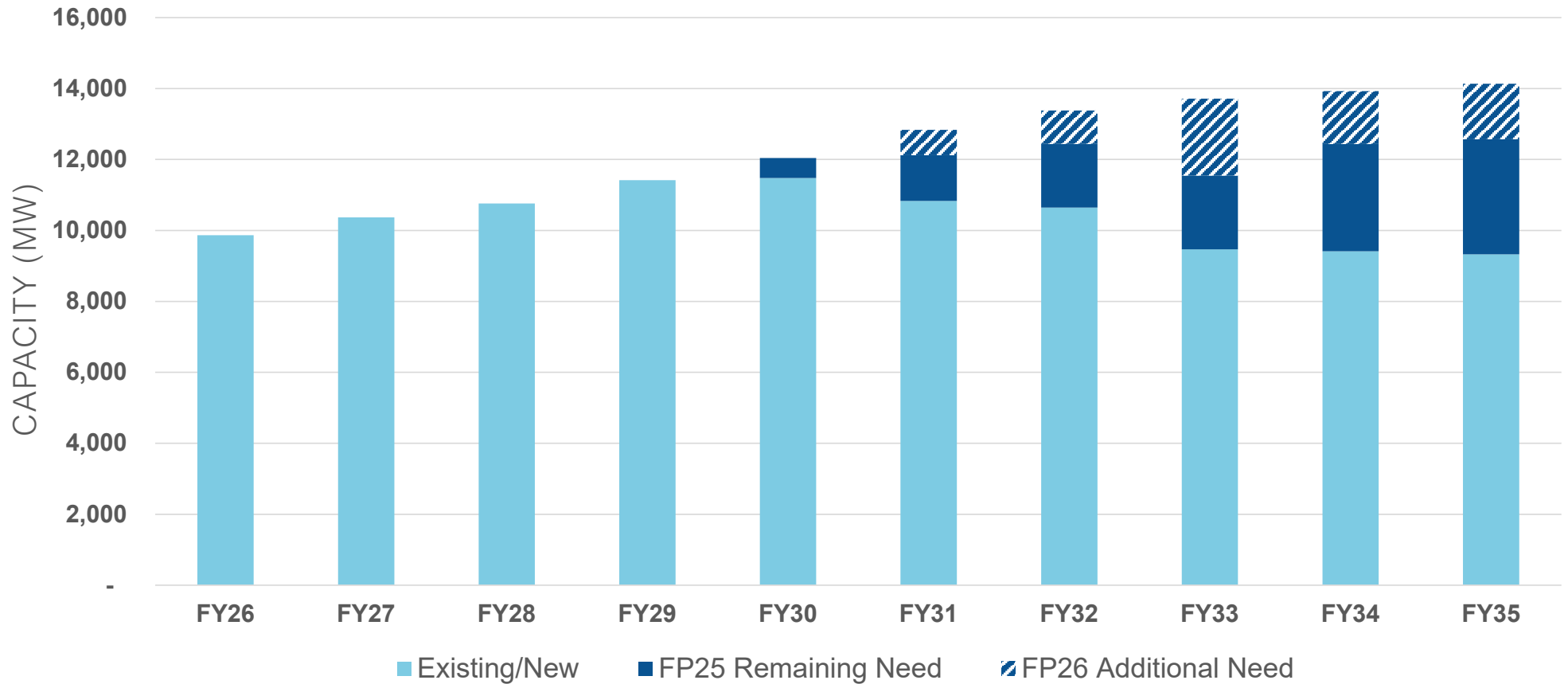
Resource Plan is updated annually to:

- Incorporate latest load forecast, anticipated technology costs, projected fuel prices, and other inputs
- Implement Board-approved System Strategies identified in the Integrated System Plan (ISP)
- Identify optimal mix of new resources to serve load reliably, maintain affordability, and achieve Board-approved carbon and water goals
- Establish implementation priorities

