



Current Utility-Scale Solar Efforts at SRP

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Salt River Project



- Third largest public power utility in the nation
- Over 940,000 electric customers in Phoenix area
- 7,400 MW generation portfolio
- Largest water provider in Phoenix area
- Delivers nearly 1 million acre-feet annually



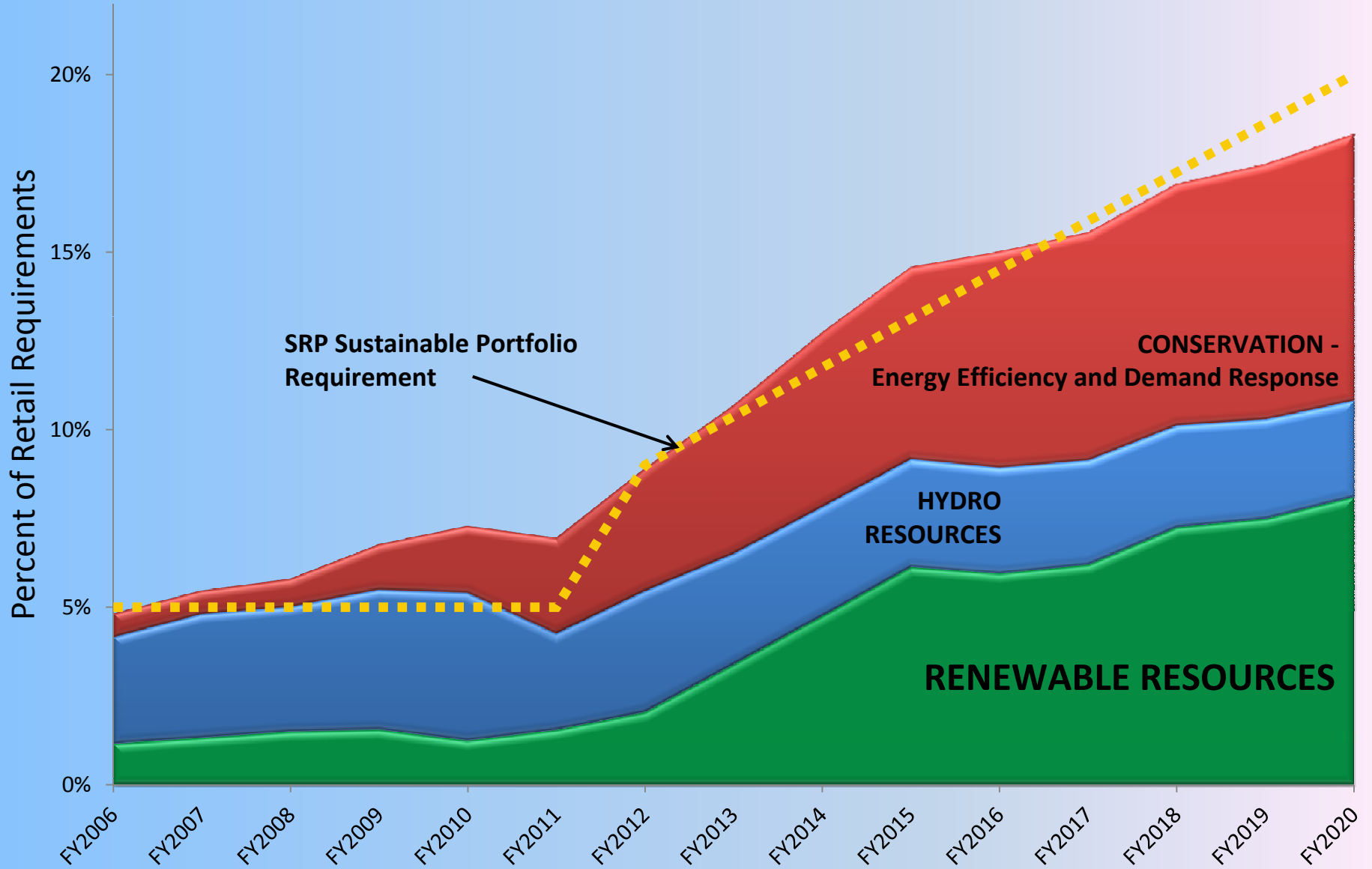
SRP & Arizona Perspective of Utility Solar

- SRP not regulated by Arizona Corporation Commission, regulated by own Board of Directors
- IOUs under ACC regulation subject to different solar requirements
- SRP strategy of technology balance, resource size, geographic dispersion and interconnection w/in SRP service territory
- SRP is non-taxable status; can't utilize federal incentives

Drivers for Acquisition of Renewable Generation

- Customer/Stakeholder Input
- Environmental leadership
- Water consumption
- Renewable portfolio standards
- Carbon emissions

SRP Sustainable Portfolio



Solar Photovoltaic RFP

- Request for proposals (RFP) for utility scale solar photovoltaic (PV) projects issued July 2010
- Requested a total of up to 100 megawatts (MW) in two phases
 - 1) Up to 50 MW by third quarter 2012 (“A” Phase)
 - 2) Up to 50 MW by third quarter 2013 (“B” Phase)

Solar Photovoltaic RFP (cont.)

