



APS RPAC Meeting

9/30/2026



MEETING AGENDA



Welcome & Meeting Agenda
Adam Constable
APS



Break



2025 ASRFP Update
Jill Freret
APS



Update on Additional IRP Cases
Akhil Mandadi
APS



Draft IRP Case Results
Mike Eugenis
APS



Next Steps & Closing Remarks
Adam Constable
APS

Meeting Guidelines



Member Engagement

RPAC Member engagement is critical. Clarifying questions are welcome at any time. There will be discussion time allotted to each presentation/agenda item, as well as at the end of each meeting.



Action Items

We will keep a parking lot for items to be addressed at later meetings.



Meeting Minutes

Meeting minutes will be posted to the public website along with pending questions and items needing follow up. We will monitor and address questions in a timely fashion.



Preliminary Content

Meetings and content are preliminary in nature and prepared for RPAC discussion purposes.



July Meeting Recap

- APS discussed its planned natural gas conversion of the Cholla Power Plant
- APS provided an update on its 2026 IRP Base Case and sensitivities
- APS shared an overview of its Summer Preparedness activities and preliminary 2026 summer results
- APS provided additional detail on the extension of the 2026 IRP filing and related compliance items



Following Up

- Future Topics:

These items will be brought to future agendas as developments arise.

- FCC Foreign Produced Power Inverter Guidance
- Western Markets
- ASRFP Updates
- Generation Development Announcements

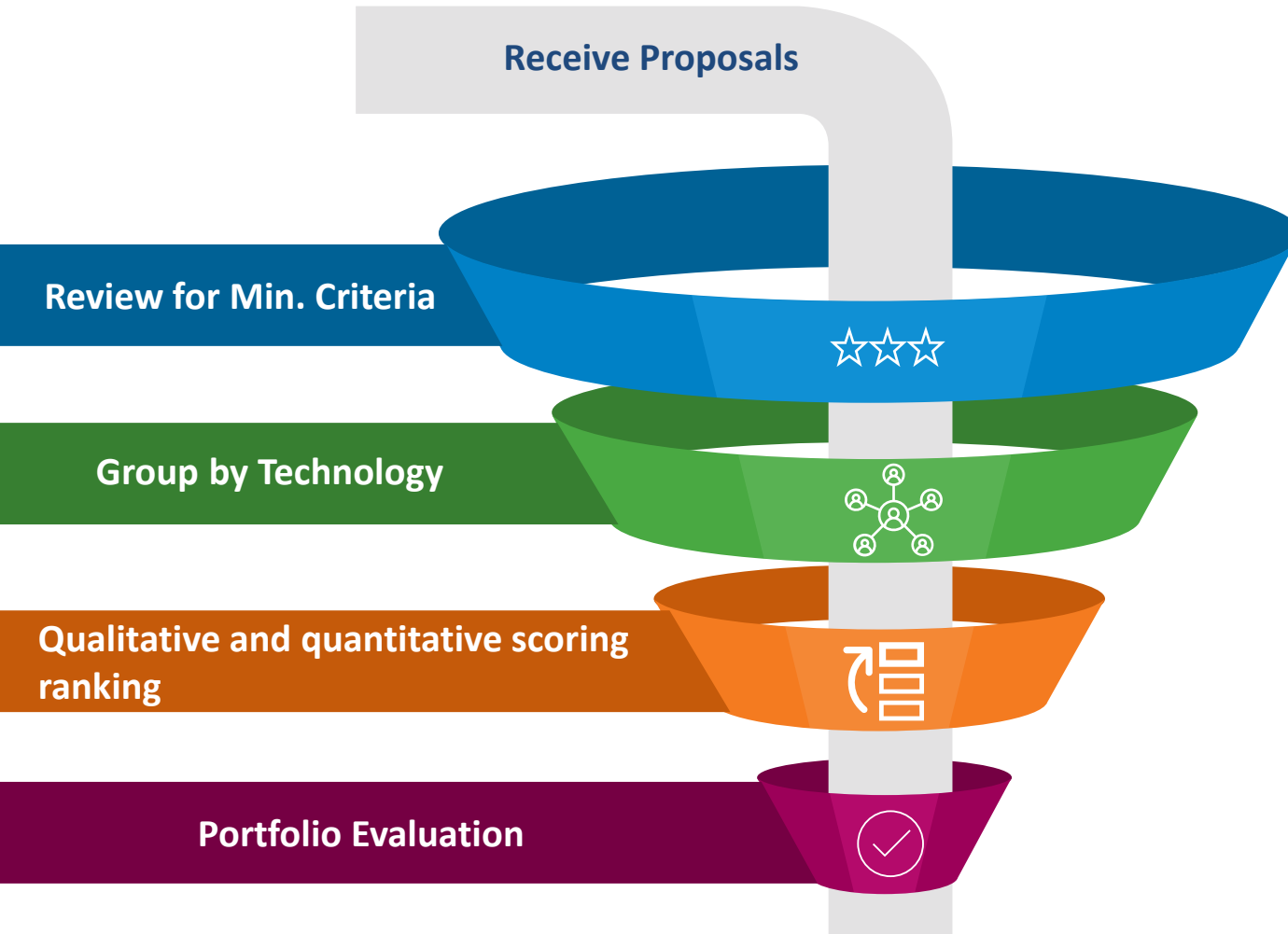




2025 ASRFP Update

Jill Freret, APS

2025 ASRFP Shortlisted Resources



- 51 total proposals shortlisted across a diverse mix of technologies (Bids selected from each resource type)
- For many resources, there were multiple configurations shortlisted, including multiple battery duration options
- Advanced the highest-scoring projects within each technology category, along with proposals near scoring breakpoints
- Shortlisted resources support APS's consistent focus on reliability and affordability
- Portfolio analysis near completion

