

SRP Public Price Process Comment and Response
Week ending January 25, 2025

SRP Public Price Process Responses from: 1/21/2025

Name: Philip Todd

Record Number: 0d732bd5
Delivery Method: Digital Submission
Received Date: 12/24/2024

Comment:

Pinal County has approved over 24,000 acres of land for solar farms supplying energy to SRP and APS. Will that energy be used only in the grid or will it be used in Pinal County. Most of the residents in Gold Canyon are retired senior citizens. Is there a discount for senior citizens? Is there a discount for veterans. If SUN ZIA needs a transmission line from Casa Grande substation to Palo Verde so they can get wind power to LA, will they pay for it?

Response Subject: SRP Corporate Pricing Response to Public Comment
#0d732bd5

Response:

Phillip,

Thank you for your interest in SRP's Pricing Process.

SRP has power purchase agreements for the output of 12 solar facilities located in Pinal County rated at nearly 1,200 MW of nameplate capacity. The output from those facilities will serve customers located within SRP's electric service territory in Maricopa and Pinal Counties ([Service area and territory \(electric power and water\) | SRP](#)). While the direct output will serve SRP customers, these facilities operate as part of the broader western power grid. The western power grid is a large, interconnected network, and it is critical that supply and demand are always in perfect balance to maintain reliability. Regardless of ownership, the generation and wires must all work together to maintain the supply and demand balance.

Although SRP does not offer a specific discount for seniors or veterans, there are various options available to help customers save on their bill. One such option is the Economy Price Plan, which provides a discount for eligible customers with limited incomes. SRP management is proposing an expansion to, and increase of, the limited income discount, expected to make over 100,000 more customers eligible for a \$25 per month credit to their bills.

In addition, included in SRP management's proposal are two new price plans that include an 8 a.m. – 3 p.m. super off-peak period every day of the year, where

energy costs are more than 50% lower than on the basic plan. You may be able to save by choosing a time-of-use Price Plan and shifting electricity usage away from the on-peak period and into the super off-peak period.

For more information about savings and our customer programs, including program eligibility and enrollment processes, please go on SRP's website and click Customer Service in the banner at the top, or call our Customer Service department: (602) 236-8888.

While SRP does not have a Casa Grande substation, we interpret your question to be asking in general if projects, such as SunZia, require a new transmission line how those costs are captured. If a new transmission line is found to be needed during an interconnection study process, the interconnection project that is being studied would be responsible for the cost of SRP installing that new transmission line.

Name: Steven Neil

Record Number: c3a19bef
Delivery Method: Digital Submission
Received Date: 1/8/2025

Comment:

SRP has stated in this price process that it intends to seek board of directors approval for a new program that will financially compensate those with rooftop solar who transfer or sell their system's Renewable Energy Certificates to SRP. In regard to the questions below, please do not state that this is not part of the price process, because it is SRP that publicized this in this price process. And please answer as to the current plans, which of course are subject to change by management and subject to board amendment or rejection. 1. Can you be more specific about the envisioned timing of this action? 2. Do you plan on adopting the industry standard of 1 Solar REC (SREC) is equal to 1 MWh of generation? 3. Will you be offering this for all DG interconnected to SRP? 4. Did customers who received financial incentives from SRP toward their DG system (the time period remembered by me as roughly 2009 to 2014), did these customers sign over their RECs to SRP to receive the incentive? If not RECs, what did they assign to SRP, if anything? 5. If a customer previously received an incentive for assigning RECs to SRP, will they be eligible for this new program? 6. Other than what you may have described above, is there any solar generation that will not be included in this program? 7. I'm sure you have writeups about this program. Please include them in your reply.

Response Subject: SRP Corporate Pricing Response to Public Comment #c3a19bef

Response Attachments: SRP Management Response to Steve Neil's Sixth Request for Information_SN06.pdf;

**To receive a copy of Attachments please contact the Corporate Secretary's Office and Reference Record #c3a19bef*

Response:

Please see SRP Management Response to Steve Neil's Sixth Request for Information_SN06 for responses.

