

Exhibit to Agenda Item #3

Board Policy Committee and Special SMUD Board of Directors Meeting
Wednesday, March 6, 2019, scheduled to begin at 5:30 p.m.
Customer Service Center, Rubicon Room

Background – Revenue Portfolios

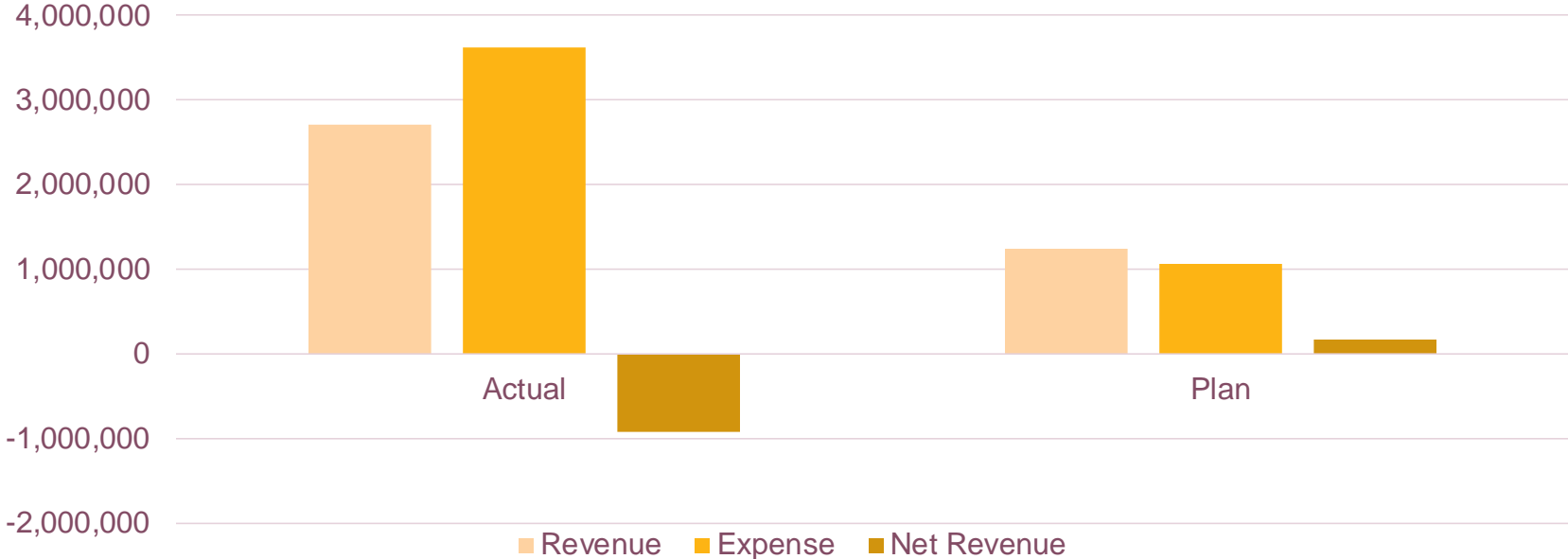
- Legacy Revenue Program Portfolio
 - To improve customer satisfaction
 - Shares costs across many programs
- Innovation Generator Program Portfolio
 - To promote innovative product and service development
 - Revenue secondary
 - Most not expected to generate revenue
 - Program sunset and New Business Development (NBD) Program formed
- New Revenue Program Portfolio
 - NBD Program focused on new revenue for SMUD
 - “Middle Office” responsible for developing, assessing, negotiating and tracking all new revenue deals
 - New revenue projects included in this portfolio

