

Exhibit to Agenda Item # 2

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

Wednesday, August 18, 2021, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

SloughHouse Solar PPA

Board Policy

- SD-2, Competitive Rates: SD-7, Environmental Leadership: SD-9
Resource Planning:

Background

- In 2020, SMUD received a competitive offer from D. E. Shaw Renewable Investments (DESRI), a leading national independent power producer.
- SMUD conducted an evaluation of the market and determined that the SloughHouse Solar (SHS) project offer provided superior value vs. alternatives.

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Context

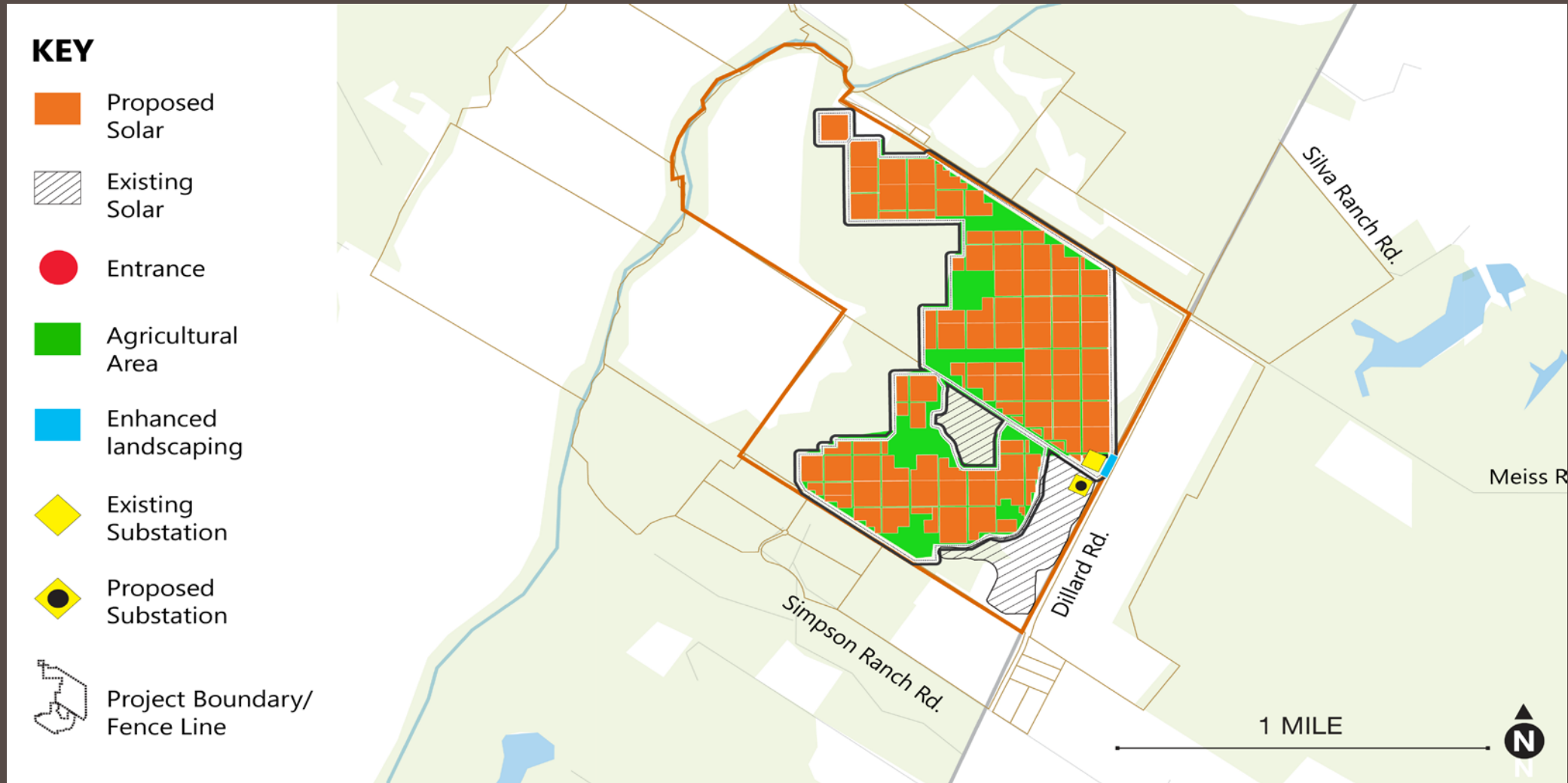
- SMUD will purchase the energy, capacity, and environmental attributes, including Portfolio Content Category 1 Renewable Energy Credits (PCC1 RECs).
- The project is located in the eastern portion of SMUD's service territory.

