



PINAL
PARTNERSHIP
Uniting the Vision for Pinal County

Energizing Pinal County's Future

Opportunities, challenges, and benefits
of energy development





The State of Energy in Arizona

Arizona urgently needs more power—
right now—to keep pace with
economic development, to ensure
the state **remains competitive** for
future large-scale investments and
keep our energy costs low.

Agenda

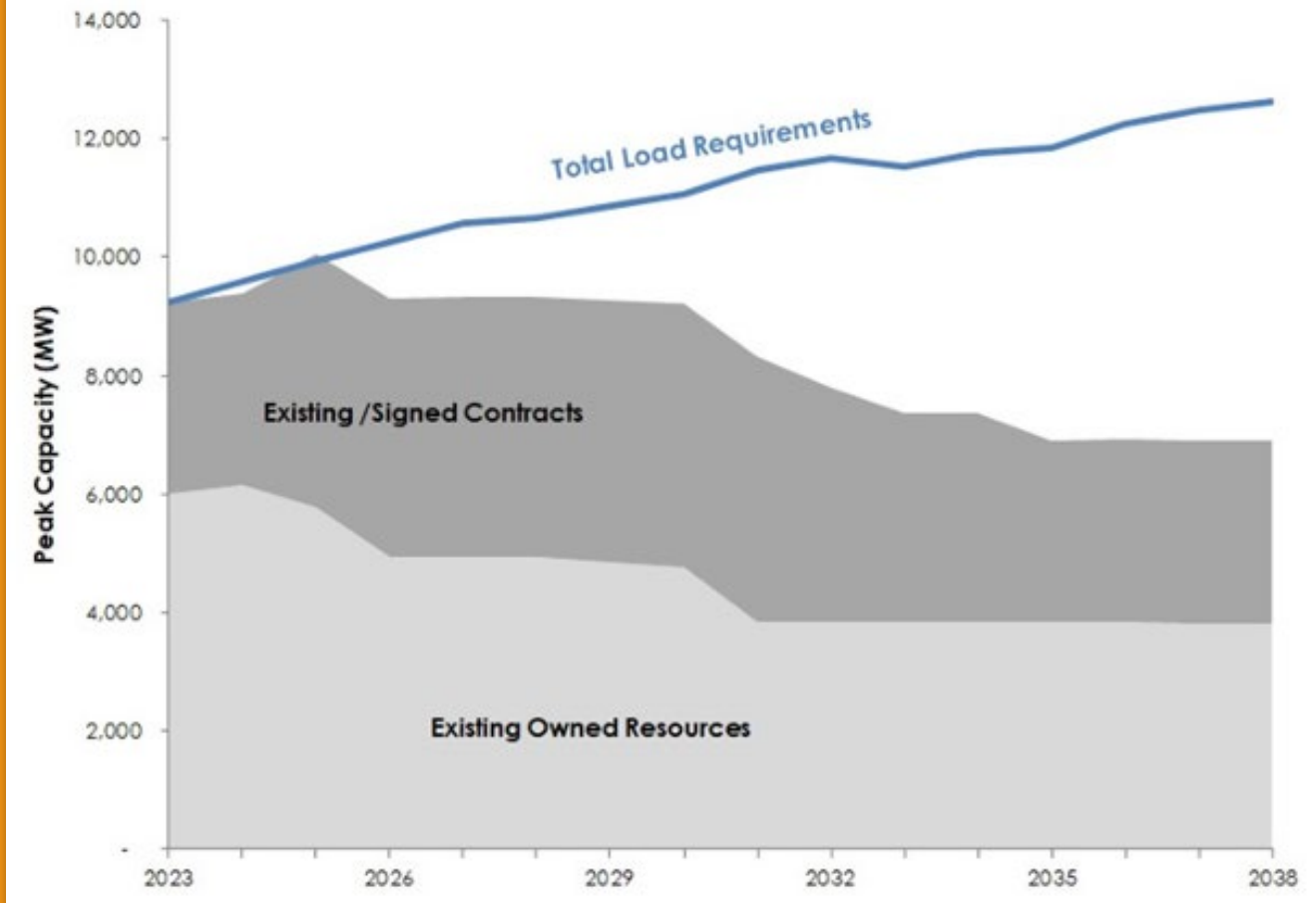
- Energy Demand Overview
- The Grid & the AZ Energy Market
- Energy Opportunities in Pinal County
- Benefits of Development
- Working Together to Meet the Demand

