

SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT

BUY-THROUGH PROGRAM

Effective: November 1, 2025

Supersedes January 1, 2024

AVAILABILITY:

Availability of SRP's Buy-through Program (the "Program") is subject to equipment availability and other conditions, as determined in SRP's sole discretion. Total Customer Participating Load among all participating customers (each, a "Customer") will be limited to 200 Megawatts (MW).

APPLICABILITY:

The Program is established to permit a Customer to direct SRP's purchase of energy for the Customer's benefit and at the Customer's sole expense. The Program is open to an individual Customer account receiving and qualifying for electric service under SRP Standard Electric Price Plans E-63, E-65 or E-67 and having, in the 12-month period immediately preceding the Customer's enrollment in the Program, a minimum Annual Peak Demand of 5 MW and a minimum average monthly Load Factor (as defined in SRP's Rules and Regulations) of 60%.

DEFINITIONS:

Annual Peak Demand: The maximum thirty-minute integrated kW demand for the Customer account, as measured by the meter, over a 12-month period. This amount will be based on the 12-month period immediately preceding the Customer's initial enrollment in the Program, unless recalculated as set forth in the Program Requirements.

Customer Participating Billing Demand: The maximum thirty-minute integrated kW demand occurring during the on-peak period of the applicable billing cycle, as measured by the meter, multiplied by the Customer Participation Factor.

Customer Participating Load: The participating demand (in MW) for the Customer account served under the Program. This amount is determined at the time of the Customer's initial enrollment in the Program, but is subject to change as set forth in the Program Requirements.

Customer Participating Metered Energy: The hourly metered energy for the Customer account multiplied by the Customer Participation Factor.

Customer Participation Factor: The ratio of Customer Participating Load to Annual Peak Demand, expressed as a percentage.

Energy Imbalance: For each hour, the difference between the hourly delivered energy from the GSP (reduced to reflect line losses) and the actual Customer Participating Metered Energy. Line losses for purpose of this definition will be

4.14% for accounts receiving electric service under SRP Standard Electric Price Plan E-63, and 3.32% for accounts receiving electric service under SRP Standard Electric Price Plans E-65 or E-67.

Generation Service Provider (GSP): A third-party provider of wholesale energy that (a) meets SRP's creditworthiness and other counterparty standards and meets all requirements and conditions set forth in the Program Requirements for the sale of energy to SRP under the Program, (b) is selected by the Customer to provide wholesale energy to SRP for the Customer's benefit, and (c) enters into the Service Contract(s).

Program Requirements: The detailed terms and conditions established by SRP for enrollment and participation in the Program, as may be modified from time to time by SRP management, which shall be published on SRP's website (www.SRPnet.com).

Resupply Energy: Energy provided by SRP to the Customer to replace energy that would have been provided by the GSP but for the cancellation of the Customer's Program participation, the failure to have a Service Contract in effect with a GSP, or the energy delivery period specified under the Service Contract having expired or not commenced.

Resupply Price: The hourly price of energy under the Palo Verde Peak or Off-peak Intercontinental Exchange Day Ahead index (or another comparable index selected by SRP if the foregoing index is unavailable), plus the greater of \$10 per MWh (prorated for any partial MWh) or 10% of the index price.

Service Contracts: The written contracts, on SRP's standard form, among SRP, the Customer, and the GSP, as applicable, setting forth the terms and conditions of the Customer's participation in the Program and the GSP's delivery of energy.

Total Load Requirements: The Customer Participating Metered Energy, increased to reflect line losses from the point of delivery on SRP's transmission system to the Customer's site. Line losses for purposes of this definition will be 4.14% for accounts receiving electric service under SRP Standard Electric Price Plan E-63, and 3.32% for accounts receiving electric service under SRP Standard Electric Price Plans E-65 or E-67.

CONDITIONS:

In addition to all conditions of the Program Requirements, the Customer's participation in the Program is subject to the following:

- A. SRP, in its sole discretion, may require the Customer to have interval metering and other metering equipment approved by SRP. If the Customer does not have such metering, SRP will install the metering equipment at the Customer's expense. The Customer will be responsible for providing and maintaining any

communication facilities and equipment associated with the meter(s), such as a phone line.

