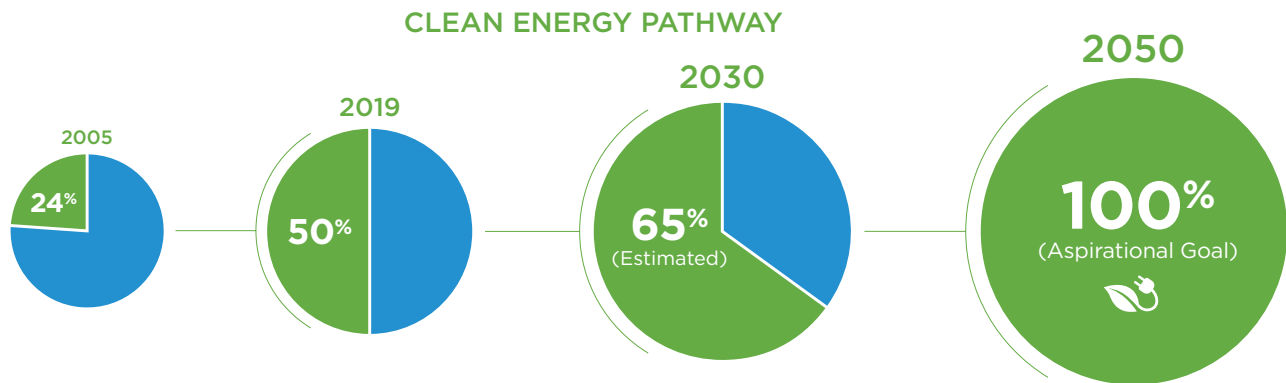




APS Clean Energy Commitment



Clean energy commitments

- 100% clean, carbon-free electricity by 2050
- 65% clean energy by 2030 with 45% renewable energy
- Eliminate coal by the end of 2031

A clean economic future

- Meet our responsibility to power a low-carbon economy in Arizona
- Guided by sound science to advance a healthy environment
- Market-driven energy innovation and a strong Arizona economy are critical
- Starting from an energy mix that is 50% clean, including energy efficiency and carbon-free and clean energy from Palo Verde Generating Station

Pathways to 100% Clean

Policy decisions	Support policy decisions that leverage market-based technology and innovation to attract investment in Arizona
Existing power sources	Near-term use of natural gas until technological advances are available to maintain reliable service at reasonable prices
Evolving market-based solutions	Participation in the Energy Imbalance Market provides access to clean energy resources while saving customers money
Electrification	Electrification will drive a cleaner environment and more energy-efficient operations throughout the economy
Modernization of the electric grid	Continue to advance infrastructure that is responsive and resilient while providing customers more choice and control
Energy storage solutions	Storage creates opportunity to take advantage of midday solar generation and better respond to peak demand

Next Steps: Collaboration, alignment and innovation

- Reliability and affordability are foundational
- Collaborate with customers, stakeholders and regulators
- Promote economy-wide electrification of industry, transportation and buildings
- Support innovation, research and development of new technology