June 4, 2026

CENTRAL ARIZONA PROJECT
2027-2032 RATE SCHEDULE
BOARD APPROVED

WATER RATES

Units = $/ acre-foot

(The Letter Designations in the Formulas Refer to the Rate Components Shown Below)

		2026		Firm 2027		Provi-sional 2028		Advisory 2029		Advisory 2030		Advisory 2031		Advisory 2032
Water Volume (acre-feet)		825K		**825K**		**825K**		825K		825K		825K		825K
Water Delivery Rate														
Fixed O&M		175		**185**		**193**		199		210		216		227
"Big R"		49		**53**		**56**		59		62		65		68
Fixed OM&R Rate [1]	$	224	**$**	**238**	**$**	**249**	$	258	$	272	$	281	$	295
Pumping Energy Rate [2]	$	85	**$**	**88**	**$**	**91**	$	94	$	97	$	100	$	103
Water Delivery Rate [3]	$	309	**$**	**326**	**$**	**340**	$	352	$	369	$	381	$	398
Capital Charge [4]														
Full rate	$	67	**$**	**64**	**$**	**65**	$	62	$	60	$	58	$	56
Board applied taxes to Repayment		(11)		**(6)**		**-**		-		-		-		-
Board applied NIA capital charges		-		**(6)**		**(13)**		(10)		(8)		(6)		(4)
Net Capital Charge	$	56	**$**	**52**	**$**	**52**	$	52	$	52	$	52	$	52

DIRECT UNDERGROUND WATER STORAGE

Units = $/acre-foot

		2026		Firm 2027		Provi-sional 2028		Advisory 2029		Advisory 2030		Advisory 2031		Advisory 2032
Underground Water Storage O&M[5]														
Phoenix AMA	$	15	**$**	**15**	**$**	**15**	$	15	$	15	$	15	$	15
Tucson AMA		15		**15**		**15**		15		15		15		15
Underground Water Storage Capital Charge[6]														
Phoenix AMA	$	15	**$**	**15**	**$**	**15**	$	15	$	15	$	15	$	15
Tucson AMA		9		**9**		**9**		9		9		9		9

RECOVERY

Units = $/acre-foot

		2026		Firm 2027		Provi-sional 2028		Advisory 2029		Advisory 2030		Advisory 2031		Advisory 2032
Recovery Rate[7]	$	-	**$**	**400**	**$**	**410**	$	420	$	431	$	442	$	453

June 4, 2026

CENTRAL ARIZONA PROJECT
2027-2032 RATE SCHEDULE
BOARD APPROVED

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:
   - 2026 - 1 cent of 2024/25 property taxes is being applied to the federal repayment, resulting in a reduction of $11/AF (BOD approved June 6, 2024).
   - 2027 - 1/2 cent of 2025/26 property taxes is being applied to the federal repayment, resulting in a reduction of $6/AF (BOD approved June 5, 2025).
   - 2027-2036 - NIA capital charges are being applied, fixing the rate at no more than $52.
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 CAGRD, municipal providers within the CAP service area and co-owners of CAWCD recharge facilities using no more than their share of capacity.
7) Paid per acre-foot recovered.

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 CAGRD long-term storage credit purchases

-Water volume for Energy includes water deliveries and CAGRD long-term storage credit purchases

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

Units = $/ acre-foot

Water Volume (acre-foot)	Firm 2027	Provi-sional 2028	Advisory 2029	Advisory 2030	Advisory 2031	Advisory 2032
500,000	**$ 392**	**$ 411**	$ 426	$ 451	$ 464	$ 487
600,000	**$ 327**	**$ 342**	$ 356	$ 376	$ 387	$ 406
700,000	**$ 281**	**$ 293**	$ 305	$ 322	$ 331	$ 348
800,000	**$ 245**	**$ 257**	$ 266	$ 281	$ 291	$ 305
900,000	**$ 218**	**$ 229**	$ 238	$ 250	$ 258	$ 271