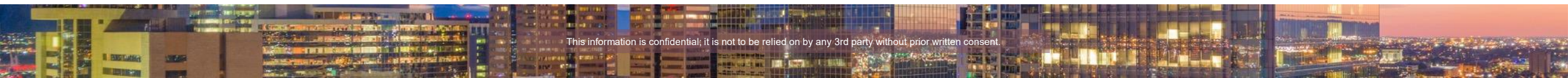
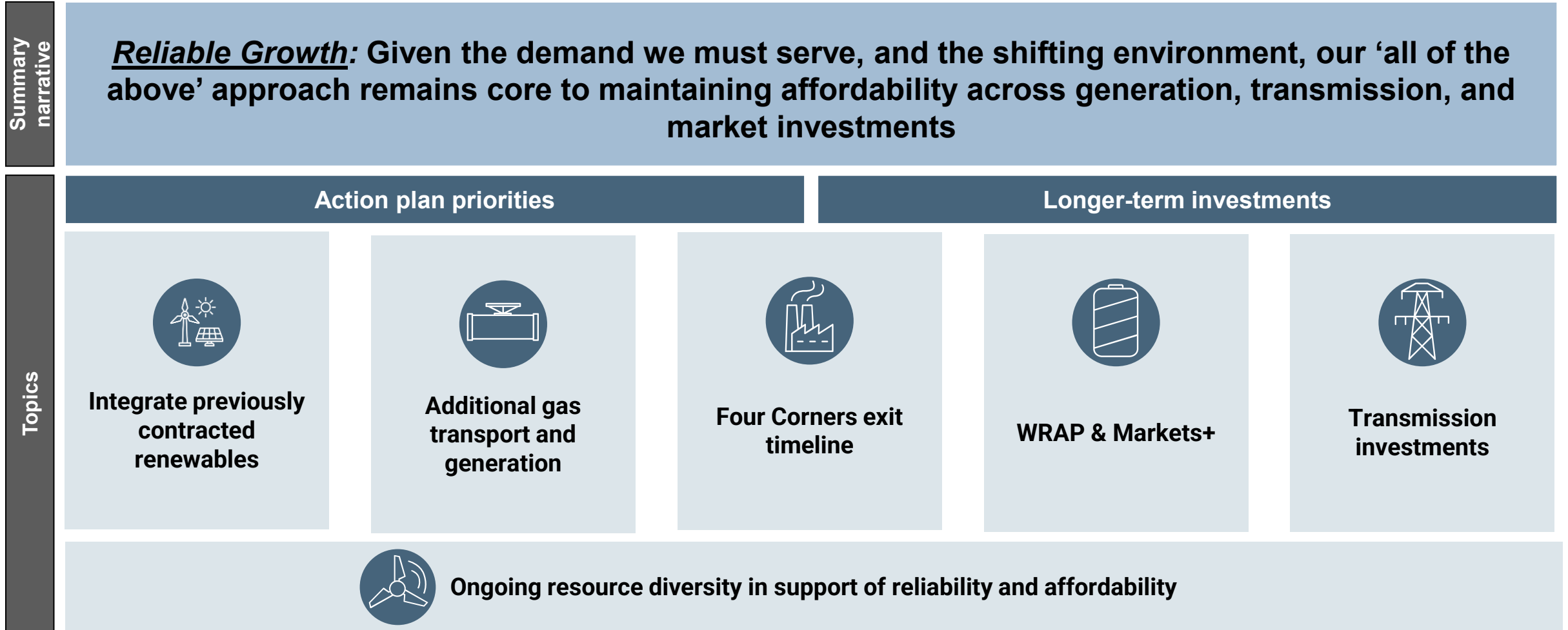




Draft IRP Case Results

Mike Eugenis, APS

The IRP reflects a snapshot of current load and generation economics.



Scenarios are structured to provide insights on key uncertainties.



