

# Board of Directors Meeting Agenda

Date: October 21, 2021  
Time: 5:30 p.m.  
Location: Virtual Meeting (online)



# **AGENDA**

## **SACRAMENTO MUNICIPAL UTILITY DISTRICT BOARD OF DIRECTORS MEETING**

Pursuant to Government Code section 54953(e) and the Emergency Board Meeting Procedures adopted by the SMUD Board of Directors, the regular Board meeting and other public meetings are currently conducted solely via virtual (online/teleconference) meeting to align with state, local, and federal guidelines for the containment of the coronavirus.

Live video streams and indexed archives of meetings are available at:  
[http://smud.granicus.com/ViewPublisher.php?view\\_id=16](http://smud.granicus.com/ViewPublisher.php?view_id=16)

Members of the public may register to provide verbal comments at an upcoming Board or Committee meeting by e-mailing a request to speak to [PublicComment@smud.org](mailto:PublicComment@smud.org). Please include the date of the meeting, name, and topic or agenda item the requestor wishes to speak on. The request may also be submitted while the meeting is in progress during the standard time for the agenda item or topic. **Pre-registration is strongly encouraged by no later than 3:00 p.m. on the day of the meeting.**

Members of the public may provide written public comments on a specific agenda item or on items not on the agenda (general public comment) by submitting comments via e-mail. Comments may be submitted to [PublicComment@smud.org](mailto:PublicComment@smud.org) and will be placed into the record of the meeting.

Members of the public that are listening to or watching the live stream of a Board meeting and wish to submit written comments on a specific agenda item as it is being heard may submit their comments, limited to 250 words or less, to [PublicComment@smud.org](mailto:PublicComment@smud.org), noting the agenda item number in the subject line. The Board President may read comments for items on the agenda into the record, in her discretion, based upon such factors as the length of the agenda or the number of e-mail comments received. General public comment for items not on the agenda will not be read into the record but will be provided to the Board and placed into the record of the Board meeting if it is received within two hours after the meeting ends.

***October 21, 2021 – 5:30 p.m.***

**Zoom Webinar Link: [Join SMUD Board of Directors Meeting Here](#)**

**Webinar/Meeting ID: 161 211 8680**

**Passcode: 452718**

**Phone Dial-in Number: 1-669-254-5252 or 1-833-568-8864 (Toll Free)**

Call to Order.

a. Roll Call.

1. Approval of the Agenda.

2. Committee Chair Reports.

- a. Committee Chair report of October 12, 2021, Strategic Development Committee
- b. Committee Chair report of October 13, 2021, Policy Committee
- c. Committee Chair report of October 19, 2021, Finance and Audit Committee
- d. Committee Chair report of October 20, 2021, Energy Resources & Customer Services Committee

**Item 6 was reviewed by the October 12, 2021, Strategic Development Committee. Item 7 was reviewed by the October 13, 2021, Policy Committee. Items 8 through 11 were reviewed by the October 19, 2021, Finance and Audit Committee. Item 12 was reviewed by the October 20, 2021, Energy Resources & Customer Services Committee.**

***Comments from the public are welcome when these agenda items are called.***

**Consent Calendar:**

- 3. Approve Board member compensation for service rendered at the request of the Board (pursuant to Resolution 18-12-15) for the period of September 16, 2021, through October 15, 2021.
- 4. Approval of the minutes of the regular meeting of September 16, 2021.
- 5. Approval of the minutes of the special meeting of October 12, 2021.
- 6. Make findings pursuant to Government Code section 54953(e) to continue holding meetings virtually during proclaimed state of emergency (recurring item, every 30 days). **Strategic Development Committee 10/12. (Laura Lewis)**
- 7. Accept the monitoring report for **Strategic Direction SD-6, Safety Leadership. Policy Committee 10/13. (Frankie McDermott)**
- 8. Authorize the Chief Executive Officer and General Manager to award a contract to **AECOM Technical Services, Inc.** for commercial electric vehicle charging as a service for a three-year term, from October 25, 2021, to October 25, 2024, for a not-to-exceed amount of \$3.6 million. **Finance and Audit Committee 10/19. (Lora Anguay)**
- 9.
  - a. Approve contract change to Contract No. 4500110473 with **United Health Care Insurance Company** approving 2022 medical insurance premium rates and extending the contract by one year for the period January 1, 2022, through December 31, 2022; 2022 cost estimated at \$37.4 million.
  - b. Approve contract change to Contract No. 4500043215 with **Kaiser Permanente** approving 2022 medical insurance premium rates and extending the contract by one year for the period January 1, 2022, through December 31, 2022; 2022 cost estimated at \$29.3 million.

**Finance and Audit Committee 10/19. (Gary King)**



10. Approve Contract Change No. 1 to Contract No. 4500099793 with **Intercare Holdings Insurance Services, Inc.** to extend the contract expiration date from March 14, 2022, to December 31, 2022, and to increase the contract not-to-exceed amount by \$294,200, from \$1,825,800 to \$2,120,000. **Finance and Audit Committee 10/19. (Gary King)**
11. Approve release of redistricting preliminary maps to adjust SMUD ward boundaries using the 2020 data released by the U. S. Census Bureau (as adjusted to meet State requirements) in anticipation of the November 4, 2021, and December 15, 2021, public workshops on redistricting and the adoption of the new ward boundaries on January 20, 2022. **Finance and Audit Committee 10/19. (Laura Lewis)**

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#### **Discussion Calendar:**

12. Cast vote on **Sacramento Local Agency Formation Commission (LAFCo)** ballot regarding the election of a Special District Commissioner to **LAFCo** and an Alternate Special District Commissioner to **LAFCo**. **Energy Resources & Customer Services Committee 10/20. (Laura Lewis)**

*Presenter: Laura Lewis*

13. Approve a **Memorandum of Understanding** between the **Sacramento Municipal Utility District** and the **International Brotherhood of Electrical Workers Local Union 1245** for the period January 1, 2022, through December 31, 2025. **(Gary King)**

*Presenter: Cheryl Spector*

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#### **Public Comment:**

14. Items not on the agenda.

#### **Board and CEO Reports:**

15. Directors' Reports.
16. President's Report.
17. CEO's Report.
  - a. Board Video re: SMUD's Focus on Delivering Reliable Service

#### **Summary of Board Direction**

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**Board Committee Meetings and Special Meetings of the Board of Directors are held at the SMUD Headquarters Building, 6201 S Street, Sacramento**

***The SMUD Board of Directors is currently operating under Emergency Board Meeting Procedures. In accordance with findings made by the Board pursuant to Government Code section 54953(e), these meetings will be held virtually (online).***

October 19, 2021	Finance and Audit Committee and Special SMUD Board of Directors Meeting	Virtual Meeting (online)	5:30 p.m.
October 20, 2021	Energy Resources & Customer Services Committee and Special SMUD Board of Directors Meeting	Virtual Meeting (online)	5:30 p.m.
November 16, 2021	Finance and Audit Committee and Special SMUD Board of Directors Meeting	Virtual Meeting (online)	5:30 p.m.
November 16, 2021	Energy Resources & Customer Services Committee and Special SMUD Board of Directors Meeting	Virtual Meeting (online)	Immediately following the Finance and Audit Committee and Special SMUD Board of Directors Meeting scheduled to begin at 5:30 p.m.
November 17, 2021	Policy Committee and Special SMUD Board of Directors Meeting	Virtual Meeting (online)	5:30 p.m.

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## **2022 Budget Review**

***The SMUD Board of Directors is currently operating under Emergency Board Meeting Procedures. In accordance with findings made by the Board pursuant to Government Code section 54953(e), these meetings will be held virtually (online).***

November 9, 2021	SMUD 2022 Proposed Budget: SMUD 2022 Proposed Budget Overview, including Debt Service, Pay Schedule, and Special Compensation and Corporate Services 2022 Proposed Budget; Legal, Government Affairs & Reliability Compliance 2022 Proposed Budget; Communications, Marketing & Community Relations 2022 Proposed Budget; Enterprise Strategy 2022 Proposed Budget; Zero Carbon Energy Solutions 2022 Proposed Budget; NCEA, NCGA1, and SFA 2022 Proposed Budget; and Customer & Community Services 2022 Proposed Budget	Virtual Meeting (online)	5:30 p.m.
November 10, 2021	Energy Delivery & Operations 2022 Proposed Budget; Technology & Innovation 2022 Proposed Budget; and Workforce, Diversity & Inclusion 2022 Proposed Budget	Virtual Meeting (online)	5:30 p.m.

## **Regular Meetings of the Board of Directors are held at the SMUD Headquarters Building, 6201 S Street, Sacramento**

***The SMUD Board of Directors is currently operating under Emergency Board Meeting Procedures. In accordance with findings made by the Board pursuant to Government Code section 54953(e), these meetings will be held virtually (online).***

November 18, 2021	Virtual Meeting (online)	5:30 p.m.
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***Pursuant to Resolution No. 20-06-08 adopted on June 18, 2020, Emergency Board Meeting Procedures are in effect:***

***Members of the public may make either a general public comment or comment on a specific agenda item by submitting comments via email. Comments may be submitted to [PublicComment@smud.org](mailto:PublicComment@smud.org). Comments will be provided to the Board and placed into the record of the Board meeting if it is received within two hours after the meeting ends.***

***Members of the public that are listening or watching the live stream of a Board meeting and wish to comment on a specific agenda item as it is being heard, may submit their comments, limited to 250 words or less, to [PublicComment@smud.org](mailto:PublicComment@smud.org). The Board President may read the comments into the record, in her discretion, based upon such factors as the length of the agenda, the number of email comments received, and whether the Board is in danger of losing a quorum. Comments will be provided to the Board and placed into the record of the Board meeting if it is received within two hours after the meeting ends.***

***Members of the public may register to provide verbal comments at an upcoming Board or Committee meeting by emailing a request to speak to [PublicComment@smud.org](mailto:PublicComment@smud.org). Please include the date of the meeting, name, and topic or agenda item the requestor wishes to speak on. The request may also be submitted while the meeting is in progress during the standard time for the agenda item or topic. Pre-registration is strongly encouraged by no later than 3:00 p.m. on the day of the meeting.***

***ADA Accessibility Procedures: Upon request, SMUD will generally provide appropriate aids and services leading to effective communication for qualified persons with disabilities so that they can participate equally in this virtual meeting. If you need a reasonable auxiliary aid or service for effective communication to participate, please email [Toni.Stelling@smud.org](mailto:Toni.Stelling@smud.org), or contact by phone at (916) 732-7143, no later than 48 hours before this virtual meeting.***





RESOLUTION NO. \_\_\_\_\_

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

That this Board hereby approves Board member compensation for service rendered at the request of the Board (pursuant to Resolution 18-12-15) for the period of September 16, 2021, through October 15, 2021.



Sacramento, California

September 16, 2021

The Board of Directors of the Sacramento Municipal Utility District met in regular session via virtual meeting (online) at 5:31 p.m.

Roll Call:

Presiding: President Bui-Thompson

Present: Directors Rose, Fishman, Herber, Kerth,  
Tamayo, and Sanborn

Present also were Paul Lau, Chief Executive Officer and General Manager; Laura Lewis, Chief Legal & Government Affairs Officer and General Counsel and Secretary, and members of SMUD's executive management; and SMUD employees and visitors.

Director Tamayo shared the environmental tip.

President Bui-Thompson called for approval of the agenda.

Director Herber moved for approval of the agenda, Director Fishman seconded, and the agenda was unanimously approved.

Director Fishman, Chair, presented the report on the Strategic Development Committee meeting held on September 7, 2021.

Director Sanborn, Chair, presented the report on the Policy Committee meeting held on September 8, 2021.

Vice President Rose, Chair, presented the report on the Energy Resources & Customer Services Committee meeting held on September 15, 2021.

Director Herber, Chair, presented the report on the Finance and Audit Committee meeting held on September 15, 2021.

President Bui-Thompson then called for public comment for items on the agenda, but none were forthcoming.

President Bui-Thompson then addressed the consent calendar consisting of Items 3 through 9. Director Tamayo moved for approval of the consent calendar, Director Sanborn seconded, and Resolution Nos. 21-09-01 through 21-09-05 were unanimously approved.



**RESOLUTION NO. 21-09-01**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

That this Board hereby approves Board member compensation for service rendered at the request of the Board (pursuant to Resolution 18-12-15) for the period of August 16, 2021, through September 15, 2021.

Approved: September 16, 2021

INTRODUCED: DIRECTOR TAMAYO				
SECONDED: DIRECTOR SANBORN				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
BUI-THOMPSON	X			
ROSE	X			
FISHMAN	X			
HERBER	X			
KERTH	X			
TAMAYO	X			
SANBORN	X			

**RESOLUTION NO. 21-09-02**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

This Board accepts the monitoring report for **Strategic Direction**  
**SD-7, Environmental Leadership**, substantially in the form set forth in  
**Attachment A** hereto and made a part hereof.

Approved: September 16, 2021

INTRODUCED: DIRECTOR TAMAYO				
SECONDED: DIRECTOR SANBORN				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
BUI-THOMPSON	X			
ROSE	X			
FISHMAN	X			
HERBER	X			
KERTH	X			
TAMAYO	X			
SANBORN	X			

# SACRAMENTO MUNICIPAL UTILITY DISTRICT

## OFFICE MEMORANDUM

**TO:** Board of Directors

**DATE:** August 31, 2021

**FROM:** Claire Rogers *CR 8/31/21*

**SUBJECT: Audit Report No. 28007342  
Board Monitoring Report; SD-07: Environmental Leadership**

Audit and Quality Services (AQS) received the SD-07 *Environmental Leadership* 2020 Annual Board Monitoring Report and performed the following:

- A review of the information presented in the report to determine the possible existence of material misstatements;
- Interviews with report contributors and verification of the methodology used to prepare the monitoring report; and
- Validation of the reasonableness of a selection of the report's statements and assertions.

During the review, nothing came to AQS' attention that would suggest the SD Board Monitoring report did not fairly represent the source data available at the time of the review.

**CC:**

Paul Lau

# Board Monitoring Report 2020

## SD-7 Environmental Leadership



### 1. Background

Strategic Direction 7 ([SD-7](#)), Environmental Leadership states that:

Environmental leadership is a core value of SMUD. In achieving this directive, SMUD will:

- a. Conduct its business affairs and operations in a sustainable manner by continuously improving pollution prevention, minimizing environmental impacts, conserving resources, and promoting equity within SMUD's diverse communities.
- b. Provide leadership and innovation to improve air quality and reduce greenhouse gas emissions.
- c. Promote the efficient use of energy by our customers.
- d. Advance the electrification of vehicles, buildings, and equipment.
- e. Attract and build partnerships with customers, communities, policy makers, the private sector, and other stakeholders.

### 2. Executive Summary

SMUD's focus on environmental leadership is clearly evident in our 2030 Clean Energy Vision and Zero Carbon Plan, but it also includes transparent reporting of GHG emissions, natural resource stewardship and our concerted efforts to make all of our communities more sustainable. This report highlights some of the accomplishments SMUD achieved in 2020 to showcase our commitment to environmental leadership.

We are compliant with the five tenets of SD-7 and our successes include making CDP's (formerly known as the Carbon Disclosure Project) "A List" for tackling climate change, and incorporating environmental justice (EJ) into our California Environmental Quality Act (CEQA) process. A number of our staff and programs received distinguished recognition too, and our efforts are highlighted in the following Appendices: Appendix A (Examples of SMUD Efforts Supporting SD-7), Appendix B (2020 SD-7 Pamphlet), Appendix C (2015-2020 SMUD GHG Emissions Trends), Appendix D (Sustainable Communities), and Appendix E (Acronyms).

### 3. Additional Supporting Information

#### 2030 Clean Energy Vision and Zero Carbon Plan

For decades, SMUD has been a leader in clean energy and carbon reduction. SMUD's goal is to eliminate carbon emissions from our power supply is more ambitious than the already aggressive state mandates and is ahead of virtually all other utilities in the United States. Our 2030 Zero Carbon Plan is a flexible road map to achieve our zero carbon goal while ensuring all customers and communities we serve reap the benefits of decarbonization.

Zero carbon emissions brings benefits not only globally, but also locally with reduced emissions GHG emissions, improving local air quality, job creation opportunities, and leadership move away from the use of fossil fuels.

### **Greenhouse Gas (GHG) Emissions**

SMUD is a leader in addressing global climate change and is an active member of The Climate Registry (TCR). SMUD reports its third-party verified GHG emissions to the California Air Resources Board (CARB), TCR and CDP. Staff also reports sulfur hexafluoride (SF<sub>6</sub>) emissions and aids with reporting GHG emissions from the Joint Power Authorities (JPAs) to the US Environmental Protection Agency (EPA).

For 2020, GHG emissions were approximately 1.925 million metric tons carbon dioxide equivalent (CO<sub>2</sub>e)<sup>1</sup>. This is an increase of about 229 thousand metric tons from 2019 emissions yet reflects an overall downward trend over the past six years (Appendix C). Fluctuations in total emissions year-to-year are primarily attributed to hydroelectricity production and natural gas contract rates. Lower hydroelectricity generation leads to higher utilization of SMUD's thermal power plants and increased purchased power leading to higher emissions. Over the past several years, SMUD's efforts to procure power from zero and low-emission sources (e.g., hydro, wind and solar) have resulted in a lower carbon footprint.

SMUD uses or supplements the use of biofuels at its thermal power plants to reduce our carbon compliance obligation and we generated approximately 189 gigawatt hours (GWh) of power from biofuels in 2020. Emissions from biofuels are typically considered "carbon-neutral" under several GHG reporting protocols including California's Cap-and-Trade Program.

### **CDP "A List"**

SMUD was recognized for our leadership in corporate sustainability by global environmental non-profit CDP, securing a place on its prestigious ["A List"](#) for the first time. SMUD was recognized for its actions to cut emissions, mitigate climate risks, and develop the low-carbon economy based on reported data.

CDP's annual environmental disclosure and scoring process is widely recognized as the gold standard of corporate environmental transparency. SMUD is one of a small number of high-performing companies out of over 9,600 that were scored in 2020. Through significant demonstrable action on climate, SMUD is leading on environmental ambition, action, and transparency worldwide.

### **TCR Climate Registered™ Platinum Status**

For the second year in a row, SMUD was awarded Climate Registered™ Platinum status by TCR, a non-profit organization which designs and operates voluntary and compliance GHG reporting programs. To date, SMUD has submitted over 10 years of verified inventories to TCR. Climate Registered™ Platinum level recognition is the second highest tier that can be achieved which SMUD earned by publicly reporting its

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<sup>1</sup> The 2020 GHG emissions value represents emissions associated with delivering power to SMUD customers and does not include emissions associated with wholesales into the market. The 2020 emissions from wholesale power are approximately 0.327 million metric tons of CO<sub>2</sub>.

third-party verified GHG emissions inventory for its operations in 2020, and by setting and disclosing its ambitious GHG reduction goals. GHG inventory data enables us to track the effectiveness of our climate initiatives and GHG reductions over time.

### **Notices of Violation (NOVs)**

SMUD and its joint powers authority (JPA) contractor, EthosEnergy, strive to be good corporate citizens and responsible environmental stewards that comply with all local, state, and federal rules and regulations. In 2020, we received no NOVs or similar citations that include civil and/or criminal penalties.

### **California Mobility Center (CMC)**

SMUD continued its leadership and support of the CMC by leveraging relationships with our Sustainable Communities partners who conducted outreach and job readiness training to prepare residents in underserved communities for stable, upwardly mobile careers. With SMUD's support, the CMC obtained grants worth over \$2M and is growing their workforce development efforts to reach even more community members, opening doors to emerging zero-carbon careers.

### **Sustainable Communities**

To promote environmental equity as well as inclusive economic and community development, SMUD continues to focus community partnerships, programs, and neighborhood outreach activities in vulnerable and under-resourced communities through its Sustainable Communities program. SMUD has invested over \$5 million into this initiative, leveraging partnerships to increase positive impact in these areas of need. The goal is to ensure access to an inclusive clean energy future in the Sacramento Region regardless of zip code or socio-economic status by focusing on equitable access to mobility, a prosperous economy, a healthy environment, and social well-being as seen in Appendix D.

### **Environmental Justice and California Environmental Quality Act (CEQA) Process**

SMUD now considers environmental justice (EJ) impacts as part of our CEQA review process. The EJ chapter identifies and addresses current environmental burdens and relevant socioeconomic characteristics using analysis from elsewhere in the CEQA document and from data sets within the [Sustainable Communities Resource Priorities Map](#) including [CalEnviroScreen](#). A project's potential to worsen existing adverse environmental and public health conditions is evaluated to determine if the project would negatively impact the local community. If so, community enhancements are proposed to lessen any negative impacts as part of our CEQA process.

### **Sacramento Tree Foundation (STF) Sacramento Shade Program**

In 2020, the STF distributed 9,831 trees as part of its Sacramento Shade program serving 3,303 customers. A total of 829 of the trees were planted at public sites such as schools and parks, and 3,146 (32%) were planted in under-canopied communities to help resolve regional tree canopy inequity. The total carbon (stored in biomass and avoided) for these trees is estimated at 31,775.1 metric tons. To better understand issues related to tree planting and care, STF NeighborWoods organizers actively engage residents to help resolve tree planting impediments.

### **Wildfire Mitigation Plan (WMP)**

SMUD's goal is to provide safe, reliable, environmentally sustainable, and economical electric service to its communities. SMUD constructs, maintains, and operates our electrical lines and equipment to minimize any risk of catastrophic wildfire. Our updated 2021 [WMP](#) describes the range of activities we are doing to mitigate the threat of power-line ignited wildfires, including various programs, policies and procedures. The WMP meets or exceeds the requirements of Public Utility Commission (PUC) section 8387 for publicly owned electric utilities and customers can find additional information at [Wildfire Safety](#).

### **Workflow Integration Program (WIP)**

The WIP processed 261 planned overhead and underground electrical infrastructure projects in 2020. Avoidance and minimization measures (AMMs) were prescribed for 62 projects to reduce impacts on sensitive biological resources and the risk of NOV's. Field crews were given information on AMMs in their job packets, including descriptions of resources they could encounter, pre-construction survey requirements and the potential inclusion of biological and/or cultural monitors.

### **Environmental Leadership Recognition**

Energy Strategy Research and Development project manager Joshua Rasin received a Technology Transfer Award from the Electric Power Research Institute (EPRI) for his work demonstrating the capacity and value of water heaters to support grid operation in low carbon future (2/20). The Energy StorageShare Program was recognized by Environment + Energy Leader, the California Municipal Utilities Association, and the Clean Energy States Alliance (2020). SMUD tied for first among national utilities for the JD Power Sustainability Index (7/20). Presented by Plug In America, SMUD received the 2020 Drive Electric Award as an outstanding utility for showing leadership and having significant impact on the adoption of electric vehicles (9/20).

### **Pollinator Support**

SMUD is an active member of the Electric Power Research Institute's (EPRI) Power-in-Pollinators initiative which promotes and supports pollinator conservation among electric utilities. This partnership shares the latest scientific findings, case studies and tools to assist with the integration of pollinator-friendly practices into utility vegetation, facilities, and land management with the goal of restoring pollinator habitat and reversing species declines. We are partnering with the UC Davis Wild Energy Lab, EPRI and the Xerces Society to research pollinator-friendly native grasses and wildflowers, ecosystem health and soil carbon storage at Rancho Seco Solar II. We also plan to study the impacts of solar panel shading and soil moisture on milkweed establishment success as part of that larger research effort. We sent a letter to the U.S. Fish and Wildlife Service (USFWS) in support of the Candidate Conservation Agreement with Assurances (CCAA) program which encourages voluntary monarch butterfly habitat conservation. We are working with EPRI on a technical assessment of SMUD's landholdings for monarch butterfly habitat suitability and our website now includes [pollinator information](#). We regularly evaluate weed control alternatives in our Integrated Vegetation Management program and work to minimize the use of herbicides throughout our system. When feasible, we use goats and sheep to graze dry grass and brush in our

transmission corridors and other land holdings, reducing the need for herbicides and the risk of fires caused by mowing.

#### **4. Challenges**

The COVID-19 pandemic changed how we conduct business as our company and stakeholders pivoted to mostly remote workplaces. SMUD continues to experience challenges with federal, state, and local regulators as rules and regulations evolve, and some agencies are slow to issue permits due to a lack of resources. We expect delays to continue as many long-term agency employees retire and less experienced staff are left to manage changing policies. Additionally, we are actively supporting electric vehicle (EV) integration in our fleet (11.8% electric) as well as our region, which is challenging as technology changes quickly and we want to ensure EV adoption in all of the communities we serve.

We continue to expend considerable resources on numerous, complicated environmental remediation projects (e.g., Station E, the Former Community Linen site, 59<sup>th</sup> Street Reuse, Thornton Substation, and the North City Landfill Cap Design and Construction). Some of these efforts were additionally challenging due to regulatory changes made at the national level that do not consider California-specific factors.

We conduct monthly eagle injury and mortality monitoring at the Solano Wind Project in compliance with our 2019 Incidental Eagle Take Permit. With seven golden eagle fatalities, we are approaching the 12 eagle incidents authorized under the permit. We are coordinating with the U.S. Fish and Wildlife Service to develop and implement mitigation measures including operational changes to reduce the number of fatalities. We are also proposing to apply for a permit extension two years earlier than anticipated in order to avoid exceeding the number of authorized take.

#### **5. Recommendation**

It is recommended that the Board accept the Monitoring Report for SD-7, Environmental Leadership.

#### **6. Appendices**

- A. Examples of SMUD Efforts Supporting SD-7
- B. 2020 SD-7 Pamphlet
- C. 2015-2020 SMUD Greenhouse Gas Emissions Trends
- D. Sustainable Communities
- E. Glossary of Acronyms



## Appendix A

### Examples of SMUD Efforts Supporting Strategic Direction 7 (SD-7)

SD-7 Requirement	Supporting Effort
A) SMUD will conduct its business affairs and operations in a sustainable manner by continuously improving pollution prevention, minimizing environmental impacts, conserving resources, and promoting equity within SMUD's diverse communities.	SMUD exceeds state and federal requirements for public outreach for both the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA); Station E; 59 <sup>th</sup> Street; Former Community Linen; North City landfill closure; Workflow Integration; Wildfire Mitigation Plan; Partnership with Sacramento Tree Foundation (9831 trees distributed to customers in 2020 with 32% in disadvantaged communities); SMUD Green Team; Rancho Seco Solar II; Climate Resiliency planning; Environmentally Sustainable Purchasing Program (ESPP); Sustainable Communities; Pollinator Support; SD-5 (Customer Relations); SD-13 (Economic Development); SD-15 (Outreach and Communication); CA Clean Air Day.
B) SMUD will provide leadership and innovation to improve air quality and reduce greenhouse gas emissions.	2030 Clean Energy Vision and Zero Carbon Plan; Third-party verified annual GHG reporting to the U.S. Environmental Protection Agency (EPA), California Air Resources Board (CARB), The Climate Registry (TCR) and CDP; GHG reduction efforts; Hydrogenation-Derived Renewable Diesel (HDDR); SF <sub>6</sub> database pilot; SD-9 (Resource Planning); Integrated Resource Plan (IRP); SD-10 (Research and Development); Rancho Seco Solar II; ESPP; CA Clean Air Day.
C) SMUD will promote the efficient use of energy by our customers.	Greenenergy <sup>®</sup> ; SolarShares <sup>®</sup> ; Energy Assistance Program Rate (EAPR); home electricity reports; SMUD app; Incentives, rebates, and loans; web tools; educational opportunities for customers; BERCC Sustainability Series; SD-5 (Customer Relations); SD-13 (Economic Development); SD-15 (Outreach and Communication); Sustainable Communities program; Powerhouse Science Center.
D) SMUD will advance the electrification of vehicles, buildings, and equipment	California Mobility Center; Fleet Electrification; Building Electrification; Sustainable Communities program; Incentives, rebates, and loans.
E) SMUD will attract and build partnerships with customers, communities, policy makers, the private sector, and other stakeholders.	111 Sustainable Communities partnerships; Electric Power Research Institute (EPRI); Electric Utility Industry Sustainable Supply Chain Alliance (EUISSCA); Partnership with Sacramento Tree Foundation (9831 trees distributed to customers in 2020 with 32% in disadvantaged communities).

## Appendix B SD-7 Summary Pamphlet

### Greenhouse Gas (GHG) Emissions

SMUD is a leader in addressing global climate change and is an active member of The Climate Registry (TCR). SMUD reports its third-party verified GHG emissions to the California Air Resources Board (CARB), TCR and CDP (formerly the Carbon Disclosure Project). SMUD also reports GHG emissions and sets with reporting GHG emissions from the Joint Power Authority (JPA) to the US Environmental Protection Agency (EPA).

For 2020, GHG emissions were approximately 1,925 million metric tons carbon dioxide equivalent (MTCO<sub>2</sub>e). This is an increase of about 229 thousand metric tons from 2019 emissions yet reflects an overall downward trend over the past six years (Appendix C). Fluctuations in total emissions year to year are primarily attributed to hydroelectricity production and natural gas contract rates. Lower hydroelectricity generation leads to higher utilization of SMUD's thermal power plants and increased purchased power leading to higher emissions. Over the past several years, SMUD's efforts to procure power from zero and low-emission sources (e.g., hydropower, wind and solar) have resulted in a lower carbon footprint.

SMUD burns biofuels at its thermal power plants to reduce our carbon compliance obligation and we generated approximately 180 gigawatt-hours (GWh) of power from biofuels in 2020. Emissions from biofuels are typically considered "carbon-neutral" under several GHG reporting protocols including California's Cap and Trade Program.

Year	Total Emissions (MTCO <sub>2</sub> e)	Scope 1 & 2 Emissions (MTCO <sub>2</sub> e)	Scope 3 Emissions (MTCO <sub>2</sub> e)
2018	~1,925	~1,700	~225
2019	~1,700	~1,500	~200
2020	~1,925	~1,700	~225

For questions concerning SMUD's environmental services programs, please contact Patrick Durham, Director of Environmental, Safety and Real Estate Services, at 916-732-6327.

**SMUD**

### Environmental Leadership

SMUD's focus on environmental leadership is clearly evident in our 2030 Clean Energy Vision and Zero Carbon Plan, but it also includes transparent reporting of GHG emissions, natural resource stewardship and our concerted efforts to make all of our communities more sustainable. This report highlights some of the accomplishments SMUD achieved in 2020 to showcase our commitment to environmental leadership.

**We are compliant with the five tenets of SD-7** and our successes include making CDP's formerly known as the Carbon Disclosure Project "A List" for tackling climate change, and incorporating environmental justice (EJ) into our California Environmental Quality Act (CEQA) process. A number of our staff and programs received distinguished recognition too.

#### CDP "A List"

SMUD was recognized for our leadership in corporate sustainability by global environmental non-profit CDP, securing a place on its prestigious "A List" for the first time. SMUD was recognized for its actions to cut emissions, mitigate climate risks, and develop the low-carbon economy based on reported data. CDP's annual environmental disclosure and scoring process is widely recognized as the gold standard of corporate environmental transparency. SMUD is one of a small number of high-performing companies out of over 1,800 that were scored in 2020. Through significant demonstrable action on climate, SMUD is leading on environmental ambition, action, and transparency worldwide.

**Environmental Leadership Recognition**

SMUD is an active member of the Electric Power Research Institute's (EPRI) Power-to-Pollinator initiative which promotes and supports pollinator conservation among electric utilities. This partnership shares the latest scientific findings, case studies and tools to assist with the integration of pollinator-friendly practices into utility vegetation, facilities, and land management with the goal of restoring pollinator habitat and reversing species declines. We are partnering with the UC Davis Wild (Energy Lab), EPRI and the Xerces Society to research pollinator-friendly native grasses and wildflowers, ecosystem health and soil carbon storage at Rancho Seco V. We also plan to study the impacts of solar panel shading and soil moisture on milkweed establishment success as part of that larger research effort. We sent a letter to the U.S. Fish and Wildlife Service in support of the Candidate Conservation Agreement with Assurances (CCA) program which encourages voluntary monarch butterfly habitat conservation. We are working with EPRI on a technical assessment of SMUD's landholdings for monarch butterfly habitat suitability and our website now includes pollinator information. We regularly evaluate weed control alternatives in our Integrated Vegetation Management program and work to minimize the use of herbicides throughout our system. When feasible, we use goats and sheep to graze dry grass and brush in our transmission corridors and other land holdings, reducing the need for herbicides and the risk of fires caused by mowing.

**Sacramento Tree Foundation (STF) Sacramento Shade Program**

In 2020, the STF distributed 9,831 trees as part of its Sacramento Shade program serving 3,303 customers. A total of 627 of the trees were planted at public sites such as schools and parks, and 3,146 (32%) were planted in underserved communities to help resolve regional tree canopy inequity. The total carbon stored in biomass and avoided for these trees is estimated at 31,773.1 metric tons. To better understand issues related to tree planting and care, STF Neighborhoods' organizers actively engage residents to help resolve tree planting impediments.

**For the second year in a row, SMUD was awarded Climate Registry™ Platinum status by TCR, a non-profit organization which designs and operates voluntary and compliance GHG reporting programs.**

### 2030 Clean Energy Vision and Zero Carbon Plan

For decades, SMUD has been a leader in clean energy and carbon reduction. Our 2030 Clean Energy Vision continues the commitment with our goal to reach zero carbon emissions in our power supply by 2050. This goal puts the Sacramento Region on the map as an example to follow and a region where innovative, climate-friendly businesses want to be. Going zero carbon brings benefits not only globally, but also locally with job creation opportunities, and since reduced emissions improve local air quality and overall health. SMUD's goal to eliminate carbon emissions from our power supply is more ambitious than the already aggressive state mandates and is ahead of virtually all other utilities in the United States. Our 2030 Zero Carbon Plan is a flexible road map to achieve our zero carbon goal while ensuring all customers and communities see some step the benefits of decarbonization.

#### Sustainable Communities

To promote environmental equity as well as inclusive economic and community development, SMUD continues to focus community partnerships, programs, and neighborhood outreach activities in vulnerable and underserved communities through its Sustainable Communities program. SMUD has invested over \$5 million into this initiative, leveraging partnerships to increase positive impact in these areas of need. The goal is to ensure access to an inclusive clean energy future in the Sacramento Region regardless of zip code or socioeconomic status by focusing on equitable access to mobility, a prosperous economy, a healthy environment, and social well-being.

#### Environmental Justice and California Environmental Quality Act (CEQA) Process

SMUD now considers environmental justice (EJ) impacts as part of our CEQA review process. The EJ chapter identifies and addresses current environmental burdens and relevant socioeconomic characteristics using analysis from elsewhere in the CEQA document and from data sets within the Sustainable Communities Resource Priorities Map including Call-to-Action. A project's potential to worsen existing adverse environmental and public health conditions is evaluated to determine if the project would negatively impact the local community. If so, community enhancements are proposed to lessen any negative impacts as part of our CEQA process.

### Pollinator Support

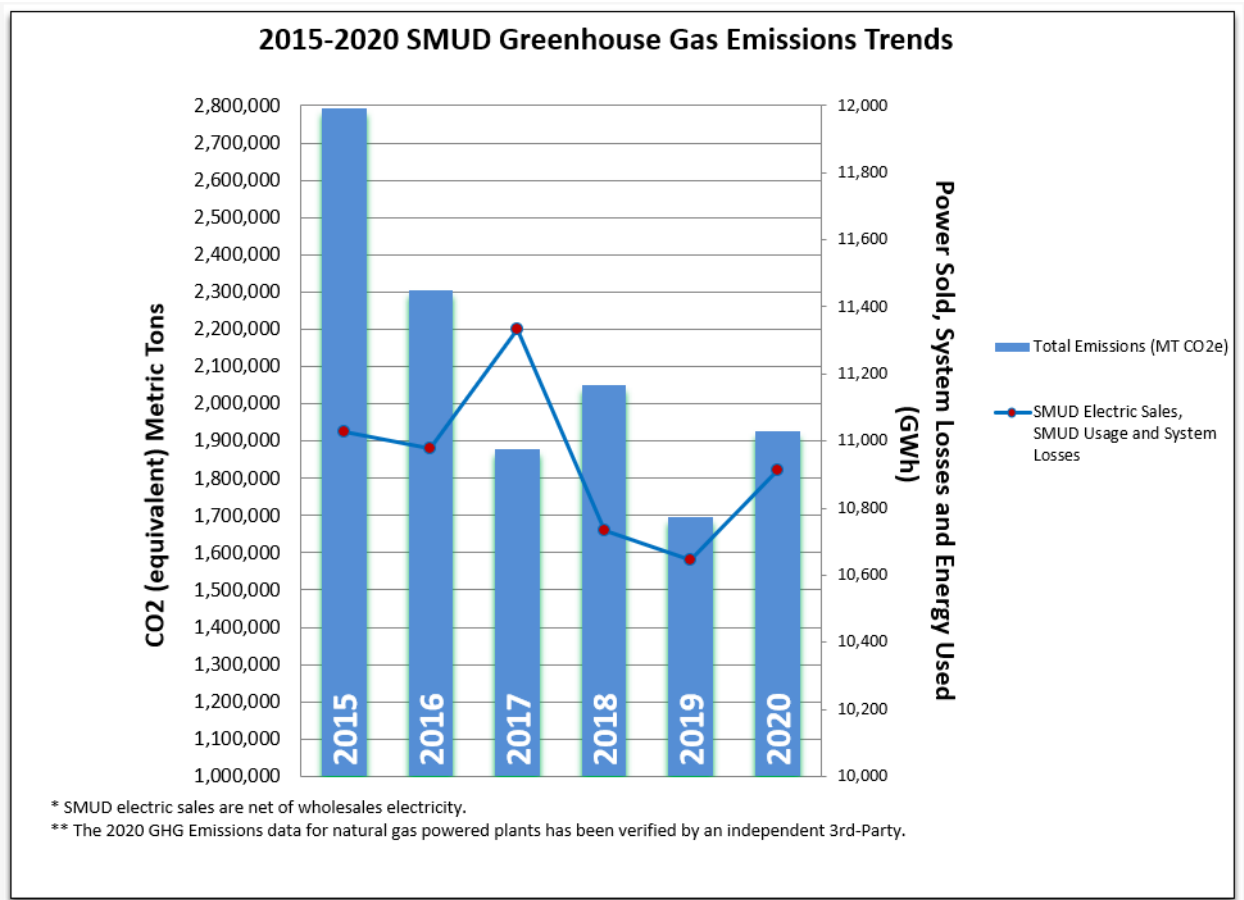
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## Appendix C<sup>2</sup>



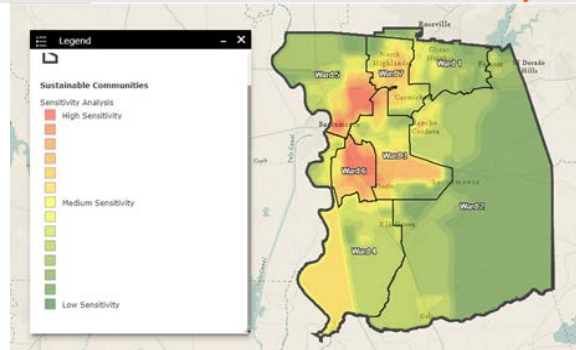
<sup>2</sup> Unlike SD-9, the emissions data in SD-7 is not normalized.

## Appendix D

### Sustainable Communities Deliverables and Accomplishments To-Date



**SMUD's Sustainable Communities Priority Map**



To deploy comprehensive resources for our communities most in need, we must align our region's investments toward the goal of creating and supporting healthy, vibrant, and economically sustainable neighborhoods. Our Sustainable Communities Resource Priorities Map is a result of SMUD's data-driven approach to geographically identify areas of inequity within the Sacramento region that highlight where future resources may be optimally utilized. This interactive map helps analyze current data to identify under-resourced and distressed areas in our region, driven by lack of community development, income, housing, employment opportunities, transportation, medical treatment, environmental sustainability mitigation, nutrition, education, and clean environment.



<https://sdgs.un.org/goals>

### United Nations Environmental Justice Principles

Prioritize human health and quality of life

Do no further harm

Prioritize Environmental Justice Communities

Meaningful Community Engagement

Be Responsive

Be Accountable

Be Transparent

Engage in Proactive Partnerships

## Sustainable Communities Mapping and Metrics

## Ensuring Equitable Outcomes

April 14, 2021
9
Board Energy Resources & Customer Services Committee and Special SMUD Board of Directors Meeting

<https://www.cdc.gov/climateandhealth/effects/default.htm>

### Impact of Climate Change on Human Health

**“Climate change challenges our commitment to achieve equity in health and wellbeing in California, as it deepens the need to take actions that reduce vulnerabilities and increase resilience to climate change in our communities.”**

April 14, 2021
4
Board Energy Resources & Customer Services Committee and Special SMUD Board of Directors Meeting

# Sacramento Region Inclusive Economic Conditions- 2018-2020 Sustainable Communities Outcomes

## Racial Inclusion- 31 (Improved 15 spots)

- Change in Employment gap46
- Change in median earnings gap25
- Change in relative poverty gap21

## Geographic Inclusion- 30 (Decreased 7 spots)

- Change in neighborhood employment gap8
- Change in median household gap8
- Change in neighborhood poverty gap21

## Growth - 34 (even)

- Change in Jobs 27
- Change in Gross Metropolitan Product80
- Change in jobs at young firms45

## Prosperity- 33 (Improved 1 spot)

- Change in Productivity 34
- Change in average annual wage30
- Change in standard of living37

## Inclusion-15 (Improved 5 spots)

- Change in employment rates11
- Change in median earnings27
- Change in relative poverty rate 9

2020 Sacramento Region Economic Outcomes Post COVID19 (Brookings Institute March 2021)	
COVID-19 cases	N/A
Jobs	-7.3%
Unemp. rate	+4.6%
Job postings	+9.7%
Air passengers	-61.2%
Work trips	-36.5%
Small biz hours	-34.3%
Small biz open	-27.7%
Active listings	-52.0%
Listing price	+19.8%
Commercial vacancies	+0.4%
Multifamily rent	+7.5%

April 14, 2021

3

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



## **Appendix E**

### List of Acronyms

<b>AMM</b>	Avoidance and Minimization Measure
<b>BERC</b>	Business Environmental Resource Center
<b>CARB</b>	California Air Resources Board
<b>CCAA</b>	Candidate Conservation Agreement with Assurances
<b>CDP</b>	Carbon Disclosure Project (formerly)
<b>CEQA</b>	California Environmental Quality Act
<b>CMC</b>	California Mobility Center
<b>CO<sub>2</sub></b>	Carbon Dioxide
<b>CO<sub>2</sub>e</b>	Carbon Dioxide Equivalent
<b>EAPR</b>	Energy Assistance Program Rate
<b>EJ</b>	Environmental Justice
<b>EPA</b>	Environmental Protection Agency
<b>EPRI</b>	Electric Power Research Institute
<b>ESPP</b>	Environmentally Sustainable Purchasing Program
<b>EUISSCA</b>	Electric Utility Industry Sustainable Supply Chain Alliance
<b>EVs</b>	Electric Vehicles
<b>GHG</b>	Greenhouse Gas
<b>GWh</b>	Gigawatt Hour
<b>HDRD</b>	Hydrogenation Derived Renewable Diesel
<b>IRP</b>	Integrated Resource Plan
<b>JPA</b>	Joint Power Authority
<b>MT</b>	Metric Tons
<b>NEPA</b>	National Environmental Policy Act
<b>NOV</b>	Notice of Violation
<b>PUC</b>	Public Utility Commission
<b>SD</b>	Strategic Direction
<b>SEPA</b>	Smart Electric Power Alliance
<b>SF<sub>6</sub></b>	Sulfur Hexafluoride
<b>SMUD</b>	Sacramento Municipal Utility District
<b>STF</b>	Sacramento Tree Foundation
<b>TCR</b>	The Climate Registry
<b>WIP</b>	Workflow Integration Program
<b>WMP</b>	Wildfire Mitigation Plan

**RESOLUTION NO. 21-09-03**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

This Board accepts the monitoring report for **Strategic Direction SD-9, Resource Planning**, substantially in the form set forth in **Attachment B** hereto and made a part hereof.

Approved: September 16, 2021

INTRODUCED: DIRECTOR TAMAYO				
SECONDED: DIRECTOR SANBORN				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
BUI-THOMPSON	X			
ROSE	X			
FISHMAN	X			
HERBER	X			
KERTH	X			
TAMAYO	X			
SANBORN	X			



## SACRAMENTO MUNICIPAL UTILITY DISTRICT

### OFFICE MEMORANDUM

**TO:** Board of Directors

**DATE:** August 31, 2021

**FROM:** Claire Rogers *CR 8/31/21*

**SUBJECT: Audit Report No. 28007343  
Board Monitoring Report; SD-09: Resource Planning**

Audit and Quality Services (AQS) received the SD-09 *Resource Planning* 2021 Annual Board Monitoring Report and performed the following:

- A review of the information presented in the report to determine the possible existence of material misstatements;
- Interviews with report contributors and verification of the methodology used to prepare the monitoring report; and
- Validation of the reasonableness of a selection of the report's statements and assertions.

During the review, nothing came to AQS' attention that would suggest the SD Board Monitoring report did not fairly represent the source data available at the time of the review.

**CC:**

Paul Lau

# Board Monitoring Report 2021

## SD-9, Resource Planning



### 1. Background

It is a core value of SMUD to provide its customers and community with a sustainable power supply using an integrated resource planning process.

A sustainable power supply is one that reduces SMUD's greenhouse gas (GHG) emissions to serve retail customer load to Zero by 2030. Zero GHG emissions will be achieved through investments in energy efficiency, clean distributed energy resources, renewables portfolio standard (RPS) eligible renewables, energy storage, large hydroelectric generation, clean and emissions free fuels, and new technologies and business models. Additionally, SMUD will continue pursuing GHG savings through vehicle, building and equipment electrification. SMUD shall assure reliability of the system, minimize environmental impacts on land, habitat, water and air quality, and maintain competitive rates relative to other California electricity providers.

To guide SMUD in its resource evaluation and investment, the Board sets the following energy supply goal:

Year	Greenhouse Gas Emissions (metric tons)
2020	2,318,000
2030 - beyond	0

In keeping with this policy, SMUD shall also achieve the following:

- Pursue energy efficiency and electrification to reduce carbon emissions by 365,000 metric tons from buildings and 1,000,000 metric tons from transportation in 2030 (the equivalent of 112,000 single family homes and 288,000 passenger vehicles electrified).
- Procure renewable resources to meet or exceed the state's mandate of 33% of SMUD's retail sales by 2020, 44% by 2024, 52% by 2027, and 60% of its retail sales by 2030 and thereafter, excluding additional renewable energy acquired for certain customer programs.
- In meeting GHG reduction goals, SMUD shall:
  - Emphasize local and regional benefits.
  - Improve equity for under-served communities.
- Explore, develop, and demonstrate emerging GHG-free technologies and business models.
- Promote cost effective, clean distributed generation through SMUD programs.

### 2. Executive Summary

SMUD's integrated resource planning process informs long-term strategic development by the various business units within SMUD, and efforts are made to balance reliability, sustainability, environmental, financial, and customer objectives while achieving SD-9 goals.

In 2020, SMUD's Board took two actions related to our SD-9 Goals. SMUD's Board (1) updated the SD-9 energy efficiency goal to a carbon-based metric and established building-electrification goals and (2) adopted a Climate Emergency Resolution that calls on the Board to work towards carbon neutrality by 2030. In 2021, the Board further revised our SD-9 targets and put us on a path to eliminate GHGs from our power supply by 2030.

In April 2021, SMUD's Board adopted our 2030 Zero Carbon Plan, our road map to eliminating carbon emissions from our electricity production by 2030. Under this plan, we're working to eliminate GHG

emissions from our power plants, develop new distributed energy resource business models, research emerging grid-scale carbon free technologies, and expand our investments in proven clean technologies. We have made progress implementing this plan including undertaking new studies, studying new zero carbon resources, and piloting new programs.

In 2020, our normalized GHG emissions were 1.624 million metric tons (MMt), which continues to be below our 2020 goal. We also met our 2020 RPS target of 33% renewables by 2020. As this report demonstrates, **in 2020, SMUD was in compliance with each of the goals for the year established in SD-9.**

### 3. Additional Supporting Information

#### A. Implementation of our 2030 Zero Carbon Plan

Our 2030 Zero Carbon Plan is our road map to eliminating carbon emissions from our electricity supply by 2030 while maintaining reliable and affordable service and partnering with our customers, communities, and a wide range of stakeholders on this journey. This plan calls for eliminating GHGs from our power plants and expanding our investments in proven clean technologies. Below, is a discussion of our current carbon footprint as well as an update on the near-term actions we're taking to implement our 2030 Zero Carbon Plan; for more detailed project information, see Appendix C.

As shown in Table 1, SMUD's adjusted GHG footprint in 2020 was 1.624 MMt, lower than our 2020 target of 2.318 MMt. SMUD's main sources of GHG emissions were from SMUD's thermal power plants and market purchases.

**Table 1: 2020 SD-9 Carbon Footprint & Near-term Targets**

Source	Net Power (GWh)	CO2e Emissions (1000 t) <sup>1</sup>
Net Generation and Power Purchases	12,331	2,252
Wholesale	(1,417)	(327)
<b>SMUD Electric Sales, SMUD Usage and System Losses</b>	<b>10,914</b>	<b>1,925</b>
Adjustment for Normal Load		(34)
Adjustment for Normal Wind and Hydro		(260)
REC Banking Adjustment		(7)
<b>SMUD Normalized Total (estimate)</b>		<b>1,624</b>
<b>2020 Target</b>		<b>2,318</b>

#### ***Expanding our Sustainable Power Supply; Local and Regional Benefits***

We're focused on reimagining our generation portfolio through retirement or retooling of our natural gas assets, expanding our local investments in proven clean technologies and launching pilot projects and programs for new and emerging technologies all while continuing our work to improve equity for our under-resourced communities.

#### Natural Gas Generation

Currently, our natural gas-fired thermal power plants are economic and reliable sources of both energy and non-energy services to the system, but are our largest source of GHGs. Moving forward,

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<sup>1</sup> Based on SMUD's internal accounting and represent best estimates available. The thermal power plant emissions, SMUD's largest source of emissions, have been independently verified. Biogenic emissions are excluded as they are part of the natural carbon cycle.

we're considering what role these units could play in our zero carbon future and we are on track with our year one implementation priorities.

- We are performing detailed studies of reliability and the impacts of retiring McClellan and Campbell; infrastructure planning and reliability studies are also underway. These studies are on schedule.
- We are conducting industry outreach, have begun preliminary research on the Allam-Fetvedt Cycle<sup>2</sup> and are expanding our understanding of clean fuels that could be viable alternatives as we transition away from natural gas. Additionally, we're probing long duration energy storage options and are further exploring hydrogen as part of the DOE's H2 Blend Collaborative Partnership Grant.

### Proven Clean Technologies and Zero Emission Resource Development

Acquisition of additional proven clean technologies, such as renewables, batteries, and hydroelectric power will further help reduce and ultimately eliminate our GHG emissions. Staff continue to conduct procurement efforts, cultivate new resource development, and implement new ideas. In 2020, we added over 180 MW of renewables and have over 1,000 MW of new renewables and storage in the pipeline for development to serve our customers due online in the coming years.

Although our goals are more ambitious than already aggressive state mandates, we continue to implement a renewable energy strategy that fulfills state RPS requirements and gives our customers the choice to further reduce their emissions with renewable energy products. SMUD achieved our 2020 RPS target by providing 33% of retail sales with renewables and are on path to achieving the next RPS statutory requirement of 44% RPS in 2024.

We continue to be a leader in the nation by offering our customers renewable pricing choices. Last year SMUD delivered 1,271 GWhs, 12.5% of retail sales, to customers participating in Greenergy and SolarShares. Our Greenergy program served more than 74,000 residential and commercial participants with 950 GWh and our Large Commercial SolarShares program met program expectations, delivering 321 GWhs to customers. Our Neighborhood SolarShares project, approved by the CEC in early 2020, will be served entirely from solar resources within SMUD's service territory. The first of those resources, Wildflower (13 MW), came online in December 2020.

We are on track with our year one 2030 Zero Carbon Plan implementation priorities in this area.

- Locational analysis, system impact studies, and economic valuation work are ongoing
- The team is exploring and evaluating delivery options for out-of-area renewables.
- The process to develop and issue competitive solicitation for new proven clean technology projects is ongoing; we are assessing need for new resources in the 2024-2027 timeframe.

### New Technology and Business Models

Using proven clean technology, we expect to be able to reduce our carbon emissions by 90% without compromising reliability or our low rates. To eliminate the last 10%, we'll need to explore, develop, and demonstrate new technologies. As part of our 2030 Zero Carbon Plan, we are on track with our year one implementation priorities in this area.

- Perform information technology system upgrades to enable DERs and VPPs – this work is ongoing, anticipated completion in early 2022.

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<sup>2</sup> A process that involves burning fossil fuel with oxygen instead of air to generate electricity without emitting any carbon dioxide

- Work integrating DERs in operations, distribution and the grid planning process is ongoing and will evolve based on our experience with our new load flexibility pilots.
- To support our load flexibility efforts, we're preparing to launch a portfolio of pilots, including behavioral, multi-DER, and storage virtual power plant, and are working to expand our EV managed charging and vehicle-to-grid demonstrations. Our residential Multi-DER Virtual Power Plant, which will launch in 2021 and a residential NextGen 2-way A/C load control switch program, is expected to be launched within the next couple years.

We continue to fund research and development efforts and to look for grants for clean energy and GHG reduction projects. Finally, recognizing the importance of equity, we will continue to prioritize under-resourced communities to help reduce the energy bill burdens of our low-income customers while ensuring equity in our program offerings.

### ***Improving Equity through Workforce Development in Under-Resourced Communities***

SMUD's carbon reduction actions help reduce climate change, but our work is about more than that. We are staying true to our roots—as a community-owned organization, implementation of our 2030 Zero Carbon Plan will deliver wide-reaching benefits to our community, including expanded workforce development program offerings, while focusing on equity and strengthening our communities—one SMUD, one Sacramento.

- SMUD has partnered with the California Mobility Center (CMC) and community-based organizations (La Familia Counseling Center, Inc., Asian Resources, Inc., and Greater Sacramento Urban League) to provide job readiness and technical training to over 300 community participants to prepare them for careers in the clean mobility sector.
- Additionally, SMUD and its Promise Zone partners graduated 25 students from the inaugural "Energy Career Pathways" solar training class. SMUD and its partners continue to work with graduates on job placement, with a total of 12 placements to date. After a short hiatus due to COVID-19 restrictions, SMUD restarted an expanded program in 2021 with a new partner, Grid Alternatives, which expects to graduate 100 participants in the program.

## **B. Energy Efficiency and Electrification Goals**

### ***Energy Efficiency and Building and Vehicle Electrification***

The Building Energy Efficiency portfolio includes offerings for residential retailer incentives, residential customer rebates, commercial builder incentives, and commercial customer rebates. The Building Electrification portfolio includes offerings for gas-to-electric conversions of water heating equipment, space heating equipment, and cooktops delivered through residential new construction, whole house retrofits, and prescriptive equipment rebates. In 2020, our energy efficiency and building electrification programs reduced emissions by 25,786 tCO<sub>2</sub> [Civic Carbon].<sup>3</sup> By 2030, our goal is to have these programs reduce emissions by 365,000 MT in 2030, the equivalent of 112,000 single family homes. We are on track to meet this goal. We are on track to reduce carbon emissions by 365,000 metric tons from buildings in 2030.

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<sup>3</sup> The DER Cost Effectiveness Tool evaluates and accounts for DER program effectiveness on achieving our prior 2040 Net Zero goal. This estimate is the 2020 gross annual emissions impact. It is a measure of the carbon reduced from measures, programs, and the DER portfolio. It is reported in each year the "measure" is installed on the grid and within its useful life. The tool will be updated to reflect our current 2030 Zero Carbon Vision so the 2020 carbon emission impact from this report should be considered draft and will be revised for the next monitoring report.

SMUD's Transportation Electrification portfolio includes offerings in residential vehicle incentives, dealership incentives, residential outreach, commercial charger incentives, and commercial vehicle incentives. At the end of 2020, we had 17,977 EVs registered within SMUD's service territory, an increase of 4,821 registered vehicles and an estimated CO2 reduction of 22,300 metric tons. 16,179 are residentially registered EVs. We are on track to pursue transportation electrification to reduce carbon emissions by 1,000,000 metric tons from transportation in 2030.

### **C. Promote Cost Effective Clean Distributed Generation and Storage**

SD-9 requires that SMUD develop programs to promote cost effective, clean distributed generation. The following describes progress in 2020 and alignment with our 2030 Zero Carbon Plan.

#### ***Flexible Demand***

Our flexible demand programs seek to optimize operation of our customer-partner's equipment and distributed energy resources while balancing customer-partner and grid needs as well as compensating customers for the energy they supply into SMUD's grid for use by other customers. In past, DERs have mainly focused on rooftop solar and heating/cooling technologies, but now include EVs, water heaters, solar panels with smart inverters, batteries, and more.

With our PowerDirect program, commercial customers were notified six times to curtail load; average load reduction of 2.06 MW to 9.56 MW across the duration of the events. <sup>4</sup> Under our temperature dependent rates, two commercial customers were notified three times during the summer, 13.55 to 15.46 MW of load reduction. <sup>5</sup> Finally, Peak Corps provides about 59 MW of resource adequacy capacity and remains an operational resource to be used in case of an emergency. Our dispatchable programs provide an expected load shed range of 53.5 to 79.5 MW; our non-dispatchable programs provide between 0 and 15.5 MW of expected load shed.

As part of our load flexibility programs, we offer time-of-day rates, which give the majority of our customers more time on the lower priced non-summer seasonal rate. In 2020, the TOD rate program exceeded our expectations, providing vital reductions in our peak load, carbon emissions and commodity costs. For more details, please see Appendix C.

As part of our 2030 Zero Carbon Plan, pilot programs aimed at flexible energy use will allow customers to reduce their energy usage and bills at times when grid stress is the highest.

#### ***Clean Distributed Generation and Storage***

In 2020, we had over 34,000 customer-sited PV installations in SMUD's service territory. 35 MW of customer sited solar PV was installed and 3.17 MW of customer-sited energy storage projects were installed or in progress, 2.96 MW in residential and 0.206 MW in commercial. In addition, we procured a 4.4 MW SMUD owned utility-scale battery.

### **4. Challenges**

There were no notable challenges to meeting the goals in SD-9.

### **5. Recommendation**

It is recommended that the Board accept the Monitoring Report for SD-9.

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<sup>4</sup> NERC WebDADs report

<sup>5</sup> NERC WebDADs report

## Appendix A – SD-9 History

SD-9 was established by SMUD's Board in 2004 and provides direction for SMUD's ongoing environmental leadership and the use of an IRP process to achieve these directives while balancing environmental goals with financial and customer rate impacts and reliability requirements. SMUD's strategic directions have evolved as markets, policies and laws have changed.

In December 2008, the Board added sustainable power supply as the overall objective of the integrated resource planning process and set a GHG emissions target. In 2018 the Board updated our greenhouse gas reduction goals to include a 2040 Net Zero GHG goal. In 2020, the Board amended SD-9 to adopt carbon-based targets for energy efficiency and building electrification. This change represents the first time a major utility has used carbon as its efficiency tracking metric, and was done to better align our energy efficiency and electrification programs as well as to align both of those programs with our evolving energy supply picture.

In April 2021, the Board adopted Resolution No. 21-04-04 which updated the SD-9 direction to align with our 2030 goal of 0 MT GHG emissions in our energy supply by 2030, as put forth in our *2030 Zero Carbon Plan*. SMUD has embarked on a path to zero carbon by 2030, focusing on zero carbon resource acquisition and new renewable energy contracts, expanding on customer programs for energy efficiency and building and transportation electrification, developing new voluntary customer programs, and researching emerging clean energy technology. Under SD-9, SMUD's goal is the reduction of long-term GHG emissions for serving retail load from its current state to zero carbon by 2030, more aggressive than California's goal of 20% of 1990 emissions by 2050.

## Appendix B – Methodology Discussion

### ***Normalization Adjustments***

Emissions adjustments to the actual footprint include a *decrease* to account for higher than expected energy usage by SMUD customers, a *decrease* to account for lower than expected hydro production, an *decrease* to account for lower than expected wind production and a *decrease* for using banked renewable energy credits (RECs). In 2020, SMUD strategically utilized banked RECs to achieve RPS mandates as additional large renewable projects are developed. In previous years, SMUD procured more renewable energy than required and received credits for future use. These credits were saved or banked in accordance with RPS rules. Using these banked RECs lowers SMUD's normalized emissions because any emissions impacts were realized at an earlier date.

### ***Renewable Portfolio Standard (RPS)***

State law requires SMUD procure renewable generation of at least 33% of retail sales by December 31, 2020 and 60% by 2030 as well as interim targets be achieved over compliance periods<sup>6</sup>. In 2020, we achieved our and the State's RPS target with 3,200 GWh of eligible RECs.

## Appendix C – Detailed Project Descriptions

### ***Sustainable Communities***

Implementation of our 2030 Zero Carbon Plan will deliver wide-reaching benefits to our community while focusing on equity and strengthening our communities.

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<sup>6</sup> Senate Bill 100 (De León, Chapter 312, Statutes of 2018) increased RPS targets to 44% by the end of 2024, 52% by the end of 2027, 60% by the end of 2030 and sets a statewide retail sales goal of 100% RPS eligible and zero-carbon resources by 2045.

- Transportation Electrification. SMUD is dedicated to partnering with the community to expand eMobility Hubs throughout our region, which will be strategically located at sites in under-resourced communities. These Hubs will include various modes of transportation such as public transit, micro mobility, shared mobility, ride hail, taxi services, community electric vehicles, public EV charging stations, etc. Additionally, EV programs will be expanded to assist customers that own or lease an electric vehicle to charge at home by providing low cost or free EV charging infrastructure for income eligible customers and expertise on home charging solutions. We also have incentive funds available to expand EV charging infrastructure at public locations, multifamily properties and affordable housing sites.
- Load Flexibility. SMUD will work to ensure that all customers can participate in the portfolio of load flexibility pilots launching in 2021 and 2022. These pilots are necessary to meet our 2030 zero carbon goal, yet they can sometimes require costly technology like a smart thermostat, electric vehicle, or battery storage system to participate. SMUD will continue to explore ways in which our load flexibility pilots can be more inclusive despite this barrier. Examples surfaced to date include integrating load flexibility program enrollment into our existing low-income weatherization program, which already provides a no-cost smart thermostat in most cases. Another example would be creating a no-cost technology installation pathway for low-income homeowners or renters to participate in our virtual power plant with their heating/cooling system.
- Building Electrification and Energy Efficiency. To support SMUD's equity efforts as part of the 2030 Zero Carbon Plan, SMUD will continue expansion of its existing efforts to provide no-cost energy retrofit installations to income eligible residential customers for both gas-to-electric conversions and electric-to-electric upgrades. Available project measures include electric heat pump water heaters, electric heat pump HVAC units, seal and insulate projects, and panel upgrades. In addition, SMUD will continue to provide a low-income incentive premium for projects within SMUD's Multifamily retrofit program that meet affordable housing criteria

Our Sustainable Communities Workforce Development efforts partner with organizations to reach into our community to understand the challenges that residents face in pursuing good-paying careers.