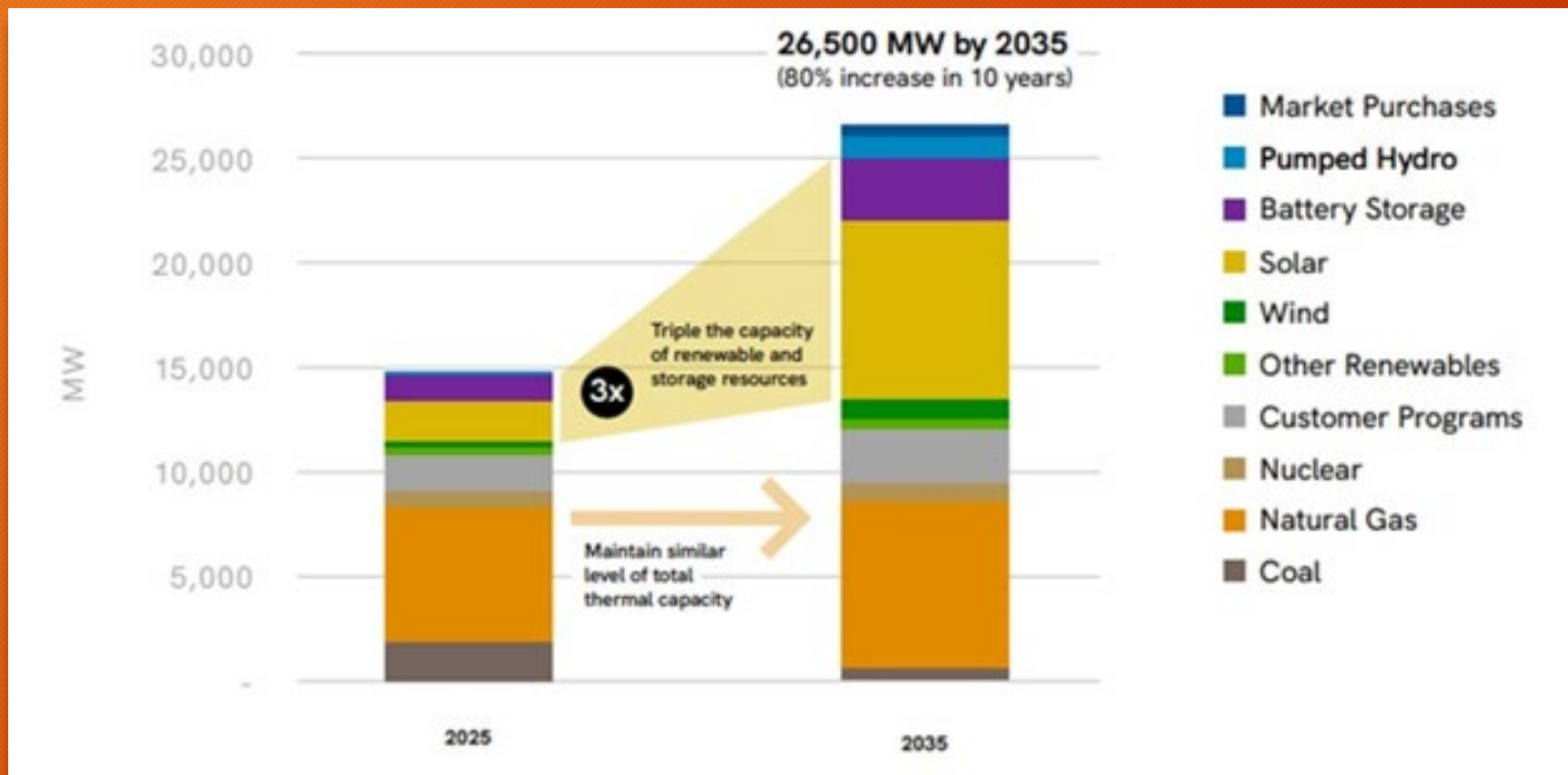


Energy Demand Overview

APS predicts
40% growth in
peak demand
in just 6 years

FIGURE 2-3. SUPPLY-DEMAND GAP (2023-2038)