Load Forecast



Resource Capital
Costs



Fuel Costs



Resource Retirement
Dates



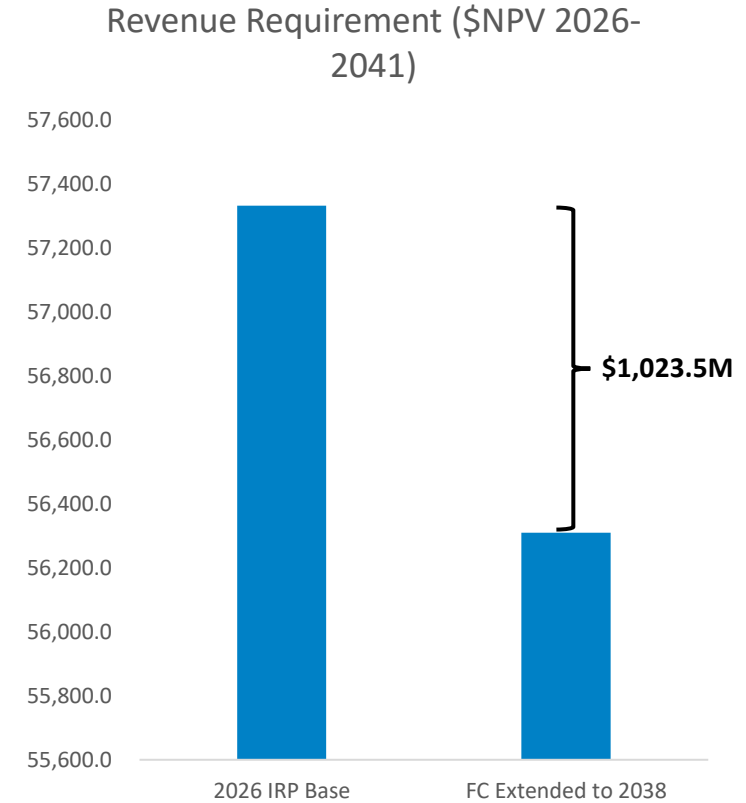
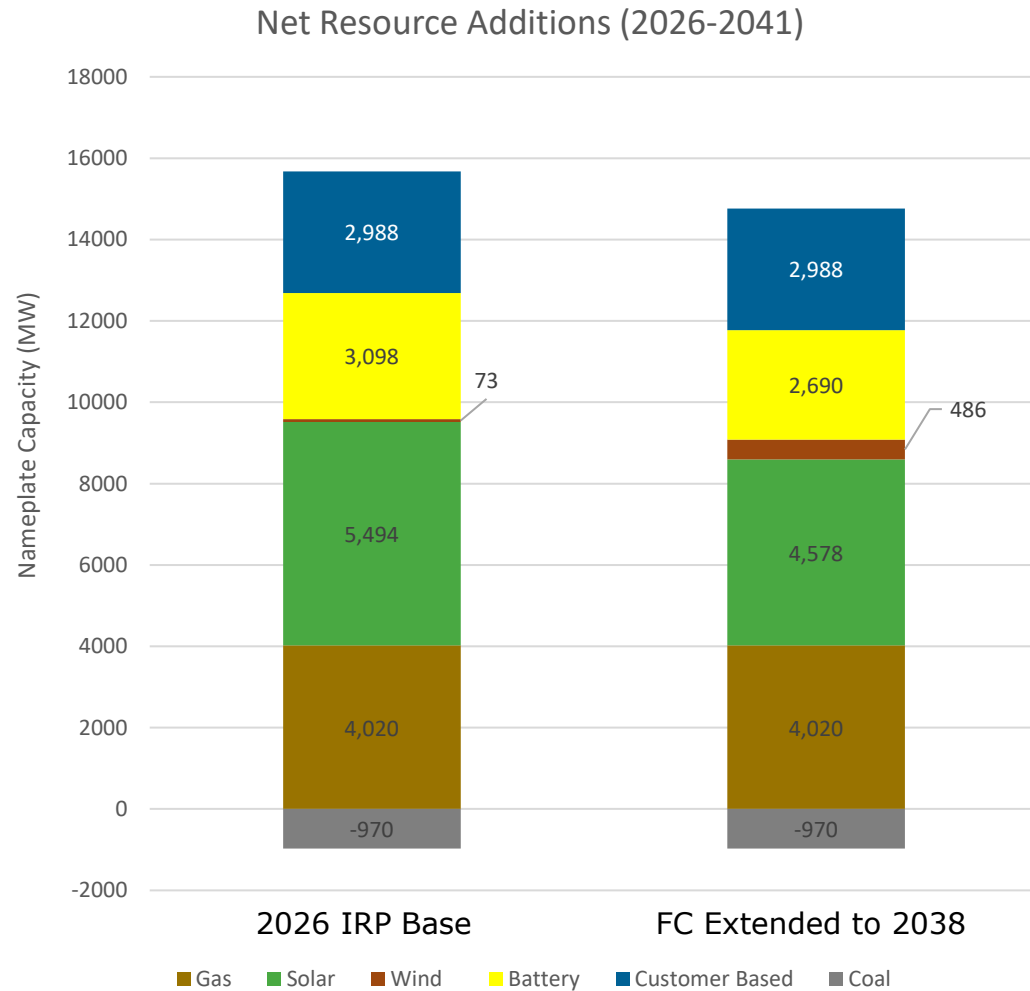
Scenarios are structured to provide insights on key uncertainties.

Subset of IRP Cases & Scenarios

#	Four Corners Exit	Scenarios
1	2031	No Pipeline
2	2031	Pipeline in 2030 (Base Case)
3	2038	Four Corners Extension
4	2031	Higher Natural Gas Fuel Price
5	2038	Higher Natural Gas Fuel Price
6	2031	Higher Natural Gas Capital Costs
7	2038	Higher Natural Gas Capital Costs
8	2031	Lower Clean Capital Costs
9	2038	Lower Clean Capital Costs
10	2038	Reduced Transmission Buildout
11	2038	Higher Load
12	2038	Lower Load Forecast (AI Bust)
13	2038	Western Market Capacity Benefit
14	2038	Pipeline Delay



