

News Release



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SRP Initiates Pricing Process that Seeks Price Increase and New Price Plan Options

Salt River Project (SRP) management today opened a public pricing process that seeks an overall 2.4 percent price increase. This price change reflects a proposed increase of \$168.8 million in base revenue to support upgrades to the power system and an anticipated decrease of \$67.7 million in fuel and purchased power revenues, which are recovered through the Fuel and Purchased Power Adjustment Mechanism (FPPAM) rate.

If approved by SRP's publicly elected Board of Directors, the average residential customer using 1,117 kilowatt-hours (kWh) a month will see a monthly bill increase of 3.5 percent, or \$5.64, effective with the November 2025 billing cycle. Actual bill impacts will vary based on customer usage and price plan.

If approved as proposed, SRP customers would still pay among the lowest electricity prices in the southwestern U.S. and the lowest rates of any major utility in the state.

"SRP is committed to delivering exceptional service as we work to provide reliable and sustainable power. As a not-for-profit, community-based utility, we make decisions based on what is best for our customers, not investors," said Jim Pratt, SRP General Manager and Chief Executive Officer. "SRP management's proposal reflects increases in the company's operational costs driven by needed improvements to the electric grid to maintain reliability and meet our ambitious sustainability and decarbonization goals, by rising labor costs and by important customer service enhancements."

Other elements of the pricing process proposal include:

- Increasing the limited-income Economy Price Plan bill credit to \$25 a month and expanding program eligibility so more customers can participate
- Tiered residential monthly service charges
- New price plans with super-off-peak daytime time-of-use hours
- Freezing new participation in some current time-of-use price plans

"Our grid is undergoing a transformation in how energy is generated and the ways our customers are using it," said Pratt. "This proposal seeks to provide plans and options that meet our customers' needs while ensuring we maintain the reliability and affordability that are critical to our communities."

SRP's Board of Directors will conduct a detailed review of the pricing proposal and consider public feedback before making a decision. A final vote is expected to be made at a public Special Board of Directors meeting on Thursday, February 27, 2025.

Any approved changes would take effect with the November 2025 billing cycle.

SRP customers and stakeholders can learn more about the pricing proposal and submit comments and questions at srp.net/srpprices or at multiple public events:

Open House Events

Tuesday, January 7, from 6:30 to 9:30 p.m.

Glendale Community College - Student Union
6000 W Olive Ave.
Glendale, AZ 85302
(Parking located off 61st Ave.)

Thursday, January 9, from 6:30 to 9:30 p.m.

ASU Polytech - Student Union
5999 S Backus Mall
Mesa, AZ 85212
(Free parking in Lot 10)

Special SRP Board of Directors Meetings

All meetings will be held at SRP's Public Administration Building located at 1500 N. Mill Ave., Tempe, AZ 85088 and will be available via live stream video at srp.net/srpprices.

- Friday, January 31, at 9:30 a.m. – Presentation and Comments
- Thursday, February 6, at 9:30 a.m. – Additional meeting, if needed
- Tuesday, February 11, at 9:30 a.m. – Additional meeting, if needed
- Thursday, February 27, at 9:30 a.m. – Anticipated Final Vote

Detailed information on the pricing proposal is also available at the pricing process information room at SRP's Public Administration Building. Information room hours are 8:30 a.m. to 5 p.m. Monday through Friday (excluding SRP-observed holidays).

The SRP Board of Directors last approved changes to base prices in 2019. Base prices recover SRP costs, including those for operations and maintenance, infrastructure to support reliability and customer service. The FPPAM rate recovers the costs of fuel, including natural gas; purchased power agreements, including those for solar, wind and storage; and market purchases used to help maintain energy reliability. These costs are passed through to customers without any overhead.

SRP offers a variety of energy efficiency rebates and resources to help customers manage their energy use and save money on their bills. Information on bill assistance programs can be found at srp.net/heretohelp.

SRP is a community-based, not-for-profit public power utility and the largest electricity provider in the greater Phoenix metropolitan area, serving approximately 1.1 million customers. SRP provides water to about half of the Valley's residents, delivering more than 244 billion gallons of water (750,000 acre-feet) each year, and manages a 13,000-square-mile watershed that includes an extensive system of reservoirs, wells, canals and irrigation laterals.

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