- Projects' preferred sizes between 5 and 50 megawatts each
- Accepted solar panel technologies were crystalline and thin film; orientation was fixed tilt or single axis tracking
- Projects interconnecting to SRP's distribution system or transmission voltages less than 230kV were preferred

Solar Photovoltaic RFP (cont.)

- Evaluation Criteria
 - Price
 - Panel Manufacturer
 - Developer Creditworthiness
 - Interconnection
- “A” Phase process resulted in signing PPA w/ juwi Solar in 2011.
 - Queen Creek Solar project located in Queen Creek, AZ
 - 19 MW
 - Interconnected to SRP 69kV sub-transmission system

Solar Photovoltaic RFP (cont.)

- “B Phase process still ongoing
- Finalist(s) selected and negotiations underway

Copper Crossing Solar PV

- Owner: Iberdrola Renewables
- 20 MW
- SunPower monocrystalline panels w/single axis tracking
- Florence, AZ
- Contract Term: 25 years
- Commercial Operation Date: September, 2011



Community Solar

- Offers schools and residential customers an alternative to installing solar on their rooftops
- No upfront costs, solar maintenance or repair costs
- Price certainty
- Net metered to output of Copper Crossing facility
- Intent is to expand program to and commercial and industrial customer classes





Questions?

Contact Information

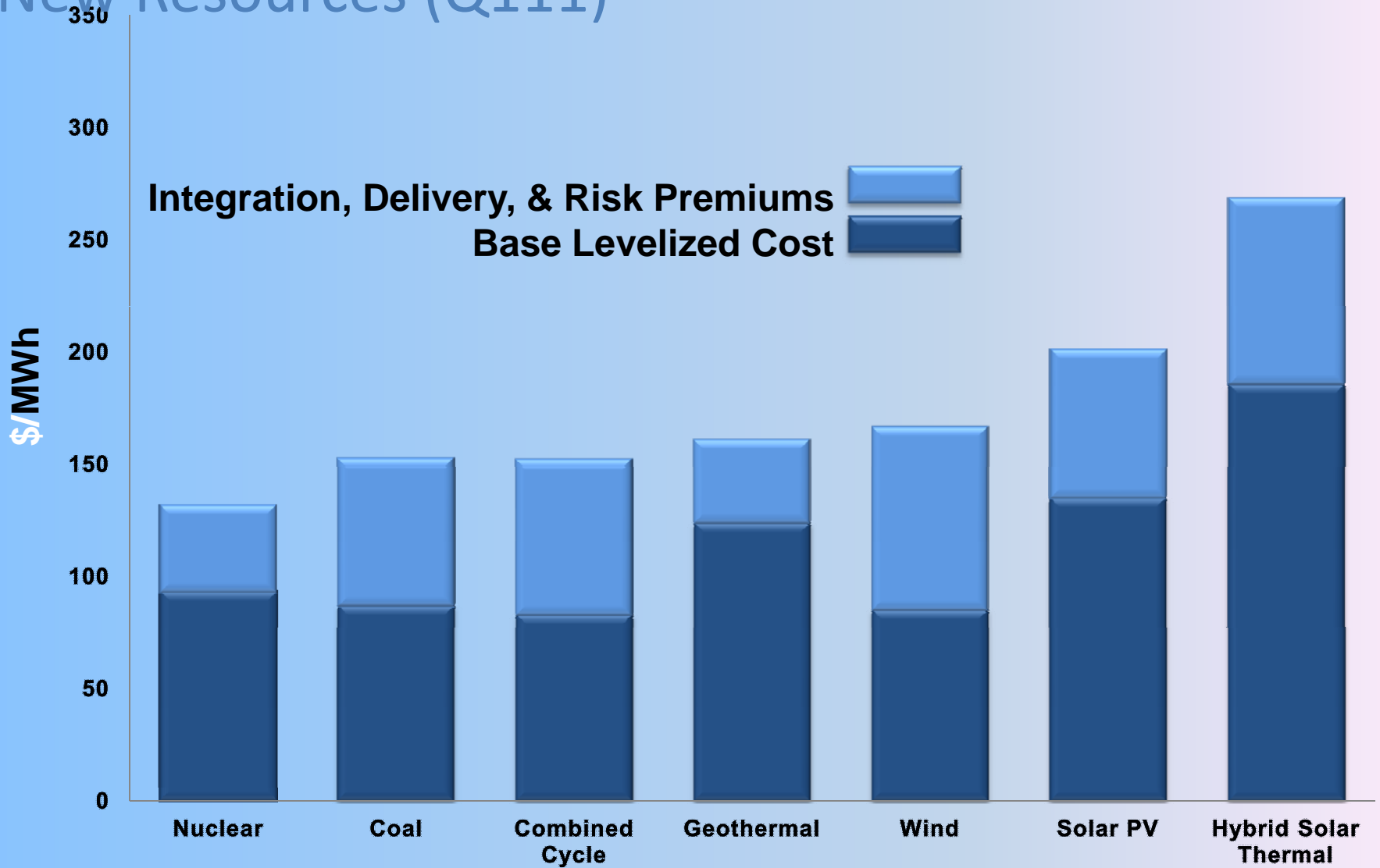
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Backup Slides

Relative Generation Costs New Resources (Q111)



Wind and Solar Cost Trends

Levelized Bus Bar Cost