- SMUD and its Promise Zone partners graduated 25 students from the inaugural "Energy Career Pathways" solar training class. The class recruited participants from underserved communities and helped them access high-paying solar jobs by demonstrating proficiency in the areas of energy industry knowledge, solar installation and the social, teamwork, and safety skills needed to be successful in the workforce. Despite the challenges presented by the onset of the COVID-19 pandemic, several students were hired-on by solar companies immediately upon graduating. SMUD and its partners continue to work with graduates on job placement, with a total of 12 placements to date. As part of the program, trainees installed two solar trees each at The Greater Sacramento Urban League and the Simmons Community Center. The installation of these solar trees not only serves to beautify our community and help to promote renewable energy, but they also provide class participants with hands-on experience building solar structures. After a short hiatus due to COVID-19 restrictions, SMUD restarted an expanded program in 2021 with a new partner, Grid Alternatives, which expects to graduate 100 participants in the program.
- SMUD is partnering with the California Mobility Center and community-based organizations (La Familia Counseling Center, Inc., Asian Resources, Inc., and Greater Sacramento Urban League) to provide job readiness and technical training to over 300 community participants to prepare them for careers in the clean mobility sector. The CMC provides an atmosphere where clean mobility start-ups can grow and drive new business opportunities and this partnership will ensure that these new business opportunities will have an already trained, local workforce to draw upon. The infrastructure that is used to design and manufacture clean mobility vehicles will also be used to train priority populations.



Additionally, to deploy comprehensive resources for our communities most in need, we must align our region's investments toward the goal of creating and supporting healthy, vibrant, and economically sustainable neighborhoods. We have several data collection and visualization initiatives aimed at matching areas of inequity within the Sacramento region with future investment; we're working to address potential inequities in the way we do business.

- Our Sustainable Communities Resource Priorities Map is a result of SMUD's data-driven approach to geographically identify areas of inequity within the Sacramento region that highlight where future resources may be optimally utilized. This interactive map helps analyze current data to identify under-resourced and distressed areas in our region, driven by lack of community development, income, housing, employment opportunities, transportation, medical treatment, environmental sustainability mitigation, nutrition, education and clean environment. Recently, we used this map to analyze thermal power plants in high/moderately high sensitivity areas that should be targeted for emissions reductions.
- Also, part of our data-driven approach to equity, our internal Sustainable Communities Dashboard tracks funding and links partners and projects across six key focus areas – Institutional Support and Outreach, Education, Health Equity, Environmental Leadership, Economic Development, and Transportation and Access. These metrics coupled with expanded access to equitable workforce pipeline and business creation, will serve to validate investments across focus areas.
- SMUD will establish a structure for institutionalizing and operationalizing DEI strategies by creating an equity index to provide evaluation of new & existing SMUD programs & incentives.

### ***Proven Clean Technology Projects***

Table C-1 details new proven clean technology procurement activities.

**Table C-1: New Procurement and Project Development Status**

Project Name	Type	MW	Status	Projected Online Date
Sacramento Valley Energy Center	PV	250	Planning	2024
	Battery	100		
King's Country	PV	50	Planning	2024
Sacramento Solar	PV	340+	Planning	2024
	Battery	170+		
Solano 4	Wind	91	Pre-Construction	2024
Hedge Battery	Battery	4MW/ 8MWh	Under Construction	2021
NTUA Drew Solar	PV	100	Under Construction	2022
South Fork Powerhouse	Small Hydro	3	Online	2020
Wildflower	PV	13	Online	2020
Chili Bar	Small Hydro	7	Online	2021
Rancho Seco 2	PV	160	Online	2021
<b>Total</b>		<b>1,000+</b>		

Additionally, in the near-term, we are exploring options to procure or develop new zero emission resources, including local solar and storage, to help achieve our 2030 Zero Carbon Vision.

## Energy Efficiency Programs

In 2020, SMUD's residential new construction program completed 230 newly built all-electric homes, and installed 928 gas-to-electric heat pump water heaters in existing homes, 1,265 gas-to-electric heat pump HVAC systems in existing homes, and 78 gas-to-electric induction cooktops in existing homes.

Below is a summary of some of our 2020 energy efficiency and building electrification accomplishments including our energy efficiency improvement and building electrification initiatives for our income eligible customers.

**Table C-2: 2020 Energy Efficiency and Building Electrification Accomplishments**

Measures & Projects	Results
Commercial Projects Completed Complete Energy Solutions	47
Commercial Projects Through Express Energy Solutions	3,681
Custom Commercial Projects Completed	41
New Efficient Commercial Buildings Constructed	25
Multifamily Apartments Retrofitted (Electric To Electric)	622
Multifamily Apartments Retrofitted (Gas To Electric)	45
Efficient Induction Cooktops (Electric To Electric)	86
Efficient Induction Cooktops (Gas To Electric)	78
Energy Star Products Purchased through RPP Retailers	23,059
Advanced Power Strips Installed	4,320
Old Refrigerators Recycled	9,949
Pool Pumps Purchased	879
Residential Heat Pump Water Heaters Installed (Electric To Electric)	77
Residential Heat Pump Water Heaters Installed (Gas To Electric)	928
Residential HVAC Installations (Electric To Electric)	2,540
Residential HVAC Installations (Gas To Electric)	1,265
Residential Seal and Insulate Installations	346
All Electric New Homes Constructed	230
<b>Income Eligible Energy Efficiency Bundles and Electrification</b>	<b>Results</b>
Solar + Weatherization	743
Energy Saver Deep Home Retrofits	743
Energy Saver House Bundles	421
Energy Saver Apartment Bundles	1,194
Virtual Energy Education	1,014
Weatherization	808
Energy Saver bundle for Mobile Homes	277
Heat Pump Space Heating (Gas to Electric)	226
Heat Pump Water Heaters (Gas to Electric)	97
Induction Stoves (Gas to Electric)	23

## **Vehicle Electrification**

In 2020, the California Mobility Center (CMC) prepared to move from its pre-launch phase to commercial operations, which began March 2021. This transition helped us achieve a major milestone towards our transportation electrification objectives, 288,000 passenger vehicles electrified by 2030, and defined Sacramento as a hub for innovation. In 2020, SMUD continued its leadership and support of the CMC, leveraging relationships with our Sustainable Communities partners who conduct outreach and job readiness training to prepare residents in underserved communities for jobs in stable, upwardly mobile careers. With SMUD's support, the CMC obtained grants worth over \$2M and is expanding their workforce development efforts to reach even more community members, opening doors to emerging zero carbon careers.

SMUD team members also collaborate broadly through the Sacramento PEV Collaborative, which includes the County of Sacramento, the City of Sacramento, Sacramento Metropolitan Air Quality Management District (SMAQMD), Sacramento Area Council of Governments (SACOG), State of California agencies, UC Davis Institute of Transportation Studies, Electrify America, Sac EV and many others.

In 2020, SMUD's Drive Electric program continued to promote adoption of plug-in electric vehicles (PEV) through a special EV rate offering, our "Charge Free for 2 years" rebate, and participation in educational events, educational offerings through our website <http://www.SMUD.org/DriveElectric> and in collaboration with local auto dealers and Sac EV. In 2020, SMUD's Charge Free for Two Years EV incentive ended in Q4 and was replaced by the statewide California Clean Fuel Reward program. In 2020, SMUD approved 1,846 EV incentives for the purchase or lease of a new EV.

Due to COVID restrictions, in lieu of in-person events, staff produced a virtual ride & drive video to expand capabilities and reach. The video, designed for customers, is "experiential" and to the extent possible educates viewers on many "EV lifestyle" elements.

Other 2020 activities included:

- Transitioned to live online dealer EV sales training webinars in response to COVID and implemented on-demand online training as an additional resource to enhance dealer certification as PlugStar certified dealers. Twenty-two dealers are participating in the program.
- Implemented an "EV Concierge" service for SMUD customers through Plug in America's Electric Vehicle Support Program offering live one-on-one support answering questions on all things EV.
- Implemented our first EV auto dealership competition to encourage and incentivize EV sales and reward dealerships and their staff for increased EV promotion.
- Developed and launched the Clean Cars for All program in conjunction with SMAQMD. This program provides up to \$9,500 toward a new or used PEV for income-qualified residents living in areas impacted by higher levels of pollution (disadvantaged communities).
- Facilitated the second *Charge Up Change!* EV video competition in which middle school students produce a video on why "EVs are cool" and compete for monetary awards and other recognition.
- SMUD partnered with the California Energy Commission and the Center for Sustainable Energy to launch the California Electric Vehicle Infrastructure Project (CALeVIP) in Sacramento County to promote the installation of public level II and DC fast charging stations. The partnership was the first of its kind in the state, and is being used as a model for projects in other areas of California. In 2020, SMUD staff hosted a contractor training to 70 attendees to provide overview of the State CALeVIP and Commercial EV programs.

Additionally, SMUD conducted and supported research to increase EV adoption:

- Awarded \$85,000 incentive to a Shell gas station for the installation of a 50kW DC Fast Charger (DCFC) located in a high traffic area, miles from any other DCFC.
- Analyzed the extent to which SMUD's electric transportation programs impacted EV adoption.
- Researched and verified technical solutions to reduce total installed cost of EV charging for commercial customers.
- Identified fleet vehicles suitable for EV replacements for five commercial customers and provided them with a total cost of ownership compared to gas or diesel vehicles.
- Contributed \$200K for the Del Paso Mobility Hub, which started grid interconnection and site construction in 2020. The Del Paso Mobility Hub will provide sensible, clean, affordable transportation and other social benefits to an underserved community, helping advance equitable electric transportation adoption in Sacramento, the state, and the country. The project is expected to be operational August 2021.

### ***Time-of-Date Rates***

Our residential customers reduced overall load in the range of 110-130 MW, similar to 2019 levels, despite the increase in residential load due to COVID. In addition to avoiding peak energy prices, customers, on average, saved money using more energy in the middle of the day when retail energy prices are cheaper, and renewables are abundant. Participation in the program has remained strong with 98% of customers on TOD rates.

**Table C-3: 2020 Results of TOD Implementation**

<b>Benefits</b>	<b>Assumed based on pilot</b>	<b>2019 Normal Weather</b>	<b>2020 Normal Weather</b>
Carbon reduction (tonnes)	3K-5K	12.8K	12.8K
Residential peak load reduction	75MW, or 5.8%	~130MW, or 8%	~110MW – 130MW, or 7-8%
Financial benefit	\$4M annually	\$5M estimated	\$6M - \$8M** estimated
Selection of TOD	96%	98%	98%

### ***Zero Emission Resources***

We are continuing to fund research and development efforts as well as pursue grants for clean energy and GHG reduction projects in 2020 and beyond as part of our 2030 Zero Carbon Plan. Below are some of those projects.

- Carbon Projects for Zero Carbon Planning. Completed high level techno-economic assessments of proven clean technology expansion opportunities (wind, on-shore and off-shore; solar; geothermal; biomass/biogas for RNG), long duration storage technologies, carbon capture, renewable hydrogen and gas pipeline analysis. Results of these assessments were utilized as inputs into the modeling and planning efforts for the Zero Carbon Plan.
- Assessment of Alternative Clean Fuels. The 2030 Zero Carbon Plan calls for a shift in the role of natural gas electricity generation towards decarbonization using carbon negative or carbon free fuel sources. This shift represents much of the flexibility built into the Plan. With the 2030 Zero Carbon Plan in mind, a study was initiated for deep understanding of the resource sustainability, existence of supply/suppliers, price forecasts, market trends, and the

economic/technical feasibility of these alternative biofuels that will facilitate decision making across many business units. The clean fuels to be researched in this project include ethanol, biodiesel, renewable diesel, RNG, hydrogen, and others.

- Wind Resources in Northern CA. In order to meet SMUD's 2030 zero carbon goals, SMUD may need to procure wind resources outside of the service territory. This project was initiated to perform a study of all the available wind generation resource in Northern California with the potential to be delivered to the SMUD Balancing Authority. This study will concentrate on turbine blade tip heights under 500', 600' and 700'. AECOM was tasked to complete this study by the end of 2021.
- Zero CI Electricity Pathway for Wind. Completed the first annual report submitted to CARB for Zero CI electricity pathway from wind energy systems. Monetized value garnered from LCFS credits from this Zero CI pathway is about \$1.0 Million with GHG reduction of about 5,202 MT (Q2 to Q4 2020 only).
- Long Duration Energy Storage Market (LDES) & Technology. This project addresses intermittency of higher penetration of renewable sources and lower costs in replacing thermal generation assets beyond the economics of Lithium-ion batteries. Comparative market and economic analysis of all long duration energy storage technologies (Chemical, Mechanical, Electrochemical, Thermal & Hybrids) to serve as an initial screening for future LDES in-depth studies. Analysis will identify pros and cons and will compare LCOEs, technology maturity, markets, benefits and challenges
- Long Duration Flow Battery Study. Initiated an assessment of the feasibility of using long duration flow batteries at the BESS/HEDGE site after PV3 is removed. LDES may serve as a viable alternative to traditional thermal plant operations.
- Geothermal resource opportunities. A follow-up study was initiated to identify geothermal project opportunities that would include identifying projects, engaging with developers, and providing resource technical due diligence to support SMUD with assessing possible opportunities for power purchase agreement.
- Allam Fetsvedt Cycle. Direct-fired, supercritical CO<sub>2</sub> power cycle with in-situ oxy-combustion designed to capture CO<sub>2</sub> is being investigated to understand its status and commercial opportunities, assess any technical issues, and potential applicability to help achieve SMUD's Zero Carbon Plan.
- LCFS Electricity Pathway for New Hope Dairy Digester. Completed the certification of New Hope Dairy Digester Electricity Pathway to charge EVs with CI score of -750.81 gCO<sub>2</sub>/MJ (CI Deemed Complete: 1/1/2021, CI Certified on 6/28/2021, CI Start Date: 1/1/2021)
- Dairy Digesters e-RIN Applications. This project entails the development and submission of the biogas-to-electricity pathway applications for Van Steyn, Van Warmerdam and New Hope dairy digesters under the USEPA-Renewable Fuel Standard (RFS) otherwise known as electricity Renewable Identification Number (eRIN). This is Federal credits akin to LCFS credits that can be generated when electricity produced from dairy digester biogas is used to charge electric vehicles in SMUD Service Area or in California. If monetized, eRIN may amount to 12-33 cents/kWh, a financially fit proposition and supports the growth of electric transportation.
- Concentrating Solar with Thermal Energy Storage. Assessment of current CSP+TES technologies, levelized cost of energy and consideration of commercial viability of local or regional development prior to 2030.
- Long duration thermal energy storage. Feasibility analysis and cost assessment of long-duration, utility-scale, solid state energy storage solution.

## ***Grant Funded Clean Energy Projects***

- Hydrogen Blend Collaborative Research. Received \$12.45 M grant award from USDOE H2@Scale Initiative with NREL as the Prime Applicant for hydrogen blending research with participation from six National Laboratories and more than 20 industry and academia participants with combined cost share of over \$4 Million. This project will address the barriers on pipeline materials compatibility & degradation related to the blending of hydrogen into natural gas pipelines, a concept referred to as HyBlend. Blending hydrogen into the natural gas infrastructure has national and regional benefits by storing green hydrogen for energy storage, resiliency and emissions reduction. SMUD will provide data and will serve as one of the sites or use cases for injection point of H2. Data that will be provided will be used for techno-economic analysis to quantify costs and opportunities of H2 production and blending with natural gas. Completed the execution and kickoff of collaborative research agreement for this project.

## ***Distributed Generation Studies***

- PRECISE Project – Completed requirements and the QA environment integration. Unit tests were completed with oracle driver installation. Additionally, produced training material for SMUD Engineers on how to use PRECISE for evaluating PV interconnection applications and to identify advanced inverter settings that each PV system with a smart inverter is to be set to. Worked with NREL to further refine the development of this advanced interconnection assessment tool that won the 2019 R&D 100 award for deployment at SMUD.
- LCFS Electricity Pathway for Van Warmerdam and Van Steyn Dairy Digesters. Completed the first annual re-calculation of carbon intensities (CIs) and annual report with recent performance data that were submitted to CARB. Monetized value of LCFS credits from certified CIs for both Van Warmerdam and Van Steyn dairy digesters with over \$1.2 Million gross for both facilities and with total credits of 7,856 MT or GHG reduction (Q4 2019 to Q4 2020).
- DER Carbon Tool. Completed the development and expansion of DER planning and modeling tool that assess carbon reduction/savings, budgeting, portfolio optimization, cost effectiveness and load forecasting for EE and building electrification, electric vehicles (EV), solar PV, battery storage and flexible load measures.
- EPRI DRIVE. Completed the operational transfer of EPRI DRIVE evaluation software tool to Distribution Planning Engineers enabling them to more efficiently and effectively evaluate the technical impacts of DERs on distribution systems.
- Allume PV Disaggregation. Partner with Allume, developer of SolShare, which enables interconnection and management of electron flowing from a single PV array to co-located meters at a multifamily dwelling property, overcoming one of the main barriers to rooftop PV for multifamily properties not eligible for net-energy metering. Still in ideation, plan to work with owner/manager of multiple fourplexes serving predominantly low-income residents to test the functionality, billing accuracy, and feasibility of Allume's PV disaggregation software as an alternative to virtual net-energy metering for multifamily dwellings that are not designated affordable housing.

## ***Climate Change and Carbon Reduction Research Projects undertaken in 2020***

This program provides technical, economic, and policy expertise on climate change and impacts to SMUD territory supporting SMUD's IRP goals, assisting operations in addressing climate vulnerabilities, and creating opportunities for customers and community partners who support climate neutrality and regenerative projects with a net positive impact.

- Natural Refrigerant Incentive Program, which targets commercial and industrial systems, continued executing grant-funded field assessment and reporting on two new grocery store

installations, expected to deliver over 10,000 tons CO2e reduction relative to conventional systems.

- Began planning for ecosystem service integration research at SMUD's Rancho Seco II Solar project, including soil carbon monitoring, native seeding and hedgerows, grazing and pollinator field studies (Delayed due to COVID-19)
- Completed research on physical climate impacts and summarized key findings relevant to SMUD's service territory, generation, transmission and sourcing locations.

### **Renewable Energy Programs**

Greenery is a voluntary green pricing program that gives customers the option to support carbon free energy generation by paying a fixed monthly rate (\$4 or \$8) to match either 50% or 100% of their usage with renewable energy credits. When a customer enrolls in Greenery their usage is tracked according to their enrollment level. SMUD uses the proceeds from this program to purchase renewable or carbon free power or renewable energy credits to supply participants from generators located within the western US. These purchases are in addition to our RPS requirements.

In 2018, the CEC adopted new Title 24 Building Energy Efficiency Standards that, beginning in 2020, now requires solar on new homes, with some exceptions. These standards are expected to drive additional solar installations within SMUD's service territory. In 2020, the CEC approved SMUD's application for our Neighborhood SolarShares program to act as an alternative compliance method for California's rooftop solar mandate in the 2019 Title 24 Building Code.

### **Customer-side Solar Status**

In 2016, SMUD achieved our SB1 Program funding goals for residential and commercial installations. Currently, there are remaining SB1 funded projects still under development. Additionally, residential and commercial solar systems are being installed under our net-energy metering tariff. In 2020, nearly 36 MW of customer solar was installed in SMUD service territory under net-energy metering agreements. Table C-4 summarizes solar installation data through 2020.

**Table C-4: Installed Customer PV<sup>7</sup>**

	SB-1		Residential		Commercial		Totals	
	Installed Systems	MW	Installed Systems	MW	Installed Systems	MW	Installed Systems	MW
<b>2020</b>	38	0.193	4,924	22.2	149	13.38	5,111	35.78
<b>Totals</b>	14,673	129.76	19,138	85.12	442	37.71	34,253	252.59

<sup>7</sup> This table includes NEM, Solar Smart, VNEM installations, and projects funded with SB-1 dollars.

**RESOLUTION NO. 21-09-04**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

This Board accepts the monitoring report for **Strategic Direction SD-10, Innovation**, substantially in the form set forth in **Attachment C** hereto and made a part hereof.

Approved: September 16, 2021

INTRODUCED: DIRECTOR TAMAYO				
SECONDED: DIRECTOR SANBORN				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
BUI-THOMPSON	X			
ROSE	X			
FISHMAN	X			
HERBER	X			
KERTH	X			
TAMAYO	X			
SANBORN	X			



## SACRAMENTO MUNICIPAL UTILITY DISTRICT

### OFFICE MEMORANDUM

**TO:** Board of Directors

**DATE:** August 31, 2021

**FROM:** Claire Rogers *CR 8/31/21*

**SUBJECT: Audit Report No. 28007344  
Board Monitoring Report; SD-10: Innovation**

Audit and Quality Services (AQS) received the SD-10 *Innovation* 2021 Annual Board Monitoring Report and performed the following:

- A review of the information presented in the report to determine the possible existence of material misstatements;
- Interviews with report contributors and verification of the methodology used to prepare the monitoring report; and
- Validation of the reasonableness of a selection of the report's statements and assertions.

During the review, nothing came to AQS' attention that would suggest the SD Board Monitoring report did not fairly represent the source data available at the time of the review.

**CC:**

Paul Lau

# Board Monitoring Report 2021

## SD-10 Innovation



### 1) Background

SD-10 States:

Delivering innovative solutions, products and services to our customers is a core value. To assure our long-term competitiveness, SMUD shall invest in research and development projects that support its core and key values, and integrate emerging technologies and new business models into SMUD's customer offerings in a way that balances risk, and opportunity, and benefits our customers and community.

### 2) Executive Summary

SMUD's R&D portfolio addresses innovation and challenges in *electric transportation, energy efficiency, building electrification, energy storage, generation, climate change, load flexibility and grid evolution*. The research provides insight into future planning and supports the development of near-term technology solutions for SMUD customers and the grid. SMUD's distributed energy strategy pursued technologies, business models and customer offerings to expand the use of emerging technologies by our customers, while enhancing value to SMUD and our community. A number of foundational initiatives were launched or expanded this year to support SMUD's Zero Carbon Plan (ZCP) goals and to integrate innovation into standard processes.

**Our conclusion is that SMUD is in compliance with SD-10 Innovation.**

SD Requirement	Purpose	Outcome	Notes
<b>Project Implementation</b>	Project distribution indicates breadth of portfolio diversity and prioritization of program areas.	65 active projects in 2021. 16 projects are complete as of August 1, 2021 <sup>1</sup> .	This reflects a 55% increase in active projects and 27% reduction in completions compared to the previous reporting period.
<b>Risk</b>	Technology risk assesses ability to meet expected performance goals. Implementation risk assesses probability of deployment.	72% of projects are deemed low to medium-low technology risk. 77% are deemed low to medium-low implementation risk.	The risk portfolio is consistent with the previous reporting period. Potential risks are managed by creating a diversified portfolio and partnering with other entities to distribute risk and mitigation.
<b>Benefits</b>	Research stage and benefits timeframe indicate the relevance of portfolio to address customer needs and strategic planning.	80% of projects are in stages 4-5 <sup>2</sup> . 92% are expected to provide benefits to SMUD or customers within 5 years.	Percent of stages 4-5 is higher than 2020's 76%, indicating more focus on near-term applications. Benefits time frame is consistent with 2020.

Table 1: SD Requirements Compliance

<sup>1</sup> Reporting metrics and achievements reflect the reporting period of October 1, 2020 – August 1, 2021.

<sup>2</sup> Stage 1 - Preliminary Investigation, Stage 2 - Concept Definition/Lab scale, Stage 3 - Concept Development (Prototype/bench scale), Stage 4 - Technology Development and Verification (pilot scale; field testing), Stage 5 - Commercialization

### **3) Additional Supporting Information**

#### **Project Implementation**

Energy Strategy, Research and Development (ESR&D) has the primary responsibility of meeting SD-10; however, notable relevant innovation occurs throughout SMUD.

#### **Electric Transportation (ET)**

Transportation electrification will improve air quality and reduce net greenhouse gas emissions and petroleum consumption to support energy sustainability, while creating new revenue streams for SMUD. This strategy is supported through investigation of mitigation of grid impacts due to charging, improvement of electric vehicles (EV) value via pricing signals and remote controls, increased EV adoption and access to charging.

#### **Key Achievements:**

- Del Paso Mobility Hub began construction to provide clean, affordable transportation to an underserved community, helping advance ET social equity.
- Issued RFP for the Charging as a Service program and Fleet Advisory Services. Contract for services will go to the Board for approval this fall.
- Awarded two CEC grants: Blueprints Grant to develop plans with SMAQMD and the City of West Sac for grid infrastructure to deploy EV charging and fuel cell EV hydrogen fueling infrastructure supporting medium- and heavy-duty fleets; and BESTFIT grant supporting the managed charging and vehicle-to-grid demonstration at Twin Rivers School District.
- Ordered five customized electric medium-duty Zeus trucks for SMUD's fleet.
- Received EPRI Technology Transfer Award for our collaboration on modeling work that established incremental benefits of EV programs on EV adoption.
- Completed our first annual attribution study which confirmed that our electric transportation programs are increasing EV adoption as planned.

#### **Energy Efficiency (EE) & Electric Buildings (EB)**

This program area optimizes energy delivery costs and improves grid asset utilization through targeted, time-specific energy efficiency and building electrification as well as by capturing permanent outcomes in building codes. ESR&D explores emerging and underutilized technologies; working to enhance advanced applications in building decarbonization and energy efficiency and increase technology adoption

#### **Key Achievements:**

- Supported the City of Sacramento in adopting a local ordinance requiring all-electric new construction starting 2023, with few exceptions.
- Characterized local restaurant market and assessed multiple prototype designs for opportunities and technical barriers to electrification.
- Analyzed technical options to help customers adopt electric technology without requiring grid service upgrades, which can have large financial impacts for the ~80,000 accounts with electric service cables buried directly underground.

- Develop Electrification Readiness and Future State Ideation planning reports, to describe how SMUD's incentive programs can scale to reach statewide goals.
- SMUD is a founding sponsor of the Advanced Water Heater Initiative, which works nationally to drive increased penetration and operation of heat pump water heaters and received support from the U.S. DOE in May. Delivered the "Building Demand for Unitary Heat Pump Water Heaters" report under this effort.
- Established working group to assess the feasibility of a local electric kitchen innovation center, including local community members, and SMUD staff.

### **Energy Storage (ES)**

Significant research is needed to enable storage as a reliable and integrated grid asset. ESR&D seeks to evaluate solutions that align customer benefit with grid needs by enabling behind the meter energy storage to act as virtual power plants and establish grid storage solutions to increase renewables integration while maintaining reliability.

#### **Key Achievements:**

- Procured 9.03 MW of storage, including dairy biogas using lagoon digester and 389 customer installations (2.62 MW as of Aug. 4, 2021) to support future Load Flexibility programs, exceeding target set for 2020.
- SMUD's first utility-scale battery project, 4.4 MW/8.8 MWh adjacent to Hedge substation, began construction in May 2021, expected completion Sep. 2021.
- Received EPRI Tech Transfer Award for Energy StorageShares program.

### **Generation**

ESR&D pursues innovative generation solutions, including customer products, rate design support, and continuous improvement of related business processes. This program supports system reliability, reducing revenue erosion, and reducing emissions through alignment of DERs and low/zero-carbon generation with grid needs.

#### **Key Achievements:**

- Provided technical guidance and input on the Value of Solar Study, leading to adoption of new solar+storage rate reducing cross-subsidy to PV customers.
- SMUD is one of 20+ industry and academia participants and six National Labs collaborating on \$12.45M DOE grant for hydrogen blending research.
- First annual re-calculation of carbon intensities of Van Warmerdam and Van Steyn dairy digesters. Monetized \$1.2M LCFS and reduced 7,856 MT of GHG. Completed new certification of New Hope Dairy Digester Electricity Pathway.
- Submitted first annual report to CARB for Zero CI electricity pathway from wind energy systems. Monetized ~\$1.0M for 5,202 MT CO<sub>2</sub> reduction.
- Expand DER planning and modeling tool to include solar PV and battery storage for assessing carbon reductions, portfolio optimization, and load forecasting.

- Techno-economic assessments of carbon free generation, long duration storage, carbon capture, and gas pipeline analysis were instrumental inputs into the modeling and planning efforts for the Zero Carbon Plan.

### **Grid Evolution**

This program seeks to accelerate interconnection of grid-connected systems and devices to ensure safe and efficient operation. It seeks to improve grid reliability through reduced outage frequency and duration; control of the distribution system, voltage and frequency variations, and overload conditions; and optimize grid benefits of DERs through advancing integration standards and coordinated automation.

#### **Key Achievements:**

- Installed online bulk transformer monitoring system to enable lower cost, streamlined maintenance and comply with NERC requirements.
- Installed 3M Spartan II equipment monitoring sensors on the downtown network at two vaults and one manhole to monitor and alarm for hazardous gas levels.
- Concluded Blockchain Local Energy Market demonstration, rewarding EV drivers who automate charging sessions based on carbon intensity and wholesale costs.
- Developed interface for SMUD's Price Communication Application to integrate with OSI DERMS to support DER load flexibility programs.

### **Climate Change**

This program provides technical, economic, and policy expertise on climate change and impacts to SMUD territory. It compliments SMUD's Zero Carbon Plan and aligns with our board direction to address climate vulnerabilities, and we partner with our customers and community on mitigation opportunities and regenerative, net positive projects.

#### **Key Achievements:**

- Completed Year 1 assessment of pilot natural refrigerant systems and continued field monitoring to ensure robust financial and environmental analysis.
- Established partnership with UC Davis and EPRI to evaluate Rancho Seco II Solar soil carbon storage and pollinator habitat restoration opportunities.
- Launched Monarch Habitat Suitability and Solar-Pollinator assessments.
- Updated projection of physical impacts of climate change in SMUD territory, locations of generation and transmission, and critical equipment procurement.

### **Load Flexibility**

This program supports cost-effective, reliable, scalable flexible resource growth to serve future grid needs. ESR&D determines functional, operational and market viability of flexible loads to align supply and demand, give customers bill management options, improve air quality, and reduce carbon emissions.

#### **Key Achievements:**

- Developed 10-year Zero Carbon strategy and implementation plan for flexible DERs to support the retirement and retooling of our thermal plants.
- Initiated competitive bid solicitation for an aggregator to reduce peak demand by 30 MW by 2024 via price signals to customer DER devices.
- Initiated Oracle Behavioral Demand Response pilot research.
- PowerMinder pilot determined heat pump water heaters can effectively shift load and support 2030 Zero Carbon implementation plan for load flexibility.

### **Enterprise-Wide Innovations**

While SD-10 innovation goals are met by ESR&D research programs, additional notable achievements occurred across SMUD supporting progressive customer offerings.

- Launched virtual energy audits, engaging customers in a safe and convenient way while resulting in operational efficiency and cost reduction for truck/car rolls.
- Demonstrated a central IoT platform successfully providing remote management, data collection, analytics and visualization for grid assets (transformers, telecom batteries, and generators). Phase 2 will expand to customer DERs.
- Participated in the CMC as a Founding Member to identify advanced mobility solutions and startups.
- Formed the Innovation team to support our 2030 absolute zero carbon goal by balancing diverse emerging technologies and ideas across SMUD that drive operational efficiencies and competitive advantage with a centralized team to champion breakthrough innovations. The Innovation Governance Team reviewed 63 technology and business model submissions for inclusion in the ZCP.
- ADMS development complete, resolving variances. Expected go-live Q4 2021.
- DERMs Phase 1 development work complete. Phases 2-3 are in progress.

### **Summary**

With the adoption of the 2030 Zero Carbon Plan, we've ramped up efforts in generation and load flexibility technologies and business models leveraging storage, electric transportation, and building science, while we continue to advance research in climate change and grid modernization. These innovations expand customer choice and offer new solutions toward a low carbon future. Our diverse portfolio helps maintain long-term competitiveness and balance risk with potential environmental and economic benefits, ensuring community benefits.

### **4) Challenges**

2021 posed unique challenges due to the ongoing health pandemic and pivots to support development of the Zero Carbon Plan and NEM successor rate. In response, ESR&D revised project designs to reflect the new work environment and focused staff hours and expertise to deliver on innovation goals driving toward zero carbon.

**5) Recommendation:** Recommend the Board accept the SD-10 Monitoring Report.

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**Table 2: ESR&D Projects**

Research Program	ID	Project Name	Project Description	SD-10 Benefits	Start Date	End Date	Ward
Building Electrification	12	Electrification Readiness Study	Conduct an expedited utility industry analysis to identify key insights from utilities, community choice aggregators (CCAs), and other key market actors to accelerate electrification programs. The analysis inform a research-based approach for accelerating SMUD's own electrification programs.	Establishes a new paradigm for how research informs the development of incentive programs. Identifies opportunities for incentive programs to maximize outcomes like GHG savings, equity, and affordability. Creates rapid feedback on the performance of new technologies within programs.	8/20/2020	1/28/2022	All
Building Electrification	13	Advanced Water Heating Initiative	SMUD is a founding sponsor of the Advanced Water Heater Initiative, which seeks to dramatically expand the heat pump water heater market using advocacy, program alignment, and research. The U.S DOE supports the initiative.	The project will set out a consensus agenda and process for water heating research, specifically joint research between utilities. It will also bring together best practices to ensure that SMUD and other utilities are implementing the most innovative possible programs based on available knowledge.	7/1/2020	12/28/2021	All
Building Electrification	67	St. Francis Manor Central HPWH Study	Monitor the conversion of St. Francis Manor to a hybrid HPWH/gas fed system with storage. Analysis of system performance and benefits.	Confirm the realized savings and benefit of replacing existing boiler and gas-powered hot water systems in a central plant.	4/1/2021	5/2/2022	5
Building Electrification	9	Restaurant Market Analysis and Feasibility Study	Conduct market analysis and electrification feasibility study to document the current restaurant market in Sacramento County, and identify barriers and opportunities for restaurant electrification.	Characterized the types of restaurants in the Sacramento-region market. Developed the basis of design for electric equipment to meet the foodservice needs for a variety of restaurant prototypes. Identified gaps in equipment availability for specific applications.	10/16/2020	12/31/2020	All
Building Electrification	10	Central Heat Pump Water Heater Meta Study	Documents best practices and experiential findings regarding design and use of central heat pump water heaters in multifamily buildings (new construction and retrofit).	Provided best practices to guide SMUD in planning programs and research efforts to accelerate the electrification of multifamily water heating systems.	9/2/2020	12/17/2020	All
Building Electrification	11	Direct Bury Analysis	Identify the locations, characteristics, and electrification market barriers for customers who are currently served by direct burial cables (DBC).	This will provide insights into the characteristics of DBC customers, and the related challenges to SMUD's decarbonization efforts.	9/28/2020	12/31/2021	All
Building Electrification	110	Sanden Heat Pump Water Heater Project	Assess the performance and feasibility of Sanden C02 heat pump water heaters at two fourplexes. The owner of these fourplexes is interested in converting from natural gas to all electric and owns over twenty identical fourplexes in SMUD's service territory.	Finding cost effective solutions for converting from natural gas water heaters to HPWHs in multifamily residences to achieve SMUD's decarbonization goals and provide a path forward for the thousands of low-income customers who dwell in fourplexes.	6/19/2019	12/7/2020	6



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Climate Change	64	Carbon Farming and Ecosystem Service Research at RSSII	Conduct field experiments at Rancho Seco to research ecosystems and evaluate the use of native species/pollinators to reduce the operational costs associated with vegetation management, erosion control, and fire protection. The project will explore the effects of vegetation and panel layout on PV generation and soil carbon.	The project will help identify and demonstrate strategies to integrate ecosystem services and agricultural value into large scale solar projects, helping to mitigate their environmental impact and build public support for their continued construction, assisting SMUD in achieving the 2030 ZCP.	1/30/2021	1/30/2026	2
Climate Change	96	EPRI Evaluating Landholdings for Monarch Habitat	The SMUD Pollinator working group will determine recommended actions, including proposed acres, timing and cost for enrollment in the CCAA, if appropriate.	Assists SMUD in understanding opportunities and costs associated with enrollment in the Monarch butterfly CCAA and compliance with a potential future Endangered Species Act listing.	3/1/2021	1/31/2022	All
Climate Change	95	EPRI Power in Pollinators	SMUD pollinator Working Group has been meeting monthly for over a year. Working on policy recommendation for integration of pollinators into utility scale solar procurement and future operations and on the launch of a major research project at RSSII. Supporting the EPRI supplemental on Monarch Habitats and the working group on cost/benefit of solar + pollinators.	SMUD will be prepared for increasing public focus and demand for pollinator support on large land holdings. Opportunity to be proactive and strategic in expanding our solar project benefits and bringing in new supportive stakeholders (agricultural interests, groundwater management, for example)	1/1/2020	12/31/2022	All
Climate Change	109	Natural Refrigerant Incentive Pilot Program	Provides incentive for customer natural refrigerant systems, replacing super-polluting conventional refrigerants with high global warming potential. SMUD's first incentive program based on GHG reduction, not kWh savings. Monitored field pilots are underway at Grocery Outlet and Raley's stores in Sacramento.	DEED grant funding (\$125K) was secured to support the Grocery Outlet project and technology transfer. First of its kind for the utility industry, this program demonstrates SMUD's leadership in leveraging relationships with our customers to help them save money and reduce GHG emissions in the region.	1/1/2018	12/31/2023	All
Climate Change	90	NG Alternatives & Upstream Emissions Update	Document the emissions profile of SMUD's current gas supply chain and compare that with various alternative gas supply solutions. Summarize research findings of lifecycle costs and benefits associated with energy sources SMUD requires in its current and future supply portfolio.	This is an opportunity to reduce the upstream emissions of gas supply chains that are primarily tied to the procurement process and selection of suppliers. Allows for more comprehensive assessment of the big picture issues of interest to stakeholders.	3/1/2021	7/30/2021	All
Electric Transportation	22	Residential Managed EV Charging	Actively manage residential EV charging times and electrical flow rates. Managed EV charging can enable deferral of distribution system upgrades, smooth the duck curve, reduce renewable generation curtailment, and provide import and export arbitrage opportunities.	Benefits include reduction of the financial risks associated with transportation electrification, specifically by mitigating the risk of overloading electrical distribution infrastructure. Another secondary mitigation measure is to better align energy delivery for charging with low-cost energy supply.	10/1/2021	12/31/2023	All
Electric Transportation	20	Twin Rivers Managed	Incorporate electric school buses and light duty vehicles to evaluate the effectiveness of managed charging and vehicle-to-grid capabilities	Reduce grid impacts, reduced customer infrastructure build-out cost, wholesale energy or capacity cost avoidance, and mirror	1/30/2021	6/30/2023	5



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		Charging and V2G	to balance impacts on customer and utility electrical distribution and create value through grid services.	characteristics of stationary storage using V2G.			
Electric Transportation	15	Zeus Electric Truck Deployment	This project is in partnership with the CMC and works with the start-up company Zeus, who develops medium-duty electric trucks. SMUD will purchase and test five vehicles in SMUD's fleet.	Inform customers of the challenges and benefits of fleet electrification. This project synergizes with the launch of the California Mobility Center which will support local economies and improve health and safety in DACs.	1/3/2022	6/30/2022	All
Electric Transportation	17	Del Paso Mobility Hub	Help create an e-Mobility hub for different modes of transportation, such as taxis, Uber, Jump, buses, etc. It will also include EV charging capability as well as gig cars. The first project in execution is the Del Paso Mobility Hub.	This is a novel project and transportation facility concept. It includes electric and fuel cell vehicles, including an electric shuttle, EV charging, shared vehicles, electric micro-mobility (ebikes and electric scooters) and transportation services.	6/1/2021	12/31/2022	5
Electric Transportation	21	EPRI Qualification of EVSE	Produce a compliance matrix for EVSE that SMUD will be able to use to qualify EVSE vendors for our EV-related programs	Support EV adoption and reduce risk to SMUD by using only qualified EV supply equipment vendors in SMUD's EV programs.	1/6/2020	5/31/2021	All
Electric Transportation	18	Mobi EV and Gen Charger Loan Pilot Program	Evaluate viability and logistic application of mobile EV chargers and battery powered generators to support development of transportation electrification and elimination fossil fuel generators. SMUD loans the units at no cost to customers who can demonstrate they have a need.	Determine challenges and opportunities of using EV chargers and battery powered generators, which will help support the development of electric transportation as well as reduce GHG emissions and criteria pollutants.	8/3/2020	12/31/2021	All
Electric Transportation	24	SMUD-Owned EVSE	Operation and maintenance of SMUD's public level 2 and DCFC charging stations.	Increase EV adoption by having publicly available working charging stations in high trafficked areas.	1/1/2014	On-Going	All
Electric Transportation	19	EV Annual Program Attribution Study	This project assesses SMUD's current electric transportation programs impact on EV adoption in SMUD's territory and informs cost effectiveness of programs in the portfolio.	Provide insight into SMUD's investment impacts on EV adoption. Enable communication of program effectiveness.	9/1/2020	4/30/2021	All
Energy Efficiency	65	CalTF	Co-funding CalTF's development of the eTRM (Electronic Technical Resource Manual) as the basis for IOU EE program deemed measure savings. The eTRM adds functionality for POUs to use available data and transition to transparent accounting of savings, including Carbon. POUs can set different baselines for measure savings than the IOUs.	SMUD will benefit from a centralized California eTRM online repository for all statewide deemed measures. The platform will ensure the accuracy, transparency, and accessibility of all deemed measure values, supplementing our current approach of conducting M&V studies every three years.	1/1/2018	12/31/2021	All
Energy Efficiency	4	2020 Codes & Standards Savings Attribution	Quantification of the energy and carbon savings attributable to SMUD for our influence on the development of California Title 24 Building Energy Efficiency Standards, California Title 20 Appliance Standards and Federal EnergyStar regulations.	This project quantifies the energy, demand and carbon savings attributable to SMUD based on our annual participation in the California Statewide Codes & Standards Team in partnership with the CA IOUs and LADWP.	12/16/2020	2/28/2021	All
Energy Storage	58	Alternative Fuels to	HQ Solar Port is a potential site to test a fuel cell backup system and support microgrid operation. The fuel cell will be a 1 kW 8-hour	As the first fuel cell back up system for SMUD we will be able to test the system and determine if it is a good alternative to our	7/31/2020	7/31/2022	3

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		Replace Diesel Generators	duration backup power system. R&D staff will monitor the selected alternative fuel source system for 9 months.	current fossil fuel backup generators. The data we collect will inform SMUD on future backup power replacements.			
Energy Storage	7	C&I Energy Storage Programs	Promote the deployment of behind-the-meter energy storage for Commercial and Industrial customers and their participation in a Commitment to Operate program, discharged at peak usage time.	Supports future work in the Zero Carbon Plan as well as educating our commercial customers about the types of energy storage appropriate for their business and energy usage. These deployments will decrease load on the grid and save the customers money.	1/1/2021	12/31/2021	All
Energy Storage	6	Hedge Utility-Scale Battery	4 MW/ 8 MWh battery located behind the Power Academy off Tokay Lane and is the deployment for the StorageShares program and will demonstrate functionality use cases.	As SMUD's first utility-scale battery, we will be able to test different modes and how it interacts with the grid. The data collected will inform future battery installations in SMUD territory.	3/1/2019	12/31/2023	3
Energy Storage	26	Integrated EV Charging with Storage and Solar PV	Install and test a new 175 kW DC Fast Charger and 2nd-life battery storage. Integrate solar, storage, and EV charging into an advance site controller.	Integrate EV DC Fast charging, 2 <sup>nd</sup> -life battery storage and solar PV together to mitigate peak demand and storage excess solar generation Measure the performance of 2 <sup>nd</sup> -life batteries compared to newer lithium-ion battery systems. Help promote EV adoption by using load management to prevent unnecessary infrastructure installations, ultimately saving the customer and SMUD time and money.	11/5/2018	12/31/2021	3
Energy Storage	5	Residential Energy Storage Programs	Continuation of Residential BTM energy storage systems including Commitment to Operate, SmartEnergy Optimizer, and PowerMinder.	Residential BTM energy storage are customer-facing innovations that will provide resilience and system benefits to customers and SMUD alike. This work will inform future pilots including Multi-DER and Capacity Contracts VPPs.	1/1/2021	12/31/2021	All
Energy Storage	66	Energy Storage-Shares	Allow eligible commercial customers the opportunity to purchase shares in a utility scale battery to for peak price shaving without the operation and maintenance of owning their own battery.	The capital investment from the customer allow SMUD to offset the cost of the utility scale battery and locate the battery in a location which is beneficial to the grid.	12/1/2019	12/31/2021	All
Energy Storage	29	Sunverge in Schools	Partner with schools to install eight battery energy storage units at high schools or colleges to provide early hands-on education of battery energy storage systems.	Support local workforce development by developing a battery energy storage curriculum and installing battery energy storage system at educational institutes.	1/1/2021	12/31/2021	All
Energy Storage	111	AB 2514 Energy Storage Programs & Research	Procure 9 MW of energy storage by December 31, 2020. Develop and research behind-the-meter energy storage pilot-programs for early adopters to understand how energy storage is being used and the effect on the grid.	The project seeks to determine emerging storage technologies commercial readiness, applications, benefits and costs; and grid impacts.	4/26/2018	12/31/2020	All
Energy Storage	30	EPRI- Hazard and Fire	Perform a site specific hazard assessment of the Hedge Solar Farm Battery Energy Storage System.	Ensure the Hedge Solar Farm Battery Energy Storage System is designed and built to the new fire code and safety standards.	1/1/2021	4/30/2021	3

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		Prevention and Mitigation Study		This will directly influence fire and safety requirements for future battery installations.			
Energy Storage	27	Back Up Power as a Service Market Assessment	This project will evaluate the potential of Back-Up Power as a Service which will help define alternative business models that may enable a faster, more efficient reduction of local GHG emissions while saving customers money. SMUD is interested in the benefits these solutions could provide to both commercial and residential customers.	This preliminary evaluation will help SMUD understand the market potential, associated costs overall environmental impact and potential business models for providing backup power as a service to our customers.	10/14/2021	12/31/2020	All
Generation	54	Assessment of Microgrid Business Models & Applications	Assessment of technical and economic potentials, market trends (e.g. supply curves), market players/suppliers, costs and performance of applicable microgrid systems. Develop standardized processes/guidelines for the interconnection of a customer-supported microgrid in compliance with SB1339 and identification of potential deployment sites.	This project will provide techno-economic feasibility and market assessments to determine the microgrid value proposition as well as best practices for technology choices, siting, and market participation.	4/1/2021	12/31/2021	All
Generation	81	Assessments of Alternative Fuels (Generation)	SMUD will hire a consultant to explore the feasibility of using renewable ethanol, biodiesel, renewable diesel, RNG & others as potential fuel-sources for our thermal generation assets.	This assessment will facilitate enterprise decision-making, providing a deep understanding of the resource sustainability, supply chain landscape, price forecasts, market trends, and techno-economic feasibility of each biofuel.	4/28/2021	4/28/2022	All
Generation	53	Community Resiliency Center	Identify Sacramento community centers that have been designated as emergency evacuation centers or cool zones featuring convenient interconnection. A battery system will maintain power to the site during grid outages and operate as a DER asset.	Enhance safety and customer resiliency by providing backup power for critical services (cool zone and electric vehicle charging). Help prevent revenue erosion from customers moving to off-grid solutions, increase revenue through market participation and potentially mitigate upgrade costs for distribution system infrastructure.	5/6/2021	5/11/2024	TBD
Generation	41	Fuel Reduction Wildfire Prevention / Resiliency Biopower	Assess opportunity to mitigate wildfire danger and protect communities along the UARP transmission corridor by reducing fuels. Biopower produced will charge electric vehicles, reduce GHG emissions, and generate LCFS credit revenues.	Mitigating fire danger in SMUD service areas while generating revenues via LCFS credits. This essential wildfire mitigation protects critical infrastructure, system integrity, customer health, and public safety.	4/1/2021	12/31/2021	All
Generation	78	Highview Power	SMUD will hire one a consultant to conduct a feasibility study and deep dive techno-economic analysis for Highview Power (liquid air thermal energy) long-duration energy storage technologies.	HighView Power installations will allow for comparative analysis to determine if Cryogenic LDES helps SMUD reach 2030 ZCP goals.	4/28/2021	4/28/2022	All
Generation	52	HQ Solar Port Microgrid	Install and commission a small microgrid at the HQ Solar port using second-life batteries, solar and an advance site controller.	Microgrids can increase reliability by providing backup power to customers during power outages using renewable generation,	1/1/2021	12/1/2022	3

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				reduce transmission infrastructure needs, and hedge against volatile energy markets.			
Generation	91	Hydrogen Blend Collaborative Research	Address the barriers on pipeline materials compatibility and degradation related to the blending of hydrogen into natural gas pipelines, a concept referred to as HyBlend. SMUD will provide data and serve as one of the injection points of H2. The data that will be provided will be analyzed to quantify the costs and opportunities of H2 production and integration into the natural gas system.	The HyBlend project will specify the role Hydrogen can play in the transformation of SMUD's thermal generation. HyBlend is a leading fuel choice that offers benefits for seasonal energy storage, resilience, and GHG emissions reductions.	7/1/2021	7/30/2023	All
Generation	87	LDES Market & Technology Report	SMUD will hire a consultant to investigate the following Long Duration Energy Storage (LDES) strategies: liquid air energy storage, incline railway storage, crane and block system, Piston pump, concentrated solar/thermal.	Empower SMUD planners to make confident technology decisions along the flexible path to zero carbon. These technologies will provide grid stability and predictable electricity prices for SMUD customers.	4/29/2021	4/29/2022	All
Generation	34	Dairy Digesters eRIN Applications	Develop and submit the biogas-to-electricity pathway applications for Van Steyn, Van Warmerdam and New Hope dairy digesters under the Renewable Fuel Standard (RFS) for electricity Renewable Identification Number (eRIN) credits, generated when electricity produced from dairy digester biogas is used to charge electric vehicles in SMUD Service Territory.	The use of eRIN credits could unlock \$0.12/kWh to \$0.33/kWh of electricity generated for electric vehicle charging. This legal and financial innovation offer sound investment into biofuels production and carbon-negative transportation for electric vehicles.	1/1/2021	12/31/2021	7
Generation	55	DER Carbon Tool	Expand DER planning and modeling tool that assesses carbon reduction/savings, budgeting, portfolio optimization, cost effectiveness and load forecasting to include solar PV and battery storage measures.	Provide hourly forecasting of load shapes, evaluate carbon impacts and cost effectiveness for programs. Provides insights about DER valuation and the attribution of GHG reductions.	11/1/2020	12/31/2021	All
Generation	39	LCFS Electricity Pathways for Dairy Digesters, Solar and Wind	LCFS Electricity pathway applications for Van Warmerdam, Van Steyn and New Hope dairy digesters, wastewater biogas and wind/solar that perform carbon intensity life cycle modeling, certification, verification, monetization, and reporting for LCFS credits to charge electric vehicles in SMUD territory. This initiative stimulates revenue generation, supports the growth of electric transportation and advanced renewable generation and helps achieve carbon zero target goal.	At full utilization of the 30 dairies and 14,000 cows in SMUD territory, the dairy digesters could offset a minimum of 70,000 Metric Tons of CO2 per year, while garnering \$12.6 Million per year in LCFS credits. In 2021, Van Warmerdam and Van Steyn reduced 7,856 MT of GHG worth \$1.2M LCFS. This project also proved the financial viability of Zero Carbon Intensity (CI) wind generation, which garnered approximately \$1 Million from LCFS.	6/1/2019	12/31/2030	All
Generation	38	PRECISE Project Phase 2	Evaluate PV interconnection applications and identify the advanced inverter settings that each PV system to be set to. This process will significantly save SMUD engineer's time and yet maximize the benefit of each asset.	Increased safety and avoiding reprogramming of advanced inverters post-install, and minimizing curtailment. Deploying the tool in a real utility environment would advance chances of commercialization of PRECISE and revenues to SMUD.	1/1/2019	6/30/2021	All

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Generation	75	Wind Resources in Northern CA	This study will help SMUD identify sites in Northern California suitable for adding wind generation. The work will be performed by a consultant.	Identifying areas outside of SMUD's service territory suitable for wind resource, will enable SMUD to remain on track to meet the 2030 carbon reduction goals.	4/28/2021	4/28/2022	All
Generation	71	Carbon Neutrality Projects for Zero Carbon Planning	Techno-economic assessments of the full range of proven clean technology expansion opportunities in the generation, storage, and alternative fuels segments. Evaluated the cost-effectiveness, performance characteristics, Levelized Cost of Energy, challenges. Determined the necessary inputs required for production cost models and scenario analysis.	Assessment of zero-carbon technologies could provide the sustainability and resilience needed to achieve the aggressive 2030 ZCP targets. All the studied technologies are expected to be commercially available for SMUD's use by 2030. The results of this study provided useful information towards completion of the ZCP.	10/1/2020	4/1/2021	All
Generation	37	EPRI: DRIVE Tool	Distribution Resource Integration and Value Estimation (DRIVE) enables planners to evaluate the technical impacts of DER penetration on distribution systems. Determines ability to host DERs on distribution feeders without causing adverse impacts to power quality or reliability.	Provides a starting point for analyses of distribution system DER capacity, asset upgrades deferral, cost savings, and mitigation strategies.	1/1/2018	12/31/2020	All
Grid Evolution	42	Direct Connection Smart Inverter	Install a direct connection, CSIP-capable, smart inverter to determine if smart inverters can provide reliable visibility of residential PV.	Benefits of smart inverters include a better way to monitor residential PV and storage as well as advanced control functionality to assist us in grid support needs.	7/1/2021	12/31/2023	All
Grid Evolution	101	EPRI Substations SF6 Alternatives	The EPRI study will conduct high voltage tests on a range of alternatives, study the safe and effective handling, operation, maintenance, and disposal of these new alternative approaches, and study the tradeoffs utilities will face after implementation.	Access to insights discovered by EPRI that will help our ability to comply with regulations to phase out the use of SF6 gas after January 1, 2025.	7/1/2021	12/31/2022	All
Grid Evolution	47	Blockchain Local Energy Market	Coordinate EV charging and with PV generation by using local grid conditions and blockchain-based incentives. Employees in SMUD's Workplace EV Charging program will use a mobile application to make daily choices to have their charge timing flexibly optimized to accumulate incentives.	SMUD Customers could benefit from savings on EV charging costs and recognition for contributing to increased renewable energy adoption. SMUD could realize reduced costs through lower wholesale energy costs and deferring local infrastructure investments necessary for increased EV and PV adoption.	4/1/2019	9/30/2021	2
Grid Evolution	80	EPRI 2021 Utility Blockchain Interest Group	Work alongside other utilities to expand knowledge of blockchain technology and its potential applications. Enable collaboration among utilities and bridge to the startup/vendor community, compile and track a comprehensive list of global utility blockchain pilots and extract and document industry trends, lessons learned and key insights.	Through a collaborative approach, expand utility knowledge of blockchain technology and its potential applications in the industry. Enable collaboration opportunities among utilities and act as a bridge to the startup/vendor community.	1/1/2021	12/31/2021	All
Grid Evolution	36	EPRI SHINES	Beneficial integration of solar PV, energy storage, load management, and solar forecasting. EPRI will test the architecture at three sites to compare configurations and size, as well as grid connections, and solar generation variability.	Enhanced grid operations, increased PV deployments, time shifting of solar generation, improved generation/load profiles, reduced grid impacts and interconnection processing time and cost.	11/1/2019	6/1/2021	All

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Grid Evolution	100	EPRI Transmission & Substations Collaboration	Participation in this EPRI collaborative enables SMUD to stay current on industry-wide EPRI R&D, including results of advanced technology testing, software tool development, reference guides and the application of research results.	Apply EPRI tools and research results in Overhead Lines, Underground Lines, Substations, and Asset Analytics. Increased knowledge of failure rates and emerging issues by contributing to and accessing EPRI's T&S Asset Industry-Wide Databases.	1/1/2021	12/31/2021	All
Grid Evolution	45	Transmission Line Monitoring	Test the achievability and usability of Dynamic Line Ratings (DLR) to inform short-term operational and long-term planning decisions, using the LineVision V3 monitoring system.	Increases efficiency of transmission asset utilization while maintaining reliability. Advanced line rating methodologies can result in cost savings and operational benefits.	4/22/2021	12/31/2023	All
Grid Evolution	61	3M Spartan II	The Spartan units will be used to gain visibility on the downtown network where we currently have none.	Savings on SCADA for the downtown network and reduction in time for restoring service.	11/5/2018	11/5/2021	5
Grid Evolution	63	Transformer Online Monitoring	Installation and testing of Online Transformer Monitoring on two 230/69 kV substation transformers. Monitoring includes oil analysis for asset health and Geomagnetically Induced Currents for NERC compliance.	Identify problems before transformer failure, maintain an accurate asset health index, identify if a different mode of operation is needed, and better predict the asset's end of life.	9/1/2018	8/31/2021	All
Grid Evolution	62	69kV Advanced Line Sensor	Evaluate the leading 69kV fault indicator sensor products. Install viable sensors on the grid and review their performance.	Visibility for the ADMS.SAIDI SAIFI impact with faster fault location identification and system restoration.	3/1/2017	6/30/2021	All
Grid Evolution	46	Communication Architecture for Secure DER	This EPRI project will leverage expertise from utility members, the vendor community, and other industries to develop and demonstrate secure communication architectures to enable coordinated control of DER.	Advancement of standardized interfaces will promote competition amongst communications solutions providers to drive quality up and costs down. By influencing national standards, SMUD can facilitate DER adoption and realize the many grid benefits of coordinated DERs.	12/13/2017	11/11/2020	All
Grid Evolution	43	PCA Pilot Enhancement	Demonstrate and enhance the Price Communication Application to provide dynamic pricing coordination for partner projects automating DER technologies for: Residential and Commercial Storage, Heat Pump Water Heater, and Thermostat Optimization Pilots.	Enable Price-based DER automation pilots and systems enhancements for: Residential and Commercial Storage, Heat Pump Water Heater - Thermostat Optimization	8/1/2018	12/31/2020	All
Load Flexibility	69	EnergyKit HEMS Proof of Concept	Ynventive is designing, building, and testing the EnergyKit, as well as demonstrating its effectiveness at a chosen site in Davis, CA. SMUD is providing inputs on typical home energy use patterns and technological considerations pertaining to SMUD's operations.	Successful development may persuade Panasonic and NEDO to match up to \$20M in DOE or CEC grant funding to deploy a field demo to dispatch customer loads using price signals with the confidence and reliability of a VPP product.	4/30/2021	12/17/2021	All
Load Flexibility	49	Multi-DER VPP	This project will research the ability of the proposed solution to orchestrate a diversity of qualifying residential customer -sited devices to deliver load flexibility needs throughout the year and to assess whether it makes sense to continue to scale-up.	Upon successful completion of the Multi-DER VPP, SMUD will have a guaranteed, load flexible residential program. This load will be integrated with the DERMS and allow SMUD to operate as required for business needs (EIM/RA/Emergency).	1/5/2021	12/31/2026	All



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Load Flexibility	50	Commercial TES Phase II	Commercial TES Phase II will be a live pilot of this operation based on CalISO day ahead pricing.	Cost to serve and cost to operate will be reduced. Justification for a customer incentive to modify their existing TES operation or install a new system.	3/3/2019	3/17/2023	All
Load Flexibility	99	Oracle BDR Evaluation	R&D will provide a 3rd party evaluation of Oracle Behavioral Demand Response (BDR) to confirm results. This project aims to fulfill the boards desire to have a demand response program for all customers.	Having a demand response program available to all customers, regardless of technology, is an important step towards meeting the 2030 goals.	6/14/2021	8/31/2021	All
Load Flexibility	60	PowerMinder HPWH	Load shifting using controllable Heat Pump Water Heaters (HPWH). Scalability and load flexibility will be evaluated for both GE and Rheem brand controllable HPWHs.	Up to 0.5 kW of flexible load per HPWH, at scale this technology has the potential to significantly contribute flexible load called for by the ZCP. This project is an important step to help realize the value of flexible load from water heaters.	10/7/2018	7/31/2021	All

**Table 3: Enterprise-Wide Initiatives**

Initiative Name	Initiative Description	Initiative Benefits	Start Date	End Date	Ward
California Mobility Center	The CMC revamped its brand, developed launch campaign, finalized service offering and secured service providers, negotiated lease, designed ramp-up factory and procured equipment, executed founders' agreements, assisted with the creation of an affiliated venture capital fund and more.	Accelerate commercialization of electric transportation solutions will enable SMUD to realize the GHG benefits of transportation electrification and minimize costs for grid expansion via new smart innovative technologies.	06/2019	Ongoing	All
DERMS	Strategic business partnership with OSI to develop a Distributed Energy Resource Management System whereas SCADA and behind the meter resources can be used to solve distribution constraints, participate in the market, and manage flexibles loads.	Leverage DER capabilities to meet economic objectives, peak load reduction, local constraint issues, deferred infrastructure investment, and grid optimization. As OSI's partner, SMUD shares revenue from future sales.	2018	2028	All
ADMS	Implement a real-time Advanced Distribution Management System (ADMS) Platform (DMS and D-SCADA) to improve management and control of distribution system, enhance distribution operations functions, optimize distribution system and improve forecasting accuracy.	ADMS is the foundation to support providing SMUD's Distribution System Operations a 360 view of distribution and is required to support future DERMS Phases.	02/2018	2021	All
Innovation team	Innovation at SMUD comprises of exploratory activities related to new strategies. The Innovation Governance Team reviewed 63 technology and business model submissions by employees and external stakeholders for inclusion into the 2030 Zero Carbon Plan, and will continue reviewing opportunities as they are presented.	The Innovation team will propel us towards our 2030 absolute zero carbon goal by balancing diverse emerging technologies and ideas across the organization that drive operational efficiencies and competitive advantage with a centralized team that can champion breakthrough innovations.	2021	Ongoing	All
Internet of Things Platform (Phase 1)	Phase 1 proof-of-concept of remote management of grid assets showed how a centralized platform can support device connectivity, data collection, analytics and visualization. Phase 2 will expand to customer DERs.	The IoT platform will improve the planning and operations of SMUD assets, while expansion to customer DERs will support load flexibility and decarbonization.	09/2020	07/2021	All
Virtual Assessments	SAAs, Energy Specialists and Energy Advisors conducted onsite energy audits virtually giving customers a safe and convenient way to engage and thrive with SMUD during and after COVID-19.	Greater safety and flexibility provided to SMUD customers in attaining energy audits for their properties. Operational efficiency and cost reduction for fewer truck/car rolls.	2020	Ongoing	All

## **RESOLUTION NO. 21-09-05**

**WHEREAS**, in January 2019, the **California Public Utilities Commission (CPUC)** issued Decision D.19-01-018 ordering all electric utilities, including publicly owned electric utilities (POUs) to conduct risk assessments of their distribution assets and create a **Utility Security Plan (Plan)** for priority covered assets; and

**WHEREAS**, D.19-01-018 directs POUs to provide the **CPUC** with notice that an independently reviewed **Plan** for all covered assets has been adopted by the POU's governing board; and

**WHEREAS**, the notice was originally due July 10, 2021, and SMUD notified the **CPUC** pursuant to the terms of D.19-01-018 that SMUD would submit its notice of adoption by October 2021; and

**WHEREAS**, staff completed a risk assessment of all distribution substations not covered by the North American Electric Reliability Corporation (NERC) CIP-014 and evaluated the potential risks associated with a successful physical attack on identified covered facilities; and

**WHEREAS**, staff identified 17 potential covered facilities based on screening factors set forth in D.19-01-018, including critical customer load of law enforcement and fire dispatch centers, airports, military facilities, water and wastewater treatment facilities, and trauma center hospitals; and

**WHEREAS**, all covered facilities have been assessed to either have an alternate source to another distribution substation or the critical customer served by the facility has backup generation; and

**WHEREAS**, staff has concluded there are no distribution facilities within SMUD that require additional specific physical security mitigation planning pursuant to D.19-01-018; and

**WHEREAS**, the **Plan** reflects staff's assessment, evaluation, and conclusions; and

**WHEREAS**, SMUD obtained an independent third-party review of the **Plan** and the review concluded that SMUD's **Plan** is compliant with D.19-01-018 with no recommendations for changes to the **Plan**; and



**WHEREAS**, SMUD designated the **California Governor's Office of Emergency Services (CalOES)** as a qualified validation authority and obtained **CalOES's** review of the **Plan**; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

**Section 1.** This Board adopts the SMUD **Utility Security Plan (Plan)** substantially in the form set forth in **Attachment D** hereto and made a part hereof.