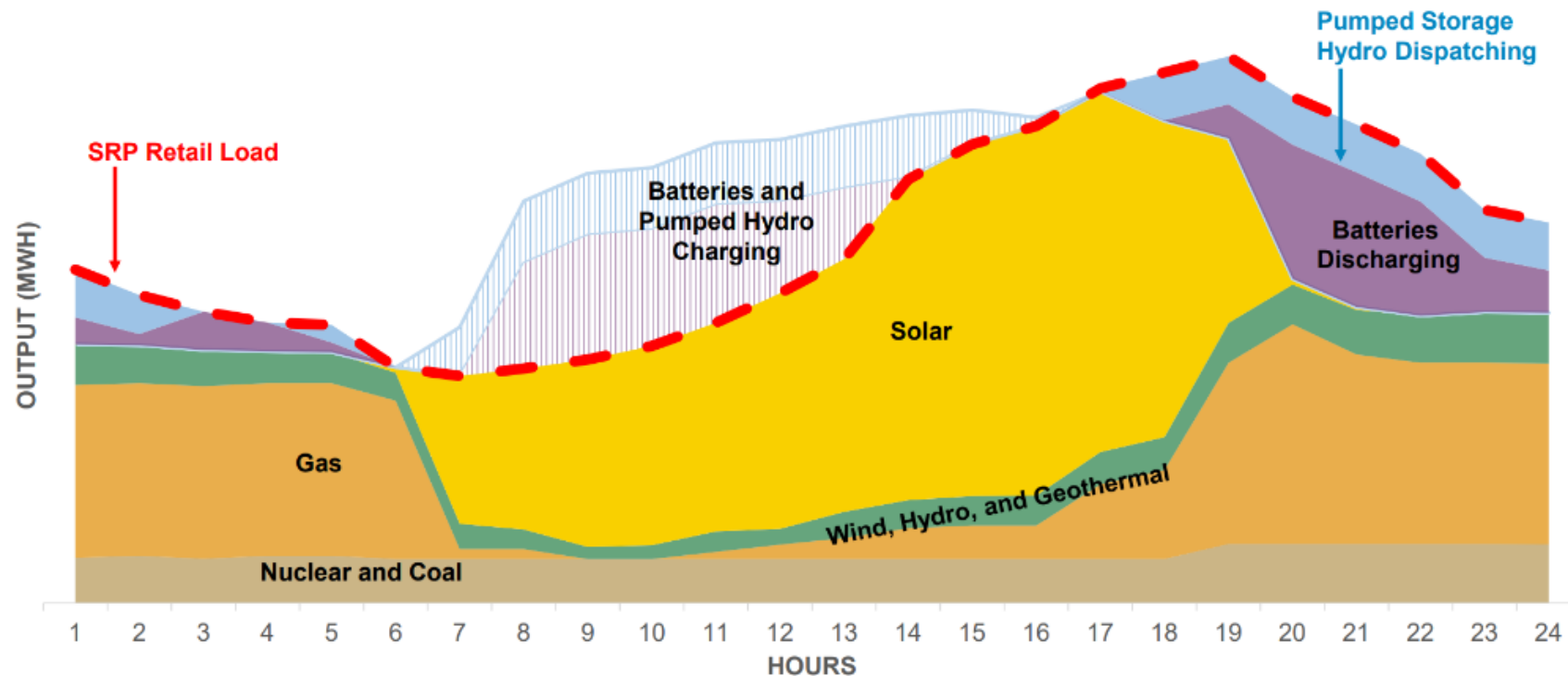




SRP predicts that they will more than *double* their power system, if not *triple* their power system over the next decade