SRP Management Response to Steve Neil's Sixth Request for Information Regarding SRP's Proposed Changes to its Electric Rate Schedules

1. SRP has stated in this price process that it intends to seek board of directors approval for a new program that will financially compensate those with rooftop solar who transfer or sell their system's Renewable Energy Certificates to SRP. Can you be more specific about the envisioned timing of this action?

SRP Response: The program is currently in the early stages of planning and design. SRP is managing several competing priorities, including necessary system enhancements for the proposed offering, price plan changes, and the Customer Modernization efforts. To ensure efficiency and synergy among these initiatives, the current plan is to implement this program concurrently with, or shortly after, the rollout of the proposed price plans, pending Board approval for each. It is important to share the project's status and dependencies to clarify that finer details are not yet available, which explains the brief responses below. However, responses are provided based on the information currently available.

2. Do you plan on adopting the industry standard of 1 Solar REC (SREC) is equal to 1 MWh of generation?

SRP Response: Yes, to ensure accurate accounting of environmental attributes, SRP adheres to the industry standard definition of a Renewable Energy Certificate (REC) for solar generation, where one REC is equivalent to one megawatt-hour (MWh) of solar generation. The same treatment will be applied to this program, if approved.

3. Will you be offering this for all DG interconnected to SRP?

SRP Response: As stated in the Pricing Proposal, the current intention is to offer the program to residential rooftop solar customers, though program terms and conditions are yet to be determined.

4. Did customers who received financial incentives from SRP toward their DG system (the time period remembered by me as roughly 2009 to 2014), did these customers sign over their RECs to SRP to receive the incentive? If not RECs, what did they assign to SRP, if anything?

SRP Response: Yes, previously incentivized customers did assign to SRP the claim to the environmental attributes of their solar generation.

5. If a customer previously received an incentive for assigning RECs to SRP, will they be eligible for this new program?

SRP Response: Terms and conditions of the program, including eligibility, are not yet determined. Depending on the design of the program, previously incentivized customers might be eligible for the new program after expiration of the period for which the customer has assigned their RECs to SRP.

6. Other than what you may have described above, is there any solar generation that will not be included in this program?

SRP Response: Terms and conditions of the program are not yet determined. In many cases of residential solar third-party ownership, the lessor retains claim to the environmental attributes. Consequently, SRP's residential customers will not be eligible for the program in these situations.

7. I'm sure you have writeups about this program. Please include them in your reply.

SRP Response: See reply to Q1.

Name: Austin Sloan**Record Number:** 558b3f4f**Delivery Method:** Digital Submission**Received Date:** 1/17/2025**Comment:**

Arizona Statutes regulates the cost of services: Utilities [REDACTED]
Regulates utility fees, including gas, water, and electricity. Landlords can charge separately for these services by installing a submetering system or using a ratio utility billing system. Public utilities ARS Title 40: Regulates the time for furnishing services by public utilities, such as railroads, telephones, and telegraph companies. It also regulates the uniformity of demurrage charges. In acknowledgement of these statutes, why are 4+ electric districts established by the county and being powered by SRP not regulated by the ACC (Arizona Corporation Commission) when The ACC regulates electric power companies, including Arizona Public Service (APS) and Tucson Electric Power? For the 5th largest metropolitan city in the US with over 3 million people in it this furthermore begs the question as to why a private company with a private board is internally deciding the pricing structure without consumer protection of ACC review + regulation?

Response Subject: SRP Corporate Pricing Response to Public Comment
#558b3f4f**Response:**

Hi Austin,

The Arizona Corporation Commission regulates private and investor-owned utilities, called public service corporations in Arizona. The Salt River Project Agricultural Improvement and Power District (the "District") is an agricultural improvement district organized under and governed by Chapter 17 of Title 48 of the Arizona Revised Statutes (A.R.S.). Under Arizona law, the District's publicly elected Board of Directors has authority to establish the District's electric prices. To make changes to its standard electric price plans, the District must follow the procedures outlined in Title 48 of the A.R.S.