**Section 2.** The Chief Executive Officer and General Manager, or his designee, is authorized to make future changes to the SMUD **Plan** that, in his prudent judgment: (a) further the primary purpose of the SMUD **Plan**; and (b) are intended to provide a net benefit to SMUD.

Approved: September 16, 2021

INTRODUCED: DIRECTOR TAMAYO				
SECONDED: DIRECTOR SANBORN				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
BUI-THOMPSON	X			
ROSE	X			
FISHMAN	X			
HERBER	X			
KERTH	X			
TAMAYO	X			
SANBORN	X			

	SECTION <b>PHYSICAL SECURITY OF ELECTRIC INFRASTRUCTURE R.15-06-009</b>	SUBJECT <b>PHYSICAL SECURITY PLAN IN SUPPORT OF PROTECTING COVERED DISTRIBUTION FACILITIES</b>
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# **Sacramento Municipal Utility District Utility Security Plan Revision 1.0**

**Revision Date: 28 July 2021**

**Authored by:**

James Fraser

Physical Security Program Manager

**Approved by:**

Rob Lechner

Director, Facilities and Security Operations

	<p>SECTION</p> <p><b>PHYSICAL SECURITY OF ELECTRIC INFRASTRUCTURE</b></p> <p><b>R.15-06-009</b></p>	<p>SUBJECT</p> <p><b>PHYSICAL SECURITY PLAN IN SUPPORT OF PROTECTING COVERED DISTRIBUTION FACILITIES</b></p>
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## **1.0– PURPOSE**

This document establishes SMUD’s fulfillment of the requirements set forth by the California Public Utilities Commission (CPUC) Decision (D.) 19-01-018 adopted in Rulemaking (R.) 15-06-009 – Order Instituting Rulemaking Regarding Policies, Procedures and Rules for Regulation of Physical Security for the Electric Supply Facilities of Electrical Corporations.

## **2.0- SCOPE**

This document contains the summary findings from an assessment (Critical Infrastructure Assessment May 2021) conducted on SMUD Distribution Assets throughout the SMUD service territory applicable to the screening factors set forth in the Joint IOU/POU Straw Proposal to determine if a facility is a “Covered Distribution Facility” and summarized in section 5. It represents SMUD’s compliance with the CPUC’s Safety and Enforcement Division’s Six-step Security Plan Process described in D. 19-01-018.

## **3.0– RESPONSIBILITIES**

### **3.1 Director, Facilities and Security Operations**

Primary owner and responsible for the coordination, development, and implementation of the Security Plan.

### **3.2 Distribution Planning Manager**

Responsible for determining the status of SMUD distribution facilities and their applicability to CPUC D.19-01-018.

### **3.3 Sacramento Power Academy Manager**

Responsible for the Workforce Training and Retention Program portion of the Security Plan that articulates SMUD’s ability to comply with the CPUC D.19-01-018.

### **3.4 Transmission and Distribution Maintenance Planning Manager**

Responsible for the Asset Management Program for SMUD.

### **3.5 Physical Security Program Manager**

Responsible for the content of the Security Plan and its adherence to CPUC D.19-01-018.

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## **4.0 BACKGROUND**

On April 16, 2013, one or more individuals attacked equipment located within Pacific Gas and Electric Company's (PG&E) Metcalf Transmission Substation, ultimately damaging 17 transformers. These individuals also cut nearby fiber-optic telecommunication cables owned by AT&T. In response to the attack, the Federal Energy Regulatory Commission (FERC) directed the North American Electric Reliability Corporation (NERC) to develop new physical security requirements, resulting in the creation of CIP-014.

At the state level, Senator Jerry Hill authored SB 699 (2014), directing the CPUC to "consider adopting rules to address the physical security risks to the distribution systems of electrical corporations." In response to SB 699, the CPUC's Safety and Enforcement Division, Risk Assessment and Safety Advisory Section (RASA) prepared a white paper proposing a new requirement for investor-owned utilities (IOUs) and publicly owned utilities (POUs) to develop security plans that would identify security risks to their distribution and transmission systems and propose methods to mitigate those risks. The CPUC hosted a series of workshops to better understand the state of utility physical security protections and to seek input on refining their proposal.

In order to support a statewide improvement of how utilities address distribution level physical security risks, the California Municipal Utilities Association (CMUA), which is the statewide trade association for POUs, coordinated with the state's IOUs to develop a comprehensive Straw Proposal<sup>1</sup> (Joint IOU/POU Straw Proposal) for a process to identify at-risk facilities and, if necessary, develop physical security mitigation plans. As a member of CMUA, SMUD staff participated in the development of the Joint IOU/POU Straw Proposal through a CMUA working group as well as through direct meetings with the IOUs. The Joint POU/IOU Straw Proposal set out a process for the following: (1) identifying if the utility has any high priority distribution facilities; (2) evaluating the potential risks to those high priority distribution facilities; (3) for the distribution facilities where the identified risks are not effectively mitigated through existing resilience/security measures, developing a mitigation plan; (4) obtaining third party reviews of the mitigation plans; (5) adopting a document retention policy; (6) ensuring a review process established by the POU governing board; and (7) implementing information sharing protocols.

<sup>1</sup> Straw Proposal available at:  
[https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/Safety/Risk\\_Assessment/physicalsecurity/R1506009-Updated%20Joint%20Straw%20Proposal%20and%20Cover%20083117%20Filing.pdf](https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/Safety/Risk_Assessment/physicalsecurity/R1506009-Updated%20Joint%20Straw%20Proposal%20and%20Cover%20083117%20Filing.pdf).

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RASA filed a response<sup>2</sup> to the Joint IOU/POU Straw Proposal that recommended various modifications and clarifications, including a six-step process. Additionally, RASA recommended that the utility mitigation plans include: (1) an assessment of supply chain vulnerabilities; (2) training programs for law enforcement and utility staff to improve communication during physical security events; and (3) an assessment of any nearby communication utility infrastructure that supports priority distribution substations.

In early 2019, the CPUC approved Decision (D.) 19-01-018, which adopted the Joint IOU/POU Straw Proposal as modified by the RASA proposal, with additional clarifications and guidance. D.19-01-018 clarified that where there is a conflict between the Straw Proposal and the RASA proposal, then it is the rule in the RASA proposal that controls.<sup>3</sup>

D.19-01-018 asserted that the POUs should utilize the Utility Security Plan process described therein. SMUD is following the process and issuing this report at this time to reflect its existing commitment to safety and to protecting its ratepayers' investment by taking reasonable and cost-effective measures in an effort to safeguard key assets of its distribution system.

## Physical Security Principles

The Joint IOU/POU Straw Proposal seeks to support the creation of a risk management approach toward distribution system physical security, with appropriate considerations of resiliency, impact, and cost. To accomplish this risk-based approach, the Joint IOU/POU Straw Proposal identifies several principles to guide the development of each individual utility's program. These principles are the following:

1. Distribution systems are not subject to the same physical security risks and associated consequences, including threats of physical attack by terrorists, as the transmission system.
2. Distribution utilities will not be able to eliminate the risk of a physical attack occurring, but certain actions can be taken to reduce the risk or consequences, or both, of a significant attack.
3. A one-size-fits-all standard or rule will not work. Distribution utilities should have the flexibility to address physical security risks in a manner that works best

<sup>2</sup> RASA Response available at:

[https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/Safety/Risk\\_Assessment/physicalsecurity/Final%20Staff%20Recommendation%20for%20Commission%20Consideration%20010318.pdf](https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/Safety/Risk_Assessment/physicalsecurity/Final%20Staff%20Recommendation%20for%20Commission%20Consideration%20010318.pdf).

<sup>3</sup> D.19-01-018 at 43, footnote 58 ("Should there be any question of which shall predominate should there be any incongruity or conflict between a utility or SED RASA recommended rule, the SED RASA rule shall apply.").

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for their systems and unique situations, consistent with a risk management approach.

4. Protecting the distribution system should consider both physical security protection and operational resiliency or redundancy.
5. The focus should not be on all Distribution Facilities, but only those that risk dictates would require additional measures.
6. Planning and coordination with the appropriate federal and state regulatory and law enforcement authorities will help prepare for attacks on the electrical distribution system and thereby help reduce or mitigate the potential consequences of such attacks.

## **5.0 IDENTIFICATION OF COVERED FACILITIES**

Ensuring the safety of its facilities is a top priority for SMUD, and SMUD prioritizes safety in all aspects of its design, operation, and maintenance practices.

SMUD recognizes the importance of securing the safety and reliability of its electric system and, therefore, SMUD voluntarily participated in the California Public Utilities Commission's (CPUC) Physical Security proceeding and has undertaken this assessment and documentation consistent with CPUC Decision (D.) 19-01-018.

### **Distribution System Description:**

SMUD's main distribution system starts with our 69kV system that serves as the high voltage source to our 69kV/12kV substations. Typical transformer sizes at these substations are 20MVA units. In some of our rural areas these units will be smaller, and a common size transformer will be 6.25MVA or 12MVA. There is a small pocket of 69kV/4kV substations which is currently under a multi-year voltage conversion effort to convert this area to the 12kV distribution system. In our downtown area the distribution system is 21kV and is derived from several 115kV/21kV substations. Also serving downtown is our Secondary Network system which is served from 12kV system and derived from two 115kV/12kV substations. Our larger load customers are served by dedicated substations (69kV/12kV, 69kV/4kV) with some taking 69kV service through substations they own and maintain.

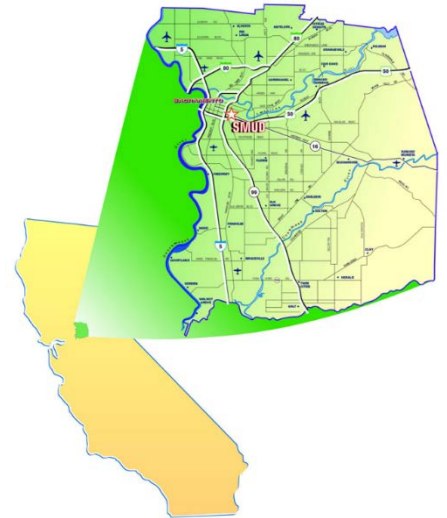
The distribution system is planned to be able to serve load under normal configuration and under what we call N-1 situation. N-1 is looking at the failure loss of a single major distribution component. This is typically the loss of a distribution substation transformer. In order to ensure N-1 solutions, there will be several circuit ties to adjacent substations

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that our Operations personnel can rely on to field switch the load during such an emergency event and restore power to customers initially impacted by the N-1 event.

#### SMUD's Distribution Summary:

- Service territory covers over 900 square miles
- Serves over 630,000 customers
- 10,500 circuit miles of distribution lines
- 212 distribution substations, including dedicated Customer substations



#### Identification Assessment:

SMUD has identified the distribution facilities in its service territory that are subject to its control that meet the definition of a “Covered Distribution Facility” set forth in D.19-01-018. In performing this identification analysis, SMUD used the seven factors identified in the Joint IOU/POU Straw Proposal and assessed all distribution level facilities that are subject to its exclusive control, or if the facility is jointly owned, the joint ownership agreement identifies SMUD as the entity responsible for operation and maintenance. The specific types of facilities include distribution substations, line transformers and basic ancillary equipment that are required to provide electrical service such as poles and wires.

The seven screening factors set forth in the Joint IOU/POU Straw Proposal to determine if a facility is a “Covered Distribution Facility” are set forth below. Some factors require additional definitions and/or clarifications in order to be applied to SMUD’s facilities. The following Table reflects the Joint IOU/POU Straw Proposal’s Factors as clarified by SMUD.

Factor	Joint IOU/POU Straw Proposal Description	Additional Clarification
1	Distribution Facility necessary for crank path, black start or capability essential to the restoration of regional electricity service that are not subject to the California Independent System Operator’s (CAISO) operational control and/or subject to North American Electric Reliability Corporation (NERC) Reliability Standard CIP-014-2 or its successors	No additional clarification.



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2	Distribution Facility that is the primary source of electrical service to a military installation essential to national security and/or emergency response services (may include certain airfields, command centers, weapons stations, emergency supply depots)	No additional clarification.
3	Distribution Facility that serves installations necessary for the provision of regional drinking water supplies and wastewater services (may include certain aqueducts, well fields, groundwater pumps, and treatment plants)	An installation provides “regional drinking water supplies and wastewater services” if it is the primary source of drinking water supply or wastewater services for over 40,000 customer accounts for an area with a population of over 100,000.
4	Distribution Facility that serves a regional public safety establishment (may include County Emergency Operations Centers; county sheriff’s department and major city police department headquarters; major state and county fire service headquarters; county jails and state and federal prisons; and 911 dispatch centers)	[POU] defines “regional public safety establishment” as any of the following: (1) Headquarters of a major police or fire department serving 1.5 million population with at least 1,000 sworn officers; (2) County Sheriff’s Department Headquarters; (3) County Emergency Operations Center; (4) County/State Fire headquarters; (5) a California State Prison; (5) a United States Penitentiary; or (6) a Federal Correctional Institute.
5	Distribution Facility that serves a major transportation facility (may include International Airport, Mega Seaport, other air traffic control center, and international border crossing)	In addition to the facilities listed in the Joint IOU/POU Straw Proposal, [POU] defines a “major transportation facility” as any transportation facility that has (1) an average of 600 or more flights per day; or (2) over 50,000 passengers arriving or departing per day.
6	Distribution Facility that serves as a Level 1 Trauma Center as designated by the Office of Statewide Health Planning and Development	No additional clarification.
7	Distribution Facility that serves over 60,000 meters	No additional clarification.

Based on this scope, SMUD identified 314 facilities for further analysis. Of these, 18 locations fall within one of the Covered Distribution Facility categories listed above. SMUD evaluated the potential risks associated with a successful physical attack on these Covered Distribution Facilities at these 18 locations and whether existing grid resiliency requirements for customer-owned back-up generation and/or other physical security measures appropriate mitigated the identified risks. All 18 locations have been

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assessed to either have an alternate source to another distribution substation or the critical customer has back-up generation, the conclusion is there are no distribution facilities within SMUD that require a specific physical security mitigation plan pursuant to D.19-01-018.

The following tables summarizes the results of SMUD's analysis.

**Table 1 - Distribution Facility necessary for crank path, black start or capability essential to the restoration of regional electricity service that are not subject to the California Independent System Operator's (CAISO) operational control and/or subject to North American Electric Reliability Corporation (NERC) Reliability Standard CIP-014-2 or its successors**

Facility Name	Location – Main Street	Primary Distribution Substation Source	Alternate Distribution Substation Source	If no Alternate Distribution source capable to pick up Critical Facility, do they have back-up generator?
None	N/A	N/A	N/A	N/A

**Table 2 - Military installation essential to national security and/or emergency response services (may include certain airfields, command centers, weapons stations, emergency supply depots)**

Facility Name	Location – Main Street	Primary Distribution Substation Source	Alternate Distribution Substation Source	If no Alternate Distribution source capable to pick up Critical Facility, do they have back-up generator?
None	N/A	N/A	N/A	N/A

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**Table 3 - Installations necessary for the provision of regional drinking water supplies and wastewater services for over 40,000 customer accounts for an area with a population of over 100,000**

Facility Name	Location – Main Street	Primary Distribution Substation Source	Alternate Distribution Substation Source	If no Alternate Distribution source capable to pick up Critical Facility, do they have back-up generator?
Confidential data maintained by SMUD Security Operations.				

**Table 4 - Distribution Facility that serves a regional public safety establishment (may include County Emergency Operations Centers; county sheriff's department and major city police department headquarters; major state and county fire service headquarters; county jails and state and federal prisons; and 911 dispatch centers)**

Facility Name	Location – Main Street	Primary Distribution Substation Source	Alternate Distribution Substation Source	If no Alternate Distribution source capable to pick up Critical Facility, do they have back-up generator?
Confidential data maintained by SMUD Security Operations.				

**Table 5 - Distribution Facility that serves a major transportation facility (may include International Airport, Mega Seaport, other air traffic control center, and international border crossing**

Facility Name	Location – Main Street	Primary Distribution Substation Source	Alternate Distribution Substation Source	If no Alternate Distribution source capable to pick up Critical Facility, do they have back-up generator?

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Confidential data maintained by Confidential data maintained by SMUD Security Operations.				
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**Table 6** - Distribution Facility that serves as a Level 1 Trauma Center as designated by the Office of Statewide Health Planning and Development

Facility Name	Location – Main Street	Primary Distribution Substation Source	Alternate Distribution Substation Source	If no Alternate Distribution source capable to pick up Critical Facility, do they have back-up generator?
Confidential data maintained by SMUD Security Operations.				

**Table 7** - Distribution Facility that serves over 60,000 meters

Facility Name	Location – Main Street	Primary Distribution Substation Source	Alternate Distribution Substation Source	If no Alternate Distribution source capable to pick up Critical Facility, do they have back-up generator?
None	N/A	N/A	N/A	N/A

## **6.0 RISK ASSESSMENT**

For purpose of this analysis, a physical attack is limited to the following: (1) theft; (2) vandalism; and (3) discharge of a firearm. A “successful physical attack” is limited to circumstances where a theft, vandalism, and/or the discharge of a firearm has directly led to the failure of any elements of the Covered Distribution Facility that are necessary to provide uninterrupted service to the load served by the Covered Distribution Facilities identified above. In order to perform this risk analysis, SMUD evaluated the relative risk that (1) a physical attack on a Covered Distribution Facility will be successful

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considering the protective measures in place; or (2) that the impacts of a successful attack will be mitigated due to resiliency and other measures in place.

Based on the foregoing, the process described in the Joint IOU/POU Straw Proposal, and the direction provided in D.19-01-018, in addition to an internal evaluation, SMUD has determined that existing programs and measures effectively mitigate the effects of a successful physical attack for each of the Covered Distribution Facilities. Thus, there are no Covered Distribution Facilities that require additional risk assessment or distinct Mitigation Plan under the process set forth in D.19-01-018.

## **7.0 NARRATIVE DESCRIPTIONS FOR SMUD SECURITY PLAN**

### **A. Asset Management Program**

SMUD has developed an Asset Health Index (AHI) program to maintain reliability of power transformers and circuit breakers. The program leverages information pertaining to location, manufacturer, model, type, year of manufacture and the condition of the asset to identify and develop an asset strategy for the system. The strategy drives the plan and quantity for spare equipment; as well as identifying equipment requiring focused attention for maintenance or replacement.

SMUD maintains spare quantities for Distribution Substation Transformers to anticipate upcoming replacements and considers historical lead time for manufacturers to deliver the transformers. SMUD also monitors the health of distribution substation transformers and manufacturer lead times annually to adjust the spare quantities as needed.

### **B. Workforce Training and Retention Program -**

SMUD has a robust skilled trades apprenticeship program. There are currently 12 apprenticeship programs including Lineworker, Electrician, Cable Splicer, Meter Technician, Telecom Technician, and several more. Most of SMUD's apprenticeships are California State Department of Apprenticeship Standards and US Department of Labor certified. These 3-to-4-year apprenticeship programs provide employees with the skills, training, mentorship, and support needed to become skilled trades professionals, ultimately leading to extensive careers at SMUD and in the utility industry. Apprentice positions are filled on an as needed basis; typically, there are a host of apprentices in the training pipeline developing their skills and preparing for journey level positions. At SMUD there are currently 51 apprentices, all of which are at various points in their apprenticeship. Apprenticeship training includes: Night School, On-the-Job Training, advancement or step-tests, and annual safety/regulatory training. Formal training

	<p style="text-align: center;">SECTION</p> <p style="text-align: center;"><b>PHYSICAL SECURITY OF ELECTRIC INFRASTRUCTURE</b></p> <p style="text-align: center;"><b>R.15-06-009</b></p>	<p style="text-align: center;">SUBJECT</p> <p style="text-align: center;"><b>PHYSICAL SECURITY PLAN IN SUPPORT OF PROTECTING COVERED DISTRIBUTION FACILITIES</b></p>
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programs coupled with competitive salaries ensure retention of SMUD's highly qualified skilled trades professionals. Each skilled trade department within SMUD includes a full scheduling staff that supports the planning of our skilled trades crews' time and efforts. These scheduling personnel, coupled with SMUD's warehouse staff, ensure that skilled trades professionals are sufficiently staffed to meet long, and short-term work needs throughout SMUD's service territory. SMUD utilizes, under agreement with our labor union partners, overtime and on-call scheduling to ensure all needs are met.

SMUD is a member of the California Utilities Emergency Association (CEUA). Through the CEUA SMUD participates in joint critical infrastructure planning mitigation, training, exercises, and education. A key component of the CEUA is a Mutual Assistance Agreement among members of the CEUA. The CEUA Mutual Assistance Agreement provides opportunities and a vehicle for member utilities to provide emergency repair and restoration to critical infrastructure services, systems and facilities. SMUD has both offered and received support from our utility colleagues and is prepared to do so again in the future as needed.

#### C. Preventative Maintenance Plan

SMUD currently does not employ security systems for the distribution assets. Additionally, due to the conclusions reached during SMUD's identification and assessment of its facilities as described in this Plan, SMUD does not currently anticipate systems will be employed in the future that will require a preventative maintenance plan.

#### D. Independent Review

SMUD has submitted this documentation of its identification process, risk assessment and conclusions to a qualified third party for independent review. SMUD selected as its third-party reviewer, HDR Inc. of Folsom, CA ("Reviewer"). Reviewer is not part of or otherwise affiliated with SMUD and has the appropriate expertise as follows: evaluators hold accreditations from nationally-recognized security professional organizations.

The qualified third-party reviewer issued an evaluation that the plan in its current state is compliant with the intent of the CPUC directive. This utility security plan documentation addresses any identified deficiencies or recommendations or documents the reasons why any recommendations were not adopted. The combination of this document, the non-confidential conclusions of the qualified third-party reviewer, and SMUD's responses to the qualified third-party review will constitute SMUD's Utility Security Plan.

	<p style="text-align: center;">SECTION</p> <p style="text-align: center;"><b>PHYSICAL SECURITY OF ELECTRIC INFRASTRUCTURE</b></p> <p style="text-align: center;"><b>R.15-06-009</b></p>	<p style="text-align: center;">SUBJECT</p> <p style="text-align: center;"><b>PHYSICAL SECURITY PLAN IN SUPPORT OF PROTECTING COVERED DISTRIBUTION FACILITIES</b></p>
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#### E. Validation

SMUD submitted its Utility Security Plan to a qualified authority for review. The California Office of Emergency Services, Homeland Security Division, provided additional feedback and evaluation of SMUD's Utility Security Plan and, to the extent that this entity is authorized, such entity deems the Utility Security Plan as adequate.

#### F. Adoption

SMUD's Board of Directors adopted the Utility Security Plan at its duly noticed public meeting on September 15th, 2021, by Resolution 21-\_\_-\_\_.

SMUD will review and update its Utility Security Plan as appropriate and as necessary to preserve plan integrity, no less often than once every five years.

President Bui-Thompson then turned to Discussion Calendar Item 10, discussion and possible approval of the draft rate resolutions introduced at the August 31, 2021, Board of Directors meeting to make changes to SMUD's Rates, Rules and Regulations proposed by: a. Chief Executive Officer and General Manager's Report and Recommendation on Rates and Services (Volumes 1 and 2) dated June 17, 2021 ("CEO & GM Report") [two resolutions] and b. Chief Executive Officer and General Manager's Report and Recommendation on Open Access Transmission Tariff (Volume 1) dated June 17, 2021 ("OATT Report") [one resolution].

Alcides Hernandez, Manager of Revenue Strategy, provided a presentation on Discussion Calendar Item 10. A copy of the slides used in his presentation is attached to these minutes.

President Bui-Thompson called for public comment on Discussion Calendar Item 10.

John Briggs stated he was a non-NEM member on the technical working group regarding the Value of Solar and Storage and spoke in support of the rate proposal and stated his belief that SMUD has a higher duty to make sure that energy is delivered at a fair and sustainable price to all customers.

Mohit Chhabra, a Senior Scientist with the Natural Resources Defense Council (NRDC), spoke in support of the rate proposal and thanked SMUD for the transparent process through which it was developed. He noted that it was the right start and that there would be a need to be flexible based on system and customer needs.

Sean Frame, a SMUD customer, spoke in opposition to the rate proposal and read from a prepared statement, a copy of which is attached to these minutes.

Alex Morris stated he was with the California Energy Storage Alliance and spoke in support of the rate proposal and his appreciation that SMUD is creating opportunities for individual customer systems to participate in a way that will benefit SMUD ratepayers without asking them to subsidize particular



business models expressed his belief that it had been a fair and excellent public process.

Subhash Kale stated he was a Board member from the Vedante Society of Sacramento and that he had submitted a request to consider net meter aggregation for Vedante Society of Sacramento. He asked to speak with someone offline.

Dave Wright stated his belief that public comment had been “stacked” at the August 31, 2021, Public Hearing in such a way that there was a continuous bloc of support of commenters all placed first in the lineup. He stated his belief that there was a question of a conflict of interest as the organizations in support work closely with SMUD and asked that a procedure be communicated for customers to be heard fairly in a randomized order as he believed to be called for under SMUD’s policies Strategic Direction SD-12 and Strategic Direction SD-5.

V. John White congratulated the Board and Mr. Lau for their leadership and vision in adopting the 2030 Zero Carbon Plan. He stated his belief that although he believed there could be some improvements, the rate proposal basically struck the right balance and that the process, whatever the differences that remained, had been fair and inclusive and a good model for the future.

Public comment was received and read into the record regarding Discussion Calendar Item 10, copies of which are attached to these minutes, from the following members of the public:

- Nancee Murray
- James Simon

President Bui-Thompson stated she wanted to address the comment regarding the order of speakers. She stated that SMUD makes accommodations, to the extent possible, for speakers who may have other obligations but who want to be on the record. She stated that speakers are not “stacked” and asked General Counsel Lewis if she would also like to provide some clarification.

Ms. Lewis stated that she would like to address the notion that having community organizations speak on a rate proposal might be some kind of conflict of interest because they also receive funds from SMUD. She stated that SMUD is proud of the support that we provide to community organizations in the same way that we are proud to have provided support in the form of incentives to our solar customers. She stated that this support does not create a conflict of interest. She stated that SMUD's Strategic Direction SD-15 requires that communications be assigned such that all groups are aware of SMUD's major decisions and programs, and she did not make recommend making policy changes along those lines.

After some discussion, President Bui-Thompson moved for approval of Discussion Calendar Item 10 with the amendment that the solar and storage rate resolution be modified to reflect an effective date of March 1, 2022, Director Fishman seconded, and Resolution Nos. 21-09-06 through 21-09-08 were unanimously approved.

## **RESOLUTION NO. 21-09-06**

**WHEREAS**, on June 17, 2021, the Chief Executive Officer and General Manager released the “Chief Executive Officer & General Manager's Report and Recommendation on Rates and Services, *Volumes 1 and 2*” (the “CEO & GM Report”), which is incorporated by reference herein; and

**WHEREAS**, by Resolution 21-06-06, adopted June 17, 2021, a public hearing on the CEO & GM Report was scheduled for August 31, 2021, at 5:30 p.m.; and

**WHEREAS**, notices of the hearing were duly published in the *Sacramento Bee* on June 22, June 25 and June 30, 2021; and

**WHEREAS**, pursuant to SMUD Ordinance No. 15-1, SMUD conducted the two required public workshops on July 8, 2021, and July 27, 2021, to receive and respond to customer comments and questions; and

**WHEREAS**, in compliance with Government Code section 54999, SMUD sent written notifications by certified mail on June 28, 2021, and June 29, 2021, describing the rate proposal to local school districts, county offices of education, community college districts, California State University, the University of California, and state agencies; and

**WHEREAS**, SMUD held two qualifying public workshops, contacted over 1,200 community organizations and neighborhood associations leaders via email, letter or phone call invitations to offer an in-person presentation, sent emails to over 256,000 customers and organizations with tailored content for each audience, conducted over 50 presentations to community neighborhood and business organizations, over 300 community and business partners were provided content and were asked to share

information regarding the rate proposal with their members and networks, and an additional 55 local agency elected officials were sent information packets with an offer of in-person presentations, which resulted in one meeting being held and offers for follow-up meetings if desired; and

**WHEREAS**, SMUD provided all customers information about the rate proposal via email, mail newsletters, and through the rate change proposal website on [www.smud.org](http://www.smud.org), which received approximately 3,300-page views; and

**WHEREAS**, SMUD received from members of the public written questions, as well as comments and alternative recommendations to the rate changes proposed; and

**WHEREAS**, the public hearing was held on August 31, 2021, and out of an abundance of caution due to the ongoing COVID-19 health and safety precautions, the public hearing was conducted virtually on ZoomGov and livestreamed via Granicus, and all interested persons were given an opportunity to comment and submit testimony; and

**WHEREAS**, pursuant to SMUD Ordinance No. 15-1, this resolution was introduced on August 31, 2021, by this Board to be circulated for a minimum of 10 calendar days for public review, input and comment; and

**WHEREAS**, the CEO & GM Report set forth in detail the factors necessitating the proposed rate action, including the need to meet SMUD's financial targets in years 2022 and 2023, consisting of:

- Wildfire prevention and mitigation, due to increased costs and requirements for vegetation management and insurance for wildfire; and
- Infrastructure improvements to maintain high reliability, including continued investments in our distribution and transmission systems, as well as meeting regulatory requirements; and
- Clean energy compliance requirements – investing in clean energy resources like more wind, solar, hydro power and biogas to meet updated state requirements; and
- Increased operating costs, including materials and labor, due to the COVID-19 pandemic and the impacts it has had to global supply chains; and

**WHEREAS**, SMUD has adopted a robust risk-based prioritization process to develop operational efficiencies and other cost saving measures to offset higher costs and ensure that rate increases are less than the forecasted rate of inflation; and

**WHEREAS**, it is necessary for SMUD to increase retail rates by one and a half percent (1.5%) for all customers effective March 1, 2022, and two percent (2.0%) for all customers effective January 1, 2023, in order to continue to meet the objectives and metrics set forth in this Board's Strategic Directions; and

**WHEREAS**, the recommendations in the CEO & GM Report include minor language amendments in Rate Schedules R and R-TOD to improve clarity of which months are included in each season, which rates customers may enroll in, and the closure of the Legacy and TOD (4-7 p.m.) rates; and

**WHEREAS**, SMUD proposes a new optional Residential CPP Rate for customers participating in a qualified program that will offer a per kWh discount on summer Off-Peak and Mid-Peak hours in exchange for a higher per kWh price during times when the grid is most stressed, up to 50 hours per summer; energy sent to the grid during CPP events will be compensated at the CPP event price; the CPP Rate will encourage customers to reduce their energy consumption during those times when the grid is most impacted, and send energy to the grid from solar or battery storage, thereby reducing stress on the grid, improving reliability, and promoting storage adoption; and

**WHEREAS**, on August 20, 2020, the Board approved postponing the implementation of the commercial rate restructure for one year, with the transition completing no later than May 31, 2022, as a result of the COVID-19 pandemic's impact on SMUD's operations and shifted priorities; and

**WHEREAS**, the recommendations in the CEO & GM Report include modifying Rate Schedules CI-TOD1, CI-TOD2, CI-TOD3 and CI-TOD4 to reflect the delayed implementation of the commercial rate restructure to begin as early as October 1, 2021; and

**WHEREAS**, the recommendations in the CEO & GM Report include adding the Summer Super Peak Demand Charge back into Rate Schedules CB, CHP, EAPR, and EDR to reflect the delayed implementation of the commercial rate restructure timing; and

**WHEREAS**, the recommendations in the CEO & GM Report include modifying Rate Schedules CI-TOD1, CI-TOD2, CI-TOD3 and CI-TOD4 to improve

clarity and add storage systems in the list of devices that would allow customers to request an adjustment to their 12-month maximum demand; and

**WHEREAS**, the recommendations in the CEO & GM Report include updating the language in Rate Schedule CI-TOD1 to more accurately reflect the new rates nomenclature; and

**WHEREAS**, the recommendations in the CEO & GM Report include updating the applicability section of Rate Schedule CI-TOD2 to more clearly define which customers are subject to Rate Schedule CI-TOD2; and

**WHEREAS**, the recommendations in the CEO & GM Report include adding “Maximum Demand Charge” to the proration language of Rate Schedule AG to reflect current practices; and

**WHEREAS**, the recommendations in the CEO & GM Report include removing all language referencing rate category SL\_DOM\_M from Rate Schedule SLS; and

**WHEREAS**, the recommendations in the CEO & GM Report include adding language back into Rate Schedule SLS that was inadvertently removed in a prior rate action; and

**WHEREAS**, the recommendations in the CEO & GM Report include modifying Rate Schedules AG, CI-TOD1, CI-TOD2, CI-TOD3, CI-TOD4, R and R-TOD to clarify which customers are exempt from the Generator Standby Service Charge; and

**WHEREAS**, the recommendations in the CEO & GM Report include updating Rate Schedule EAPR to reflect the end of the residential low-income discount

transition and add the Maximum Demand Charge to the list of rate components that qualify for the Energy Assistance Program Rate discount; and

**WHEREAS**, the recommendations in the CEO & GM Report include modifying Rate Schedule EDR by replacing the reference to the first meter read with a reference to the first billing period to align with the use of digital communicating meters; and

**WHEREAS**, the recommendations in the CEO & GM Report include modifying Rate Schedule HGA by updating the generation amount from 35,000 MWh/inch to 30,000 MWh/inch to reflect new Federal Energy Regulatory Commission (FERC) licensing requirements and data collected since the implementation of Rate Schedule HGA; and

**WHEREAS**, the recommendations in the CEO & GM Report include updating Rate Schedule RBC by adding in the Summer Peak Demand Charge and updating the reference to Rate Schedule NEM with “Rate Schedules NEM1 and SSR” to reflect the updates approved by the Board in the 2019 rate action and the new Solar and Storage Rate; and

**WHEREAS**, the recommendations in the CEO & GM Report include updating Rule and Regulation 13 – Temporary Service to more accurately reflect current practices; and

**WHEREAS**, the recommendations in the CEO & GM Report, on balance, meet the competitive rate targets and the rate design metrics in Strategic Direction 2, Competitive Rates, including:



- The Board establishes a rate target of 18 percent below Pacific Gas & Electric Company's published rates on a system average basis. In addition, the Board establishes a rate target of at least 10 percent below PG&E's published rates for each customer class;
- SMUD's rates shall be competitive with other local utilities on a system average basis;
- In addition, SMUD's rates shall be designed to balance and achieve the following goals:
  - Reflect the cost of energy when it is used or exported to the SMUD grid;
  - Reduce consumption during periods of high system demand;
  - Encourage energy efficiency, conservation and carbon reduction;
  - Encourage cost effective and environmentally beneficial Distributed Energy Resources (DERs) (examples of DERs include but are not limited to rooftop solar, battery storage and energy reduction applications);
  - Minimize the rate of change in the transition from one rate design to another;
  - Provide customers flexibility and choices;
  - Be as simple and easy to understand as possible;
  - Address the needs of people with low incomes and severe medical conditions; and
  - Equitably allocate costs across and within customer classes; and

**WHEREAS**, the recommendations in the CEO & GM Report will ensure SMUD meets or exceeds the financial targets in Strategic Direction 3, Access to Credit Markets, and continues to meet the metrics and targets in the other Strategic Directions adopted by this Board, including those addressing reliability, customer relations, environmental leadership, and resource planning; and

**WHEREAS**, in light of the adoption of Proposition 26 on November 2, 2010, which precludes certain new fees, levies or charges but is not retroactive as to local governments, this Board desires to maintain certain pre-Proposition 26 rates; this Board understands that Proposition 26 does not vitiate legislation adopted prior to November 3, 2010, and any changes in rates since this date are cost-justified under the analysis in the respective Chief Executive Officer and General Manager's Report and Recommendation on Rates and Services that supported the adoption of the rates; and

**WHEREAS**, the recommendations to increase rates 1.5% on March 1, 2022, and 2.0% on January 1, 2023, for all customer classes are made on an across-the-board basis to reflect SMUD's cost increases of proportionate impact on all customer classes on average and therefore does not require an examination of the allocation of costs among customer classes or of class definitions; and

**WHEREAS**, the recommendations to implement the restructuring of the commercial rate restructure bring commercial Time-of-Day (TOD) rates and small commercial customer rates closer to the cost of service, including small commercial Energy Assistance Program Rate (EAPR) customers that receive a discounted demand charge; and

**WHEREAS**, this Board has carefully considered the CEO & GM Report public comment, input, and alternatives from community meetings, public rate workshops, the noticed public hearing, and comments received by mail, telephone and email; and

**WHEREAS**, this Board finds that the proposed action is reasonable and in the best interests of the public and SMUD's customers; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

**Section 1. RATE INCREASE FOR RESIDENTIAL RATES:**

a. Effective March 1, 2022, adopt an increase in residential service rates by one and one half percent (1.5%). The increases will apply to all residential rates. The increases apply to the System Infrastructure Fixed Charge (SIFC), as well as the electricity usage charges and miscellaneous charges on customer bills.

b. Effective January 1, 2023, adopt an increase in residential service rates by two percent (2.0%). The increases will apply to all residential rates. The increases apply to the SIFC, as well as the electricity usage charges and miscellaneous charges on customer bills.

Prices in the tariffs may reflect minor rounding differences.

Revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 2. CHANGES TO RATE SCHEDULE R:**

a. Effective January 1, 2022, add the following language in Section I, Subsection A of Rate Schedule R:

*6. Customers who have a storage facility without an associated generating facility are not eligible to enroll in the Fixed Rate.*

b. Effective January 1, 2022, modify Section I, Subsection A,

Subsection 3 in Rate Schedule R as follows:

*3. Customers who qualify for Rate Schedule NEM1 and have an eligible renewable electrical generation facility that was approved for installation prior to January 1, 2018 are eligible to enroll in the Fixed Rate ~~and NEM1 customers that are enrolled in the Fixed Rate~~ may remain on the Fixed Rate after December 31, 2022.*

c. Effective January 1, 2022, modify Section I, Subsection B,

Subsections 3 and 4 in Rate Schedule R as follows:

*3. Customers who have an eligible renewable electrical generation facility under Rate Schedule NEM1 that was approved for installation by SMUD before January 1, 2018, and are enrolled on the Legacy Rate may remain on this closed rate until **transitioned to SMUD's standard TOD (5-8 p.m.) Rate as early as January 1, 2023, as technically feasible** ~~December 31, 2022~~. If an eligible generation facility customer in this rate category elects an open rate, the customer cannot return to the Legacy Rate.*

*4. The Legacy Rate **will be eliminated once all** ~~terminate for customers with an eligible renewable electrical generation facility under Rate Schedule NEM1 on their first billing cycle that closes in 2023, and customers will then transition to SMUD's standard residential rate~~ **are removed from this rate and the rate transition is complete.***

d. Effective January 1, 2022, modify Section II, Subsections A and C

of Rate Schedule R by adding the months for each season in the rates table and removing the following language:

~~*\*Non-summer Season includes Fall (Oct 1 — Nov 30), Winter (Dec 1 — Mar 31) and Spring (Apr 1 — May 31) periods.*~~

Additions and revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 3. CHANGES TO RATE SCHEDULE R-TOD:**

- a. Effective January 1, 2022, add Subsection 3 to Section I in Rate

Schedule R-TOD as follows:

*3. Customers who have an eligible renewable electrical generation facility under Rate Schedules NEM1 or SSR that was approved for installation by SMUD on or after January 1, 2018, or who establish service at a premises that has an electrical generation facility that is fueled by a renewable fuel source on or after January 1, 2018 must be on this Rate Schedule R-TOD.*

- b. Effective January 1, 2022, modify the language in Section I,

Subsection A in Rate Schedule R-TOD as follows:

*1. The TOD (5-8 p.m.) Rate is the standard rate for SMUD's residential customers. Eligible customers can elect the Fixed Rate under Rate Schedule R as an alternative rate.*

~~*2. Customers who have an eligible renewable electrical generation facility under Rate Schedule NEM1 that was approved for installation by SMUD after December 31, 2017, must be on the TOD (5-8 p.m.) Rate.*~~

***32. The TOD (5-8 p.m.) Rate is an optional rate for customers who have an eligible renewable electrical generation facility under Rate Schedule NEM1 that was approved for installation by SMUD prior to January 1, 2018.***

~~*3. Customers who have an eligible renewable electrical generation facility under Rate Schedule NEM2 must be on the TOD (5-8 p.m.) Rate.*~~

***43. This rate has five kilowatt-hour (kWh) prices, depending on the time-of-day and season as shown below. Holidays are detailed in Section V. Conditions of Service.***

- c. Effective January 1, 2022, modify Section I, Subsection B,

Subsection 3 in Rate Schedule R-TOD as follows:

*3. The TOD (4-7 p.m.) Rate will terminate for customers with an eligible renewable electrical generation facility under Rate Schedule NEM1 on*

~~their first billing cycle that closes in 2023, as early as January 1, 2023 as technically feasible.~~ Customers will then transition to SMUD's standard residential **TOD (5-8 p.m.) Rate, as determined by SMUD.**

d. Effective January 1, 2022, modify Section II, Subsection A of Rate Schedule R-TOD by adding the months for each season in the rates table and removing the following language:

~~\*Non-summer Season includes Fall (Oct 1 – Nov 30), Winter (Dec 1 – Mar 31) and Spring (Apr 1 – May 31) periods.~~

Additions and revisions described above are detailed in the attached Rates, Rules and Regulations.

#### **Section 4. CRITICAL PEAK PRICING RATE:**

a. Effective January 1, 2022, add Subsection C to Section I in Rate Schedule R-TOD as follows:

##### ***C. Optional Critical Peak Pricing (CPP) Rate (rate categories RTC1 and RTC2)***

- 1. The CPP rate is available as of June 1, 2022 for customers who are participating in a qualifying program. Customers that have accepted a storage incentive under the Solar and Storage Rate incentive program are required to enroll in this rate for a duration as determined by SMUD program rules posted on [www.smud.org](http://www.smud.org).***
- 2. A maximum of 30,000 customers may be enrolled in this rate at any given time.***
- 3. CPP Events may range from one to four hours, but not more than once per day. CPP Events may be called during any hour of the day during summer months, including holidays and weekends, up to 50 hours per summer. CPP Events may span multiple time-of-day periods.***
- 4. CPP Events will be announced by SMUD a day in advance. However, in the event of a system emergency, announcements may occur the same day as the event.***

5. This rate has five kilowatt-hour (kWh) prices, depending on the time-of-day and season as shown below. Holidays are detailed in Section V. Conditions of Service.

<b>Summer</b> (Jun 1 - Sept 30)	<b>Peak</b>	Weekdays between 5:00 p.m. and 8:00 p.m.
	<b>Mid-Peak</b>	Weekdays between noon and midnight except during the Peak hours.
	<b>Off-Peak</b>	All other hours, including weekends and holidays <sup>1</sup> .
<b>Non-Summer</b> (Oct 1 - May 31)	<b>Peak</b>	Weekdays between 5:00 p.m. and 8:00 p.m.
	<b>Off-Peak</b>	All other hours, including weekends and holidays <sup>1</sup> .

<sup>1</sup> See Section V. Conditions of Service

b. Effective January 1, 2022, add Subsection C to Section II in Rate Schedule R-TOD as follows:

*C. Optional Critical Peak Pricing Rate*

- 1. The CPP Rate base prices per time-of-day period are the same as the prices per time-of-day period for TOD (5-8 p.m.).*
- 2. The CPP Rate provides a discount per kWh on the Mid-Peak and Off-Peak prices during summer months.*
- 3. During CPP Events, customers will be charged for energy used at the applicable time-of-day period rate plus the CPP Rate Event Price per kWh as shown on [www.smud.org](http://www.smud.org).*
- 4. During CPP Events, energy exported to the grid will be compensated at the CPP Rate Event Price per kWh as shown on [www.smud.org](http://www.smud.org).*
- 5. The CPP Rate Event Price and discount will be updated annually at SMUD's discretion and posted on [www.smud.org](http://www.smud.org)*

c. Effective January 1, 2022, customers electing to enroll in the Critical Peak Pricing Rate may also receive the Electric Vehicle discount.

d. The Critical Peak Pricing Rate will follow new rates nomenclature as determined by SMUD.

Additions and revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 5. RATE INCREASE FOR AGRICULTURAL AND COMMERCIAL RATES:**

a. Effective March 1, 2022, Commercial & Industrial Time-of-Day, General Service Temperature Dependent, Agricultural Service, Distribution Wheeling Services, and Combined Heat & Power Distributed Generation rates (Rate Schedules CI-TOD1, CI-TOD2, CI-TOD3, and CI-TOD4, formerly known as Rate Schedules GS, GS-TOU1, GS-TOU2, GS-TOU3, and Rate Schedules AG, CHP, DWS, and GS-TDP) shall be increased by one and one half percent (1.5%) through the following components:

- Electricity Usage Charges;
- System Infrastructure Fixed Charge;
- Summer Super Peak Demand Charges;
- Summer Peak Demand Charges;
- Site Infrastructure Charges;
- Maximum Demand Charges;
- Generator Standby Charges;
- Power Factor and other miscellaneous charges;
- Distribution Wheeling Charges;
- Reserved Capacity Charge/Rate

b. Effective January 1, 2023, Commercial & Industrial Time-of-Day, General Service Temperature Dependent, Agricultural Service, Distribution Wheeling



Service, and Combined Heat & Power Distributed Generation rates, (Rate Schedules AG, CHP, CI-TOD1, CI-TOD2, CI-TOD3, and CI-TOD4, DWS and GS-TDP) shall be increased by two percent (2.0%) through the following components:

- Electricity Usage Charges;
- System Infrastructure Fixed Charge;
- Summer Peak Demand Charges;
- Site Infrastructure Charges;
- Maximum Demand Charges;
- Generator Standby Charges;
- Power Factor and other miscellaneous charges;
- Distribution Wheeling Charges;
- Reserved Capacity Charge/Rate

Prices in the tariffs may reflect minor rounding differences.

Revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 6. IMPLEMENTATION OF COMMERCIAL RATE**

**RESTRUCTURE:**

a. Effective September 17, 2021, move the transition language from Section I, Subsections A and B, to a new Section II. Transition to Restructured Commercial & Industrial Time-of-Day Rates in Rate Schedules CI-TOD2, CI-TOD3, and CI-TOD4.

b. Effective September 17, 2021, replace the language in Section II of Rate Schedule CI-TOD1 with the following language:

*II. Transition to Restructured Commercial & Industrial Time-of-Day Rates*

- 1. The Legacy commercial rates (GSN\_T and GSS\_T) will be closed to new customers October 1, 2021.*
- 2. Existing customers on the Legacy commercial rates will gradually transition as determined by SMUD to the new restructured Commercial & Industrial Time-of-Day rates (CITS-0 and CITS-1) beginning the first full billing cycle in October 2021.*
- 3. Once a customer has been transitioned to the new restructured Commercial & Industrial Time-of-Day rate, they cannot return to the closed Legacy rate(s).*

c. Effective September 17, 2021, replace the language in Section II of Rate Schedule CI-TOD2 with the following language:

*II. Transition to Restructured Commercial & Industrial Time-of-Day Rates*

- 1. The Legacy commercial rates (GUS\_S and GUP\_S) will be closed to new customers October 1, 2021.*
- 2. Existing customers on the Legacy commercial rates will gradually transition as determined by SMUD to the new restructured Commercial & Industrial Time-of-Day rates (CITS-2 and CIP-2) beginning the first full billing cycle in October 2021.*
- 3. Once a customer has been transitioned to the new restructured Commercial & Industrial Time-of-Day rate, they cannot return to the closed Legacy rate(s).*

d. Effective September 17, 2021, replace the language in Section II of Rate Schedule CI-TOD3 with the following language:

*II. Transition to Restructured Commercial & Industrial Time-of-Day Rates*

- 1. The Legacy commercial rates (GUS\_M, GUP\_M and GUT\_M) will be closed to new customers October 1, 2021.*

*2. Existing customers on the Legacy commercial rates will gradually transition as determined by SMUD to the new restructured Commercial & Industrial Time-of-Day rates (CITS-3, CIP-3, and CIT-3) beginning the first full billing cycle in October 2021.*

*3. Once a customer has been transitioned to the new restructured Commercial & Industrial Time-of-Day rate, they cannot return to the closed Legacy rate(s).*

e. Effective September 17, 2021, replace the language in Section II of Rate Schedule CI-TOD4 with the following language:

*II. Transition to Restructured Commercial & Industrial Time-of-Day Rates*

*1. The Legacy commercial rates (GUS\_L, GUP\_L and GUT\_L) will be closed to new customers October 1, 2021.*

*2. Existing customers on the Legacy commercial rates will gradually transition as determined by SMUD to the new restructured Commercial & Industrial Time-of-Day rates (CITS-4, CIP-4, and CIT-4) beginning the first full billing cycle in October 2021.*

*3. Once a customer has been transitioned to the new restructured Commercial & Industrial Time-of-Day rate, they cannot return to the closed Legacy rate(s).*

f. Effective September 17, 2021, modify Section III, Subsection A in Rate Schedules CI-TOD1, CI-TOD2, CI-TOD3 and CI-TOD4 by adding the closing date, October 1, 2021, to the title of Subsection A and the following sentence after the Legacy rate prices:

*All customers on these rates will be transitioned to the new restructured rates as early as October 1, 2021.*

g. Effective September 17, 2021, update the language after the price table in Section III, Subsection C in Rate Schedule CI-TOD1 as follows:

*New restructured commercial rates beyond ~~2021~~**2023** are effective as shown in Section ~~VIII~~**IX**. Transition Schedule.*

h. Effective September 17, 2021, update the language after the price table in Section III, Subsection B in Rate Schedules CI-TOD2, CI-TOD3 and CI-TOD4 as follows:

*New restructured commercial rates beyond ~~2021~~**2023** are effective as shown in Section ~~VIII~~**IX**. Transition Schedule.*

i. Effective September 17, 2021, add the Summer Super Peak Demand Charge to Section V, Subsection D of Rate Schedules CI-TOD2, CI-TOD3 and CI-TOD4 as follows:

*In addition to the Generator Standby Service Charge, SMUD will continue to bill for all applicable charges under this rate schedule. These charges include System Infrastructure Fixed Charges, Site Infrastructure Charges, **Summer Super Peak Demand Charge**, Summer Peak Demand Charges, as well as electricity usage charges for SMUD-provided power.*

j. Effective September 17, 2021, add the Maximum Demand Charge to Section V, Subsection D of Rate Schedule CI-TOD1 as follows:

*In addition to the Generator Standby Service Charge, SMUD will continue to bill for all applicable charges under this rate schedule, including, but not limited to, System Infrastructure Fixed Charges, Site Infrastructure Charges, **Maximum Demand Charge**, Summer Peak Demand Charges ~~(if applicable)~~ and electricity usage charges for SMUD-provided power.*

k. Effective September 17, 2021, update the date the Legacy commercial rates will close, October 1, 2021, in Section VII, Subsection A of Rate Schedules CI-TOD2, CI-TOD3 and CI-TOD4.

l. Effective September 17, 2021, modify the title of Section VII, Subsection A of Rate Schedule CI-TOD1 as follows:

*B. Legacy ~~GSN-T, GSS-T and GFN~~Time-of-Use Billing Periods  
(closed as of October 1, 2021)*

m. Effective September 17, 2021, add the Summer Super Peak Demand Charge to Section VIII, Subsection B in Rate Schedules CI-TOD2, CI-TOD3 and CI-TOD4.

Revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 7. MISCELLANEOUS COMMERCIAL UPDATES:**

a. Effective September 17, 2021, modify Section V, Subsection C in Rate Schedules CI-TOD1, CI-TOD2, CI-TOD3, and CI-TOD4 as follows:

*C. Implementation of Energy Efficiency or Installation of New Solar/Photovoltaic **or Storage Systems***

*Customers who implement a SMUD-sponsored Energy Efficiency program or who install a SMUD-approved solar/photovoltaic **or storage** system to offset their on-site energy usage may request, in writing, within 30 days of the project completion and commissioning, an adjustment to their ~~billing demand~~ **twelve month maximum demand** based on the anticipated reduction in kW from the Energy Efficiency Project Worksheet. The ~~adjusted billing demand~~ **twelve month maximum demand** is valid for 12 months or until it is exceeded by actual maximum demand.*

b. Effective September 17, 2021, move Section V, Subsection D to a new Section VII. Commercial & Industrial Time-of-Day Billing Periods, with the remaining section numbers updated accordingly in Rate Schedules CI-TOD2, CI-TOD3, and CI-TOD4.

c. Effective September 17, 2021, add the holidays in Section VII, Subsection A of Rate Schedules CI-TOD2, CI-TOD3, and CI-TOD4.

d. Effective September 17, 2021, modify the title of Section VII, Subsection B of Rate Schedule CI-TOD1 as follows:

***B. Restructured ~~CITS-0 and CITS-1~~ Time-of-Day Billing Periods***

Additions and revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 8. MODIFICATIONS TO RATE SCHEDULE CI-TOD1:**

a. Effective September 17, 2021, update Section I, Subsection A of Rate Schedule CI-TOD1 as follows:

*These rates apply to Commercial & Industrial Time-of-Day accounts with a monthly maximum demand of 20 kW or less. Whenever the monthly maximum demand exceeds 20 kW for any three consecutive months and the monthly energy usage is at least 7,300 kWh for any three consecutive months within a 12-month period, the account will be billed on the applicable ~~demand~~ rate. To return to the ~~nondemand~~ **CITS-0** rate, the monthly maximum demand must be 20 kW or less for 12-consecutive months or the usage must be less than 7,300 kWh for 12 consecutive months.*

b. Effective September 17, 2021, update Section I, Subsection C of Rate Schedule CI-TOD1 as follows:

*These rates apply to Commercial & Industrial Time-of-Day accounts with a monthly maximum demand of at least 21 kW but does not exceed 299 kW for any three consecutive months and monthly energy usage of at least 7,300 kWh for any three consecutive months within a 12-month period. The customer will be billed on this ~~demand~~ rate unless the monthly usage is less than 7,300 **kWh** for 12 consecutive months; or the maximum demand falls below 21 kW for 12 consecutive months; or the monthly maximum demand exceeds 299 kW for three consecutive months.*

Revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 9. MODIFICATIONS TO RATE SCHEDULE CI-TOD2:**

a. Effective September 17, 2021, modify Section I of Rate Schedule CI-TOD2 as follows:

*This Rate Schedule CI-TOD2 applies to single- or three-phase service, delivered at standard voltages designated by SMUD as available at the customer's premises. This schedule is mandatory for all commercial and industrial (C&I) accounts with monthly maximum demand of at least 300 kW for three consecutive months, but not greater than 499 kW for three consecutive months during the preceding 12 months, ~~and for all accounts previously served at the primary level on Rate Schedule GS.~~ Accounts **served at the secondary service voltage level** will remain on the CI-TOD2 rate schedule unless monthly maximum demand falls below 300 kW for 12 consecutive months or exceeds 499 kW for three consecutive months. **Accounts served at the primary service voltage level will remain on the CI-TOD2 rate schedule unless monthly maximum demand exceeds 499 kW for three consecutive months.** This schedule is also mandatory for accounts with contract capacity of at least 300 kW, but not greater than 499 kW. The demand for any month shall be the maximum 15-minute kW delivery during the month.*

Revisions described above are detailed in the attached Rates, Rules and Regulations.

#### **Section 10. MODIFICATIONS TO RATE SCHEDULE AG:**

Effective January 1, 2022, add "Maximum Demand Charge" to the proration language in Section VI, Subsection B of Rate Schedule AG.

Revisions described above are detailed in the attached Rates, Rules and Regulations.

#### **Section 11. CHANGES TO STREET, TRAFFIC, AND LIGHTING SERVICES:**

a. Effective March 1, 2022, Lighting Services (Rate Schedules SLS, TSS, TC ILS and NLGT) billing components shall be increased by one and one half percent (1.5%). The rate increases do not apply to monthly leasing and maintenance charges for street lighting lamps and fixtures.

b. Effective January 1, 2023, Lighting Services (Rate Schedules SLS, TSS, TC ILS and NLGT) billing components shall be increased by two percent (2.0%).

The rate increases do not apply to monthly leasing and maintenance charges for street lighting lamps and fixtures.

The prices in the tariff may reflect minor rounding differences.

Revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 12. MISCELLANEOUS CHANGES TO RATE SCHEDULE SLS:**

Effective March 1, 2022, remove all reference and prices for SL\_DOM\_M from Rate Schedule SLS and add “Effective the first full billing cycle after the following date(s), the charge will be as follows:” in Section V, Subsection A.

Revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 13. MISCELLANEOUS UPDATES DUE TO COMMERCIAL RESTRUCTURE DELAY:**

a. Effective September 17, 2021, modify Rate Schedule CB by adding “Summer Super Peak Demand Charge” to Section VI, Subsection B.

b. Effective September 17, 2021, modify Rate Schedule EAPR by adding “Summer Super Peak Demand Charge” to Section V, Subsection A.

c. Effective September 17, 2021, modify Rate Schedule EDR by adding “Summer Super Peak Demand Charge” to Section III, Subsections A and B.

Revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 14. MODIFICATIONS TO GENERATOR STANDBY SERVICE LANGUAGE:**

a. Effective September 17, 2021, delete Section V, Subsection D, Subsection 2 of Rate Schedules CI-TOD1, CI-TOD2, CI-TOD3 and CI-TOD4.



b. Effective September 17, 2021, modify the following language in Section V, Subsection D of Rate Schedules CI-TOD1, CI-TOD2, CI-TOD3 and CI-TOD4 as follows:

*The Generator Standby Service Charge will be waived **only** for qualifying **renewable** ~~not metered~~ generation. Refer to **under** Rate Schedules NEM1 and ~~NEM2~~**SSR**.*

c. Effective March 1, 2022, delete Section IV, Subsection E, Subsection 2 of Rate Schedule R.

d. Effective March 1, 2022, modify the following language in Section IV, Subsection E of Rate Schedule R as follows:

*The Generator Standby Service Charge will be waived **only** for qualifying **renewable** ~~not metered~~ generation. Refer to **under** Rate Schedules NEM1 and ~~NEM2~~**SSR**.*

e. Effective March 1, 2022, delete Section IV, Subsection D, Subsection 2 of Rate Schedule R-TOD.

f. Effective March 1, 2022, modify the following language in Section IV, Subsection D of Rate Schedule R-TOD as follows:

*The Generator Standby Service Charge will be waived **only** for qualifying **renewable** ~~not metered~~ generation. Refer to **under** Rate Schedules NEM1 and ~~NEM2~~**SSR**.*

g. Effective March 1, 2022, delete Section IV, Subsection A, Subsection 2 of Rate Schedule AG.

h. Effective March 1, 2022, modify the following language in Section IV, Subsection A of Rate Schedule AG as follows:

*The Generator Standby Service Charge will be waived **only** for qualifying **renewable** ~~not metered~~ generation. Refer to **under** Rate Schedules NEM1 and ~~NEM2~~ **SSR**.*

Revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 15. MODIFICATIONS TO RATE SCHEDULE EAPR:**

a. Effective September 17, 2021, add “Maximum Demand Charge (kW)” to Section V, Subsection A in Rate Schedule EAPR.

b. Effective January 1, 2022, remove the following language from Section III of Rate Schedule EAPR:

*Beginning as early as the first full bill cycle in 2021*

c. Effective January 1, 2022, remove the reference to 2021 in the table in Section III, Subsection 2 of Rate Schedule EAPR.

Revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 16. MODIFICATIONS TO RATE SCHEDULE EDR:**

Effective September 17, 2021, modify Section IV, Subsection B of Rate Schedule EDR as follows:

*New customers must apply for the EDR option prior to commencement of service with SMUD. Temporary service is not eligible for the EDR option. Applicants will have 12 months from the agreement date to reach the maximum demand of at least 300 kW load requirement. The effective start date for the EDR for new customers is the date of the ~~first meter read for billing~~ **first billing period** after three consecutive months with a maximum demand of at least 300 kW*

Revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 17. MODIFICATIONS TO RATE SCHEDULE HGA:**

- a. Effective January 1, 2022, modify Section II, Subsection A of Rate

Schedules HGA as follows:

*SMUD estimates that each inch of precipitation results in ~~35,000~~ **30,000** megawatt hours (MWh) of generation.*

- b. Effective January 1, 2022, modify Section III, Subsection B of Rate

Schedule HGA as follows:

*Generation Conversion*

*$\pm \text{IPV} \times \del{35,000} \text{ **30,000** MWh/inch} = \pm \text{MWh}$*

*The variance of hydro generation, in megawatt hours, equals the inches of precipitation variance  $\times \del{35,000} \text{ **30,000** MWh/inch}.$*

Revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 18. MODIFICATIONS TO RATE SCHEDULE RBC:**

- a. Effective September 17, 2021, modify Section VI, Subsection C of

Rate Schedule RBC as follows:

*Customers taking service on this Rate Schedule are not eligible to take service on Rate Schedules ~~Net Energy Metering (NEM)~~ **NEM1 or SSR**.*

- b. Effective September 17, 2021, add "Summer Peak Demand Charge" to Section IV, Subsection A of Rate Schedule RBC.

Revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 19. UPDATE RULE AND REGULATION 13:**

- a. Effective September 17, 2021, modify Section II of Rule and

Regulation 13 as follows:

*Within three years of the date when service was first delivered, service will be considered permanent and payments made in excess of **delinquent***

*meter and service charges shall be refunded without interest when a customer served under this rule has requested a refund of temporary charges, and has:*

- 1. Installed sewer, water, and foundation; or*
- 2. Operated the same or greater electrical load originally installed for a period of 36 consecutive months from the date when service was first delivered under this rule.*

Revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 20. ALTERNATIVE RECOMMENDATION 1:** SMUD received a recommendation to back out the “9.2% scalar” built into the original time of day (TOD) rates in 2017, plus all of the across the board rate increases that have increased that scalar up to about 10.7% before applying the proposed 1.5% and 2.0% rate increases. This Board has considered this alternative recommendation 1 and has determined not to adopt the alternative recommendation for the following reasons:

- This rate action does not address the current residential 2021 rates.  
This Board approved the current residential 2021 rates in the 2019 rate action.
- The use of a scalar is described in the 2017 CEO & GM Report, under Appendix I. The scalar was used to reconcile marginal cost to achieve a revenue neutral restructured TOD rate design prior to adjusting the rates with the proposed 2018 and 2019 rate increases adopted in 2017.
- Increasing marginal cost rates by a scalar (or equal percentage of marginal cost) is an accepted practice by the industry and is used to ensure sufficient collection of revenue to meet costs.

- Reducing rate by the scalar would negatively impact SMUD's financial position. Rating agencies could downgrade SMUD credit rating which would increase costs of borrowing which is needed to fund capital projects, and the increased borrowing costs would make future rate increases higher.

**Section 21. ALTERNATIVE RECOMMENDATION 2:** SMUD received several comments to provide more details on the Critical Peak Pricing (CPP) Rate. This Board has considered the comments in this alternative recommendation 2 and is providing the following information as requested:

- Staff's proposal includes adequate detail to establish the CPP Rate on pages 43-46 of the CEO and GM Report.
- The prices for the CPP Rate will be included on the SMUD website to allow for flexibility in adjusting the rate to increase participation. The actual 2022 prices will be calculated at the end of 2021 based on market conditions at that time. Staff will then post the prices to the website.

**Section 22. MODIFICATIONS:** The Chief Executive Officer and General Manager, or his or her designee, is authorized to make non-substantive revisions to the Rates, Rules and Regulations.

**Section 23. ENVIRONMENTAL COMPLIANCE:**

1.0 Section 21080(b)(8) of the California Public Resource Code and Section 15273 of the California Environmental Quality Act (CEQA) Guidelines (California Code of Regulations, Title 14, Sections 15000, et seq.) provide, in relevant

part, that CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies which the public agency finds are for the purposes set forth in (A) through (D) below, and that a public agency shall incorporate written findings in the record in any proceeding in which an exemption is claimed setting forth with specificity the basis for the claim for exemption:

- (A) meeting operating expenses, including employee wage rates and fringe benefits,
- (B) purchasing or leasing supplies, equipment, or materials,
- (C) meeting financial reserve needs and requirements, or
- (D) obtaining funds for capital projects necessary to maintain service within existing service areas.

2.0 This Board finds and declares:

- (A) That all revenue produced by each and every one of the rate actions set forth in this Resolution shall exclusively be used for purposes permitted by Sections 21080(b)(8)(A) through (D) of the California Public Resource Code, and that no amount of revenue obtained from this rate increase shall be used for any other purpose. Therefore, all of the foregoing rate actions are exempt from CEQA.
- (C) The above findings are based on information set forth in the CEO & GM Report.

**Section 24.** The new and revised Rate Schedules and Rules and Regulations referenced in this Resolution are attached and incorporated herein as **Attachment E.**

**Section 25.** To the extent there is a discrepancy between this Resolution and the new and revised Rate Schedules and Rules and Regulations attached hereto, the new and revised Rate Schedules and Rules and Regulations shall control.

Approved: September 16, 2021

INTRODUCED: DIRECTOR BUI-THOMPSON				
SECONDED: DIRECTOR FISHMAN				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
BUI-THOMPSON	X			
ROSE	X			
FISHMAN	X			
HERBER	X			
KERTH	X			
TAMAYO	X			
SANBORN	X			

# Rates, Rules and Regulations Effective in 2021



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The following listed sheets contain all effective rates, rules and regulations affecting rates and service, and information relating thereto, in effect on and after the date indicated. All rates are applicable to the territory served by SMUD.

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# Preliminary Statement

## **Territory Served by SMUD**

SMUD supplies electric service in most of Sacramento County and in a portion of Placer County.

## **Description of Service**

A description of service available is contained in SMUD's Rule and Regulation 2.

The service available at any particular location should be ascertained by inquiry at SMUD's Customer Services Department office at 6301 S Street, Sacramento.

## **Procedure to Obtain Service**

Any person or corporation whose premises are within the outer boundaries of SMUD may obtain service by applying for service at the Customer Services Department office establishing credit as hereinafter set forth and complying with SMUD's rules and regulations. Where an extension of SMUD's lines is necessary or whenever unusual service requirements are determined, applicant will be informed as to the conditions under which service will be supplied.

## **Establishment of Credit and Deposits**

After making proper application for electric service, it will be necessary for applicant to establish his credit in accordance with Rule and Regulation 6.

## **General**

### **1. MEASUREMENT OF ELECTRIC ENERGY**

All electric energy supplied by SMUD to its customers shall be measured by means of suitable standard electric meters, except as otherwise specifically provided in SMUD's Rules and Regulations.

### **2. DISCOUNTS**

All rates hereinafter listed are net rates and are not subject to discount unless specifically stated in the Rates.

# Commercial & Industrial Campus Billing Rate Schedule CB

## I. Applicability

This Rate Schedule CB is optional for Commercial & Industrial customers served at a common address or industrial campus that have several accounts or service entrances on the same contiguous campus. Campus Billing provides for either hardwire or post-metering of a combination of these accounts to a single load shape for billing purposes. Under this option the customer receives one bill for the entire campus and the aggregated monthly maximum kW is used to determine the applicable rate schedule under which the campus account will be billed. Campus billing is available to customers where at least one existing account to be included in the campus account is on Rate Schedules CI-TOD2, CI-TOD3, or CI-TOD4.

For the purposes of this schedule a “month” is considered to be a single billing period of 27 to 34 days.

## II. Pricing Structure

### A. System Infrastructure Fixed Charge

The customer pays a single System Infrastructure Fixed Charge to recover the cost of maintaining or replacing one meter and the overhead costs for billing and customer service.

### B. Campus Meters Charge

The customer must pay a Campus Meters Charge for all but the first meter. The Campus Meters Charge recovers costs for the meters, Current Transformer (CT), Potential Transformer (PT), meter testing, data management services, auxiliary metering equipment and additional billing services. The Campus Meters Charges vary by service voltage level. Information on the associated monthly charges is available on SMUD’s website, [www.smud.org](http://www.smud.org), or will be furnished upon request. SMUD will review this information at least once per year and update as necessary for additional approved equipment, technology improvements and pricing changes.

### C. Data Services Meter Rental

If a data service meter is required for communication with a legacy meter(s) there is an additional fee for rental of the data services meter. Information on the associated monthly charges is available on SMUD’s website, [www.smud.org](http://www.smud.org), or will be furnished upon request. SMUD will review this information at least once per year and update as necessary for additional approved equipment, technology improvements and pricing changes.

### D. Rate Changes

Campus billing prices will be subject to any applicable changes to the Commercial & Industrial Time-of-Day rates, the Campus Meter Charges, and the Data Services Meter Rental Charge.

## III. Site Infrastructure Charge

When the accounts are aggregated through Campus Billing, SMUD creates a new account with no billing history. As a result, the 12-months maximum kW basis for the Site Infrastructure Charge is initially set by the first month’s maximum kW on the campus account.

## IV. Conditions of Service

The following criteria define the conditions under which campus rates would be permitted. Failure to comply with any of these conditions will revoke the option for campus billing and the campus will be returned to individual accounts on their applicable rate.

- A. All accounts are under the same legal entity buying and consuming the power at the site.

# Commercial & Industrial Campus Billing Rate Schedule CB

- B.** The term “legal entity” means the name on each account must be the same company/organization.
- C.** All meters are on a contiguous site. The parcels of land are physically adjacent; the parcels may be separated by public streets or railways.
- D.** No meter provides sub-metering on campus to third parties.
- E.** All meters are served at the same service voltage. SMUD recognizes the following three voltage classes:
  - 1. Transmission – 69 kV or higher
  - 2. Primary – 12 kV or 21 kV
  - 3. Secondary – all voltages lower than 12 kV
- F.** Each meter is capable of interval metering on each service entrance.  
If a meter is not capable of interval metering the customer will be charged for the cost of installing such a meter.
- G.** Agricultural Service and CI-TOD1 accounts.  
AG and CI-TOD1 can be included in a campus account, however, a campus account cannot consist of solely accounts on Agricultural service or solely on CI-TOD1 or a combination of Agricultural and CI-TOD1 cannot combine into a campus account.
- H.** The campus account maintains or exceeds CI-TOD2 eligibility.
- I.** No use of parallel systems for shifting load between different rate offerings.  
Should this occur, SMUD shall have the right to corrective billing on a single rate and full reimbursement of waived System Infrastructure Fixed Charges.
- J.** The customer provides SMUD with a single point of contact for billing and service questions.
- K.** At least one of the proposed campus accounts is on rate schedule CI-TOD2, CI-TOD3 or CI-TOD4 as defined in the applicable rate schedules at the time campus billing is requested.
- L.** All the meters must feed off the same substation as determined by SMUD. For subtransmission customers, all meters must be fed off the same bank at the substation as determined by SMUD.

Campus accounts created before January 1, 2014, are grandfathered under the prior rate option with regard to subsection K, and subsection L. If a grandfathered account requests that additional meters be added to the campus, the addition will be allowed if the service is fed from a substation already part of the campus account.

## **V. Setting Up a Campus Account**

A customer can request campus billing from an Energy Advisor. The Energy Advisor will verify the customer’s accounts meet the requirements and the eligibility for campus billing. If the Energy Advisor determines the accounts are eligible the Energy Advisor will provide a Request for Campus Billing Option form for the customer detailing the startup costs and the ongoing monthly costs. Once the Request form is returned with the customer’s signature acknowledging the costs the Energy Advisor will submit the request to Billing. Campus billing will start on the bill after all accounts have been prepared for campus billing.

## **VI. Billing**

### **A. Service Rendered**

Service rendered in accordance with this rate is at SMUD’s sole discretion.

## Commercial & Industrial Campus Billing Rate Schedule CB

### B. Proration of Charges

Charges are prorated when the billing period is less than 27 days, more than 34 days or spans more than one price. The System Infrastructure Fixed Charge, Summer Super Peak Demand Charge, Summer Peak Demand Charge and Site Infrastructure Charge will be prorated as shown in the following table.

Billing Circumstance	Basis for Proration
Bill period is less than 27 days	Relationship between the length of the billing period and 30 days.
Bill period is more than 34 days	
Price changes within billing period	Relationship between the length of the billing period and the number of days that fall within the respective pricing periods.

### C. Contract Capacity

Use of Contract Capacity for billing is at SMUD's sole discretion. Refer to Rule and Regulation 1 and Rule and Regulation 6.

## VII. Terminating a Campus Billing Account

If after a rolling twelve-month period the demand for the campus account falls below the minimum demand for a CI-TOD2 rate, the campus account will be terminated. All meters will revert to individual accounts. The accounts will not be eligible to return to a campus account for twelve months thereafter and only if they meet all the criteria for the Campus Billing Option listed in Section IV Conditions of Service. This rule applies to all Campus accounts regardless of the date they were created.

The customer can elect to revert back to individual accounts at any time by contacting Billing or an Energy Advisor. All meters will be converted to single accounts and the corresponding current rates will be assigned based on usage and demand. It may take more than one billing cycle to change the campus account back to individual accounts.

## VIII. Reinstating a Campus Billing Account

After terminating the Campus Billing Option, the campus account, or dropping one or more meters from the campus account, the customer cannot have any of the meters that comprised the campus account reinstated on an existing or new campus account for 12 months from the date of removal from the option.

After 12 months, the meters can be used to create a new campus account or be added to an existing campus.

If the original campus account no longer exists, the procedure for setting up a Campus Account must be followed. See section V.

(End)

# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD1

## I. Applicability

This Rate Schedule CI-TOD1 applies to single- or three-phase service delivered at standard voltages designated by SMUD as available at the customer's premises. This schedule is mandatory for all commercial and industrial (C&I) accounts with monthly maximum demand that does not exceed 299 kW for three or more consecutive months. Commercial & Industrial Time-of-Day customers include commercial and nonagricultural irrigation pumping accounts. This schedule also applies to Commercial & Industrial Time-of-Day accounts with contract capacity of 299 kW or less. The demand for any month shall be the maximum 15-minute kW delivery during the month.

For the purposes of this schedule a "month" is considered to be a single billing period of 27 to 34 days.

### A. C&I Secondary 0-20 kW (rate categories GSN\_T/CITS-0)

These rates apply to Commercial & Industrial Time-of-Day accounts with a monthly maximum demand of 20 kW or less. Whenever the monthly maximum demand exceeds 20 kW for *any* three consecutive months and the monthly energy usage is at least 7,300 kWh for *any* three consecutive months within a 12-month period, the account will be billed on the applicable rate. To return to the CITS-0 rate, the monthly maximum demand must be 20 kW or less for 12-consecutive months **or** the usage must be less than 7,300 kWh for 12 consecutive months.

### B. Small Nondemand, Nonmetered Service (rate category GFN)

This rate applies to Commercial & Industrial Time-of-Day accounts where an account's monthly consumption of electricity is consistently small or can be predetermined with reasonable accuracy by reference to the capacity of equipment served and the hours of operation, SMUD, at its discretion, and with the customer's consent, will calculate electricity consumed in lieu of providing metering equipment.

### C. C&I Secondary 21-299 kW (rate categories GSS\_T/CITS-1)

These rates apply to Commercial & Industrial Time-of-Day accounts with a monthly maximum demand of at least 21 kW but does not exceed 299 kW for *any* three consecutive months **and** monthly energy usage of at least 7,300 kWh for *any* three consecutive months within a 12-month period. The customer will be billed on this rate unless the monthly usage is less than 7,300 kWh for 12 consecutive months; or the maximum demand falls below 21 kW for 12 consecutive months; or the monthly maximum demand exceeds 299 kW for three consecutive months.

## II. Transition to Restructured Commercial & Industrial Time-of-Day Rates

1. The Legacy commercial rates (GSN\_T and GSS\_T) will be closed to new customers October 1, 2021.
2. Existing customers on the Legacy commercial rates will gradually transition as determined by SMUD to the new restructured Commercial & Industrial Time-of-Day rates (CITS-0 and CITS-1) beginning the first full billing cycle in October 2021.
3. Once a customer has been transitioned to the new restructured Commercial & Industrial Time-of-Day rate, they cannot return to the closed Legacy rate(s).

# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD1

## III. Firm Service Rates

### A. Legacy Rates (closed as of October 1, 2021)

	Effective as of January 1, 2021	Effective as of October 1, 2021	Effective as of March 1, 2022
<b>GSN T (closed October 1, 2021)</b>			
<b>Winter Season</b> (January - May)			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	\$22.35	\$22.80	\$23.15
<b>Electricity Usage Charge</b>			
All day <i>\$/kWh</i>	\$0.1441	\$0.1470	\$0.1492
<b>Summer Season</b> (June - September)			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	\$22.35	n/a	\$23.15
<b>Electricity Usage Charge</b>			
On-Peak <i>\$/kWh</i>	\$0.3327	n/a	\$0.3444
Off-Peak <i>\$/kWh</i>	\$0.1216	n/a	\$0.1260
<b>GSS T (closed October 1, 2021)</b>			
<b>Winter Season</b> (January - May)			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	\$27.15	\$27.70	\$28.10
<b>Site Infrastructure Charge</b> <i>per 12 months max kW or contract capacity</i>	\$8.390	\$8.560	\$8.688
<b>Electricity Usage Charge</b>			
All day <i>\$/kWh</i>	\$0.1131	\$0.1153	\$0.1170
<b>Summer Season</b> (June - September)			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	\$27.15	n/a	\$28.10
<b>Site Infrastructure Charge</b> <i>per 12 months max kW or contract capacity</i>	\$8.390	n/a	\$8.688
<b>Electricity Usage Charge</b>			
On-Peak <i>\$/kWh</i>	\$0.2885	n/a	\$0.2987
Off-Peak <i>\$/kWh</i>	\$0.1001	n/a	\$0.1036

All customers on these rates will be transitioned to the new restructured rates as early as October 1, 2021.

### B. GFN Rates

	Effective as of January 1, 2021	Effective as of October 1, 2021	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>GFN</b>				
<b>All Year</b>				
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	\$9.95	\$10.15	\$10.30	\$10.50
<b>Electricity Usage Charge</b>				
All day <i>\$/kWh</i>	\$0.1458	\$0.1487	\$0.1509	\$0.1539

# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD1

## C. Restructured Commercial & Industrial Time-of-Day Rates

	Effective as of October 1, 2021	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>CITS-0: C&amp;I Secondary 0-20 kW</b>			
<b>Non-Summer Season (October - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$28.40	\$28.85	\$35.15
Maximum Demand Charge <i>\$ per monthly max kW</i>	\$0.000	\$0.000	\$0.000
Electricity Usage Charge			
Peak <i>\$/kWh</i>	\$0.1430	\$0.1451	\$0.1440
Off-Peak <i>\$/kWh</i>	\$0.1393	\$0.1414	\$0.1364
Off-Peak Saver <i>\$/kWh</i>	\$0.1373	\$0.1394	\$0.1323
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$28.40	\$28.85	\$35.15
Maximum Demand Charge <i>\$ per monthly max kW</i>	\$0.000	\$0.000	\$0.000
Electricity Usage Charge			
Peak <i>\$/kWh</i>	\$0.2355	\$0.2390	\$0.2554
Off-Peak <i>\$/kWh</i>	\$0.1331	\$0.1351	\$0.1349
<b>CITS-1: C&amp;I Secondary 21-299 kW</b>			
<b>Non-Summer Season (October - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$88.05	\$89.35	\$158.30
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$7.930	\$8.049	\$7.568
Electricity Usage Charge			
Peak <i>\$/kWh</i>	\$0.1169	\$0.1187	\$0.1230
Off-Peak <i>\$/kWh</i>	\$0.1136	\$0.1153	\$0.1158
Off-Peak Saver <i>\$/kWh</i>	\$0.1078	\$0.1094	\$0.1030
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$88.05	\$89.35	\$158.30
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$7.930	\$8.049	\$7.568
Summer Peak Demand Charge <i>\$ per monthly Peak max kW</i>	\$1.680	\$1.705	\$3.468
Electricity Usage Charge			
Peak <i>\$/kWh</i>	\$0.1897	\$0.1925	\$0.1983
Off-Peak <i>\$/kWh</i>	\$0.1102	\$0.1119	\$0.1119

*New restructured commercial rates beyond 2023 are effective as shown in Section IX. Transition Schedule.*

## IV. Electricity Usage Surcharges

Refer to the following rate schedules for details on these surcharges:

**A. Hydro Generation Adjustment (HGA).** Refer to Rate Schedule HGA.

## V. Rate Option Menu

**A. Energy Assistance Program for Nonprofit Agencies.** Refer to Rate Schedule EAPR.

**B. Campus Rates.** Refer to Rate Schedule CB.

**C. Implementation of Energy Efficiency Program or Installation of New Solar/Photovoltaic or Storage Systems**

Customers who implement a SMUD-sponsored Energy Efficiency program or who install a SMUD-approved solar/photovoltaic or storage system to offset their on-site energy usage may request, in writing, within 30 days of the project completion and commissioning, an adjustment to their twelve month maximum demand based on the anticipated reduction in kW from the Energy Efficiency Project Worksheet. The adjusted twelve month maximum demand is valid for 12 months or until it is exceeded by actual maximum demand.



# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD1

## D. Generator Standby Service Option

Generator Standby Service applies when the following conditions are met:

1. The customer has generation, sited on the customer's premises, that serves all or part of the customer's load; and
2. The generator(s) are connected to SMUD's electrical system; and
3. SMUD is required to have resources available to provide supplemental service, backup electricity and/or to supply electricity during generator(s) maintenance service.

<b>Generator Standby Service Charge by Voltage Level (\$/kW of Contract Capacity per month)</b>	<b>Secondary</b>	<b>Primary</b>	<b>Subtransmission</b>
Effective January 1, 2021	\$7.350	\$5.810	\$2.940
Effective October 1, 2021	\$7.500	\$5.920	\$2.990
Effective March 1, 2022	\$7.562	\$6.009	\$3.035
Effective January 1, 2023	\$7.713	\$6.129	\$3.096

In addition to the Generator Standby Service Charge, SMUD will continue to bill for all applicable charges under this rate schedule, including, but not limited to, System Infrastructure Fixed Charges, Site Infrastructure Charges, Maximum Demand Charge, Summer Peak Demand Charges and electricity usage charges for SMUD-provided power.

The Generator Standby Service Charge will be waived only for qualifying renewable generation under Rate Schedules NEM1 and SSR.

**E. Customer Energy Generation Options.** Refer to Rate Schedules NEM1 and SSR.

## F. SMUD Renewable Energy Options

SMUD offers optional programs that allow customers to receive renewable energy for an additional charge, detailed on [www.smud.org](http://www.smud.org).

## G. Special Metering Charge

For customers who purchase and install additional equipment and software identified by SMUD meter specialists as necessary for load data collection and transfer to electronic media outside SMUD, SMUD will charge a monthly service fee to cover maintenance, software support and licensing fees. Payment for this nonstandard equipment and service will be made through provisions in Rule and Regulation 2, Section IV. Special Facilities. The fee schedule is available at SMUD's website, [www.smud.org](http://www.smud.org).

## VI. Conditions of Service

### A. Type of Electric Service

SMUD will provide customers on this rate schedule standard, firm service consisting of a continuous and sufficient supply of electricity.

# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD1

## B. Service Voltage Definition

The following defines the three voltage classes available. The rate will be determined by the voltage level at which service is provided according to the following:

1. *Secondary Service Voltage*  
This service class provides power at voltage levels below 12 kilo-Volts (kV), or at a level not otherwise defined as “Primary” or “Subtransmission.”
2. *Primary Service Voltage*  
This service class provides power at a voltage level of 12 kV or 21 kV. To be eligible for Primary Service Voltage, the customer’s monthly demand must exceed 299 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.
3. *Subtransmission Service Voltage*  
This subtransmission service class provides power at a voltage level of 69 kV or as otherwise defined by SMUD. To be eligible for voltage service at this level, the customer’s monthly demand must exceed 499 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

## C. Power Factor Adjustment or Waiver

### 1. Adjustment (charge per month varies)

Accounts on a demand rate may be subject to a power factor (PF) adjustment charge. When a customer’s monthly power factor falls below 95 percent leading or lagging, the following billing adjustment will apply:

$$\text{Electricity Usage} \quad \times \quad [ (95\% \div \text{Power Factor}) - 1 ] \quad \times \quad \text{Power Factor Adjustment Rate}$$

*Electricity Usage:* the total monthly kWh for the account

*Power Factor:* the lesser of the customer’s monthly power factor or 95 percent

*Power Factor Adjustment Rate per excess KVAR*

Effective January 1, 2021	\$0.0120
Effective October 1, 2021	\$0.0123
Effective March 1, 2022	\$0.0125
Effective January 1, 2023	\$0.0127

### 2. Waiver Contract (charge per month is set for the term of the waiver)

Customers may apply for a power factor waiver contract that compensates SMUD for the power factor correction for the portion that is covered under the contract. The power factor waiver is not available to customers taking service at the subtransmission service voltage level. The waiver amount per month is calculated:

$$\text{Excess KVAR} \times \text{Waiver Rate}$$

*Excess KVAR:* Maximum 12-month KVAR in excess of 32.868 percent of kW

# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD1

*Waiver Rate per excess KVAR*

Effective January 1, 2021	\$0.3193
Effective October 1, 2021	\$0.3257
Effective March 1, 2022	\$0.3306
Effective January 1, 2023	\$0.3372

## VII. Billing Periods

### A. Legacy Time-of-Use Billing Periods (closed as of October 1, 2021)

#### 1. Winter (October 1 – May 31) All hours are off-peak.

#### 2. Summer Time-of-Use Billing Periods (June 1 – September 30)

<b>On-Peak</b>	Summer weekdays between 3:00 p.m. and 6:00 p.m.
<b>Off-Peak</b>	All other hours, including holidays shown below

Off-peak pricing shall apply during the following holidays:

<u>Holiday</u>	<u>Month</u>	<u>Date</u>
New Year's Day	January	1
Martin Luther King Jr. Day	January	Third Monday
Lincoln's Birthday	February	12
Presidents Day	February	Third Monday
Memorial Day	May	Last Monday
Independence Day	July	4
Labor Day	September	First Monday
Columbus Day	October	Second Monday
Veterans Day	November	11
Thanksgiving Day	November	Fourth Thursday
Christmas Day	December	25

### B. Restructured Time-of-Day Billing Periods

#### 1. Time-of-Day Billing Periods

<b>Non-Summer October 1 -May 31</b>	Peak	Weekdays between 4:00 p.m. and 9:00 p.m., excluding holidays
	Off-Peak Saver	Every day between 9:00 a.m. and 4:00 p.m., including holidays
	Off-Peak	All other hours, including holidays
<b>Summer June 1 -September 30</b>	Peak	Weekdays between 4:00 p.m. and 9:00 p.m., excluding holidays
	Off-Peak	All other hours, including holidays

# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD1

Billing periods shall apply during the following holidays:

<u>Holiday</u>	<u>Month</u>	<u>Date</u>
New Year's Day	January	1
Martin Luther King Jr. Day	January	Third Monday
Lincoln's Birthday	February	12
Presidents Day	February	Third Monday
Memorial Day	May	Last Monday
Independence Day	July	4
Labor Day	September	First Monday
Columbus Day	October	Second Monday
Veterans Day	November	11
Thanksgiving Day	November	Fourth Thursday
Christmas Day	December	25

## VIII. Billing

### A. Meter Data

Meter data for service rendered in accordance with this Rate Schedule will not be combined for billing purposes unless SMUD determines it is necessary or convenient to do so.

### B. Proration of Charges

Charges are prorated when the billing period is less than 27 days, more than 34 days or spans more than one price. The System Infrastructure Fixed Charge, Summer Peak Demand Charge, Maximum Demand Charge, and Site Infrastructure Charge will be prorated as shown in the following table.

Billing Circumstance	Basis for Proration
Bill period is shorter than 27 days	Relationship between the length of the billing period and 30 days.
Bill period is longer than 34 days	
Price changes within bill period	Relationship between the length of the billing period and the number of days that fall within the respective pricing periods.

### C. Contract Capacity

Use of Contract Capacity for billing is at SMUD's sole discretion. Refer to Rule and Regulation 1 and Rule and Regulation 6.

### D. Discontinuance of Service

Any customer resuming service at the same premises within 12 months after discontinuing service will be required to pay the System Infrastructure Fixed Charges and Site Infrastructure Charges that would have been billed if service had not been discontinued, except when service has been disconnected. The System Infrastructure Fixed Charge and Site Infrastructure Charge will be waived during each of those months. Retroactive billing shall be at SMUD's sole discretion.

(End)

## Commercial & Industrial Time-of-Day Rate Schedule CI-TOD1

### IX. Transition Schedule

Season and Charge Component	Unit	October 1, 2021	March 1, 2022	January 1, 2023	2024*	2025*	2026*	2027*	2028*
<b>CITS-0: C&amp;I Secondary 0-20 kW</b>									
System Infrastructure Fixed Charge	per month	\$28.40	\$28.85	\$35.15	\$35.65	\$36.15	\$36.60	\$37.10	\$37.60
Maximum Demand Charge	per kW	\$0.000	\$0.000	\$0.000	\$0.694	\$1.387	\$2.081	\$2.775	\$3.468
Non-Summer Peak	per kWh	\$0.1430	\$0.1451	\$0.1440	\$0.1407	\$0.1374	\$0.1341	\$0.1307	\$0.1274
Non-Summer Off-Peak	per kWh	\$0.1393	\$0.1414	\$0.1364	\$0.1300	\$0.1237	\$0.1173	\$0.1110	\$0.1046
Non-Summer Off-Peak Saver	per kWh	\$0.1373	\$0.1394	\$0.1323	\$0.1242	\$0.1163	\$0.1084	\$0.1003	\$0.0923
Summer Peak	per kWh	\$0.2355	\$0.2390	\$0.2554	\$0.2645	\$0.2736	\$0.2827	\$0.2917	\$0.3009
Summer Off-Peak	per kWh	\$0.1331	\$0.1351	\$0.1349	\$0.1324	\$0.1300	\$0.1277	\$0.1253	\$0.1229
<b>CITS-1: C&amp;I Secondary 21-299 kW</b>									
System Infrastructure Fixed Charge	per month	\$88.05	\$89.35	\$158.30	\$225.40	\$292.50	\$359.65	\$425.25	\$425.25
Site Infrastructure Charge	per kW	\$7.930	\$8.049	\$7.568	\$6.916	\$6.274	\$5.622	\$4.969	\$4.969
Summer Peak Demand Charge	per kW	\$1.680	\$1.705	\$3.468	\$5.208	\$6.937	\$8.676	\$10.415	\$10.415
Non-Summer Peak	per kWh	\$0.1169	\$0.1187	\$0.1230	\$0.1249	\$0.1267	\$0.1287	\$0.1306	\$0.1306
Non-Summer Off-Peak	per kWh	\$0.1136	\$0.1153	\$0.1158	\$0.1138	\$0.1119	\$0.1101	\$0.1082	\$0.1082
Non-Summer Off-Peak Saver	per kWh	\$0.1078	\$0.1094	\$0.1030	\$0.0945	\$0.0859	\$0.0773	\$0.0691	\$0.0691
Summer Peak	per kWh	\$0.1897	\$0.1925	\$0.1983	\$0.2001	\$0.2020	\$0.2039	\$0.2057	\$0.2057
Summer Off-Peak	per kWh	\$0.1102	\$0.1119	\$0.1119	\$0.1099	\$0.1079	\$0.1058	\$0.1038	\$0.1038

\*Subject to future rate increases. Effective dates as indicated in Section II.

\*\*Restructured Time-of-Day periods apply as described in Section VII.

\*\*\*Summer prices effective October 1, 2021 are for informational purposes only and are used as the baseline for 2022.

# **Commercial & Industrial Time-of-Day Rate Schedule CI-TOD2**

## **I. Applicability**

This Rate Schedule CI-TOD2 applies to single- or three-phase service, delivered at standard voltages designated by SMUD as available at the customer's premises. This schedule is mandatory for all commercial and industrial (C&I) accounts with monthly maximum demand of at least 300 kW for three consecutive months, but not greater than 499 kW for three consecutive months during the preceding 12 months. Accounts served at the secondary service voltage level will remain on the CI-TOD2 rate schedule unless monthly maximum demand falls below 300 kW for 12 consecutive months or exceeds 499 kW for three consecutive months. Accounts served at the primary service voltage level will remain on the CI-TOD2 rate schedule unless monthly maximum demand exceeds 499 kW for three consecutive months. This schedule is also mandatory for accounts with contract capacity of at least 300 kW, but not greater than 499 kW. The demand for any month shall be the maximum 15-minute kW delivery during the month.

For the purposes of this schedule a "month" is considered to be a single billing period of 27 to 34 days.

## **II. Transition to Restructured Commercial & Industrial Time-of-Day Rates**

1. The Legacy commercial rates (GUS\_S and GUP\_S) will be closed to new customers October 1, 2021.
2. Existing customers on the Legacy commercial rates will gradually transition as determined by SMUD to the new restructured Commercial & Industrial Time-of-Day rates (CITS-2 and CIP-2) beginning the first full billing cycle in October 2021.
3. Once a customer has been transitioned to the new restructured Commercial & Industrial Time-of-Day rate, they cannot return to the closed Legacy rate(s).

# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD2

## III. Firm Service Rates

### A. Legacy Rates (closed as of October 1, 2021)

	Effective as of January 1, 2021	Effective as of October 1, 2021	Effective as of March 1, 2022
<b>GUS_S (closed October 1, 2021)</b>			
<b>Winter Season (January - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$119.45	\$121.85	\$123.70
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$4.200	\$4.280	\$4.344
Electricity Usage Charge			
On-Peak <i>\$/kWh</i>	\$0.1154	\$0.1178	\$0.1196
Off-Peak <i>\$/kWh</i>	\$0.0917	\$0.0935	\$0.0949
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$119.45	n/a	\$123.70
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$4.200	n/a	\$4.344
Summer Peak Demand Charge <i>\$ per monthly Peak max kW</i>	\$8.470	n/a	\$8.770
Electricity Usage Charge			
Super-Peak <i>\$/kWh</i>	\$0.2220	n/a	\$0.2299
On-Peak <i>\$/kWh</i>	\$0.1517	n/a	\$0.1570
Off-Peak <i>\$/kWh</i>	\$0.1206	n/a	\$0.1248
<b>GUP_S (closed October 1, 2021)</b>			
<b>Winter Season (January - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$119.45	\$121.85	\$123.70
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$3.770	\$3.840	\$3.898
Electricity Usage Charge			
On-Peak <i>\$/kWh</i>	\$0.1089	\$0.1112	\$0.1129
Off-Peak <i>\$/kWh</i>	\$0.0866	\$0.0884	\$0.0897
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$119.45	n/a	\$123.70
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$3.770	n/a	\$3.898
Summer Peak Demand Charge <i>\$ per monthly Peak max kW</i>	\$7.720	n/a	\$7.998
Electricity Usage Charge			
Super-Peak <i>\$/kWh</i>	\$0.2113	n/a	\$0.2187
On-Peak <i>\$/kWh</i>	\$0.1461	n/a	\$0.1512
Off-Peak <i>\$/kWh</i>	\$0.1147	n/a	\$0.1188

All customers on these rates will be transitioned to the new restructured rates as early as October 1, 2021.

# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD2

## B. Restructured Commercial & Industrial Time-of-Day Rates

	Effective as of October 1, 2021	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>CITS-2: C&amp;I Secondary 300-499 kW</b>			
<b>Non-Summer Season (October - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$201.60	\$204.60	\$428.35
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$4.360	\$4.425	\$4.597
Electricity Usage Charge			
Peak \$/kWh	\$0.1194	\$0.1212	\$0.1236
Off-Peak \$/kWh	\$0.0964	\$0.0979	\$0.1000
Off-Peak Saver \$/kWh	\$0.0956	\$0.0970	\$0.0990
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$201.60	\$204.60	\$428.35
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$4.360	\$4.425	\$4.597
Summer Peak Demand Charge <i>\$ per monthly Peak max kW</i>	\$9.440	\$9.582	\$9.877
Electricity Usage Charge			
Peak \$/kWh	\$0.2153	\$0.2185	\$0.2195
Off-Peak \$/kWh	\$0.1356	\$0.1376	\$0.1333
<b>CITP-2: C&amp;I Primary 300-499 kW</b>			
<b>Non-Summer Season (October - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$154.45	\$156.75	\$204.95
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$3.640	\$3.695	\$3.551
Electricity Usage Charge			
Peak \$/kWh	\$0.1141	\$0.1158	\$0.1249
Off-Peak \$/kWh	\$0.0924	\$0.0938	\$0.1033
Off-Peak Saver \$/kWh	\$0.0907	\$0.0921	\$0.0939
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$154.45	\$156.75	\$204.95
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$3.640	\$3.695	\$3.551
Summer Peak Demand Charge <i>\$ per monthly Peak max kW</i>	\$8.690	\$8.820	\$9.401
Electricity Usage Charge			
Peak \$/kWh	\$0.2075	\$0.2106	\$0.2016
Off-Peak \$/kWh	\$0.1326	\$0.1346	\$0.1277

*New restructured commercial rates beyond 2023 are effective as shown in Section IX. Transition Schedule.*

## IV. Electricity Usage Surcharges

Refer the following rate schedules for details on electricity surcharges that apply to all kWh usage.

**A. Hydro Generation Adjustment (HGA).** Refer to Rate Schedule HGA.

## V. Rate Option Menu

**A. Energy Assistance Program Rate (EAPR) for Nonprofit Agencies.** Refer to Rate Schedule EAPR.

**B. Campus Billing.** Refer to Rate Schedule CB.

**C. Implementation of Energy Efficiency Program or Installation of New Solar Photovoltaic or Storage Systems**

Customers who implement a SMUD-sponsored Energy Efficiency program or who install a SMUD-approved solar/photovoltaic or storage system to offset their on-site energy usage may request, in writing, within 30 days of the project completion and commissioning, an adjustment to their twelve month maximum demand based on the anticipated reduction in kW from the Energy Efficiency Project Worksheet. The adjusted twelve month maximum demand is valid for 12 months or until it is exceeded by actual maximum demand.



## Commercial & Industrial Time-of-Day Rate Schedule CI-TOD2

### D. Generator Standby Service Option

Generator Standby Service applies when all of the following conditions are met:

1. The customer has generation, sited on the customer's premises, that serves all or part of the customer's load; and
2. The generator(s) are connected to SMUD's electrical system; and
3. SMUD is required to have resources available to provide supplemental service, backup electricity and, or to supply electricity during generator(s) maintenance service.

Generator Standby Service Charge by Voltage Level (\$/kW of Contract Capacity per month)	Secondary	Primary	Subtransmission
Effective January 1, 2021	\$7.350	\$5.810	\$2.940
Effective October 1, 2021	\$7.500	\$5.920	\$2.990
Effective March 1, 2022	\$7.562	\$6.009	\$3.035
Effective January 1, 2023	\$7.713	\$6.129	\$3.096

In addition to the Generator Standby Service Charge, SMUD will continue to bill for all applicable charges under this rate schedule. These charges include System Infrastructure Fixed Charges, Site Infrastructure Charges, Summer Super Peak Demand Charge, Summer Peak Demand Charges, as well as electricity usage charges for SMUD-provided power.

The Generator Standby Service Charge will be waived only for qualifying renewable generation under Rate Schedules NEM1 and SSR.

**E. Customer Energy Generation Options.** Refer to Rate Schedules NEM1 and SSR.

### F. SMUD Renewable Energy Option

SMUD offers optional programs that allow customers to receive renewable energy for an additional charge, detailed on [www.smud.org](http://www.smud.org).

### G. Special Metering Charge

The customer shall pay for additional equipment and software identified by SMUD meter specialists as necessary for load data collection and upload to the customer electronic system. Payment for this nonstandard equipment and service will be made through provisions in Rule and Regulation 2, Section IV. Special Facilities. The fee schedule is available at SMUD's website, [www.smud.org](http://www.smud.org)

## VI. Conditions of Service

### A. Type of Electric Service

SMUD will provide customers on this rate schedule standard, firm service consisting of a continuous and sufficient supply of electricity.

### B. Service Voltage Definition

The following defines the three voltage classes available. The rate will be determined by the voltage level at which service is provided according to the following:

#### 1. Secondary Service Voltage

This service class provides power at voltage levels below 12 kilo-Volts (kV), or at a level not otherwise defined as "Primary" or "Subtransmission."

## Commercial & Industrial Time-of-Day Rate Schedule CI-TOD2

### 2. *Primary Service Voltage*

This service class provides power at a voltage level of 12 kV or 21 kV. To be eligible for Primary Service Voltage, the customer's monthly demand must exceed 299 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

### 3. *Subtransmission Service Voltage*

This subtransmission service class provides power at a voltage level of 69 kV or as otherwise defined by SMUD. To be eligible for voltage service at this level, the customer's monthly demand must exceed 499 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

## C. Power Factor Adjustment or Waiver

### 1. Adjustment (charge per month varies)

Accounts on a demand rate are subject to a power factor (PF) adjustment charge. When a customer's monthly power factor falls below 95 percent leading or lagging, the following billing adjustment will apply:

$$\text{Electricity Usage} \times [ (95\% \div \text{Power Factor}) - 1 ] \times \text{Power Factor Adjustment Rate}$$

*Electricity Usage:* the total monthly kWh for the account

*Power Factor:* the lesser of the customer's monthly power factor or 95 percent

*Power Factor Adjustment Rate*

Effective January 1, 2021	\$0.0120
Effective October 1, 2021	\$0.0123
Effective March 1, 2022	\$0.0125
Effective January 1, 2023	\$0.0127

### 2. Waiver Contract (charge per month is set for term of waiver)

Customers may apply for a power factor waiver contract that compensates SMUD for the power factor correction for the portion that is covered under the contract. The power factor waiver is not available to customers taking service at the subtransmission service voltage level. The waiver amount per month is calculated:

$$\text{Excess KVAR} \times \text{Waiver Rate}$$

*Excess KVAR:* Maximum 12-month KVAR in excess of 32.868 percent of kW

*Waiver Rate per excess KVAR*

Effective January 1, 2021	\$0.3193
Effective October 1, 2021	\$0.3257
Effective March 1, 2022	\$0.3306
Effective January 1, 2023	\$0.3372

## Commercial & Industrial Time-of-Day Rate Schedule CI-TOD2

### VII. Commercial & Industrial Time-of-Day Billing Periods

#### A. Legacy Time-of-Use Billing Periods (closed as of October 1, 2021)

<b>Winter</b> <b>October 1 -May 31</b>	On-Peak	Weekdays between noon and 10:00 p.m.
	Off-Peak	All other hours, including holidays
<b>Summer</b> <b>June 1 -September 30</b>	Super-Peak	Weekdays between 2:00 p.m. and 8:00 p.m.
	On-Peak	Weekdays between noon and 2:00 p.m. and between 8:00 p.m. and 10:00 p.m.
	Off-Peak	All other hours, including holidays

Billing periods shall apply during the following holidays:

<u>Holiday</u>	<u>Month</u>	<u>Date</u>
New Year's Day	January	1
Martin Luther King Jr. Day	January	Third Monday
Lincoln's Birthday	February	12
Presidents Day	February	Third Monday
Memorial Day	May	Last Monday
Independence Day	July	4
Labor Day	September	First Monday
Columbus Day	October	Second Monday
Veterans Day	November	11
Thanksgiving Day	November	Fourth Thursday
Christmas Day	December	25

#### B. Restructured Time-of-Day Billing Periods

<b>Non-Summer</b> <b>October 1 -May 31</b>	Peak	Weekdays between 4:00 p.m. and 9:00 p.m., excluding holidays
	Off-Peak Saver	Every day between 9:00 a.m. and 4:00 p.m., including holidays
	Off-Peak	All other hours, including holidays
<b>Summer</b> <b>June 1 -September 30</b>	Peak	Weekdays between 4:00 p.m. and 9:00 p.m., excluding holidays
	Off-Peak	All other hours, including holidays

## Commercial & Industrial Time-of-Day Rate Schedule CI-TOD2

Billing periods shall apply during the following holidays:

<u>Holiday</u>	<u>Month</u>	<u>Date</u>
New Year's Day	January	1
Martin Luther King Jr. Day	January	Third Monday
Lincoln's Birthday	February	12
Presidents Day	February	Third Monday
Memorial Day	May	Last Monday
Independence Day	July	4
Labor Day	September	First Monday
Columbus Day	October	Second Monday
Veterans Day	November	11
Thanksgiving Day	November	Fourth Thursday
Christmas Day	December	25

### VIII. Billing

#### A. Meter Data

Meter data for service rendered in accordance with this rate will not be combined for billing purposes unless SMUD determines it is necessary or convenient to do so.

#### B. Proration of Charges

Charges are prorated when the billing period is less than 27 days, more than 34 days or spans more than one price. The System Infrastructure Fixed Charge, Summer Super Peak Demand Charge, Summer Peak Demand Charge and Site Infrastructure Charge will be prorated as shown in the following table.

Billing Circumstance	Basis for Proration
Bill period is shorter than 27 days	Relationship between the length of the billing period and 30 days.
Bill period is longer than 34 days	
Price changes within bill period	Relationship between the length of the billing period and the number of days that falls within the respective pricing periods.

#### C. Contract Capacity

Use of Contract Capacity for billing is at SMUD's sole discretion. Refer to Rule and Regulation 1 and Rule and Regulation 6.

#### D. Discontinuance of Service

Any customer resuming service at the same premises within 12 months after discontinuing service may be required to pay the System Infrastructure Fixed Charges and Site Infrastructure Charges that would have been billed if service had not been discontinued, except when service has been disconnected. The System Infrastructure Fixed Charge and Site Infrastructure Charge will be waived during each of those months. Retroactive billing shall be at SMUD's sole discretion.

(End)

## Commercial & Industrial Time-of-Day Rate Schedule CI-TOD2

### IX. Transition Schedule

Season and Charge Component		Unit	October 1, 2021	March 1, 2022	January 1, 2023	2024*	2025*	2026*	2027*	2028*
<b>CITS-2: C&amp;I Secondary 300-499 kW</b>										
System Infrastructure Fixed Charge	per month		\$201.60	\$204.60	\$428.35	\$649.65	\$879.70	\$1,116.60	\$1,353.60	\$1,588.80
Site Infrastructure Charge	per kW		\$4.360	\$4.425	\$4.597	\$4.669	\$4.742	\$4.824	\$4.897	\$4.969
Summer Peak Demand Charge	per kW		\$9.440	\$9.582	\$9.877	\$9.980	\$10.094	\$10.198	\$10.301	\$10.415
Non-Summer Peak	per kWh		\$0.1194	\$0.1212	\$0.1236	\$0.1251	\$0.1266	\$0.1281	\$0.1295	\$0.1311
Non-Summer Off-Peak	per kWh		\$0.0964	\$0.0979	\$0.1000	\$0.1015	\$0.1029	\$0.1044	\$0.1059	\$0.1074
Non-Summer Off-Peak Saver	per kWh		\$0.0956	\$0.0970	\$0.0990	\$0.0933	\$0.0873	\$0.0812	\$0.0752	\$0.0691
Summer Peak	per kWh		\$0.2153	\$0.2185	\$0.2195	\$0.2186	\$0.2177	\$0.2168	\$0.2158	\$0.2148
Summer Off-Peak	per kWh		\$0.1356	\$0.1376	\$0.1333	\$0.1277	\$0.1219	\$0.1160	\$0.1101	\$0.1043
<b>CITP-2: C&amp;I Primary 300-499 kW</b>										
System Infrastructure Fixed Charge	per month		\$154.45	\$156.75	\$204.95	\$249.95	\$297.30	\$297.30	\$297.30	\$297.30
Site Infrastructure Charge	per kW		\$3.640	\$3.695	\$3.551	\$3.344	\$3.127	\$3.127	\$3.127	\$3.127
Summer Peak Demand Charge	per kW		\$8.690	\$8.820	\$9.401	\$9.804	\$10.218	\$10.218	\$10.218	\$10.218
Non-Summer Peak	per kWh		\$0.1141	\$0.1158	\$0.1249	\$0.1333	\$0.1434	\$0.1434	\$0.1434	\$0.1434
Non-Summer Off-Peak	per kWh		\$0.0924	\$0.0938	\$0.1033	\$0.1125	\$0.1235	\$0.1235	\$0.1235	\$0.1235
Non-Summer Off-Peak Saver	per kWh		\$0.0907	\$0.0921	\$0.0939	\$0.0869	\$0.0784	\$0.0784	\$0.0784	\$0.0784
Summer Peak	per kWh		\$0.2075	\$0.2106	\$0.2016	\$0.1918	\$0.1805	\$0.1805	\$0.1805	\$0.1805
Summer Off-Peak	per kWh		\$0.1326	\$0.1346	\$0.1277	\$0.1201	\$0.1113	\$0.1113	\$0.1113	\$0.1113

\*Subject to future rate increases. Effective dates as indicated in Section II.

\*\*Restructured Time-of-Day periods apply as described in Section VII.

\*\*\*Summer prices effective October 1, 2021 are for informational purposes only and are used as the baseline for 2022.

# **Commercial & Industrial Time-of-Day Rate Schedule CI-TOD3**

## **I. Applicability**

This Rate Schedule CI-TOD3 applies to single- or three-phase service, delivered at standard voltages designated by SMUD as available at the customer's premises. This schedule is mandatory for all agricultural, commercial and industrial (C&I) accounts with monthly maximum demand of at least 500 kW for three consecutive months, but not greater than 999 kW for three consecutive months during the preceding 12 months. Accounts will remain on this schedule unless monthly maximum demand falls below 500 kW for 12 consecutive months or exceeds 999 kW for three consecutive months. This schedule is also mandatory for accounts with contract capacity of at least 500 kW, but not greater than 999 kW. The demand for any month will be the maximum 15-minute kW delivery during the month.

For the purposes of this schedule a "month" is considered to be a single billing period of 27 to 34 days.

## **II. Transition to Restructured Commercial & Industrial Time-of-Day Rates**

1. The Legacy commercial rates (GUS\_M, GUP\_M and GUT\_M) will be closed to new customers October 1, 2021.
2. Existing customers on the Legacy commercial rates will gradually transition as determined by SMUD to the new restructured Commercial & Industrial Time-of-Day rates (CITS-3, CITP-3, and CITT-3) beginning the first full billing cycle in October 2021.
3. Once a customer has been transitioned to the new restructured Commercial & Industrial Time-of-Day rate, they cannot return to the closed Legacy rate(s).

# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD3

## III. Firm Service Rates

### A. Legacy Rates (closed as of October 1, 2021)

	Effective as of January 1, 2021	Effective as of October 1, 2021	Effective as of March 1, 2022
<b>GUS_M (closed October 1, 2021)</b>			
<b>Winter Season (January - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$119.45	\$121.85	\$123.70
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$3.160	\$3.220	\$3.268
Electricity Usage Charge			
On-Peak <i>\$/kWh</i>	\$0.1138	\$0.1161	\$0.1178
Off-Peak <i>\$/kWh</i>	\$0.0900	\$0.0918	\$0.0932
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$119.45	n/a	\$123.70
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$3.160	n/a	\$3.268
Summer Peak Demand Charge <i>\$ per monthly Peak max kW</i>	\$7.710	n/a	\$7.998
Electricity Usage Charge			
Super-Peak <i>\$/kWh</i>	\$0.2156	n/a	\$0.2233
On-Peak <i>\$/kWh</i>	\$0.1485	n/a	\$0.1538
Off-Peak <i>\$/kWh</i>	\$0.1144	n/a	\$0.1183
<b>GUP_M (closed October 1, 2021)</b>			
<b>Winter Season (January - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$119.45	\$121.85	\$123.70
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$2.790	\$2.850	\$2.893
Electricity Usage Charge			
On-Peak <i>\$/kWh</i>	\$0.1076	\$0.1097	\$0.1113
Off-Peak <i>\$/kWh</i>	\$0.0853	\$0.0870	\$0.0883
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$119.45	n/a	\$123.70
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$2.790	n/a	\$2.893
Summer Peak Demand Charge <i>\$ per monthly Peak max kW</i>	\$7.110	n/a	\$7.359
Electricity Usage Charge			
Super-Peak <i>\$/kWh</i>	\$0.2053	n/a	\$0.2125
On-Peak <i>\$/kWh</i>	\$0.1432	n/a	\$0.1482
Off-Peak <i>\$/kWh</i>	\$0.1088	n/a	\$0.1126
<b>GUT_M (closed October 1, 2021)</b>			
<b>Winter Season (January - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$316.40	\$322.70	\$327.55
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$2.290	\$2.340	\$2.375
Electricity Usage Charge			
On-Peak <i>\$/kWh</i>	\$0.1037	\$0.1058	\$0.1074
Off-Peak <i>\$/kWh</i>	\$0.0835	\$0.0851	\$0.0864
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$316.40	n/a	\$327.55
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$2.290	n/a	\$2.375
Summer Peak Demand Charge <i>\$ per monthly Peak max kW</i>	\$0.000	n/a	\$0.000
Electricity Usage Charge			
Super-Peak <i>\$/kWh</i>	\$0.1994	n/a	\$0.2063
On-Peak <i>\$/kWh</i>	\$0.1341	n/a	\$0.1389
Off-Peak <i>\$/kWh</i>	\$0.1071	n/a	\$0.1109

*All customers on these rates will be transitioned to the new restructured rates as early as October 1, 2021.*

# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD3

## B. Restructured Commercial Industrial Time-of-Day Rates

	Effective as of October 1, 2021	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>CITS-3: C&amp;I Secondary 500-999 kW</b>			
<b>Non-Summer Season (October - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$278.60	\$282.80	\$781.65
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$3.610	\$3.664	\$4.152
Electricity Usage Charge			
Peak \$/kWh	\$0.1183	\$0.1201	\$0.1225
Off-Peak \$/kWh	\$0.0958	\$0.0972	\$0.0992
Off-Peak Saver \$/kWh	\$0.0919	\$0.0933	\$0.0906
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$278.60	\$282.80	\$781.65
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$3.610	\$3.664	\$4.152
Summer Peak Demand Charge <i>\$ per monthly Peak max kW</i>	\$9.070	\$9.206	\$9.732
Electricity Usage Charge			
Peak \$/kWh	\$0.2071	\$0.2102	\$0.2111
Off-Peak \$/kWh	\$0.1262	\$0.1281	\$0.1212
<b>CITP-3: C&amp;I Primary 500-999 kW</b>			
<b>Non-Summer Season (October - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$287.15	\$291.45	\$297.30
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$3.020	\$3.065	\$3.127
Electricity Usage Charge			
Peak \$/kWh	\$0.1269	\$0.1288	\$0.1314
Off-Peak \$/kWh	\$0.1102	\$0.1119	\$0.1141
Off-Peak Saver \$/kWh	\$0.0702	\$0.0712	\$0.0727
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$287.15	\$291.45	\$297.30
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$3.020	\$3.065	\$3.127
Summer Peak Demand Charge <i>\$ per monthly Peak max kW</i>	\$9.870	\$10.018	\$10.218
Electricity Usage Charge			
Peak \$/kWh	\$0.2058	\$0.2089	\$0.2131
Off-Peak \$/kWh	\$0.1047	\$0.1063	\$0.1084
<b>CITT-3: C&amp;I Subtransmission 500-999 kW</b>			
<b>Non-Summer Season (October - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$1,195.45	\$1,213.40	\$1,237.65
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$3.310	\$3.360	\$3.427
Electricity Usage Charge			
Peak \$/kWh	\$0.1099	\$0.1115	\$0.1138
Off-Peak \$/kWh	\$0.0918	\$0.0932	\$0.0950
Off-Peak Saver \$/kWh	\$0.0597	\$0.0606	\$0.0618
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$1,195.45	\$1,213.40	\$1,237.65
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$3.310	\$3.360	\$3.427
Summer Peak Demand Charge <i>\$ per monthly Peak max kW</i>	\$9.620	\$9.764	\$9.960
Electricity Usage Charge			
Peak \$/kWh	\$0.1848	\$0.1876	\$0.1913
Off-Peak \$/kWh	\$0.0890	\$0.0903	\$0.0922

*New restructured commercial rates beyond 2023 are effective as shown in Section IX. Transition Schedule.*

## IV. Electricity Usage Surcharges

Refer to the following rate schedules for details on electricity usage surcharges that apply to all kWh.



## Commercial & Industrial Time-of-Day Rate Schedule CI-TOD3

**A. Hydro Generation Adjustment (HGA).** Refer to Rate Schedule HGA.

### **V. Rate Option Menu**

**A. Energy Assistance Program Rate (EAPR) for Nonprofit Agencies.** Refer to Rate Schedule EAPR.

**B. Campus Billing.** Refer to Rate Schedule CB.

#### **C. Implementation of Energy Efficiency Program or Installation of New Solar Photovoltaic or Storage Systems**

Customers who implement a SMUD-sponsored Energy Efficiency program or who install a SMUD-approved solar/photovoltaic or storage system to offset their on-site energy usage may request, in writing, within 30 days of the project completion and commissioning, an adjustment to their twelve month maximum demand based on the anticipated reduction in kW from the Energy Efficiency Project Worksheet. The adjusted twelve month maximum demand is valid for 12 months or until it is exceeded by actual maximum demand.

#### **D. Generator Standby Service Option**

Generator Standby Service applies when all of the following conditions are met:

1. The customer has generation, sited on the customer's premises, that serves all or part of the customer's load; and
2. The generator(s) are connected to SMUD's electrical system; and
3. SMUD is required to have resources available to provide supplemental service, backup electricity and, or to supply electricity during generator(s) maintenance service.

<b>Generator Standby Service Charge by Voltage Level (\$/kW of Contract Capacity per month)</b>	<b>Secondary</b>	<b>Primary</b>	<b>Subtransmission</b>
Effective January 1, 2021	\$7.350	\$5.810	\$2.940
Effective October 1, 2021	\$7.500	\$5.920	\$2.990
Effective March 1, 2022	\$7.562	\$6.009	\$3.035
Effective January 1, 2023	\$7.713	\$6.129	\$3.096

In addition to the Generator Standby Service Charge, SMUD will continue to bill for all applicable charges under this rate schedule, including, but not limited to, System Infrastructure Fixed Charges, Site Infrastructure Charges, Summer Super Peak Demand Charge, Summer Peak Demand Charges, and electricity usage charges for SMUD-provided power.

The Generator Standby Service Charge will be waived only for qualifying renewable generation under Rate Schedules NEM1 and SSR.

**E. Customer Energy Generation Options.** Refer to Rate Schedules NEM1 and SSR.

#### **F. SMUD Renewable Energy Option**

SMUD offers optional programs that allow customers to receive renewable energy for an additional charge, detailed on [www.smud.org](http://www.smud.org).

#### **G. Special Metering Charge**

The customer shall pay for additional equipment and software identified by SMUD meter specialists as necessary for load data collection and upload to the customer electronic system. Payment for this nonstandard equipment and service will be made through provisions in Rule and Regulation 2, Section IV. Special Facilities. The fee schedule is available at SMUD's website, [www.smud.org](http://www.smud.org).

# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD3

## VI. Conditions of Service

### A. Type of Electric Service

SMUD will provide customers on this rate schedule standard, firm service consisting of a continuous and sufficient supply of electricity.

### B. Service Voltage Definition

The following defines the three voltage classes available. The rate will be determined by the voltage level at which service is provided according to the following:

#### 1. Secondary Service Voltage

This service class provides power at voltage levels below 12 kilo-Volts (kV), or at a level not otherwise defined as “Primary” or “Subtransmission.”

#### 2. Primary Service Voltage

This service class provides power at a voltage level of 12 kV or 21 kV. To be eligible for Primary Service Voltage, the customer’s monthly demand must exceed 299 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

#### 3. Subtransmission Service Voltage

This subtransmission service class provides power at a voltage level of 69 kV or as otherwise defined by SMUD. To be eligible for voltage service at this level, the customer’s monthly demand must exceed 499 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

### C. Power Factor Adjustment or Waiver

#### 1. Adjustment (charge per month varies)

Accounts on a demand rate are subject to a power factor (PF) adjustment charge. When a customer’s monthly power factor falls below 95 percent leading or lagging, the following billing adjustment will apply:

$$\text{Electricity Usage} \times [ (95\% \div \text{Power Factor}) - 1 ] \times \text{Power Factor Adjustment Rate}$$

*Electricity Usage:* the total monthly kWh for the account

*Power Factor:* the lesser of the customer’s monthly power factor or 95 percent

*Power Factor Adjustment Rate*

Effective January 1, 2021	\$0.0120
Effective October 1, 2021	\$0.0123
Effective March 1, 2022	\$0.0125
Effective January 1, 2023	\$0.0127

#### 2. Waiver Contract (charge per month is set for term of waiver)

Customers may apply for a power factor waiver contract that compensates SMUD for the power factor correction for the portion that is covered under the contract. The power factor waiver is not available to customers taking service at the subtransmission service voltage level. The waiver amount per month is calculated:

## Commercial & Industrial Time-of-Day Rate Schedule CI-TOD3

### Excess KVAR x Waiver Rate

*Excess KVAR: Maximum 12-month KVAR in excess of 32.868 percent of kW*

*Waiver Rate per excess KVAR*

Effective January 1, 2021	\$0.3193
Effective October 1, 2021	\$0.3257
Effective March 1, 2022	\$0.3306
Effective January 1, 2023	\$0.3372

## VII. Commercial Industrial Time-of-Day Billing Periods

### A. Legacy Time-of-Use Billing Periods (closed as of October 1, 2021)

<b>Winter</b> <b>October 1 -May 31</b>	On-Peak	Weekdays between noon and 10:00 p.m.
	Off-Peak	All other hours, including holidays
<b>Summer</b> <b>June 1 -September 30</b>	Super-Peak	Weekdays between 2:00 p.m. and 8:00 p.m.
	On-Peak	Weekdays between noon and 2:00 p.m. and between 8:00 p.m. and 10:00 p.m.
	Off-Peak	All other hours, including holidays

Billing periods shall apply during the following holidays:

<u>Holiday</u>	<u>Month</u>	<u>Date</u>
New Year's Day	January	1
Martin Luther King Jr. Day	January	Third Monday
Lincoln's Birthday	February	12
Presidents Day	February	Third Monday
Memorial Day	May	Last Monday
Independence Day	July	4
Labor Day	September	First Monday
Columbus Day	October	Second Monday
Veterans Day	November	11
Thanksgiving Day	November	Fourth Thursday
Christmas Day	December	25

### B. Restructured Time-of-Day Billing Periods

<b>Non-Summer</b> <b>October 1 -May 31</b>	Peak	Weekdays between 4:00 p.m. and 9:00 p.m., excluding holidays
	Off-Peak Saver	Every day between 9:00 a.m. and 4:00 p.m., including holidays
	Off-Peak	All other hours, including holidays
<b>Summer</b> <b>June 1 -September 30</b>	Peak	Weekdays between 4:00 p.m. and 9:00 p.m., excluding holidays
	Off-Peak	All other hours, including holidays

## Commercial & Industrial Time-of-Day Rate Schedule CI-TOD3

Billing periods shall apply during the following holidays:

<u>Holiday</u>	<u>Month</u>	<u>Date</u>
New Year's Day	January	1
Martin Luther King Jr. Day	January	Third Monday
Lincoln's Birthday	February	12
Presidents Day	February	Third Monday
Memorial Day	May	Last Monday
Independence Day	July	4
Labor Day	September	First Monday
Columbus Day	October	Second Monday
Veterans Day	November	11
Thanksgiving Day	November	Fourth Thursday
Christmas Day	December	25

### VIII. Billing

#### A. Meter Data

Meter data for service rendered in accordance with this rate will not be combined for billing purposes unless SMUD determines it is necessary or convenient to do so.

#### B. Proration of Charges

Charges are prorated when the billing period is less than 27 days, more than 34 days or spans more than one price. The System Infrastructure Fixed Charge, Summer Super Peak Demand Charge, Summer Peak Demand Charge and Site Infrastructure Charge will be prorated as shown in the following table.