The Future Requires All of the Above

Meeting Hourly Demand in Summer 2035*

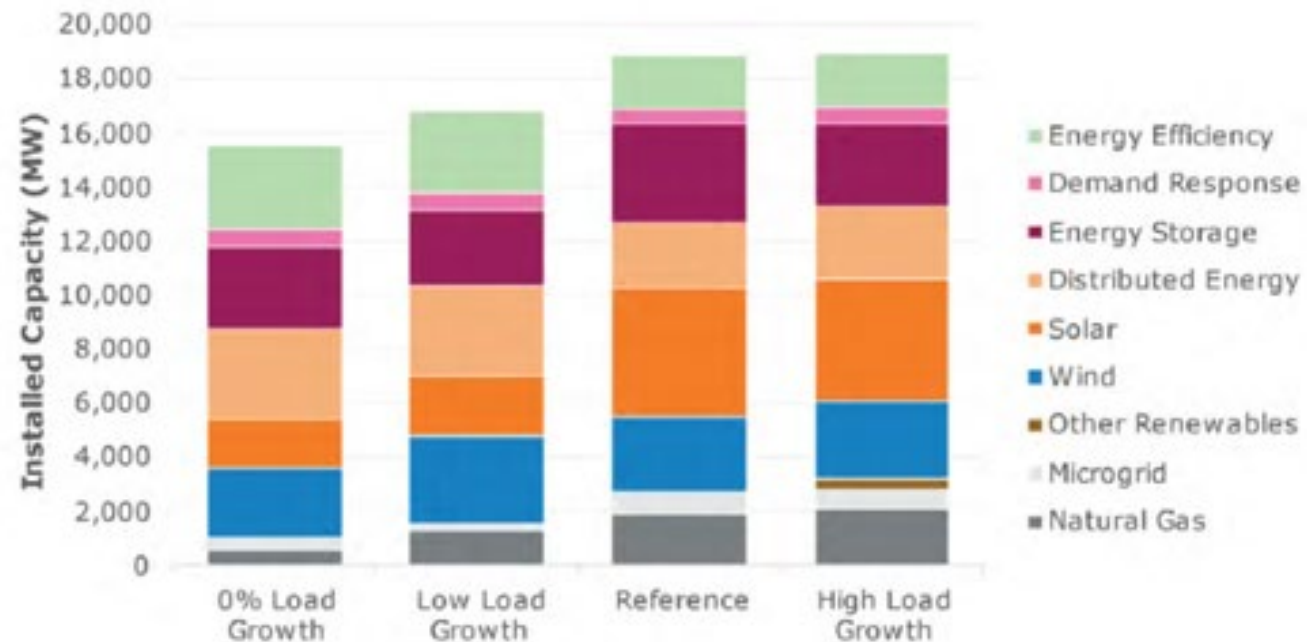


* Modeling result – actual daily operations may differ

Graph Provided by SRP

The Future Requires All of the Above

aps
Load Sensitivities – Cumulative New Capacity Additions,
2024-2038





The Grid & the AZ Energy Market

Transmission Infrastructure

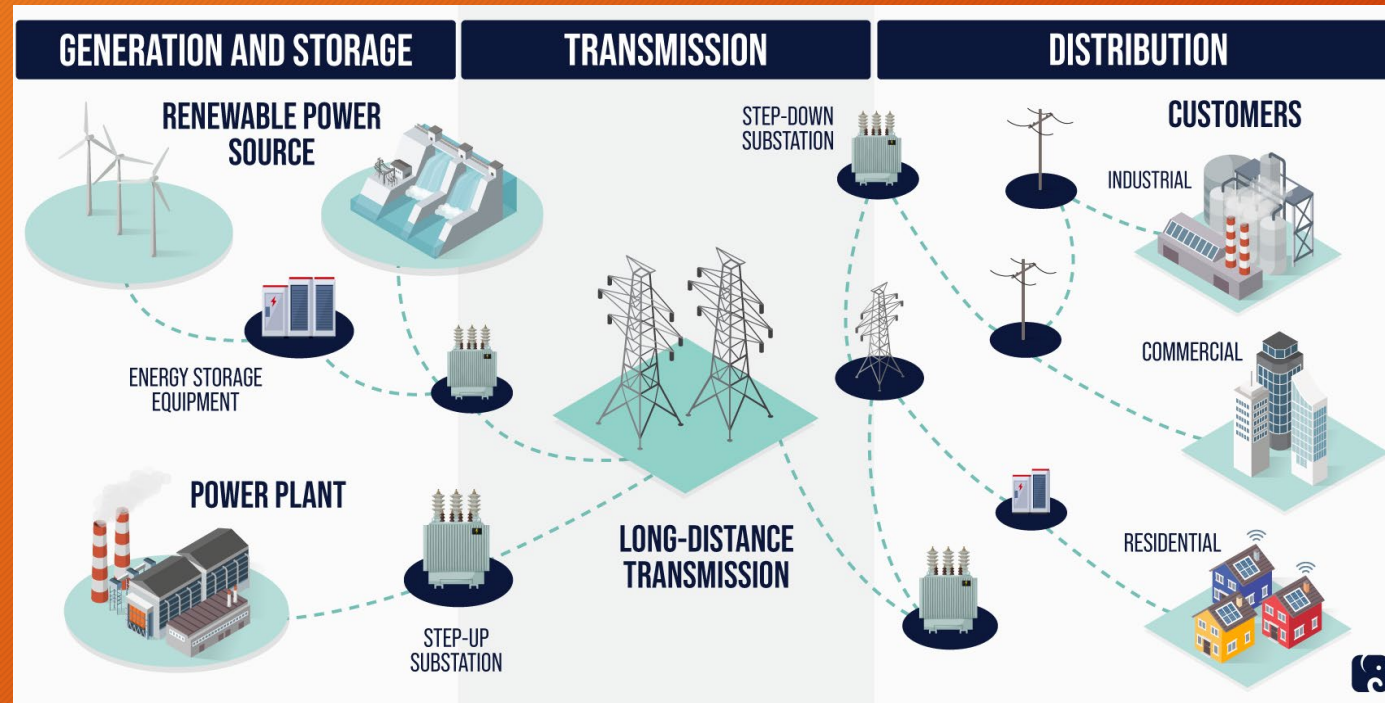


Image Source: Senate Republican Policy Committee Report on Infrastructure Cybersecurity: The U.S. Electric Grid, 16 July 2021

