

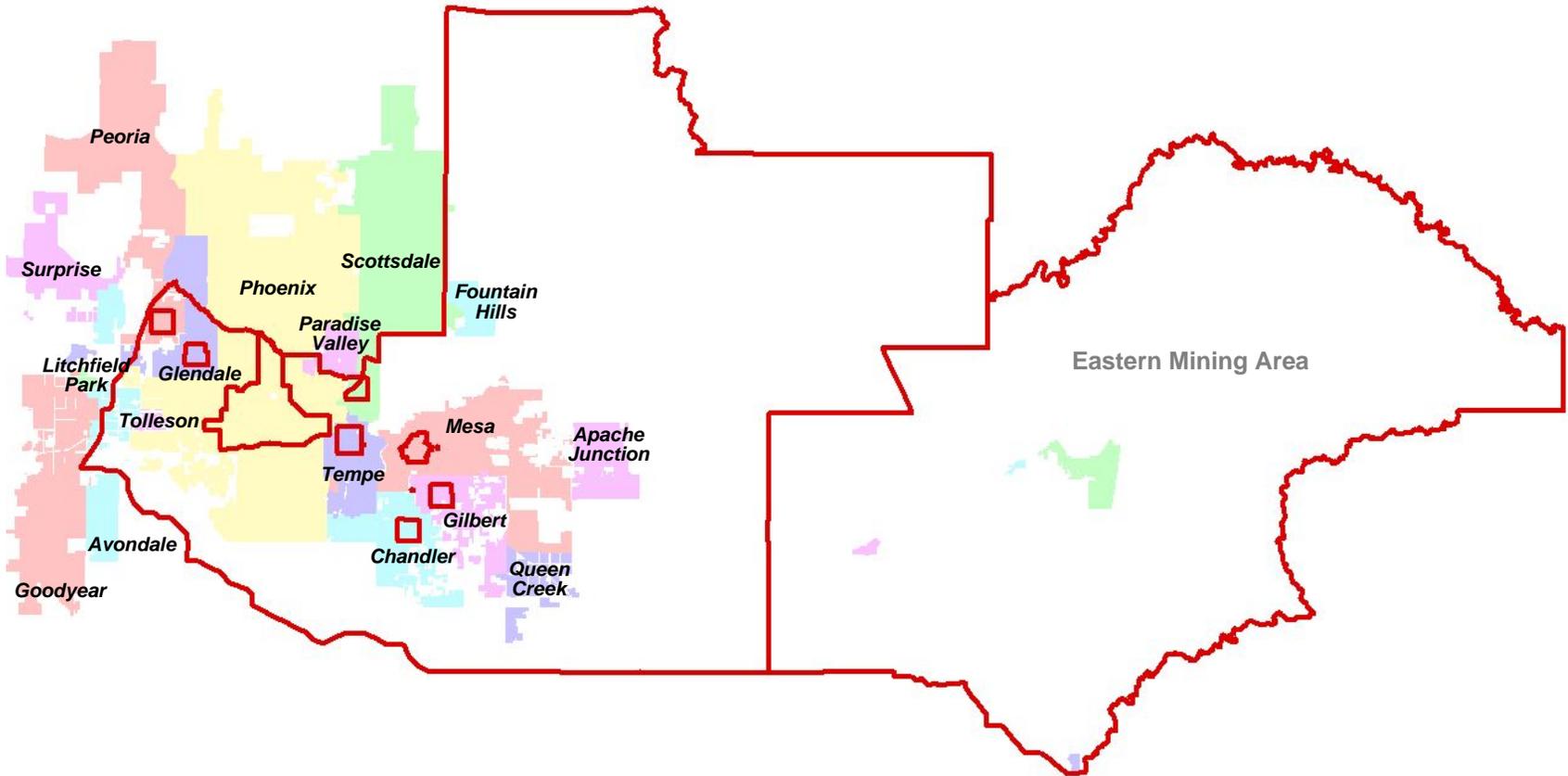
SRP Summer Preparedness 2009

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and
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**ACC Summer Preparedness Hearing
March 24, 2009**