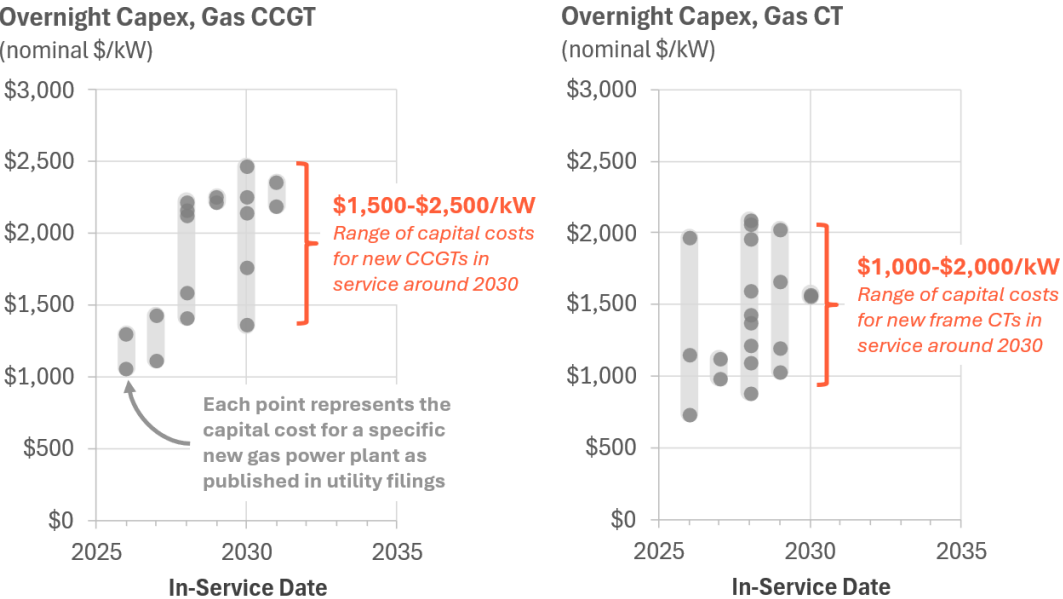
The extension of Four Corners shows economic benefit versus our base case



APS has signed an agreement with NTEC that allows the continued operation of Four Corners beyond 2031.

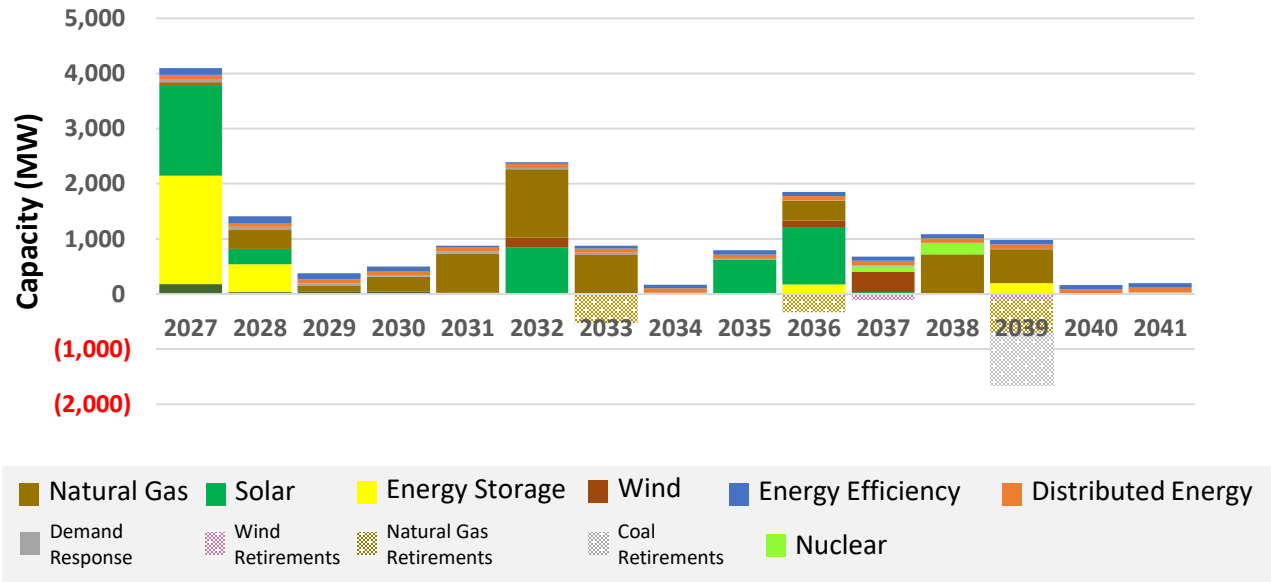


Natural gas selections are cost effective even under high capital cost sensitivity.



Data source for figures: Halcyon [Gas Power Plant Tracker](#)

