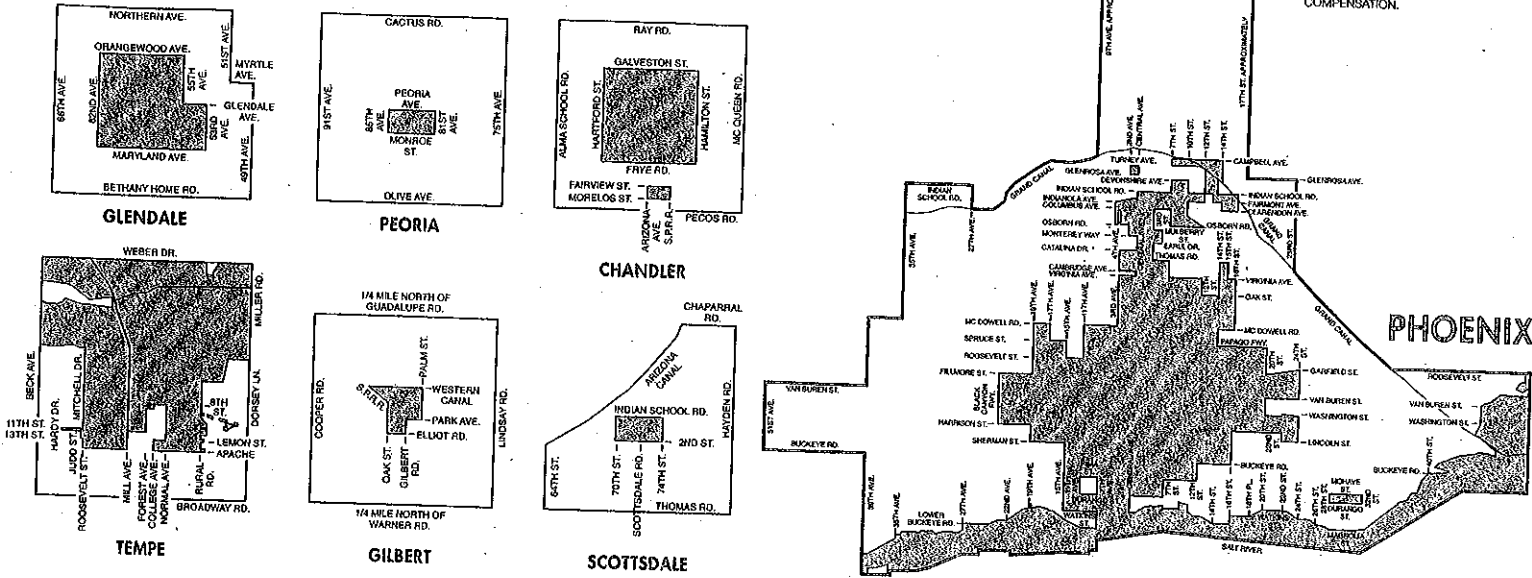


# NOTICE OF COMPENSATION TO SRP SHAREHOLDERS WHO WERE SERVED ELECTRICITY BY ARIZONA PUBLIC SERVICE COMPANY IN 2007.



A provision in the Articles of Incorporation of the Salt River Valley Water Users' Association (the Association) provides that under certain circumstances, Association shareholders may be entitled to compensation for a portion of amounts paid to a public service corporation such as Arizona Public Service Company for electricity.

The purpose of this notice is to advise past and present shareholders of the Association that Salt River Project Agricultural Improvement and Power District (the Project) has commenced a program to pay qualifying shareholders any compensation to which they are entitled for 2007.

You must file an Application for Compensation to receive any amounts to which you may be entitled. Applications must be postmarked by June 2, 2008. (Metered postmarks are not acceptable.) No late applications will be accepted.

In order to be eligible to receive 2007 compensation, you must have:

1. Both owned eligible land within SRP (shown on the accompanying map) and lived in a residence on that land for some period of time during 2007.
2. Received electric service for domestic or ordinary form purposes on any nonexperimental residential electric rate service schedule during 2007.

If you satisfy these qualifications, you may be eligible for compensation as a qualifying shareholder. If your application for 2007 compensation has not already arrived in the mail, you can request an application by:

1. Calling (602) 236-8888, or
2. Mailing the accompanying coupon to the address shown, or
3. Picking up an Application for Compensation at the following locations Monday through Friday between 8am and 7pm

## BUSINESS OFFICES:

- Main, 1521 N. Project Drive, Tempe
- East Valley, 7050 E. University, Mesa
- Southeast Valley, 2075 N. Alma School Rd. (inside the Fry's food store), Chandler
- Northwest, 3514 W. Glendale Ave. (inside the Food City store), Phoenix
- Maryvale, 4344 W. Indian School Rd. (inside the Food City store), Phoenix
- Desert Sky Mall, 7611 W. Thomas Rd. (inside NW entrance), Phoenix
- South Central, 26 E. Baseline, Suite 16, Phoenix
- West Valley, 221 N. 79th Ave., Tolleson

Note: This is a new compensation program, covering the year 2007. There is no "automatic" eligibility; if you meet the criteria previously outlined, you must apply to receive compensation.

If you owned and lived in more than one eligible residence, you must file a separate application for each residence.

Different rules apply to properties owned by churches.

If you know of anyone who owned and lived in a residence on eligible Project lands (shown in the area depicted on the map in this advertisement) during 2007, we encourage you to bring this program to their attention.

srpnet.com



## REQUEST FOR 2007

### SHAREHOLDER COMPENSATION APPLICATION

MAIL TO: SRP  
Shareholder Compensation  
P.O. Box 29077  
Phoenix, AZ 85038-9077

Please send me \_\_\_\_\_ Application(s) for Compensation.  
My name and current address are:

Name \_\_\_\_\_  
Street \_\_\_\_\_  
City/State/Zip \_\_\_\_\_

This coupon will allow us to mail an application to you  
Completed applications must be postmarked by June 2