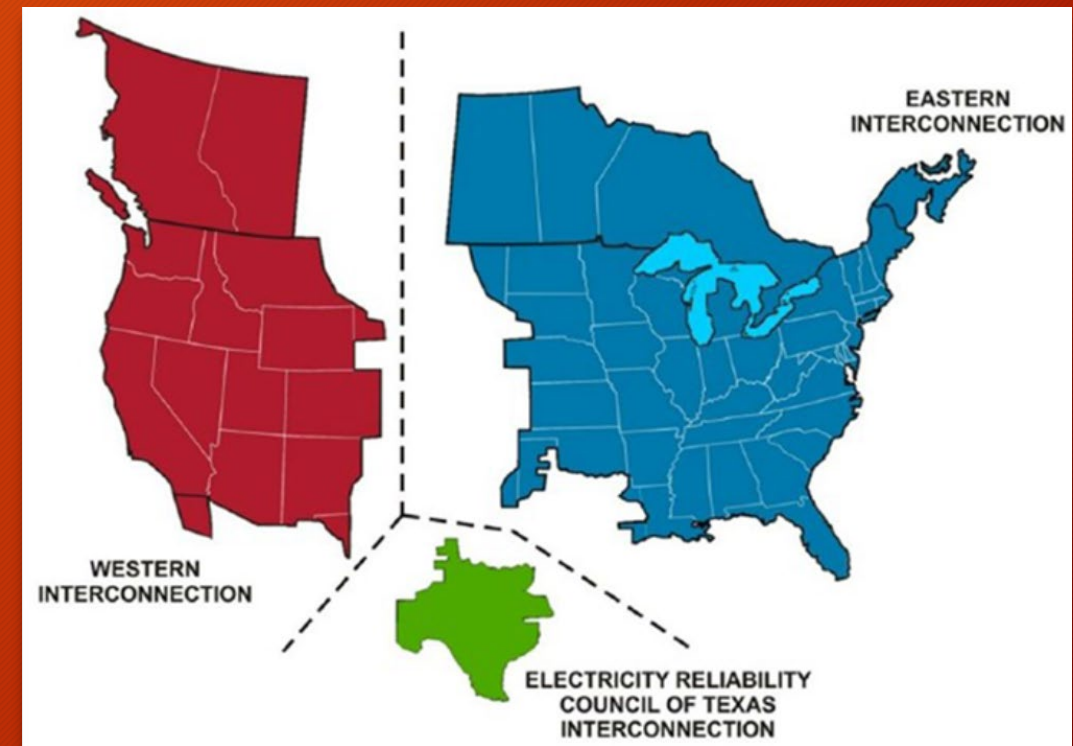
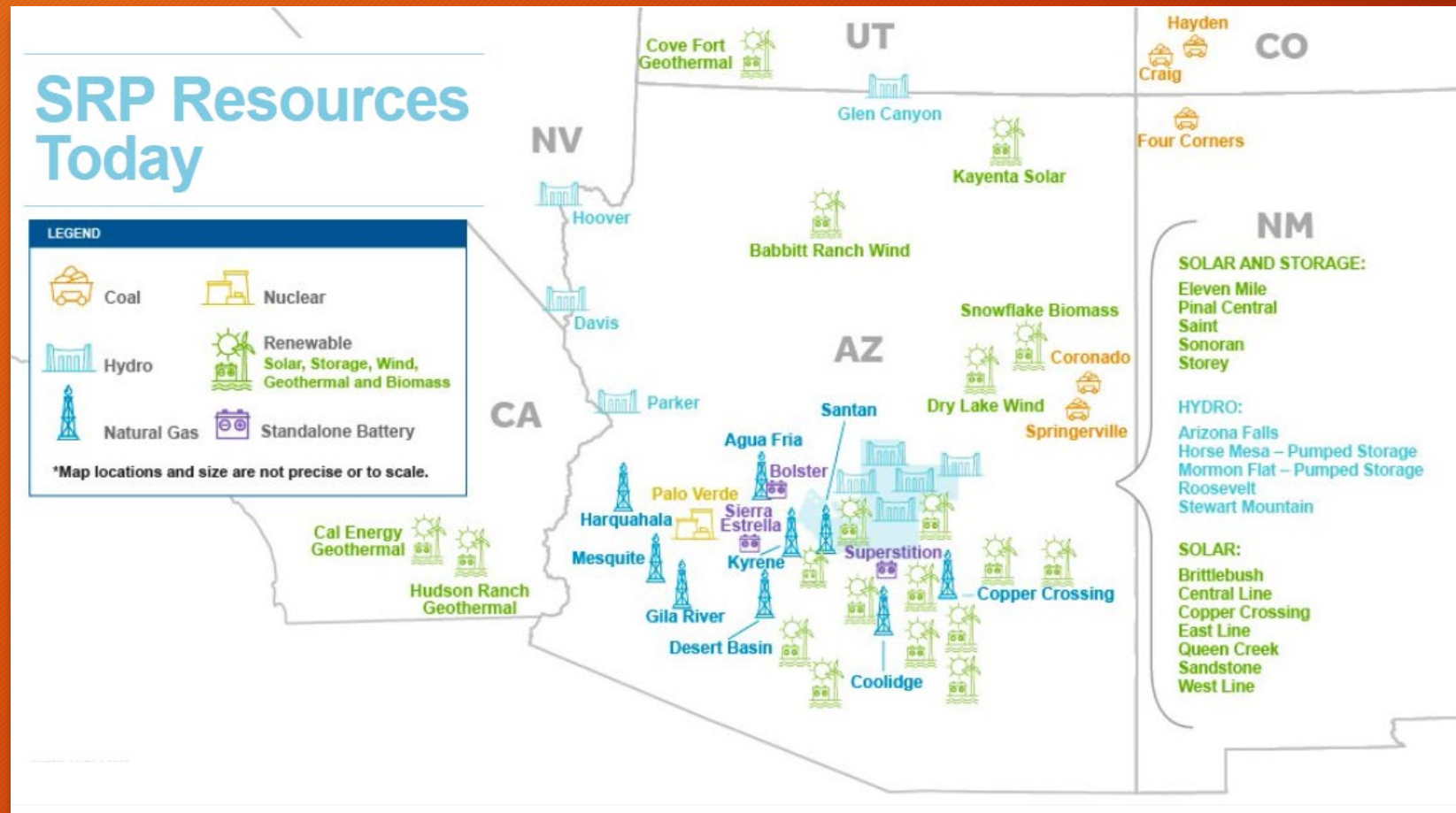
