

Exhibit to Agenda Item #1b

Board Finance & Audit Committee Meeting and Special SMUD Board of Directors' Meeting

Tuesday, June 5, 2018, scheduled to begin at 5:30 p.m.

Customer Service Center, Rubicon Room

Execute a 30 Year Power Purchase Agreement with Drew Solar-CA, LLC

Board Policy

- Supports SD-7 Environmental Leadership and SD-9 Resource Planning.

Background

- Project Developer is an affiliate of NTUA Generation, Inc., which is a wholly owned subsidiary of the Navajo Tribal Utility Authority.
- The Project is located in Imperial County, California.

Execute a 30 Year Power Purchase Agreement with Drew Solar-CA, LLC

Key Contract Terms

- Volume:
 - 100 MW
 - Expected annual production of 282,000 MWh
- Term:
 - 30 Years
 - Expected COD December 31st 2021

Execute a 30 Year Power Purchase Agreement with Drew Solar-CA, LLC

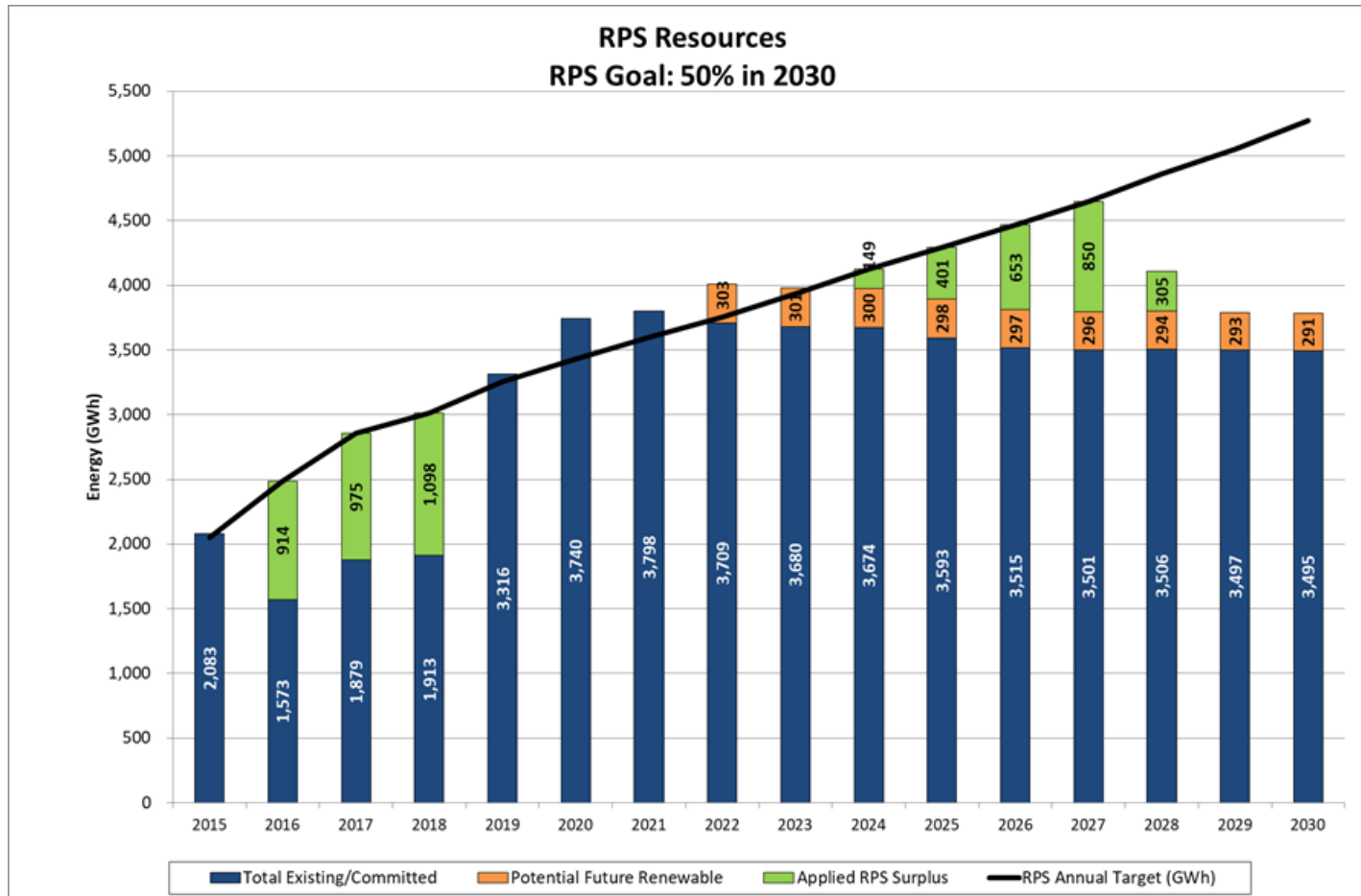
Key Contract Terms

- Price:
 - Fixed price at \$29.67/MWh
 - Annual cost of \$8.4 million with no escalation
 - Contract allows for economic curtailment

Benefits

- Environmental Attributes:
 - Renewable energy that supports SMUD's RPS portfolio, renewable energy, and carbon reduction goals.