Thank you for your interest in SRP.

SRP Public Price Process

Responses from: 1/22/2025

Name: Gary V Adams

Record Number: a32580ac
Delivery Method: Digital Submission
Received Date: 12/3/2024

Comment:

I already submitted an interest statement. However, I have questions below: 1) What is the overall increase (%) between Residential & Commercial customers? 2) Current TOU plan calls for peak times from 2-8 PM (summer), are any changes planned for this? Can the peak time be pulled in from 2 PM to 12 PM and end at 6 PM? 3) What is the % of demand driving the peak power use? Is it commercial or residential customers (compare by %)? 4) What are the proposed cost by KWh? 5) What will commercial customers pay per KWh? 6) Please provide a peak-power graph that shows KWh usage by hour of day with Residential and Commercial customers. Thank you!

Response Subject: SRP Corporate Pricing Response to Public Comment #a32580ac

Response Attachments: KWh usage by hour of day.pdf;

**To receive a copy of Attachments please
contact the Corporate Secretary's Office and Reference
Record #a32580ac*

Response:

Hi Gary,

Thank you for your interest in SRP's Pricing Process. In regard to your questions:

1. What is the overall increase (%) between Residential & Commercial customers?

SRP Response: Residential customers will see an average 3.5% bill increase and Commercial customers will see an average 1.3% bill increase.

2. Current TOU plan calls for peak times from 2-8 PM (summer), are any

changes planned for this?

SRP Response: SRP management's proposal includes two new TOU rates, E-16 which has an on-peak period from 5 – 10 PM and E-28, which has an on-peak period from 6 – 9 PM.

3. Can the peak time be pulled in from 2 PM to 12 PM and end at 6 PM?

SRP Response: As increasing amounts of solar are added to the system, the net load that is served by dispatchable resources begins to peak later in the day. As a result, higher system costs are shifting to later in the evening, between 6 p.m. and midnight, and the lower-cost hours are shifting to early- and mid-day periods. As high-cost hours are shifting to later in the evening, it is prudent to likewise adopt later on-peak hours in SRP's price plans.

4. What is the % of demand driving the peak power use? Is it commercial or residential customers (compare by %)?

SRP Response: Generation Capacity costs are driven by a Loss of Load Probability weighted demand (LOLP-kW). Per Schedule 4 line 11 of the [Cost Allocation Study \(CAS\)](#):

- Residential: 54%
- Residential Solar 3%
- General Service: 20%
- Large General Service 23%

5. What are the proposed cost by KWh?

SRP Response: Most costs are not driven by changes in kWh and so it is not an appropriate metric of customer or demand related costs. With that noted, the total costs are \$4.39B, per Schedule 8 line 29 of the CAS; and the total system MWh are 37,036,039 (Schedule 4 line 13) making the total cost per kWh \$0.1185.

6. What will commercial customers pay per KWh?

SRP Response: Under this proposal, the average price for commercial customers is 12.04 cents per kwh.

7. Please provide a peak-power graph that shows KWh usage by hour of day with Residential and Commercial customers.

SRP Response: To be responsive, attached (**KWh usage by hour of day.pdf**) is a graph of residential and commercial accounts for the peak day in July 2023. This includes only accounts with complete interval meter data that were used in the Price Process datasets (excludes accounts that do not have annual interval data because, for example, they started or ended service part way through the year).

Name: Steven Neil

Record Number: 1e6860d6

Delivery Method: Digital Submission

Received Date: 1/7/2025

Comment:

In regard to the price process document entitled "Price Process Review" produced by Christensen Associates, will you please provide all of the information you provided to them? And all the communications between you two? And please exclude anything regarding the monetary aspects of the consulting arrangement. If the quantity is too large for emails and pdfs, I can swing by your offices and pick up the information on a thumb drive or SD card.

Response Subject: SRP Corporate Pricing Response to Public Comment
#1e6860d6

Response:

Steve Neil,

A response to this request will be provided under a87b3f6e (SN09), which superseded this request.

