



APS provides top-tier reliability and value for data centers

Data centers served by APS can count on competitive rates, great customer service and reliable, increasingly cleaner energy.

Did you know?

- The greater Phoenix region has one of the top five regional fiber optic deployments in the U.S. with more than 156,000 miles of fiber optic network capacity.
- 50% of the energy produced by APS is carbon-free.

A GROWING INDUSTRY

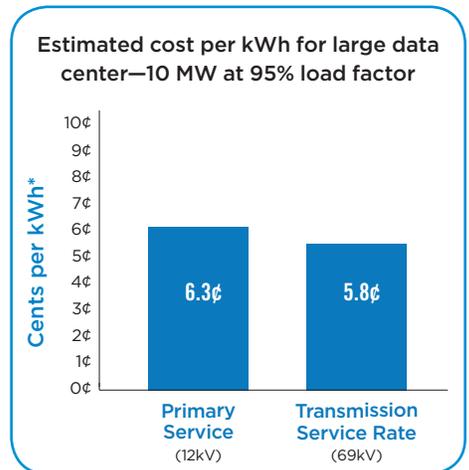
The greater Phoenix area is a thriving hub for data centers. Some of the world's largest corporations and co-location facilities have built mission-critical operations within APS territory.

Arizona's low-risk profile for tornadoes, earthquakes and other natural disasters, in addition to our competitive energy rates, diverse fuel mix and top-tier reliability, help create the ideal atmosphere for data centers to operate efficiently.

COMPETITIVE RATES

Our rates for data centers are extremely competitive. The newly approved Extra-high Load Factor (XHLF) rate was designed with data centers and other high-efficiency customers in mind.

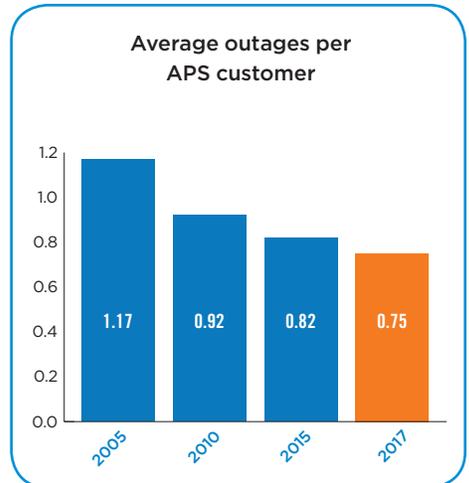
Customers qualify for the XHLF rate if they consume at least 5 MW of energy at an average monthly load factor of 92 percent or more.



*Based on XHLF service plan. Costs do not include taxes, regulatory assessment, and franchise fee.

RELIABILITY

APS consistently ranks in the top quartile for reliable energy service based on industry standards for frequency and duration of outages. In 2017, the typical APS customer experienced less than one outage – 0.75 compared to a national industry median of 1.12 power outages. We also continually invest in a reliable, resilient grid for our customers. That commitment includes \$1.6 billion for infrastructure updates and maintenance through 2020.



Did you know?

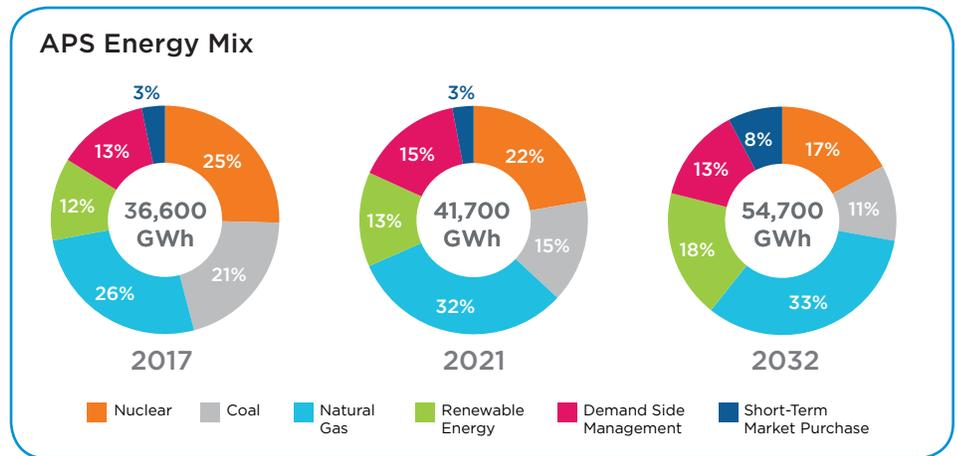
In the next 15 years, APS plans to add:

- more than double our current renewables capacity
- 500 MW of battery storage capacity

INCENTIVES

A number of incentives are available through APS for companies interested in locating or expanding data center operations in Arizona:

- Our **Power Line Extension Policy** can offset or defer some project construction costs, depending on an applicant's location, project scope and load requirements.
- Through the **APS Microgrid Program**, we may support sharing qualified backup generation assets. Potential financial assistance is determined through economic feasibility studies.
- Companies may be eligible for the Arizona Commerce Authority's **Computer Data Center Program**. Owners, operators and co-location tenants of data centers may receive 100-percent transaction privilege tax and use tax exemptions for 10-20 years at the state, county and local levels on qualifying purchases of equipment and construction.



SUSTAINABLE ENERGY

APS maintains a balanced, diverse energy mix, with half from carbon-free resources including more than 1.3 gigawatts of solar capacity. We also operate the Palo Verde Generating Station, which has been the nation's largest energy producer for 25 years running and generates more than 70 percent of Arizona's carbon-free energy.

We are leading the way in deploying advanced technologies, including battery storage and microgrids. These technologies can deliver reliable, cleaner energy to customers and efficiently integrate growing solar resources. Among our recent projects:

- 63 MW microgrid project for a co-location data center
- 25 MW microgrid project at Marine Corps Air Station Yuma
- 4 MW, 4 MWh battery storage projects in neighborhoods with high solar penetration
- 2 MW, 8 MWh battery storage project to enhance reliability in a rural Arizona community

For additional information

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