SRP Electric Service Territory

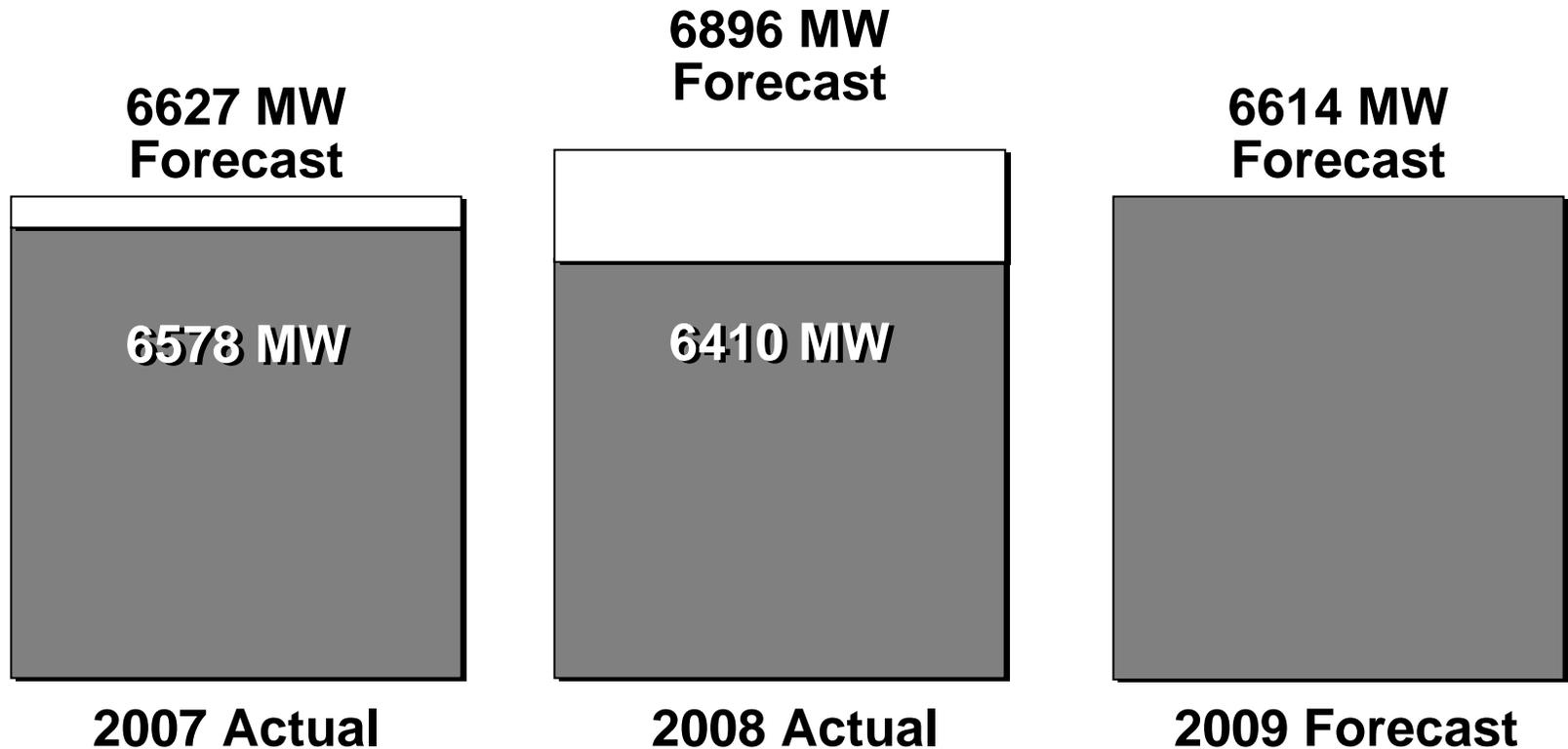


Summary

- Peak demand is expected to be slightly higher than last year's peak.
- Adequate resources have been secured to meet anticipated demand.



