

**CENTRAL ARIZONA PROJECT  
FINAL 2026-2030 RATE SCHEDULE  
BOARD APPROVED**

June 5, 2025

| <b><u>WATER RATES</u></b>  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|
| Units = \$/ acre-foot  |  |  |  |  |  |  |  |  |  |
| (The Letter Designations in the Formulas Refer to the Rate Components Shown Below) |  |  |  |  |  |  |  |  |  |

| Water Volume (acre-feet)                | 900K   | 900K         | 825K         | 825K   | 825K             | 825K   | 825K   |
|---|--------|--------------|--------------|--------|------------------|--------|--------|
|   | 2024   | Firm<br>2025 | Firm<br>2026 | 2027   | Advisory<br>2028 | 2029   | 2030   |
| <b>Water Delivery Rate</b>              |        |              |              |        |                  |        |        |
| Fixed O&M                               | 145    | 160          | 175          | 185    | 187              | 199    | 209    |
| "Big R"                                 | 47     | 40           | 49           | 50     | 52               | 52     | 52     |
| Fixed OM&R Rate <sup>1</sup>            | \$ 192 | \$ 200       | \$ 224       | \$ 235 | \$ 239           | \$ 251 | \$ 261 |
| Pumping Energy Rate <sup>2</sup>        | \$ 78  | \$ 95        | \$ 85        | \$ 88  | \$ 91            | \$ 94  | \$ 97  |
| <b>Water Delivery Rate <sup>3</sup></b> | \$ 270 | \$ 295       | \$ 309       | \$ 323 | \$ 330           | \$ 345 | \$ 358 |

|                                    |         |         |         |        |       |       |       |
|------------------------------------|---------|---------|---------|--------|-------|-------|-------|
| <b>Capital Charge <sup>4</sup></b> |         |         |         |        |       |       |       |
| Full rate                          | \$ 72   | \$ 69   | \$ 67   | \$ 64  | \$ 64 | \$ 61 | \$ 59 |
| Board applied taxes to Repayment   | \$ (19) | \$ (15) | \$ (11) | \$ (6) | TBD   | TBD   | TBD   |
| <b>Net Capital Charge</b>          | \$ 53   | \$ 54   | \$ 56   | \$ 58  | \$ 64 | \$ 61 | \$ 59 |

| <b><u>DIRECT UNDERGROUND WATER STORAGE</u></b> |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|
| Units = \$/acre-foot                           |  |  |  |  |  |  |  |  |  |

|  | 2024  | Firm<br>2025 | Firm<br>2026 | 2027  | Advisory<br>2028 | 2029  | 2030  |
|--|-------|--------------|--------------|-------|------------------|-------|-------|
| <b>Underground Water Storage O&amp;M <sup>5</sup></b>        |       |              |              |       |                  |       |       |
| Phoenix AMA  | \$ 14 | \$ 14        | \$ 15        | \$ 15 | \$ 15            | \$ 15 | \$ 15 |
| Tucson AMA   | 15    | 15           | 15           | 15    | 15               | 15    | 15    |
| <b>Underground Water Storage Capital Charge <sup>6</sup></b> |       |              |              |       |                  |       |       |
| Phoenix AMA  | \$ 15 | \$ 15        | \$ 15        | \$ 15 | \$ 15            | \$ 15 | \$ 15 |
| Tucson AMA   | 9     | 9            | 9            | 9     | 9                | 9     | 9     |

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**NOTES:**

- 1) Fixed OM&R rate consists of Fixed O&M and "Big R" (Water delivery capital spending, large extraordinary maintenance projects and bond debt service). Both components are reconciled to actual expenses and water volumes. Debt service on CAP's Water Delivery O&M Revenue Bonds, Series 2016 is about \$3.6 million annually and is included in "Big R". This rate is collected on all scheduled water whether delivered or not.
- 2) The pumping energy rate applies to all actual water volumes delivered as opposed to scheduled.
- 3) All contracts and subcontracts pay the Water Delivery Rate. When available, the Agricultural Settlement Pool only pays the energy rate in accordance with the Arizona Water Settlement Agreement. In the event Excess Water is available, charges would include the water delivery rate plus a capital charge equivalent.
- 4) For M&I use water, the Capital Charge is paid on full allocation regardless of amount delivered and is not included in delivery rates. The Capital Charge is impacted by the following:
  - 2024 - 1 1/2 cents of 2022/23 property taxes are being applied to the federal repayment, resulting in a reduction of \$19/AF.
  - 2025 - 1 1/2 cents of 2023/24 property taxes are being applied to the federal repayment, resulting in a reduction of \$15/AF.
  - 2026 - 1 cent of 2024/25 property taxes are being applied to the federal repayment, resulting in a reduction of \$11/AF.
  - 2027 - 1/2 cent of 2025/26 property taxes are being applied to the federal repayment, resulting in a reduction of \$6/AF.
- 5) Underground Water Storage O&M is paid by all direct recharge customers using CAP recharge sites.
- 6) Underground Water Storage Capital Charge is paid by all direct recharge customers except AWBA for M&I firming, the CAGRDR, municipal providers within the CAP service area and co-owners of CAWCD recharge facilities using no more than their share of capacity.

Key Assumptions

- Hohokam CDR allocations are not ordered and therefore do not incur capital charges
- Water volume for Fixed OM&R includes water deliveries, take or pay, and CAGRDR long-term storage credit purchases
- Water volume for Energy includes water deliveries and CAGRDR long-term storage credit purchases

**FIXED OM&R RATE AT ALTERNATIVE WATER VOLUMES (For Planning Purposes Only)**

Units = \$/ acre-foot

| <u>Water Volume (acre-foot)</u> | Firm<br><u>2025</u> | Firm<br><u>2026</u> | <u>2027</u> | Advisory<br><u>2028</u> | <u>2029</u> | <u>2030</u> |
|---------------------------------|---------------------|---------------------|-------------|-------------------------|-------------|-------------|
| 600,000                         | \$ 299              | \$ <b>309</b>       | \$ 323      | \$ 329                  | \$ 345      | \$ 359      |
| 700,000                         | \$ 257              | \$ <b>265</b>       | \$ 277      | \$ 283                  | \$ 296      | \$ 308      |
| 800,000                         | \$ 224              | \$ <b>232</b>       | \$ 242      | \$ 247                  | \$ 259      | \$ 270      |
| 900,000                         | \$ 200              | \$ <b>206</b>       | \$ 215      | \$ 220                  | \$ 230      | \$ 240      |
| 1,000,000                       | \$ 180              | \$ <b>186</b>       | \$ 194      | \$ 198                  | \$ 207      | \$ 216      |