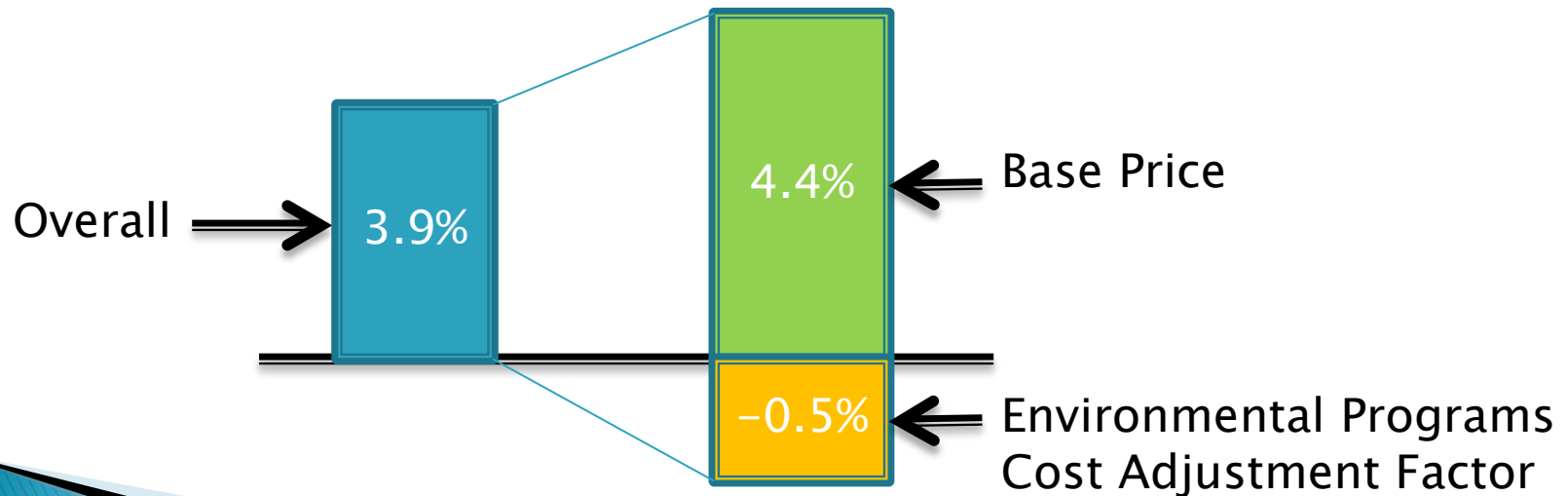


2015 Price Process

Sustainable Cities Network
January 29, 2015

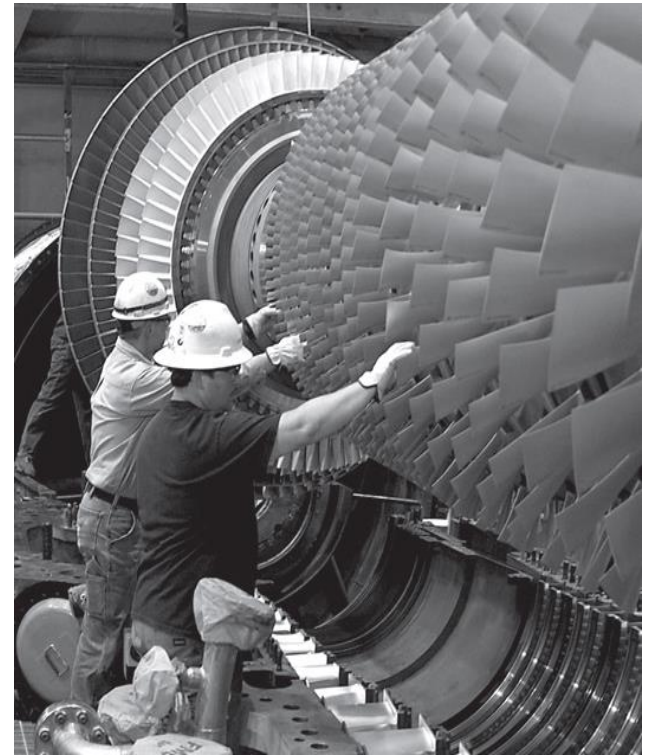
What is SRP Proposing?