Peak Load Forecast



Summer 2009 Outlook

**Expected
Need**

**Expected
Capability**

917 MW

Reserves

**Purchased
Power**

1825 MW

6614 MW

**SRP
Forecast
Peak Load**

**SRP
Generation**

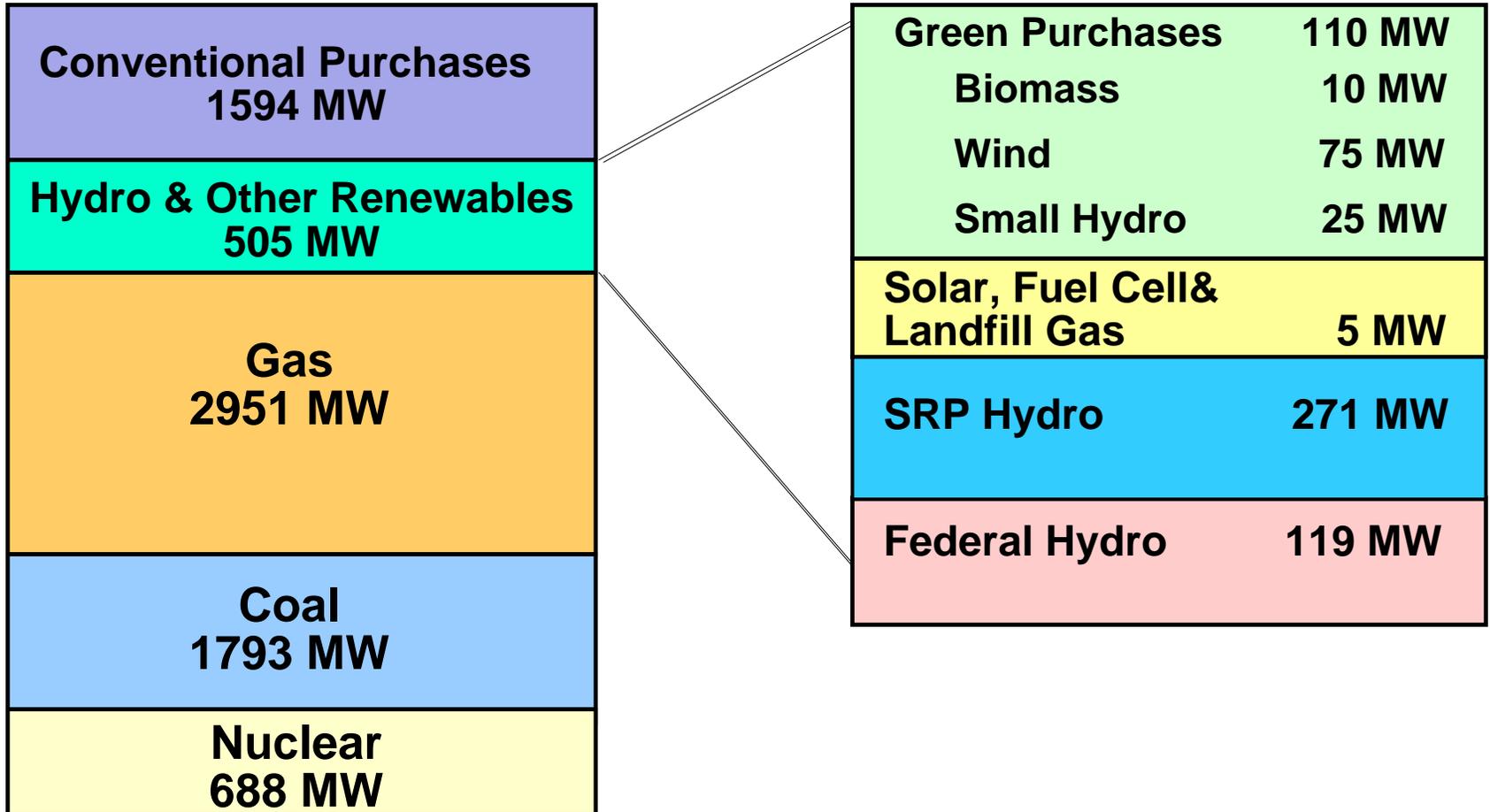
5706 MW

Total 7531 MW Total 7531 MW



SRP Resources – 2009

Total Capacity: 7531 MW



Purchased Power

- Purchased power portfolio is in place to meet demand.
- Additional purchases may be needed to respond to forced unit outages.
- Regional market conditions suggest that there will be sufficient capacity to meet the Arizona demand.



Reserves

- Respond to load extremes above base forecast.
- Provide an immediate response to forced outages.
- Quantity is based on NERC and WECC operating criteria and contractual arrangements.
- A portfolio of resources is utilized to meet the reserve requirements.



Energy Efficiency and Conservation Program

- Peak
 - Time-of-Use pricing (second largest program in U.S.)
 - New EZ-3 Price Plan
 - M-Power (largest pre-pay program in U.S.)
 - Interruptible pricing
 - Demand Response
- Energy
 - Lighting Rebate
 - Heat pump/AC Rebate
 - Refrigerator Rebate



Fuel Status

- Nuclear – Full requirements under contract.
- Coal
 - Plants expected to be at or above target inventories by summer season.
 - Full requirements under contract.
- Natural Gas
 - Full transportation requirements under contract.
 - In process of securing retail commodity requirements.
- Hydro



System Additions Stations

NEW	NUMBER
Distribution Substations	4
28MVA 69/12kV Transformers	9
230kV Breakers	2
69kV Breakers	24
69kV Capacitors	48 MVAR
230kV Capacitors	600 MVAR



System Additions Lines

ADDITIONS	NUMBER
Pole Replacements	650
Rebuilt/Upgrade 69kV Lines	8.14 Miles