Changes Since FP25

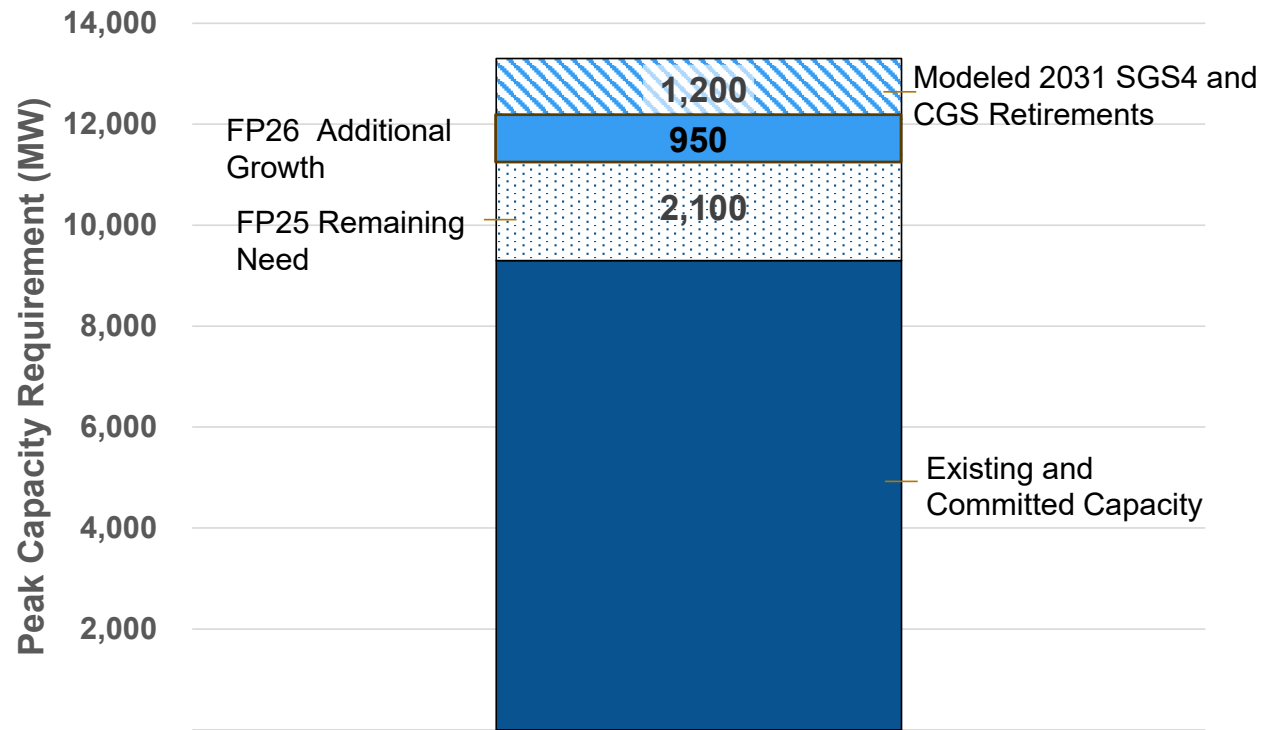
- Higher peak demand and annual energy forecasted in 2030s
- U.S. EPA issued final greenhouse gas regulations
- Need to reduce capital spending to meet financial metrics
- Higher winter energy needs

Remaining Summer Capacity Needs



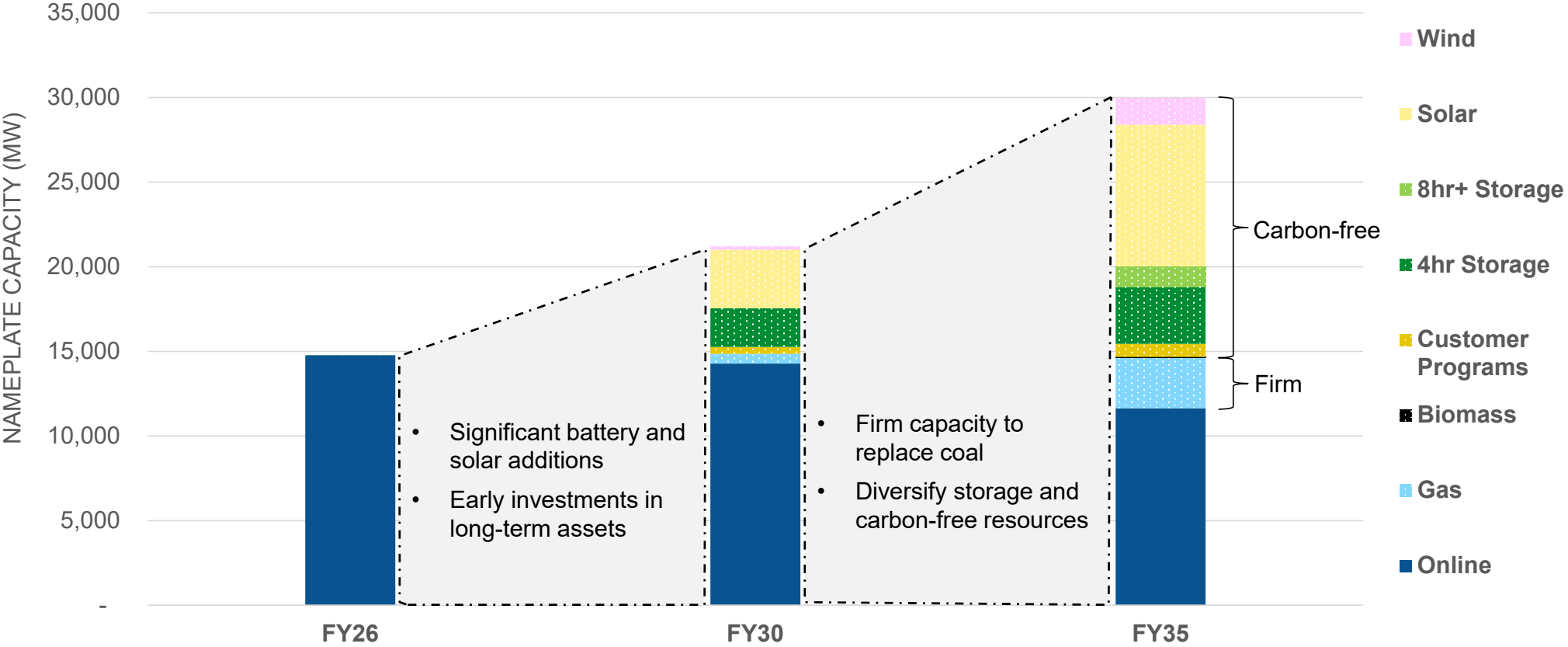
Significant Additional Capacity Need in Early 2030s