- B. Neither the Customer Participating Load for a single account, nor the total Customer Participating Loads for all accounts of a single Customer, may exceed 50 MW.
- C. Except as otherwise provided in the Program Requirements, and subject to the 50 MW cap, the Customer Participating Load must equal 100% of the Annual Peak Demand, less any portion thereof that SRP determines, in its sole discretion, will be excluded due to the Customer's participation in another SRP program or offering.
- D. SRP will provide transmission, delivery, and network services to the Customer according to SRP's standard terms and conditions for retail electric service, except as provided herein.
- E. The Customer must be in good standing with SRP (meaning that all arrears have been brought current or arrangements suitable to SRP have been made and necessary deposits have been posted) to enroll in the Program.
- F. The Customer's participation in the Program will continue until the date on which such participation is cancelled under the sections below titled "Imbalance Service" or "Cancellation," or, if sooner, on the date on which the Program is terminated.
- G. The Customer may cancel service under this Program at any time by delivering notice to SRP, subject to the section below titled "Cancellation."
- H. If SRP or the Customer cancels the Customer's participation in the Program, the Customer will not be allowed to participate in the Program again until one year after the effective date of cancellation.
- I. Participation in the Program requires execution of one or more Service Contracts satisfying all requirements herein and in the Program Requirements.
- J. The pricing and other terms and conditions of the Program set forth herein are subject to change at any time, with the approval of SRP's Board of Directors.

SERVICE CONTRACTS:

The Service Contracts will include, without limitation, the following terms and conditions:

- A. The GSP must deliver sufficient firm energy, to the designated point of delivery, to meet the Customer's Total Load Requirements, on an hourly basis, for a period of at least one year.

- B. Unless SRP directs the Customer to pay GSP invoices directly, SRP will pay the GSP for the energy delivered; SRP will bill the Customer for all amounts paid by SRP to the GSP.
- C. SRP shall have no liability for any losses, claims, or damages arising from a default by the GSP or the Customer.
- D. SRP will settle with the Customer for Energy Imbalance and other relevant costs monthly as specified in the "Customer Charges and Credits" section below.
- E. The GSP must provide a separate monthly invoice for the energy delivered to SRP for the benefit of the Customer.
- F. SRP will serve as the scheduling coordinator. The GSP must provide SRP with monthly schedules of hourly loads along with day-ahead hourly load deviations from the monthly schedule in accordance with the Program Requirements.
- G. SRP will apply all payments received from the Customer to services rendered by SRP before remitting any amounts to the GSP. The Customer will be solely responsible for any shortfall.

TRANSMISSION:

The GSP must deliver the energy to a delivery point on SRP's transmission system selected by the GSP and reasonably agreed to by SRP. If the delivery point is a point other than SRP's 230 kV system, the GSP must arrange for the transmission to SRP's 230 kV system, using one of the following options:

- i. If there is sufficient available firm SRP transmission capacity posted on OASIS, the GSP may use the capacity, and SRP will not charge the GSP for use of that capacity, or
- ii. If there is no available firm SRP transmission capacity posted on OASIS, the GSP must buy firm transmission capacity from a third party, or instruct SRP to buy that capacity, in which case SRP will bill the Customer for the costs of the acquired transmission capacity.

IMBALANCE SERVICE:

SRP will calculate Energy Imbalance for the Customer account.

- A. Energy Imbalance will be settled as follows on an hourly basis:

- i. If Energy Imbalance is less than or equal to the greater of +/- 15% or 2MW (a "Tier 1 Energy Imbalance"), it will be settled at the applicable CAISO External Load Aggregation Point (ELAP) price.
 - ii. If Energy Imbalance exceeds the greater of +/- 15% or 2MW (a "Tier 2 Energy Imbalance"), then (i), if due to the hourly delivered energy from the GSP exceeding the hourly Customer Participating Metered Energy, it will be settled at 75% of the applicable ELAP price when the ELAP price is positive, or 125% of the ELAP price if negative, or (ii), if due to the hourly Customer Participating Metered Energy exceeding the hourly delivered energy from the GSP, it will be settled at 125% of the applicable ELAP price when the ELAP price is positive, or 75% of the ELAP price if negative.
- B. If a Tier 2 Energy Imbalance occurs on more than 20% of the hours in a calendar month, there will be deemed to have occurred an "Excessive Imbalance." SRP will provide written notice to the GSP and the Customer of any Excessive Imbalance. If an Excessive Imbalance occurs two or more times within any rolling 12-month period, SRP may, in its discretion, terminate the Service Contract with respect to the GSP and cancel the Customer's participation in the Program, by providing advance written notice as set forth in the Service Contracts. Cancellation due to an Excessive Imbalance may result in SRP declaring the GSP ineligible for the sale of energy to SRP under the Program.