- ▶ Overall average 3.9% price increase
 - 4.4% base price increase
 - 0.5% Environmental Programs Cost Adjustment Factor (EPCAF) *decrease*
 - No material change to Fuel & Purchased Power Adjustment Mechanism (FPPAM)



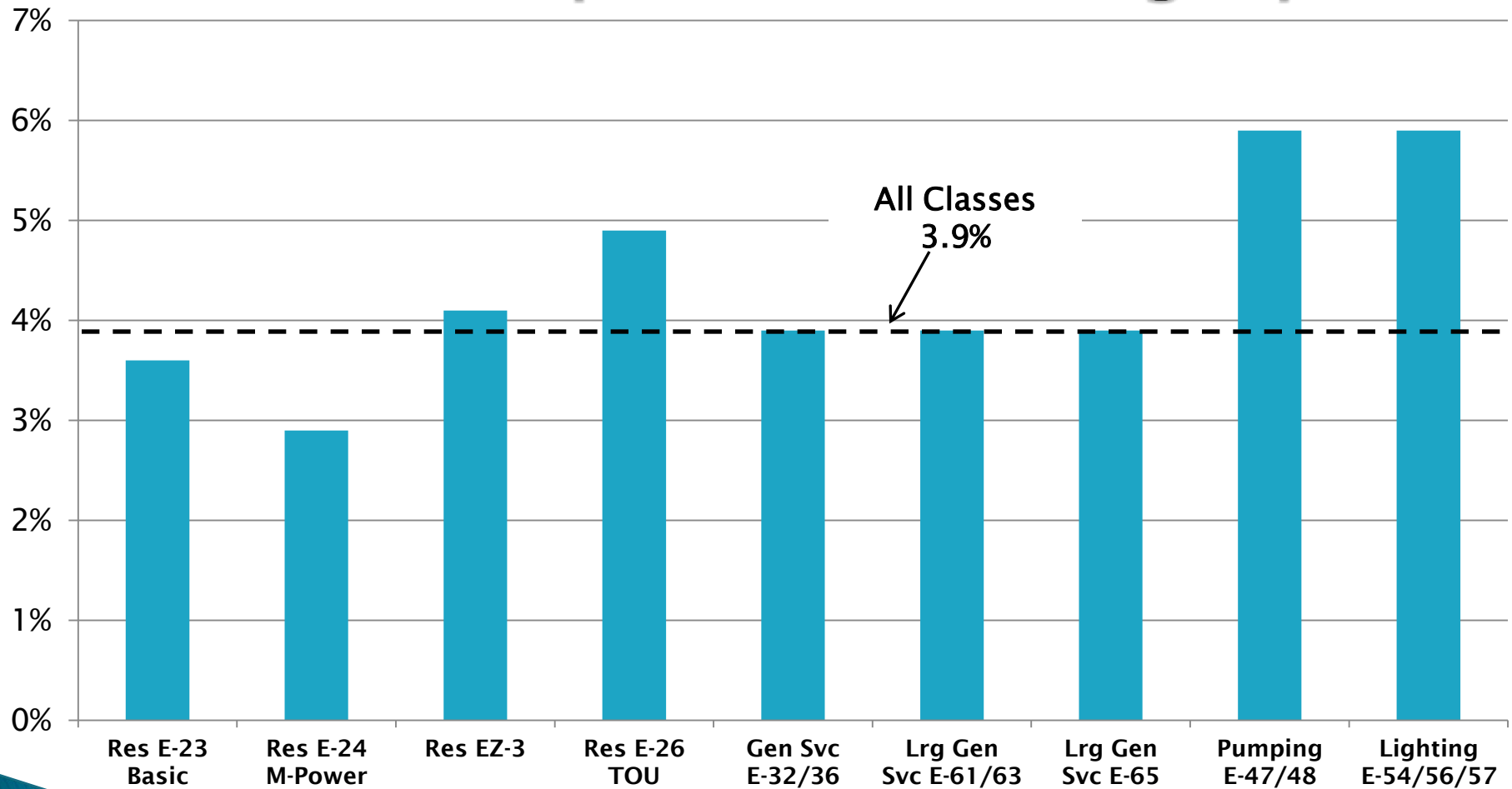
Why an Increase is Proposed

- ▶ If approved, the new prices will pay for several increasing costs:
 - Maintaining reliable service
 - Making investments to support forecast growth
 - Completing required environmental upgrades at power plants