SloughHouse Solar PPA



(1) Note: Preliminary layout – exact project boundaries to be finalized.

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Context

- Over 125,000 MWh/year of carbon free energy generated locally, or roughly 1.3% of our total annual retail load.
- DESRI has been a trusted partner in supporting SMUD's guiding principles on sustainability practices.
- This contract provides economic, zero carbon power and will be a key contributor to achieving our 2030 Zero Carbon Plan.

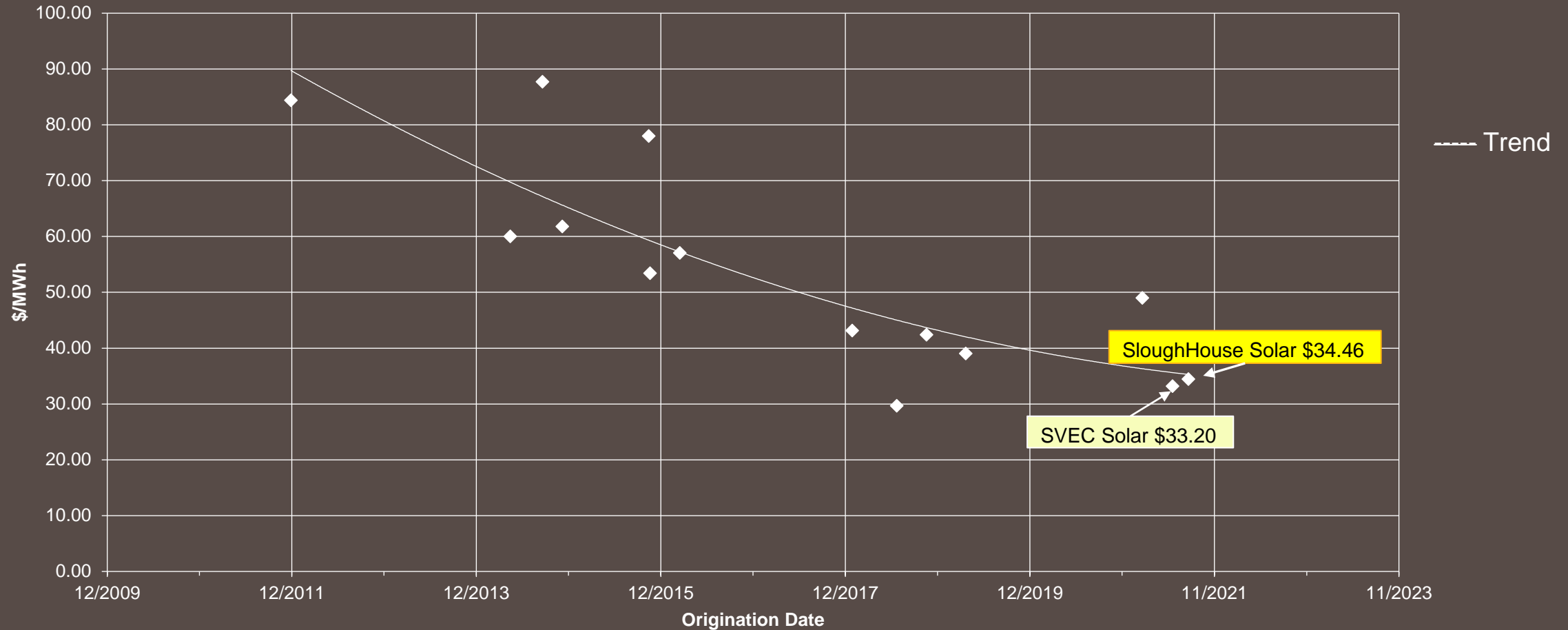
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Key Contract Terms

- Volume: 50 MW Solar PV
- Solar Price: \$34.46/MWh with no escalation
- Annual cost: \$4.3 million
- Scheduled COD is December 31, 2023
- Term: 30 years; December 2023 – December 2053

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Cost of Energy (\$/MWh)
Current SMUD Renewable Power Purchase Agreements



SloughHouse Solar PPA

Requested Action

Authorize the Chief Executive Officer and General Manager, or his designee, to negotiate and execute the SloughHouse Solar, LLC (SHS) Power Purchase Agreement (PPA) with a 27-year (with an option to extend for an additional 3 years for a total of 30 years) term, substantially in the form attached, and all other agreements necessary to facilitate the SHS project for 50 MW of solar photovoltaic power (Solar PV).