REPLACEMENT OF GSP:

During any period of Customer's Program participation in which a GSP is not contractually obligated to deliver energy (either because Service Contracts with respect to the GSP are not in full force and effect, or the energy delivery period specified under the Service Contracts has not commenced or has expired), SRP will provide Resupply Energy at the Resupply Price. If SRP provides Resupply Energy for a period of 60 or more consecutive days, SRP may cancel the Customer's participation in the Program.

CANCELLATION:

- A. If the Customer ceases to meet the qualifications, and satisfy all conditions and requirements, for participation in the Program, or fails to comply with the Service Contracts, SRP may cancel the Customer's participation in the Program by providing advance written notice as set forth in the Service Contracts.
- B. If the Customer delivers notice to SRP cancelling its participation in the Program, then the cancellation will take effect 36 months after Customer's delivery of the notice of cancellation, or, if requested by the Customer, a sooner date agreed to by SRP if and when SRP determines, in its sole discretion, that allowing an earlier effective date would not adversely impact the costs or

reliability of service to SRP's other customers. Any cancellation is conditioned upon the concurrent termination of the Service Contracts.

- C. If SRP cancels the Customer's participation in the Program for any reason, then SRP will provide Resupply Energy at the Resupply Price, and all Program charges and payments will continue to apply, for the period of time between the effective date of cancellation and the date that is 36 months after notice of cancellation is delivered, or a shorter period specified by SRP if and when SRP determines, in its sole discretion, that reducing that period would not adversely impact the costs or reliability of service to SRP's other customers.
- D. Any waivers or reductions of the 36-month periods referenced in subsections B and C above will be granted, if at all, in the order in which the Cancellation Notices are received or delivered, as applicable, by SRP.

CUSTOMER CHARGES AND CREDITS:

- A. Customer's participation in the Program does not replace or reduce the charges incurred by the Customer under the Price Plan under which the Customer takes service, except as follows:
 - i. The Fuel and Purchased Power Adjustment Mechanism (FPPAM) component will not apply to the Customer Participating Metered Energy, subject to Paragraph E below; and
 - ii. The Generation (kW and Energy) component will not apply to the Customer Participating Metered Energy or Customer Participating Billing Demand.
- B. The Customer will be assessed a monthly Buy-Through Charge of \$4.03/kW of Customer Participating Billing Demand, to recover costs and charges incurred by SRP to maintain capacity reserves, administer the Program, and recover the Customer's share of Early Technology Adoption costs (costs related to certain existing renewable generating facilities on SRP's system).
- C. SRP will charge the Customer for all amounts paid by SRP to the GSP.
- D. SRP will charge or credit the Customer for the amounts associated with any Energy Imbalance, as calculated under the "Imbalance Service" section.
- E. If, at the time of the Customer's enrollment in the Program, the FPPAM over- or under-collection balance exceeds \$50 Million, the Customer will be assessed an FPPAM Settlement Adjustment (FSA) based on the Customer's pro-rata share of the FPPAM over- or under-collection balance.
 - i. The FSA will be calculated as follows:

$$\text{FSA} = \text{F} \times (\text{C} / \text{T})$$

Where:

F = FPPAM over- or under-collection balance in excess of \$50 Million

C = Customer's energy usage during the period in which the FPPAM over- or under-collection balance accumulated

T = Total energy served by SRP during the period in which the FPPAM over- or under-collection balance accumulated

- ii. The Customer will have the option to settle the FSA as a lump-sum credit or payment (as applicable), or in 36 equal monthly credits or payments.
 - iii. As of the date on which cancellation of the Customer's Program participation is effective, SRP will reconcile the difference between the FSA and the amount that the Customer has already paid or has been credited. For purposes of that reconciliation, the Customer's pro-rata share of the FPPAM over- or under-collection balance (calculated as "C / T" in the formula above) will be the same percentage that was calculated at the time of the Customer's enrollment in the Program.
- F. Any taxes or governmental impositions which are or may in the future be assessed based on gross revenues of SRP and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder will be applied to the Customer's bill.