

# Exhibit to Agenda Item #1

Board Energy Resources & Customer Services Committee  
Wednesday, April 4, 2018, scheduled to begin at 5:30 p.m.  
Customer Service Center, Rubicon Room

# Execute a 20 Year Interconnection Agreement with the Regents of the University of California

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## Board Policy

- Supports SD-4 Reliability and SD-2 Competitive Rates

## Background

- UC Davis Medical Center (UCDMC) operates a 26.5 MW cogeneration power plant in Sacramento
- Existing Coordination and Interconnection Agreement (IA) established March 5, 1996 and expires April 28, 2018

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## Context

- UCDCMC's plant serves ~97% of the campus load and relies on SMUD's system to cover the remaining ~3%
- UCDCMC is required to have an IA to interconnect and operations of their Generating Facility in parallel with SMUD's Distribution System

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## Key Contract Terms

- Term:
  - Duration: 20 Years
  - Start Date: April 28, 2018
- Price:
  - Energy used by UCDCMC = SMUD Rate Schedule GS-TOU1
  - Energy generated by UCDCMC = Day-Ahead CAISO Pnode price
  - Generator Standby Charge = SMUD Rate Schedule GS-TOU1
  - Annual estimated cost increase to UCDCMC = ~\$138k

## Benefits

- Standardized terms with long-term stability

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## Requested Action

- Authorize the Chief Executive Officer and General Manager, or his delegate, to execute a 20 year Interconnection Agreement (Agreement) between SMUD and the Regents of the University of California for its UCD Med Center generation facility, for a period April 28, 2018 through April 27, 2038.