

Exhibit to Agenda Item #1

Board Strategic Development Committee and Special SMUD Board of
Directors Meeting

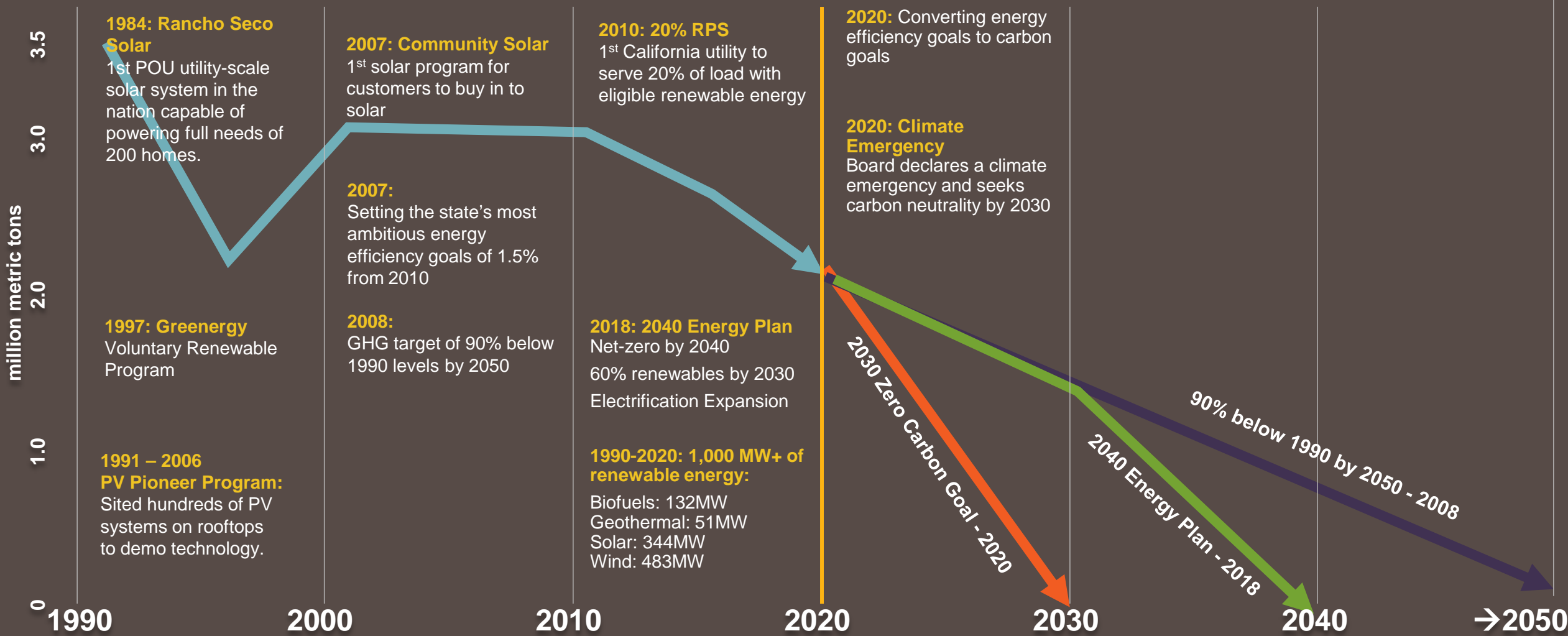
Tuesday, December 1, 2020, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

