

FOR IMMEDIATE RELEASE

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Trico to benefit from Arizona Electric Cooperative's Selection to Proceed Forward with The New Empowering Rural America (New ERA) Program Grant of \$485M from the United States Department of Agriculture (USDA)

Arizona Electric Power Cooperative, Inc. (AEPCO) has been selected to receive \$485 million in grant money through the United States Departments of Agriculture's (USDA) New Empowering Rural America (New ERA) Program. The program is part of the Inflation Reduction Act.

Trico Electric Cooperative, Inc. (Trico) is one of approximately 40 not-for-profit cooperative and public power utilities that will benefit from the grant. On September 12, Trico and AEPCO, hosted a town hall at Trico's headquarters in Marana. U.S. Secretary of Agriculture Tom Vilsack was the keynote speaker.

The New ERA Program Grant will enhance reliable affordable energy services for AEPCO's member distribution cooperatives, like Trico, and enable development of multiple renewable energy projects across the desert southwest that serve mainly rural communities.

"The New ERA awards will result in more than \$60M in savings to Trico Members over the life of the projects, and all Arizona's co-ops will benefit from this award," said Brian Heithoff, Trico CEO & General Manager. "The projects Trico is planning to build will provide cost-effective, sustainable energy solutions and benefit our Members for decades to come."

Trico's New ERA projects include the following:

1. Winchester Solar and Battery PPA

Trico is contracting with Torch Clean Energy for an 80MW Solar/80MW Battery Energy Storage System (BESS) interconnected with the Winchester Substation. Trico will have a PPA with Torch. Trico currently serves about 35% of its retail sales with renewable energy and has a target of reducing its emission s (baseline years 2016-2018 average) by 50% by 2032. The Winchester PPA will dramatically increase the amount of renewable energy serving Trico's load.

2. Battery Energy Storage Systems at Trico Substations

These batteries will add much needed capacity, while also offering additional resilience and reliability. With battery storage at Trico's substations, we will be able to decrease outages by using the BESS to power the substation in the event that feeders are experiencing an outage. These systems will likely range in size from 2MW to 5MW battery systems. We are still identifying the best locations, but they are likely to include:

Avra Valley Substation
Sandario Substation
Green Valley Substation

New Tucson Substation
Saddlebrooke Sub
Thornydale Substation

Marana Substation



AEPCO System Projects that benefit Trico Electric Cooperative

- 1. Pinal Solar and Battery (Trico share: 35MW PV and 35MW/140MWh BESS)
- 2. Apache II Solar and Battery (Trico share: 20 MW PV and 20MW/80MWh BESS)

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Trico Electric Cooperative, Inc., is a not-for-profit electric cooperative serving nearly 50,000 Members in Marana, Corona de Tucson, Saddlebrooke, Mt. Lemmon, Sahuarita, Green Valley, Three Points, Star Valley and Arivaca. Trico is dedicated to making a difference in the communities we serve by providing our Members cost-effective and sustainable energy solutions. For more information about the cooperative, visit www.trico.coop or follow them on social media at facebook.com/TricoelectricAZ or instagram.com/TricoElectricAZ.

Arizona Electric Power Cooperative, Inc. is a not-for-profit generation, transmission, and energy services provider for electric distribution cooperatives and public utilities in Arizona, California, and Nevada. Headquarteredin Benson, Arizona, AEPCO operates with its sister organization, Sierra Southwest Cooperative Services, Inc. (Sierra) under the umbrella of Arizona G&T Cooperatives.