

Exhibit to Agenda Item #1

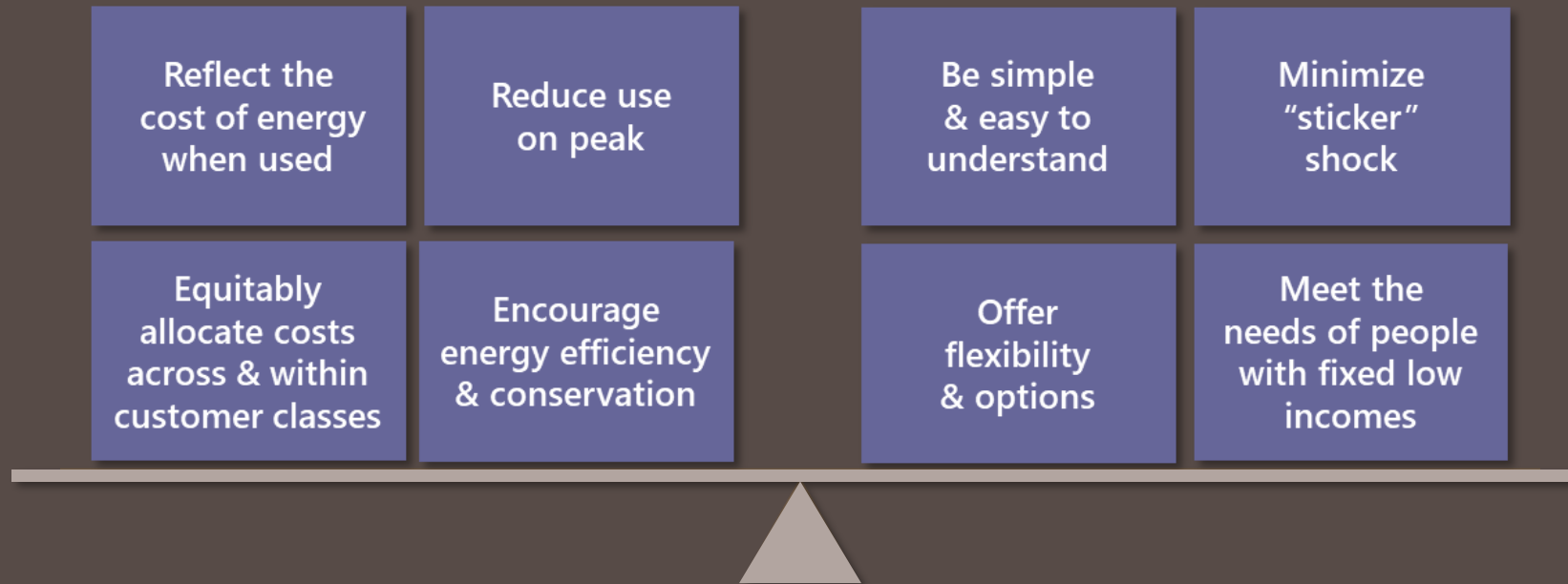
Accept the monitoring report for **Strategic Direction SD-2, Competitive Rates.**

Board Policy Committee and Special SMUD Board of Directors Meeting
February 10, 2021, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

SD-2 Competitive Rates – Board Directives

- SMUD shall be 18% below PG&E's rates (system average basis)
- SMUD's rate of change for both rates and bills shall be competitive with other local utilities (system average basis)
- Rates shall be designed to balance and achieve the following goals



Comparison to PG&E Rates

Projected 2020 Average Price Comparison in \$/kWh

Class	Description	Difference Range Below PG&E 2020
Residential	All Residential rates	31.0%
Residential EAPR	All Residential low income	28.8%
Commercial	All Commercial rates	35.8% - 43.6%
Other	Street Light, Traffic Signals and Ag	44.8% - 51.9%
System	All Rates	35.7%