Remaining Need in FY33 (2032)



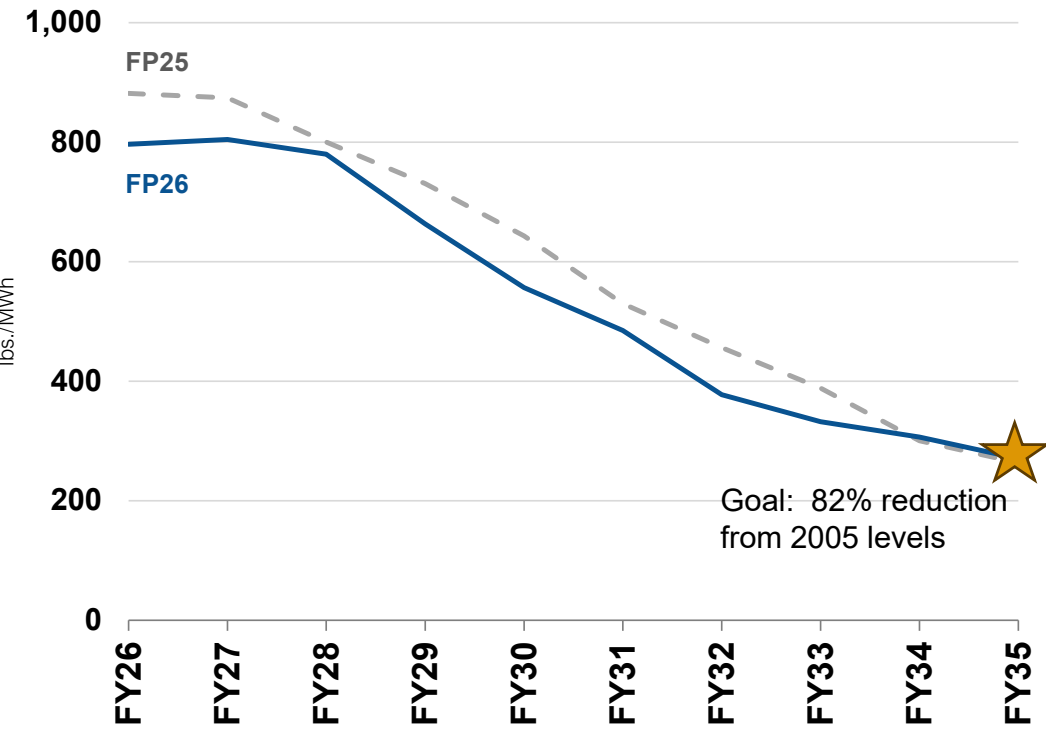
Key Takeaway: Capacity need in 2032 has doubled since FP25