2026 IRP High Gas Capital Costs Capacity Additions (MW)



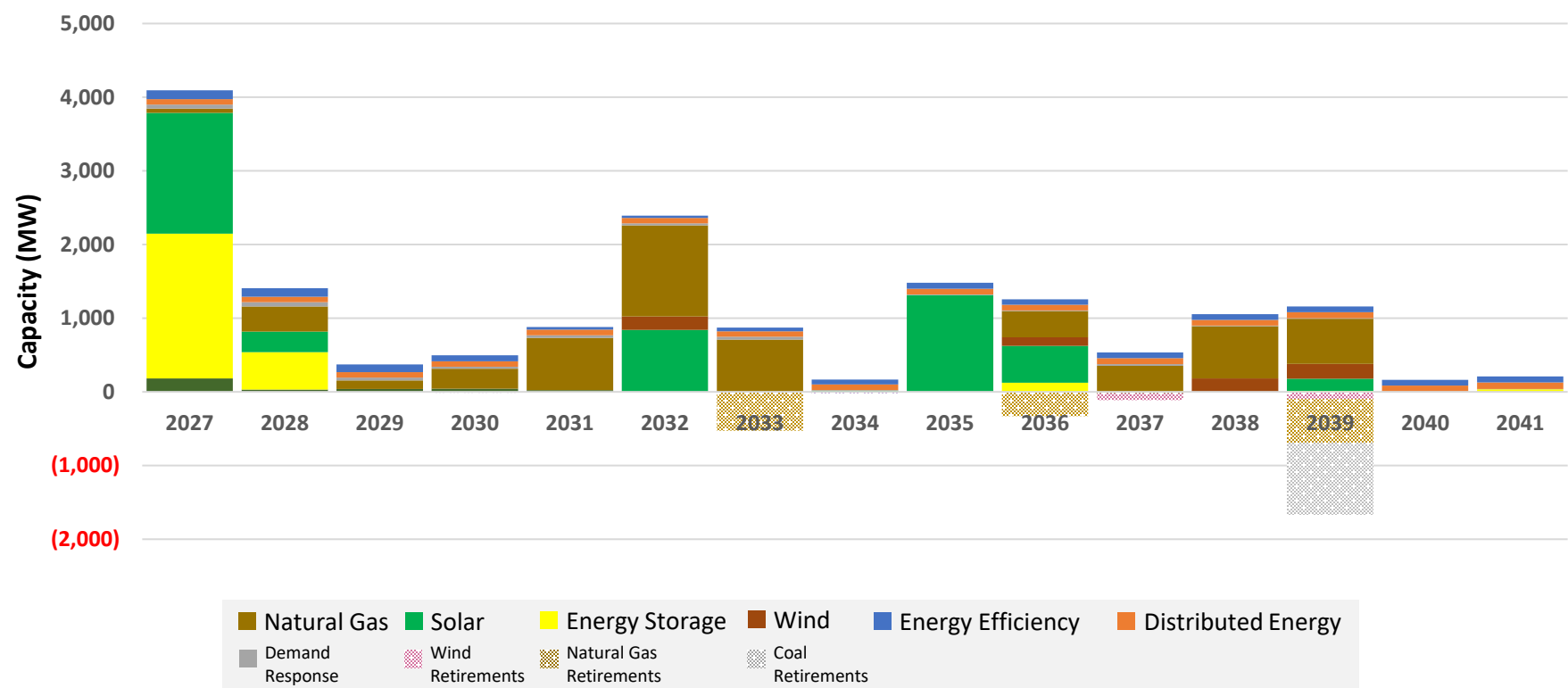
Net Resource Additions (2026-2041)	
Gas: 3,665 MW	Customer Based: 2,988 MW
Solar: 4,450 MW	Coal: -970 MW
Wind: 486 MW	Nuclear: 300 MW
Battery: 2,877 MW	





Lower clean and renewable capital costs result in marginally higher solar adoption, but natural gas resources continue to be cost effective.

2026 IRP Low Clean Capital Costs Capacity Additions (MW)



Net Resource Additions
(2026-2041)

Gas: 4,020 MW
Solar: 4,741 MW
Wind: 486 MW
Battery: 2,646 MW
Customer Based: 2,988 MW
Coal: -970 MW



Our Preferred Plan will include additions across resource types to maintain reliability for growing load at least cost.



Continued integration of renewables

Incremental solar, wind, and battery storage support near term growth.



Natural gas development

Natural gas resources provide important source of dispatchable, weather independent generation.



Four Corners Operations beyond 2031

Provides diversity without development risk.



Continued Transmission Development

All cases rely on substantial transmission expansion to interconnect resources.



Future Technologies

Continue to evaluate the development of new nuclear, geothermal, and storage technologies for cost effective options.





Break



Time for a Break



Break Duration 5 min.

Meeting will resume at





Update on Additional IRP Cases

Akhil Mandadi, APS

Three Key Uncertainties being tested for Robustness

1

CUSTOMER GROWTH UNCERTAINTY



Question:

?

What if Arizona grows faster or slower than expected?

Cases



High load



Data center expansion



Investment correction / lower load future

2

CRITICAL INFRASTRUCTURE UNCERTAINTY



Question:

?

What if a local physical infrastructure asset does not develop as expected?

Study

Gas transport disruption/Stochastic outages and exploring solutions such as additional procurement or gas storage alternatives.

Delay in Pipeline



3

MARKET & RESOURCE EVOLUTION UNCERTAINTY



Question:

?

How could changing market structures and technology economics influence future resource needs?

Cases



WRAP / RA policy resource margin benefits



Nuclear economics threshold analysis



Transmission dependency analysis

Customer Growth Uncertainty – Both Ends of the Range

High load / data center growth

- Large data center load is served through a direct pricing contract so that no cross-subsidization occurs across the broader customer base.
- A custom-made portfolio is selected for that load, providing clear trajectories for large growth that customers can subscribe to.
- This creates a defined pathway for more growth where incremental need is matched with incremental, contracted resources.