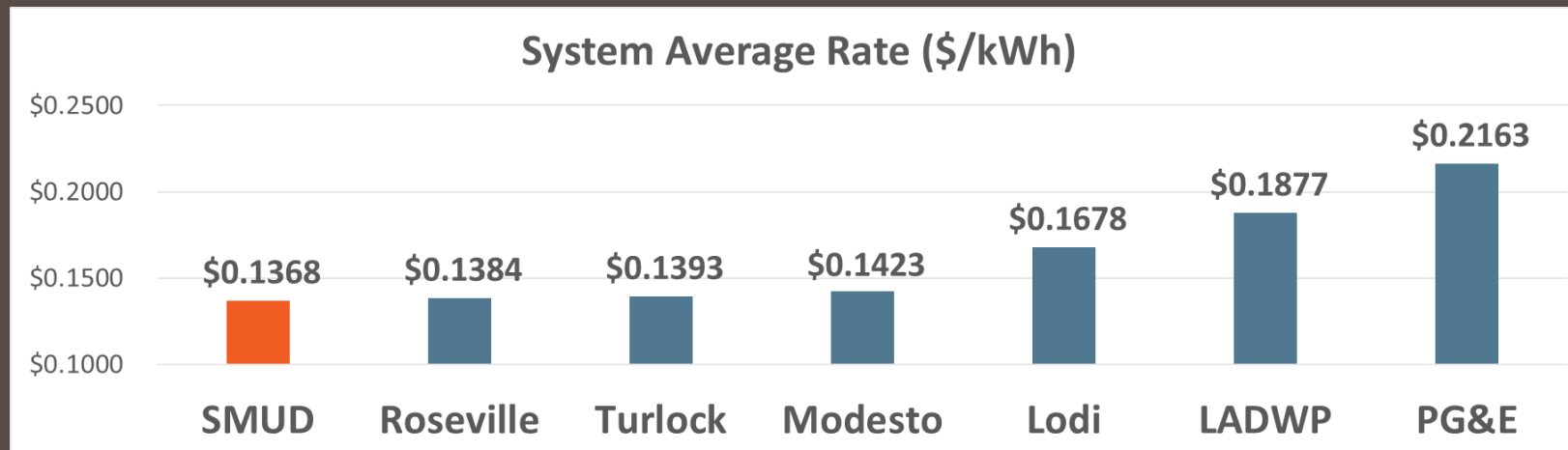
SMUD's system average rate is 35.7% below PG&E, which results in approximately **\$812 million annually in community savings.**

Comparison to Local Utilities

Average Annual Bill Rate of Changes		SMUD	Local Utilities*	Local Utilities* Without PG&E
Average Across Time	10-Year Average (2010 - 2019)	1.44%	1.83%	1.35%
	5-Year Average (2015 - 2019)	0.94%	0.56%	-0.44%
Average Annual System Rate of Changes		SMUD	Local Utilities*	Local Utilities* Without PG&E
Average Across Time	10-Year Average (2010 - 2019)	2.00%	2.49%	2.25%
	5-Year Average (2015 - 2019)	1.95%	1.64%	1.02%

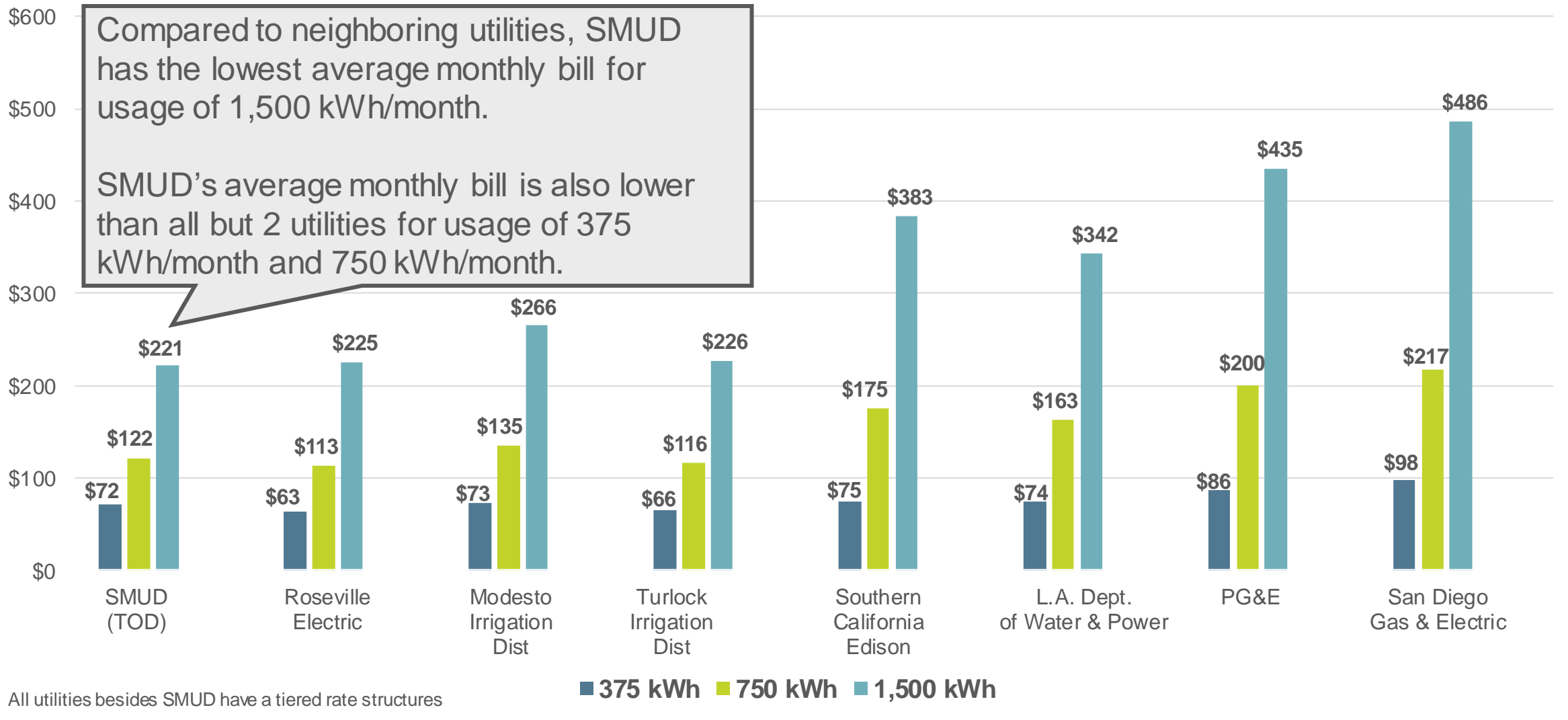
The bill rate changes are driven by a number of factors; a main reason being changes in weather.