FP26 Resource Plan

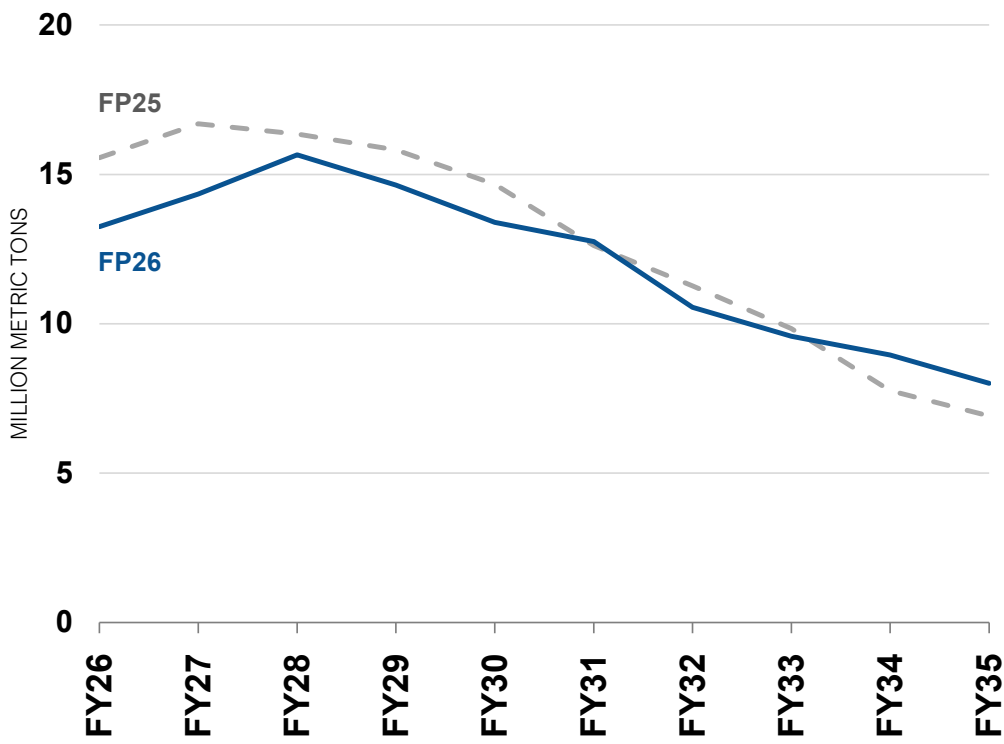


Progress Towards 2035 Carbon Intensity Goal

CARBON INTENSITY



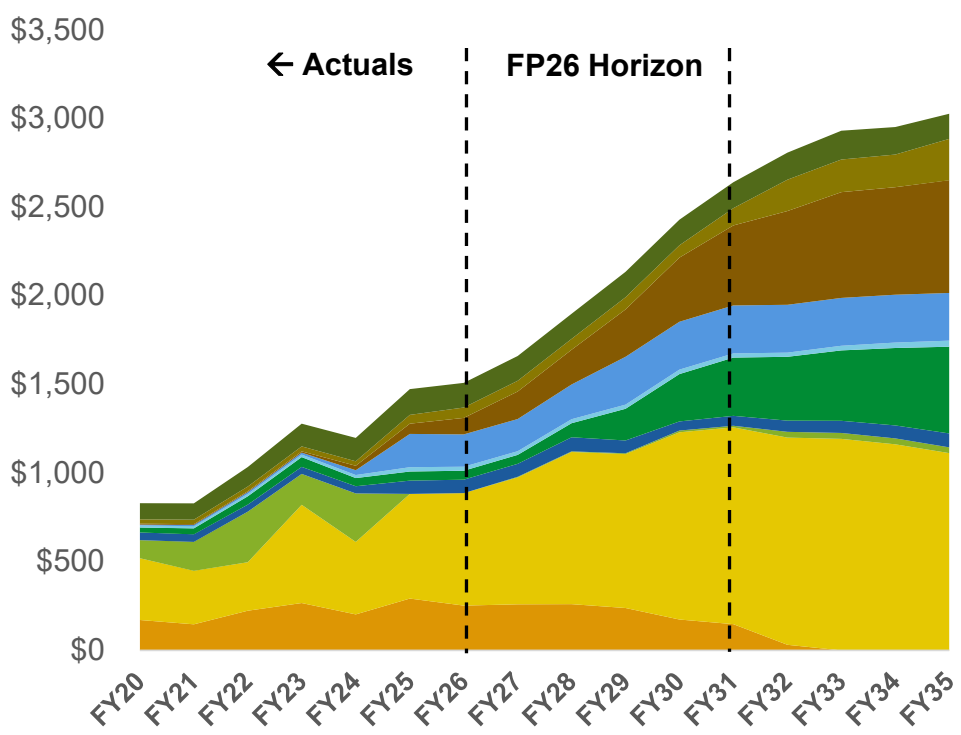
RETAIL CARBON MASS



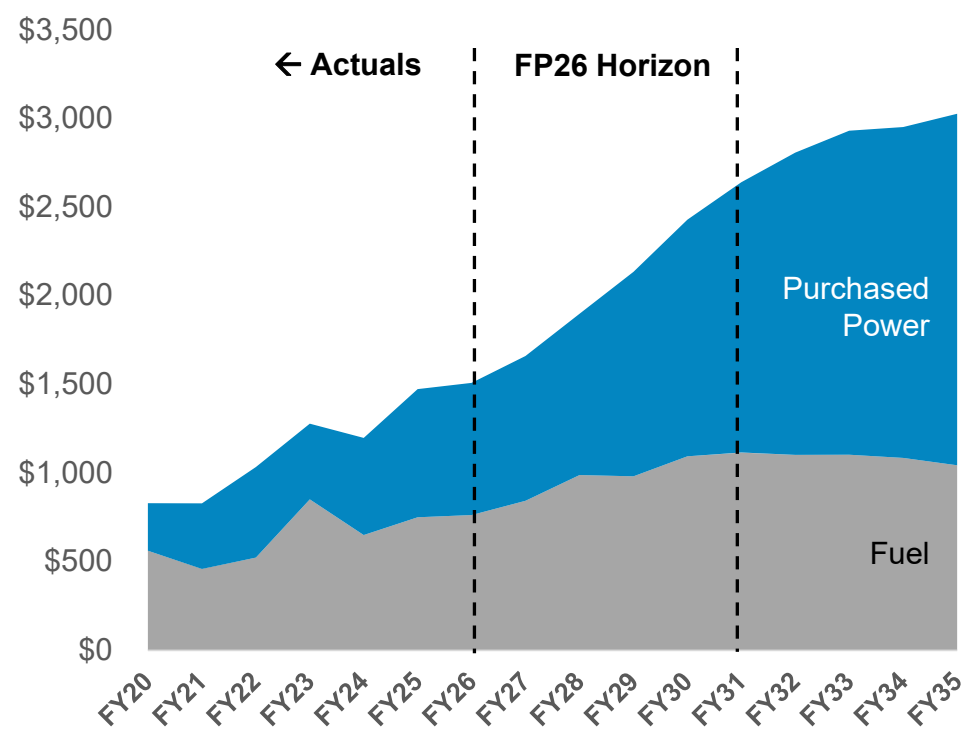
Key Takeaway: FP26 Resource Plan achieves carbon intensity goal