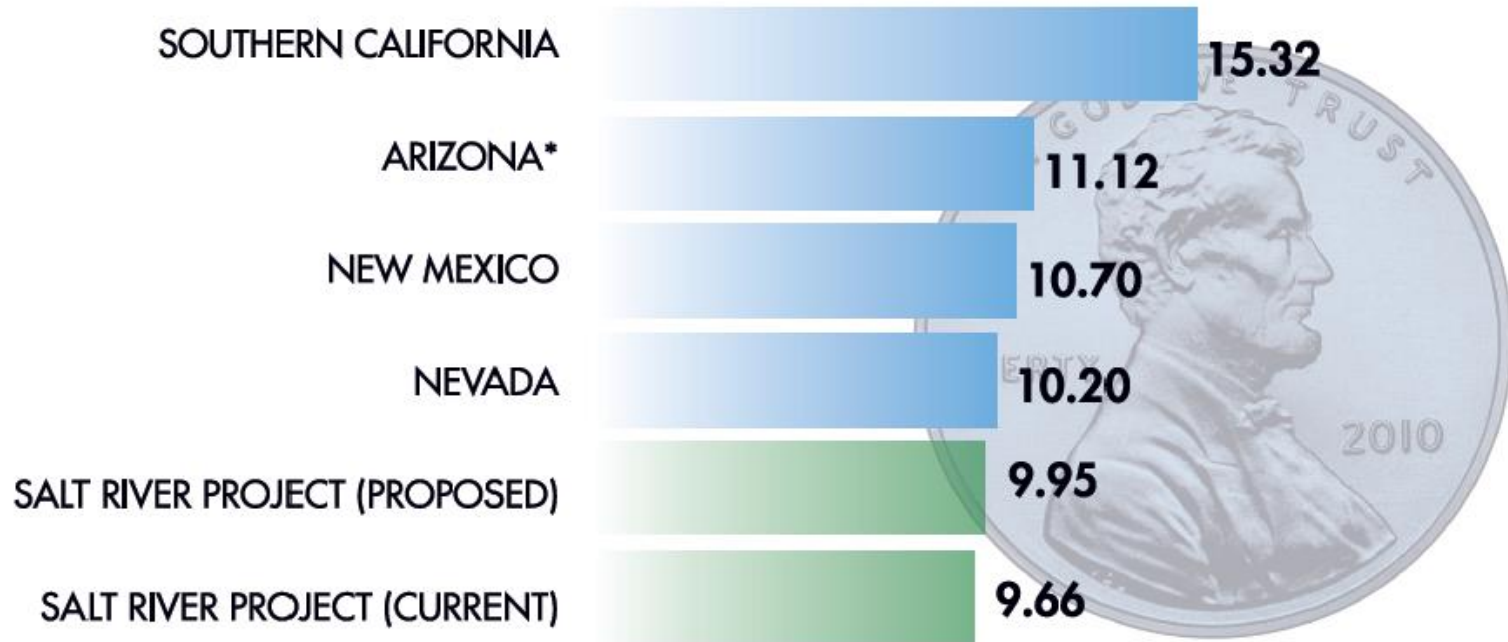
Proposed Prices

Effective April 2015 Billing Cycle



SRP Prices Remain Competitive

Overall Price (Cents per kWh)



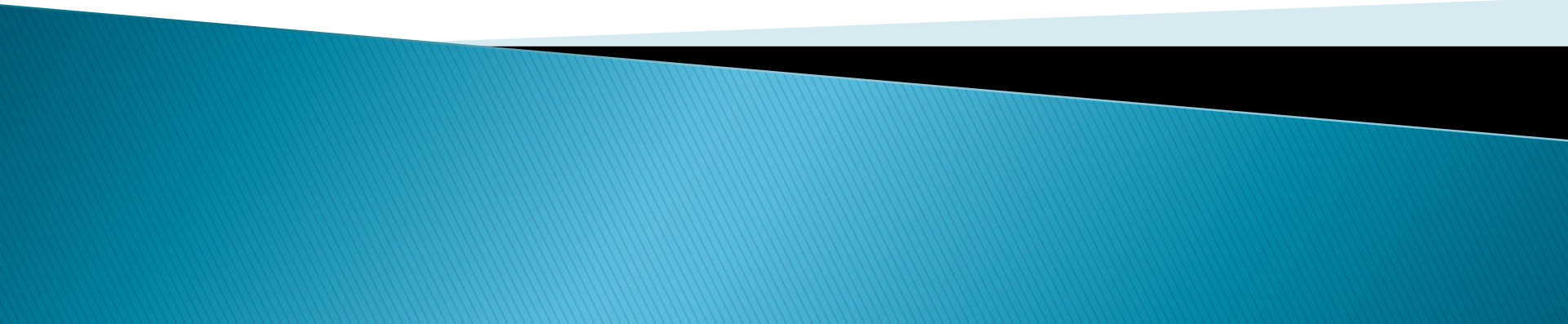
Source: Dept. of Energy EIA-826 Reports for 12 months ending July 31, 2014

*Arizona does not include SRP.