* Local Utilities: Roseville, Modesto, Turlock, LADWP and PG&E



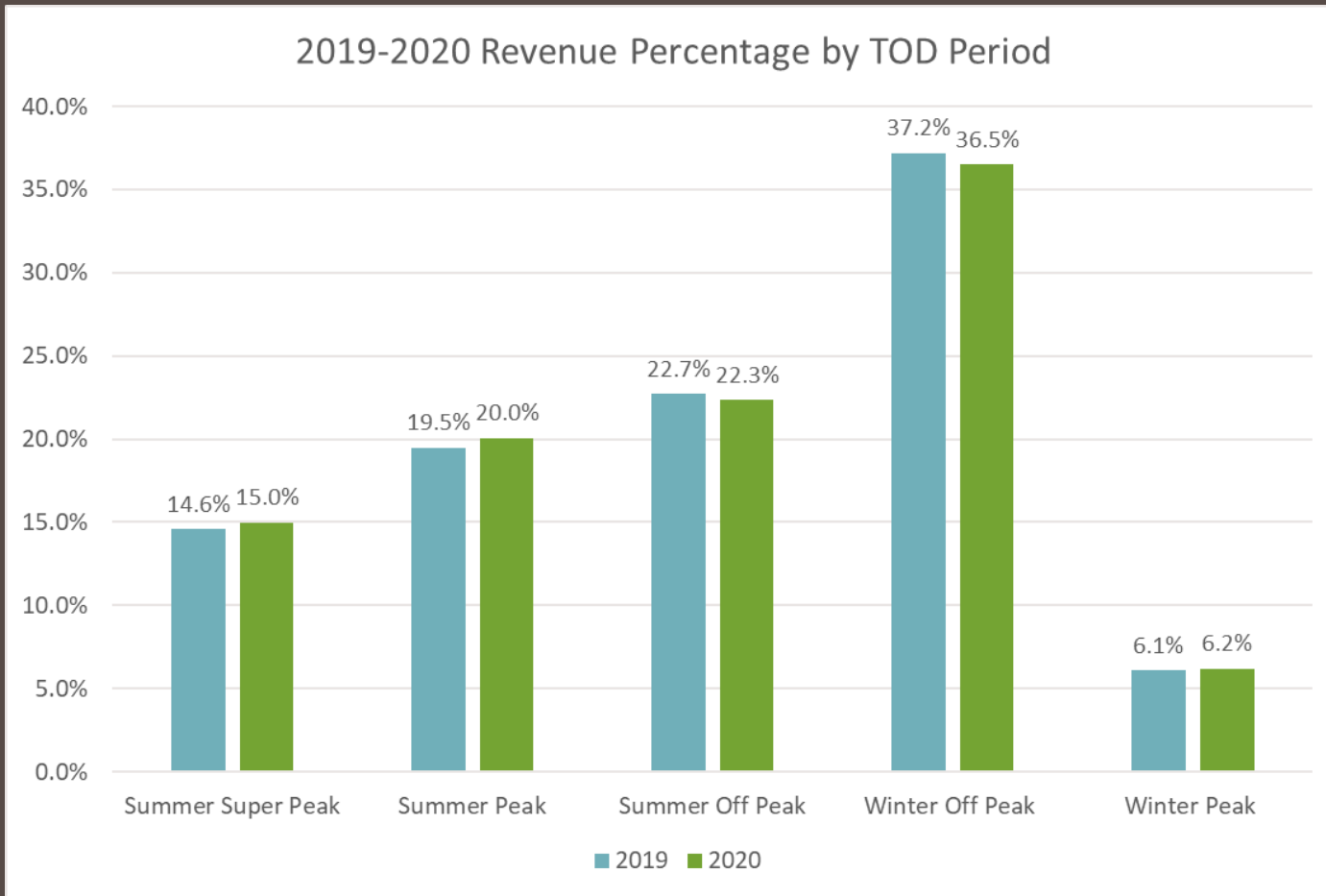
SMUD continues to have the lowest system average rate as compared to other neighboring utilities.