Retail Fuel and Purchased Power

Costs by Resource Type (\$ million)



Costs by Category (\$ million)



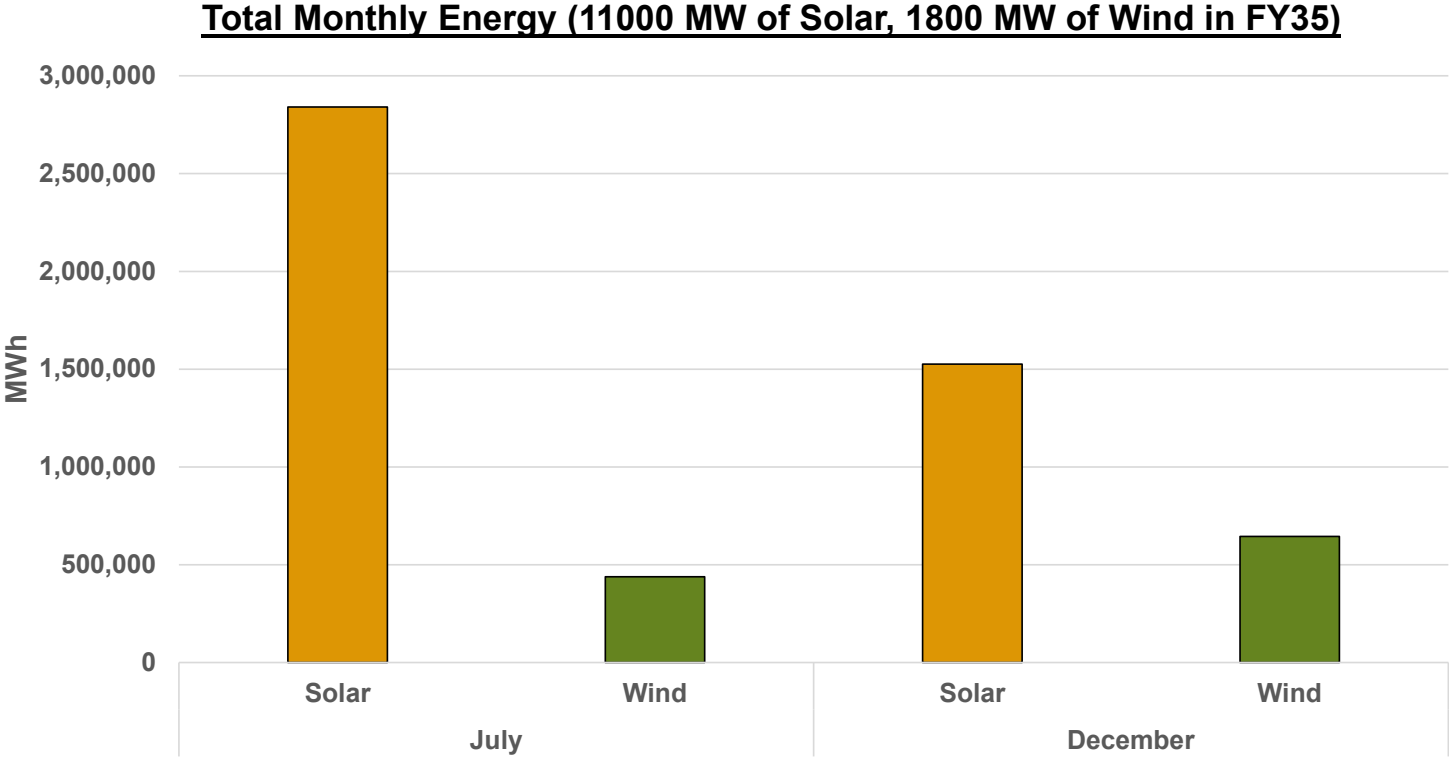
■ Coal
 ■ Gas
 ■ Market Purchases
 ■ Nuclear
 ■ Solar
 ■ Hydro
 ■ Solar + Battery
 ■ Battery
 ■ Wind
 ■ Geo/Bio