Residential Highlights

- ▶ Increase Monthly Service Charge to \$20 per month from \$17 to improve fixed cost recovery
- ▶ Implement Customer Generation Price Plan (E-27)
- ▶ Implement an experimental price plan for customers with electric vehicles (E-29)
- ▶ Limited Income Discount / Economy Price Plan (EPP)
 - Increase Winter discount from \$17 to \$20/month
 - No changes to the current Summer and Summer Peak discount of \$21/month
 - Expand EPP qualifications: Customers who receive LIHEAP will be automatically enrolled in EPP

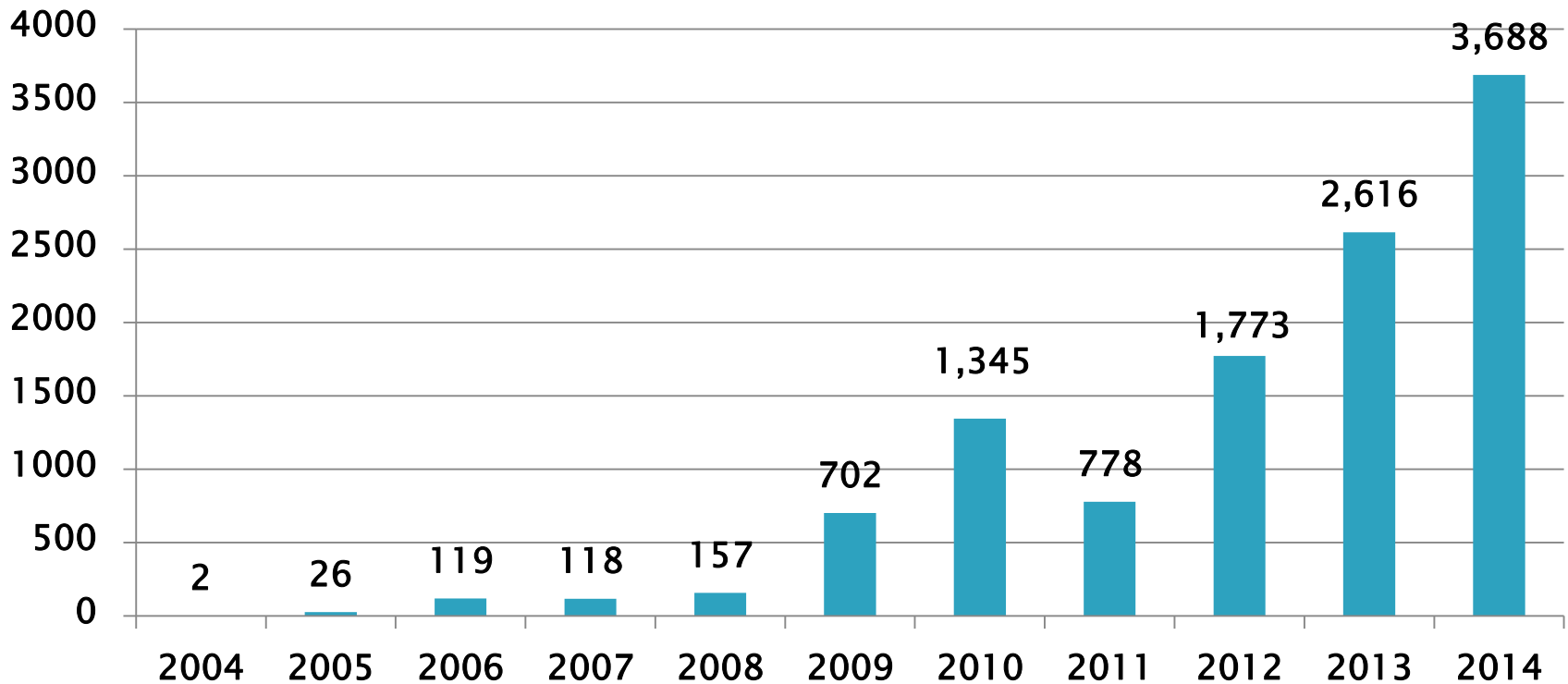
Customer Generation



Growing Challenge

Year-Over-Year Rooftop Installations

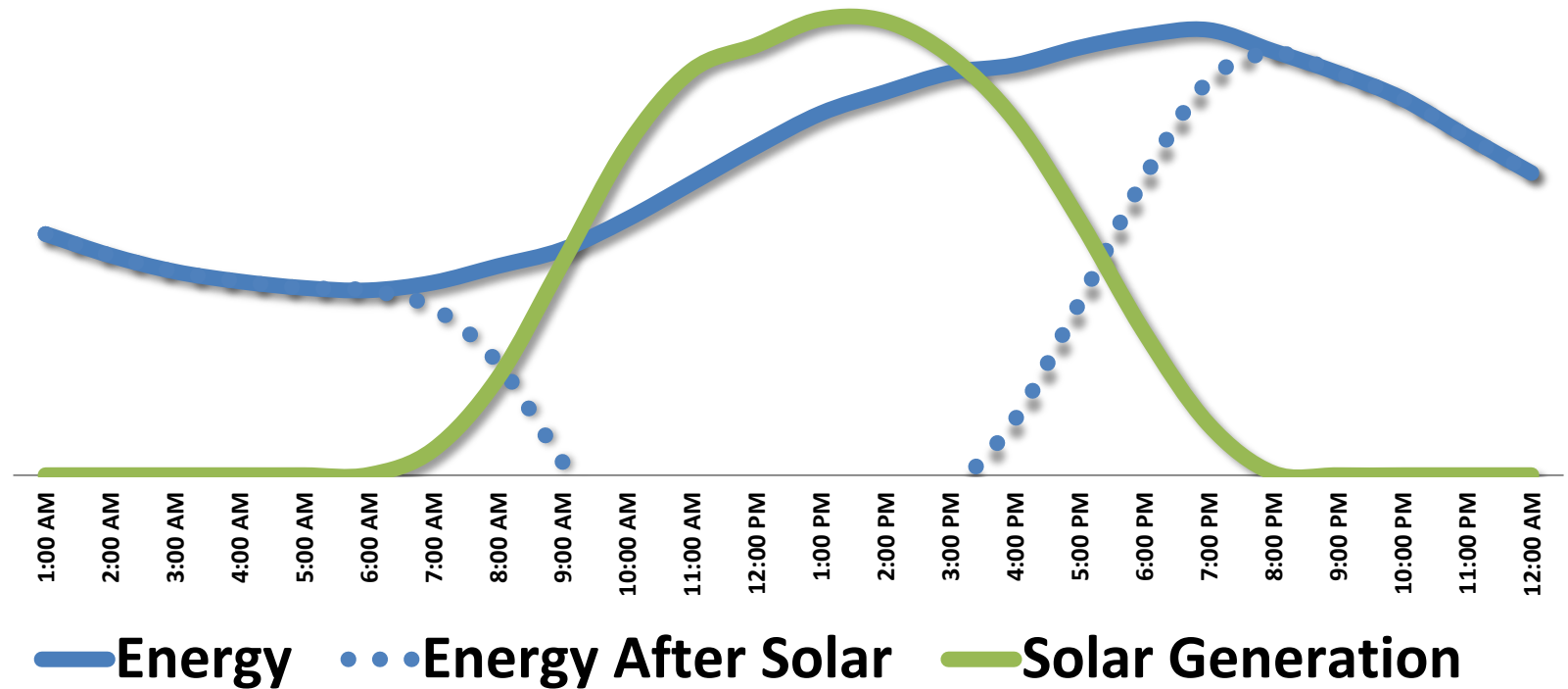
Residential Solar Electric New Installations by Calendar Year