Three Revenue Portfolios

New Revenue Program	Innovation Generator Program	Legacy Revenue Programs
<ol style="list-style-type: none"> 1. Community Choice Aggregator Services 2. Marketplace/SMUD Energy Store 3. NEC/STI Partnership 4. Sacramento Power Academy (SPA) 5. Transmission Sales 6. Smart Grid Billing 7. OSI/DERMS Co-Development 	<ol style="list-style-type: none"> 1. Advanced Power Strips 2. DER Planning Software 3. First-Fuel 4. GridPoint 5. GridX 6. Innowatts 7. Intelligent Energy Solutions 8. Kandela 	<ol style="list-style-type: none"> 1. 5G Small Cell Pole Attachments 2. Cell Site Construction 3. Energy Profiler 4. Home Power 5. Moving Connections 6. Power Protection

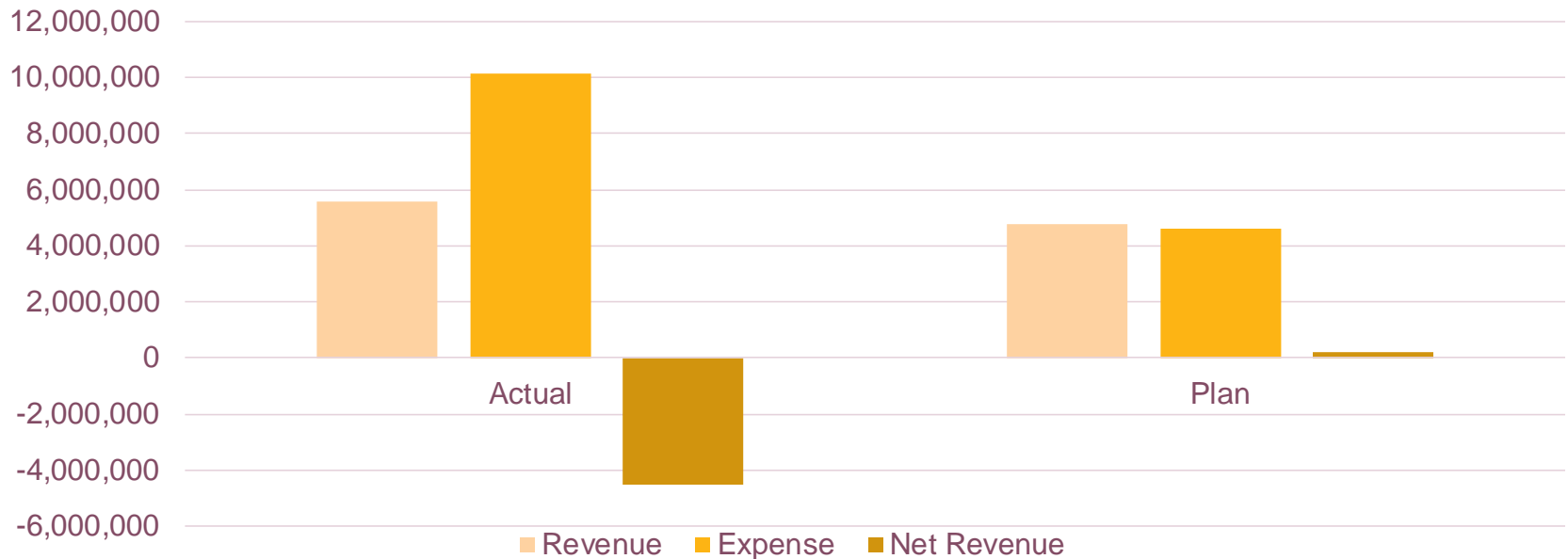
New Revenue Program – Q4 2018

Revenue By Q4 2018 New Revenue Program Portfolio



New Revenue Program – Total 2018

Revenue By Q4 2018 New Revenue Program Portfolio



- CCA Services largest contributor to 2018 financial performance
 - Has begun generating revenue, but expenses higher than planned
 - 2019 expected to have positive net revenues

Recommendation

- SMUD is in compliance with SD-19
- Recommend Board accept the 2018 Q3 SD-19 Monitoring Report