Exhibit to Agenda Item #1

Adopt SMUD’s 2021 Wildfire Mitigation Plan.

Board Energy Resources & Customer Services Committee and Special SMUD Board of Directors Meeting

Tuesday, November 17, 2020, immediately following the Finance & Audit Committee Meeting scheduled to begin at 5:30 p.m.

Virtual Meeting (online)
SMUD’s 2021 Wildfire Mitigation Plan (WMP)

- QIE assessment
- Public outreach and Tabletop exercise
- Summary of changes to WMP Adopted in 2019
- 2020 WMP requirements
- Next steps
Wildfire Mitigation Plan Process Requirements

- Prepare and present WMP update at a public meeting
- Accept stakeholder input on the plan
- Verify the plan complies with applicable rules, regulations, and standards
- Obtain independent assessment of the comprehensiveness of the plan and present qualified evaluator’s report at a public meeting
- Submit WMP update to Wildfire Safety Advisory Board by July 1 for review and advisory opinion
Wildfire Mitigation Plan Requirements

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<th>Objectives &amp; Accountability</th>
<th>Preventative Strategies &amp; Programs</th>
<th>Metrics</th>
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- Objectives & Accountability
- Preventative Strategies & Programs
- Metrics
- Notification & Communication
- Audit & Review
WMP Update Process

Organization-wide collaboration
Gap analysis
Table-top exercise
Public outreach
Qualified independent evaluation
Wildfire Safety Advisory Board recommendations.
SMUD Board
Wildfire Mitigation Plan

SMUD’s priority is delivering safe, reliable and cost effective power

Minimize the probability that SMUD’s transmission and distribution (T&D) system may be the origin or contributing source for the ignition of a wildfire.

Implement a wildfire plan that embraces safety, prevention, mitigation and recovery as a central priority for SMUD.

Create a WMP that is consistent with state law and objectives.
Summary of Updates

- Provide links in place of annual data numbers (e.g., annual load)
- Update mitigation projects, initiatives and pilots
- Update CalFire fire hazard zone map references
- Add detail regarding training
- Add detail regarding emergency operations process
- Update communication program discussion to reflect new marketing program and opt-in efforts

Click for additional information on “Summary of Changes”
Public Outreach

Open Public Comment – 30 days

- Publish notice of public comment period Oct 7
- Virtual meeting Oct 13

Close Public Comment Period Nov 6

- Respond to public comment
- Incorporate into WMP draft
Tabletop Exercise

• Test communication and decision protocols related to wildfire planning

• Virtual
  – Facilitation team at Emergency Operations Center
  – Impacted business units participated

• High Fire Risk Scenario
  – Fire conditions
  – De-energization
  – Fire event
  – Rebuild
• BKI Engineering
  – Experience in wildfire plan preparation and assessment in Pacific Northwest
  – Experience in designing and assessing the safe operation of electrical infrastructure
  – Experience working with publicly owned electric utilities

• Assess comprehensiveness of WMP as updated
• Report to be posted at smud.org/WildfireSafety.org
Next Steps

Wildfire Safety Advisory Board (WSAB) advisory opinion Q4 2020

Identify additional metrics to measure effectiveness of WMP initiatives

Respond to WSAB recommendations and submit WMP update by July 1, 2021
California Wildfire Mitigation Plans

Senate Bill 901:

• Enacted in 2018 as response to the escalation of wildfires in California
• Mandates all electric utilities to develop and implement a WMP - CPUC 8387 (b)
• WMP to be independently evaluated
• WMP approved by the California Wildfire Safety Advisory Board
Code Requirements

• **Senate Bill 901**: Mandates all public utilities develop and submit a WMP to the Wildfire Safety Advisory Board and update the plan annually.

• **PUC 8387(a)**: *Each local publicly owned electric utility and electrical cooperative shall construct, maintain, and operate its electrical lines and equipment in a manner that will minimize the risk of wildfire posed by those electrical lines and equipment.*
Code Requirements

- **PUC 8387(b):** Provides the required Wildfire Mitigation Plan elements for POUs and the approval process.

- **PUC 8387(c):** The local publicly owned electric utility or electrical cooperative shall contract with a **qualified independent evaluator** with experience in assessing the safe operation of electrical infrastructure to review and assess the comprehensiveness of its wildfire mitigation plan. The independent evaluator shall issue a report that shall be made available on the internet web site of the local publicly owned electric utility or electrical cooperative and shall present the report at a public meeting of the local publicly owned electric utility’s or electrical cooperative’s governing board.
About Independent Evaluator - BKI

- BKI Engineering Services - 1985
- 3rd Generation Owners
- 18 employees
- Battle Ground, WA & Hailey, ID
- Consumer-Owned Utility Focused Services:
  - Engineering
  - Planning
  - Permitting
  - Value-Added Services
Evaluator Qualifications

What We Do:
- Provide hands on, practical engineering, permitting and planning solutions to public power utilities in the West.

Why We Do It:
- To benefit our public power partners and the communities they serve.

Our Experience:
- For over 35 years BKI has provided transmission and distribution system design, utility long range planning, substation design and, more recently, wildfire mitigation planning for our public utility partners.
Evaluation Steps

• BKI Engineering Services was contracted by SMUD to provide a third-party assessment of its 2021 WMP.
• BKI reviewed the 2021 SMUD WMP for compliance with PUC 8387(b).
• BKI produced a detailed independent evaluation report.
• BKI provides a Board Presentation on review findings.
• BKI finds that the 2021 SMUD WMP has met all requirements set forth in CPUC 8387.
• The recommendation provided in the Independent Evaluation are not required for compliance with the code, but is intended to assist SMUD’s internal process for annual plan performance evaluation.
QUESTIONS?