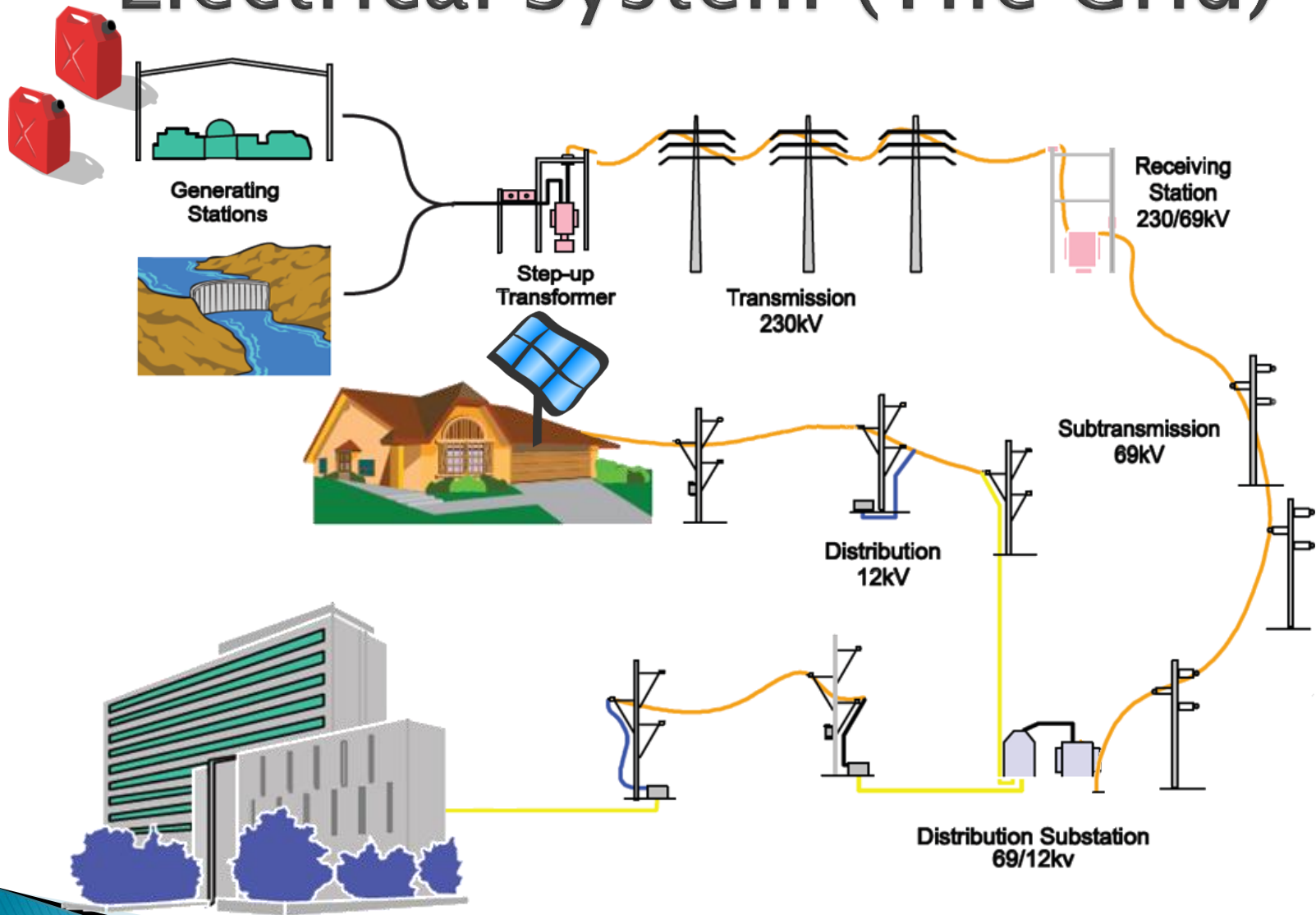
Solar Production vs. Peak Demand

Peak Day