Billing Circumstance	Basis for Proration
Bill period is shorter than 27 days	Relationship between the length of the billing period and 30 days.
Bill period is longer than 34 days	
Price changes within bill period	Relationship between the length of the billing period and the number of days that fall within the respective pricing periods.

#### C. Contract Capacity

Use of Contract Capacity for billing is at SMUD's sole discretion. Refer to Rule and Regulation 1 and Rule and Regulation 6.

#### D. Discontinuance of Service

Any customer resuming service at the same premises within 12 months after discontinuing service may be required to pay the System Infrastructure Fixed Charges and Site Infrastructure Charges that would have been billed if service had not been discontinued, except when service has been disconnected. The System Infrastructure Fixed Charge and Site Infrastructure Charge will be waived during each of those months. Retroactive billing shall be at SMUD's sole discretion.

(End)

# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD3

## IX. Transition Schedule

Season and Charge Component	Unit	October 1, 2021	March 1, 2022	January 1, 2023	2024*	2025*
<b>CITS-3: C&amp;I Secondary 500-999 kW</b>						
System Infrastructure Fixed Charge	per month	\$278.60	\$282.80	\$781.65	\$1,440.30	\$2,098.90
Site Infrastructure Charge	per kW	\$3.610	\$3.664	\$4.152	\$4.566	\$4.969
Summer Peak Demand Charge	per kW	\$9.070	\$9.206	\$9.732	\$10.073	\$10.415
Non-Summer Peak	per kWh	\$0.1183	\$0.1201	\$0.1225	\$0.1241	\$0.1261
Non-Summer Off-Peak	per kWh	\$0.0958	\$0.0972	\$0.0992	\$0.1017	\$0.1040
Non-Summer Off-Peak Saver	per kWh	\$0.0919	\$0.0933	\$0.0906	\$0.0788	\$0.0673
Summer Peak	per kWh	\$0.2071	\$0.2102	\$0.2111	\$0.2084	\$0.2058
Summer Off-Peak	per kWh	\$0.1262	\$0.1281	\$0.1212	\$0.1108	\$0.1003
<b>CITP-3: C&amp;I Primary 500-999 kW</b>						
System Infrastructure Fixed Charge	per month	\$287.15	\$291.45	\$297.30	\$297.30	\$297.30
Site Infrastructure Charge	per kW	\$3.020	\$3.065	\$3.127	\$3.127	\$3.127
Summer Peak Demand Charge	per kW	\$9.870	\$10.018	\$10.218	\$10.218	\$10.218
Non-Summer Peak	per kWh	\$0.1269	\$0.1288	\$0.1314	\$0.1314	\$0.1314
Non-Summer Off-Peak	per kWh	\$0.1102	\$0.1119	\$0.1141	\$0.1141	\$0.1141
Non-Summer Off-Peak Saver	per kWh	\$0.0702	\$0.0712	\$0.0727	\$0.0727	\$0.0727
Summer Peak	per kWh	\$0.2058	\$0.2089	\$0.2131	\$0.2131	\$0.2131
Summer Off-Peak	per kWh	\$0.1047	\$0.1063	\$0.1084	\$0.1084	\$0.1084
<b>CITT-3: C&amp;I Subtransmission 500-999 kW</b>						
System Infrastructure Fixed Charge	per month	\$1,195.45	\$1,213.40	\$1,237.65	\$1,237.65	\$1,237.65
Site Infrastructure Charge	per kW	\$3.310	\$3.360	\$3.427	\$3.427	\$3.427
Summer Peak Demand Charge	per kW	\$9.620	\$9.764	\$9.960	\$9.960	\$9.960
Non-Summer Peak	per kWh	\$0.1099	\$0.1115	\$0.1138	\$0.1138	\$0.1138
Non-Summer Off-Peak	per kWh	\$0.0918	\$0.0932	\$0.0950	\$0.0950	\$0.0950
Non-Summer Off-Peak Saver	per kWh	\$0.0597	\$0.0606	\$0.0618	\$0.0618	\$0.0618
Summer Peak	per kWh	\$0.1848	\$0.1876	\$0.1913	\$0.1913	\$0.1913
Summer Off-Peak	per kWh	\$0.0890	\$0.0903	\$0.0922	\$0.0921	\$0.0921

\*Subject to future rate increases. Effective dates as indicated in Section II.

\*\*Restructured Time-of-Day periods apply as described in Section VII.

\*\*\*Summer prices effective October 1, 2021 are for informational purposes only and are used as the baseline for 2022.

# **Commercial & Industrial Time-of-Day Rate Schedule CI-TOD4**

## **I. Applicability**

This Rate Schedule CI-TOD4 applies to single- or three-phase service, delivered at standard voltages designated by SMUD as available at the customer's premises. This schedule is mandatory for all agricultural, commercial and industrial (C&I) accounts with monthly maximum demand of 1,000 kW or greater for three consecutive months during the preceding 12 months. Accounts will remain on this rate schedule unless monthly maximum demand falls below 1,000 kW for 12 consecutive months. The demand for any month will be the maximum 15-minute kW delivery during the month. This schedule is also mandatory for accounts with contract capacity of 1,000 kW or greater.

For the purposes of this schedule a "month" is considered to be a single billing period of 27 to 34 days.

## **II. Transition to Restructured Commercial & Industrial Time-of-Day Rates**

1. The Legacy commercial rates (GUS\_L, GUP\_L, GUT\_L) will be closed to new customers October 1, 2021.
2. Existing customers on the Legacy commercial rates will gradually transition as determined by SMUD to the new restructured Commercial & Industrial Time-of-Day rates (CITS-4, CITP-4, and CITT-4) beginning the first full billing cycle in October 2021.
3. Once a customer has been transitioned to the new restructured Commercial & Industrial Time-of-Day rate, they cannot return to the closed Legacy rate(s).

# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD4

## III. Firm Service Rates

### A. Legacy Rates (closed as of October 1, 2021)

	Effective as of January 1, 2021	Effective as of October 1, 2021	Effective as of March 1, 2022
<b>GUS_L (closed October 1, 2021)</b>			
<b>Winter Season (January - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$119.45	\$121.85	\$123.70
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$4.450	\$4.540	\$4.608
Electricity Usage Charge			
On-Peak <i>\$/kWh</i>	\$0.1194	\$0.1218	\$0.1236
Off-Peak <i>\$/kWh</i>	\$0.0946	\$0.0965	\$0.0979
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$119.45	n/a	\$123.70
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$4.450	n/a	\$4.608
Electricity Usage Charge			
Super-Peak <i>\$/kWh</i>	\$0.1860	n/a	\$0.1925
On-Peak <i>\$/kWh</i>	\$0.1484	n/a	\$0.1537
Off-Peak <i>\$/kWh</i>	\$0.1187	n/a	\$0.1229
<b>GUP_L (closed October 1, 2021)</b>			
<b>Winter Season (January - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$119.45	\$121.85	\$123.70
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$4.270	\$4.350	\$4.415
Electricity Usage Charge			
On-Peak <i>\$/kWh</i>	\$0.1136	\$0.1159	\$0.1176
Off-Peak <i>\$/kWh</i>	\$0.0885	\$0.0903	\$0.0917
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$119.45	n/a	\$123.70
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$4.270	n/a	\$4.415
Electricity Usage Charge			
Super-Peak <i>\$/kWh</i>	\$0.1533	n/a	\$0.1587
On-Peak <i>\$/kWh</i>	\$0.1395	n/a	\$0.1444
Off-Peak <i>\$/kWh</i>	\$0.1083	n/a	\$0.1122
<b>GUT_L (closed October 1, 2021)</b>			
<b>Winter Season (January - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$316.40	\$322.70	\$327.55
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$3.400	\$3.460	\$3.512
Electricity Usage Charge			
On-Peak <i>\$/kWh</i>	\$0.1095	\$0.1117	\$0.1134
Off-Peak <i>\$/kWh</i>	\$0.0865	\$0.0882	\$0.0895
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$316.40	n/a	\$327.55
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$3.400	n/a	\$3.512
Electricity Usage Charge			
Super-Peak <i>\$/kWh</i>	\$0.1489	n/a	\$0.1541
On-Peak <i>\$/kWh</i>	\$0.1309	n/a	\$0.1355
Off-Peak <i>\$/kWh</i>	\$0.1068	n/a	\$0.1105

All customers on these rates will be transitioned to the new restructured rates as early as October 1, 2021.

# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD4

## B. Restructured Commercial Industrial Time-of-Day Rates

	Effective as of October 1, 2021	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>CITS-4: C&amp;I Secondary 1000+ kW</b>			
<b>Non-Summer Season (October - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$1,181.05	\$1,198.75	\$2,319.35
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$4.630	\$4.699	\$4.876
Electricity Usage Charge			
Peak \$/kWh	\$0.1230	\$0.1248	\$0.1284
Off-Peak \$/kWh	\$0.0996	\$0.1011	\$0.1048
Off-Peak Saver \$/kWh	\$0.0939	\$0.0953	\$0.0833
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$1,181.05	\$1,198.75	\$2,319.35
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$4.630	\$4.699	\$4.876
Summer Peak Demand Charge <i>\$ per monthly Peak max kW</i>	\$3.350	\$3.400	\$6.937
Electricity Usage Charge			
Peak \$/kWh	\$0.1905	\$0.1934	\$0.2048
Off-Peak \$/kWh	\$0.1208	\$0.1226	\$0.1143
<b>CITP-4: C&amp;I Primary 1000+ kW</b>			
<b>Non-Summer Season (October - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$204.50	\$207.55	\$297.30
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$4.300	\$4.365	\$4.400
Electricity Usage Charge			
Peak \$/kWh	\$0.1205	\$0.1223	\$0.1295
Off-Peak \$/kWh	\$0.0965	\$0.0979	\$0.1051
Off-Peak Saver \$/kWh	\$0.0832	\$0.0845	\$0.0679
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$204.50	\$207.55	\$297.30
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$4.300	\$4.365	\$4.400
Summer Peak Demand Charge <i>\$ per monthly Peak max kW</i>	\$4.930	\$5.004	\$10.218
Electricity Usage Charge			
Peak \$/kWh	\$0.1733	\$0.1759	\$0.1997
Off-Peak \$/kWh	\$0.1078	\$0.1094	\$0.1014
<b>CITT-4: C&amp;I Subtransmission 1000+ kW</b>			
<b>Non-Summer Season (October - May)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$1,081.85	\$1,098.10	\$1,178.85
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$3.410	\$3.461	\$3.479
Electricity Usage Charge			
Peak \$/kWh	\$0.1155	\$0.1173	\$0.1228
Off-Peak \$/kWh	\$0.0933	\$0.0947	\$0.0998
Off-Peak Saver \$/kWh	\$0.0854	\$0.0867	\$0.0774
<b>Summer Season (June - September)</b>			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$1,081.85	\$1,098.10	\$1,178.85
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$3.410	\$3.461	\$3.479
Summer Peak Demand Charge <i>\$ per monthly Peak max kW</i>	\$3.210	\$3.258	\$6.636
Electricity Usage Charge			
Peak \$/kWh	\$0.1568	\$0.1592	\$0.1699
Off-Peak \$/kWh	\$0.1074	\$0.1090	\$0.1050

*New restructured commercial rates beyond 2023 are effective as shown in Section IX. Transition Schedule.*



## Commercial & Industrial Time-of-Day Rate Schedule CI-TOD4

### IV. Electricity Usage Surcharges

Refer to the following rate schedules for details on electricity usage surcharges that apply to all kWh.

**A. Hydro Generation Adjustment (HGA).** Refer to Rate Schedule HGA.

### V. Rate Option Menu

**A. Energy Assistance Program Rate (EAPR) for Nonprofit Agencies.** Refer to Rate Schedule EAPR.

**B. Campus Billing.** Refer to Rate Schedule CB.

**C. Implementation of Energy Efficiency Program or Installation of New Solar/Photovoltaic or Storage Systems**

Customers who implement a SMUD-sponsored Energy Efficiency program or who install a SMUD-approved solar/photovoltaic or storage system to offset their on-site energy usage may request, in writing, within 30 days of the project completion and commissioning, an adjustment to their twelve month maximum demand based on the anticipated reduction in kW from the Energy Efficiency Project Worksheet. The adjusted twelve month maximum demand is valid for 12 months or until it is exceeded by actual maximum demand.

**D. Generator Standby Service Option**

Generator Standby Service applies when all of the following conditions are met:

1. The customer has generation, sited on the customer's premises, that serves all or part of the customer's load; and
2. The generator(s) are connected to SMUD's electrical system; and
3. SMUD is required to have resources available to provide supplemental service, backup electricity and, or to supply electricity during generator(s) maintenance service.

Generator Standby Service Charge by Voltage Level (\$/kW of Contract Capacity per month)	Secondary	Primary	Subtransmission
Effective January 1, 2021	\$7.350	\$5.810	\$2.940
Effective October 1, 2021	\$7.500	\$5.920	\$2.990
Effective March 1, 2022	\$7.562	\$6.009	\$3.035
Effective January 1, 2023	\$7.713	\$6.129	\$3.096

In addition to the Generator Standby Service Charge, SMUD will continue to bill for all applicable charges under this rate schedule, including, but not limited to, System Infrastructure Fixed Charges, Site Infrastructure Charges, Summer Super Peak Demand Charge, Summer Peak Demand Charges, and electricity usage charges for SMUD-provided power.

The Generator Standby Service Charge will be waived only for qualifying renewable generation under Rate Schedules NEM1 and SSR.

**E. Customer Energy Generation Options.** Refer to Rate Schedules NEM1 and SSR.

**F. SMUD Renewable Energy Option**

SMUD offers optional programs that allow customers to receive renewable energy for an additional charge, detailed on [www.smud.org](http://www.smud.org).

**G. Special Metering Charge**

For customers who purchase and install additional equipment and software identified by SMUD meter specialists as necessary for load data collection and transfer to electronic media outside SMUD, SMUD will charge a monthly service fee to cover maintenance, software support and licensing fees. Payment for this nonstandard equipment and service will be made through provisions in Rule and Regulation 2, Section IV. Special Facilities. The fee schedule is available at SMUD's website, [www.smud.org](http://www.smud.org).

# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD4

## VI. Conditions of Service

### A. Type of Electric Service

SMUD will provide customers on this rate schedule standard, firm service consisting of a continuous and sufficient supply of electricity.

### B. Service Voltage Definition

The following defines the three voltage classes available. The rate shall be determined by the voltage level at which service is provided according to the following:

1. *Secondary Service Voltage*

This service class provides power at voltage levels below 12 kilo-Volts (kV), or at a level not otherwise defined as “Primary” or “Subtransmission.”

2. *Primary Service Voltage*

This service class provides power at a voltage level of 12 kV or 21 kV. To be eligible for Primary Service Voltage, the customer’s monthly demand must exceed 299 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

3. *Subtransmission Service Voltage*

This subtransmission service class provides power at a voltage level of 69 kV or as otherwise defined by SMUD. To be eligible for voltage service at this level, the customer’s monthly demand must exceed 499 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

### C. Power Factor Adjustment or Waiver

1. **Adjustment (charge per month varies)**

Accounts on a demand rate are subject to a power factor (PF) adjustment charge. When a customer’s monthly power factor falls below 95 percent leading or lagging, the following billing adjustment will apply:

$$\text{Electricity Usage} \times [ (95\% \div \text{Power Factor}) - 1 ] \times \text{Power Factor Adjustment Rate}$$

*Electricity Usage:* the total monthly kWh for the account

*Power Factor:* the lesser of the customer’s monthly power factor or 95 percent

*Power Factor Adjustment Rate*

Effective January 1, 2021	\$0.0120
Effective October 1, 2021	\$0.0123
Effective March 1, 2022	\$0.0125
Effective January 1, 2023	\$0.0127

2. **Waiver Contract (charge per month is set for the term of the waiver)**

Customers may apply for a power factor waiver contract that compensates SMUD for the power factor correction for the portion that is covered under the contract. The power factor waiver is not available to customers taking service at the subtransmission service voltage level. The waiver amount per month is calculated:

## Commercial & Industrial Time-of-Day Rate Schedule CI-TOD4

### Excess KVAR x Waiver Rate

*Excess KVAR: Maximum 12-month KVAR in excess of 32.868 percent of kW*

*Waiver Rate per excess KVAR*

Effective January 1, 2021	\$0.3193
Effective October 1, 2021	\$0.3257
Effective March 1, 2022	\$0.3306
Effective January 1, 2023	\$0.3372

## VII. Commercial Industrial Time-of-Day Billing Periods

### A. Legacy Time-of-Use Billing Periods (closed as of October 1, 2021)

<b>Winter</b> <b>October 1 -May 31</b>	On-Peak	Weekdays between noon and 10:00 p.m.
	Off-Peak	All other hours, including holidays
<b>Summer</b> <b>June 1 -September 30</b>	Super-Peak	Weekdays between 2:00 p.m. and 8:00 p.m.
	On-Peak	Weekdays between noon and 2:00 p.m. and between 8:00 p.m. and 10:00 p.m.
	Off-Peak	All other hours, including holidays

Billing periods shall apply during the following holidays:

<u>Holiday</u>	<u>Month</u>	<u>Date</u>
New Year's Day	January	1
Martin Luther King Jr. Day	January	Third Monday
Lincoln's Birthday	February	12
Presidents Day	February	Third Monday
Memorial Day	May	Last Monday
Independence Day	July	4
Labor Day	September	First Monday
Columbus Day	October	Second Monday
Veterans Day	November	11
Thanksgiving Day	November	Fourth Thursday
Christmas Day	December	25

### B. Restructured Time-of-Day Billing Periods

<b>Non-Summer</b> <b>October 1 -May 31</b>	Peak	Weekdays between 4:00 p.m. and 9:00 p.m., excluding holidays
	Off-Peak Saver	Every day between 9:00 a.m. and 4:00 p.m., including holidays
	Off-Peak	All other hours, including holidays
<b>Summer</b> <b>June 1 -September 30</b>	Peak	Weekdays between 4:00 p.m. and 9:00 p.m., excluding holidays
	Off-Peak	All other hours, including holidays

## Commercial & Industrial Time-of-Day Rate Schedule CI-TOD4

Billing periods shall apply during the following holidays:

<u>Holiday</u>	<u>Month</u>	<u>Date</u>
New Year's Day	January	1
Martin Luther King Jr. Day	January	Third Monday
Lincoln's Birthday	February	12
Presidents Day	February	Third Monday
Memorial Day	May	Last Monday
Independence Day	July	4
Labor Day	September	First Monday
Columbus Day	October	Second Monday
Veterans Day	November	11
Thanksgiving Day	November	Fourth Thursday
Christmas Day	December	25

### VIII. Billing

#### A. Meter Data

Meter data for service rendered in accordance with this rate will not be combined for billing purposes unless SMUD determines it is necessary or convenient to do so.

#### B. Proration of Charges

Charges are prorated when the billing period is less than 27 days, more than 34 days or spans more than one price. The System Infrastructure Fixed Charge, Summer Super Peak Demand Charge, Summer Peak Demand Charge and Site Infrastructure Charge will be prorated as shown in the following table.

Billing Circumstance	Basis for Proration
Bill period is less than 27 days	Relationship between the length of the billing period and 30 days.
Bill period is more than 34 days	
Price changes within billing period	Relationship between the length of the billing period and the number of days that fall within the respective pricing periods.

#### C. Contract Capacity

Use of Contract Capacity for billing is at SMUD's sole discretion. Refer to Rule and Regulation 1 and Rule and Regulation 6.

#### D. Discontinuance of Service

Any customer resuming service at the same premises within 12 months after discontinuing service will be required to pay the System Infrastructure Fixed Charges and Site Infrastructure Charges that would have been billed if service had not been discontinued, except when service has been disconnected. The System Infrastructure Fixed Charge and Site Infrastructure Charge will be waived during each of those months. Retroactive billing shall be at SMUD's sole discretion.

(End)

# Commercial & Industrial Time-of-Day Rate Schedule CI-TOD4

## IX. Transition Schedule

Season and Charge Component		Unit	October 1, 2021	March 1, 2022	January 1, 2023	2024*
<b>CITS-4: C&amp;I Secondary 1000+ kW</b>						
System Infrastructure Fixed Charge	per month		\$1,181.05	\$1,198.75	\$2,319.35	\$3,496.60
Site Infrastructure Charge	per kW		\$4.630	\$4.699	\$4.876	\$4.969
Summer Peak Demand Charge	per kW		\$3.350	\$3.400	\$6.937	\$10.415
Non-Summer Peak	per kWh		\$0.1230	\$0.1248	\$0.1284	\$0.1294
Non-Summer Off-Peak	per kWh		\$0.0996	\$0.1011	\$0.1048	\$0.1064
Non-Summer Off-Peak Saver	per kWh		\$0.0939	\$0.0953	\$0.0833	\$0.0686
Summer Peak	per kWh		\$0.1905	\$0.1934	\$0.2048	\$0.2124
Summer Off-Peak	per kWh		\$0.1208	\$0.1226	\$0.1143	\$0.1033
<b>CITP-4: C&amp;I Primary 1000+ kW</b>						
System Infrastructure Fixed Charge	per month		\$204.50	\$207.55	\$297.30	\$297.30
Site Infrastructure Charge	per kW		\$4.300	\$4.365	\$4.400	\$4.400
Summer Peak Demand Charge	per kW		\$4.930	\$5.004	\$10.218	\$10.218
Non-Summer Peak	per kWh		\$0.1205	\$0.1223	\$0.1295	\$0.1295
Non-Summer Off-Peak	per kWh		\$0.0965	\$0.0979	\$0.1051	\$0.1051
Non-Summer Off-Peak Saver	per kWh		\$0.0832	\$0.0845	\$0.0679	\$0.0678
Summer Peak	per kWh		\$0.1733	\$0.1759	\$0.1997	\$0.1997
Summer Off-Peak	per kWh		\$0.1078	\$0.1094	\$0.1014	\$0.1014
<b>CITT-4: C&amp;I Subtransmission 1000+ kW</b>						
System Infrastructure Fixed Charge	per month		\$1,081.85	\$1,098.10	\$1,178.85	\$1,237.65
Site Infrastructure Charge	per kW		\$3.410	\$3.461	\$3.479	\$3.427
Summer Peak Demand Charge	per kW		\$3.210	\$3.258	\$6.636	\$9.960
Non-Summer Peak	per kWh		\$0.1155	\$0.1173	\$0.1228	\$0.1260
Non-Summer Off-Peak	per kWh		\$0.0933	\$0.0947	\$0.0998	\$0.1030
Non-Summer Off-Peak Saver	per kWh		\$0.0854	\$0.0867	\$0.0774	\$0.0666
Summer Peak	per kWh		\$0.1568	\$0.1592	\$0.1699	\$0.1775
Summer Off-Peak	per kWh		\$0.1074	\$0.1090	\$0.1050	\$0.0987

\*Subject to future rate increases. Effective dates as indicated in Section II.

\*\*Restructured Time-of-Day periods apply as described in Section VII.

\*\*\*Summer prices effective October 1, 2021 are for informational purposes only and are used as the baseline for 2022.

# Residential and Commercial & Industrial Energy Assistance Program Rate Schedule EAPR

## I. Applicability

This Rate Schedule EAPR applies to customers receiving service under residential or Commercial & Industrial rates who meet specific eligibility requirements.

## II. Eligibility for Residential Customers

Eligibility for the Energy Assistance Program (EAPR) is determined by the following:

- A. The total gross household income must conform to the Income Guidelines as specified on the application;
- B. The customer must not be claimed as a dependent on another person's income tax return; and
- C. The service address on the application must be the customer's primary residence.

## III. Discount for Residential Customers

Eligible residential customers will receive a discount based on qualifying federal poverty level income guidelines beginning as early as the first full bill cycle in 2021. The EAPR discount will include two components:

1. A \$10 System Infrastructure Fixed Charge discount per month; and
2. An additional discount is applied as a 100% reduction in the electricity usage cost per kilowatt hour up to the maximum discount according to the following income guidelines:

Federal Poverty Level	2021 Maximum Electricity Usage Discount
0-50%	\$60
>50 to 100%	\$32
>100 to 150%	\$10
>150 to 200%	\$0

## IV. Eligibility for Nonprofit Organizations

To be eligible for EAPR the nonprofit organization must meet the following requirements:

- A. The organization's qualifying site takes service directly from SMUD; and
- B. The organization meets the qualifications for a nonprofit public or private organization, as specified on the application; and
- C. The organization operates the qualifying site as residential unit(s) whose residents meet the EAPR income guidelines.
  1. The primary function of the site shall be to provide a home (sleeping quarters) for low-income residents who would otherwise meet the residential EAPR guidelines defining low-income if permanently residing in a residence.
  2. In support of the primary function that is provided by the nonprofit organization, associated facilities that provide daytime services for the homeless (such as personal hygiene facilities, laundry facilities, kitchen and/or dining facilities, etc.) may also qualify for the discount. At least 75 percent of the facility's square footage must be directly related to meeting these functions.

An energy survey of the residential unit(s) is recommended at the time of being placed on this program and implementation of recommended cost-effective energy efficiency measures is encouraged.

## V. Discount for Nonprofit Organization

All eligible non-profit organization accounts on a residential rate will receive the maximum residential discount.

# Residential and Commercial & Industrial Energy Assistance Program Rate Schedule EAPR

Eligible commercial customers will receive discounts as follows:

- A. All eligible commercial customers will receive a discount of 15 percent of the Electricity Usage Charge (kWh), Maximum Demand Charge (kW), Site Infrastructure Charge (kW), Summer Super Peak Demand Charge (kW), and Summer Peak Demand Charge (kW) each billing period.
- B. The Commercial & Industrial rate schedule CI-TOD1 System Infrastructure Fixed Charge will receive a discount of 35 percent each billing period.
- C. The Commercial & Industrial rate schedules CI-TOD2, CI-TOD3, and CI-TOD4 System Infrastructure Fixed Charge will receive a 15 percent discount applied each billing period.

## VI. Electricity Usage Surcharges

Refer to the following rate schedules for details on electricity usage surcharges that apply to all kWh.

- A. **Hydro Generation Adjustment (HGA).** Refer to Rate Schedule 1–HGA.

## VII. Conditions of Service

### A. Application

To qualify for EAPR, the customer must complete a SMUD application and submit requested supporting documents. Applications are processed by SMUD or SMUD's designated agent.

Residential applications are available at SMUD's website, [www.smud.org](http://www.smud.org), or by calling SMUD customer service at 1-888-742-7683.

Nonprofit organizations must provide a copy of a valid determination or ruling letter from the Internal Revenue Service attesting to their charitable nonprofit status. Nonprofit Organization applications are available by calling SMUD customer service at 1-888-742-7683.

### B. Verification

Upon request, applicants shall provide proof, satisfactory to SMUD or its designated agent, that they meet the eligibility requirements. Failure to provide proof as requested will be considered just cause for denial to enroll in EAPR. It is the customer's responsibility to immediately notify SMUD or its designated agent when eligibility requirements change to the extent that the applicant no longer qualifies for this program. Applicants served under this program may be subject to annual review and/or verification. Any intent to defraud SMUD will result in rebilling of the applicant's bill and removal from EAPR. SMUD reserves the right to take appropriate legal action as warranted.

## VIII. Billing

The effective date of EAPR will be the beginning of the billing period in which the request is approved. If participation is terminated, the effective termination date will be the beginning of the billing period in which the request is received or the cancellation date. The maximum electricity usage discount will not be prorated, regardless of the number of days in the billing period or the spanning of multiple seasons. The discount may be reflected on the customer's bill with a rate-based identifier code or line item description. The monthly System Infrastructure Fixed Charge discount will be prorated for bill periods shorter than 27 days as shown in the table below.

Billing Circumstance	Basis for Proration
Bill period is shorter than 27 days	Relationship between the length of the billing period and 30 days.

(End)

# Economic Development Rate Schedule EDR

## I. Applicability

This Rate Schedule EDR is available to qualifying commercial customers locating, expanding, or retaining business in SMUD's service territory with a maximum demand of at least 300 kW on a single meter that meet all eligible criteria.

## II. Eligibility

- A. Eligible customers are those taking service under Rate Schedules CI-TOD2, CI-TOD3 or CI-TOD4.
- B. Third party verification by a leading Sacramento area economic development organization will validate the legitimacy of the attraction, retention or expansion effort. The following criteria may be considered in the decision process:
  1. Alternative locations under consideration (within and outside of California)
  2. Workforce requirements
  3. Other tax or cash incentives
  4. Logistical requirements
  5. Infrastructure or site improvement costs
  6. Timeline for creating new load and jobs

## III. Pricing Structures

- A. Eligible customers have two options (either Option A or B) to receive a reduction of the System Infrastructure Fixed Charge, Site Infrastructure Charge, Summer Super Peak Demand Charge, Summer Peak Demand Charge and electricity usage charges on their bill, based on the table below.

<i>Economic Development Discount</i>										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Option A	6.0%	6.0%	6.0%	6.0%	6.0%	5.0%	4.0%	3.0%	2.0%	1.0%
Option B	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%

- B. Eligible customers locating in areas of high unemployment and poverty as determined by the Disadvantaged Community designation under the California Office of Environmental Health and Hazard Assessment have two options (either Option C or D) to receive a reduction of the System Infrastructure Fixed Charge, Site Infrastructure Charge, Summer Super Peak Demand Charge, Summer Peak Demand Charge and electricity usage charges on their bill, based on the table below.

<i>Disadvantaged Communities Economic Development Discount</i>										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Option C	8.0%	8.0%	8.0%	8.0%	8.0%	6.5%	5.0%	3.5%	2.0%	0.5%
Option D	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%

## IV. Conditions of Service

- A. Customers must execute an Economic Development Rate (EDR) Option Agreement for ten years commencing on the agreement effective date.



## Economic Development Rate Schedule EDR

- B.** New customers must apply for the EDR option prior to commencement of service with SMUD. Temporary service is not eligible for the EDR option. Applicants will have 12 months from the agreement date to reach the maximum demand of at least 300 kW load requirement. The effective start date for the EDR for new customers is the first billing period after three consecutive months with a maximum demand of at least 300 kW.
- C.** Existing customers must apply for the EDR option prior to the installation of new load with only additional load qualifying for the EDR. Existing customers specify in the Economic Development Rate Option Agreement the date when the new load will be added. The effective start date of the EDR is the first billing period following the specified date of load addition.
- D.** Retention customers will require the execution of a certificate by a company executive and/or owner certifying that the company is exploring other locations and electricity costs are a factor in its decision to do business in a location. The certification requires review and verification by a senior executive of a leading Sacramento area economic development organization. Retention customers specify in the Economic Development Rate Option Agreement the date when the existing load will be retained with only the portion of load deemed likely to relocate or cease operations qualifying for the EDR. The effective start date is the first billing period with the EDR following the specified date of the retained load.

*(End)*

# Renewable Energy Bill Credit Rate Schedule RBC

## I. Applicability

This Rate Schedule applies to residential master-metered customers who have an electrical generation facility on their premise that is fueled by a renewable fuel source. A renewable electrical generation facility is a facility that is eligible for certification as a renewable energy resource as defined by the California Energy Resources Conservation and Development Commission (CEC).<sup>1</sup> These facilities include, but may not be limited to, generators fueled by:

- photovoltaic
- wind
- biomass
- solar thermal
- geothermal
- fuel cells using renewable fuels
- small hydroelectric
- digester gas
- municipal solid waste conversion
- landfill gas
- ocean wave
- ocean thermal
- tidal current

Small hydroelectric generation facilities will not qualify for this Rate Schedule if the facility will cause an adverse impact on instream beneficial uses or cause a change in the volume or timing of streamflow. Fuel cells will not qualify for this Rate Schedule if the fuel cell derives any portion of its fuel from a nonrenewable fuel.

## II. Conditions of Service

### A. General Eligibility Requirements

The following are requirements for eligibility under this Rate Schedule:

1. The generation facility must be located entirely on the customer's premise; and
2. The generation facility must operate in parallel with SMUD's distribution facilities at the secondary voltage level; and
3. The customer must meet all requirements of Rule and Regulation 21; and
4. The generation facility's kilowatt hour generating capacity shall not exceed the electrical load's average maximum demand for the prior twelve (12) month period at the time of interconnection; and
5. The generation facility is located at a distinct single metering point separate from the electrical load; and
6. Both the electrical load and the generation facility are on the same distribution feeder; and
7. The generating capacity does not exceed a maximum of 1,000 kilowatts.

*For photovoltaic generation facilities, generation capacity is measured using the California Energy Commission Alternating Current (CEC-AC) rating. For all other renewable electrical generation facilities, the nameplate Alternating Current (AC) rating will be used to measure generation capacity. This paragraph defining the measurement of capacity only pertains to the applicability of this rate schedule and may differ from any measurement of capacity used in Rule and Regulation 21.*

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<sup>1</sup>. See the CEC's most current Renewable Portfolio Standard Eligibility Guidebook for the purposes of providing the technical definitions of a renewable electrical generation facility.

# Renewable Energy Bill Credit Rate Schedule RBC

## **B. Qualifying Accounts and Customer-of-Record Requirements**

Any customer taking service under this Rate Schedule must have a generation meter to establish a generator account and an electrical load meter to establish a benefiting account. Both accounts must be the same customer-of-record.

## **C. Generator Account**

A generator account is the account that consists of a renewable electrical generation facility interconnected with SMUD behind a revenue grade meter. The generator account must not service any load other than what is necessary for the operation of the renewable electrical generation facility.

Any load used by the generation facility will apply to offset any generation produced by the generation facility. In the event there is an insufficient amount of load used by the generation facility to be offset by the generation, SMUD reserves the right to bill for the electricity used.

## **D. Benefiting Account**

A benefiting account is an account that is interconnected with and takes service from SMUD behind a meter. A benefiting account cannot benefit from more than one generator account.

## **III. Renewable Energy**

Electricity provided from the generator account to SMUD shall be priced at the applicable Feed-In Tariff price in accordance with the methodology set forth in the Feed-In Tariff for Distributed Generation Rate Schedule (FIT). The price will be posted on the SMUD website.

This price will not change in the event of changes in the customer-of-record on the account, the ownership of the generation facility, and/or ownership of the property. To take service under this Rate Schedule, the owner of the generation facility shall execute a contract with SMUD. The contract shall be offered for durations of either ten (10) or fifteen (15) years at the option of the customer. The customer must transfer all renewable energy attributes to SMUD associated with this generation facility during the term of the contract.

## **IV. Crediting of Renewable Energy**

For the purposes of this schedule a “month” is considered to be a single billing period of 27 to 34 days. Both the generation account and benefiting account will be placed on the same billing period.

- A.** All charges of the generator account and the benefiting account must be paid monthly. This includes, without limitation, the System Infrastructure Fixed Charge, Electricity Usage charges, Maximum Demand Charge, Summer Peak Demand Charge, Summer Super Peak Demand Charge, Site Infrastructure Charge, program fees, surcharges and taxes.
- B.** All of the electricity output from the generation facility will post on the benefiting account’s bill as a renewable energy bill credit.
- C.** Under no circumstances will the renewable energy bill credits exceed the amount of electricity usages charges billed within a month.

## **V. Metering**

### **A. Metering Requirement for the Generator Account**

The generator account must be metered using a revenue-grade interval meter capable of measuring the renewable electrical generation facility’s output in fifteen minute increments or smaller. The customer is responsible for all costs for the provisioning and installation of the meter.

In the event the generator account is found to have load that is not solely related to the renewable electrical generation facility, SMUD reserves the right to require the customer to install a bi-directional SMUD meter and a generation output meter. The customer will be responsible for installing a meter socket for the generation output meter and provide SMUD unrestricted access to both the bi-directional meter and the generation output meter. The customer is responsible for reimbursing SMUD for all expenses associated with this metering requirement.

## **Renewable Energy Bill Credit Rate Schedule RBC**

### **B. Telemetry Requirement for the Generator Account**

Customers operating under this schedule may, at SMUD's sole discretion, be required to pay for the installation of telemetry if telemetry is determined necessary as part of the interconnection review.

### **C. Metering Requirement for the Benefiting Account**

The benefiting account must be metered in accordance with the applicable rate that would otherwise apply as if the benefiting account was not taking service under this Rate Schedule.

## **VI. Special Billing Conditions**

### **A. Generator Account Subject to Charges**

The generator account is subject to charges each billing period such as, but not limited to, Electricity Usage Charges, a System Infrastructure Fixed Charge, Maximum Demand Charges, Summer Peak Demand Charges, Summer Super Peak Demand Charges, and Site Infrastructure Charges, program fees, surcharges and taxes as identified in the generator account's applicable Rate Schedule.

### **B. Benefiting Account and Rate Treatment**

Each benefiting account will remain on the otherwise applicable Rate Schedule for residential master-metered service.

### **C. Ineligible Rate Options**

Customers taking service on this Rate Schedule are not eligible to take service on Rate Schedules NEM1 or SSR.

*(End)*

# Temporary Service Rule and Regulation 13

## I. Conditions for Temporary Service

SMUD will furnish temporary service to operations of a speculative nature or questionable permanency if the applicant for temporary service:

1. Pays to SMUD, in advance or as SMUD may direct, the estimated cost to SMUD of installing and removing all facilities specifically required for such temporary service; and
2. Establishes credit pursuant to Rule and Regulation 6.

SMUD reserves the right to charge a temporary service customer for any additional construction work needed solely for the continuation of temporary service, or to refuse service if such service would, in SMUD's judgment, prove a hardship or hazard to it or its customers.

There shall be no connection of customer-owned generation facilities under this rule.

## II. Refund of Temporary Charges

Within three years of the date when service was first delivered, service will be considered permanent and payments made in excess of delinquent meter and service charges shall be refunded without interest when a customer served under this rule has requested a refund of temporary charges, and has:

1. Installed sewer, water, and foundation; or
2. Operated the same or greater electrical load originally installed for a period of 36 consecutive months from the date when service was first delivered under this rule.

*(End)*

# Rates, Rules and Regulations Effective in 2022

## **Table of Contents**

The following listed sheets contain all effective rates, rules and regulations affecting rates and service, and information relating thereto, in effect on and after the date indicated. All rates are applicable to the territory served by SMUD.

	<u>Effective Date</u>	<u>Sheet Number</u>	<u>Page Number</u>
Table of Contents.....	Sept 17, 2021	i	
Preliminary Statement .....	Sept 17, 2021	ii	
<b>Section 1 - Rate Schedules</b>			
AG Agricultural .....	Jan 1, 2022	AG-1-6	1
CHP Combined Heat & Power Distributed Generation .....	Mar 1, 2022	CHP-1-3	7
DWS Distribution Wheeling Service .....	Mar 1, 2022	DWS-1-2	10
EAPR Energy Assistance Program Rate.....	Jan 1, 2022	EAPR-1-2	12
GS-TDP General Service Temperature Dependent Pricing and Economic Retention .....	Mar 1, 2022	GS-TDP-1-4	14
HGA Hydro Generation Adjustment .....	Jan 1, 2022	HGA-1-2	18
NLGT Outdoor Lighting Service .....	Mar 1, 2022	NLGT-1-2	20
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R-TOD Residential Time-Of-Day Service .....	Jan 1, 2022	R-TOD-1-6	26
SLS Street Light Service .....	Mar 1, 2022	SLS-1-4	32
TC ILS Traffic Control – Intersection Lighting Service .....	Mar 1, 2022	TC ILS-1	36
TSS Traffic Signal Service .....	Mar 1, 2022	TSS-1	37

# Preliminary Statement

## **Territory Served by SMUD**

SMUD supplies electric service in most of Sacramento County and in a portion of Placer County.

## **Description of Service**

A description of service available is contained in SMUD's Rule and Regulation 2.

The service available at any particular location should be ascertained by inquiry at SMUD's Customer Services Department office at 6301 S Street, Sacramento.

## **Procedure to Obtain Service**

Any person or corporation whose premises are within the outer boundaries of SMUD may obtain service by applying for service at the Customer Services Department office establishing credit as hereinafter set forth and complying with SMUD's rules and regulations. Where an extension of SMUD's lines is necessary or whenever unusual service requirements are determined, applicant will be informed as to the conditions under which service will be supplied.

## **Establishment of Credit and Deposits**

After making proper application for electric service, it will be necessary for applicant to establish his credit in accordance with Rule and Regulation 6.

## **General**

### **1. MEASUREMENT OF ELECTRIC ENERGY**

All electric energy supplied by SMUD to its customers shall be measured by means of suitable standard electric meters, except as otherwise specifically provided in SMUD's Rules and Regulations.

### **2. DISCOUNTS**

All rates hereinafter listed are net rates and are not subject to discount unless specifically stated in the Rates.



# Agricultural Service Rate Schedule AG

## I. Applicability

This Rate Schedule AG applies to single- or three-phase nonresidential agricultural service, delivered at standard voltages designated by SMUD as available at the customer's premises. The electricity must be for pumping loads where a preponderance of the load is devoted to agricultural purposes such as farm lighting, feed choppers, milking machines, heating for incubators, brooders, and other farm uses; drainage pumping loads where a preponderance of the area drained is agricultural; and irrigation pumping loads for nonagricultural purposes where the entire loads, except for minor incidental uses, are devoted to such pumping.

This schedule is mandatory for agricultural accounts with monthly maximum demand that does not exceed 499 kW for three or more consecutive months. The demand for any month will be the maximum 15-minute kW delivery during the month.

For the purposes of this schedule a "month" is considered to be a single billing period of 27 to 34 days.

## II. Firm Service Rate

### A. Small Agricultural Service, Nondemand Rates – ASN

This rate applies to agricultural accounts having a monthly maximum demand of 30 kW or less. If the account does not have a meter that registers demand, and monthly usage is at least 12,000 kWh for three consecutive months, a demand meter will be installed. Whenever monthly maximum demand exceeds 30 kW for three consecutive months, the customer will be billed on the applicable demand rate. To return to the nondemand rate, the account's monthly maximum demand must fall below 31 kW and usage must be below 12,000 kWh for 12 consecutive months.

	Effective as of October 1, 2021	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>ASN</b>			
<b>Winter Season</b> (November - April)			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$12.40	\$12.60	\$12.85
Electricity Usage Charge			
All day <i>\$/kWh</i>	\$0.1378	\$0.1398	\$0.1428
<b>Summer Season</b> (May - October)			
System Infrastructure Fixed Charge <i>per month per meter</i>	n/a	\$12.60	\$12.85
Electricity Usage Charge	n/a		
All day <i>\$/kWh</i>		\$0.1534	\$0.1564

## Agricultural Service Rate Schedule AG

### B. Large Agricultural Service, Demand Rates – ASD

This rate applies to agricultural accounts having a monthly maximum demand greater than 30 kW but less than 499 kW for three consecutive months. The demand for any month will be the maximum 15-minute kW delivery during the month. The customer will be billed on the demand-metered rate until the demand falls below 31 kW and energy is less than 12,000 kWh for 12 consecutive months before being returned to the ASN Rate.

	Effective as of October 1, 2021	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>ASD</b>			
<b>Winter Season</b> (November - April)			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	\$28.80	\$29.25	\$29.80
<b>Site Infrastructure Charge</b> <i>per 12 months max kW or contract capacity</i>			
First 30kW	No Charge	No Charge	No Charge
Additional kW per month	\$2.850	\$2.893	\$2.951
<b>Electricity Usage Charge</b>			
Base Usage <i>8,750 kWh per month</i>	\$0.1526	\$0.1549	\$0.1580
Base Usage Plus <i>kWh over 8,750 per month</i>	\$0.1198	\$0.1216	\$0.1240
<b>Summer Season</b> (May - October)			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	n/a	\$29.25	\$29.80
<b>Site Infrastructure Charge</b> <i>per 12 months max kW or contract capacity</i>			
First 30kW	n/a	No Charge	No Charge
Additional kW per month	n/a	\$2.893	\$2.951
<b>Electricity Usage Charge</b>			
Base Usage <i>8,750 kWh per month</i>	n/a	\$0.1484	\$0.1514
Base Usage Plus <i>kWh over 8,750 per month</i>	n/a	\$0.1074	\$0.1095

### C. Small Agricultural Optional Time-of-Day – AON

This optional rate is for small agricultural accounts having a monthly maximum demand of 30 kW or less. Customers transferring to the small agricultural Time-of-Day Rate must remain on the rate for a minimum of four months. Customers electing to move off this optional rate cannot return to service under this schedule for 12 months.

	Effective as of October 1, 2021	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>AON</b>			
<b>Winter Season</b> (November - April)			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	\$16.65	\$16.90	\$17.25
<b>Electricity Usage Charge</b>			
On-peak <i>\$/kWh</i>	\$0.1585	\$0.1609	\$0.1641
Off-peak <i>\$/kWh</i>	\$0.1351	\$0.1371	\$0.1399
<b>Summer Season</b> (May - October)			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	n/a	\$16.90	\$17.25
<b>Electricity Usage Charge</b>			
On-peak <i>\$/kWh</i>	n/a	\$0.2332	\$0.2379
Off-peak <i>\$/kWh</i>	n/a	\$0.1254	\$0.1279

# Agricultural Service Rate Schedule AG

## D. Large Agricultural Optional Time-of-Day – AOD

This optional rate is for large agricultural accounts with demand greater than 30 kW and less than 499 kW. Customers transferring to the agricultural Time-of-Day Rate must remain on the rate for a minimum of four months. Customers electing to move off this optional rate cannot return to service under this schedule for 12 months.

	Effective as of October 1, 2021	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>AOD</b>			
<b>Winter Season</b> (November - April)			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	\$100.25	\$101.75	\$103.80
<b>Maximum Demand Charge</b> <i>\$ per monthly max kW</i>	\$2.840	\$2.883	\$2.940
<b>Electricity Usage Charge</b>			
On-peak <i>\$/kWh</i>	\$0.1578	\$0.1602	\$0.1634
Off-peak <i>\$/kWh</i>	\$0.1340	\$0.1360	\$0.1388
<b>Summer Season</b> (May - October)			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>		\$101.75	\$103.80
<b>Maximum Demand Charge</b> <i>\$ per monthly max kW</i>		\$4.030	\$4.110
<b>Electricity Usage Charge</b>			
On-peak <i>\$/kWh</i>		\$0.2478	\$0.2528
Off-peak <i>\$/kWh</i>		\$0.1322	\$0.1348

## III. Electricity Usage Surcharges

Refer to the following rate schedules for details on these surcharges:

**A. Hydro Generation Adjustment (HGA).** Refer to Rate Schedule HGA.

## IV. Rate Option Menu

### A. Generator Standby Service Option

Generator Standby Service applies when all of the following conditions are met:

1. The customer has generation, sited on the customer's premises, that serves all or part of the customer's load; and
2. The generator(s) are connected to SMUD's electrical system; and
3. SMUD is required to have resources available to provide supplemental service, backup electricity and/or to supply electricity during generator(s) maintenance service.

Generator Standby Service Charge by Voltage Level (\$/kW of Contract Capacity per month)	Secondary	Primary	Subtransmission
Effective October 1, 2021	\$7.500	\$5.920	\$2.990
Effective March 1, 2022	\$7.562	\$6.009	\$3.035
Effective January 1, 2023	\$7.713	\$6.129	\$3.096

# Agricultural Service Rate Schedule AG

In addition to the Generator Standby Service Charge, SMUD will continue to bill for all applicable charges under this rate schedule. These charges include System Infrastructure Fixed Charges and Site Infrastructure Charges, as well as Electricity Usage and Maximum Demand Charges for SMUD-provided power.

The Generator Standby Service Charge will be waived only for qualifying renewable generation under Rate Schedules NEM1 and SSR.

**B. Customer Energy Generation Options.** Refer to Rate Schedules NEM1 and SSR.

**C. SMUD Renewable Energy Option**

SMUD offers optional programs that allow customers to receive renewable energy for an additional charge, detailed on [www.smud.org](http://www.smud.org).

**D. Special Metering Charge**

For customers who purchase and install additional equipment and software identified by SMUD meter specialists as necessary for load data collection and transfer to electronic media outside SMUD, SMUD will charge a monthly service fee to cover maintenance, software support and licensing fees. Payment for this nonstandard equipment and service will be made through provisions in Rule and Regulation 2, Section IV. Special Facilities. The fee schedule is available at SMUD's website, [www.smud.org](http://www.smud.org).

## **V. Conditions of Service**

**A. Type of Electric Service**

SMUD will provide customers on this rate schedule standard, firm service consisting of a continuous and sufficient supply of electricity.

**B. Service Voltage Definition**

The following defines the three voltage classes available. The rate shall be determined by the voltage level at which service is taken according to the following:

*1. Secondary Service Voltage*

This service class provides power at voltage levels below 12 kilo-Volts (kV), or at a level not otherwise defined as "Primary" or "Subtransmission."

*2. Primary Service Voltage*

This service class provides power at a voltage level of 12 kV or 21 kV. To be eligible for Primary Service Voltage, the customer's monthly demand must exceed 299 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

*3. Subtransmission Service Voltage*

This subtransmission service class provides power at a voltage level of 69 kV or as otherwise defined by SMUD. To be eligible for voltage service at this level, the customer's monthly demand must exceed 499 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

# Agricultural Service Rate Schedule AG

## C. Power Factor Adjustment

### 1. Adjustment (charge per month varies)

Accounts on a demand rate may be subject to a power factor (PF) adjustment charge. When a customer's monthly power factor falls below 95 percent leading or lagging, the following billing adjustment will apply:

$$\text{Electricity Usage} \times [ (95\% \div \text{Power Factor}) - 1 ] \times \text{Power Factor Adjustment Rate}$$

*Electricity Usage:* the total monthly kWh for the account

*Power Factor:* the lesser of the customer's monthly power factor or 95 percent

*Power Factor Adjustment Rate*

Effective October 1, 2021	\$0.0123
Effective March 1, 2022	\$0.0125
Effective January 1, 2023	\$0.0127

### 2. Waiver Contract (charge per month is set for the term of the waiver)

Customers may apply for a power factor waiver contract that compensates SMUD for the power factor correction for the portion that is covered under the contract. The power factor waiver is not available to customers taking service at the subtransmission service voltage level. The waiver amount per month is calculated:

$$\text{Excess KVAR} \times \text{Waiver Rate}$$

*Excess KVAR:* Maximum 12-month KVAR in excess of 32.868 percent of kW

*Waiver Rate per excess KVAR*

Effective October 1, 2021	\$0.3257
Effective March 1, 2022	\$0.3306
Effective January 1, 2023	\$0.3372

## D. Time-of-Day Billing Periods

Winter season is from November 1 through April 30. Summer season is from May 1 through October 31.

<b>Winter On-Peak</b>	Weekdays between 7:00 a.m. and 10:00 a.m. and 5:00 p.m. and 8:00 p.m.
<b>Summer On-Peak</b>	Weekdays between 2:00 p.m. and 8:00 p.m.
<b>Off-Peak</b>	All other hours, including holidays shown below.

# Agricultural Service Rate Schedule AG

Off-peak pricing shall apply during the following holidays:

<u>Holiday</u>	<u>Month</u>	<u>Date</u>
New Year's Day	January	1
Martin Luther King Jr. Day	January	Third Monday
Lincoln's Birthday	February	12
Presidents Day	February	Third Monday
Memorial Day	May	Last Monday
Independence Day	July	4
Labor Day	September	First Monday
Columbus Day	October	Second Monday
Veterans Day	November	11
Thanksgiving Day	November	Fourth Thursday
Christmas Day	December	25

## VI. Billing

### A. Meter Data

Meter data for service rendered in accordance with this rate will not be combined for billing purposes unless SMUD determines it is necessary or convenient to do so.

### B. Proration of Charges

Charges are prorated when the billing period is less than 27 days, more than 34 days or spans more than one price. The Electricity Usage allowances, System Infrastructure Fixed Charge, Maximum Demand Charge and Site Infrastructure Charge will be prorated as shown in the following table.

Billing Circumstance	Basis for Proration
Bill period is shorter than 27 days	Relationship between the length of the billing period and 30 days.
Bill period is longer than 34 days	
Price changes within bill period	Relationship between the length of the billing period and the number of days that fall within the respective pricing periods.

### C. Contract Capacity

Use of Contract Capacity for billing is at SMUD's sole discretion. Refer to Rule and Regulation 1 and Rule and Regulation 6.

### D. Discontinuance of Service

Any customer resuming service at the same premises within 12 months after discontinuing service will be required to pay the System Infrastructure Fixed Charges and Site Infrastructure Charges that would have been billed if service had not been discontinued, except when service has been disconnected. The System Infrastructure Fixed Charge and Site Infrastructure Charge will be waived during each of those months. Retroactive billing shall be at SMUD's sole discretion.

(End)

# Combined Heat and Power (CHP) Distributed Generation Rate Schedule CHP

## I. Applicability

This Rate Schedule CHP is optional for customers who wish to sell all excess generation to SMUD from an eligible Combined Heat and Power (CHP) generation facility with a capacity of 3 MW or less operating in parallel with SMUD's distribution system, or with a capacity of 20 MW or less operating in parallel with SMUD's subtransmission system. The facility must continuously meet the qualifications in Section IV General Conditions. This schedule applies solely to the excess generation delivered to SMUD.

## II. Pricing Structure

Under this schedule, SMUD will pay the customer the applicable price for metered energy delivered by the eligible CHP facility during the time periods specified in this schedule.

### A. Excess Generation Prices

The CHP excess generation prices will be posted at SMUD's website, [www.smud.org](http://www.smud.org). Prices will be differentiated by delivery voltage, season and time-of-day. CHP excess generation prices will be reset each January 1 and apply for that calendar year to all CHP excess generation delivered to SMUD, regardless of the date of the CHP commissioning and interconnection to SMUD's system, or the effective date of the Power Purchase Agreement (PPA) and Interconnection Agreement.

The CHP excess generation prices reflect SMUD's underlying avoided costs for procurement and delivery of comparable power during the specified terms and time periods. The avoided cost is made up of the following components:

- Market Energy Price
- Losses by voltage level
- Transmission and Distribution

SMUD will typically pay for CHP excess generation based on the voltage at the point of delivery to the SMUD system. However, to the extent that SMUD must step up the excess generation to a higher voltage level in order to serve its customers, the pricing for the excess CHP generation will be based on the higher voltage level.

### B. Time-of-Delivery Periods

Season	Months	Super Peak	On Peak	Off Peak
Summer	June - Sept	2:00 to 8:00 p.m. Mon – Sat except holidays	6:00 a.m. to 2:00 p.m. & 8:00 p.m. to 10:00 p.m. Mon - Sat except holidays	All other hours
Fall & Winter	Oct - Feb			
Spring	Mar - May			

Off-peak pricing shall apply during the following holidays:

Holiday	Month	Date
New Year's Day	January	1
Memorial Day	May	Last Monday
Independence Day	July	4
Labor Day	September	First Monday
Thanksgiving Day	November	Fourth Thursday
Christmas Day	December	25

# Combined Heat and Power (CHP) Distributed Generation Rate Schedule CHP

## III. Charges

### A. Reserved Capacity Charge

The customer shall pay a monthly Reserved Capacity Charge to compensate SMUD for standing ready to supply supplemental service, backup electricity, and other services/electricity during interruptions in the CHP facility's operation. The Reserved Capacity Charge is based on the greater of the following:

- The customer's Maximum Anticipated Demand or actual monthly demand, if higher, multiplied by the Reserved Capacity Rate per kW shown below; or
- The Generator Installed Capacity of the CHP facility multiplied by the Reserved Capacity Rate per kW shown below.

Reserved Capacity Rate <i>per kW</i>	Secondary	Primary	Subtransmission
Effective March 1, 2022	\$7.278	\$7.278	\$6.993
Effective January 1, 2023	\$7.423	\$7.423	\$7.133

#### 1. Maximum Anticipated Demand

The initial maximum anticipated demand will be the customer's maximum monthly demand in the prior 18 months at the time the PPA is executed.

#### 2. Generator Installed Capacity

The Generator Installed Capacity of the facility will be set forth in the PPA.

#### 3. Reset of Reserved Capacity Basis

If, at any time, the customer's actual monthly demand exceeds the Generator Installed Capacity of the CHP facility, the demand used to calculate the Reserved Capacity Charge will be reset to use the newly established demand as the basis for the charge.

### B. Data Communications Charges

The customer shall be responsible for procuring and maintaining any communication link required by SMUD for retrieving meter data. Ongoing data communication charges paid by SMUD on behalf of the customer will be passed through to the customer and will appear on the customer's monthly SMUD bill.

### C. Other Charges

SMUD will continue to bill for all appropriate charges under the applicable rate schedule for SMUD supplied power to the customer. These charges include without limitation System Infrastructure Fixed Charge, Electricity Usage charges, surcharges, and taxes. Site Infrastructure Charges and Summer Peak Demand Charges are applicable if the sum of these two charges is greater than the Reserved Capacity Charge. Each month, the Reserved Capacity Charge will be compared to the sum of the Site Infrastructure Charge plus any Summer Peak Demand Charge. On the monthly bill, the customer will be charged the greater of the two calculations, but not both. The monthly bill will also include applicable metering and data communications charges.



# Combined Heat and Power (CHP) Distributed Generation Rate Schedule CHP

## IV. Conditions of Service

### A. Eligible CHP Facility

To be eligible for this schedule, the CHP facility shall maintain without interruption certification by the California Energy Commission (CEC) as outlined in the CEC's "Guidelines for Certification of Combined Heat and Power Systems Pursuant to the Waste Heat and Carbon Emissions Reduction Act - Public Utilities Code, Section 2840 *Et Seq.*" CHP systems placed into operation before January 1, 2008 are not eligible for this schedule.

### B. Territory

The CHP facility must be located entirely within SMUD's service territory.

### C. Required Contract

An eligible CHP facility operating under this schedule shall execute a Power Purchase Agreement (PPA) with SMUD. The PPA shall be offered for contract durations of up to 10 years at the option of the customer.

### D. Participation in Other SMUD Programs

An eligible CHP facility operating under this schedule may not also obtain benefits for the same facility from any of the following:

1. A separate contract with SMUD for deliveries from the same facility; or
2. Incentives from SMUD under customer programs implemented in compliance with SB1 requirements or similar program; or
3. The net metering option for energy deliveries from the same facility.

### E. Electrical Interconnection

An eligible CHP facility under this schedule shall be interconnected within SMUD's service territory and shall be required to comply with SMUD's Rule and Regulation 21 process for interconnection and execute an Interconnection Agreement with SMUD. Facilities not meeting the Rule and Regulation 21 requirements will **not** be eligible for service. Any costs for system upgrades and facilities required for interconnection are the responsibility of the customer.

### F. Metering Requirements

The eligible CHP facility operating under this schedule shall comply with all applicable rules in installing, at the customer's expense, a bi-directional time-of-use meter appropriate for excess sale agreements, that can be read daily by electronic means acceptable to SMUD. SMUD will pay for and install a gross output meter to measure the generator output and provide for SMUD data requirements. The customer shall provide and pay for the meter socket and cabinet, and all required current transformers and potential transformers.

### G. Energy and Green Attributes

The customer shall, in accordance with the terms and conditions of the PPA, provide and convey to SMUD excess energy produced by the eligible CHP facility net of all station use and any and all site host load. Such conveyance shall include all related Green Attributes.

(End)

# Distribution Wheeling Service Rate Schedule DWS

## I. Applicability

This Rate Schedule DWS is optional for customers requesting Distribution Wheeling Service. SMUD may, at its sole discretion, provide Distribution Wheeling Service to Independent Power Producers and Cogenerators, also referred to as Merchant Generators, within SMUD territory, who establish a need for this service. Wheeling service requests will be evaluated on a case by case basis and may be limited by availability of distribution system capacity. This rate has been developed for wholesale power transactions and SMUD will not wheel non-SMUD power to its retail customers under this rate.

This Rate Schedule DWS is available to entities owning generating facilities that meet the following conditions:

- The entity's generating facility is connected to SMUD's distribution system; and
- The entity has a power purchase (offtake) agreement for the output of the generating facility with an entity other than SMUD; and
- Power delivery under the power purchase agreement occurs at a location outside of the SMUD system.

Under this service, the power from the associated generating facility will be wheeled (transferred) across SMUD's distribution system from the point of interconnection to SMUD's distribution system (Interconnection Point) to SMUD's bulk power system. Entities taking service under this rate schedule will also be required to take Transmission Wheeling Service from SMUD under the SMUD Open Access Transmission Tariff (OATT).

Service under this schedule is on a first-come, first-served basis and is available unless the usage of these wheeling facilities would be detrimental to SMUD. This schedule is available for interconnection of the qualified generating facility to the SMUD distribution system, wherever that may occur within the SMUD service territory.

## II. Rates

### Distribution Wheeling Charge

Effective March 1, 2022	\$10.934	\$1.703
Effective January 1, 2023	\$11.152	\$1.737

\* includes all path charges to SMUD's bulk power system

## III. Conditions of Service

### A. Application for Service

Any entity requesting service under this rate schedule must submit an application for Distribution Wheeling Service. Application for such service is available at the SMUD website, [www.smud.org](http://www.smud.org).

### B. Required Service Contract

The entity taking wheeling service under the rate schedule shall execute a Distribution Wheeling Agreement (DWA) in accordance with SMUD Policy and Procedure 8-05.

### C. Reservation Deposit

The entity requesting service under this rate schedule will be required to submit a deposit equal to one month of service under this rate. The deposit will be refundable up until the time that the entity commits to service by execution of the DWA. Once the DWA is executed, the reservation deposit becomes a nonrefundable payment for the first month of service under the rate schedule.

### D. Term

Applicant must specify, at the time of application, the start date for the requested service. Applicant must also specify the duration that is requested for service. SMUD will accept applications for service up to 20 years.

### E. Application Under SMUD'S OATT

Applicants must also make application for Transmission Service under SMUD's Open Access Transmission Tariff.

# Distribution Wheeling Service Rate Schedule DWS

## F. Definitions

The following definitions apply to this schedule:

1. Applicant: The entity requesting service under this rate schedule.
2. Distribution Wheeling: The transfer of Merchant Generator power at 12 kV, 21 kV, or 69 kV for delivery to a third party outside SMUD service territory.

## G. Electrical Interconnection

Applicant must also make a request for interconnection that complies with SMUD's Rule and Regulation 21 process for interconnection and must meet the requirements of Rule and Regulation 21, which include executing an Interconnection Agreement with SMUD. Any resources *not* meeting the Rule and Regulation 21 requirements will not be eligible for service under this schedule.

## H. Metering Requirements

Distributed generation resources receiving service under this schedule shall comply with all applicable rules in installing metering equipment appropriate for full output monitoring agreements, and which can be read daily by electronic means acceptable to SMUD. The customer shall be responsible for procuring and maintaining any communication link required by SMUD for retrieving meter data.

## IV. Line Losses

Merchant Generators taking service under this rate schedule will be assessed a line loss factor. Line losses will be applied as the electricity transitions from one voltage level to another. The line losses by voltage level are as follows:

<u>Voltage Level</u>	<u>Loss Factor</u>
12/21kV	4.06%
69kV	1.53%

SMUD reserves the right to update the line loss factor annually on January 1.

