

FOR IMMEDIATE RELEASE

July 16, 2020

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SRMG'S NEW BLEND OF FLY ASH AND NATURAL POZZOLAN SOLVES TUCSON'S SUPPLY DEMAND

Large Capital Investment at Tucson Electric Power Site Includes Blending Equipment and Expanded Rail Capacity

In recent years securing a consistent supply of high-quality fly ash has been a challenge for some of the United States construction markets. Salt River Materials Group (SRMG), a fly ash and pozzolan marketer in the Southwest U.S. since 1973, understands the challenges of maintaining sufficient availability of quality products. For the past four decades, SRMG focused investment on innovative projects, such as beneficiation of otherwise unusable fly ashes, and now blending various sources of fly ashes and

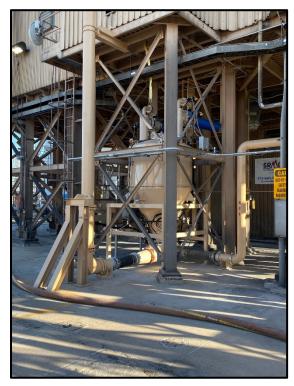


SRMG Tucson Terminal

other pozzolanic materials to extend the supply of high-quality fly ash, typically used in readymix concrete production.

On July 16, 2020 at its Tucson Terminal, SRMG commissioned its second blending facility. SRMG's Tucson Terminal is located within the Sundt Generating Station owned and operated by Tucson Electric Power (TEP.) Using the new precision blending equipment, SRMG incorporates





Cyclonaire CB-150 Precision Blending Unit

ASTM C618 Class F fly ash from SRMG's supply network with a regionally available ASTM C618 Class N natural pozzolan to create the resulting ASTM C1697 blended product. Marketed as "Tucson Pozzolan" the consistent, high-quality blend expands the availability of this critical material beyond previously available quantities in the market.

To prepare for importation of fly ash and natural pozzolan by truck or rail into the Tucson Terminal for blending, SRMG rehabilitated and expanded the existing infrastructure. SRMG realigned and extended the existing rail tracks and installed a bottom dump rail car unloading system, along with conveying lines to the storage silos. In addition to the rail project, SRMG purchased and installed precision blending equipment and retro-fitted silos, providing safe and dust-free customer truck loading capability for Tucson Pozzolan.

Located in the heart of Tucson, SRMG's Tucson Terminal provides a strategic and convenient source of blended fly ash product ready to serve the growing Southern Arizona construction industry.

At a time when coal-burning power plants are shutting down, potentially reducing fly ash availability, SRMG is focused on innovation. With another stable source of quality product added to the extensive supply network, Tucson Pozzolan will allow SRMG to maintain its reputation as a dependable and major fly ash marketer in the southwestern U.S. that can be trusted to deliver for years to come.

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About Salt River Materials Group

Salt River Materials Group (SRMG) is the commercial trade name for marketing activities of Phoenix Cement Company and Salt River Sand and Rock. SRMG, headquartered at the Salt River Pima-Maricopa Indian Community's Chaparral Business Park near Scottsdale, Arizona, is the only Native American-owned producer of portland cement in the U.S., and is also a major manufacturer and marketer of sand and gravel and recycled coal combustion products (fly ash) and pozzolans throughout Arizona and the southwestern United States. More information about Salt River Materials Group can be found at <u>www.srmaterials.com</u>



About Tucson Electric Power

TEP provides the energy behind Tucson's economy. We deliver safe, reliable power to more than 428,000 customers in the Tucson metropolitan area. We're also a local leader in community service, volunteerism and economic development efforts.

TEP and its sister company, <u>UniSource Energy Services</u>, are among a family of utilities owned by <u>Fortis</u>, Canada's largest investor-owned gas and electric utility holding company. Fortis completed an acquisition of <u>UNS Energy</u>, TEP's and UES' parent company, in August 2014.

TEP offers comprehensive energy services through reliable, traditional resources and a growing renewable power portfolio. We also offer many ways to help our customers use energy more efficiently.

TEP's community service efforts have earned nationwide acclaim. We provide direct contributions and other support for our employees' volunteerism, encouraging a spirit of giving that is shared among the Fortis family of utilities.

About Fortis

Fortis is the largest investor-owned electric and gas distribution utility in Canada. Its regulated utilities account for approximately 93 percent of its total assets and serve more than 3 million customers across Canada and in the United States and the Caribbean. Fortis owns non-regulated hydroelectric generation assets in Canada, Belize and Upstate New York. For more information, visit <u>fortisinc.com</u>