Investment correction / lower load

- Examines what opportunities exist with staged commitments, shorter lead-time resources, and contract off-ramps to ensure minimal to no stranded assets.
- Preserves flexibility so that a slower growth outcome does not leave customers paying for capacity that is not needed.



Critical Infrastructure Uncertainty – What We Are Testing

Stochastic approach

- Testing through PLEXOS stochastic analysis, which lets us vary the timing and duration of a local physical asset outage rather than assume a single deterministic event.
- There is limited real-life outage data across the southwest, so frequency and duration assumptions carry real uncertainty and are treated as directional inputs.

Where this stands

- Because it is a single line, this is early testing intended to frame the magnitude of the risk, not to size a solution.
- More work is planned along the way: refining outage assumptions, expanding scenario coverage, and coordinating with gas planning and operations as better data becomes available.



Market & Resource Evolution Uncertainty – What Each Case Reveals

WRAP-backed SPP Markets+ participation

- Market participation provides energy benefit. WRAP participation assures liquidity in the market that translates into a capacity benefit.
- That capacity benefit ultimately lowers the potential resource procurement need in the plan.

Transmission dependency

- Each portfolio reinforces how foundational transmission is to the resource plan.
- This scenario demonstrates the value at risk if significant, continual transmission development does not occur across the planning horizon.

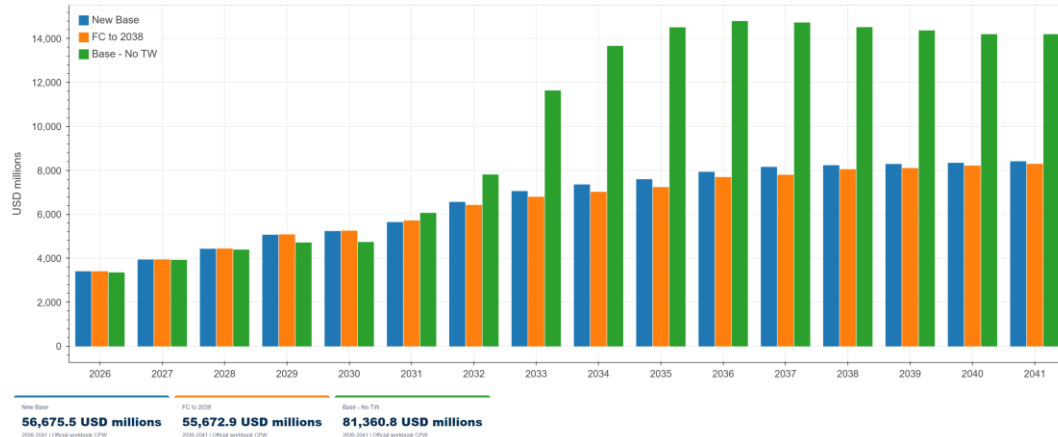


Dashboard Showcase – bundling key outputs

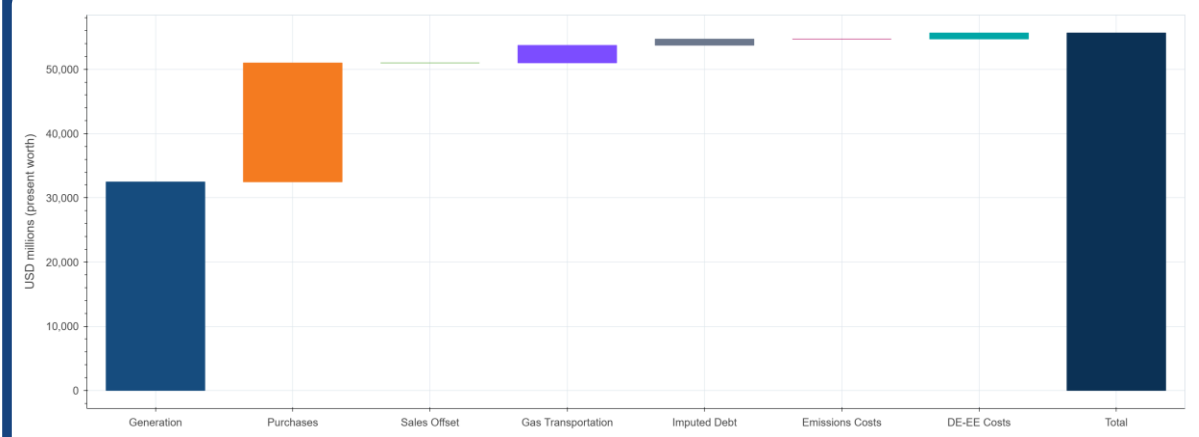
Based on feedback received from RPAC stakeholders, APS is developing a dashboard intended to make scenario and portfolio results easier to review, compare, and understand. The examples shown here are provided to demonstrate the functionality and information currently being assembled.