Line losses will be applied to the amount of generated electricity that is measured at the point of interconnection between the Merchant Generator's facility and SMUD's electrical system.

(End)

# Residential and Commercial & Industrial Energy Assistance Program Rate Schedule EAPR

## I. Applicability

This Rate Schedule EAPR applies to customers receiving service under residential or Commercial & Industrial rates who meet specific eligibility requirements.

## II. Eligibility for Residential Customers

Eligibility for the Energy Assistance Program (EAPR) is determined by the following:

- A. The total gross household income must conform to the Income Guidelines as specified on the application;
- B. The customer must not be claimed as a dependent on another person's income tax return; and
- C. The service address on the application must be the customer's primary residence.

## III. Discount for Residential Customers

Eligible residential customers will receive a discount based on qualifying federal poverty level income guidelines. The EAPR discount will include two components:

- 1. A \$10 System Infrastructure Fixed Charge discount per month; and
- 2. An additional discount is applied as a 100% reduction in the electricity usage cost per kilowatt hour up to the maximum discount according to the following income guidelines:

Federal Poverty Level	Maximum Electricity Usage Discount
0-50%	\$60
>50 to 100%	\$32
>100 to 150%	\$10
>150 to 200%	\$0

## IV. Eligibility for Nonprofit Organizations

To be eligible for EAPR the nonprofit organization must meet the following requirements:

- A. The organization's qualifying site takes service directly from SMUD; and
- B. The organization meets the qualifications for a nonprofit public or private organization, as specified on the application; and
- C. The organization operates the qualifying site as residential unit(s) whose residents meet the EAPR income guidelines.
  - 1. The primary function of the site shall be to provide a home (sleeping quarters) for low-income residents who would otherwise meet the residential EAPR guidelines defining low-income if permanently residing in a residence.
  - 2. In support of the primary function that is provided by the nonprofit organization, associated facilities that provide daytime services for the homeless (such as personal hygiene facilities, laundry facilities, kitchen and/or dining facilities, etc.) may also qualify for the discount. At least 75 percent of the facility's square footage must be directly related to meeting these functions.

An energy survey of the residential unit(s) is recommended at the time of being placed on this program and implementation of recommended cost-effective energy efficiency measures is encouraged.

## V. Discount for Nonprofit Organization

All eligible non-profit organization accounts on a residential rate will receive the maximum residential discount.

# Residential and Commercial & Industrial Energy Assistance Program Rate Schedule EAPR

Eligible commercial customers will receive discounts as follows:

- A. All eligible commercial customers will receive a discount of 15 percent of the Electricity Usage Charge (kWh), Maximum Demand Charge (kW), Site Infrastructure Charge (kW), Summer Peak Demand Charge (kW), and Summer Super Peak Demand Charge (kW) each billing period.
- B. The Commercial & Industrial rate schedule CI-TOD1 System Infrastructure Fixed Charge will receive a discount of 35 percent each billing period.
- C. The Commercial & Industrial rate schedules CI-TOD2, CI-TOD3 and CI-TOD4 System Infrastructure Fixed Charge will receive a 15 percent discount applied each billing period.

## VI. Electricity Usage Surcharges

Refer to the following rate schedules for details on electricity usage surcharges that apply to all kWh.

- A. **Hydro Generation Adjustment (HGA).** Refer to Rate Schedule HGA.

## VII. Conditions of Service

### A. Application

To qualify for EAPR, the customer must complete a SMUD application and submit requested supporting documents. Applications are processed by SMUD or SMUD's designated agent.

Residential applications are available at SMUD's website, [www.smud.org](http://www.smud.org), or by calling SMUD customer service at 1-888-742-7683.

Nonprofit organizations must provide a copy of a valid determination or ruling letter from the Internal Revenue Service attesting to their charitable nonprofit status. Nonprofit Organization applications are available by calling SMUD customer service at 1-888-742-7683.

### B. Verification

Upon request, applicants shall provide proof, satisfactory to SMUD or its designated agent, that they meet the eligibility requirements. Failure to provide proof as requested will be considered just cause for denial to enroll in EAPR. It is the customer's responsibility to immediately notify SMUD or its designated agent when eligibility requirements change to the extent that the applicant no longer qualifies for this program. Applicants served under this program may be subject to annual review and/or verification. Any intent to defraud SMUD will result in rebilling of the applicant's bill and removal from EAPR. SMUD reserves the right to take appropriate legal action as warranted.

## VIII. Billing

The effective date of EAPR will be the beginning of the billing period in which the request is approved. If participation is terminated, the effective termination date will be the beginning of the billing period in which the request is received or the cancellation date. The maximum electricity usage discount will not be prorated, regardless of the number of days in the billing period or the spanning of multiple seasons. The discount may be reflected on the customer's bill with a rate-based identifier code or line item description. The monthly System Infrastructure Fixed Charge discount will be prorated for bill periods shorter than 27 days as shown in the table below.

Billing Circumstance	Basis for Proration
Bill period is shorter than 27 days	Relationship between the length of the billing period and 30 days.

(End)

# General Service

## Temperature-Dependent Pricing/Economic Retention Rate Schedule GS-TDP (*Closed to new customers*)

### I. Applicability

This Rate Schedule GS-TDP applies to single- or three-phase service, delivered at the subtransmission voltage level. The rate charged the customer shall vary depending on the maximum forecasted temperature during the summer season (June through September). SMUD is utilizing temperature-dependent pricing as an additional rate option for economic retention.

This rate schedule was closed to new participants effective January 1, 1998.

To be eligible for this schedule, customers must have met the following requirements:

1. Certify to SMUD that serving their load has become competitive as shown through evidence of viable competitive energy sources from relocation, self-generation, cogeneration, etc.;
2. Verify that electricity costs are at least 10 percent of their variable production costs; and
3. Agree to remain a full-requirements SMUD customer for a minimum period of five years. If the customer chooses to bypass SMUD before the five year period has expired, the customer shall reimburse SMUD for all cumulative savings received under the temperature-dependent pricing rate compared to the standard rate. The customer may elect to terminate SMUD service after four years, with a one-year advance notification, without penalty.

For the purposes of this schedule a "month" is considered to be a single billing period of 27 to 34 days.

### II. Firm Service Rate

	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>GS-TDP</b>		
<b>Winter Season</b> (January - May)		
System Infrastructure Fixed Charge <i>per month per meter</i>	\$327.55	\$334.10
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$0.639	\$0.652
<b>Electricity Usage Charge</b>		
On-peak <i>\$/kWh</i>	\$0.1134	\$0.1156
Off-peak <i>\$/kWh</i>	\$0.0810	\$0.0826
<b>Summer Season</b> (June - September)		
System Infrastructure Fixed Charge <i>per month per meter</i>	\$327.55	\$334.10
Site Infrastructure Charge <i>per 12 months max kW or contract capacity</i>	\$0.639	\$0.652
<b>TDP Summer Super-Peak Demand Charge</b> ( <i>\$/kW</i> )		
Per kW of maximum demand during Super-Peak Period per day if forecasted daily maximum temperature (T) for the following day is:		
"Heat Storm" if $T \geq 100^\circ$ for 2 or more consecutive days; or	\$6.577	\$6.709
"Extremely Hot" if $T \geq 100^\circ$ for a single day; or	\$6.181	\$6.305
"Very Hot" if $100^\circ > T > 95^\circ$ for a single day; or	\$1.147	\$1.170
"Mild to Hot" if $95^\circ \geq T$	No Charge	No Charge
<b>Electricity Usage Charge</b>		
Super-peak <i>\$/kWh</i>	\$0.1541	\$0.1572
On-peak <i>\$/kWh</i>	\$0.1355	\$0.1382
Off-peak <i>\$/kWh</i>	\$0.1019	\$0.1039

The TDP Summer Super Peak Maximum Demand Charge varies depending on the forecasted maximum temperature, based on a mutually agreed upon weather forecast source for the Sacramento area, for the following day.

# General Service

## Temperature-Dependent Pricing/Economic Retention Rate Schedule GS-TDP (*Closed to new customers*)

### Minimum Demand Charge Day

A “Minimum Demand Charge Day” may be declared on days when the forecast maximum daily temperature is greater than 95°F and less than 50 percent of SMUD’s available peaking resources are being utilized. On a “Minimum Demand Charge Day” there is no charge for super-peak TDP maximum demand.

### Notification of Minimum Demand Charge Day

It is the responsibility of the customer to communicate with SMUD to determine whether the SMUD system operator has declared a “Minimum Demand Charge Day.” SMUD reserves the right to cancel a “Minimum Demand Charge Day” if necessary. Any such update will be provided to the customer no later than one hour prior to application of the TDP super-peak maximum demand charge.

## III. Electricity Usage Surcharges

Refer to the following rate schedules for details on electricity usage surcharges.

**A. Hydro Generation Adjustment (HGA).** Refer to Rate Schedule HGA.

## IV. Rate Option Menu

### A. SMUD Renewable Energy Option

SMUD offers optional programs that allow customers to receive renewable energy for an additional charge, detailed on [www.smud.org](http://www.smud.org)

### B. Special Metering Charge

For customers who purchase and install additional equipment and software identified by SMUD meter specialists as necessary for load data collection and transfer to electronic media outside SMUD, SMUD will charge a monthly service fee to cover maintenance, software support and licensing fees. Payment for this nonstandard equipment and service will be made through provisions in Rule and Regulation 2, Section IV. Special Facilities. The fee schedule is available at SMUD’s website, [www.smud.org](http://www.smud.org).

## V. Conditions of Service

### A. Type of Electric Service

SMUD will provide customers on this rate schedule standard, firm service consisting of a continuous and sufficient supply of electricity.

### B. Service Voltage Definition

#### 1. Secondary Service Voltage

This service class provides power at voltage levels below 12 kilo-Volts (kV), or at a level not otherwise defined as “Primary” or “Subtransmission.”

#### 2. Primary Service Voltage

This service class provides power at a voltage level of 12 kV or 21 kV. To be eligible for Primary Service Voltage, the customer’s monthly demand must exceed 299 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

#### 3. Subtransmission Service Voltage

This subtransmission service class provides power at a voltage level of 69 kV or as otherwise defined by SMUD. To be eligible for voltage service at this level, the customer’s monthly demand must exceed 499 kW, the voltage must be available in the area being served, and SMUD must approve the arrangement for power provision.

# General Service

## Temperature-Dependent Pricing/Economic Retention Rate Schedule GS-TDP (*Closed to new customers*)

### C. Power Factor Adjustment or Waiver

#### 1. Adjustment (charge per month varies)

Accounts on a demand rate may be subject to a power factor (PF) adjustment charge. When a customer's monthly power factor falls below 95 percent leading or lagging, the following billing adjustment will apply:

$$\text{Electricity Usage} \times [ (95\% \div \text{Power Factor}) - 1 ] \times \text{Power Factor Adjustment Rate}$$

*Electricity Usage: the total monthly kWh for the account*

*Power Factor: the lesser of the customer's monthly power factor or 95 percent*

*Power Factor Adjustment Rate*

Effective March 1, 2022	\$0.0125
Effective January 1, 2023	\$0.0127

#### 2. Waiver Contract (charge per month is set for the term of the waiver)

Customers may apply for a power factor waiver contract that compensates SMUD for the power factor correction for the portion that is covered under the contract. The power factor waiver is not available to customers taking service at the subtransmission service voltage level. The waiver amount per month is calculated:

$$\text{Excess KVAR} \times \text{Waiver Rate}$$

*Excess KVAR: Maximum 12-month KVAR in excess of 32.868 percent of kW*

*Waiver Rate per excess KVAR*

Effective March 1, 2022	\$0.3306
Effective January 1, 2023	\$0.3372

### D. Large General Service Time-of-Use Billing Periods

<b>Winter On-Peak: October 1 - May 31</b>	Weekdays between noon and 10:00 p.m.
<b>Summer On-Peak: June 1 - September 30</b>	Weekdays between noon and 2:00 p.m. and between 8:00 p.m. and 10:00 p.m.
<b>Summer Super-Peak: June 1 - September 30</b>	Weekdays between 2:00 p.m. and 8:00 p.m.
<b>Off-Peak</b>	All other hours, including holidays shown below.

Off-peak pricing shall apply during the following holidays:

<u>Holiday</u>	<u>Month</u>	<u>Date</u>
New Year's Day	January	1
Martin Luther King Jr. Day	January	Third Monday
Lincoln's Birthday	February	12
Presidents Day	February	Third Monday
Memorial Day	May	Last Monday
Independence Day	July	4
Labor Day	September	First Monday
Columbus Day	October	Second Monday
Veterans Day	November	11
Thanksgiving Day	November	Fourth Thursday
Christmas Day	December	25



**General Service**  
**Temperature-Dependent Pricing/Economic Retention**  
**Rate Schedule GS-TDP (*Closed to new customers*)**

**VI. Billing**

**A. Meter Data**

Meter data for service rendered in accordance with this rate will not be combined for billing purposes unless SMUD determines it is necessary or convenient to do so.

**B. Proration of Charges**

Charges are prorated when the billing period is less than 27 days, more than 34 days or spans more than one price. The System Infrastructure Fixed Charge and Site Infrastructure Charge will be prorated as shown in the following table.

Billing Circumstance	Basis for Proration
Bill period is shorter than 27 days	Relationship between the length of the billing period and 30 days.
Bill period is longer than 34 days	
Price changes within bill period	Relationship between the length of the billing period and the number of days that fall within the respective pricing periods.

**C. Contract Capacity**

Use of Contract Capacity for billing is at SMUD's sole discretion. Refer to Rule and Regulation 1 and Rule and Regulation 6.

**D. Discontinuance of Service**

Any customer resuming service at the same premises within 12 months after discontinuing service will be required to pay the System Infrastructure Fixed Charges and Site Infrastructure Charges that would have been billed if service had not been discontinued, except when service has been disconnected. The System Infrastructure Fixed Charge and Site Infrastructure Charge will be waived during each of those months. Retroactive billing shall be at SMUD's sole discretion.

*(End)*

# Hydro Generation Adjustment Rate Schedule HGA

## I. Applicability

This Rate Schedule HGA applies to all customers receiving retail electric service from SMUD. Annually, SMUD will calculate how the yearly variation of precipitation affects hydro generation from the Upper American River Project (UARP) and impacts the SMUD budget.

## II. Conditions

- A. SMUD estimates that each inch of precipitation results in 30,000 megawatt hours (MWh) of generation.
- B. The HGA precipitation period begins April 1 of the previous year and ends on March 31 of the current year (Water Year).
- C. The actual inches of precipitation (AP) for each period shall be measured at the National Weather Service Pacific House Cooperative Observer measuring station or suitable replacement.
- D. The AP will be compared to the 50-year median (midpoint) inches of precipitation (MP) measured at Pacific House.
- E. The price of power delivered into the area designated as North Path 15 (NP15) will be used to determine the dollar impact of any excess or shortfall of energy. If NP15 is no longer available, then a suitable replacement will be used.
- F. The AP will be capped at a maximum of 80 inches per Water Year to accommodate for spill.

## III. Budget Impact Determination

The following calculations will be used to determine SMUD's budget impact (BI) from precipitation variances:

### A. Precipitation Variance

$$\text{Inches of Precipitation Variance } (\pm \text{IPV}) = \text{MP} - \text{AP}$$

The variance of precipitation equals the difference between the 50-year median and the actual inches of precipitation.

### B. Generation Conversion

$$\pm \text{IPV} \quad \times \quad 30,000 \text{ MWh/inch} \quad = \quad \pm \text{MWh}$$

The variance of hydro generation, in megawatt hours, equals the inches of precipitation variance x 30,000 MWh/inch.

### C. Calculation of Budget Effects

The market cost of energy is the simple average of the actual first quarter monthly NP15 prices as of April 1 and the second, third and fourth quarters monthly forecast NP15 prices. If NP15 is no longer available, then a suitable replacement will be used.

$$\pm \text{MWh} \quad \times \quad \text{market cost of energy } (\$/\text{MWh}) \quad = \quad \pm \text{budget impact } (\$)$$

## IV. Hydro Rate Stabilization Fund

The BI will first be compared to the Hydro Rate Stabilization Fund (HRSF). In Water Years with above median precipitation, funds shall be deposited to the HRSF from Operating Revenues until the HRSF reaches a maximum of 6% of budgeted annual gross retail revenue, at which time subsequent excesses may be returned to the customer through the Hydro Generation Adjustment (HGA). In Water Years with below median precipitation, funds will be withdrawn from the HRSF and applied to Operating Revenues until the HRSF balance reaches zero, at which time the HGA will be levied as a surcharge on electricity usage.

## V. Budget Impact Limitations

The BI will not exceed  $\pm 4$  percent of budgeted annual gross retail revenue.

# Hydro Generation Adjustment Rate Schedule HGA

## VI. Rate Charges

The HGA deposits into or transfers out of the Hydro Rate Stabilization Fund will be calculated as follows:

$$\text{HRSF} - \text{BI} = \text{Calculated HRSF}$$

- A. If Calculated HRSF is  $< 0$

The Accountant will transfer the remaining balance of the HRSF to Operating Revenues and the HGA will be set at:

$$- \frac{\text{Calculated HRSF}}{\text{Budgeted annual retail kWh sales}} = \text{HGA}$$

- B. If Calculated HRSF is  $\geq 0$  and  $\leq 6 \text{ percent of budgeted annual gross retail revenue}$ :

The Accountant will transfer the positive BI out of the HRSF and into Operating Revenues and transfer the negative BI into the HRSF from Operating Revenues.

- C. If the Calculated HRSF is  $> 6 \text{ percent of budgeted annual gross retail revenue}$ :

The Accountant will transfer the negative BI into the HRSF from Operating Revenues up to 6 percent of budgeted annual gross retail revenue. The Board may authorize the HGA or direct the funds for another purpose. At the Board's direction, the HGA will be set at:

$$- \frac{(\text{Calculated HRSF} - 6\% \text{ of budgeted annual gross retail revenue})}{\text{Budgeted annual retail kWh sales}} = \text{HGA}$$

## VII. Application

The HGA became effective July 1, 2008. The HGA is recalculated for each Water Year and will be applied to the rate schedules May 1 until April 30 of the following year.

(End)

# Outdoor Night Lighting Service Rate Schedule NLGT

## I. Applicability

This Rate Schedule NLGT applies to SMUD-owned and maintained outdoor overhead lighting service where Street Lighting Service Rate Schedule SLS does not apply. Service furnished under this schedule may be discontinued at any location where SMUD's overhead distribution facilities are relocated or converted to underground distribution facilities.

Lamps shall be supported on SMUD-owned poles that are used to carry distribution system circuits used for other SMUD purposes and shall be at locations approved by SMUD.

## II. Rate

	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>NLGT</b>		
<b>Electricity and Switching Charge</b> <i>\$ per watt of connected load</i>	\$0.0302	\$0.0308

There will be a separate monthly charge for installation and maintenance of each fixture (including lamps, refractors, ballasts, photocells and other typical support equipment). These charges are based upon the installation of street lighting fixtures of a design specified by SMUD and mounted by means of varying length brackets affixed to existing wood poles that are used to carry distribution system circuits.

## III. Electricity Usage Surcharges

Refer to the following rate schedules for details on electricity surcharges that apply to all kWh usage.

A. **Hydro Generation Adjustment (HGA).** Refer to Rate Schedule HGA.

## IV. Lamp Servicing and Relocations

- A. Upon receipt of notice from the customer that light fails to operate as scheduled, SMUD will, within a reasonable period of time, make the necessary repairs.
- B. SMUD will, at the customer's request, relocate existing outdoor lighting service equipment, provided the customer reimburses SMUD for the relocation cost.

## V. Conditions of Service

- A. Service shall be alternating current at a frequency of approximately 60 hertz, single phase.
- B. Where new facilities are required in order to provide service for an applicant under this rate, SMUD may require a contract for service for a period not to exceed three years.
- C. Information on equipment that qualifies for this rate schedule and the associated monthly charge is available on the SMUD website, [www.smud.org](http://www.smud.org), or will be furnished upon request. SMUD will review this information at least annually and update as appropriate. SMUD retains the right to modify the listing of approved fixtures and lamps to accommodate changing technology or other business needs criteria.

## VI. Billing

### A. Connected Load

The manufacturer's rating in watts (including all auxiliary equipment) will be used as connected load.

## Outdoor Night Lighting Service Rate Schedule NLGT

### B. Proration of Charges

Charges are prorated when the billing period is less than 27 days, more than 34 days or spans more than one price. The Electricity Usage Charge will be prorated as shown in the following table.

Billing Circumstance	Basis for Proration
Bill period is shorter than 27 days	Relationship between the length of the billing period and 30 days
Bill period is longer than 34 days	
Price changes within bill period	Relationship between the length of the billing period and the number of days that fall within the respective pricing periods.

(End)

# Residential Service Rate Schedule R

## I. Applicability

This Rate Schedule R applies to single- and three-phase service for the following types of residential premises:

1. Individually metered residences including single-family homes, duplexes, apartments, and condominiums; and
2. General farm service where the meter also serves the residence or additional meters on a farm where the electricity consumed is solely for domestic purposes; and
3. Master-metered service to a qualifying multifamily accommodation or mobile home park that is submetered to all single-family units or individual mobile homes.

For the purposes of this schedule a “month” is considered to be a single billing period of 27 to 34 days.

### A. Fixed Rate (rate category RF01)

1. The Fixed Rate is the alternative rate to SMUD’s Time-of-Day (TOD) (5-8 p.m.) Rate (rate category RT02) under Rate Schedule R-TOD.
2. The Fixed Rate is required for customers serviced with analog meters and digital non-communicating meters.
3. Customers who qualify for Rate Schedule NEM1 and have an eligible renewable electrical generation facility that was approved for installation prior to January 1, 2018 are eligible to enroll in the Fixed Rate and may remain on the Fixed Rate after December 31, 2022.
4. Customers who have an eligible renewable electrical generation facility under Rate Schedule NEM1 that was approved for installation on or after January 1, 2018 are not eligible to enroll in the Fixed Rate.
5. Customers who have an eligible renewable electrical generation facility under Rate Schedule SSR are not eligible to enroll in the Fixed Rate.
6. Customers who have a storage facility without an associated eligible generating facility are not eligible to enroll in the Fixed Rate.
7. Customers who have master meters, including those enrolled on the RSMM rate category, are not eligible to enroll in the Fixed Rate.
8. The Fixed Rate will be used for the collection of revenue associated with unauthorized use of residential electric service regardless of the date(s) or time(s) in which the use occurred.

### B. Legacy Rate (rate categories RSCH, RWCH, RSEH, RWEH, RSGH and RWGH) Closed

1. The Legacy Rate is closed for enrollment to all residential customers who do not have an eligible renewable electrical generation facility under Rate Schedule NEM1 that was approved for installation by SMUD before January 1, 2018.
2. The Legacy Rate will no longer be an available rate option to residential customers once a customer has been transitioned to the TOD (5-8 p.m.) Rate. Eligible customers can elect the Fixed Rate under Rate Schedule R as an alternative rate.
3. Customers who have an eligible renewable electrical generation facility under Rate Schedule NEM1 that was approved for installation by SMUD before January 1, 2018 and are enrolled on the Legacy Rate may remain on this closed rate until transitioned to SMUD’s standard TOD (5-8 p.m.) Rate as early as January 1, 2023, as technically feasible.. If an eligible generation facility customer in this rate category elects an open rate, the customer cannot return to the Legacy Rate.
4. The Legacy Rate will be eliminated once all customers are removed from this rate and the rate transition is complete.

# Residential Service Rate Schedule R

## C. Master-Metered Multifamily Accommodation and Mobile Home Park Billing (Rate Category RSMM)

1. This rate is closed to new customers unless SMUD determines that it is not reasonable or feasible to provide service and meter the individual units directly.
2. The master-metered customer's electricity consumption will be billed using the total kWh usage of the master-meter divided by the number of occupied single-family accommodations. The billing calculation will include applicable discounts to all kWh Usage Charges and System Infrastructure Fixed Charge (SIFC) for qualifying energy assistance and medical equipment discount program participants. The customer must advise SMUD within 15 days following any change in the number of occupied single-family accommodations wired for electric service.

## II. Firm Service Rates

### A. Fixed Rate Customers (rate category RF01)

	Effective as of October 1, 2021	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>Fixed Rate (RF01)</b>			
<b>Non-Summer Season</b> (October - May)			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	\$22.70	\$23.05	\$23.50
<b>Electricity Usage Charge</b>			
All kWh usage per month <i>\$/kWh</i>	\$0.1153	\$0.1170	\$0.1194
<b>Summer Season</b> (June - September)			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	n/a	\$23.05	\$23.50
<b>Electricity Usage Charge</b>			
All kWh usage per month <i>\$/kWh</i>	n/a	\$0.1870	\$0.1907

### B. Legacy Rate Customers (rate categories RSCH, RWCH, RSEH, RWEH, RSGH, RWGH) Closed

	Effective as of October 1, 2021	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>Legacy Rates (RSCH, RWCH, RSEH, RWEH, RSGH, RWGH) (Closed)</b>			
<b>Winter Season*</b> (October - May)			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	\$22.70	\$23.05	\$23.50
<b>Electricity Usage Charge</b>			
All kWh usage per month <i>\$/kWh</i>	\$0.1279	\$0.1298	\$0.1324
<b>Summer Season</b> (June - September)			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	n/a	\$23.05	\$23.50
<b>Electricity Usage Charge</b>			
All kWh usage per month <i>\$/kWh</i>	n/a	\$0.1486	\$0.1516

\* All seasons with the exclusion of summer (June 1 – September 30). Winter Season includes Fall (Oct 1 – Nov 30) and Spring (Apr 1 – May 31) periods for Electric Heat rate customers (RSCH, RWCH, RSEH, RWEH).

## Residential Service Rate Schedule R

### C. Master-Metered Multifamily Accommodation and Mobile Home Park Billing (Rate Category RSMM) Closed

	Effective as of October 1, 2021	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>Master Metered Multifamily and Mobile Home Park Billing (Closed)</b>			
<b>Non-Summer Season</b> (October - May)			
System Infrastructure Fixed Charge <i>per month per meter</i>	\$22.70	\$23.05	\$23.50
Electricity Usage Charge			
All kWh usage per month <i>\$/kWh</i>	\$0.1279	\$0.1298	\$0.1324
<b>Summer Season</b> (June - September)			
System Infrastructure Fixed Charge <i>per month per meter</i>	n/a	\$23.05	\$23.50
Electricity Usage Charge			
All kWh usage per month <i>\$/kWh</i>	n/a	\$0.1486	\$0.1516

### III. Electricity Usage Surcharges

Refer to the following rate schedule for details on electricity usage surcharges that apply to all kWh.

A. **Hydro Generation Adjustment (HGA).** Refer to Rate Schedule HGA.

### IV. Rate Option Menu

A. **Energy Assistance Program.** Refer to Rate Schedule EAPR.

B. **Medical Equipment Discount Program.** Refer to Rate Schedule MED.

C. **Joint Participation in Medical Equipment Discount and Energy Assistance Programs.** Refer to Rate Schedule MED.

D. **Time-of-Day Rate.** Refer to Rate Schedule R-TOD.

E. **Generator Standby Service Option**

Generator Standby Service applies when all of the following conditions are met:

1. The customer has generation, sited on the customer's premises, that serves all or part of the customer's load; and
2. The generator(s) have a combined nameplate rating of less than 100 kW; and
3. The generator(s) are connected to SMUD's electrical system; and
4. SMUD is required to have resources available to provide supplemental service, backup electricity and/or to supply electricity during generator(s) maintenance service.

#### Generator Standby Charge January 1 through December 31

##### \$/kW of Contract Capacity per month

Effective October 1, 2022	\$7.450
Effective March 1, 2022	\$7.562
Effective January 1, 2023	\$7.713

In addition to the Generator Standby Charge, SMUD will continue to bill for all applicable charges under this rate. These charges include SIFC and electricity usage charges for SMUD-provided power.

The Generator Standby Charge will be waived only for qualifying renewable generation under Rate Schedules NEM1 and SSR.



## Residential Service Rate Schedule R

**F. Customer Energy Generation Option.** Refer to Rate Schedule NEM1.

**G. SMUD Renewable Energy Option**

SMUD offers optional programs that allow customers to receive renewable energy for an additional charge, detailed on [www.smud.org](http://www.smud.org).

**H. Special Metering Charge**

For customers who purchase and install additional equipment and software identified by SMUD meter specialists as necessary for load data collection and transfer to electronic media outside SMUD, SMUD will charge a monthly service fee to cover maintenance, software support and licensing fees. Payment for this nonstandard equipment and service will be made through provisions in Rule and Regulation 2, Section IV. Special Facilities. The fee schedule is available at SMUD's website, [www.smud.org](http://www.smud.org).

**I. Plug-In Electric Vehicle (PEV) Option.** Refer to Rate Schedule R-TOD.

**J. Residential Three-Phase Service Option**

This option is open to customers located in areas where three-phase service is available. A Special Facilities fee is charged to cover the additional costs for providing this service. This charge is in addition to the SIFC.

**Three-Phase Service – January 1 through December 31**

**Special Facilities fee per month**

Effective October 1, 2022	\$48.71
Effective March 1, 2022	\$49.45
Effective January 1, 2023	\$50.45

**V. Billing**

KWh usage may be prorated for nonstandard billing periods, when billing period spans a price change, and/or when the billing period spans more than one season. The monthly SIFC will be prorated when the bill period is shorter than 27 days. The following table shows the basis for the proration in these circumstances. The monthly System Infrastructure Fixed Charge is determined by the billing period end date.

Billing Circumstance	Basis for Proration
Bill period is shorter than 27 days (SIFC and kWh)	Relationship between the length of the billing period and 30 days.
Bill period is longer than 34 days (kWh)	
Seasons overlap and price changes within bill period	Relationship between the length of the billing period and the number of days that fall within the respective season or pricing periods.

(End)

# Residential Time-of-Day Service Rate Schedule R-TOD

## I. Applicability

This Rate Schedule R-TOD applies to single- and three-phase service for the following types of residential premises:

1. Individual or dual metered residences with digital communicating meter installed, including single-family homes, duplexes, apartments, and condominiums; and
2. General farm service where the meter also serves the residence or additional meters on a farm where the electricity consumed is solely for domestic purposes.
3. Customers who have an eligible renewable electrical generation facility under Rate Schedules NEM1 or SSR that was approved for installation by SMUD on or after January 1, 2018, or who establish service at a premises that has an electrical generation facility that is fueled by a renewable fuel source on or after January 1, 2018 must be on this Rate Schedule R-TOD.

Master-metered service to a qualifying multifamily accommodation or mobile home parks are not eligible for Time-of-Day rates under rate schedule R-TOD.

For the purposes of this schedule a “month” is considered to be a single billing period of 27 to 34 days.

### A. Time-of-Day (5-8 p.m.) Rate (rate category RT02)

1. The TOD (5-8 p.m.) Rate is the standard rate for SMUD’s residential customers. Eligible customers can elect the Fixed Rate under Rate Schedule R as an alternative rate.
2. The TOD (5-8 p.m.) Rate is an optional rate for customers who have an eligible renewable electrical generation facility under Rate Schedule NEM1 that was approved for installation by SMUD prior to January 1, 2018.
3. This rate has five kilowatt-hour (kWh) prices, depending on the time-of-day and season as shown below. Holidays are detailed in Section V. Conditions of Service.

<b>Summer (Jun 1 - Sept 30)</b>	<b>Peak</b>	Weekdays between 5:00 p.m. and 8:00 p.m.
	<b>Mid-Peak</b>	Weekdays between noon and midnight except during the Peak hours.
	<b>Off-Peak</b>	All other hours, including weekends and holidays <sup>1</sup> .
<b>Non-Summer (Oct 1 - May 31)</b>	<b>Peak</b>	Weekdays between 5:00 p.m. and 8:00 p.m.
	<b>Off-Peak</b>	All other hours, including weekends and holidays <sup>1</sup> .

<sup>1</sup> See Section V. Conditions of Service

### B. Optional Time-of-Day (4-7 p.m.) Rate (rate category RT01) Closed

1. The TOD (4-7 p.m.) Rate is closed for enrollment to residential customers.
2. Customers who have an eligible renewable electrical generation facility under Rate Schedule NEM1 that was approved for installation by SMUD before January 1, 2018, and are enrolled on the TOD (4-7 p.m.) Rate may remain on this closed rate until December 31, 2022.
3. The TOD (4-7 p.m.) Rate will terminate for customers with an eligible renewable electrical generation facility under Rate Schedule NEM1 as early as January 1, 2023 as technically feasible. Customers will then transition to SMUD’s standard TOD (5-8 p.m.) Rate, as determined by SMUD.
4. Existing customers who have an eligible renewable electrical generation facility under Rate Schedule NEM1 that was approved for installation by SMUD before January 1, 2018 may enroll in the TOD (5-8 p.m.) Rate or any other open rate at any time; however, once enrolled in the TOD (5-8 p.m.) Rate or any other open rate, the customer cannot return to the TOD (4-7 p.m.) Rate.

## Residential Time-of-Day Service Rate Schedule R-TOD

5. This rate has three kilowatt-hour (kWh) prices, depending on the time-of-day and season as shown below. Holidays are detailed in Section V. Conditions of Service.

<b>Jun 1 - Sep 30</b>	<b>Summer Super Peak</b>	Weekdays between 4:00 p.m. and 7:00 p.m.
<b>Year-round (Jan 1 - Dec 31)</b>	<b>Peak</b>	Weekdays between 9:00 a.m. and 9:00 p.m. except during the Summer Super Peak hours.
	<b>Off-Peak</b>	All other hours, including weekends and holidays <sup>1</sup> .

<sup>1</sup> See Section V. Conditions of Service

### C. Optional Critical Peak Pricing (CPP) Rate (rate categories RTC1 and RTC2)

- The CPP rate is available as of June 1, 2022 for customers who are participating in a qualifying program. Customers that have accepted a storage incentive under the Solar and Storage Rate incentive program are required to enroll in this rate for a duration as determined by SMUD program rules posted on [www.smud.org](http://www.smud.org).
- A maximum of 30,000 customers may be enrolled in this rate at any given time.
- CPP Events may range from one to four hours, but not more than once per day. CPP Events may be called during any hour of the day during summer months, including holidays and weekends, up to 50 hours per summer. CPP Events may span multiple time-of-day periods.
- CPP Events will be announced by SMUD a day in advance. However, in the event of a system emergency, announcements may occur the same day as the event.
- This rate has five kilowatt-hour (kWh) prices, depending on the time-of-day and season as shown below. Holidays are detailed in Section V. Conditions of Service.

<b>Summer (Jun 1 - Sept 30)</b>	<b>Peak</b>	Weekdays between 5:00 p.m. and 8:00 p.m.
	<b>Mid-Peak</b>	Weekdays between noon and midnight except during the Peak hours.
	<b>Off-Peak</b>	All other hours, including weekends and holidays <sup>1</sup> .
<b>Non-Summer (Oct 1 - May 31)</b>	<b>Peak</b>	Weekdays between 5:00 p.m. and 8:00 p.m.
	<b>Off-Peak</b>	All other hours, including weekends and holidays <sup>1</sup> .

<sup>1</sup> See Section V. Conditions of Service

# Residential Time-of-Day Service Rate Schedule R-TOD

## II. Firm Service Rates

### A. Time-of-Day (5-8 p.m.) Rate

	Effective as of October 1, 2021	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>Time-of-Day (5-8 p.m.) Rate (RT02)</b>			
<b>Non-Summer Season (October - May)</b>			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	\$22.70	\$23.05	\$23.50
<b>Electricity Usage Charge</b>			
Peak <i>\$/kWh</i>	\$0.1494	\$0.1516	\$0.1547
Off-Peak <i>\$/kWh</i>	\$0.1082	\$0.1098	\$0.1120
<b>Summer Season (June - September)</b>			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	n/a	\$23.05	\$23.50
<b>Electricity Usage Charge</b>			
Peak <i>\$/kWh</i>	n/a	\$0.3215	\$0.3279
Mid-Peak <i>\$/kWh</i>	n/a	\$0.1827	\$0.1864
Off-Peak <i>\$/kWh</i>	n/a	\$0.1323	\$0.1350

### B. Optional Time-of-Day (4-7 p.m.) Rate (Closed)

	Effective as of October 1, 2021	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>Time-of-Day (4-7 p.m.) Rate (RT01) (Closed)</b>			
<b>Winter Season (October - May)</b>			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	\$22.70	\$23.05	\$23.50
<b>Electricity Usage Charge</b>			
Peak <i>\$/kWh</i>	\$0.1655	\$0.1680	\$0.1713
Off-Peak <i>\$/kWh</i>	\$0.0953	\$0.0967	\$0.0986
<b>Summer Season (June - September)</b>			
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	n/a	\$23.05	\$23.50
<b>Electricity Usage Charge</b>			
Summer Super Peak <i>\$/kWh</i>	n/a	\$0.4200	\$0.4284
Peak <i>\$/kWh</i>	n/a	\$0.1680	\$0.1713
Off-Peak <i>\$/kWh</i>	n/a	\$0.0967	\$0.0986

# Residential Time-of-Day Service Rate Schedule R-TOD

## C. Optional Critical Peak Pricing Rate

1. The CPP Rate base prices per time-of-day period are the same as the prices per time-of-day period for TOD (5-8 p.m.).
2. The CPP Rate provides a discount per kWh on the Mid-Peak and Off-Peak prices during summer months.
3. During CPP Events, customers will be charged for energy used at the applicable time-of-day period rate plus the CPP Rate Event Price per kWh as shown on [www.smud.org](http://www.smud.org).
4. During CPP Events, energy exported to the grid will be compensated at the CPP Rate Event Price per kWh as shown on [www.smud.org](http://www.smud.org).
5. The CPP Rate Event Price and discount will be updated annually at SMUD's discretion and posted on [www.smud.org](http://www.smud.org).

## D. Plug-In Electric Vehicle Credit (rate categories RT02, RT01, RTC1 and RTC2)

This credit is for residential customers who have a licensed passenger battery electric plug-in or plug-in hybrid electric vehicle.

Credit applies to all electricity usage charges from midnight to 6:00 a.m. daily

Electric Vehicle Credit..... **-\$0.0150/kWh**

## III. Electricity Usage Surcharges

Refer to the following rate schedules for details on these surcharges.

**A. Hydro Generation Adjustment (HGA).** Refer to Rate Schedule HGA.

## IV. Rate Option Menu

**A. Energy Assistance Program.** Refer to Rate Schedule EAPR.

**B. Medical Equipment Discount Program.** Refer to Rate Schedule MED.

**C. Joint Participation in Medical Equipment Discount and Energy Assistance Program.** Refer to Rate Schedule MED.

### D. Generator Standby Service Option

Generator Standby Service applies when all of the following conditions are met:

1. The customer has generation, sited on the customer's premises, that serves all or part of the customer's load; and
2. The generator(s) have a combined nameplate rating less than 100 kW; and
3. The generator(s) are connected to SMUD's electrical system; and
4. SMUD is required to have resources available to provide supplemental service, backup electricity and/ or to supply electricity during generator(s) maintenance service.

### Generator Standby Service – January 1 through December 31 \$/kW of Contract Capacity per month

Effective October 1, 2022	\$7.450
Effective March 1, 2022	\$7.562
Effective January 1, 2023	\$7.713

In addition to the Generator Standby Service Charge, SMUD will continue to bill for all applicable charges under the selected residential TOD rate. These charges include System Infrastructure Fixed Charges and electricity usage charges for SMUD-provided power. All energy provided to the customer by SMUD will be billed at the applicable residential TOD rates.

The Generator Standby Service Charge will be waived only for qualifying renewable generation under Rate Schedules NEM1 and SSR.

# Residential Time-of-Day Service Rate Schedule R-TOD

**E. Customer Energy Generation Options.** Refer to Rate Schedules NEM1 and SSR.

**F. SMUD Renewable Energy Option**

SMUD offers optional programs that allow customers to receive renewable energy for an additional charge, detailed on [www.smud.org](http://www.smud.org)

**G. Special Metering Charge**

For customers who purchase and install additional equipment and software identified by SMUD meter specialists as necessary for load data collection and transfer to electronic media outside SMUD, SMUD will charge a monthly service fee to cover maintenance, software support and licensing fees. Payment for this nonstandard equipment and service will be made through provisions in Rule and Regulation 2, Section IV. Special Facilities. The fee schedule is available at SMUD's website, [www.smud.org](http://www.smud.org).

**H. Residential Three-Phase Service Option**

This option applies to customers located in areas where three-phase service is available. A Special Facilities fee is charged to cover the additional costs for providing this service. This charge is in addition to the System Infrastructure Fixed Charge.

**Three-Phase Service – January 1 through December 31**

Special Facilities fee per month

Effective October 1, 2022	\$48.71
Effective March 1, 2022	\$49.45
Effective January 1, 2023	\$50.45

**V. Conditions of Service**

**A. Time-of-Day Billing Periods**

Off-Peak pricing shall apply during the following holidays:

<u>Holiday</u>	<u>Month</u>	<u>Date</u>
New Year's Day	January	1
Martin Luther King Jr. Day	January	Third Monday
Lincoln's Birthday	February	12
Presidents Day	February	Third Monday
Memorial Day	May	Last Monday
Independence Day	July	4
Labor Day	September	First Monday
Columbus Day	October	Second Monday
Veterans Day	November	11
Thanksgiving Day	November	Fourth Thursday
Christmas Day	December	25

## Residential Time-of-Day Service Rate Schedule R-TOD

### VI. Billing

#### A. Proration of Charges

The electricity usage charge will not be prorated, regardless of the number of days in the billing period or the spanning of multiple seasons. The monthly System Infrastructure Fixed Charge will be prorated when the bill period is shorter than 27 days as shown in the following table. The monthly System Infrastructure Fixed Charge is determined by the billing period end date.

Billing Circumstance	Basis for Proration
Bill period is shorter than 27 days	Relationship between the length of the billing period and 30 days.

(End)

# Street Lighting Service Rate Schedule SLS

## I. Applicability

This Rate Schedule SLS applies to outdoor lighting service facilities for:

1. Streets; and
2. Highways, and bridges; and
3. Public parks; and
4. Elementary schools, secondary schools, and colleges.

This schedule covers the following service categories:

- **Customer-owned and maintained — Rate Category SL\_COM**
- **Customer-owned and maintained, metered — Rate Category SL\_COM\_M**
- **Customer-owned, SMUD-maintained — Rate Category SL\_CODM**
- **SMUD (District)-owned and maintained — Rate Category SL\_DOM**

For the purposes of the following prices a "month" is considered to be a single billing period of 27 to 34 days.

## II. Customer-owned and maintained — Rate Category SL\_COM

Where the customer owns and maintains the street lighting equipment, SMUD will furnish electricity and switching. This rate is available to customers that are not eligible for the default SL\_COM\_M metered rate or as determined by SMUD. Effective the first full billing cycle after the following date(s), the charge will be as follows:

	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>SL_COM</b>		
<b>Electricity and Switching Charge</b> <i>\$ per watt of connected load</i>	\$0.0302	\$0.0308

## III. Customer-owned and maintained, metered — Rate Category SL\_COM\_M

Eligible street lighting customers requesting new installations of lamps or additions of new lamps to existing accounts will default to the metered SL\_COM\_M rate. Eligible street lighting customers will be served under the default rate or as determined by SMUD.

Where the customer owns and maintains street lighting equipment, that is controlled to **operate solely during dusk to dawn hours**, SMUD will furnish electricity, the meter, and switching. The charges will be as follows:

	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>SL_COM_M</b>		
<b>System Infrastructure Fixed Charge</b> <i>per month per meter</i>	\$10.50	\$10.70
<b>Electricity Usage Charge</b> <i>All day \$/kWh</i>	\$0.0907	\$0.0925



# Street Lighting Service Rate Schedule SLS

## IV. Customer-owned, SMUD (District)-maintained — Rate Category SL\_CODM (Closed to new customers and installations)

This rate is closed to new customers and installations effective January 23, 2014. Where the customer owns the street lighting equipment and SMUD supplies electricity, switching and, lamp servicing and maintenance, such service will be rendered for lamps and fixtures of sizes and types as SMUD has approved. Effective the first full billing cycle after the following date(s), the charge will be as follows:

	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>SL CODM (closed)</b>		
<b>Electricity and Switching Charge</b> <i>\$ per watt of connected load</i>	\$0.0302	\$0.0308

There is a separate monthly charge for maintaining each fixture and/or lamp. SMUD maintains a list of acceptable lamps and fixture types with standard ratings and the corresponding monthly maintenance charge.

This service is restricted to SMUD-approved locations.

## V. SMUD (District)-owned and maintained — Rate Category SL\_DOM

Where the customer requests that SMUD install, operate, and maintain the entire street lighting system, such service will be provided with fixtures and lamps of sizes and types as approved by SMUD. This rate is restricted to streets that are defined as right-of-way held in public trust, and maintained by the applicable governmental jurisdiction. At SMUD's sole discretion, streets not readily accessible to the general public will be served under the customer owned and maintained rates only.

There will be a separate monthly charge for installation and maintenance of each fixture (including lamps, refractors, ballasts, photo cells and other typical support equipment). These charges are based on the installation of street lighting fixtures of a design specified by SMUD and mounted by means of varying length brackets affixed to poles that are used to carry distribution system circuits.

When additional or alternative facilities are installed at the customer's request, monthly charges will be assessed according to SMUD's published charge schedule.

### A. Pricing

Effective the first full billing cycle after the following date(s), the charge will be as follows:

	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>SL DOM</b>		
<b>Electricity and Switching Charge</b> <i>\$ per watt of connected load</i>	\$0.0302	\$0.0308

### B. Relocations and Changes

At the customer's request, SMUD may, at its sole discretion, relocate existing equipment provided the customer reimburses net expense to SMUD incurred in connection therewith, including appropriate engineering and general expense.

# Street Lighting Service Rate Schedule SLS

At the customer's request, SMUD may, at its sole discretion, replace existing equipment with new equipment prior to expiration of the existing equipment's service life, provided the customer pays to SMUD an amount equal to the unrecovered cost, less salvage value, of the existing equipment to be retired and executes a fifteen-year contract for service effective with installation of the new equipment.

## **C. New Service**

New service will require an initial contract term of 15 years effective with installation of the service. If service is terminated before the contract term, the customer will be responsible for an amount equal to the unrecovered cost, less salvage value, of the equipment installed.

## **VI. Electricity Usage Surcharges**

Refer to the following rate schedules for details on electricity usage surcharges that apply to all kWh.

**A. Hydro Generation Adjustment (HGA).** Refer to Rate Schedule HGA.

## **VII. Conditions of Service**

- A.** Service will be alternating current at a frequency of approximately 60 hertz, single phase, at voltages specified by SMUD. Lamps shall be controlled to operate from dusk to dawn each night so as to give approximately 4,000 hours of lighting service annually.
- B.** When a customer requests that SMUD finance as well as install customer-owned street lighting equipment, provisions of Rule and Regulation 2 apply.
- C.** Information on equipment that qualifies for rates on this schedule and the associated monthly charges is available, on SMUD's website, [www.smud.org](http://www.smud.org), or will be furnished upon request. SMUD will review this information at least once per year and update as necessary for additional approved equipment, technology improvements and pricing changes.
- D.** SMUD will furnish a meter to provide service under the metered rate categories.

## **VIII. Billing**

**A.** The manufacturer's rating in watts (including all auxiliary equipment) will be used as connected load.

### **B. Proration of Charges (SL\_DOM, SL\_COM, and SL\_CODM)**

Billing periods for nonstandard lengths will be billed as follows:

- 1.** Service connected for 15 or more days during a billing period will be billed for a full month's service.
- 2.** Service connected for 1-14 days during a billing period will not be billed for such partial month's service.
- 3.** Service discontinued for 15 or more days during a billing period will not be billed for such partial month's service.
- 4.** Service discontinued for 1-14 days during a billing period will be billed for a full month's service.

## Street Lighting Service Rate Schedule SLS

### C. Proration of Charges (SL\_COM\_M)

Charges are prorated when the billing period is less than 27 days, more than 34 days or spans more than one price. The System Infrastructure Fixed Charge will be prorated as shown in the following table.

Billing Circumstance	Basis for Proration
Bill period is shorter than 27 days	Relationship between the length of the billing period and 30 days.
Bill period is longer than 34 days	
Price changes within bill period	Relationship between the length of the billing period and the number of days that fall within the respective pricing periods.

(End)

# Traffic Control Intersection Lighting Service Rate Schedule TC ILS

## I. Applicability

This Rate Schedule TC ILS applies to electric service for the benefit of cities, counties, and other public agencies for pedestrian and vehicular traffic signal units, together with related control devices for the purpose of traffic safety and management and associated intersection lighting where the mounting, standards, control supports, signal equipment, and luminaires are owned and maintained by the customer.

For the purposes of this schedule a "month" is considered to be a single billing period of 27 to 34 days.

## II. Rates (Rate Categories TS\_F, TS)

	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>TS_F, TS</b>		
<b>System Infrastructure Fixed Charge</b> <i>for metering point per month or portion thereof</i>	\$6.23	\$6.36
<b>Electricity Usage Charge</b> All day \$/kWh	\$0.1138	\$0.1161

## III. Electricity Usage Surcharges

Refer to the following rate schedules for details on electricity surcharges that apply to all kWh usage.

**A. Hydro Generation Adjustment (HGA).** Refer to Rate Schedule HGA.

## IV. Conditions of Service

1. Service shall be alternating current, at a frequency of approximately 60 hertz, single phase, at secondary voltages specified by SMUD, and at service points mutually agreed upon between the customer and SMUD.
2. Lamps for intersection lighting shall be controlled to operate from dusk to dawn each night so as to give approximately 4,000 hours of lighting service annually.
3. Where the monthly consumption of electricity is consistently small or can be predetermined with reasonable accuracy by reference to the capacity of equipment served and the hours of operation, SMUD may, with customer's consent, calculate electricity consumed in lieu of providing metering equipment (TS\_F).

## V. Billing

For billing periods of less than 27 days or more than 34 days, System Infrastructure Fixed Charges will be prorated on the basis of the relationship between the length of the billing period and 30 days. No proration will be made on first-time billing when the total period of service is less than 30 days.

(End)

# Traffic Signal Service Rate Schedule TSS (*Closed to new customers*)

## I. Applicability

This Rate Schedule TSS applies to electric service for pedestrian and vehicular traffic signal units, together with related control devices where the mounting standards, control supports, and signal equipment are owned and maintained by the customer.

For the purposes of this schedule a “month” is considered to be a single billing period of 27 to 34 days.

## II. Rate (Rate Category SL\_TSF)

### Monthly Charges

	Effective as of March 1, 2022	Effective as of January 1, 2023
<b>TSS</b>		
For units not larger than 70 watts or connected load and not exceeding three lamps per unit, the monthly charge <b>per unit</b> per month	\$4.52	\$4.61
For units larger than 70 watts or connected load and not exceeding three lamps per unit, the monthly charge <b>per lamp per watt</b>	\$0.0317	\$0.0323
Total charge per month being not less than	\$4.52	\$4.61

## III. Electricity Usage Surcharges

Refer to the following rate schedules for details on electricity surcharges that apply to all kWh usage.

A. **Hydro Generation Adjustment (HGA).** Refer to Rate Schedule HGA.

## IV. Conditions of Service

1. Service shall be alternating current, at a frequency of approximately 60 hertz, single phase, at secondary voltages specified by SMUD.
2. No additional service will be provided by SMUD under Rate Schedule TSS. Upon notification by SMUD and installation of metering facilities, individual accounts will be transferred from Rate Schedule TSS to Rate Schedule TC ILS.

## V. Billing

### A. Connected Load

“Connected load” as used in this rate schedule shall be the sum of the capacities of all of the customer’s equipment that may be operated from SMUD’s lines at the same time.

### B. Billing Periods of Nonstandard Length

Billing periods of nonstandard length will be billed as follows:

1. Service connected for 15 or more days during a billing period will be billed for a full month’s service.
2. Service connected for 1-14 days during a billing period will not be billed for such partial month’s service.
3. Service discontinued for 15 or more days during a billing period will not be billed for such partial month’s service.
4. Service discontinued for 1-14 days during a billing period will be billed for a full month’s service.

(End)

## **RESOLUTION NO. 21-09-07**

**WHEREAS**, on June 17, 2021, the Chief Executive Officer and General Manager released the “Chief Executive Officer & General Manager's Report and Recommendation on Rates and Services, *Volumes 1 and 2*” (the “CEO & GM Report”), which is incorporated by reference herein, the recommendation includes a new Solar and Storage Rate; and

**WHEREAS**, by Resolution 21-06-06, adopted June 17, 2021, a public hearing on the CEO & GM Report was scheduled for August 31, 2021, at 5:30 p.m.; and

**WHEREAS**, notices of the hearing were duly published in the *Sacramento Bee* on June 22, June 25 and June 30, 2021; and

**WHEREAS**, pursuant to SMUD Ordinance No. 15-1, SMUD conducted the two required public workshops on July 8, 2021, and July 27, 2021, to receive and respond to customer comments and questions; and

**WHEREAS**, in compliance with Government Code section 54999, SMUD sent written notifications by certified mail on June 28, 2021, and June 29, 2021, describing the rate proposal to local school districts, county offices of education, community college districts, California State University, the University of California, and state agencies; and

**WHEREAS**, SMUD held two qualifying public workshops, contacted over 1,200 community organizations and neighborhood associations leaders via email, letter or phone call invitations to offer an in-person presentation, sent emails to over 256,000 customers and organizations with tailored content for each audience, conducted over 50 presentations to community neighborhood and business organizations, over 300

community and business partners were provided content and were asked to share information regarding the rate proposal with their members and networks, and an additional 55 local agency elected officials were sent information packets with an offer of in-person presentations, which resulted in 1 meeting being held and offers for follow-up meetings if desired; and

**WHEREAS**, SMUD provided all customers information about the rate proposal via email, mail newsletters, and through the rate change proposal website on smud.org, which received approximately 3,300-page views; and

**WHEREAS**, SMUD received from members of the public written questions, as well as comments and alternative recommendations to the rate changes proposed; and

**WHEREAS**, the public hearing was held on August 31, 2021, and out of an abundance of caution due to the ongoing COVID-19 health and safety precautions, the public hearing was conducted virtually on ZoomGov and livestreamed via Granicus and all interested persons were given an opportunity to comment and submit testimony; and

**WHEREAS**, pursuant to SMUD Ordinance No. 15-1, this resolution was introduced on August 31, 2021, by this Board to be circulated for a minimum of 10 calendar days for public review, input and comment; and

**WHEREAS**, the CEO & GM Report set forth in detail the factors necessitating the proposed rate action, including the need to meet SMUD's financial targets, address the cost shift from the existing Net Energy Metering (NEM) rate, and support the 2030 Zero Carbon Plan; and

**WHEREAS**, the 2030 Zero Carbon Plan was approved by the Board in April 2021, and sets an ambitious goal to reach zero carbon emissions in SMUD's power supply by 2030; and

**WHEREAS**, SMUD developed a public stakeholder process to design a Solar and Storage Rate that will result in a win-win solution for SMUD's customers, solar and storage industries and advocates, environmental advocates, and low-income advocates; and

**WHEREAS**, the public stakeholder process involved a Technical Working Group designed to receive input into the development of a value of behind the meter rooftop solar study; SMUD spent nearly four months with a Technical Working Group made up of a diverse range of stakeholders representing many views, including the solar industry, the environmental community, solar and non-solar customers, low-income advocates, academics and the utility solar industry; this Technical Working Group agreed on the key inputs for an independent study specific to SMUD's system and territory; and

**WHEREAS**, a Request for Proposal for an independent third party to determine the value of behind the meter rooftop solar using the values agreed upon by the Technical Working Group, resulted in the development of the Value of Solar and Solar + Storage Study (VOS Study) by Energy + Environmental Economics (E3); and

**WHEREAS**, a comprehensive independent VOS study was completed in September 2020 and made available to the public on [www.smud.org](http://www.smud.org), and the proposed solar and storage export rate reflects the value of solar, as reported in the study, which



includes transmission, distribution, generation capacity, energy, greenhouse gases and avoided land use; and

**WHEREAS**, the VOS Study valued solar at 7¢ per kilowatt hour (kWh) under the assumption that the energy produced from that solar replaces energy produced by a natural gas power plant in 2020, and 0.4¢ per kWh for indirect benefits of behind the meter rooftop solar; and

**WHEREAS**, over the past two years, SMUD has spent close to 1,000 hours working collaboratively with customers, stakeholders and the solar and storage industry to design a holistic, transformational and industry-leading rate proposal, and

**WHEREAS**, the 2030 Zero Carbon Plan calls for up to an additional 3,000 Megawatts (MW) of new renewable energy and storage to be added to SMUD's service territory by 2030; with rooftop solar paired with battery storage; and which will incentivize grid stability as SMUD transitions away from carbon-emitting power plants; and

**WHEREAS**, the netting concept in the current NEM1 rate means customers get less value if they install storage, which discourages the adoption of storage; as a result, only about 300 SMUD customers have installed storage since the inception of the current NEM1 rate; and

**WHEREAS**, storage technology is still developing, making the cost prohibitively expensive for most customers, and it is the intent of SMUD to transform the current solar only industry to a solar plus storage industry with the investment of \$25 million in battery incentives in combination with other supporting rates and programs to promote the adoption of rooftop paired with storage; and

**WHEREAS**, the recommendations in the CEO & GM Report include the implementation of a new Solar and Storage Rate, designed to encourage a transition from solar only to solar plus storage and more accurately compensate customers for the value of solar sent to the grid; and

**WHEREAS**, with the 2030 Zero Carbon Plan including up to 3,000 megawatts (MW) of renewable energy and storage in SMUD's service territory by 2030, this goal requires a significant increase in customers that adopt storage; and

**WHEREAS**, as of June 2021, SMUD had approximately 37,000 customers with solar, but only about 300 customers with storage; and

**WHEREAS**, SMUD proposes a Solar and Storage Rate for energy sold to SMUD – all customers selling any energy back to the grid will be paid 7.4¢ per kWh, regardless of time of day or season; and

**WHEREAS**, the recommendation in the CEO & GM Report includes allowing Solar and Storage Rate customers to size their system for future electrification with a new higher allowed system sizing of 110% of household usage; and

**WHEREAS**, the recommendations in the CEO & GM Report include adding the Summer Super Peak Demand Charge back into Rate Schedule NEM1 to reflect the postponement of the commercial rate restructure; and

**WHEREAS**, apart from the recommendations included in this rate action, SMUD is also implementing a one-time interconnection fee to pay for the costs of interconnecting solar and storage customers to SMUD's grid; the fees do not require a rate action for approval, and the amount of the fees will be posted on [www.smud.org](http://www.smud.org); and

**WHEREAS**, apart from the recommendations included in this rate action, SMUD has committed to invest \$25 million to implement incentives for battery program partnerships based on the size of the storage system and how that storage system is operated or controlled – by the customer or through a virtual power plant partnership; the details of the program(s) and amounts of incentives will be available on [www.smud.org](http://www.smud.org), these incentives do not require a rate action for approval and may be adjusted as necessary to assist SMUD in meeting the 2030 Zero Carbon Plan; and

**WHEREAS**, apart from the recommendations included in this rate action, SMUD is committed to bringing the benefits of solar to multi-family dwelling communities in historically under-resourced communities through a Virtual Solar program; the new Virtual Solar program would allow property owners of a qualifying multi-family affordable housing complex to install a solar generation system that allocates a portion of the financial benefit of the generation to each residential tenant, according to SMUD's Virtual Solar program policies; the development of SMUD programs do not require a rate action, and the details of the program will be available on [www.smud.org](http://www.smud.org); and

**WHEREAS**, programs and fees do not require Board approval and information on such programs and fees is provided for informational purposes only to describe the overall holistic rate package; and

**WHEREAS**, the recommendations in the CEO & GM Report, on balance, meet the competitive rate targets and the rate design metrics in Strategic Direction 2, Competitive Rates, and supports the 2030 Zero Carbon Plan; and

**WHEREAS**, the recommendations in the CEO & GM Report will ensure SMUD meets or exceeds the financial targets in Strategic Direction 3, Access to Credit Markets, and continues to meet the metrics and targets in the other Strategic Directions adopted by this Board, including those addressing reliability, customer relations, environmental leadership, and resource planning; and

**WHEREAS**, in light of the adoption of Proposition 26 on November 2, 2010, which precludes certain new fees, levies or charges but is not retroactive as to local governments, this Board desires to maintain certain pre-Proposition 26 rates; this Board understands that Proposition 26 does not vitiate legislation adopted prior to November 3, 2010, and any changes in rates since this date are cost-justified under the analysis in the respective Chief Executive Officer and General Manager's Report and Recommendation on Rates and Services that supported the adoption of the rates; and

**WHEREAS**, the lock-in for NEM customers that interconnect prior to March 1, 2022, complies with Proposition 26 because SMUD is permitted to reward investment in a solar demand management program designed to encourage conservation of traditional resources and increase supply for all customers, and the cost of such a program may be borne by all customers; state law also requires that SMUD displace its fossil fuel reliance, and compliance with this regulatory mandate is a cost of service that may be funded by all ratepayers; and

**WHEREAS**, the NEM rates were in place prior to the adoption of Proposition 26, and subsequent rate changes brought a subset of solar rates closer to the cost of service; therefore, NEM rates may be locked in as legacy rates under Proposition 26; and

**WHEREAS**, the VOS Study supports the Solar and Storage Rate export compensation rate, which complies with Proposition 26; and

**WHEREAS**, the export compensation rate will be adjusted every four years in response to future rate studies; however, these adjustments cannot increase or decrease the export compensation rate by more than 30% of the rate that applied during the previous four-year period; and

**WHEREAS**, the value of solar power is expected to decrease in the future, and the 30% cap on the export rate increases is not anticipated to impact export compensation; conversely, to the extent that the 30% cap on rate decreases benefits customers on the Solar and Storage Rate, this subsidy is justified by both increased supply available to all customers, and the regulatory mandate to displace fossil fuel reliance; and

**WHEREAS**, this Board has carefully considered the CEO & GM Report, public comment, input, and alternatives from community meetings, public rate workshops, the noticed public hearing, and comments received by mail, telephone and email; and

**WHEREAS**, this Board finds that the proposed action is reasonable and in the best interests of the public and SMUD's customers; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

**Section 1. CHANGES TO RATE SCHEDULE NEM2:**

a. Effective March 1, 2022, close and replace Rate Schedule NEM2 with Rate Schedule SSR. All customers on Rate Schedule NEM2 as of February 28, 2022, will be subject to Rate Schedule NEM1.

