



RATE RIDER SCHEDULE GPP GREEN POWER PARTNERS

This rate rider is available to commercial and industrial customers that desire to purchase renewable power from APS. The customer subscribes to a contracted amount of green power and pays a specified price for the power, in addition to their normal retail rate.

APPLICATION

This Rate Rider Schedule GPP is applicable to APS's ("Company") retail Standard Offer business customers served under large and extra-large general service rates unless otherwise specified in the contract. Customers with extra-small, small and medium accounts may also be eligible provided their accounts have an aggregate non-coincident sum of individual peak loads that exceed 1 MW or 5,000 MWh annually. This rider is not available for service accounts participating in Rate Rider AG-X or any successor rate schedule.

The customer must meet the eligibility requirements for the specific green power offering they choose to enroll in.

GREEN POWER OPTIONS

The amount of green energy available for each option under this rate rider will be determined at the sole discretion of the Company. Specific transactions may involve a transfer or retirement of renewable energy credits ("RECs").

Option A

The customer purchases green power from a new APS resource, or group of resources, that is part of the Company's planned resources and in service after January 1, 2021.

The customer subscribes to a specified amount of green power with a purchase commitment of at least one year. The green power will be priced at the time of the offering, and if applicable, a purchase of the RECs may involve an additional charge. The prices will be specified in the customer contract and may be revised from one resource procurement to the next. In the event RECs are transferred or retired as part of these agreements, such RECs will not be used for compliance to meet the state Renewable Energy Standard ("RES") and any revenue associated with the transfer of RECs will be credited to customers. All contracts will be submitted to the Arizona Corporation Commission ("ACC") for approval.



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Option B

The customer purchases green power from a new APS resource, or group of resources, that is part of the Company's planned resources and in service after January 1, 2021.

The customer desires the facility to be located in a designated area or specific parcel. The customer subscribes to a designated amount of green power for a minimum of 20 years.

The pricing for this option will reflect the locational cost differential as determined by the Company. If applicable, a purchase of the RECs may involve an additional charge. The prices will be specified in the customer contract and may be revised from time-to-time. All contracts will be submitted to the ACC for approval.

Option C

The customer purchases green power from a new APS resource, or group of resources, that is not part of the Company's planned resources or seeks to accelerate acquisition of a planned resource. The participating customer will be responsible for all incremental costs, including capital costs.

The customer subscribes to a fixed amount of green power with a purchase commitment for the output of the facility over a mutually agreeable term. The green power will be priced at the time of the offering, and if applicable, a purchase of the RECs may involve an additional charge. The prices will be specified in the customer contract and may be revised from time-to-time. All contracts will be submitted to the ACC for approval.

CHARGES

The customer shall pay a green power price in addition to the customer's full retail rate. All provisions and charges in the customer's rate schedule will continue to apply.

The green power price will be as calculated by the Company, based on resource procurement costs for specified green power facilities and other relevant factors, as discussed above, and the avoided cost of the green power.

The prices will be specified in the customer contract and may be revised from time-to-time.

The green power price for all options will be priced in the range from a minimum of \$0.001 per kWh up to a maximum of \$0.015 per kWh.



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CONTRACT

Customer shall enter into a green power contract with the Company prior to receiving service under this rate rider. The agreement will specify, among other things, the customer accounts receiving green power, the amount of green power, the green power price, the term of the agreement, and the customer credit information.