Dashboard A: Cost Comparison

Annual Total Cost, 2026–2041



Horizon Cost Waterfall



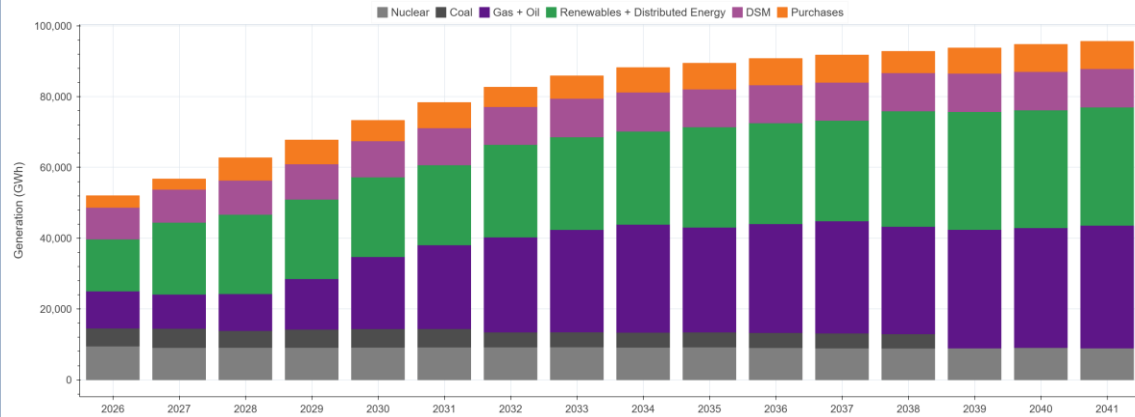
*Because the analysis remains ongoing, the values displayed should be considered illustrative and not representative of final study conclusions.

Dashboard: B. Energy Mix & Capacity

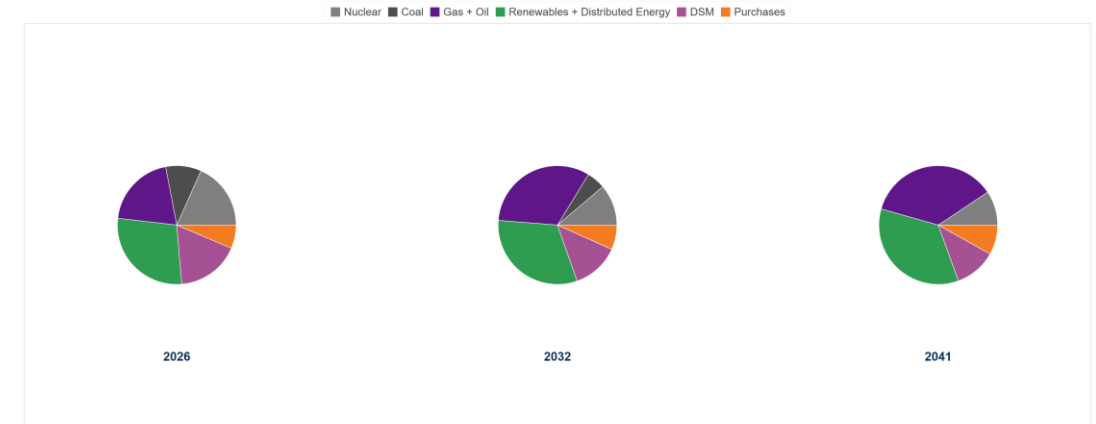


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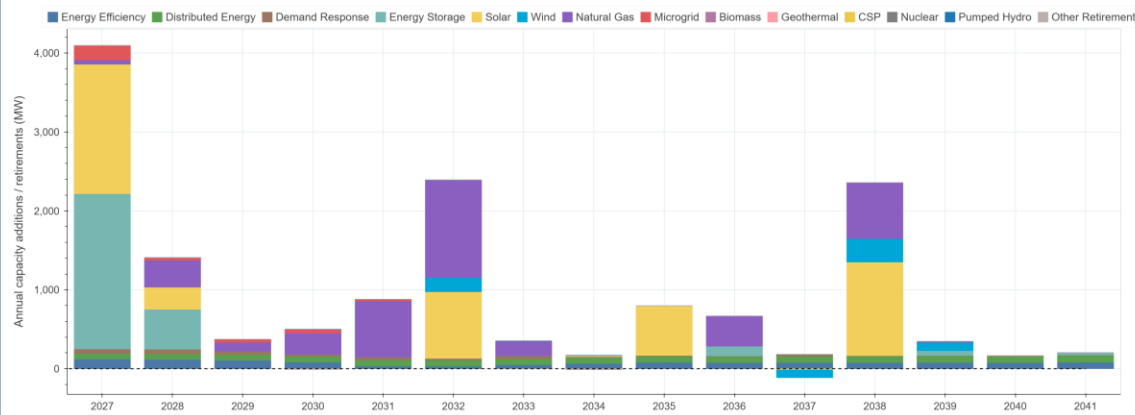
Energy Mix Generation



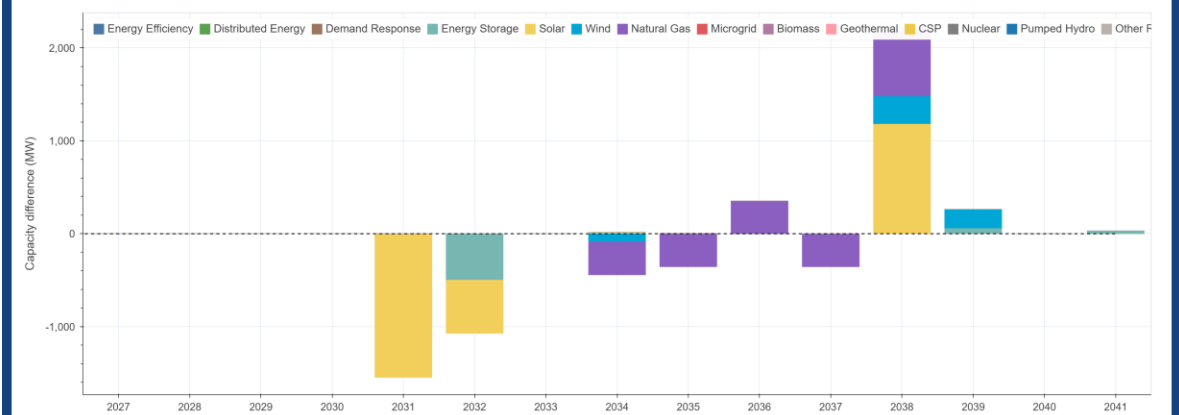
Energy Mix Snapshots



Capacity Additions and Retirements (Nameplate Capacity)