Demand

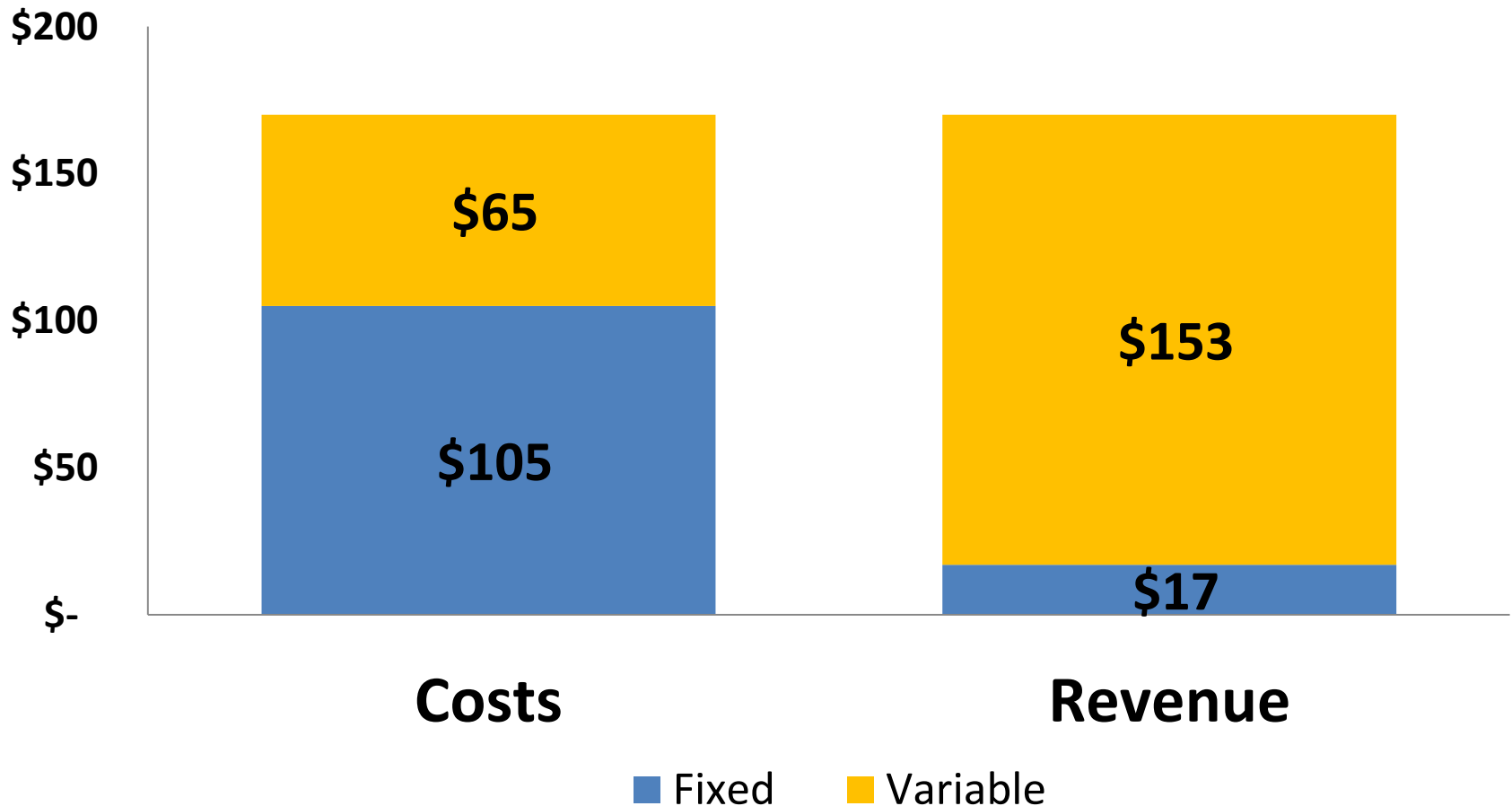


Electrical System (The Grid)