New Circuit Miles of 69kV Line	20.9 Miles
Upgraded 230kV Line	18.1 Miles



System Preparation

Transmission and substation maintenance and training will be complete by summer. This includes:

- Line patrols/inspections
- Preventative maintenance
- Pole reinforcement
- Pole change-outs/ upgrades
- Wildfire coordination
- Operations coordination
- Tree trimming
- Cable replacement
- Storm planning
- Emergency procedure training
- Blackstart training



Distribution

- Summer operating procedures reviewed and refresher training provided to O&M personnel.
- Six mobile substation transformers are available for service if needed.
- If required, the process for implementing rotating outages has been automated.
 - The planned sequence of substation outages and the duration of each outage is the same as in the past.



Summary of Year 2009 Projected Conditions

- Transmission, distribution, SRP generation and planned energy purchases are adequate to serve the forecasted year 2009 demand.
- Contingency plans are in place to handle emergency events.



Current Reservoir Levels

March 12, 2009

- Total Salt System: 99.8%
 - Roosevelt Lake: 100% (SRP portion is 100%)
 - Horse Mesa/Apache Lake: 99%
 - Mormon Flat/Canyon Lake: 97%
 - Stewart Mountain/Saguaro Lake: 98%
- Total Verde System: 77%
 - Horseshoe Lake: 64%
 - Bartlett Lake: 85%
- Total Reservoir System: 97% (one year ago: 94%)



Gatorade Distribution Center



- Located on Gatorade/PepsiCo distribution center in Tolleson
- 500kW Solar Electric System containing 2,448 solar panels
- Largest customer owned rooftop system in AZ spanning 68,000 square feet
- Estimated CO₂ reductions of approximately 392 metric tons per year
- Operational October 2008