Execute a 30 Year Power Purchase Agreement with Drew Solar-CA, LLC

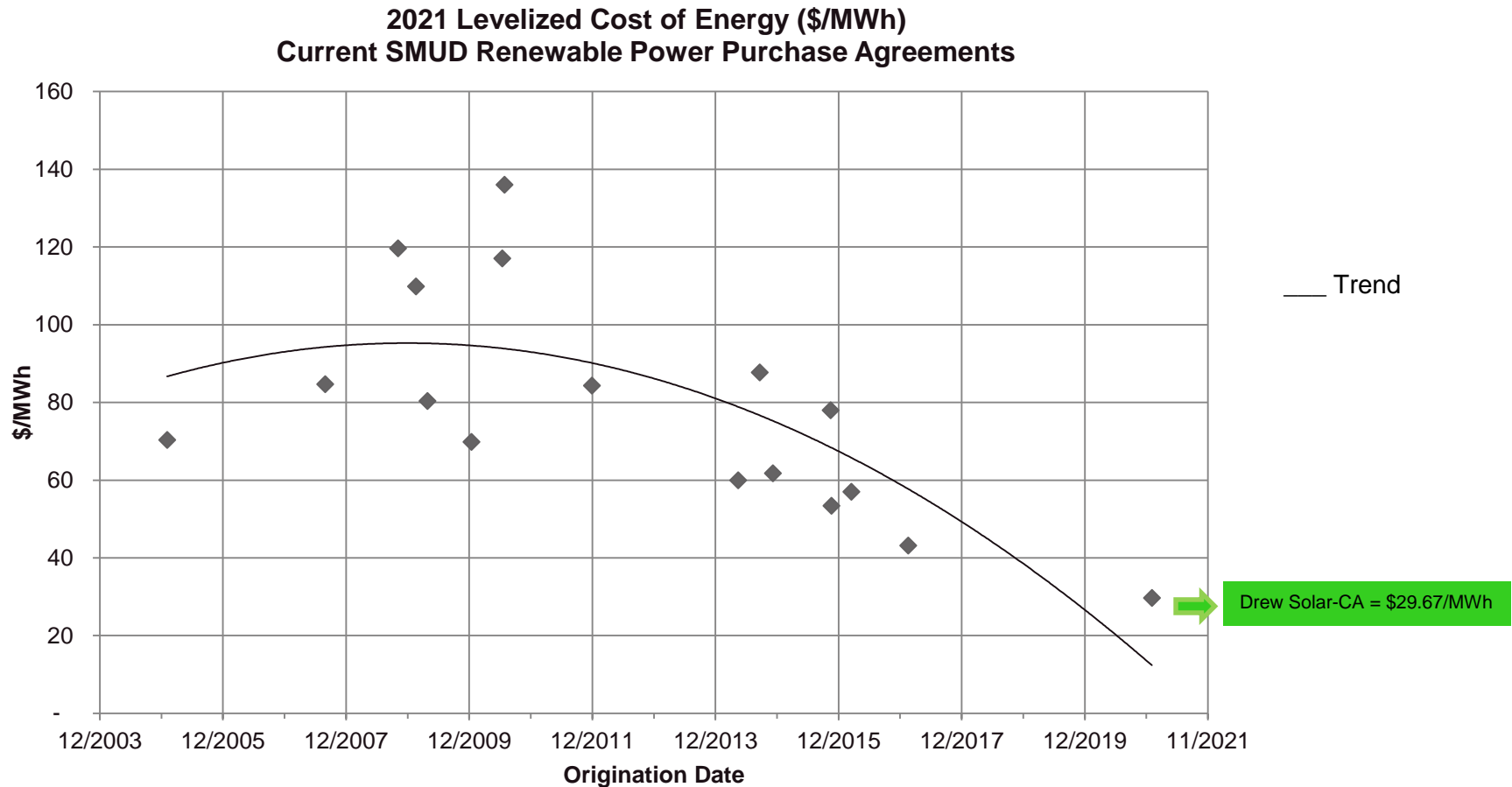


Execute a 30 Year Power Purchase Agreement with Drew Solar-CA, LLC

Benefit

- One of the lowest priced PPAs in the SMUD portfolio.

Execute a 30 Year Power Purchase Agreement with Drew Solar-CA, LLC



Execute a 30 Year Power Purchase Agreement with Drew Solar-CA, LLC

Requested Action

- Authorize the CEO and General Manager, or his delegate, to execute a 30 year Power Purchase Agreement (PPA) for 100 MW of solar power with Drew Solar, LLC.