Reduction in Resource Capital Expenditures

- **Pumped Storage:** Assumed partnership to share capital cost while maintaining schedule (**\$1.4B reduction**)
- **Solar:** Shifted 400 MW of self-build to PPA (maintained 1000 MW to diversify development) (**\$400M reduction**)
- **Coal-to-Gas Conversion:** FP26 assumes CGS conversion to preserve valuable capacity and bridge to new technologies (**\$600M reduction**); also evaluating SGS



Winter Energy Needs Will Require New Infrastructure

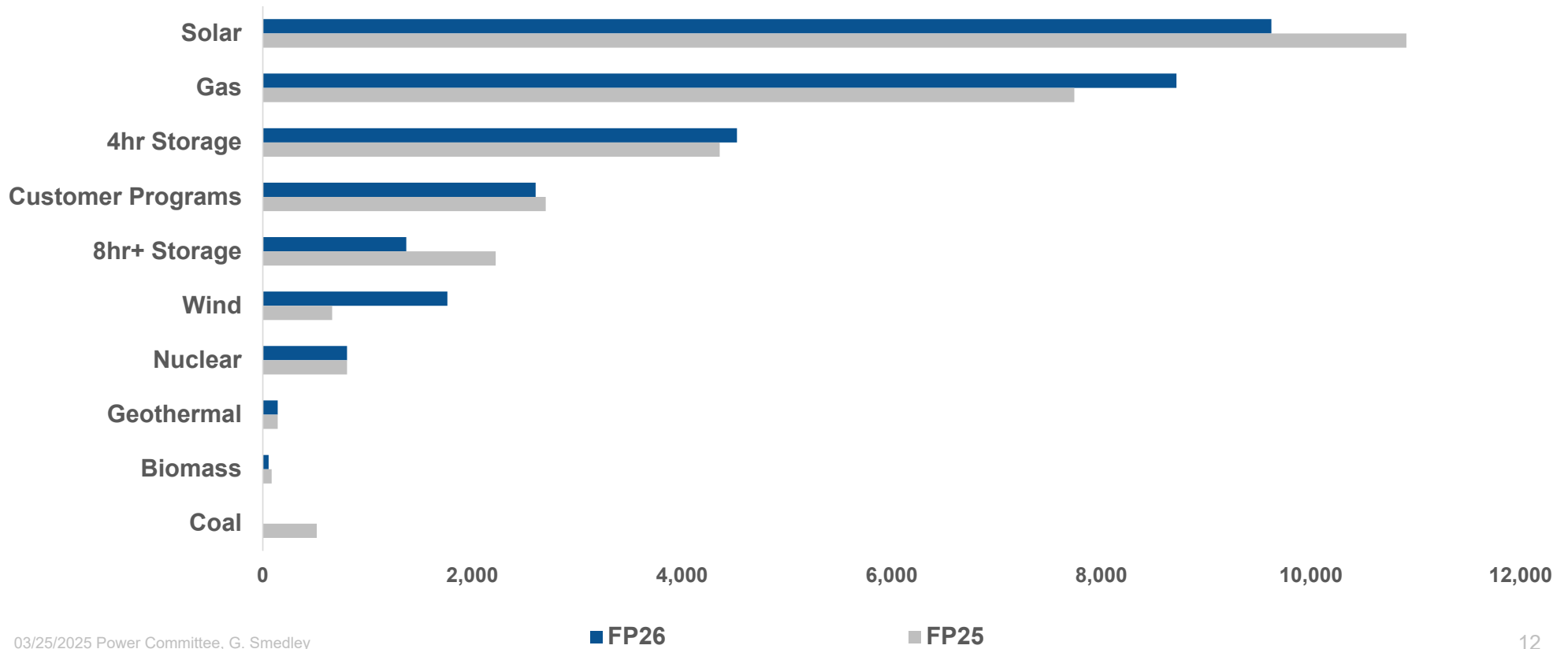


Key Takeaway:

- More wind and natural gas generation needed, which will require additional transmission and gas transportation