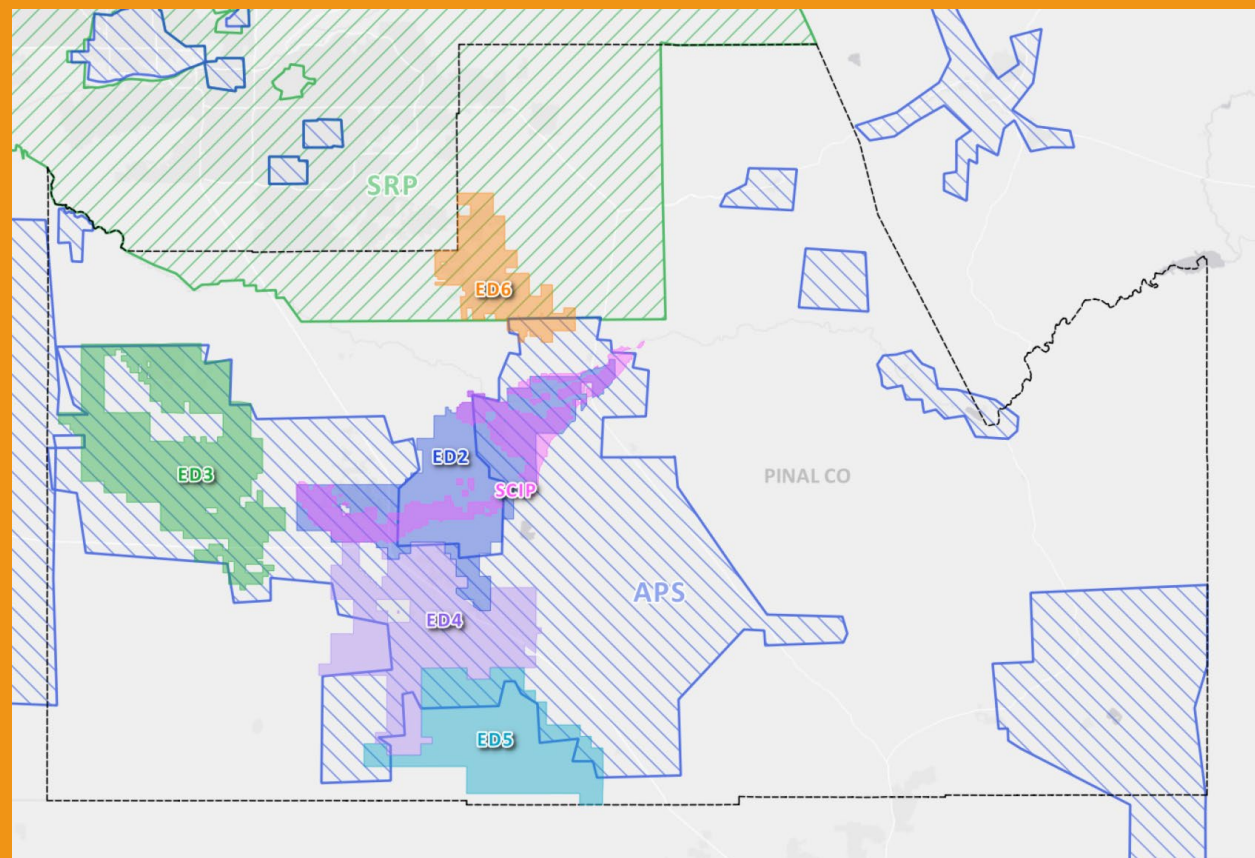


