

System Reliability Benefit (SRB) Mechanism

Stakeholder Meeting

August 1, 2025



Agenda

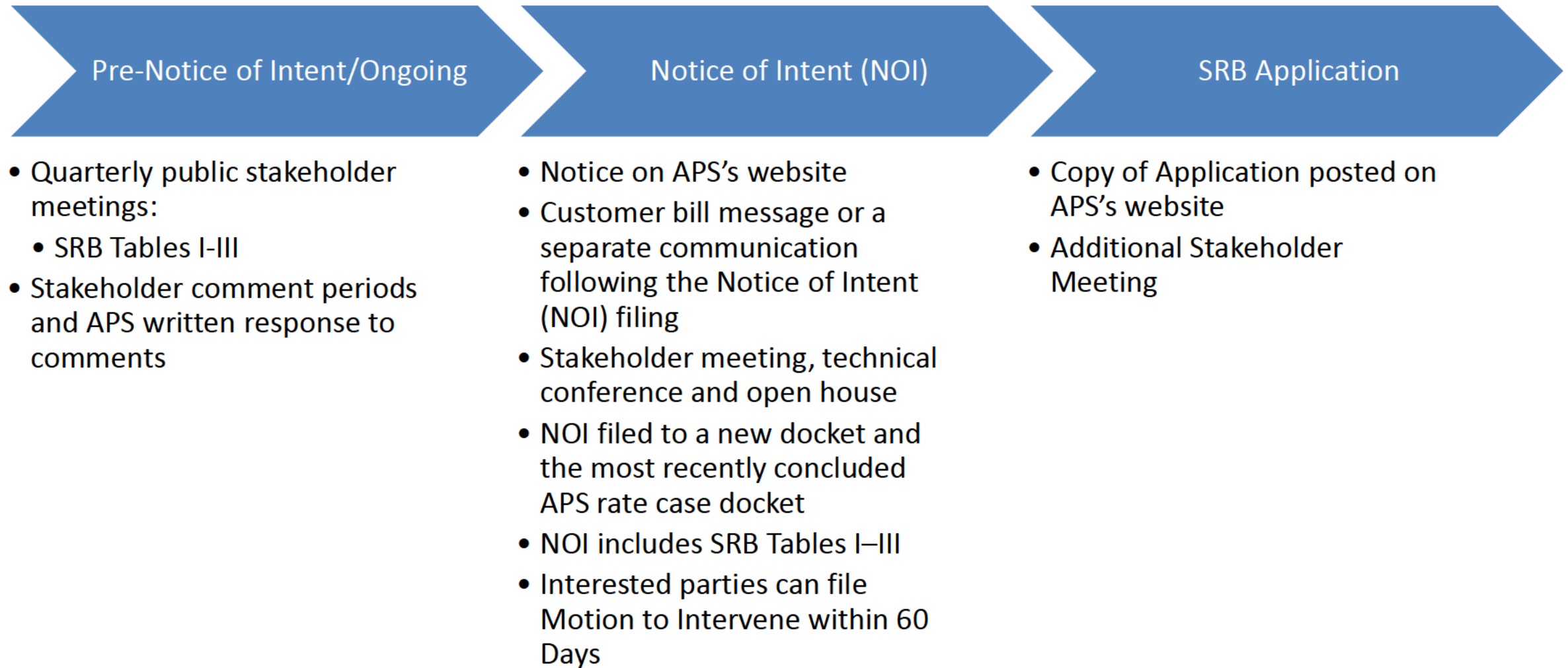
- SRB Stakeholder Process
- Stakeholder Comment Process
- SRB Table Update
- Questions/Comments

SRB Stakeholder Process and Meeting Guidelines

Adam Constable
APS



SRB Stakeholder Process



Meeting Documentation

- After Stakeholder meetings, APS will file SRB presentations to the docket and post presentations and meeting minutes to <https://www.aps.com/resources>

SRB Stakeholder Comment Period

Adam Constable
APS



Stakeholder Comment Process

- Stakeholders can provide comments and questions related to the SRB during meetings.
- APS will also hold a Stakeholder comment period for 14 days after the meeting. Additional SRB-related comments should be sent to StakeholderMeetings@aps.com.
- Following the 14-day comment period, APS will file written responses to all SRB-related comments received in the APS 2022 Rate Case Docket (E-01345A-22-0144).

SRB Tables I, II, and III

Vivian Vo
APS



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SRB Table I - System Reliability Benefit (SRB) Adjustment Mechanism
 INITIATED ALL SOURCE REQUEST FOR PROPOSALS (ASRFPs)
 AS OF JUNE 30, 2025

	(A)	(B)	(C)	(D)	(E)
Line No.	Detail A	Detail B	Detail C	Detail D	Detail E
1.	APS 2024 ASRFP¹	RFP Information: APS is seeking at least 2,000 MW of resources that provide customers with flexible energy options and incorporate advanced technologies to produce reliable and affordable energy. APS is also focused on supporting the growing demand needs of extra high load factor customers, with specific attention paid to resources that can provide overnight energy and capacity. APS requests proposals for resources providing a minimum of 5 MW with commercial operation dates in 2028, 2029, or 2030 for Power Purchase Agreements (PPA), Build Transfer Agreements (BTA), Engineering, Procurement, and Construction Agreements (EPC), and Load Management Agreements (LMA),	Specific Opportunities: <ul style="list-style-type: none"> • Addition of battery storage at APS's existing Agave solar facility. • Addition of battery storage at APS's existing Ironwood solar facility. • Renewable generation to be located within the geographic boundaries of the Navajo Nation. • Renewable generation to be located within the geographic boundaries of the Hopi Tribe. 	RFP Issued: November 20, 2024 Anticipated Contract Execution: June 2025 - December 2025	

¹ APS's 2024 ASRFP and information related to the ASRFP process can be found at the following link: <https://www.aps.com/en/About/Our-Company/Doing-Business-with-Us/Resource-Planning/Request-for-Proposals>

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SRB Table II - System Reliability Benefit (SRB) Adjustment Mechanism
 SCHEDULE OF ELIGIBLE QUALIFYING RESOURCE PROJECTS
 AS OF JUNE 30, 2025

	(A)	(B)	(C)	(D)	(E)
Line No.	Resource Type	Size (MW)	Location	Estimated In-Service Date	Other Project Description
1.	Solar	168 MW	Yuma County, AZ	Q1 2026	Ironwood
2.	Energy Storage	150 MW	Arlington, AZ	Q1 2026	Agave ¹
3.	Natural Gas	90 MW	Casa Grande, AZ	Q1 2026	Sundance
4.	Natural Gas	397 MW	Arlington, AZ	Q1 2028	Redhawk

¹ The Agave Energy Storage project is expected to go into service prior to December 31, 2025, and has been included in APS's Post Test Year Plant request in its 2025 Rate Case Filing. If the in-service date moves into 2026, then it is expected to be included in APS's SRB Mechanism.

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SRB Table III - System Reliability Benefit (SRB) Adjustment Mechanism
COMPLETED QUALIFYING RESOURCE PROJECTS
AS OF JUNE 30, 2025

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Line No.	Project Tracking Number	Resource Type	Resource Name	Size (MW)	Location	Actual In-Service Date	Other Project Descriptions	Total Cost	ACC Jurisdictional Cost
1.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Questions?



Thank You!