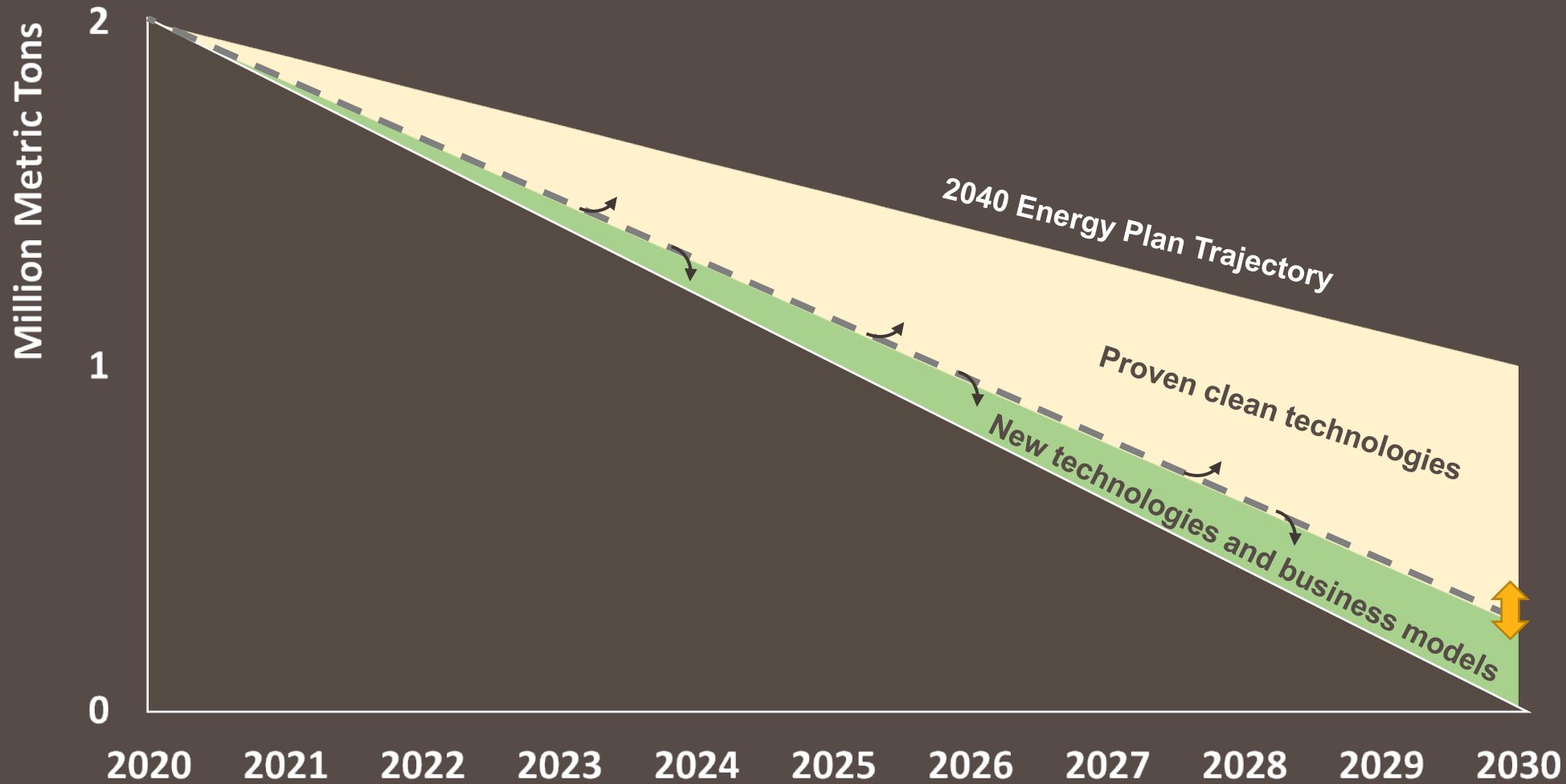
Overview of SMUD's Zero Carbon Plan

- SMUD's Climate Action and the 2030 Zero Carbon Plan
- The Zero Carbon Plan Development Process
- Zero Carbon Plan Approach
- Community and Stakeholder Engagement Process

Climate Emergency Declaration Crowns a Legacy of SMUD'S Climate Action



Looking Forward – closing the gap to Zero Carbon



- Zero Carbon Plan lays path for Proven Clean Technology expansion and New Technologies & business models to explore
- Continuous assessment and adjustment of pathways

2030 Zero Carbon Plan Process Overview

2020

- July:** Board declares climate emergency and requests staff to report by March 31, 2021
- October:** New CEO&GM Paul Lau shares 2030 Zero Carbon vision and Zero Carbon Team is formed
- December:** Customer presentations, Community presentations, Stakeholder meetings