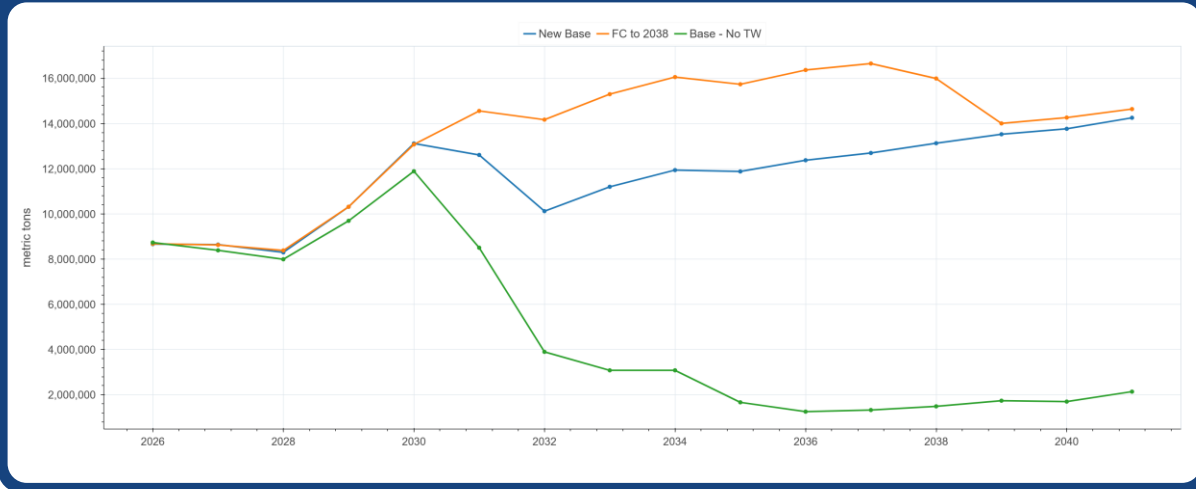


Capacity Difference (Nameplate Capacity)



Dashboard C: Emissions & Water Use

CO₂ Emissions: Case Comparison



Water Use: Case Comparison



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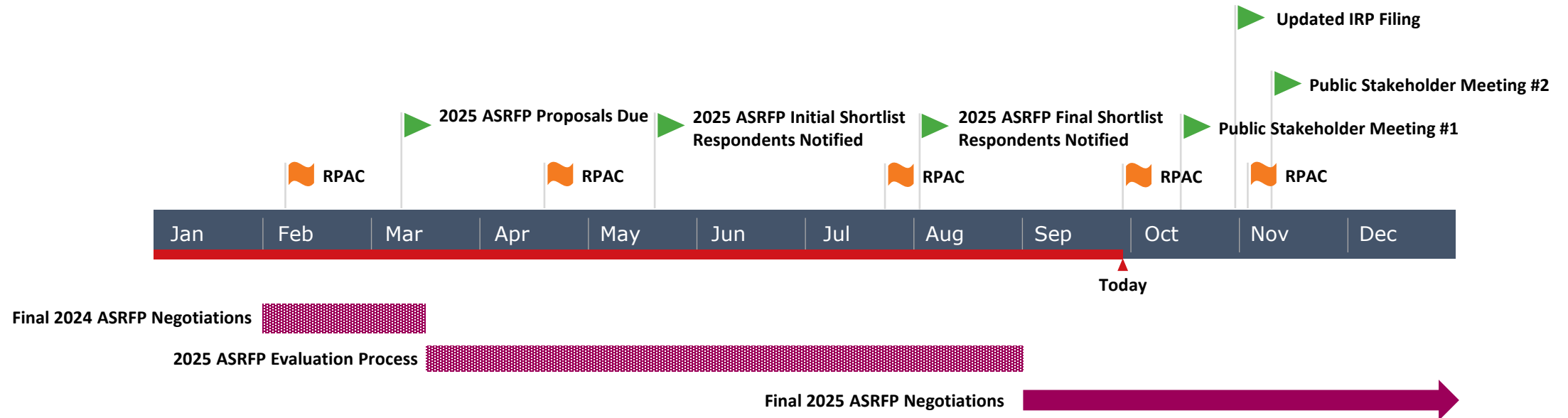




Next Steps & Closing Remarks

Adam Constable, APS

Forward Plans and Meetings



Key Milestones

November RPAC Meeting: November 6, 2026
(Tentative)
Time: 9:00 AM

Public Stakeholder Meeting #1:
9:00 AM (MST) October 14, 2026
Public Stakeholder Meeting #2:
9:00 AM (MST) November 12, 2026 (Tentative)