Average Monthly Residential Electric Bill



* Rates effective as of October 1, 2020. Average bills include applicable fixed monthly charge, energy charge and exclude local taxes and surcharges

2019 and 2020 Revenue Percentage by Time Period

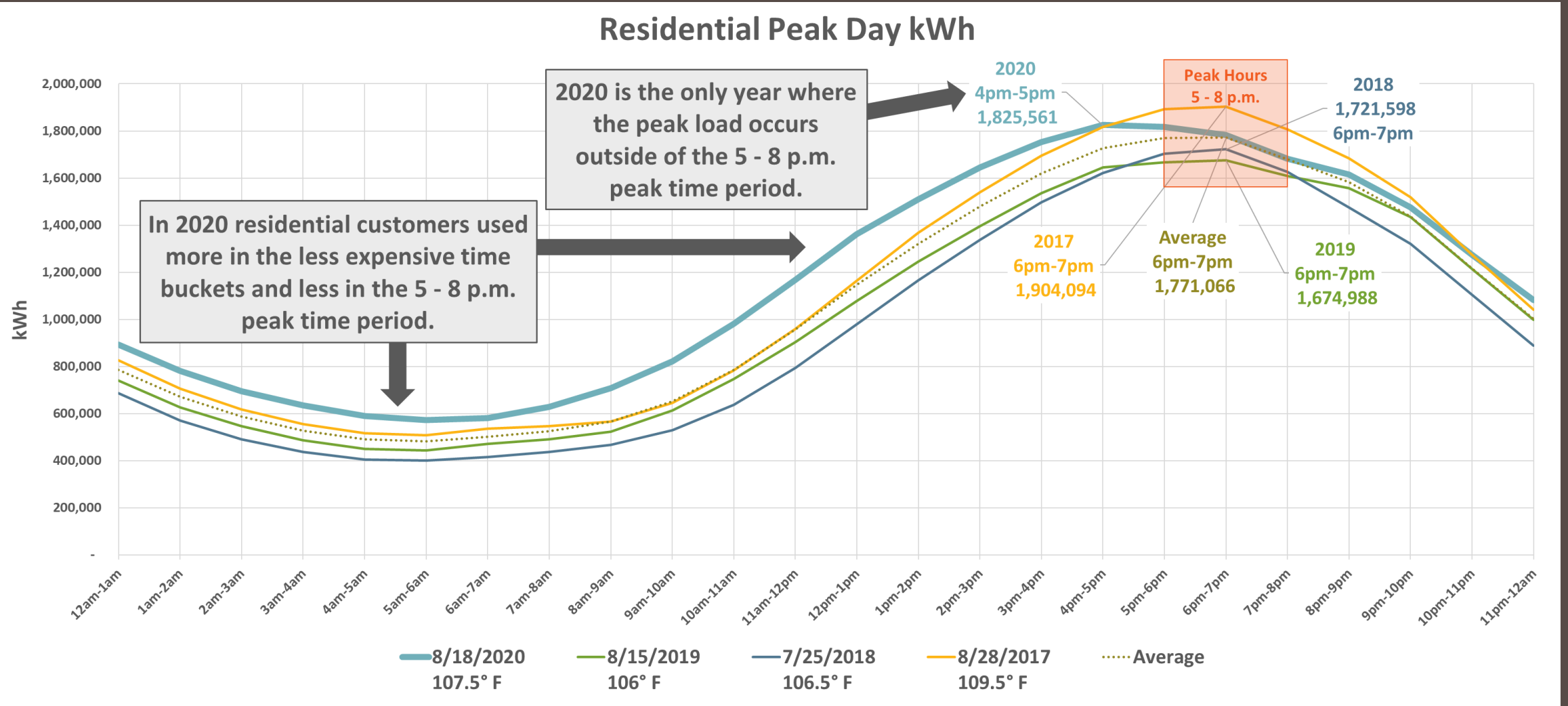


Despite 2020 being an unusual year with record heat and the COVID-19 impacts, the chart shows that the Time-Of-Day revenues by time period were still consistent with 2019.

Our initial analysis indicates that with weather normalized data there is a reduction in consumption in the 5 - 8 p.m. peak period in 2020 even with the impacts of COVID-19.

Data includes January through November for both years.

TOD Rates Continue to Reduce Peak



Questions?