2021

- January:** Initial findings and preliminary plans; Industry Experts Panels at Board Committee meetings; Analyze stakeholder inputs and inform analytical process
- February:** Analyze findings and prepare initial action plans; Stakeholder meetings; Industry Experts Panel
- March:** Finalize Zero Carbon Plan; Analyze stakeholder inputs and inform reports and plans; Board to receive Plan

- Post April:** **Start Execution of Zero Carbon Plan**, including testing, pilots, partnerships, reliability studies, new resources, financial plan, and continuous study/improvement

2030 Zero Carbon Plan Components

MARCH 2021 DELIVERABLE

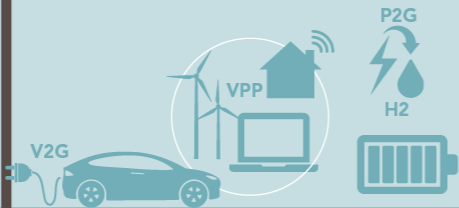
1 Proven clean tech

- Plan for expanding today's renewable energy technologies, including solar, wind and battery storage
- Build on SMUD's existing long-term plans that already take us to 80+% carbon-free by 2030
- Strengthen electrification
- Support development of distributed generation and storage



2 New tech & business models

- Explore new and emerging technologies
- Identify need for partnerships
- Options / pathways
- Plan for research and scaling



3 Natural gas generation repurposing

- Plan for when and how to exit fossil fuels
- Perform in-depth reliability studies
- Impact on non-greenhouse gas pollutants



4 Financial impact & options

- Create investment plan for proven and new tech/bus. models
- Cost impacts and ranges
- Alternative revenue sources (grants, partnerships)



GOAL:

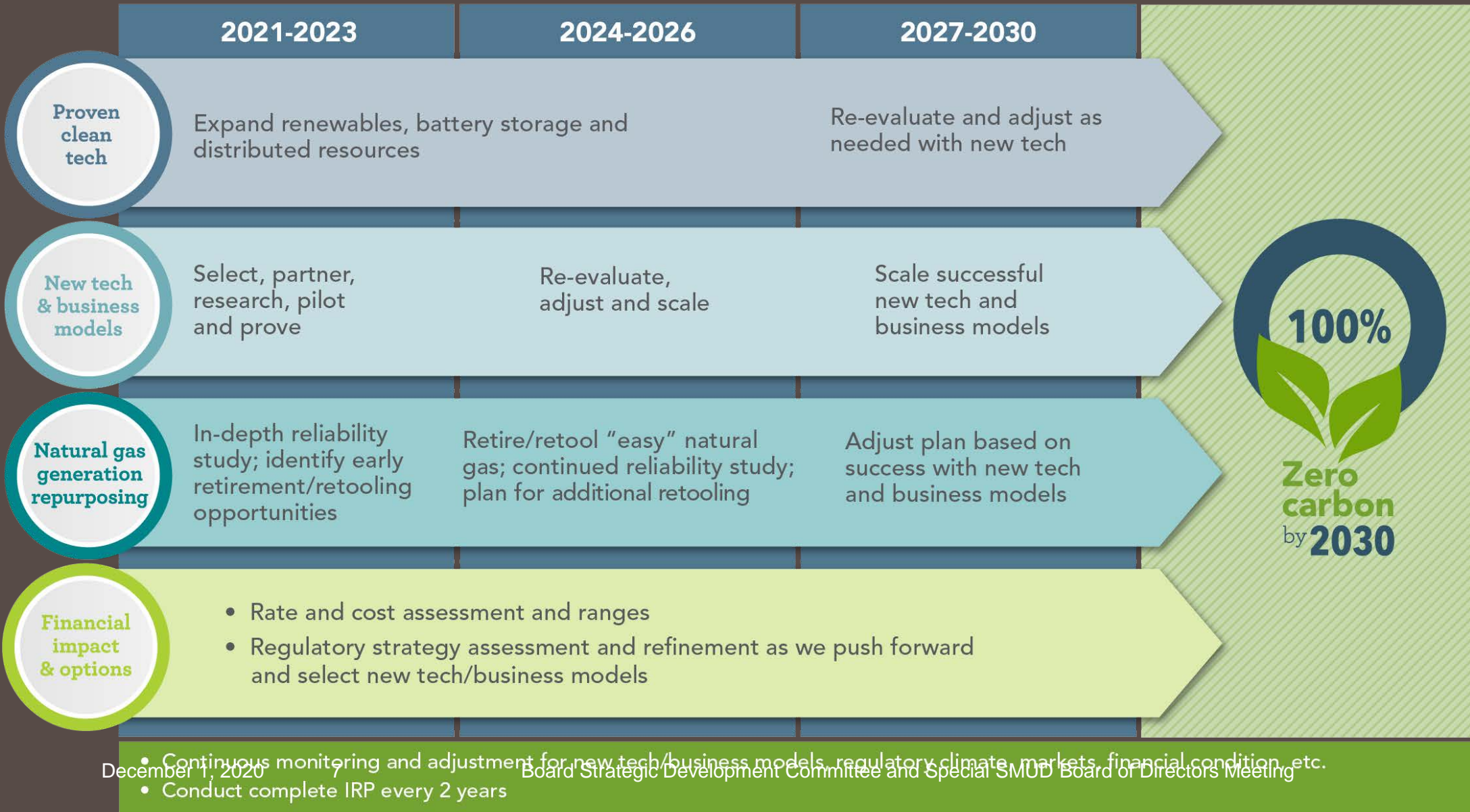
Eliminate ~2 million metric tons greenhouse gas from our Energy Supply by 2030

