

# Exhibit to Agenda Item #3

Board Policy Committee and Special SMUD Board of Directors Meeting  
Wednesday, June 20, 2018, scheduled to begin at 5:30 p.m.  
Customer Service Center, Rubicon Room

# Requested Action

Authorize the Chief Executive Officer and General Manager to:

- 1) Enter into a contract with City of San Luis Obispo (SLO) to provide Community Choice Aggregation support services
- 2) Enter into services and information technology contracts to facilitate the launch and ongoing operations of SLO provided that no individual contract shall exceed \$1 million
- 3) Enter into wholesale electricity transactions for a term no greater than five years to facilitate the launch and ongoing operations of SLO

# Community Choice Aggregation & SMUD

California Assembly Bill 117 (2002) created Community Choice Aggregation

Local governments authorized to aggregate customer electric load and become the default provider

May form only in investor-owned utility territory

In September 2017, the Board authorized the CEO and GM to contract with VCEA

In January 2018, the Board authorized the CEO and GM to contract with EBCE

Today, contracting is complete and work is underway to support:

- VCEA operations, started June 1, 2018
- EBCE Phase 1 (commercial and municipal) operations, started June 1, 2018
- November 1, 2018 launch for EBCE Phase 2 (residential)

# San Luis Obispo Community Choice Energy

## Targeting Launch in January 2020

- Evaluating feasibility of CCE for the Cities of San Luis Obispo and Morro Bay
- 30,000 Customer Accounts

## JPA Formation

- If feasibility proves favorable, Joint Powers Agency consisting of San Luis Obispo and Morro Bay will be formed in Sept-Oct 2018

## Community Objectives

- Contributes to a carbon neutral community.
- Contributes to a robust local economy
- Operates with fiscal responsibility.
- Grows strategically.
- Commits to social equity.
- Supports local electricity generation prioritizing distributed energy resources and demand-side reductions.

# SMUD's Offering to SLO

Contract to provide services until 2022 or 2023

**Wholesale  
Energy Services**



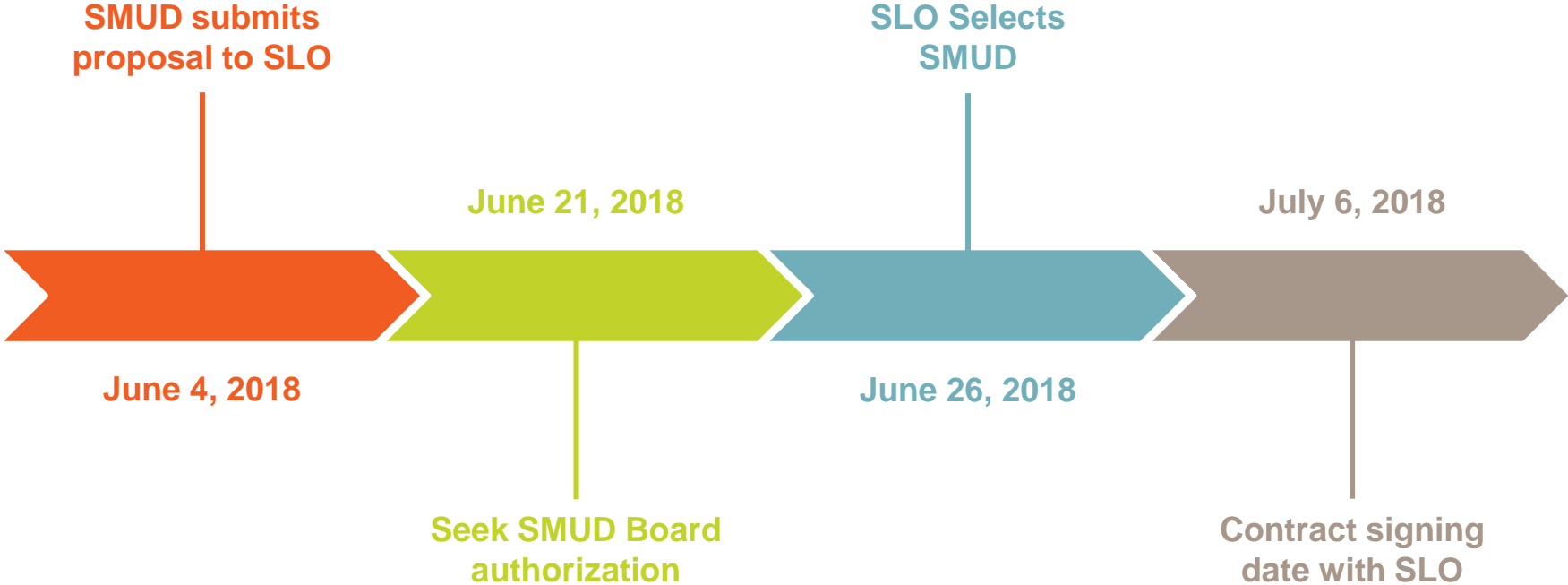
Power Portfolio  
Management and  
Procurement,  
Schedule  
Coordination

