

RESOLUTION NO. 12476

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESA, ARIZONA APPROVING AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO ENTER INTO POWER PURCHASE AND ENERGY STORAGE AGREEMENT WITH THE ARIZONA ELECTRIC POWER COOPERATIVE

Whereas, the City of Mesa (“City”) owns and operates a municipal electric distribution utility (“Electric Utility”) and is authorized by the provisions of the Laws of the State of Arizona and the Mesa City Charter to acquire, purchase and manage supplies of electric power and energy necessary to meet the demands of the residential, commercial, and industrial customers served by the Electric Utility.

Whereas, AEPCO, a member owned not for profit electric generation and transmission cooperative, is overseeing the development of the Pinal Solar Project in Pinal County, Arizona that will be built, owned and operated by NextEra Energy Resources consisting of an interconnected renewable solar power generation facility and a battery energy storage facility (“the Project”).

Whereas, the Project is planned to be 400 MW of single-axis tracking photovoltaics paired with 400 MW of four-hour battery energy storage system (“BESS”), and is anticipated to be in service by the end of 2027.

Whereas, on October 21, 2024, City Council passed and adopted Resolution No. 12280, authorizing the City Manager or his designee to enter agreements with AEPCO in the form of a Subscription Agreement and Power Purchase Agreement (“PPA”).

Whereas, on March 19, 2025, the City executed the Subscription Agreement with AEPCO reserving the right to acquire 25 MW of renewable solar energy and 20 MW of battery storage energy from the Project.

Whereas, throughout 2025 the City, AEPCO, and nine other project participants negotiated the Power Purchase and Energy Storage Agreement (“PPESA”).

Whereas, on January 14, 2026, the AEPCO Board of Directors approved the PPESA.

Whereas, under the terms of the PPESA, Mesa would acquire 25 MW of renewable solar energy currently priced at \$29.63/MWh and 20 MW of battery storage energy currently priced at \$11.65/kilowatt-month for a term of 20 years.

Whereas, the PPESA would be the second lowest price long-term purchase of power in the Electric Utility’s power portfolio.

Whereas, the City Council determines it is appropriate to enter into this PPESA as approved by the AEPCO Board on January 14, 2026.

Be it resolved by the City Council of the City of Mesa, Arizona, as follows:

Section 1: The City Council approves this PPESA between the City and AEPCO as presented to the City Council.

Section 2: The City Manager or the City Manager’s designee is authorized to execute the PPESA on behalf of the City of Mesa and to sign all documents necessary to carry out its provisions; that the City Manager or the City Manager’s designee is further authorized to approve amendments, modifications, renewals, or extensions of the PPESA or such related documents so long as they do not materially alter the terms of the PPESA as presented to City Council or the purpose of the PPESA as contemplated in this Resolution.

Section 3: The various City officers and employees are hereby authorized to sign any other documents or certificates and to perform all other acts necessary to carry out the intent and purpose of this Resolution.

Section 4: The City Clerk is authorized and directed to attest to the signature of the City Manager, or the City Manager’s designee, on such documents.

Passed and adopted by the City Council of the City of Mesa, Arizona, this 9th day of March, 2026.

APPROVED:

Mark Freeman, Mayor

ATTEST:

Holly Moseley, City Clerk