March 4, 2014

Tracy Rolstad
Chair, WECC Technical Studies Subcommittee
Senior Power System Consultant
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Enoch Davies
WECC Technical Staff
Western Electricity Coordinating Council
155 North 400 West, Suite 200
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RE: Salt River Project – 2014 Annual Progress Report

Mr. Rolstad and Mr. Davies,

Attached is Salt River Project’s 2014 Annual Progress Report to WECC in accordance with Article V, Section 2 of the WECC Agreement. If you have any questions contact me at (602) 236-0960.

Sincerely,

Eldin Dizdarevic, PE
TSS Representative
Principal Electrical Engineer
SRP, Transmission Analysis

cc: Brian Keel SRP,
Steven Cobb SRP
Transmission Additions and Changes

1. Pinal West – Pinal Central-Abel – Browning 500 & 230kV line

   Estimated date of operation: Summer of 2014

<table>
<thead>
<tr>
<th>Point of Origin</th>
<th>Pinal West Substation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediate point</td>
<td>Duke Substation</td>
</tr>
<tr>
<td>Intermediate point</td>
<td>Pinal Central Substation</td>
</tr>
<tr>
<td>Intermediate point</td>
<td>Randolph Switchyard</td>
</tr>
<tr>
<td>Intermediate point</td>
<td>Abel Substation</td>
</tr>
<tr>
<td>Intermediate point</td>
<td>Dinosaur Substation</td>
</tr>
<tr>
<td>Point of Termination</td>
<td>Browning Substation</td>
</tr>
<tr>
<td>Length</td>
<td>Approximately 100 Miles</td>
</tr>
</tbody>
</table>

   The proposed line is part of former Southeast Valley Project (SEV). The first segments of the projects were finalized in:
   2007 – Dinosaur Substation
   2007 – Dinosaur – Browning 230kV
   2010 – Randolph – Browning 500kV energized at 230kV
   2010 – Randolph – Abel – Dinosaur 230kV
   2011 – Abel 230kV Substation

   The Pinal West – Duke-Pinal Central-Abel – Browning 500kV line will close the SEV loop in 2014. As a part of the project following facilities will be built:
   2014 – Pinal Central – Randolph 230kV
   2014 – Pinal Central – Browning 500kV (the voltage and configuration change of the 2010 Randolph-Browning 230kV section)
   2014 – Pinal West – Duke- Pinal Central 500kV
   2014 – Pinal Central 500kV and 230kV Substation
   2014 – Duke 500kV Substation

   The Central Arizona Transmission System Study identified a number of system additions necessary to accommodate load growth and access to energy sources in the central Arizona area. This transmission line is the second segment of a series of transmission lines to serve the central Arizona region. This segment will initially provide an interconnection with the Palo Verde market area to market power to the Phoenix and central Arizona areas, and to accommodate the growth in development and population in Pinal County.
Transmission Additions and Changes - Waiver of “Significant Transmission Project” Status Request

The following transmission additions and changes are needed to improve reliability of the SRP system, to reduce the loading on existing lines in the area, to increase local area system capacity and to serve growing industrial and commercial customer loads. Thus, SRP does not see these projects as having significant impact on WECC and requests waiver of “Significant Transmission Project” status for them.

2. Desert Basin – Pinal Central 230kV line
Estimated date of operation: Summer of 2014

<table>
<thead>
<tr>
<th>Point of Origin</th>
<th>Desert Basin Power Plant 230kV Switchyard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediate point</td>
<td>None</td>
</tr>
<tr>
<td>Point of Termination</td>
<td>Pinal Central 230kV Substation</td>
</tr>
<tr>
<td>Length</td>
<td>Approximately 21 miles</td>
</tr>
</tbody>
</table>

The purpose of the project is to remove the Remedial Action Scheme installed on Desert Basin Generating Station, improve reliability of the 230kV system in the region by reducing the loading on existing lines in the area, increase local area system capacity, reduce reliance on second party transmission system and to establish the Pinal Central Substation which was identified as one of the future injection points of power and energy into the central Pinal County load area.