**Analytics  
Services**

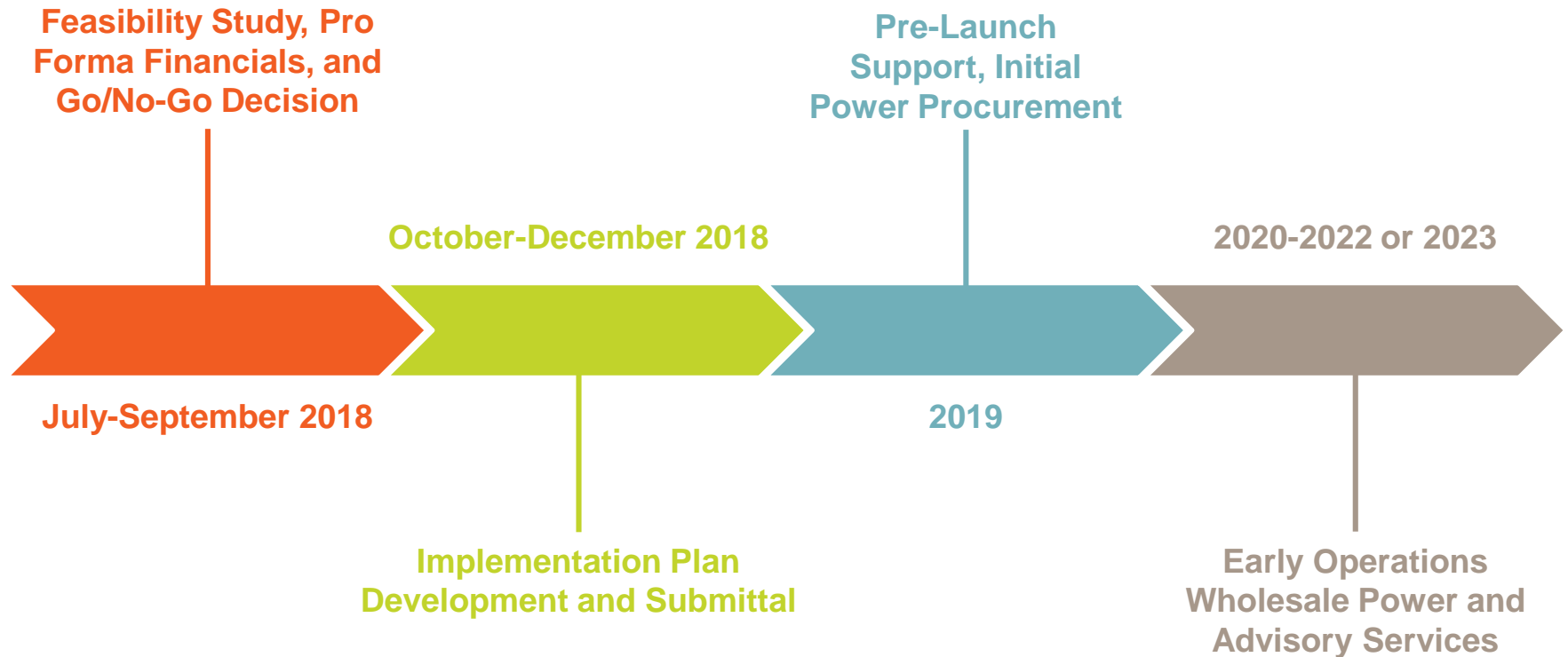


Feasibility Study,  
Financial  
Analysis, Rate  
and Policy  
Setting Support

# SLO and SMUD Contracting Timeline



# Delivery Milestones



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