SRP Public Price Process Responses from: 1/23/2025

Name: Valaree Weiss

Record Number: b2dfaaef
Delivery Method: Digital Submission
Received Date: 1/12/2025

Comment:

Does new construction aka new business buildings, homes and apartments pay a surcharge or fee or do existing customers pay across the board to add new construction to the existing power grid?

Response Subject: SRP Corporate Pricing Response to Public Comment #b2dfaaef

Response:

Hi Valaree,

Thank you for your question and your interest in SRP. Yes, SRP does impose fees on new developments to help cover the costs associated with expanding capacity to meet the demands of those developments. For power, SRP charges for construction based on the specific services requested, such as new residential and commercial electric service, temporary electric service, and upgrades to existing services. These contributions ensure that the costs of expanding infrastructure are appropriately borne by those who directly benefit from the new developments, helping to maintain a sustainable and efficient system. It is important to note that beyond capacity investments, the price proposal reflects the costs of investments in grid infrastructure which benefit both new and existing customers.

Name: David Bender

Record Number: MI6924594
Delivery Method: Other
Received Date: 1/13/2025
Attachments: RE_ Supplemental Request for Earth Justice DR.pdf

**To receive a copy of Attachments please
contact the Corporate Secretary's Office and Reference
Record #MI6924594*

Comment:

A response request for additional information on EJ01, from 12/11.

Question #3 Please produce all calculations of your hourly system lambda conducted within the last three years.

Please note: SRP Management will be responding to this request separately.

Response Subject: SRP Corporate Pricing Response to Public Comment
#MI6924594

Response:

Question #3 Please produce all calculations of your hourly system lambda conducted within the last three years.

SRP Response: After review, SRP has determined that the requested data is confidential under Section 30-805(B) of the Arizona Revised Statutes.

Name: David Bender

Record Number: MI6944753
Delivery Method: Email to Corporate Secretary
Received Date: 1/22/2025
Attachments: 20250121_DavidBender.pdf

**To receive a copy of Attachments please
contact the Corporate Secretary's Office and Reference
Record #MI6944753*

Comment:

SRP provided a number of documents via FTP last week. One of the files contains load data for solar customers: "resandresolar_allusage_EJ01.sas7bdat"

The file format is one that cannot be opened with any of the software available to us. Is it possible for SRP to provide the data in a comma separated value (.CSV) or MS Excel (.xls, .xlsx) format?

Response Subject: SRP Corporate Pricing Response to Public Comment
#MI6944753

Response Attachments: ResAndResSolar_AllUsage_.xlsx;

**To receive a copy of Attachments please
contact the Corporate Secretary's Office and Reference
Record #MI6944753*

Response Sent by CSO 1/22/2025 4:02 PM

Response:

David,
Here is Management's Response and attached excel file:
Thanks,
John

The native format of the requested data is SAS, which is a standard statistical software suite used for analyzing large datasets. SAS datasets can be accessed by common data analytical software, including freely available tools such as R and Python. For convenience, SRP has exported the requested data into Excel (as an aggregated summary, as the requested data contains individual customer information which SRP cannot provide). The summary file includes all residential and residential solar usage for accounts used in the Price Process grouped for each 15-minute interval by rate, date, and solar status. DEL01-DEL96 show energy delivered by SRP to the customer. EXP01-EXP96 shows energy the customer exported to the grid. And GEN01-GEN96 shows self-generation from the customer, if any.

SRP Public Price Process Responses from: 1/24/2025

Name: Caryn Potter

Record Number: MI6841808
Delivery Method: Email to Corporate Secretary
Received Date: 1/4/2025
Attachments: SWEEP 1st Data Request - SRP 2025 Pricing Proceeding_.pdf

**To receive a copy of Attachments please contact the Corporate Secretary's Office and Reference Record #MI6841808*

Comment:

Southwest Energy Efficiency Project Data Requests To Salt River Project Regarding Its 2025 Pricing Proceeding Process

