

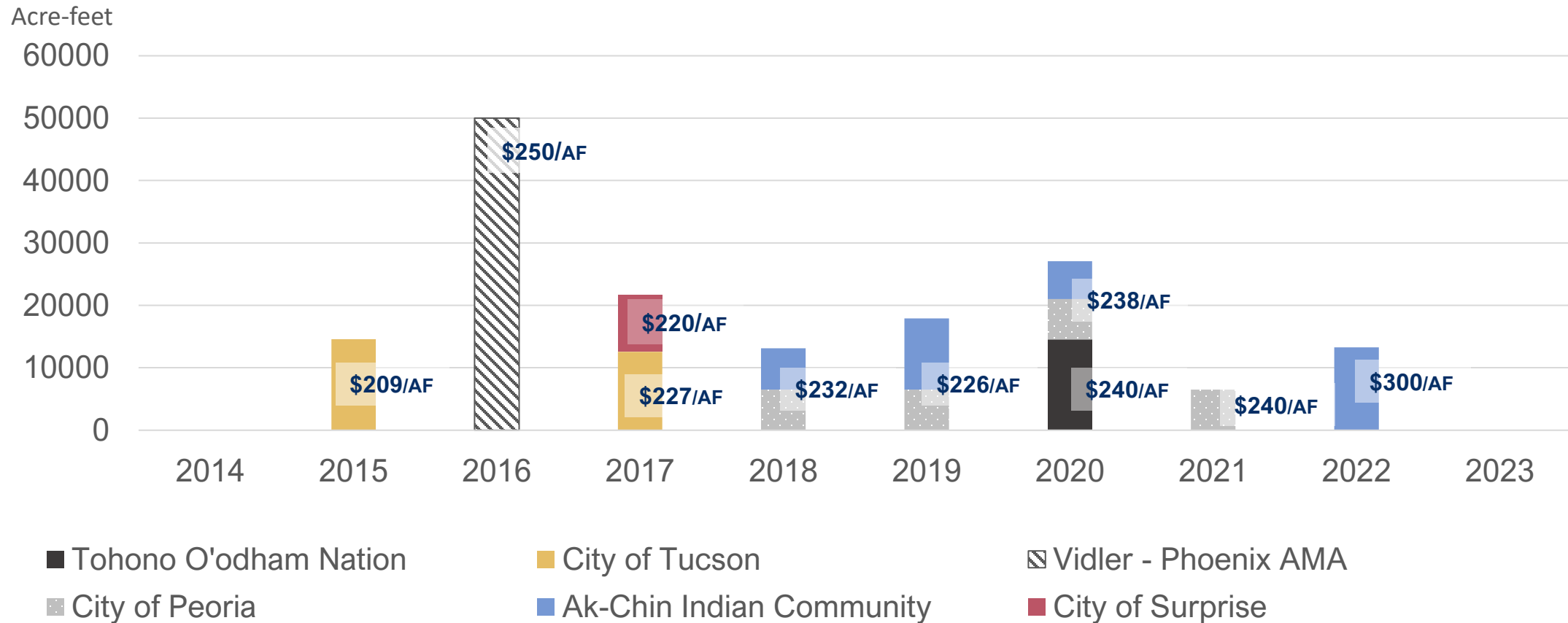


# Discussion of Future Long-Term Storage Credit Pricing

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September 13, 2023

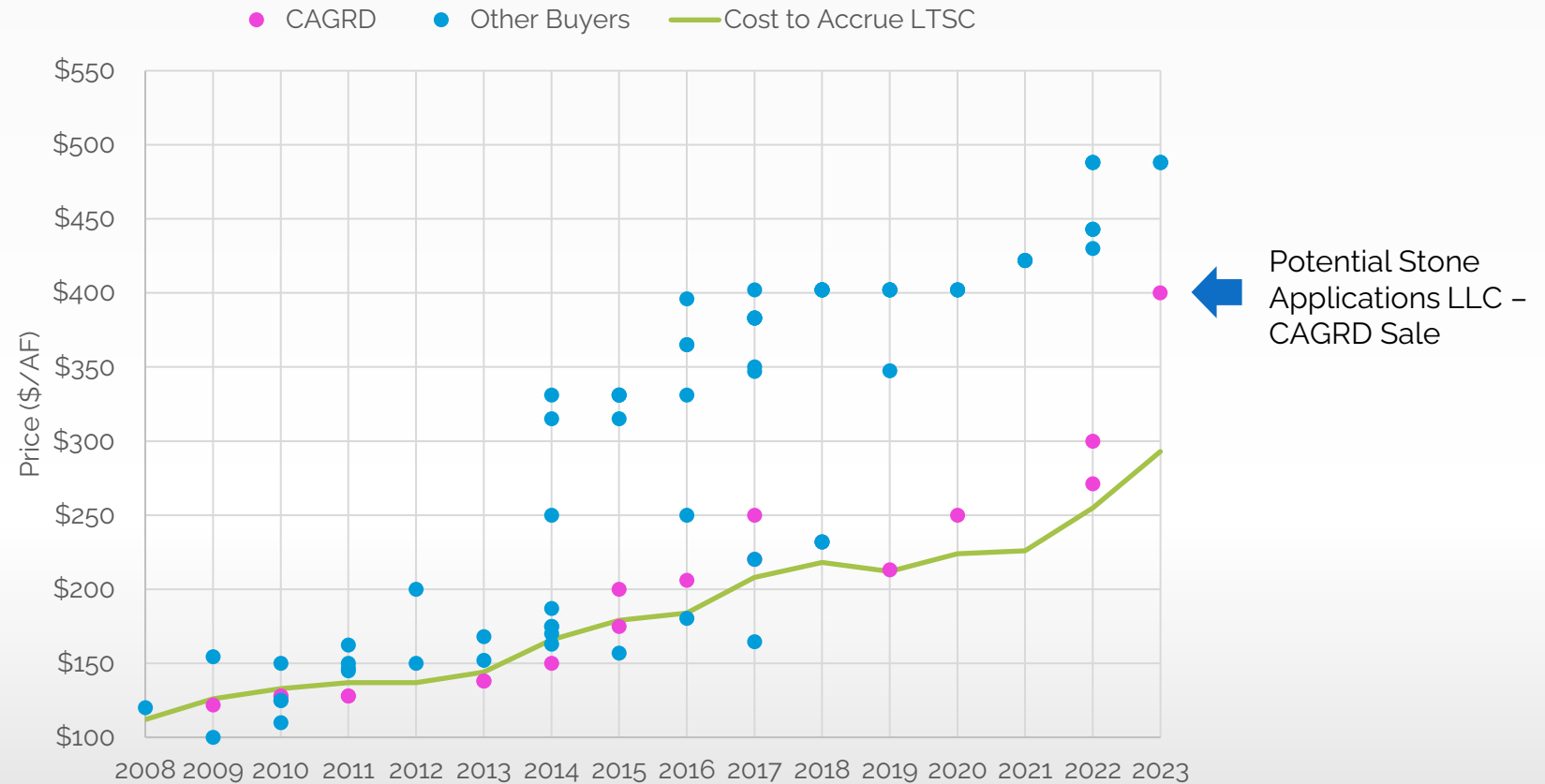
# AWBA LTSC Purchase Agreements<sup>1</sup>



<sup>1</sup>LTSC purchases do not include purchases from the Tohono O'odham Nation pursuant to A.R.S. § 45-841.01

# Phoenix AMA LTSC Prices

- Historically, Excess CAP water was readily available and inexpensive. Sellers stored CAP water to create LTSC in large volumes. Market prices reflected the cost of creating LTSC.
- When Excess CAP water became scarce because of increasing use by senior priority CAP water users, LTSC began trading at a premium to cost in 2014.
- Rising demand as pressure is placed on CAP and Colorado River supplies and development accelerates in Central Arizona.



For multi-year agreements, only the first year is shown.