Comparison with FP25

NAMEPLATE CAPACITY IN FY35 (MW)



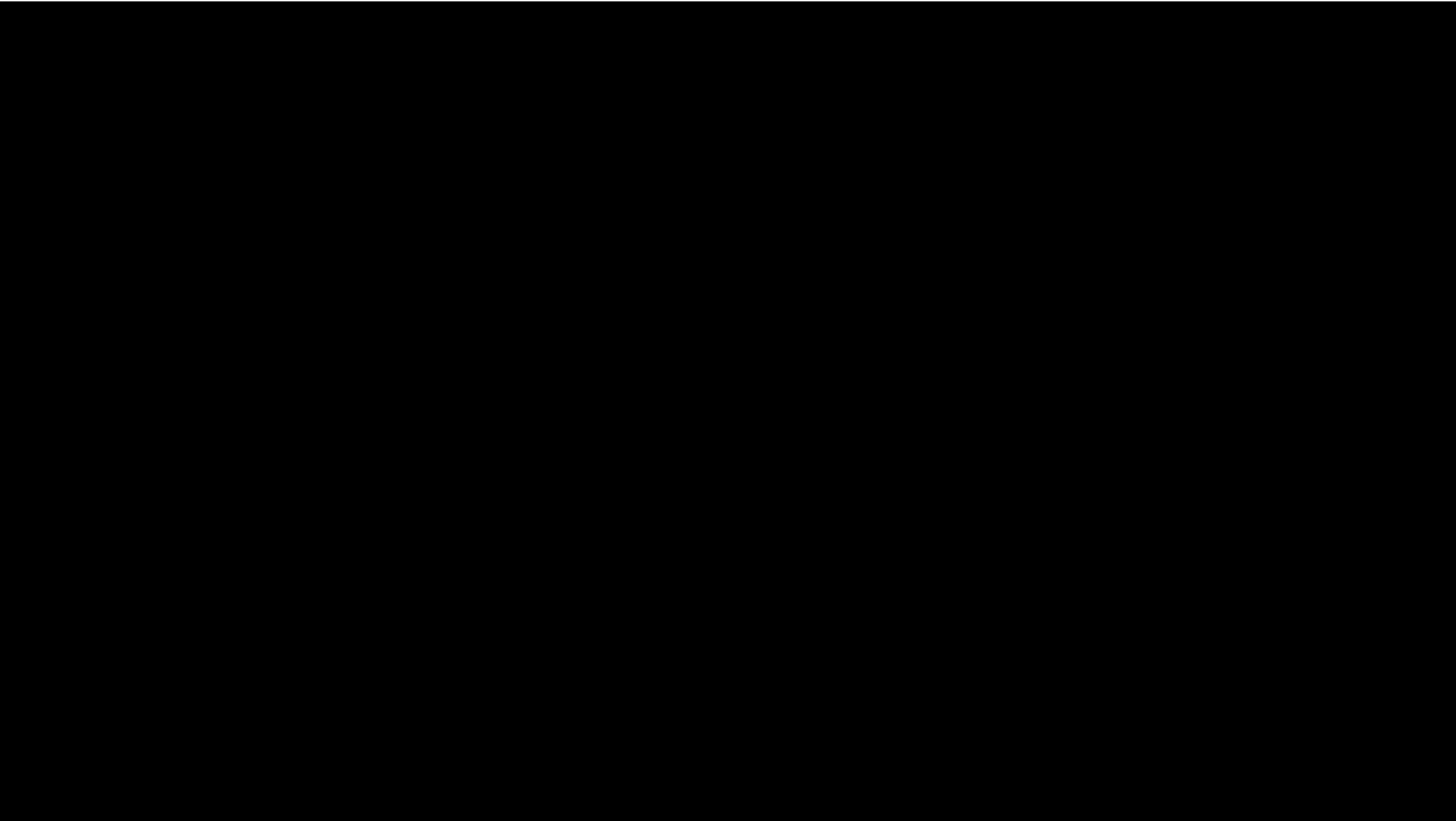
Highest Implementation Priorities

- Complete 2024 All-Source Request for Proposals
- Finalize Solar Development Partnership
- Continue Proactive Transmission Development
- Evaluate Natural Gas Transportation Options
- Evaluate Coal-to-Gas Conversion Opportunities at Coronado and Springerville



Key Takeaways

- SRP is positioned to meet capacity and energy needs through 2020s, but growing needs in early 2030s will be a significant challenge
- SRP management is evaluating options and will return to present recommendations for:
 - Carbon-free and long-development projects selected from 2024 All-Source RFP
 - Solar development partnership
 - Natural gas transportation rights
 - Coronado and Springerville Generating Stations



Natural Gas Transportation Update

Power Committee

Joe Giacalone | March 25, 2025

Agenda

- Update on Recent Activities
- SRP's Future Transportation Requirements
- Objective
- Next Steps