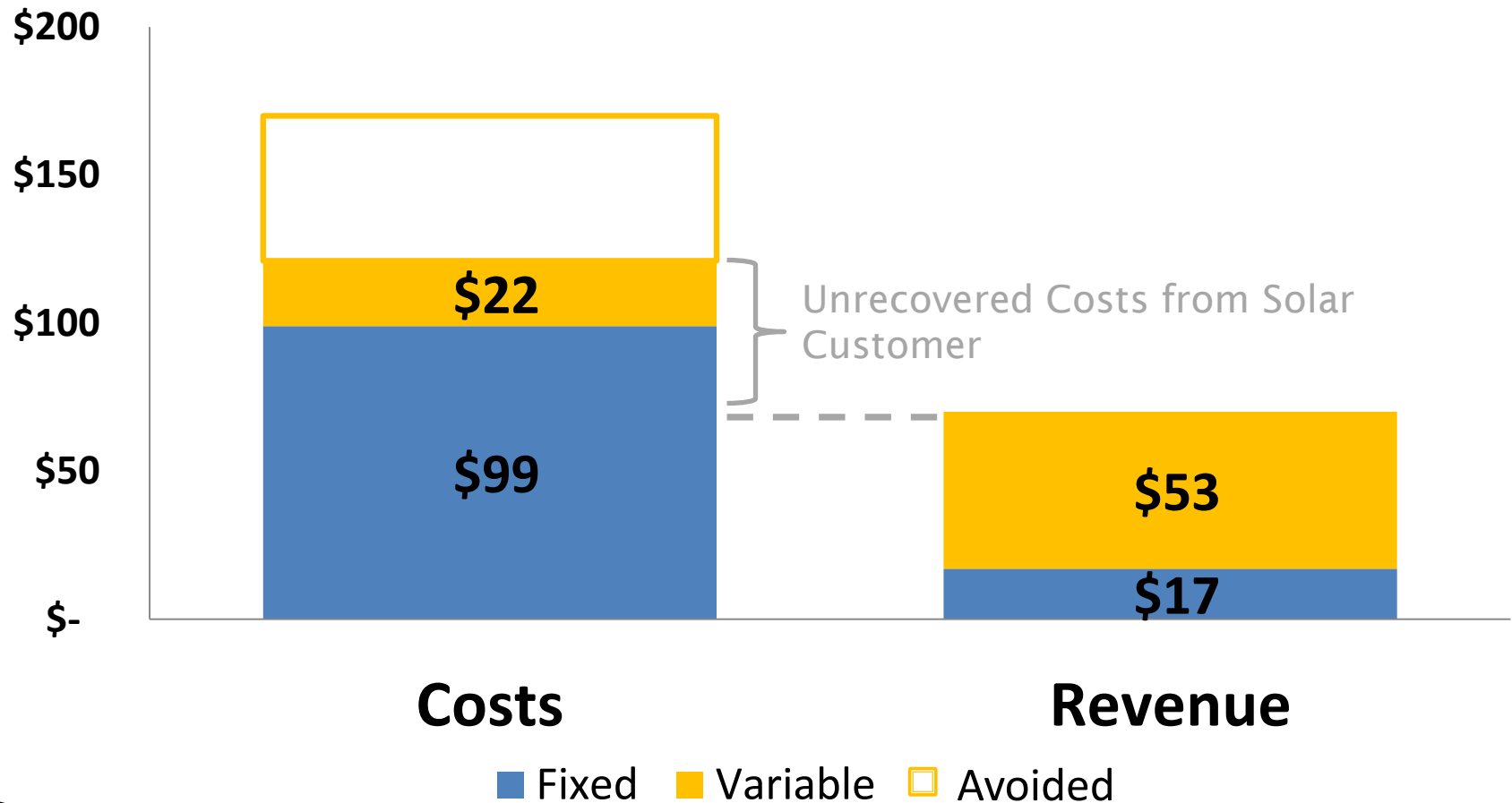
Typical Solar Customer: Costs & Revenues

Monthly Cost and Revenues (Before Solar)



Typical Solar Customer: Costs & Revenues

Monthly Cost and Revenues (After Solar)



Customer Generation Price Plan

Typical Solar Customer – 200 Amp Service

	MSC	Distribution Charge	Demand/ Grid Charge	Energy	Average Monthly Bill
Proposed E-26 (pre-solar)	\$20.00	–	–	\$152.96	\$172.96
Proposed E-27 (pre-solar)	\$20.00	\$12.44	\$72.99	\$65.26	\$170.69
Proposed E-27 (post-solar)	\$20.00	\$12.44	\$66.29	\$21.54	\$120.27

Customer Generation Proposal

- ▶ Current distributed generation customers
 - Can stay on current price plan for 10 years (March 31, 2025)
 - Must have submitted signed contract to SRP by December 8, 2014
 - After 10 years, must move to Customer Generation Price Plan
 - Net metering remains
- ▶ New distributed generation customers
 - Must take service under Customer Generation Price Plan when effective **OR**
 - Can take part in Community Solar program

Customer Participation

- ▶ Public Comment Sessions
 - January 5th at SE Regional Library, Gilbert
 - January 8th at Glendale High School
- ▶ Board meetings at SRP corporate offices
 - Special Board Meeting: February 9
 - Board Decision Meeting: February 26
- ▶ Submit comments to Corp Secretary's Office
 - By February 19th
- ▶ Proposal effective with April 2015 bills

Price Process Information

- www.srpprices.com
- www.savewithsrp.com
- www.savewithsrpbiz.com
- (602) 236-8888