

SRP 2035 SUSTAINABILITY ADVISORY GROUP

MEETING #1 SUMMARY

OCTOBER 13, 2023



Topic: 2035 Sustainability Goals—Water Resiliency Pillar and Forest Restoration

Date: October 13, 2023

Time: 08:30 a.m.-1:30 p.m. MDT

Location: SRP Heritage Center, 1500 North Mill Avenue, Tempe AZ, 85288

Meeting Objectives:

The objective of this engagement is to ensure management's recommendations for sustainability goal updates are informed by stakeholder perspectives. The framework to accomplish this includes the following actions:

- 1) Level-set: Review of the goals as originally framed, progress achieved, and lessons learned;
- 2) Discuss: Listen to stakeholder feedback and dialogue with the SRP Goal Owners;
- 3) Update: Discuss SRP's current thinking on each goal, including proposed changes; and
- 4) Pulse survey: Measure Advisory Group satisfaction with the direction of proposed revisions to the goal.

Point of Contact:

SRP Sustainability Policy & Programs Sustainability@srpnet.com

Of the 21 Advisory Group organizations invited to attend, 12 organizations attended the meeting. The meeting agenda and presentations are available at the <u>2035 Sustainability Goals Update</u> Process website.



EXECUTIVE SUMMARY

On Friday, October 13th, Advisory Group members convened in SRP's Heritage Center to review a subset of SRP's 2035 Sustainability Goals. During the meeting, Advisory Group members expressed aspirations for the process, including a desire for SRP to increase public understanding of how it is attempting to be ahead of the curve on sustainability, for SRP to set a more aggressive carbon goal without impacting reliability and affordability, to be a champion of innovation, and be a convener to rally the region around common goals. The Advisory Group also noted that the conversation around sustainability has changed tremendously since SRP set its current goals in 2019, including a more human-centric approach, a focus on equity, the adoption rate of EVs, the increasing level of interest in water issues, and the amount of growth and the pace of change.

2.2 Lost and Unaccounted for Water

Goal Owner and Presenter: Michael Mendonca, Senior Director, Water Strategic Services

Current Goal: Achieve lost and unaccounted for water rate of less than 5% on a 10-year rolling average.

Proposed Direction: Retire goal and transition into maintenance focus, continue to report performance and investigate improvement opportunities.

Discussion summary:

Some Advisory Group members expressed appreciation for retiring the Lost and Unaccounted for Water goal and recommended a focus on the broader picture of water management. Discussion centered around benchmarking SRP's performance on this goal, lining and evaporation in SRP's water delivery system, and possibilities for continued reductions of lost and unaccounted for water on SRP's system.

2.3 Generation Groundwater

Goal Owner and Presenter: Michael Mendonca, Senior Director, Water Strategic Services

Current Goal: Eliminate or offset power generation groundwater use in Active Management Areas (AMAs).

Proposed Direction: Maintain goal to eliminate or offset power generation groundwater use in Active Management Areas (AMAs).



Discussion summary:

The discussion around this goal focused on a desire to better understand the relationship between water types used for generation and the geography of where groundwater pumping and use occur. The Advisory Group expressed a desire to learn more about the sources of surface water utilized in recharging groundwater supplies and the connection between resource decisions and groundwater use.

2.5 Water Storage

Goal Owner and Presenter: Michael Mendonca, Senior Director, Water Strategic Services

Current Goal: Store 1 million acre-feet of water supplies underground.

Proposed Direction: Maintain goal to store 1 million acre-feet of water supplies underground, and add aspects of drought resiliency to include:

- Surface water development
- Recovery
- Regional exchange flexibility

Discussion summary:

The Advisory Group expressed a desire to learn more about the sources of water that are currently utilized to meet this goal and the opportunities for looking at other sources. Some members of the Advisory Group expressed appreciation for the focus on regional solutions and noted that the goal does not address usage. Members also asked to learn more about how the 1 million acre-feet target was established, as well as the possibility of a more aggressive target.

2.6 Water Conservation

Goal Owner and Presenter: Elvy Barton, Manager, Water and Forest Sustainability

Current Goal: In partnership with Valley cities, support municipal water conservation goal achievements by creating and executing programs to identify 5 billion gallons (~15,300 af) of potential water conservation by 2035.

Proposed Direction: Revise goal with a broader scope to support water conservation by creating and executing programs to identify 5 billion gallons (~15,300 af) of potential water conservation by 2035.



Discussion summary:

Advisory Group members expressed a desire to better understand the metrics and measurement associated with the goal and proposed direction, as well as a discussion around possible third-party verification. There was also discussion of data sources for this measurement and whether it would be provided by municipal partners. The Advisory Group discussed a need for green stormwater infrastructure and a focus on nature-based solutions. Members noted the amount in comparison to other water uses was lower while others questioned whether the 5 billion gallon target was too ambitious. Some Advisory Group members appreciated the systemwide approach in the proposed goal direction.

5.3 Forest Restoration

Goal Owner and Presenter: Elvy Barton, Manager, Water and Forest Sustainability

Current Goal: Increase SRP's leadership role in forest restoration treatments through partnerships, influence, education and support for industry to thin 50,000 acres by year or 500,000 acres total.

Proposed Direction: 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.

Discussion Summary:

Some Advisory Group members expressed appreciation for the increased acreage target in the proposed approach. Members also discussed the carbon benefits of forest thinning, the definition of non-commercial vs commercial efforts, and the cadence for thinning efforts over time. The Advisory Group also focused on biochar and pyrolysis as possibilities for forest thinning efforts. Members also asked for background on the rationale for both the original goal scope as well as the proposed increase in the acreage target.