**Section 2. CHANGES TO RATE SCHEDULE NEM1:**

a. Effective September 17, 2021, modify the first paragraph of Section VII of Rate Schedule NEM1 to reflect the residential rate requirement approved in Resolution 17-06-09 and to be on Rate Schedule R-TOD.

b. Effective September 17, 2021, implement several minor language updates as specified in Rate Schedule NEM1.

c. Effective September 17, 2021, Rate Schedule NEM1 will apply to customers that meet the following criteria:

- i. Moved in or established service prior to March 1, 2022; and
- ii. Application for interconnection approved by SMUD prior to March 1, 2022.

d. Effective September 17, 2021, modify Rate Schedule NEM1 as described in the following table:

<b>Category</b>	<b>Moved in or established service prior to Mar. 1, 2022  AND Application for interconnection approved by SMUD prior to Mar. 1, 2022</b>
On or before December 31, 2030	<ul style="list-style-type: none"><li>• Customer is subject to NEM 1</li></ul>
After December 31, 2030	<ul style="list-style-type: none"><li>• Customer is subject to the Solar and Storage Rate.</li></ul>
Move in/move out, Transfer of Service	<ul style="list-style-type: none"><li>• New customer at premises subject to Solar and Storage Rate. applicable.</li></ul>

System Modification/Replacement	<ul style="list-style-type: none"> <li>Subject to Solar and Storage Rate if:               <ol style="list-style-type: none"> <li>System size increased more than 10% of generating capacity originally approved, or 1 kW, whichever is greater, or exceeds 110% of generating capacity originally approved.</li> <li>Revised/new interconnection application for system replacement.</li> </ol> </li> </ul>
Storage Incentives	<ul style="list-style-type: none"> <li>Customers are required to be on Solar and Storage Rate to receive storage incentives.</li> </ul>
Transition to Solar and Storage Rate	<ul style="list-style-type: none"> <li>If a customer enrolls in the Solar and Storage Rate, they cannot return to Rate Schedule NEM1.</li> </ul>
On or After March 1, 2022	<ul style="list-style-type: none"> <li>Rate Schedule NEM1 is closed to new customers, except to those customers that are subject to Section II in Rate Schedule SSR.</li> </ul>

e. Effective September 17, 2021, modify Rate Schedule NEM1 by adding “Summer Super Peak Demand Charge” to Section V, Subsection A.

Revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 3. SOLAR AND STORAGE RATE:**

a. Effective March 1, 2022, Rate Schedule SSR will apply to customers that meet the following criteria:

- i. Moved in or established service on or after March 1, 2022 to a premises with an eligible generating facility; or
- ii. Have an eligible generating facility where the interconnection application was approved by SMUD on or after March 1, 2022.

b. Effective March 1, 2022, create Rate Schedule SSR as described in the following table:

Category	<p><b>Moved in or established service on or after Mar. 1, 2022</b></p> <p><b>OR</b></p> <p><b>Application for interconnection approved by SMUD on or after Mar. 1, 2022</b></p>
System Size	<ul style="list-style-type: none"> <li>Cannot exceed 110% of customer's electrical usage.</li> </ul>
System Modification/Replacement	<ul style="list-style-type: none"> <li>Cannot exceed 110% of customer's electrical usage.</li> </ul>
Export Compensation Rate	<ul style="list-style-type: none"> <li>\$0.0740 per kWh effective March 1, 2022.</li> </ul>
Export Compensation Rate Updates	<ul style="list-style-type: none"> <li>SMUD will update the export compensation rate every four years, starting in 2026, using a combination of publicly available local indices and SMUD actual costs for components of the Export Compensation Rate. The Export Compensation Rate will not be changed more than <math>\pm 30\%</math> every four years. The revised value will be subject to Board approval at a regular Board meeting and will be posted on <a href="http://smud.org">smud.org</a>.</li> </ul>
Solar and Storage Implementation Date	<ul style="list-style-type: none"> <li>March 1, 2022.</li> <li>In the event that the Solar and Storage Rate is unavailable March 1, 2022, customers will temporarily be subject to Rate Schedule NEM1 until it is technically feasible to transition them to the Solar and Storage Rate.</li> </ul>
Electing the Solar and Storage Rate	<ul style="list-style-type: none"> <li>Customers with an eligible electrical generation facility on their premises may elect to enroll in the Solar and Storage Rate</li> </ul>
Residential Rate Eligibility	<ul style="list-style-type: none"> <li>Standard residential rate (including the optional CPP Rate).</li> </ul>
Annual Settlement	<ul style="list-style-type: none"> <li>No annual settlement.</li> <li>Export credit will roll forward to the next month.</li> </ul>
Billing	<ul style="list-style-type: none"> <li>All customers will be billed monthly for all charges.</li> <li>The export credit can only offset electricity usage charges.</li> </ul>
Storage Incentives	<ul style="list-style-type: none"> <li>May accept storage incentives.</li> </ul>
Storage Only	<ul style="list-style-type: none"> <li>Customers that have storage without an associated generating facility qualify for this tariff, regardless of date</li> </ul>



Revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 4. MISCELLANEOUS CHANGES RELATED TO THE SOLAR AND STORAGE RATE:**

a. Effective January 1, 2022, replace all references to Rate Schedule NEM2 with Rate Schedule SSR in Rate Schedules R and R-TOD.

b. Effective January 1, 2022, update Section IV, Subsection F of Rate Schedule R as follows:

***Customer ~~Net~~ Energy **Generation Metering** Option. Refer to Rate Schedules NEM1 and ~~NEM2~~.***

c. Effective January 1, 2022, update Section IV, Subsection E of Rate Schedule R-TOD as follows:

***Customer ~~Net~~ Energy **Generation Metering** Options. Refer to Rate Schedules NEM1 and ~~NEM2~~SSR.***

d. Effective January 1, 2022, update Section IV, Subsection B of Rate Schedule AG as follows:

***Customer ~~Net~~ Energy **Generation Metering** Options. Refer to Rate Schedules NEM1 and ~~NEM2~~SSR.***

e. Effective September 17, 2021, update Section V, Subsection E of Rate Schedules CI-TOD1, CI-TOD2, CI-TOD3 and CI-TOD4 as follows:

***Customer ~~Net~~ Energy **Generation Metering** Options. Refer to Rate Schedules NEM1 and ~~NEM2~~SSR.***

Additions and revisions described above are detailed in the attached Rates, Rules and Regulations.

**Section 5. ALTERNATIVE RECOMMENDATION 1:** SMUD received

several comments to either create a glide path for the export rate or lock in the export rate for a certain amount of time.

This Board has considered the comments in this alternative recommendation 1 and has determined not to adopt them for the following reasons:

- The 7.4¢ per kWh is supported by a comprehensive VOS study and reflects the reasonable cost of service. Including a glide path would pay a higher export compensation rate that exceeds the value of solar, resulting in an untenable cross-subsidy from non-solar/storage customers.

**Section 6. ALTERNATIVE RECOMMENDATION 2:** SMUD received

several comments to extend the implementation date of the Solar and Storage Rate.

This Board has considered the comments in this alternative recommendation 2 and has determined not to adopt them for the following reasons:

- SMUD met the legal requirement of the original NEM law in 2017. As such, all customers who installed solar starting in 2018 could therefore be subject to a successor rate. The staff recommendation allows those customers to continue to receive NEM1 compensation through 2030. As the effective date of a successor rate has already been extended for 4 years while SMUD continued to offer NEM1 after 2017, the staff recommendation to implement the new Solar and Storage Rate on January 1, 2022, is reasonable.

**Section 7. ALTERNATIVE RECOMMENDATION 3:** SMUD received several comments to extend the time period that customers may continue to receive NEM1 benefits beyond 2030.

This Board has considered the comments in this alternative recommendation 3 and has determined not to adopt them for the following reasons:

- SMUD staff has determined that approximately 95% of customers who install solar in 2021 will have their solar systems paid back by the end of 2030. Additionally, for every year after 2030 that SMUD extends the NEM1 benefits, the cost shift to customers without solar increases by about \$10 million. SMUD must balance the benefit to our customers that have invested in solar along with those customers that have not.

**Section 8. ALTERNATIVE RECOMMENDATION 4:** SMUD received several comments to increase the export rate for excess generation and tie the export rate to the Time-of-Day time periods.

This Board has considered the comments in this alternative recommendation 4 and has determined not to adopt them for the following reasons:

- The 7.4¢ per kWh is supported by a comprehensive VOS study and reflects the reasonable cost of service.
- SMUD staff collaborated with the solar and storage industries to develop the new Solar and Storage Rate. The feedback received was to make the new Solar and Storage Rate as simple as possible for customers to understand. The 7.4¢ per kWh compensation rate achieves this goal. SMUD staff did complete an analysis on a TOD-

based compensation structure, and the results showed only a minimal difference from the 7.4¢ per kWh compensation. The staff proposal follows the Board directive on rates simplicity. As such, the staff proposal complies with SD-2 on being simple and easy to understand approach compared to a more complex compensation mechanism.

**Section 9. ALTERNATIVE RECOMMENDATION 5:** SMUD received several comments to increase the battery incentives. This Board has considered the comments in this alternative recommendation 5 and has determined not to adopt them for the following reasons:

- Staff used a holistic approach to address the market transformation from solar only to solar plus storage with a combination of rates and supporting programs. The battery storage incentives are programs and therefore outside of the Board's decision-making in this rate process. Programs will be implemented by staff and the intent is to allow flexibility and make adjustments to respond to demand, should the need arise.

**Section 10. ALTERNATIVE RECOMMENDATION 6:** SMUD received several comments to expand the Virtual Solar program to all multi-tenant properties. This Board has considered the comments in this alternative recommendation 6 and has determined not to adopt them for the following reasons:

- The Virtual Solar Program is outside of the Board's decision-making in this rate process.

- Low-income customers have been largely left out in the adoption of rooftop solar. It has created a fairness and equity issue. Of our nearly 36,000 residential solar customers, only about 5% or 2,000 are on our low-income or Energy Assistance Program Rate (EAPR), and SMUD has helped pay to install some of those systems. Our first priority, as stated above, is to provide under resourced communities with access to solar. After we launch this program, we will look to see how we can further expand virtual solar without adding additional cost shift, but our first priority must be our under-resourced communities.

**Section 11. ALTERNATIVE RECOMMENDATION 7:** SMUD received a recommendation that customers should not lose their NEM1 if they install a battery. This Board has considered this alternative recommendation 7 and would like to clarify that the staff recommended proposal is consistent with this recommendation. Under the proposed Solar and Storage Rate, customers who currently receive NEM1 benefits will not lose those benefits if they install a battery. However, if a customer who currently receives NEM1 benefits chooses to accept a storage incentive for a battery, they will then be moved to the new Solar and Storage Rate.

**Section 12. ALTERNATIVE RECOMMENDATION 8:** SMUD received a recommendation to pay an export rate of 7.4¢ per kWh for system sizes up to 110% of household usage, and pay an export rate of cost of utility scale solar for systems sized 110-220% of household use.

This Board has considered this alternative recommendation 8 and has determined not to adopt it in this rate process because it will have significant implications to SMUD's

billing system. SMUD may take this recommendation into further consideration in a future rate process if it can determine a reasonable solution.

**Section 13. ALTERNATIVE RECOMMENDATION 9:** SMUD received a recommendation to “clearly state in the SSR rate schedule, REC ownership and that a customer with such a facility shall transfer legal title for RECs at no cost to SMUD so other customers will not be burdened.” Additionally, SMUD received a recommendation to remove the words “eligible for certification” from Section I of the Solar and Storage Rate tariff.

This Board has considered the list of policies in this alternative recommendation 9 and has determined not to adopt the recommendation for the following reasons:

- SMUD is not proposing to make any changes to our current policies in regards to REC treatment in this rate process.
- To be eligible for the Solar and Storage Rate, a customer must have an eligible renewable energy resource as defined by the CEC, but does not need to have it registered.
- The export rate under the SSR rate schedule does not include the value of RECs and customers retain ownership of the RECs.
- SMUD may adopt programs in the future that address REC ownership and the process of transferring ownership.

**Section 14. MODIFICATIONS:** The Chief Executive Officer and General Manager, or his or her designee, is authorized to make non-substantive revisions to the Rates, Rules and Regulations.

**Section 15. ENVIRONMENTAL COMPLIANCE:**

1.0 Section 21080(b)(8) of the California Public Resource Code and Section 15273 of the California Environmental Quality Act (CEQA) Guidelines (California Code of Regulations, Title 14, Sections 15000, et seq.) provide, in relevant part, that CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies which the public agency finds are for the purposes set forth in (A) through (D) below, and that a public agency shall incorporate written findings in the record in any proceeding in which an exemption is claimed setting forth with specificity the basis for the claim for exemption:

- (A) meeting operating expenses, including employee wage rates and fringe benefits,
- (B) purchasing or leasing supplies, equipment, or materials,
- (C) meeting financial reserve needs and requirements, or
- (D) obtaining funds for capital projects necessary to maintain service within existing service areas.

2.0 This Board finds and declares:

- (A) That all revenue produced by each and every one of the rate actions set forth in this Resolution shall exclusively be used for purposes permitted by Sections 21080(b)(8)(A) through (D) of the California Public Resource Code, and that no amount of revenue obtained from this rate increase shall be used for any other

purpose. Therefore, all of the foregoing rate actions are exempt from CEQA.

(C) The above findings are based on information set forth in the CEO & GM Report.

**Section 16.** The new and revised Rate Schedules and Rules and Regulations referenced in this Resolution are attached and incorporated herein as **Attachment F.**

**Section 17.** To the extent there is a discrepancy between this Resolution and the new and revised Rate Schedules and Rules and Regulations attached hereto, the new and revised Rate Schedules and Rules and Regulations shall control.

Approved: September 16, 2021

INTRODUCED: DIRECTOR BUI-THOMPSON				
SECONDED: DIRECTOR FISHMAN				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
BUI-THOMPSON	X			
ROSE	X			
FISHMAN	X			
HERBER	X			
KERTH	X			
TAMAYO	X			
SANBORN	X			



**Attachment F**  
**to Resolution No. 21-09-07**  
**Table of Contents**

The following listed sheets contain all effective rates, rules and regulations affecting rates and service, and information relating thereto, in effect on and after the date indicated. All rates are applicable to the territory served by SMUD.

	<u>Effective Date</u>	<u>Sheet Number</u>	<u>Page Number</u>
Table of Contents.....	Sept 17, 2021	i	
Preliminary Statement .....	Sept 17, 2021	ii	
<b>Rate Schedules</b>			
NEM1 Net Metering for Qualifying Facilities.....	Sept 17, 2021	NEM1-1-3	1
SSR Solar and Storage Rate.....	Mar 1, 2022	SSR-1-3	4

# Preliminary Statement

## **Territory Served by SMUD**

SMUD supplies electric service in most of Sacramento County and in a portion of Placer County.

## **Description of Service**

A description of service available is contained in SMUD's Rule and Regulation 2.

The service available at any particular location should be ascertained by inquiry at SMUD's Customer Services Department office at 6301 S Street, Sacramento.

## **Procedure to Obtain Service**

Any person or corporation whose premises are within the outer boundaries of SMUD may obtain service by applying for service at the Customer Services Department office establishing credit as hereinafter set forth and complying with SMUD's rules and regulations. Where an extension of SMUD's lines is necessary or whenever unusual service requirements are determined, applicant will be informed as to the conditions under which service will be supplied.

## **Establishment of Credit and Deposits**

After making proper application for electric service, it will be necessary for applicant to establish his credit in accordance with Rule and Regulation 6.

## **General**

### **1. MEASUREMENT OF ELECTRIC ENERGY**

All electric energy supplied by SMUD to its customers shall be measured by means of suitable standard electric meters, except as otherwise specifically provided in SMUD's Rules and Regulations.

### **2. DISCOUNTS**

All rates hereinafter listed are net rates and are not subject to discount unless specifically stated in the Rates.

# Net Energy Metering Rate Schedule NEM1

## I. Applicability

This Rate Schedule NEM1 applies to residential, commercial/industrial, and agricultural customers who established service at their premises prior to March 1, 2022 and have an electrical generation facility on their premises that is fueled by a renewable fuel source which had an application for interconnection approved by SMUD prior to March 1, 2022.

In the event that the Solar and Storage Rate is not available on March 1, 2022 due to implementation delays, this Rate Schedule NEM1 would temporarily apply to those customers on Rate Schedule SSR who establish service, move out/in, or transfer service at a premises that have an electrical generation facility that is fueled by a renewable fuel source on or after March 1, 2022 or have an electrical generation facility on their premises that is fueled by a renewable fuel source which was approved for interconnection by SMUD on or after March 1, 2022, that are subject to the transition period described under Section II. Transitional Conditions. These customers will be transitioned to Rate Schedule SSR as soon as technically feasible.

This Rate Schedule NEM1 will be closed to new customers as of March 1, 2022, except for those customers that are subject to the transition period described under Section II. Transitional Conditions of Rate Schedule SSR.

All NEM1 Customers will be transitioned to Rate Schedule SSR as early as January 1, 2031, as technically feasible. At that point, all residential customers must also be on Rate Schedule R-TOD. Once all customers have been transitioned, this Rate Schedule NEM1 will be eliminated.

Once a customer is enrolled in Rate Schedule SSR, they cannot return to this Rate Schedule NEM1.

A renewable electrical generation facility is a facility that is eligible for certification as a renewable energy resource as defined by the California Energy Resources Conservation and Development Commission (CEC).<sup>1</sup> These facilities include, but may not be limited to, generators fueled by:

- photovoltaic
- wind
- biomass
- solar thermal
- geothermal
- fuel cells using renewable fuels
- small hydroelectric
- digester gas
- municipal solid waste conversion
- landfill gas
- ocean wave
- ocean thermal
- tidal current

Small hydroelectric generation facilities will not qualify for this tariff if the facility will cause an adverse impact on instream beneficial uses or cause a change in the volume or timing of streamflow. Fuel cells will not qualify for this tariff if the fuel cell derives any portion of its fuel from a nonrenewable fuel.

## II. Generator Standby Charges

Customers who qualify for Net Energy Metering (NEM) are exempt from generator standby charges on that portion of their load that is served by the NEM eligible facility.

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<sup>1</sup> See the CEC's most current Renewable Portfolio Standard Eligibility Guidebook for the purposes of providing the technical definitions of a renewable electrical generation facility.

# Net Energy Metering Rate Schedule NEM1

## III. Conditions of Service

### A. Eligibility

The following are requirements for eligibility under this rate schedule:

1. The facility must be located on the customer's premises; and
2. The facility must operate in parallel with SMUD's distribution facilities; and
3. The customer must meet all requirements of Rule and Regulation 21; and
4. The facility must be intended primarily to offset part or all of the customer's own electrical requirements; and
5. The facilities and the electrical requirements are located at a single and same metering point; and
6. The customer has not received storage incentives under a qualifying SMUD program; and
7. The facility does not increase in size more than 10% of the generating capacity originally approved, or 1 kW, whichever is greater, and does not exceed 110% of the generating capacity originally approved, based on the CEC-AC rating at the initial date of approval; and
8. The customer has not submitted a revised or new interconnection application for entire system replacement; and
9. The generating capacity can be a maximum of 3,000 kilowatts.

*For photovoltaic generation facilities, generation capacity is measured using the California Energy Commission Alternating Current (CEC-AC) rating. For all other renewable electrical generation facilities, the nameplate Alternating Current (AC) rating will be used to measure generation capacity. This paragraph defining the measurement of capacity only pertains to the applicability of this rate schedule and may differ from any measurement of capacity used in Rule and Regulation 21.*

## IV. Metering

SMUD will pay for and install, at no cost to the customer, a single meter capable of registering the flow of electricity in both directions.

## V. Payments

For the purposes of this schedule a "month" is considered to be a single billing period of 27 to 34 days.

- A. Charges for other than electricity usage must be paid monthly. This includes the System Infrastructure Fixed Charge, Maximum Demand Charge, Site Infrastructure Charge, Summer Super Peak Demand Charge, Summer Peak Demand Charge, program fees, surcharges and taxes.
- B. Residential, Commercial Industrial customers on rate schedule CI-TOD and Agricultural customers meeting the eligibility criteria as defined in Section III (A) of this sheet, may pay monthly or annually for the net electricity consumed.
- C. For all other customers, the net balance of all moneys owed must be paid each monthly billing cycle.
- D. If, in any regular billing month, the electricity supplied by SMUD is less than the electricity supplied to SMUD by the customer's eligible generation system, the customer will receive retail-valued electricity credits for the excess electricity supplied to SMUD. The retail-valued electricity credits will carry over to the following billing period until the end of the settlement period. Retail-valued electricity credits will only be credited against electricity usage charges.

## VI. Settlement Method

All customers who qualify for the net metering option will have a 12-month settlement period. For existing systems the settlement period begins on the customer's move-in date. For new installations, the settlement period begins on the first day of operations after the customer has requested to be on the NEM rate and the NEM-eligible system is approved by SMUD for grid connection. At the end of the customer's 12-month settlement period, any unused accumulated monthly retail electricity credits may be zeroed out.

# Net Energy Metering Rate Schedule NEM1

## A. Annual Net Surplus Generation

1. At the end of a customer's 12-month settlement period, SMUD shall calculate the amount of net surplus generation over the 12-month period. If the customer has net surplus generation, SMUD will, at the customer's election, either:
  - Provide a monetary payment to the customer for the net surplus; or
  - Roll over the net annual surplus kWh into the next 12-month period.

Monetary value per kWh of net surplus generation shall be based on the most recently published SMUD budget, calculated as the dollar value of the expected avoided generation and production-related costs divided by the forecasted annual energy sales.

2. For each kWh purchased by SMUD under this annual net surplus generation method, the ownership of the associated renewable electricity credit will transfer from the customer to SMUD.
3. The net surplus monetary value shall be calculated annually.
4. This net surplus monetary value will remain in effect for the duration of the fiscal year used for the calculation of the customer's net surplus generation.
5. The value will be published on SMUD's website, [www.smud.org](http://www.smud.org), by December 20 prior to the year the value is in effect.

## B. Opt-Out of Annual Net Surplus Generation

Customers may elect to opt out of receiving compensation or kWh roll-over credit for their net surplus generation over their 12-month settlement period. Customers who elect to opt out will not receive any form of compensation nor credit for net surplus generation delivered to SMUD. Such customers will be allowed to retain any associated renewable electricity credits produced by their net surplus generation.

## VII. Residential Rate Requirement

Residential customers who have an eligible renewable electrical generation facility on their premises that was approved by SMUD for installation, or who move-in or transfer service to a premises with an eligible renewable electrical generation facility on or after January 1, 2018 must also be on Rate Schedule R-TOD.

*(End)*

# Solar and Storage Rate Rate Schedule SSR

## I. Applicability

This Rate Schedule SSR applies to residential, commercial/industrial, and agricultural customers who establish service at a premises that has an electrical generation facility that is fueled by a renewable fuel source on or after March 1, 2022 (except customers subject to the transition period described under Section II. Transitional Conditions) or have an electrical generation facility on their premises that is fueled by a renewable fuel source which was approved for interconnection by SMUD on or after March 1, 2022 (except customers subject to the transition period described under Section II. Transitional Conditions).\*

All customers that have an electrical generation facility on their premises that has been approved for interconnection on or before February 28, 2022 that is fueled by a renewable fuel source may elect to enroll in Rate Schedule SSR on or after March 1, 2022.

A renewable electrical generation facility is a facility that is eligible for certification as a renewable energy resource as defined by the California Energy Resources Conservation and Development Commission (CEC).<sup>1</sup> These facilities include, but may not be limited to, generators fueled by:

- photovoltaic
- wind
- biomass
- solar thermal
- geothermal
- fuel cells using renewable fuels
- small hydroelectric
- digester gas
- municipal solid waste conversion
- landfill gas
- ocean wave
- ocean thermal
- tidal current

Small hydroelectric generation facilities will not qualify for this tariff if the facility will cause an adverse impact on instream beneficial uses or cause a change in the volume or timing of streamflow. Fuel cells will not qualify for this tariff if the fuel cell derives any portion of its fuel from a nonrenewable fuel.

\*Storage facilities installed without an associated generating facility qualify for this tariff, regardless of the date approved by SMUD.

## II. Transitional Conditions

In the event that this Solar and Storage Rate is not available on March 1, 2022 due to implementation delays, customers will temporarily be subject to Rate Schedule NEM1 until transitioned to Rate Schedule SSR when it is technically feasible.

The transitional customers may receive a storage incentive under a Solar and Storage Rate program and may size their electrical generating facility up to 110% of their own electrical requirements.

Customers with a storage facility without an associated eligible generating facility cannot be on Rate Schedule NEM1.

## III. Generator Standby Charges

Customers who qualify for the Solar and Storage Rate through this Rate Schedule are exempt from generator standby charges on that portion of their load that is served by the eligible facility.

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<sup>1</sup> See the CEC's most current Renewable Portfolio Standard Eligibility Guidebook for the purposes of providing the technical definitions of a renewable electrical generation facility.

# Solar and Storage Rate Rate Schedule SSR

## IV. Conditions of Service

### A. Eligibility

The following are requirements for eligibility under this Rate Schedule:

1. The facility must be located on the customer's premises; and
2. The facility must operate in parallel with SMUD's distribution facilities; and
3. The customer must meet all requirements of Rule and Regulation 21; and
4. The facility must be intended primarily to offset up to 110% of the customer's own electrical requirements; and
5. The facilities and the electrical requirements are located at a single and same metering point; and
6. Residential customers must also be on Rate Schedule R-TOD; and
7. The generating capacity can be a maximum of 3,000 kilowatts.

*For photovoltaic generation facilities, generation capacity is measured using the California Energy Commission Alternating Current (CEC-AC) rating. For all other renewable electrical generation facilities, the nameplate Alternating Current (AC) rating will be used to measure generation capacity. This paragraph defining the measurement of capacity only pertains to the applicability of this rate schedule and may differ from any measurement of capacity used in Rule and Regulation 21.*

## V. Metering

SMUD will pay for and install, at no cost to the customer, a single meter capable of registering the flow of electricity in both directions.

## VI. Export Compensation Rate

The Export Compensation Rate effective March 1, 2022 will be \$0.0740 per kWh (subject to updates as described in the paragraph below).

Export is defined as all kWh registered on the customer bi-directional meter as delivered to SMUD.

SMUD will update the Export Compensation Rate every four years, starting in 2026, using a combination of publicly available local indices and SMUD actual costs for components of the Export Compensation Rate. The Export Compensation Rate will not be changed more than  $\pm 30\%$  every four years. The revised value will be subject to Board approval at a regular Board meeting and will be posted on [www.smud.org](http://www.smud.org). The revised Export Compensation Rate will apply to all customers on the Solar and Storage Rate.

## VII. Payments

For the purposes of this schedule a "month" is considered to be a single billing period of 27 to 34 days.

- A. In any regular billing month, the electricity supplied by SMUD is billed at retail pricing, based on the customer's rate category.
- B. Any electricity that is exported to SMUD is credited at the Export Compensation Rate on the customer's bill. The export credit can only offset electricity usage charges. Any remaining credit will carry over to subsequent billing periods.
- C. The System Infrastructure Fixed Charge, Summer Super Peak Demand Charge, Summer Peak Demand Charge, Maximum Demand Charge, Site Infrastructure Charge, electricity usage charges that are not offset by the export credit, program fees, surcharges and taxes must be paid each monthly billing cycle.

## **Solar and Storage Rate Rate Schedule SSR**

### **VIII. Storage Incentives**

- A.** All customers that receive a storage incentive through a qualifying SMUD program must be on Rate Schedule SSR.
- B.** Customers that received a storage incentive through a qualifying SMUD program that only have a storage facility (that is not associated with a renewable or other electrical generating facility) must be on Rate Schedule SSR.

*(End)*



## **RESOLUTION NO. 21-09-08**

**WHEREAS**, on June 17, 2021, the Chief Executive Officer and General Manager released the “Chief Executive Officer and General Manager’s Report and Recommendation on Open Access Transmission Tariff, *Volume 1*” (the “OATT Report”), which OATT Report is incorporated by reference herein and made a part hereof; and

**WHEREAS**, by Resolution 21-06-06, adopted June 17, 2021, a public hearing on the OATT Report was scheduled for August 31, 2021, at 5:30 p.m.; and

**WHEREAS**, notice of the public hearing was duly published on the *Sacramento Bee* on June 22, June 25 and June 30, 2021, the public hearing was held at the aforementioned time virtually on ZoomGov and livestreamed via Granicus and all interested persons were given an opportunity to comment and submit testimony; and

**WHEREAS**, pursuant to SMUD Ordinance No. 15-1, SMUD conducted the two required public workshops on July 8, 2021, and July 27, 2021, to receive and respond to customer comments and questions; and

**WHEREAS**, SMUD held two qualifying public workshops, contacted over 1,200 community organizations and neighborhood associations leaders via email, letter or phone call invitations to offer an in-person presentation, sent emails to over 256,000 customers and organizations with tailored content for each audience, conducted over 50 presentations to community neighborhood and business organizations, over 300 community and business partners were provided content and were asked to share information regarding the rate proposal with their members and networks, and an additional 55 local agency elected officials were sent information packets with an offer

of in-person presentations, which resulted in one meeting being held and offers for follow-up meetings if desired; and;

**WHEREAS**, SMUD provided all customers information about the rate proposal via email, mail newsletters, and through the rate change proposal website on smud.org, which received approximately 3,300 page views; and

**WHEREAS**, SMUD received from members of the public written questions, as well as comments and alternative recommendations to the rate changes proposed; and

**WHEREAS**, the public hearing was held on August 31, 2021, and out of an abundance of caution due to the ongoing COVID-19 health and safety precautions, the public hearing was conducted virtually, and all interested persons were given an opportunity to comment and submit testimony; and

**WHEREAS**, pursuant to SMUD Ordinance No. 15-1, this resolution was duly introduced on August 31, 2021, by this Board of Directors to be circulated for a minimum of 10 calendar days for public review, input and comment; and

**WHEREAS**, in compliance with Government Code section 54999, SMUD sent written notifications by certified mail on June 28, 2021, and June 29, 2021, describing the rate proposal to local school districts, county offices of education, community college districts, California State University, the University of California, and state agencies; and

**WHEREAS**, by Resolution No. 04-02-02, this Board of Directors adopted SMUD's Open Access Transmission Tariff (OATT), and by Resolution Nos. 11-08-07 and 17-06-10, this Board of Directors updated the OATT; and

**WHEREAS**, revisions to the Schedule 1 (Scheduling, System Control and Dispatch Service) and Schedule 2 (Reactive Supply and Voltage Control from Generation or Other Sources Service) rates contained in the existing OATT are necessary to accurately reflect SMUD's cost of service; and

**WHEREAS**, in light of the adoption of Proposition 26 on November 2, 2010, which precludes certain new fees, levies or charges but is not retroactive as to local governments, this Board of Directors desires to maintain certain pre-Proposition 26 rates; this Board of Directors understands that Proposition 26 does not vitiate legislation adopted prior to November 3, 2010, and any changes in rates since this date are cost-justified under the analysis in the respective Chief Executive Officer and General Manager's Report and Recommendation on Open Access Transmission Tariff that supported the adoption of the rates; and

**WHEREAS**, the recommendation to increase SMUD's OATT rates in Schedule 1 and Schedule 2 are based on cost of service principles and reflect SMUD's cost increases to provide transmission service uniformly to all transmission customers; and

**WHEREAS**, this Board of Directors has carefully considered the OATT Report, and public comment and input from community meetings, public rate workshops, and noticed public hearings; and

**WHEREAS**, this Board of Directors finds that updating the existing OATT Schedule 1 and Schedule 2 rates with the proposed revised OATT Schedule 1 and Schedule 2 rates is reasonable, in the best interests of the public and SMUD's customers, and provides a net benefit to SMUD; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

**Section 1.** Effective September 17, 2021, SMUD's existing Open Access Transmission Tariff (OATT) Schedule 1 and Schedule 2 rates shall be revised and superseded by the revised OATT Schedule 1 rate of \$361.72 per MW of reserved capacity per month and revised Schedule 2 rate of \$80.38 per MW of reserved capacity per month (attached as Attachments G and H). The other Schedule 1 and Schedule 2 rates are multiples of the monthly values, and these are updated accordingly as shown in Attachment G and H.

**Section 2. Environmental Assessment**

1.0 Section 21080(b)(8) of the California Public Resources Code and Section 15273 of the California Environmental Quality Act (CEQA) Guidelines (California Code of Regulations, Title 14, Sections 15000, et seq.) provide that CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies which the public agency finds are for the purpose of:

- (A) meeting operating expenses, including employee wage rates and fringe benefits;
- (B) purchasing or leasing supplies, equipment, or materials;
- (C) meeting financial reserve needs and requirements;
- (D) obtaining funds for capital projects necessary to maintain service within existing service areas;

2.0 This Board of Directors finds and declares that the proposed action will have no immediate revenue impact to SMUD since these rates are only used for incidental wholesale transmission sales, and reflects the reasonable costs to SMUD of providing transmission service under the OATT; and that no amount of revenue obtained from this rate increase will be used for any other purpose. Therefore, the proposed action to approve a revised OATT Schedule 1 and Schedule 2 rates with an effective implementation date of September 17, 2021, is for the purposes set forth in Sections 21080(b)(8)(A) through (D) of the California Public Resource Code. Therefore, this rate action is exempt from the requirements of CEQA. This finding is based upon information contained in the OATT Report.

**Section 3.** The Chief Executive Officer and General Manager, or his or her designee, is authorized to make non-substantive revisions to OATT Schedule 1 and OATT Schedule 2.

Approved: September 16, 2021

INTRODUCED: DIRECTOR BUI-THOMPSON				
SECONDED: DIRECTOR FISHMAN				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
BUI-THOMPSON	X			
ROSE	X			
FISHMAN	X			
HERBER	X			
KERTH	X			
TAMAYO	X			
SANBORN	X			

## Schedule 1: Scheduling, System Control and Dispatch Service

This service is required to schedule the movement of power through, out of, within, or into a Balancing Authority Area. This service can be provided only by the operator of the Balancing Authority Area in which the transmission facilities used for transmission service are located. Scheduling, System Control and Dispatch Service is to be provided directly by the Transmission Provider (if the Transmission Provider is the Balancing Authority Area operator) or indirectly by the Transmission Provider making arrangements with the Balancing Authority Area operator that performs this service for the Transmission Provider's Transmission System. The Transmission Customer must purchase this service from the Transmission Provider or the Balancing Authority Area operator. The charges for Scheduling, System Control and Dispatch Service are to be based on the rates set forth below. To the extent the Balancing Authority Area operator performs this service for the Transmission Provider, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Transmission Provider by that Balancing Authority Area operator.

- 1) Yearly delivery: \$4,340.62/MW of Reserved Capacity per year.
- 2) Monthly delivery: \$361.72/MW of Reserved Capacity per month.
- 3) Weekly delivery: \$83.47/MW of Reserved Capacity per week.
- 4) Daily delivery: \$16.69/MW of Reserved Capacity per day.
- 5) Hourly delivery: \$1.0434/MW of Reserved Capacity per hour.

## Schedule 2: Reactive Supply and Voltage Control from Generation or Other Sources Service

In order to maintain transmission voltages on the Transmission Provider's transmission facilities within acceptable limits, generation facilities and non-generation resources capable of providing this service that are under the control of the Balancing Authority Area operator are operated to produce (or absorb) reactive power. Thus, Reactive Supply and Voltage Control from Generation or Other Sources Service must be provided for each transaction on the Transmission Provider's transmission facilities. The amount of Reactive Supply and Voltage Control from Generation or Other Sources Service that must be supplied with respect to the Transmission Customer's transaction will be determined based on the reactive power support necessary to maintain transmission voltages within limits that are generally accepted in the region and consistently adhered to by the Transmission Provider.

Reactive Supply and Voltage Control from Generation or Other Sources Service is to be provided directly by the Transmission Provider (if the Transmission Provider is the Balancing Authority Area operator) or indirectly by the Transmission Provider making arrangements with the Balancing Authority Area operator that performs this service for the Transmission Provider's Transmission System. The Transmission Customer must purchase this service from the Transmission Provider or the Balancing Authority Area operator. The charges for such service will be based on the rates set forth below. To the extent the Balancing Authority Area operator performs this service for the Transmission Provider, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Transmission Provider by the Balancing Authority Area operator.

The Transmission Customer shall compensate the Transmission Provider each month up to the sum of the applicable charges set forth below:

Reactive Supply and Voltage Control from Generation Sources Service for Network Integration Service Customers under Part III of the Tariff:

\$110.21/MW per month times the Transmission Customer's monthly coincident peak demand.

Reactive Supply and Voltage Control from Generation Sources Service for Point-to-Point Transmission Customers under Part II of the Tariff:

- 1) Yearly delivery: \$964.52/MW of Reserved Capacity per year.
- 2) Monthly delivery: \$80.38/MW of Reserved Capacity per month.
- 3) Weekly delivery: \$18.55/MW of Reserved Capacity per week.
- 4) Daily delivery: \$3.71/MW of Reserved Capacity per day.

5) Hourly delivery:           \$0.2319/MW of Reserved Capacity per hour.

The total charge for Reactive Supply and Voltage Control from Generation Sources Service in any day, pursuant to a reservation for Hourly delivery, shall not exceed the rate specified in section (4) above times the highest amount in Megawatts of Reserved Capacity in any hour during such day. In addition, the total charge for Reactive Supply and Voltage Control from Generation Sources Service in any week, pursuant to a reservation for Hourly or Daily delivery, shall not exceed the rate specified in section (3) above times the highest amount in Megawatts of Reserved Capacity in any hour or day during such week.



President Bui-Thompson then turned to agenda item 11, statements from the public regarding items not on the agenda. She stated that in accordance with the Emergency Board Meeting Procedures, public comment for items not on the agenda would be provided to the Board electronically and placed into the record if received within two hours after the meeting ended.

Dave Wright extended his thanks for addressing his earlier comments and requested that the Board establish written protocols. A copy of this written comments is attached to these minutes.

President Bui-Thompson then turned to Directors' Reports.

Vice President Rose reported that he had joined SMUD's Military Employee Resource Group for the procession down Greenback honoring the fallen service members.

Director Fishman reported that he spoke briefly at a breakfast meeting for the East Sacramento Chamber of Commerce, where they were very interested in the rate proposal and the 2030 Zero Carbon Plan, as well as the 59<sup>th</sup> Street project.

Director Herber reported on her attendance at the Harvest Dinner to celebrate and raise funds for the Elk Grove Food Bank and at the Clean Power Awards that V. John White and his group had put together. She said she wanted to give a shout out to Sunburst Programs who did a champagne fundraiser to support women with AIDS and then reported on her speaking engagement for the LGBT Center in Sacramento that is starting a campaign to raise \$5.5 million for a new LGBT Center home. She closed by cautioning everyone about phone calls from scammers claiming to be calling on behalf of SMUD to collect payment on bills.

Director Kerth reported on his attendance at the Calling All Dreamers event that the downtown Sacramento partnership sponsors every year, which featured many restaurants and other small businesses. He noted that SMUD has been a longtime sponsor of the program.

Director Tamayo reported on his presentation regarding the 2030 Zero Carbon Plan to the Oak Park Neighborhood Association, where he was

accompanied by Jose Bodipo-Memba, Director of Sustainable Communities. He also reported on his attendance where he spoke at the Habitat for Humanity opening and dedication of three new homes in his ward.

Director Sanborn reported on her meeting with the Carmichael Chamber Executive Director and staff. She stated that she was happy to see that Supervisor Rich Desmond had started events including vaccine clinics in the north part of the county where they are needed and that he had a great back to school event at North Highlands where he had partnered with a local church. She announced an upcoming “Yes, We Can Do It Together” event at the Aerospace Museum at McClellan this Saturday as well as another upcoming event where there would be a tree planting for Clean Air Day. She encouraged all to take the pledge to do something for Clean Air Day.

President Bui-Thompson reported on her participation in the SMUD Cares golf tournament. She then announced that she, CEO Lau and former CEO Arlen Orchard would be speaking at the upcoming Energy Thought Summit, where she would also be interviewing CEO Lau. She noted he had been nominated as Energy Thought Summit Leader of the Year, and she had cast her vote for him.

Mr. Lau noted that President Bui-Thompson had also been nominated.

President Bui-Thompson closed by reporting on her attendance at the Rainbow Chamber Foundation event where scholarships were awarded to LGBTQ+ youth in our community, and she thanked SMUD for sponsoring the event.

Paul Lau, Chief Executive Officer and General Manager, congratulated President Bui-Thompson for being nominated for as an Energy Thought Summit Leader. He then reported on the following items:

- 1) **Rate Process.** I would like to open by thanking the Board for their leadership and foresight in approving our proposed rate changes. You heard about the two-year collaborative journey with members of the solar and storage industry, solar

customers, academics, and other stakeholders. We worked hard to develop a comprehensive and industry-leading package of rates and programs to replace the outdated Net Energy Metering rate for rooftop solar. I think we all recognize that solar is critical to achieving our zero carbon goal, and we are committed to continue supporting it. More importantly, we are transforming the industry to solar + storage, which brings the benefit of flexibility, and flexibility is critical to reliability while supporting decarbonization and keeping the rates affordable. I am extremely proud of the work our staff and our partners from the solar and storage industry have done to develop a model approach for others to follow. So, thank you to the members of the solar and storage industry who worked alongside SMUD to find compromise and solutions to these very challenging issues. We sincerely appreciate the many hours and invaluable insight and expertise you brought to the table, and we are committed to continue working with you as we all transition to a clean energy future, and I heard from the Board members, I heard from the industry, I certainly will be looking on a monthly basis to see what progress there is and make adjustments if the outcomes are not what we are expecting. Now, as to Jennifer Davidson, Eric Poff, Alcides Hernandez, Michael Champ, Justin Scott, and James Frasher, and the whole SMUD team that worked so tirelessly for the last two years to develop these rates and programs and communicate it widely with our customers, thank you so much and especially to Farres Everly and Rhonda Staley-Brooks and our whole Community Engagement team, as you saw earlier the thousands of hours we spent communicating this package out to our customers.

- 2) **Caldor Fire.** As the Caldor Fire quieted down and moved further away from our facilities and assets in El Dorado County,

we were able to deactivate our Emergency Operations Center. The Fresh Pond employees working out of temporary facilities at White Rock are expected to return to Fresh Pond in the coming weeks. Our Employee Care team continues to support the dozens of SMUD employees impacted or potentially impacted by the mandatory evacuation orders. The Care Team is continuing its outreach to check on the affected employees' needs. At last check, the fire had burned 220,000 acres and was 68 percent contained. I join the Board and the entire SMUD organization in thanking the firefighters and first responders for their tireless work in protecting the residents of California and Nevada who are impacted by the Caldor and other fires.

3) **Big SMUD Giveback.** After a very successful debut last year, the Big SMUD Giveback kicks off again on September 21, 2021. The Board likely remembers that the Big Giveback replaced SMUD Day last year due to the COVID-19 pandemic. The Big SMUD Giveback is a two-month-long effort focused on volunteerism and employee giving. Last year's Giveback raised more than \$430,000 for local nonprofits, many of whom were in survival mode due to the pandemic. Our Chief Financial Officer, Jennifer Davidson, is this year's SMUD Cares executive sponsor.

4) **Awards.** I would like to bring to the Board's attention a couple of awards we received recently that recognize the great work SMUD does day in and day out. CS Week or Customer Service Week, the premier annual educational and customer service conference serving electric, gas and water professionals, recognized SMUD with the "Best Data Analytics project." The award cited SMUD's COVID-19 response with commercial customers during the pandemic. Our Commercial COVID-19

Response team mobilized quickly at the beginning of the pandemic to provide data tools to our Strategic Account Advisors that enabled them to reach out to businesses struggling to stay open. The SMUD team was able to quickly access customer payment information and provide assistance and reassurance. I was humbled to be honored with the W3 Innovator Award from Zpryme, an Austin-based energy research company, and Smart Energy Water, the world's leading smart energy water cloud platform. The WE3 Innovator Awards honor companies and individuals who are advancing clean technology in the water and energy sectors. The selectors cited our 2030 Zero Carbon Plan and the leadership we have demonstrated in advancing sustainability through extensive community outreach.

- 5) **Board Video.** Tonight's Board video looks at our Clean Power City campaign and how we are thinking differently to engage young people through a TikTok challenge for middle school and high school students. I think you will agree after watching the video that the participating students show a great deal of passion and creativity in their support of SMUD's Zero Carbon Goal.

President Bui-Thompson requested the Summary of Board Direction, but there were no items.

No further business appearing, President Bui-Thompson adjourned the meeting at 8:02 p.m.

Approved:

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President

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Secretary

# Exhibit to Agenda Item #10

Discussion and possible approval of draft rate resolutions introduced at the August 31, 2021, Board of Directors meeting to make changes to SMUD's Rates, Rules and Regulations proposed by:

- a. Chief Executive Officer and General Manager's Report and Recommendation on Rates and Services (Volumes 1 & 2) dated June 17, 2021 ("CEO & GM Report") [two resolutions]; and
- b. Chief Executive Officer and General Manager's Report and Recommendation on Open Access Transmission Tariff (Volume 1) dated June 17, 2021 ("OATT Report") [one resolution].

Board of Directors Meeting

Thursday, September 16, 2021, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

# 2021 Rate Process Summary

**May 18**

Board Committee Meeting @  
5:30 p.m.  
Introduction to the Rate  
Recommendations & overview of  
the Solar and Storage Rate

**Public outreach process contacts:**

- 50+ community organizations
- 1,200+ community & business leaders
- 55 local elected officials
- 300+ community & business partners

**June 17**

Released the CEO & GM Reports  
and Recommendations on Rates  
and Services & Open Access  
Transmission Tariff

**July 8 & July 27**

Hosted public rates workshops via Zoom

**Aug. 31**

- Hosted public rates hearing @  
5:30 p.m. via Zoom
- Draft rates resolutions introduced

**Sept. 16**

Final decision on rate  
resolutions at SMUD Board  
meeting

2+ years  
collaboration w/  
solar industry

**EXTENSIVE PUBLIC OUTREACH THROUGHOUT**

May

June

July

August

Sept.

# Proposed changes to SMUD rates

Rate proposal	Rate increase & effective date	Customer groups impacted
<b>2022 – 2023 rate increases</b>	1.5% effective on 3/1/2022 2.0% effective on 1/1/2023	All customers
<b>Solar and Storage Rate</b>	Effective 1/1/2022	All solar and storage customers approved for interconnection on or after 1/1/2022
<b>Optional Critical Peak Pricing Rate (CPP)</b>	6/1/2022	Optional rate for residential customers 1. Up to 30,000 customers with a SMART thermostat 2. Solar + storage customers 3. Storage only customers
<b>Other Rate Changes</b> <ul style="list-style-type: none"> <li>• Open Access Transmission Tariff (OATT) price update</li> <li>• Implementation delay of commercial rate restructure and new rates nomenclature</li> <li>• Minor language changes to certain tariffs</li> </ul>		



# Solar and Storage Rate proposal

**All existing solar customers will continue to get the current NEM 1.0 rate and its benefits through 2030.**

Rate proposal	Rate effective date	Customer groups impacted
Solar and Storage Rate	January 1, 2022	All Solar and Storage customers approved for interconnection on or after 1/1/2022

- Will accelerate storage adoption and transform the market from solar only to solar and storage.
- Will benefit all our customers and help SMUD achieve the 2030 zero carbon goal at a lower cost by partnering with our customers.
- Excess power can be sold back to SMUD for 7.4¢/kWh no matter the time-of-day or season.
- SMUD will reevaluate this value every 4 years (2026 & 2030) and the value will not be revised more than +/- 30%.
- Staff will implement an interconnection fee of \$475 for a majority of new residential solar applications effective January 1, 2022.

# Excess power sold back to SMUD for 7.4 ¢/kWh

## What makes up the 7.4¢/kWh?

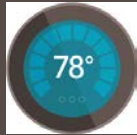




- Recognizes value customers' energy provides to SMUD by reducing the need to generate power from a power plant.
- Avoids the following power generation related costs:
  - Carbon / greenhouse gases
  - Natural gas
  - Capacity (transmission, distribution & generation)



SMUD is recognizing rooftop customers' excess energy provides a **unique indirect benefit of avoiding disturbing** land for a utility size solar plant.

*For more details, please see the Changes to Net Energy Metering section in the GM Report.*

# Optional residential Critical Peak Pricing (CPP) rate

Who can participate?	<div data-bbox="861 332 996 464"></div> <div data-bbox="759 496 1128 586">Customers with smart thermostats</div> <div data-bbox="1253 311 1503 468"></div> <div data-bbox="1202 496 1559 586">Customers with solar and storage</div> <div data-bbox="1648 318 1895 475"></div> <div data-bbox="1630 496 1923 586">Customers with storage only</div> <div data-bbox="2048 239 2308 472"></div> <div data-bbox="2023 496 2316 586">Customers with solar only</div>
What?	<ul style="list-style-type: none"><li>• In times of extreme grid stress, SMUD declares a Critical Peak Pricing “event.”</li><li>• SMUD asks customers to conserve energy and use batteries (where applicable).</li><li>• Opted-in customers pay more during “events” in exchange for a discount on summer Off-Peak and Mid-Peak hours.</li></ul>
When?	<div data-bbox="715 901 851 1036"></div> <ul style="list-style-type: none"><li>• June, July, August, September</li><li>• 1 to 4 hours per event with advance notice</li><li>• No more than 50 hours per summer</li></ul>
Why?	<ul style="list-style-type: none"><li>• Conserves energy &amp; reduces stress on grid during peak events, helping make energy available for others.</li><li>• Reduces need for energy from less environmentally friendly power plants.</li><li>• Opted-in customers receive discount rate during summer Off-Peak and Mid-Peak hours.</li></ul>

# Open Access Transmission Tariff update

*This rate does not impact SMUD's residential and commercial retail customers*

Price description	Schedule 1 Scheduling, system control and dispatch service	Schedule 2 Reactive supply and voltage control from generation or other sources service
Yearly Delivery (per MW of Reserved Capacity per year)	\$4,340.62	\$964.52
Monthly Delivery (per MW of Reserved Capacity per month)	<b>\$361.72</b>	<b>\$80.38</b>
Weekly Delivery (per MW of Reserved Capacity per week)	\$83.47	\$18.55
Daily Delivery (per MW of Reserved Capacity per day)	\$16.69	\$3.71
Hourly Delivery (per MW of Reserved Capacity per hour)	\$1.0434	\$0.2319



# New Programs to Support Storage with Solar

# \$25M storage incentive program

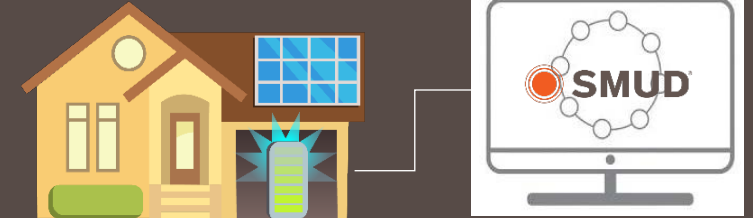
## Type



### Battery Storage



### Battery Storage + Residential Critical Peak Pricing



### Battery Storage + Virtual Power Plant Partner

## Incentive

**Up to \$500**

**Up to \$1,500**

**Up to \$2,500**

## Benefits

- Customer uses stored energy when power is most expensive
- Reduces SMUD's peak load
- Battery provides backup power during an outage

- Battery storage benefits



- Helps SMUD during critical times when energy demand is highest or the grid is stressed

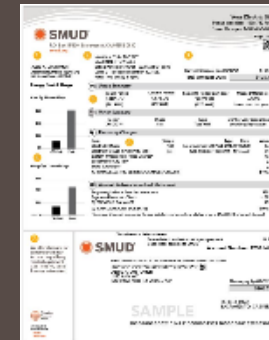
- Battery storage benefits



- SMUD pays an ongoing payment for participating in the program
- VPP partner shares stored energy with other customers when called upon

# New Virtual Solar Program (VNEM)

- Virtual Solar Program for under-resourced multi-family dwelling communities effective June 1, 2022.
- SMUD buys all solar and allocates bill credits to individual program participants in that building.
- Participants receive a bill credit from on-site solar.
  - Eligible customers continue to receive EAPR or MED Rate discounts.





# Public outreach process: direct engagement



Emails to customers, local organizations and to our Listserv subscribers.

**256,000+**

Community & business leaders received emails, letters and/or phone calls to offer meetings & information.



**1,200+**



Community & business partners were provided information and fact sheets to share with their constituents, members and networks.

**300+**

Local elected officials were mailed info packets and offered to meet.



**55**



Community organizations or neighborhood associations received presentations.

**~50**



# Summary of alternate recommendations

- **Alternative recommendation:** Consider different rate with different structure for implementation date, review date, duration of legacy rate for existing solar customers, including payment of wholesale rate for systems sizes that exceed household usage.
  - **Response:** Proposal based on independent Value of Solar and Storage Study and consideration of investment made by solar customers and SMUD's strategic direction on rates.
- **Alternative recommendation:** Proposal to reduce existing residential rates revenue due to a scalar.
  - **Response:** SMUD follows widely accepted rate making methods, the change would reduce retail revenue and impact SMUD's financial obligations.
- **Alternative recommendation:** Modify tariff language on Renewable Energy Credit (REC) ownership.
  - **Response:** The proposal is outside of the items included in the rate resolution and SMUD is not considering changes related to REC treatment.

# Requested Action

Discussion and possible approval of draft rate resolutions introduced at the August 31, 2021, Board of Directors meeting to make changes to SMUD's Rates, Rules and Regulations proposed by:

- a. Chief Executive Officer and General Manager's Report and Recommendation on Rates and Services (Volumes 1 & 2) dated June 17, 2021 ("CEO & GM Report") [two resolutions]; and
- b. Chief Executive Officer and General Manager's Report and Recommendation on Open Access Transmission Tariff (Volume 1) dated June 17, 2021 ("OATT Report") [one resolution].

**From:** [Sean Frame](#)  
**To:** [Public Comment](#)  
**Subject:** [EXTERNAL] Public Comment at SMUD Board meeting Sept 15th, agenda item 10  
**Date:** Wednesday, September 15, 2021 10:13:48 PM

---

**CAUTION:** This email originated from outside of SMUD. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi,

I intend to make verbal comment for agenda item 10, as follows (if for some reason I cannot be at the meeting, I would like this read for me, though I plan on attending):

Good evening. My name is Sean Frame, and I am a SMUD ratepayer and constituent in Ward 3.

I am calling in to discuss your change in Net Energy Metering payments for rooftop solar. As someone who recently moved to Sacramento to care for an elderly member of our family, and as someone who has installed rooftop solar on a previous home, I had been considering installing rooftop solar on this home. However, if the Net Energy Metering payments are reduced by an average of 40%, as they are in this proposal, it would simply not pencil out, and we would not be able to take the risk. And if we can't take the risk, I have to wonder how many other people will simply stop considering rooftop solar for their homes and businesses.

And here's the sad part--as the father of two sons I KNOW that rooftop solar is one important part of combatting the climate crisis and leaving an inhabitable environment for my children and their children. It's just that, as a middle class union worker, changing the payback on the energy I'd generate for me, my family, and my neighbors, would simply make it take too long to pay back.

When you add in the fact that you are willing to sunset the agreed upon rate structure on your existing solar customers BEFORE the useful lifetime of these systems has expired (as part of this rate change) I am forced to believe that I cannot trust my public utility, YOU, SMUD, to honor the deals you make with us. And keep in mind, we aren't just ratepayers, we're your constituents, and we are watching. Many people showed up outside your offices today because we want you to know this isn't right, and we won't stand for it.

So I ask you, urge you, to follow your own goals that are laid out in your Carbon Free 2030 plan and vote to table this change to the net energy metering rates. Go back to the drawing board and consider how to create a rate structure that won't prevent people of all income levels from choosing rooftop solar for themselves and their neighbors. Do the right thing for us, for our climate, and for future generations.

Thanks,  
Sean Frame, Constituent and Ratepayer, Ward 3

**From:** [Nancee Murray](#)  
**To:** [Public Comment](#)  
**Cc:** [Rosanna J. Herber](#)  
**Subject:** [EXTERNAL] Agenda Item 10a  
**Date:** Saturday, September 11, 2021 11:11:54 AM

---

CAUTION: This email originated from outside of SMUD. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear SMUD Board:

Hello. I am a SMUD customer in the City of Sacramento. I own a small home and I have installed 12 solar panels on the roof. 12 are all the panels that can fit on my roof. It cost \$12,000 to install the panels in 2012 and it will be many years before that investment is returned. I did not install solar panels to make a profit. I installed solar panels because I believe it is the right thing to do. Install panels on already disturbed landscapes rather than putting panels on wildlife habitat. Generate cleaner energy.

Your Chief Executive Officer and General manager Report on Rates and Serves dated June 17, 2021 (Report) says several incongruous things. It says that SMUD's goal is to add 3,000 MW of new renewable energy and storage by 2030. (Report, p. 32). That is unlikely to happen in neighborhoods with smaller homes, many of which might be in disadvantaged areas. The proposal incentives storage. (Report, p. 32). A battery wall would have cost an amount equal to the cost of the installation of the panels themselves. It is even less likely that smaller homes, that cannot fit a large number of panels, and families that cannot afford the cost of panels and an expensive battery, will now be able to afford to install solar panels at all, because it makes less economic sense without the battery wall. So, this proposal makes it even LESS likely that SMUD will reach its goal to add 3,000 MW of new renewable energy and storage by 2030. The changes to solar power compensation is going in the wrong direction by taking away incentives to install solar panels in the first place.

I encourage you not to adopt the changes to the NEM rate schedule as proposed in the Report. There are very few houses in my neighborhood with solar panels now. That number will not grow if the NEM proposal in the Report is adopted.

Sincerely,  
Nancee Murray  
2509 11th Ave.  
Sacramento, CA 95818

**From:** [James Simon](#)  
**To:** [Public Comment](#)  
**Subject:** [EXTERNAL] Adoption of New solar credits policy  
**Date:** Tuesday, September 14, 2021 2:50:32 PM

---

CAUTION: This email originated from outside of SMUD. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Honorable Board Members,

I believe that you are making a mistake in abandoning the current reimbursement rates for home solar, and adopting the wholesale reimbursement cost model. I read the report that said that the home solar users are being subsidized by the rest of the SMUD ratepayers. This is a half truth. SMUD chooses to set rates according to its priorities. Every time SMUD gives an incentive, be it for getting an efficient refrigerator, or the incentives for electric cars (installation incentives and discount on electric rates at certain hours), or the users that use power at peak times paying more than those at non peak times, SMUD makes a decision to essentially tax some of its ratepayers in favor of essentially a credit for others. The time shifting of credits that the current system uses allows families to be part of the solution to our energy needs by producing electricity for all. It also shifts costs from SMUD from the capital expenditure for solar panels and their accouterments away from SMUD to the producers. This is no small expense avoidance.

The recapture of solar system homeowner expenses and capital expenditures is very long as you are all aware. Adopting the new rate rules will dissuade many from getting new systems. It is also unfair to those customers, like myself, who used your solar calculator and saw a payback of 20 years who will instead never break even.

I posit that the new rate schedule will also put the brakes on solar installations except in new homes where state law mandates it. It is SMUDs choice of how to view their incentives, as unfair costs to those who don't take advantage of them, or as tools to better society and our environment. The new solar rate structure should be rejected.

Sincerely,  
James Simon  
(a SMUD customer)

**From:** [Dave Wright](#)  
**To:** [Public Comment](#)  
**Subject:** [EXTERNAL] Here is my comment for Item 11.: Re: Request to make verbal comment this evening  
**Date:** Thursday, September 16, 2021 6:56:33 PM

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**CAUTION:** This email originated from outside of SMUD. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Thank you for addressing my comment on stacking the deck of commenters and the importance of transparency with respect to perceived conflict of interest.

I do not withdraw my comment and I request that the Board establish written protocol.

I have some statistics background and it does not pass the "O" test ("it's obvious") that the deck was not stacked on Aug 31. There were too many, all together, and no dissenting voices that also had 'other commitments' they needed to get to such that they needed to go first, for the supporting bloc to be attributable to that. I maintain that you, the Board, need to ask whether ANYONE in SMUD \_solicited\_ comments from SMUD-associated organizations! Such solicitation must be prohibited, in policy, in writing.

Establishing one's position first in an argument is a well-established advantage. I can recommend "Thinking, Fast and Slow" for very interesting, informed psychological treatment of this phenomenon. President Bui-Thompson is exceptional in her resistance to the effect of order of presentation - but it should be noted that almost anyone asked will say they are, too; but statistically this does not pan out on average. Therefore I maintain that the Board must require, in writing, that public commenters known within one hour of the meeting be presented in randomized order.

I do not believe the SMUD-related organizations presenting on Aug 31 felt a conflict of interest. But I have no way of knowing whether every organization so related to SMUD did disclose their relationship on Aug 31 or at any other meeting. Therefore I DO believe the Board must require, in writing, any financially or substantially beholden organization commenting at a SMUD meeting to disclose their relationship when commenting.

Per SD-5 and SD-12. Thank you.

David Wright





Sacramento, California

October 12, 2021

The Board of Directors of the Sacramento Municipal Utility District met in special session concurrently with the Board Strategic Development Committee via virtual meeting (online) at 5:30 p.m.

Roll Call:

Presiding: Director Fishman,  
Chair of the Strategic Development Committee

Present: Directors Rose, Bui-Thompson, Herber, Kerth,  
Tamayo, and Sanborn

Present also were Paul Lau, Chief Executive Officer and General Manager; Laura Lewis, Chief Legal & Government Affairs Officer and General Counsel and Secretary, and members of SMUD's executive management; and SMUD employees and visitors.

Committee Chair Fishman turned to Discussion Calendar Item 1, to make findings pursuant to Government Code section 54953(e) to continue holding meetings virtually during proclaimed state of emergency (recurring item, every 30 days). He asked General Counsel Lewis to provide a brief explanation of the item.

General Counsel Lewis provide a brief summary of Executive Orders that had been issued by Governor Newsom in response to the COVID pandemic, which had waived certain provisions of the Brown Act and had allowed the Board to meet remotely. She stated that the Governor had signed Executive Orders that phased out various executive orders that had previously been issued; however, legislation had been signed that would allow the Board to continue to meet remotely with the same waivers to the Brown Act, provided that there is a declared state of emergency and the Board made findings that they would like to continue, for safety reasons, to continue to meet remotely. She noted that the Sacramento County Public Health Officer issued an order in July 2021 finding that the Delta variant had become the predominant strain of coronavirus in the County of Sacramento, and as a result, required that face coverings be worn during all indoor meetings. She stated staff's recommendation was for the Board to making a finding to continue to

hold Board meetings virtually during this proclaimed state of emergency as it would be impractical for all public attendees to have appropriate face coverings and to ensure that they are worn correctly, and then revisit the item every 30 days. She stated that because the first meeting in November when the Board meets again would be more than 30 days, the recommendation was for the Board to take action tonight but then also to place the item on consent for the regular Board meeting so that the 30-day period would not lapse.

No public comment was forthcoming on Discussion Calendar Item 1.