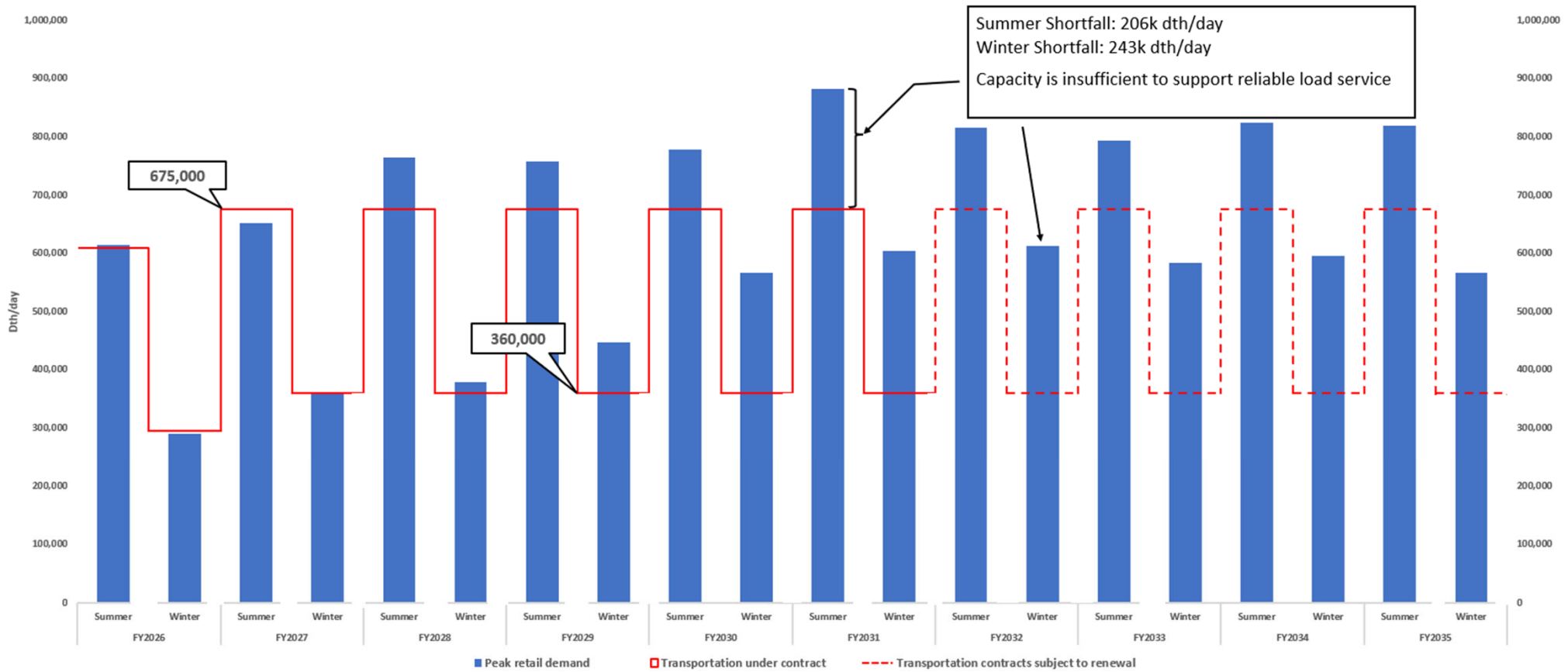
Natural Gas Transportation Capacity

- Firm capacity provides SRP the daily right, but not the obligation, to use a certain amount of space along the pipeline.
- Transportation capacity is defined with hourly and daily volume limits.
- When demand exceeds firm capacity, short-term markets must be relied upon for additional gas delivery, subject to availability.

Update

- SRP has been proactive in recommending gas transportation capacity alternatives from existing infrastructure.
- Following Board Approval in August, executed 14-year delivered gas purchase.
- SRP holds 675k dth/d of firm Summer capacity and 360k dth/d of firm Winter capacity.

Forecasted Retail Gas Needs (FP26) & Existing Transportation Rights



Objective

- El Paso and Transwestern announced expansion proposals in late 2023.
- SRP has participated in multiple meetings with other Arizona utilities to discuss terms, construction timelines, and approval requirements.
- SRP Goals: Maintain sufficient pipeline capacity to meet future reliability requirements.
 - Diversify across the pipeline systems to ensure the highest level of redundancy possible.
 - Establish unique contract expirations to provide flexibility as gas needs evolve.
 - Negotiate for the best economic terms on behalf of SRP's customers.

Next Steps

- Continue to review infrastructure opportunities with Arizona Shippers, determining best fit for the SRP's growing needs.
- Internal review of proposals.
- Present recommendation to SRP Board for approval.

thank you!