Image Source: FERC.gov

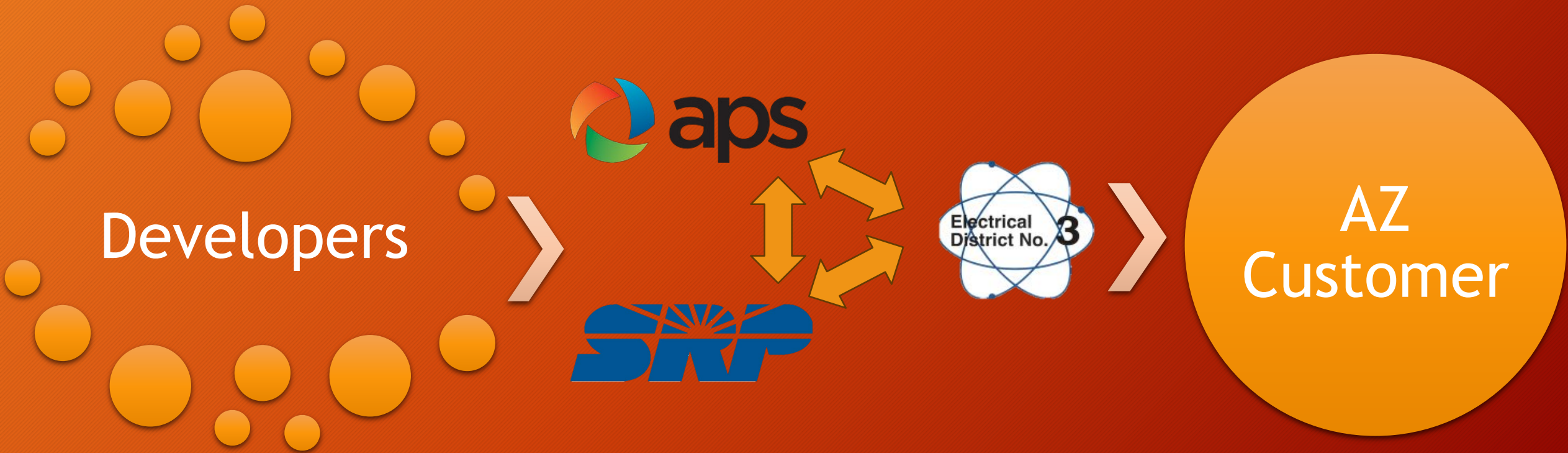
A Broader Energy Network Supporting Arizona