Community & collaboration

- Prioritizing sustainable communities
- Commitment to environmental justice



Zero Carbon Plan - Timelines



December 1, 2020 Board Strategic Development Committee and Special SMUD Board of Directors Meeting

Stakeholder Approach and Board Consultations

3-part outreach and learning





Community Presentations

Objective: Broad outreach to our customers and community organizations to hear their feedback, encouragements and concerns regarding SMUD's work to formulate a Zero Carbon Plan. For these meetings we are looking to attract 500-1,000 participants across 3 meetings:

- Two customer meetings
(December 9, 1pm; December 10, 6pm)
- One for local community organizations
(December 8, 1pm)

Facilitator/ Host: Cassandra Pye

Format: 1-hour meeting with presentations from SMUD and Smart Electric Power Alliance (SEPA); public input and comments through an online survey that will be sent out immediately following the event

Ongoing written feedback at ZeroCarbon@smud.org



Stakeholder Group Meetings

Objective: Listen to key stakeholders and make sure they have opportunities to provide inputs into the development of the Zero Carbon Plan. We will organize 2X4 focused stakeholder workshops that capture inputs from the following groups:

- **Solar+Storage**
(Dec 14; 1pm & Week of Feb 22, 2021)
- **Environmental Groups**
(Dec 15; 1pm & Week of Feb 22, 2021)
- **Community**
(Dec 15; 4.30pm & Week of Feb 22, 2021)
- **Business and Key Accounts**
(Dec 16; 1pm & Week of Feb 22, 2021)

Facilitator/ Host: SEPA

Format: 1-2 hour meeting with presentations and a dialogue with the meeting participants.

Ongoing written feedback at ZeroCarbon@smud.org

Industry Expert Panels at Board Committee Meetings

Objective: Inform Board and staff of latest developments, research, products and services that should be considered when aiming for becoming a zero-carbon utility by 2030

3 Panels

- **January 12: Vision, Solutions, Technology for a Carbon Free Future.** Broad overview of latest developments and research on both sides of the meter. Presentations from recognized experts and thought leaders
- **January 26: DERs and the Edge of the Grid.** Practical solutions and technologies that could be available by 2030. Presentations from technology providers and visionaries with practical solutions or products under development
- **February 9: Grid scale solutions for a carbon free SMUD.** Practical solutions and technologies that could be available by 2030. Presentations from technology providers and visionaries with practical solutions or products under development

Format

- SEPA moderator – Janet Gail Besser, Managing Director, SEPA
- 4 panelists presenting, each for 10-15 minutes (one hour total)
- Question and answer session with Board members

Questions?