1. Please provide customer characteristics information for price plans E-16 and E-28, similar to the example shown for price plan E-15 below:
2. Please identify the number of customers that would fit into each of the three-tiered Monthly Service Charge categories:
 - a. Single units in Multi-family housing Types.
 - b. Single-family housing types with 225 amps or less.
 - c. Single-family housing types with more than 225 amps.
3. Does SRP anticipate all residential customers fitting into one of the three-tiered Monthly Service categories? If not, please explain why.
4. Is SRP planning for the E-28 TOU Price Plan to become the default rate for residential customers? If not, please clarify which price plan is the default for residential customers.
5. Please provide a narrative explaining the rationale behind the minimal changes to the price differential between the three pricing seasons, on-peak and off-peak periods in the E-28 TOU price plan. Specifically, why was the decision to collapse the summer and winter rates into the same price, and is the current E-28 plan differentiated between

seasons as described on

Pages 91-93? Additionally, why does the winter on-peak and off-peak rate show no difference, while the summer peak-to-off-peak ratio is 4:1 instead of the ideal 3:1?

6. Please provide hourly residential customer usage data or billing determinants used to determine the E-16 and E-18 proposed rates in Excel with working formulas and links.

7. Please provide the following source reports mentioned in the Cost Allocation Study:

- a. FP25 6-Year Financial Plan (FY26)
- b. FP2025 Revenue Model (FY26)
- c. FP25 Customer Systems Study

8. Please provide the Schedule SBC: Derivation of System Benefits Charge in Excel with working formulas and links.

9. Did SRP consider consolidating the E-28 TOU rate for residential customers and moving these customers onto the rate as a default? Why or why not?

10. What efforts does SRP plan to undertake to ensure a smooth rollout of the proposed rates? Does SRP have an education plan outlined for preparing customers for the proposed rates?

11. Has SRP conducted any evaluations or studies on the effectiveness of the TOU rate in reducing peak demand (both coincident and noncoincident)?

- a. If yes, please provide all studies, work papers, and other supporting documentation used in these studies or evaluations.
- b. If not, please describe why such studies have not yet been performed.

12. For SRP's Customer Programs, please provide the following information by year:

- a. Planned budget and actual spending for the next five years, broken out by year and program.
- b. Planned demand savings (kW) and actual demand savings (kW) by year and program.
- c. SRP's projected peak demand growth for the next 15 years before and after energy efficiency.
- d. SRP's projected peak demand growth for the next 15 years before and after demand response.

13. Does SRP require customers enrolled in the E-67 Standard Price Plan for Large Load Substation Large General Service to participate in Demand Response and Energy Efficiency Programs? If not, why?

14. Provide the current status of SRP's interconnection request queue and the request allocation

by customer class.

Response Subject: SRP Corporate Pricing Response to Public Comment #MI6841808

Response Attachments: FP25 Financial Plan Model - CAS Inputs_SWEEP01.xlsm; FP25 v5 Phase 2 Revenue Model Outputs for Price Process_SWEEP01.xlsx; Customer Systems Study - FP25_SWEEP01.xlsx; FP25 FY26 Cost Allocation Study - Published 12-02-2024_SWEEP01.xlsx; E21 Difference in Difference Graphs - Summer CY2023_SWEEP01.xlsx; E23 Difference in Difference Graphs - Summer CY2023_SWEEP01.xlsx; E26 Difference in Difference Graphs - Summer CY2023_SWEEP01.xlsx; E29 Difference in Difference Graphs - Summer CY2023_SWEEP01.xlsx; Planned Program Budgets & Actual Expenditures_SWEEP01.pdf; Daytime Saver - Summer 2023 Results_SWEEP01.pdf; Preliminary Usage Results (July)_SWEEP01.pdf; SRP Management Response to SWEEP First Request for Information_SWEEP01.pdf;

**To receive a copy of Attachments please contact the Corporate Secretary's Office and Reference Record #MI6841808*

Response Sent by CSO 1/24/2025 8:46 AM

Response:

See SRP Management Response to SWEEP First Request for Information_ (SWEEP01).docx for response details