3. Price Road Corridor Project
Estimated date of operation: 2016

<table>
<thead>
<tr>
<th>Point of Origin</th>
<th>Kyrene 230kV Substation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediate point</td>
<td>Knox, RS27 and RS28 Substations</td>
</tr>
<tr>
<td>Point of Termination</td>
<td>Schrader 230kV Substation</td>
</tr>
<tr>
<td>Length</td>
<td>Approximately 12-23 miles</td>
</tr>
</tbody>
</table>

The purpose of the project is to serve growing industrial and commercial customer loads along the Price Road Corridor, adjacent to Price Road in south Tempe and Chandler. The project will consist of a new single-circuit 230kV line from the Schrader Substation in southwest Chandler to a new RS28 Substation, located to the west in the southern portion of the Price Road Corridor in Chandler; a new double-circuit 230kV line from the Knox Substation, located just south of the I-10 and Loop 202 freeway interchange in the westernmost tip of Chandler, to a new RS27 Substation to be located in the northern portion of the Price Road Corridor, south of the Loop 202 freeway, in Chandler; a new double-circuit 230kV line to connect the two new substations; and a single-circuit 230kV line between the Knox Substation in Chandler and the Kyrene Substation, located at the intersection of Elliott and Kyrene Roads in south Tempe. This project will be built in phases with the first phase being energized in 2016.
4. Rogers – Santan 230kV line
Estimated date of operation: 2016

Point of Origin: Rogers 230kV Substation
Intermediate point: None
Point of Termination: Santan 230kV Substation
Length: Approximately 9 miles

The purpose of the project is to provide adequate transmission facilities to deliver reliable power and energy to SRP’s customers in the eastern Phoenix Metro valley area by upgrading existing conductors and circuits. The route is generally east and south from Rogers to the Santan Substation, using existing circuit positions on existing structures, where possible.

5. Silver King – RS-29 230kV Project
Estimated date of operation: 2018

Point of Origin: Silver King 230kV Substation
Intermediate point: None
Point of Termination: New RS-29 230kV Substation
Length: Approximately 12-14 miles

The purpose of the project is to increase to accommodate growing customer load. Several routing options are under consideration with the most likely routing that follows APS Cholla-Saguaro 500kV line.

6. New Superior – New Oak Flat 230kV line
Estimated date of operation: 2021

Point of Origin: A New 230kV Substation near the existing Goldfield – Silver 230kV line, tentatively named “New Superior”
Intermediate point: None
Point of Termination: New 230kV Substation near Oak Flat
Length: Approximately 3.5 miles

The purpose of the project is to serve growing customer loads at Oak Flat. The location of the New Superior and the New Oak Flat sites are still being determined. The preliminary 230kV alignment will be identified after these details are received.
7. **New Oak Flat – Silver King 230kV line**  
   **Estimated date of operation: 2021**

   - **Point of Origin**: A New 230kV Substation near the existing Oak Flat 115kV Station, tentatively named “New Oak Flat”
   - **Intermediate point**: None
   - **Point of Termination**: Silver King 230kV Substation
   - **Length**: Approximately 3 miles

   The purpose of the project is to serve growing customer loads at Oak Flat. The alignment will closely follow the existing 115kV circuit connecting Silver King to Oak Flat.

8. **Abel – Pfister - Ball 230kV line**  
   **Estimated date of operation: 2021**

   - **Point of Origin**: Future Ball (RS17) 230kV Substation
   - **Intermediate point**: Future Pfister (RS24) 230kV Substation
   - **Point of Termination**: Abel 230kV Substation
   - **Length**: Approximately 20 miles

   Estimated in-service dates are:
   - 2021- Abel – Pfister – Santan 230kV line
   - 2021- Abel – Pfister- Schrader 230kV line
   - 2021- Pfister Substation

   The purpose of the project is to meet expected load growth in the eastern service territory. The route of the line is generally south and east from a point on the Santan to Schrader 230kV line near the future Ball (RS17) Substation to the Pfister (RS24) Substation in the southeastern portion of the town of Queen Creek, continuing south and east to the future Abel Substation.