Service Territories & Transmission Ownership



How Energy is Sold





Energy Opportunities in Pinal County



Energy Opportunities in Pinal County



Solar

Maximum efficiency because of the AZ climate compared with the rest of the US



Batteries

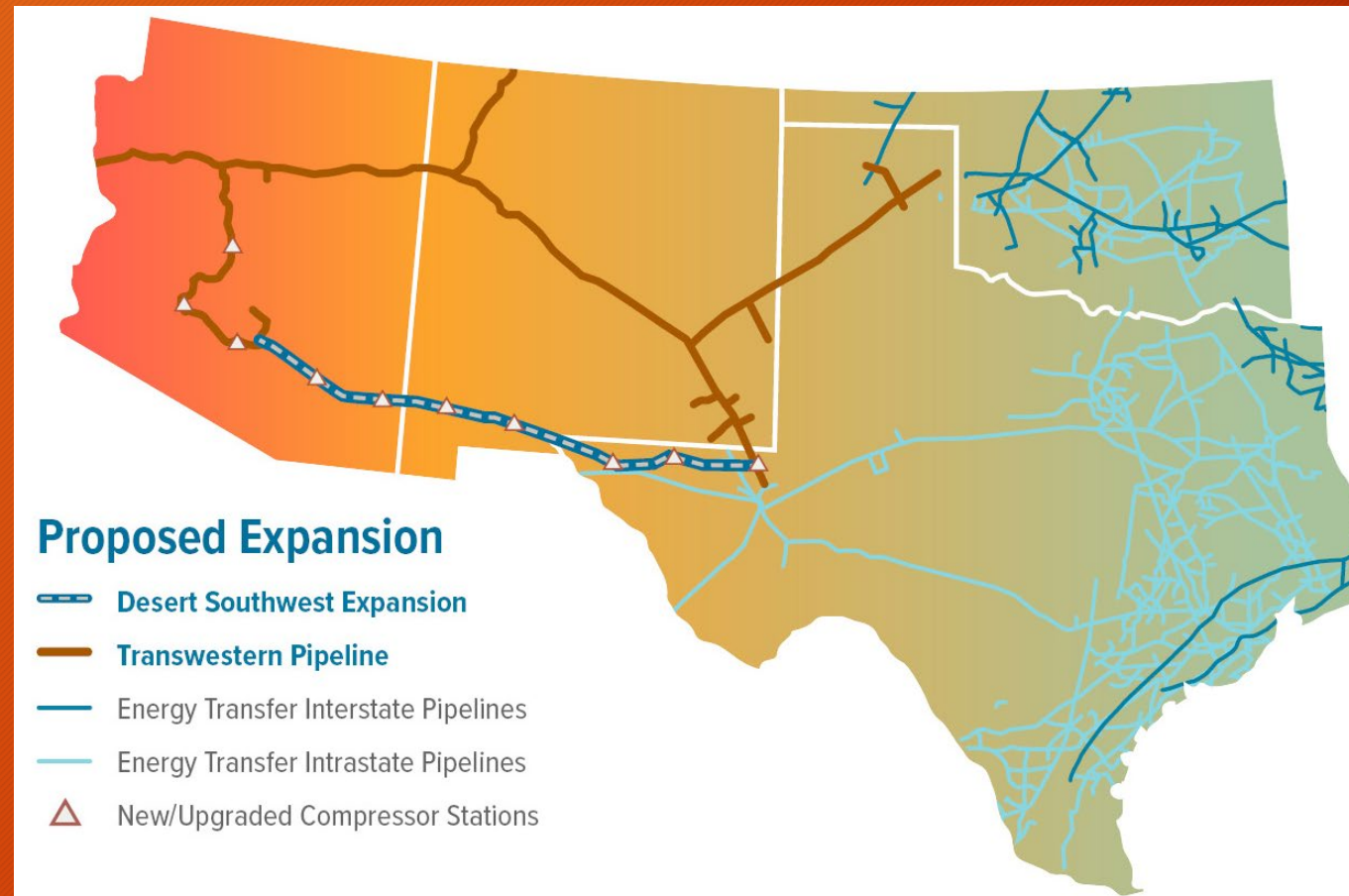
Provide power within seconds to provide grid stability.



Natural Gas

State gas capacity currently limited; new pipeline in development to increase capacity by end of 2029.

Transwestern Pipeline in 2029





Other technologies deployed in AZ



Hydro

SRP planning expansions on the Salt River.

Limited infrastructure possibilities for Pinal County.



Wind

Requires location with good wind conditions.

Pinal County is not an ideal candidate for wind development.



Nuclear

Palo Verde remains a cornerstone of the AZ clean energy mix

Small Modular Reactors likely 10+ years away



Coal

Existing coal plants conversion to natural gas.

No new coal planned for Pinal County.



Utility Customer Programs

- Smart Devices
- Virtual power plants
- Demand Response Programs
- Commercial and Industrial Peak Solutions
- Residential renewables
- Home Energy Checkups
- Energy Support Programs
- ENERGY STAR



Benefits of Development



The Ripple Effects of Energy Development

Community Funding

Community benefit funding
and donations

Tax Income

\$millions in long-term
tax revenue

Landowner Payments

Diversified income for
landowners

Jobs

Direct and
indirect job creation

Economic Stimulus

Stimulus during construction
to support sustained economic
growth in operations



Low Cost Energy as Economic Growth Driver

The more projects that can get built


Greater competition in utility RFPs

Lower energy costs

Increased local economic growth opportunity from large companies moving towards lowest cost of energy



Working Together to Meet the Demand



Acknowledging Challenges to Development in Pinal County

Concentration
of development
activity

Safety
Concerns

Conflicting
Information



Best Practices from Developers



Good Location



Minimizing the impact on the environment



Engaged with the community to address concerns



Compliant with codes and regulations



More Power is Urgently Needed *Today*



Jobs and economic development will not wait for the next new technology to come around.



APS' Daniel Ortega to Pinal BOS on September 10, 2025, "we do continue to need [Pinal County] to approve solar projects as they come to you"



More gas supply coming, but not until 2029 at the earliest.



SRP told the Pinal BOS on September 10, 2025, that it is planning on new nuclear after 2040.



In the near term, solar and batteries are the energy option that can be most quickly developed.



Questions & Discussion