After some discussion, Director Sanborn moved for approval of Discussion Calendar Item 1, Vice President Rose seconded, and Resolution No. 21-10-01 was unanimously approved.

## **RESOLUTION NO. 21-10-01**

**WHEREAS**, SMUD is committed to preserving public access and participation in meetings of the Board of Directors and to the safety of meeting attendees; and

**WHEREAS**, all meetings of the Board of Directors are open and public, as required by the Ralph M. Brown Act (Gov't Code, §§ 54950-54963) ("Brown Act"), so that any member of the public may attend, participate in, and watch SMUD's governing body conduct its business; and

**WHEREAS**, the newly enacted Government Code section 54953(e) authorizes a local agency's governing body, during a proclaimed state of emergency, to participate in its public meetings using remote teleconferencing without compliance with the requirements of Government Code section 54953(b)(3), under specified conditions; and

**WHEREAS**, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

**WHEREAS**, another condition is that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body determines that meeting in person would present imminent risks to the health and safety of attendees; and

**WHEREAS**, on March 4, 2020, Governor Gavin Newsom proclaimed a State of Emergency to exist in California due to the threat of COVID-19; despite sustained efforts, the virus continues to spread and has impacted nearly all sectors of California; and

**WHEREAS**, on July 29, 2021, the Sacramento County Health Officer issued an order intended to help limit the spread of COVID-19, and among other things, required face coverings in indoor public spaces for vaccinated and unvaccinated people alike; and

**WHEREAS**, under current state of emergency conditions it would be impractical for SMUD to take steps necessary to prevent imminent risks to the health

and safety of attendees, such as by holding public meetings outdoors, ensuring public meeting attendees are vaccinated, have appropriate face coverings, and wear them consistent with public health guidance; and

**WHEREAS**, all meetings, agendas, meeting dates, times, and manner in which the public may participate in the public meetings of the SMUD Board and offer public comment by telephone or internet-based service options including video conference are posted on the SMUD website and physically outside of SMUD's Headquarters Building; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

**Section 1.** Risks to Health and Safety of Attendees. The Board hereby finds that holding its public meetings in person would present imminent risks to the health and safety of attendees.

**Section 2.** Remote Teleconference Meetings. SMUD staff are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution, including conducting open and public meetings in accordance with section 54953(e) and other applicable provisions of the Brown Act.

**Section 3.** Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) November 13, 2021, or (ii) such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the SMUD Board may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

Approved: October 12, 2021

INTRODUCED: DIRECTOR SANBORN				
SECONDED: DIRECTOR ROSE				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
BUI-THOMPSON	X			
ROSE	X			
FISHMAN	X			
HERBER	X			
KERTH	X			
TAMAYO	X			
SANBORN	X			

Committee Chair Fishman then turned to Agenda Item 2, to provide the Board with external and internal presentations followed by a panel discussion on plans and opportunities for ecosystem services and carbon sequestration in support of regional carbon neutrality and the achievement of SMUD's 2030 Zero Carbon Plan.

Scott Martin, Chief Strategy Officer, gave a brief overview of the topic.

Presentations were provided, followed by a panel discussion, for this informational agenda item by Rachel Huang, Director of Customer & Grid Strategy; Jessica Fox, Senior Technical Executive, Power in Pollinators, Electric Power Research Institute (EPRI); Dr. Rebecca R. Hernandez, Assistant Professor of Ecology and Earth System Science at UC Davis and Founder of Wild Energy Lab; and Campbell Ingram, Executive Officer of Sacramento-San Joaquin Delta Conservancy. Copies of the slides used in their presentations are attached to these minutes.

Public comment was received and read into the record regarding Agenda Item 2, copies of which are attached to these minutes, from the following members of the public:

- Rosie Yacoub
- Laurie Litman

Committee Chair Fishman then turned to Agenda Item 3, statements from the public regarding items not on the agenda, but none were forthcoming. He stated that written comments received on items not on the agenda would be provided to the Board electronically and placed into the record if received within two hours after the meeting ended.

Public comment was received and entered into the record regarding Agenda Item 3, a copy of which is attached to these minutes, from the following member of the public:

- Paul Kneprath

Committee Chair Fishman noted there was no Summary of Committee Direction.

No further business appearing, Committee Chair Fishman  
adjourned the meeting at 7:11 p.m.

Approved:

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Committee Chair

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Secretary

# Exhibit to Agenda Item #2

Board Strategic Development Committee and Special SMUD Board of  
Directors Meeting

Tuesday, October 12, 2021, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

# Agenda

- Introduction to Landscape Carbon & Ecosystem Services & SMUD Opportunities
  - Rachel Huang, Director, Customer & Grid Strategy
- New Industry Partnership & Research at Rancho Seco II
  - Jessica Fox, Senior Technical Executive & Director, Power in Pollinators, Electric Power Research Institute
  - Dr. Rebecca Hernandez, Associate Professor of Ecology and Earth System Science, UC Davis & Founder, Wild Energy Lab
- Sacramento-San Joaquin Delta Update
  - Campbell Ingram, Executive Officer, Sacramento-San Joaquin Delta Conservancy



# Biodiversity loss is accelerating

The Economist

Menu

Weekly edition

Search

Technology Quarterly

Jun 19th 2021 edition >

The other environmental emergency

**Loss of biodiversity poses as great a risk to humanity as climate change**

## *Our Response to Climate Change Is Missing Something Big, Scientists Say*

Yes, planting new trees can help. But intact wild areas are much better. The world needs to treat warming and biodiversity loss as two parts of the same problem, a new report warns.



**Biodiversity loss accelerates with 1 million species at risk of extinction, UN report finds**

Nation May 6, 2019 9:46 AM EDT

# Interest in Nature-based solutions is growing

## California just became the first state to commit to 30 by '30. Here's what that means

On Oct. 7, Gov. Gavin Newsom signed an executive order that made California the first state in the nation to commit to a '30 by '30' goal — a pledge to conserve 30 percent of the state's land and waters by 2030.

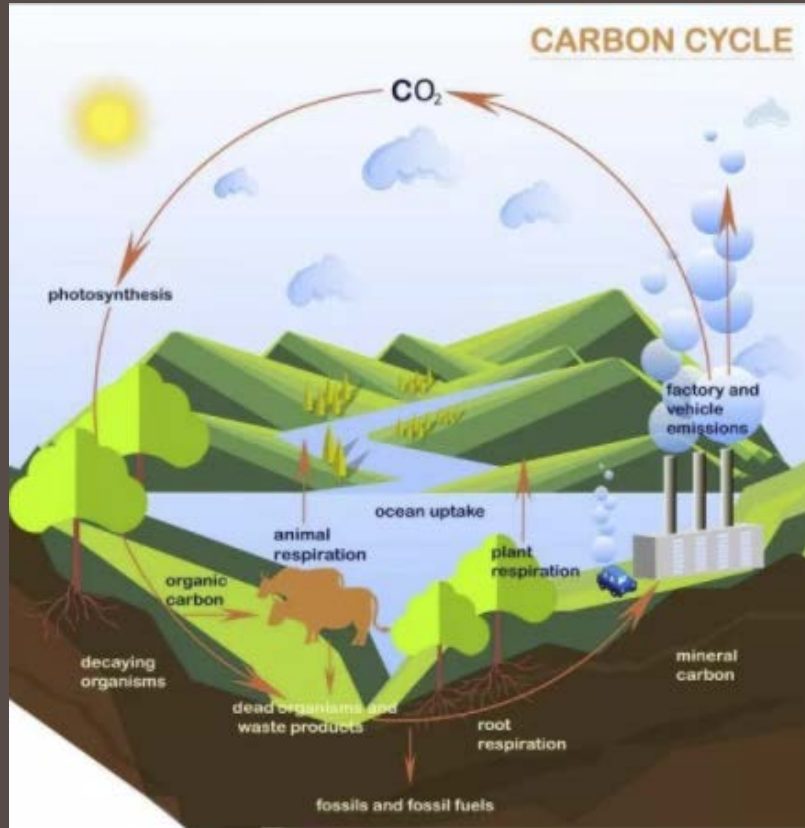
### California 2030 Natural and Working Lands Climate Change Implementation Plan Concept Paper

California Air Resources Board | California Environmental Protection Agency  
California Department of Food and Agriculture | California Natural Resources Agency

## VILSACK SAYS A CARBON BANK FITS INTO USDA'S PORTFOLIO

THE USDA HAS THE AUTHORITY TO CREATE A SO-CALLED CARBON BANK TO ENCOURAGE CLIMATE MITIGATION ON THE FARM.

# What are nature-based solutions?



biologydictionary.net

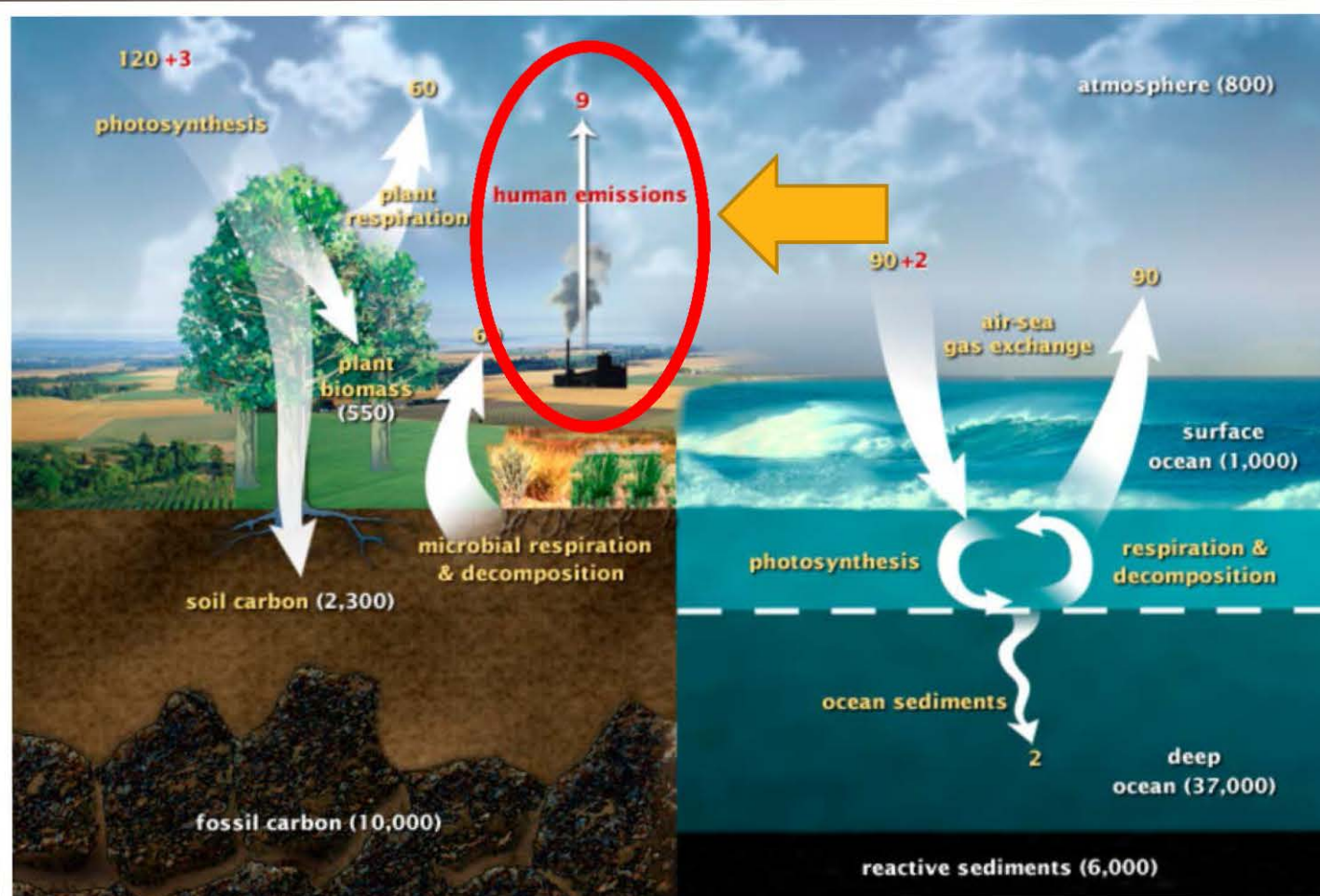
Photosynthesis and other biological processes store carbon in soil and biomass

These natural systems can be protected and enhanced to increase CO<sub>2</sub> removal from the atmosphere



JANUARY 2019 DRAFT California 2030 Natural and Working Lands Climate Change Implementation Plan





This diagram of the fast carbon cycle shows the movement of carbon between land, atmosphere, and oceans. Yellow numbers are natural fluxes, and red are human contributions in gigatons of carbon per year. White numbers indicate stored carbon. (Diagram adapted from U.S. DOE, [Biological and Environmental Research Information System](#).)

# Example offset protocols for nature-based solutions

- CARB Compliance Market
  - Rice Cultivation
  - Urban Forest Projects
  - US Forestry Projects
- Voluntary Market
  - Avoided Ecosystem/Grassland Conversion
  - Soil Carbon Enrichment
  - Organic Waste Composting & Digestion
  - Sustainable Grassland Management (with fire and grazing)
  - Improved and Sustainable Ag Land Management
  - Wetland Conservation or Rewetting (various)



*Modeling and other approaches are being tested to reduce monitoring cost*

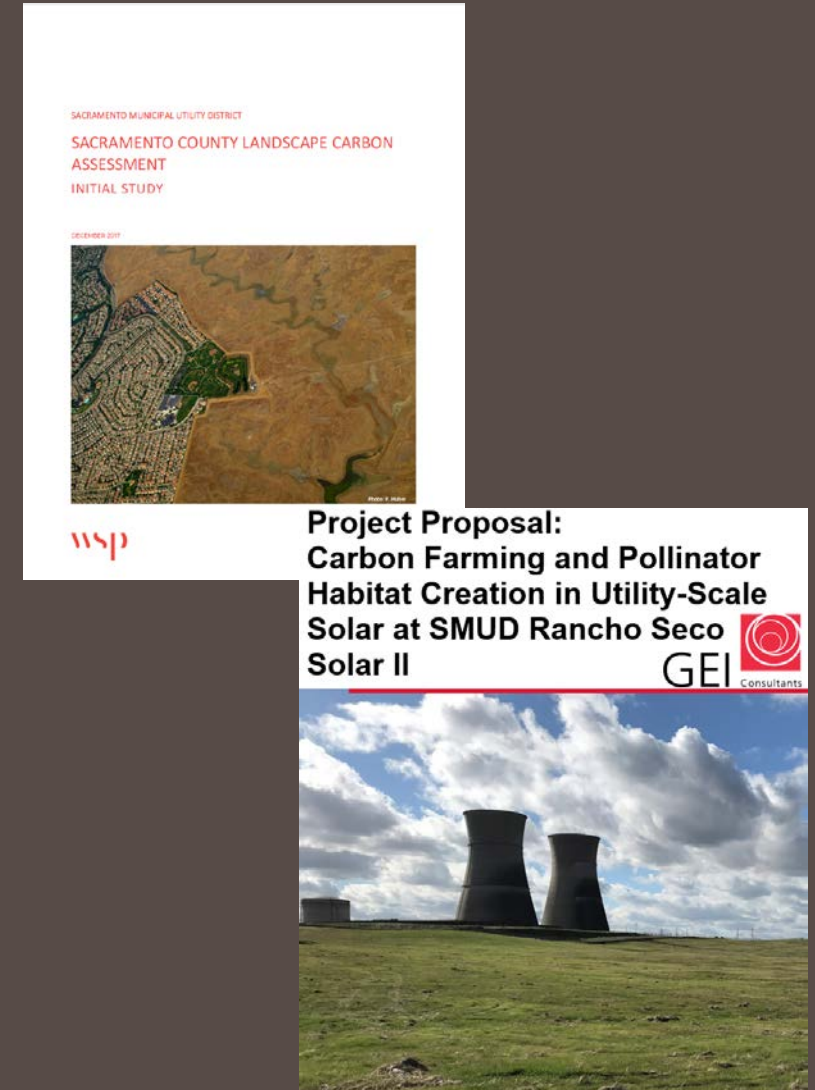
# Nature Based Solutions and the Zero Carbon Plan

- We are not planning to leverage any offsets to achieve ZCP
- However, offsets can provide:
  - Further mitigation of utility scale solar impacts (beyond our current use of disturbed land & minimal construction disturbance)
  - Significant positive local and regional co-benefits
  - Long-term potential to become “Net Negative” and address historic emissions and Scope 3 (upstream) emissions
- Considerations
  - Scientific understanding of how to quantify benefits is evolving
  - Federal and state incentives may be available
  - Potential revenue stream from offset sales
  - We manage thousands of acres of land and thus have opportunity to contribute



# SMUD R&D & Operational Efforts

- 2017 Sacramento County Land Carbon Assessment
  - 2019 RSSII Project Assessment (with Power Gen)
  - American River Parkway Pollinator Pilot (Vegetation Management)
  - SMUD Mitigation Bank (Environmental Services)
  - Sacramento Shade (Advanced Energy Solutions)
- ➔ CivicSpark Fellows to explore addition of shrubs, development of City Forest Credits and revisit the pilot American River project



# Future Opportunities

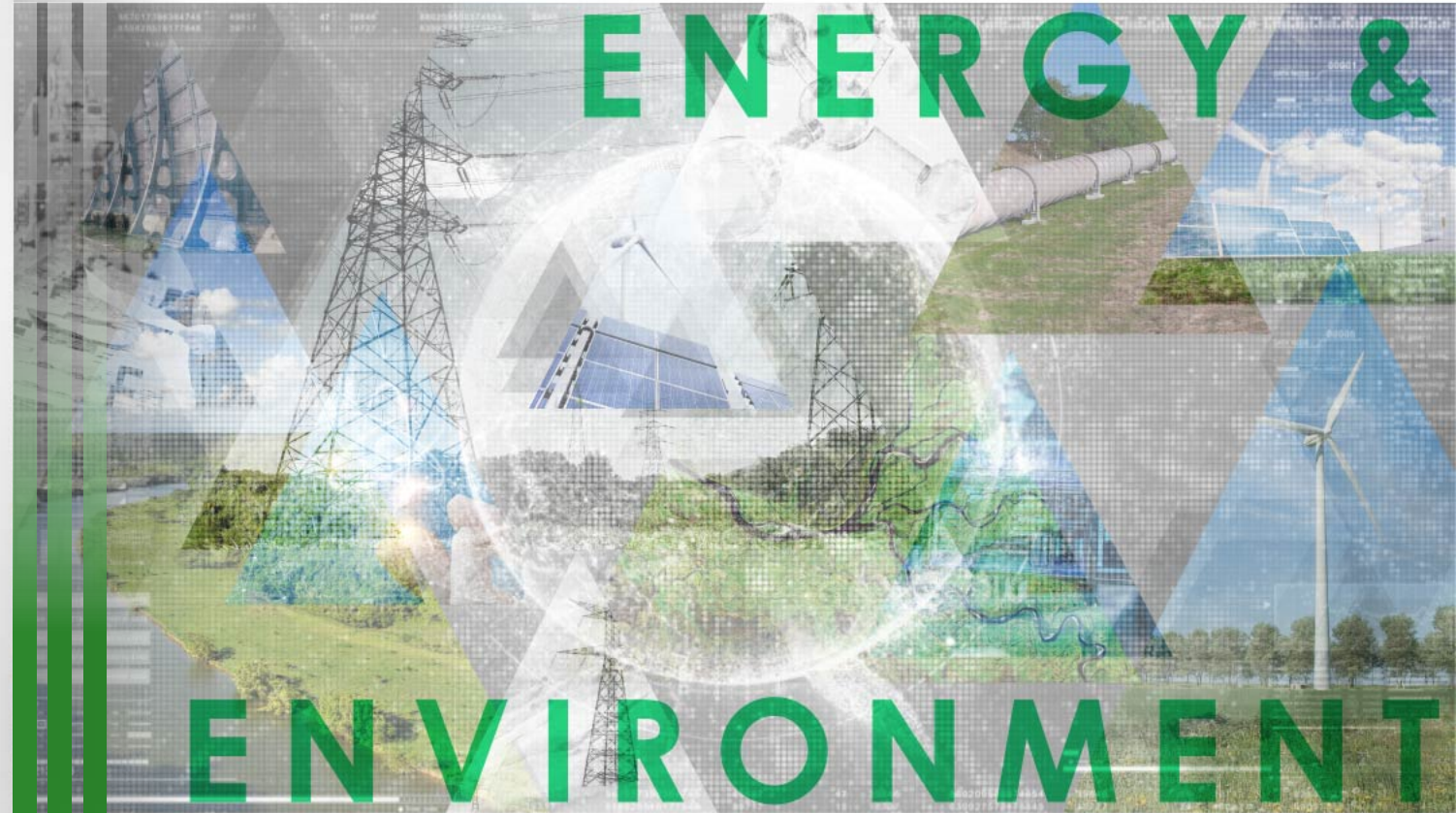
- Solar Roadmap: Incorporate RSSII research findings into Solar RFOs, operational practices
- SMUD land assets & other facilities
  - Solano Wind – 6000 acres, many grazed and cultivated
  - Transmission Circuit Miles: 484
  - Distribution Circuit Miles: 10,507
  - Gas Pipeline Circuit Miles: 86
- Offset market opportunities as ZCP roadmap evolves



# EPRI Pollinator Research

Jessica Fox  
Senior Technical Executive  
[jfox@epri.com](mailto:jfox@epri.com)

[www.epri.com/pollinators](http://www.epri.com/pollinators)



# Power-in-Pollinator Initiative



Looking beyond company fence lines, there is an opportunity for electric utilities to work together on pollinator research and conservation that can result in greater measurable benefits than would be possible working alone.



Board Strategic Development Committee and Special SMUD Board of Directors Meeting

**Public comment may be submitted via e-mail to [PublicComment@smud.org](mailto:PublicComment@smud.org)**



# Power-in-Pollinators Initiative 2021



Nebraska Public Power District  
Always there when you need us



Arkansas Electric  
Cooperative Corporation



Board Strategic Development Committee and Special SMUD Board of Directors Meeting

**Public comment may be submitted via e-mail to [PublicComment@smud.org](mailto:PublicComment@smud.org)**

As electricity flows through the landscape, power companies can help pollinators flow through the ecosystem.



*Narrated by*

CARRIE-ANNE MOSS

*Cinematographer*

HARUN MEHMEDINOVIC

*Written, Directed & Produced by*

MATHEW SCHMID

*Executive Producers*

JESSICA FOX & GEORGE  
DICAPRIO



Board Strategic Development Committee and Special SMUD Board of Directors Meeting

**Public comment may be submitted via e-mail to [PublicComment@smud.org](mailto:PublicComment@smud.org)**





# Communication and Awards



## MAKING AN IMPACT

2020: Reached 1.2 Million people

2021: Reached **2.2 Million** people

***Public comment may be submitted via e-mail to***  
**[PublicComment@smud.org](mailto:PublicComment@smud.org)**

Board Strategic Development Committee and  
Special SMUD Board of Directors Meeting



# Technical Work

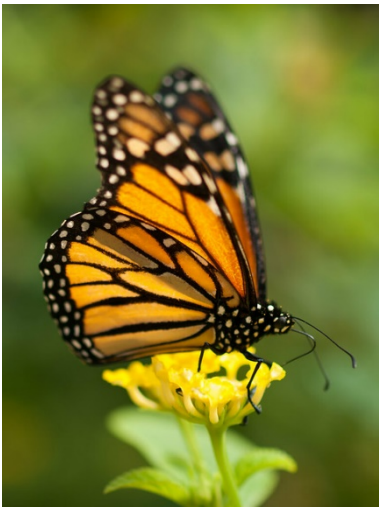
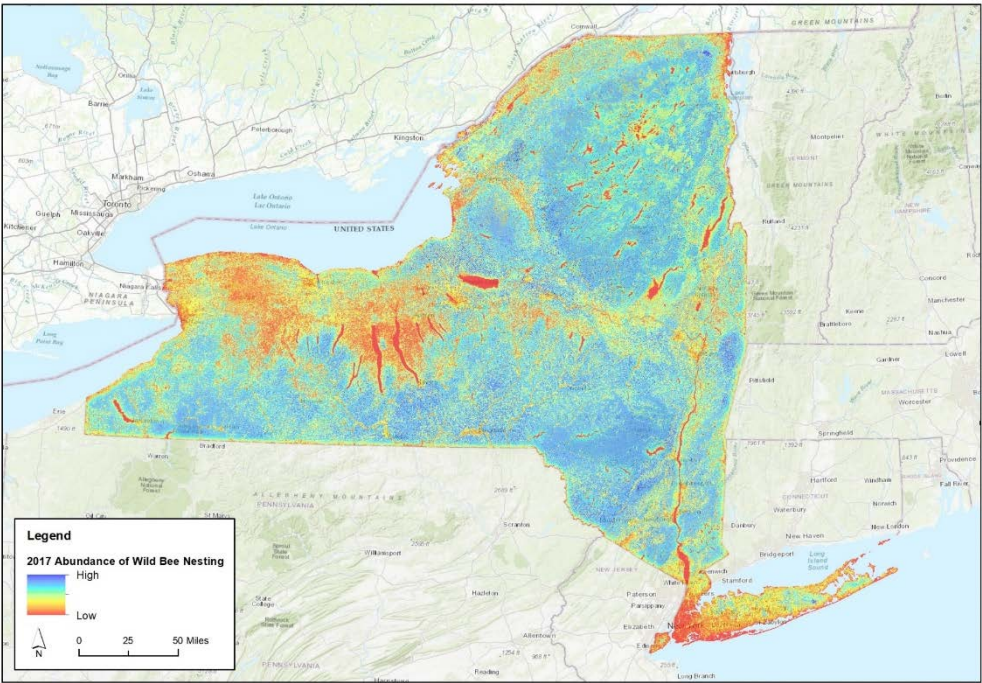
Wild Bee GIS Tool

Pollinator Metrics Database

Bee Better Certified for Power Companies

Corporate Pollinator Communication and Strategy

Monarch Landholding Analysis



Pollinator Metric database to consider the “best” metrics for sustainability report and benchmarking.

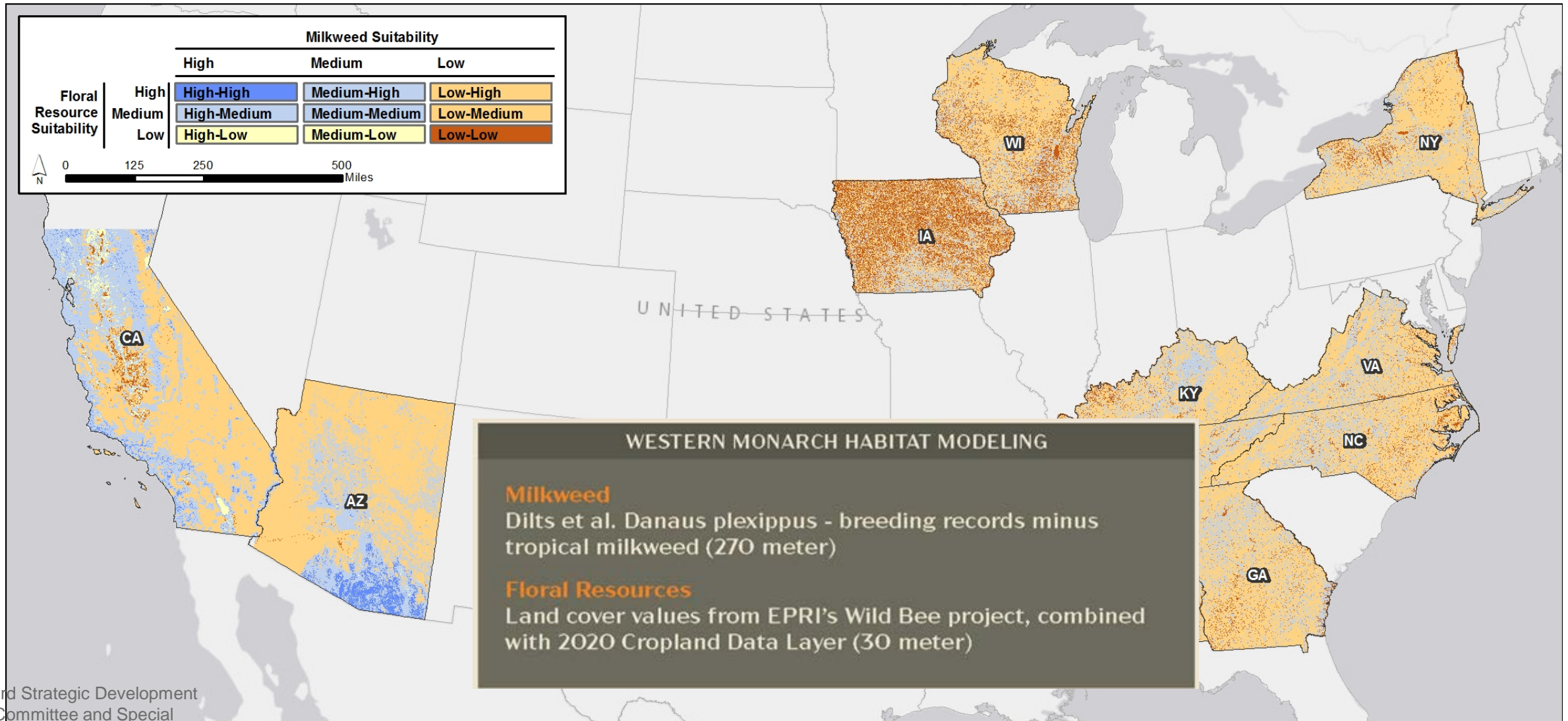
Purpose	Priority Issues	Number of Metrics
<i>Pollinator Community</i>	2	23
<i>Pollinator Habitat</i>	11	76
<i>Communication</i>	3	35
<i>Planning</i>	4	25
Total	20	159

Board Strategic Development  
Committee and Special SMUD  
Board of Directors Meeting

Public comment may be submitted via e-mail to [PublicComment@smud.org](mailto:PublicComment@smud.org)



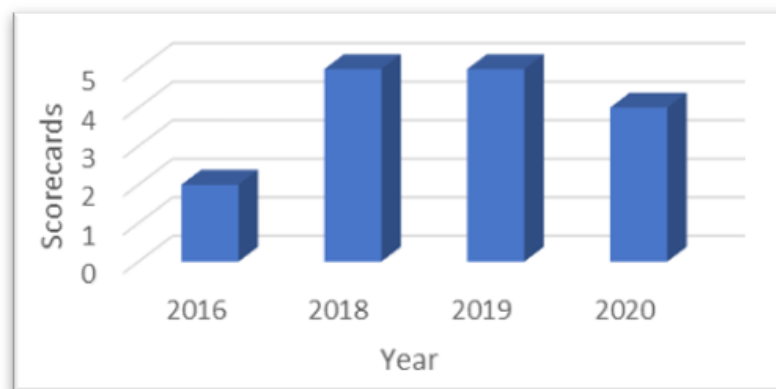
# Latest Monarch Habitat Suitability Map




# A Review of Solar-Pollinator Scorecards

- Analyze scoring elements and attributes,
- Consider if they are protective of pollinators,
- Identify improvements for usability and effectiveness.

Number*	Scorecard	Year Released
1	Minnesota	2016
2	Vermont	2016
3	Maryland	2018
4	Wisconsin	2018
5	Ohio	2018 (March)
6	Michigan	2018 (June)
7	North Carolina	2018 (October)
8	Massachusetts	2019
9	Florida	2019
10	Missouri	2019
11	Virginia	2019 (December)
12	Illinois	2019 (December)
13	South Carolina	2020 (June)
14	Northern California / Oregon	2020
15	Indiana	2020
16	National: Fresh Energy	2020



**Figure 4-1**  
Scorecards Released per Year, 2016–2020



## Northern California / Oregon Pollinator-friendly solar scorecard

The entomologist-approved standard for what constitutes "beneficial to pollinators" within the managed landscape of a PV solar facility.

### 1. PERCENT OF PROPOSED SITE VEGETATION COVER TO BE DOMINATED BY POLLINATOR-FRIENDLY WILDFLOWERS

☐ 31-45 % +5 points  
☐ 46-60 % +10 points  
☐ 61+ % +15 points

Total points

Note: Projects may have "array" mixes and diverse open area/ border mixes; forb dominance should be averaged across the entire site; seeds (from all seed mixes) to be planted.

### 6. SITE PLANNING AND MANAGEMENT

☐ Detailed establishment and management plan developed with funding/ contract to implement. +15 points  
☐ Signage legible from a distance of 40 feet or more stating "pollinator friendly solar habitat" (at least 1 every 20ac.). +5 points

Total points

### 7. RE-VEGETATION

☐ Seed is applied at 50 PLS (Pure Live Seed) per square foot +5 points  
☐ 20% or more of the native species' seed has a local genetic origin within 175 miles of the site +5 points  
☐ For sites located 5 miles or further east of the coastline, re-vegetation includes 1% native milkweed +10 points

Total points

### 8. PESTICIDE RISK

☐ Planned on-site insecticide use or use of plant material pre-treated with +40 points

### 9. SPECIES DIVERSITY (total # of species in n, including native grasses)


☐ +5 points  
☐ +10 points  
☐ +15 points

Total points


### 10. % OF SITE DOMINATED BY NATIVE SPECIES

☐ +5 points  
☐ +10 points  
☐ +15 points

Total points







## Feasibility of Co-locating Solar PV and Pollinator Habitat

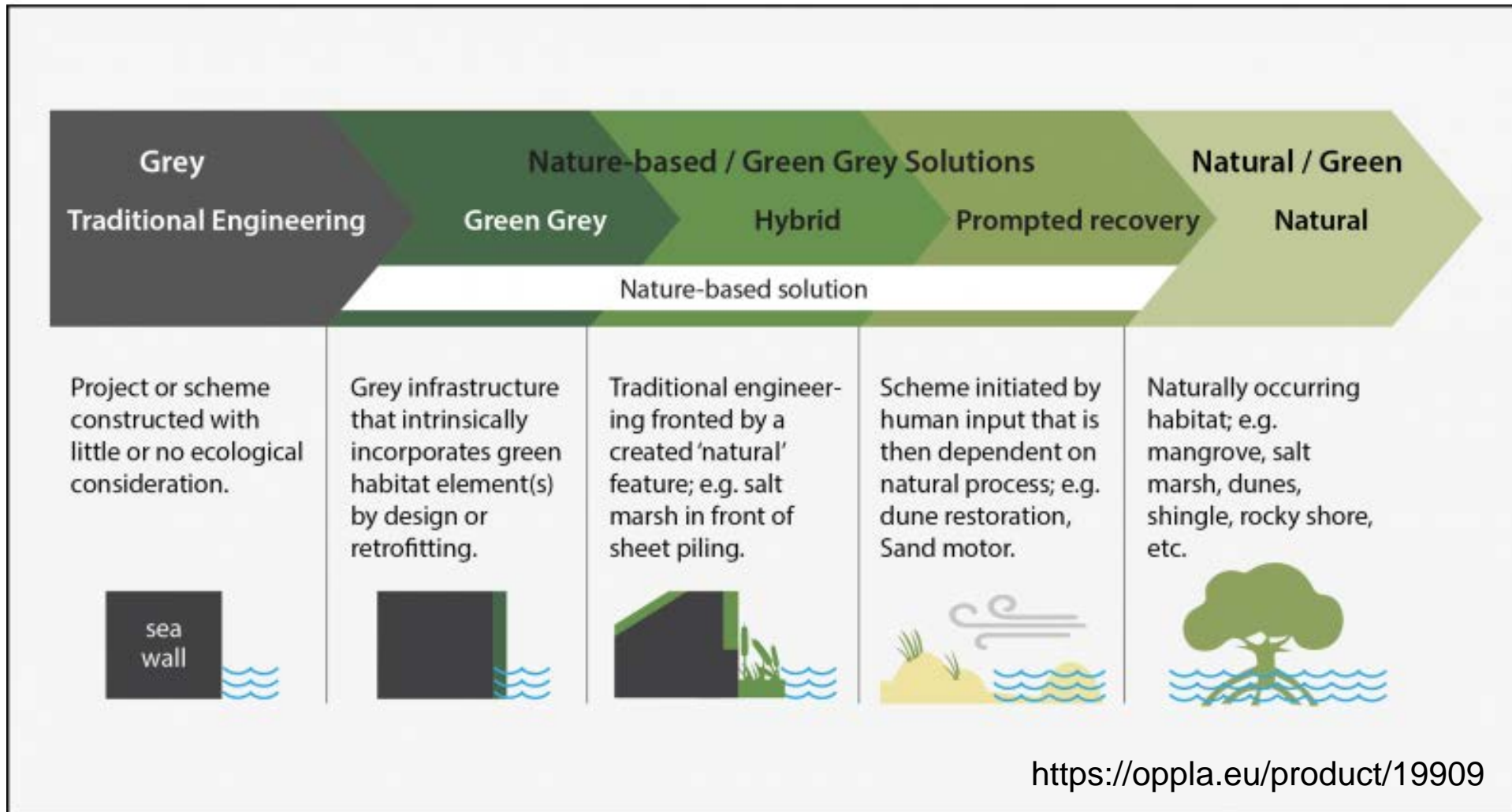
*This project aims to understand the value of pollinator-friendly solar through a techno-economic analysis that considers owner/operator, ecological and sustainability perspectives.*

### Industry Steering Committee:

- Kathleen Ave, Sr. Climate Program Manager, Energy Strategy, *Sacramento Municipal Utility District*
- Janine Crane, Environmental Services Project Manager, *NextEra Energy Resources*
- Suzanne Fisher, Sr. Program Manager, River & Resource Stewardship, *Tennessee Valley Authority*
- Brian Kortum, Director, Environmental Permitting, *NiSource*
- Marcus Krembs, Head of Sustainability, *Enel North America*
- Douglas Meneghel, Engineering Leader, *Enel North America*
- Bill Skalitzy, Manager, Environmental Services, *Alliant Energy*
- Christina Svoboda, Plant System Owner, *American Electric Power*

The analysis will objectively present various viewpoints, challenges, and opportunities related to pollinator-friendly solar, including the costs for installation and maintenance, and the non-monetary value of the projects from sustainability and ecological perspectives.

# Natural Infrastructure vs. Traditional Engineering



Pollinators  
and  
Water  
and  
Carbon  
and  
Solar  
  
and

Aligns with CA  
ARB's Natural &  
Working Lands  
strategy

Board Strategic Development Committee and Special SMUD Board of Directors Meeting

**Public comment may be submitted via e-mail to [PublicComment@smud.org](mailto:PublicComment@smud.org)**

# Together...Shaping the Future of Electricity

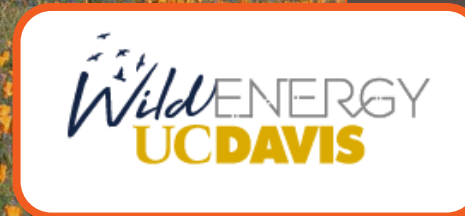
Board Strategic Development Committee and Special SMUD Board of Directors Meeting

***Public comment may be submitted via e-mail to [PublicComment@smud.org](mailto:PublicComment@smud.org)***

# Stacking Energy and Ecological Systems



Rebecca R. Hernandez  
Department of Land, Air and Water Resources  
[rrhernandez@ucdavis.edu](mailto:rrhernandez@ucdavis.edu) | [WildEnergy.org](http://WildEnergy.org)





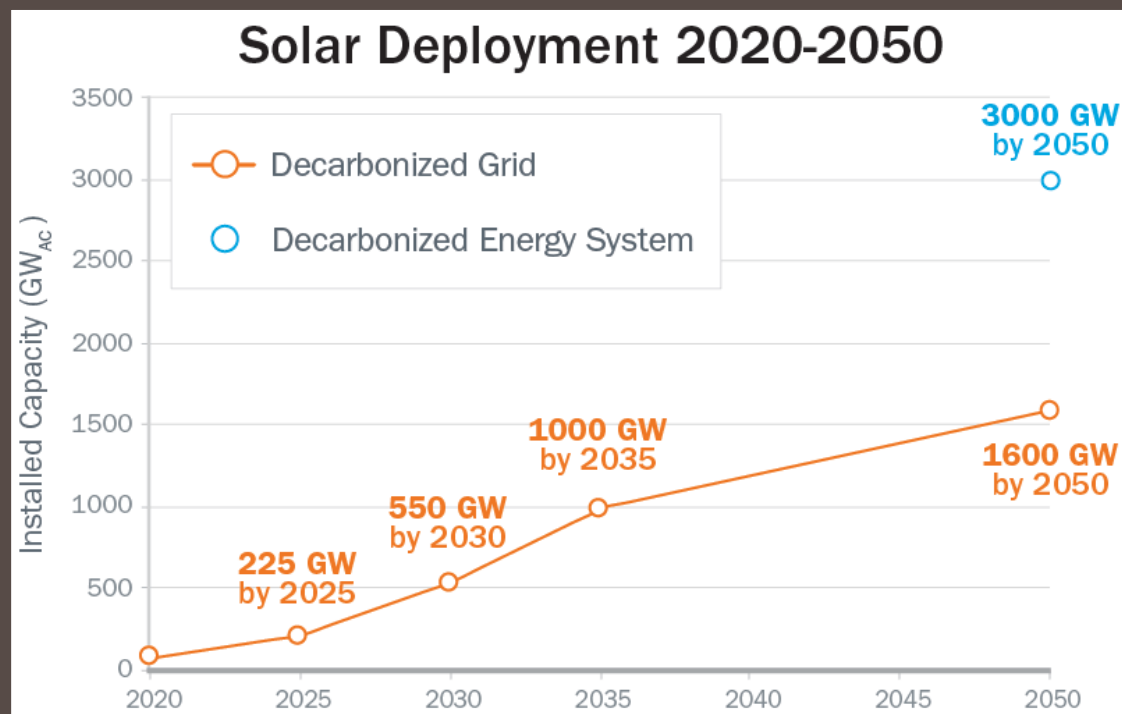
# Solar Deployment – Rising Expectations

Preliminary modeling shows that decarbonizing the entire U.S. energy system could result in as much as 3,200 GW<sub>ac</sub> of solar energy. . .

Solar Futures Study, DOE SETO 2021

Concretely, this would require the deployment of roughly 2,500 gigawatts (GW) of wind and solar generation (30 times present capacity) in a high renewables scenario . . .

Williams et al. 2014



Solar Futures Study

# Bifacial PV



- How does site management and materials impact bifacial PV performance?
- How does site management and materials impact bifacial PV temperature and albedo?
- How *sustainable* are such materials?



# Sixth Mass Extinction – Meet 30 x 30 Vision



bridled white-eye, ivory-billed woodpecker, Bachman's warbler



little Mariana fruit bat

On September 29<sup>th</sup> 2021, the U.S. Fish and Wildlife Service declared 23 species (see slide), including nine birds and one bat species, officially extinct.

Currently, only 12% of US land, 11% of freshwaters, and 26% of oceans have some degree of conservation-based protection.



CONSERVING AND RESTORING  
AMERICA THE BEAUTIFUL

2021

A preliminary report to the National Climate Task Force recommending a ten-year, locally led campaign to conserve and restore the lands and waters upon which we all depend, and that bind us together as Americans.





Energy development is now the largest driver of land-use and land-cover change in United States (Trainor et al. 2016, *PLOS One*).

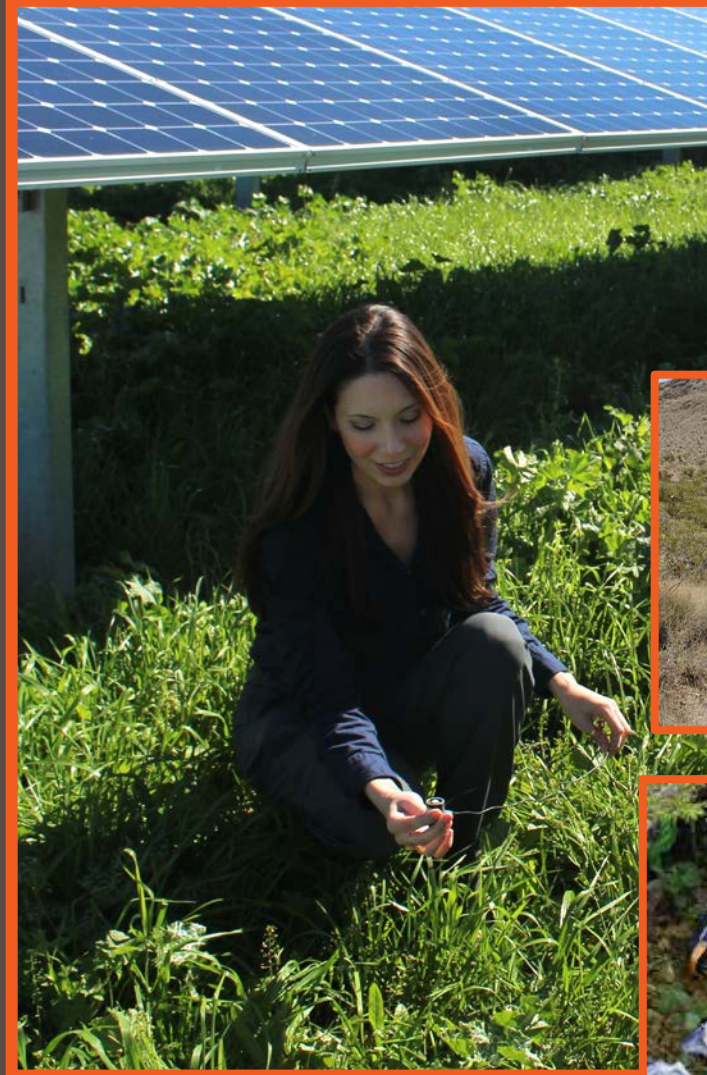


# UC Davis Research

How will we meet our rapid renewable energy goals while maintaining our need for food production and conservation?

*Wild* ENERGY  
UCDAVIS

ARID LAB  
aridlands | ecology | sustainability



# Stacking Energy Systems & Ecosystems Outcomes

## Ecological Restoration for Techno-Ecological Synergies of Solar Energy:

*Promoting Vegetation, Pollinators, Soil Quality, and Ecosystem Services*



Study Site: The Sacramento Municipal Utility District's  
Rancho Seco II ground-mounted solar PV site.



Ecological restoration at solar energy facilities may serve as a mechanism to increase techno-ecological synergies of solar energy development, yet both the practical implementation and potential benefits of restoration is understudied.



# California Prairie – An endangered ecosystem . . .



Vegetation in the Central Valley of California was historically characterized as a flower-dominated prairie biome.

When naturalists descended into the Central Valley in 1868 and found a sea of flowers, one wrote, “Here it is not as in our great western prairie, flowers sprinkled in grass, but grass in the flowers.”

Native California grasslands, with fibrous root systems, are a more resilient C sink than California forests in response to 21st century changes in climate (Dass et al. 2018).



# Objectives



Native plant mix selection and re-establishment, across PV array areas (with assessment of PV performance) and as hedgerows



Plant and pollinator habitat assessment, with biodiversity and trait analyses



Soil properties characterization, including of soil carbon sequestration; crevice restoration options for California tiger salamanders

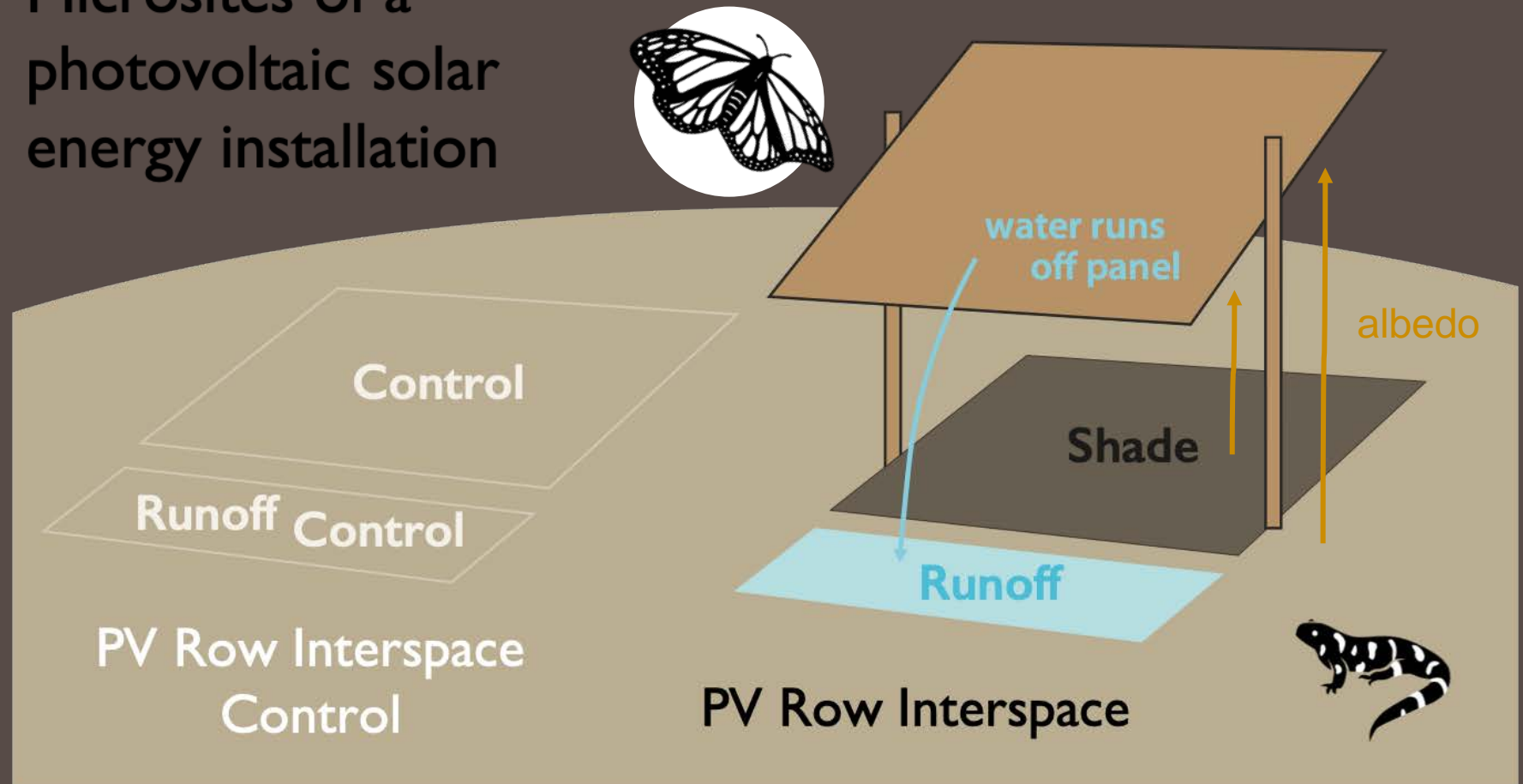


Techno-ecological synergy analysis, including impacts on PV performance and cultural services owing to the beautification of an energy landscape

# PV-Microsite-Bifacial Performance Feedbacks

Ground-mounted photovoltaic solar energy installations create novel microsites. Restoration across microsites may uniquely impact PV performance, plant establishment, pollinator behavior, and amphibian settlement activities.

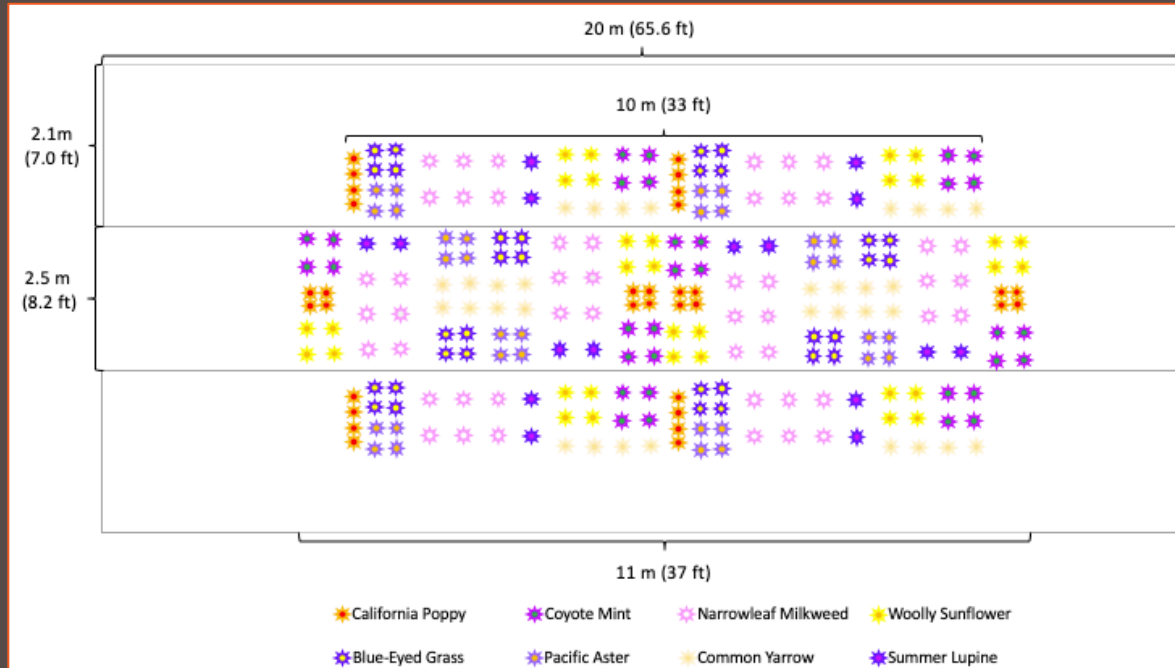
## Microsites of a photovoltaic solar energy installation



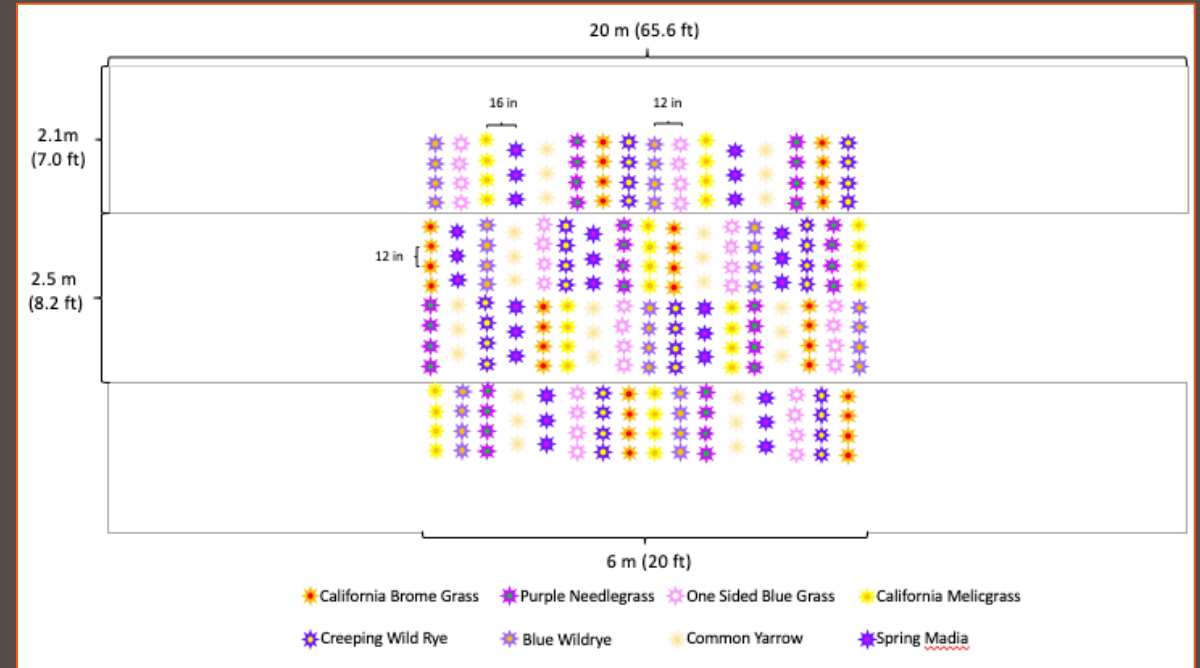


# Treatments and Plant Species

## Monarch Habitat Treatment



## Prairie Habitat Treatment



# Soils, Sequestration, and Salamanders



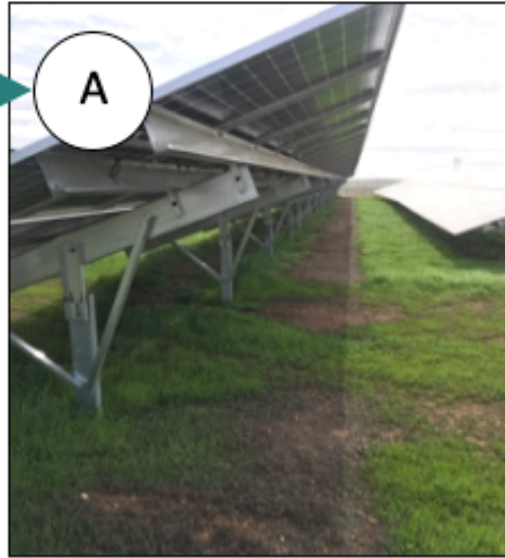
- i. Does ecological restoration in a Central Valley PV solar energy facility improve soil carbon sequestration (e.g., owing to fine root production and melanization) and other indicators of soil quality?
- ii. What impact does conventional site preparation and ecological restoration have on crevices and burrows of the Central Valley California tiger salamander and can this inform habitat restoration for this threatened species?
- iii. What are the perceptions and values of tribal members and tribal-stakeholders towards ecosystem service restoration in a California prairie?

**California ground squirrel (*Otospermophilus beecheyi*) or other mammalian-formed burrow at Rancho Seco that California tiger salamanders (*Ambystoma californiense*) may settle in.**

# Cultural Services



Example of a photo point monitoring node: before (A) and after (B).



Depiction of post-restoration photo point monitoring node (plants would be different).

We will conduct a survey to understand and quantify the role and importance of such restoration efforts on landscape-level aesthetics (i.e., “beautification”), customer satisfaction, corporate responsibility, and the extent to which it serves as a *cultural* ecosystem service.

Cultural ecosystem services are identified as ecosystems providing recreation, aesthetic enjoyment, physical and mental health benefits, and spiritual experiences.



# Stacking Energy Systems & Ecosystems Outcomes

Over the course of four years we anticipate the following outcomes:

- 1) Practical, science-informed guidance on the stacking of ecosystem restoration and PV solar energy development, emphasizing impacts on PV performance;
- 2) High impact scientific research outcomes on PV-restoration interactions, including industry- and policy-relevant knowledge (e.g., native vegetation selection, soil carbon sequestration, listed species implications, tribal engagement) for PV development in the Central Valley of California and beyond;
- 3) Broad-scale quantification of techno-ecological synergies of ecological restoration at solar facilities, and;
- 4) Educational opportunities, outreach activities, and job training.





SACRAMENTO - SAN JOAQUIN

**DELTA** CONSERVANCY

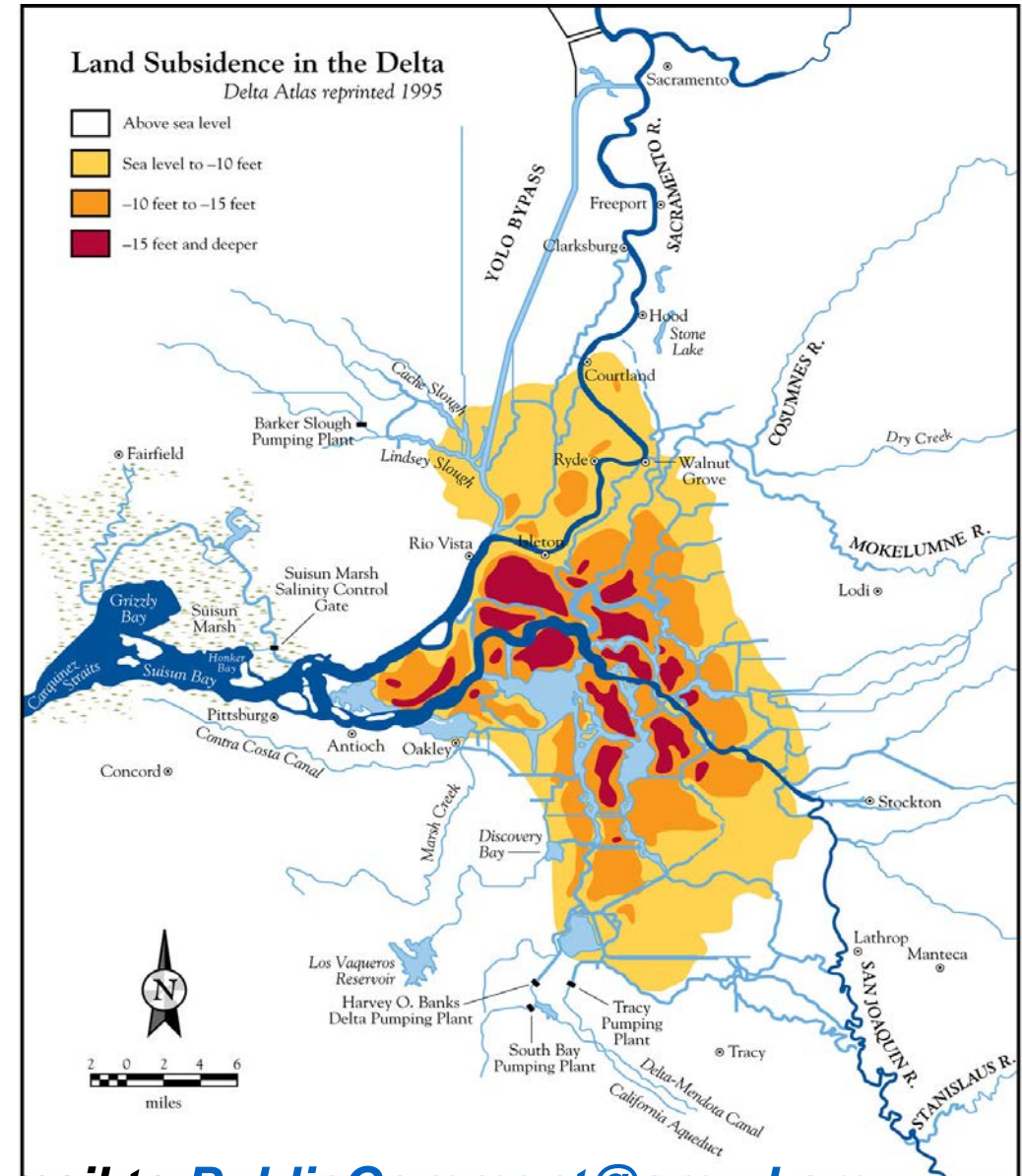
*A California State Agency*

# Update on Land Based Carbon Opportunities in the Sacramento-San Joaquin Delta

[campbell.ingram@deltaconservancy.ca.gov](mailto:campbell.ingram@deltaconservancy.ca.gov)

# Subsidence and Risks

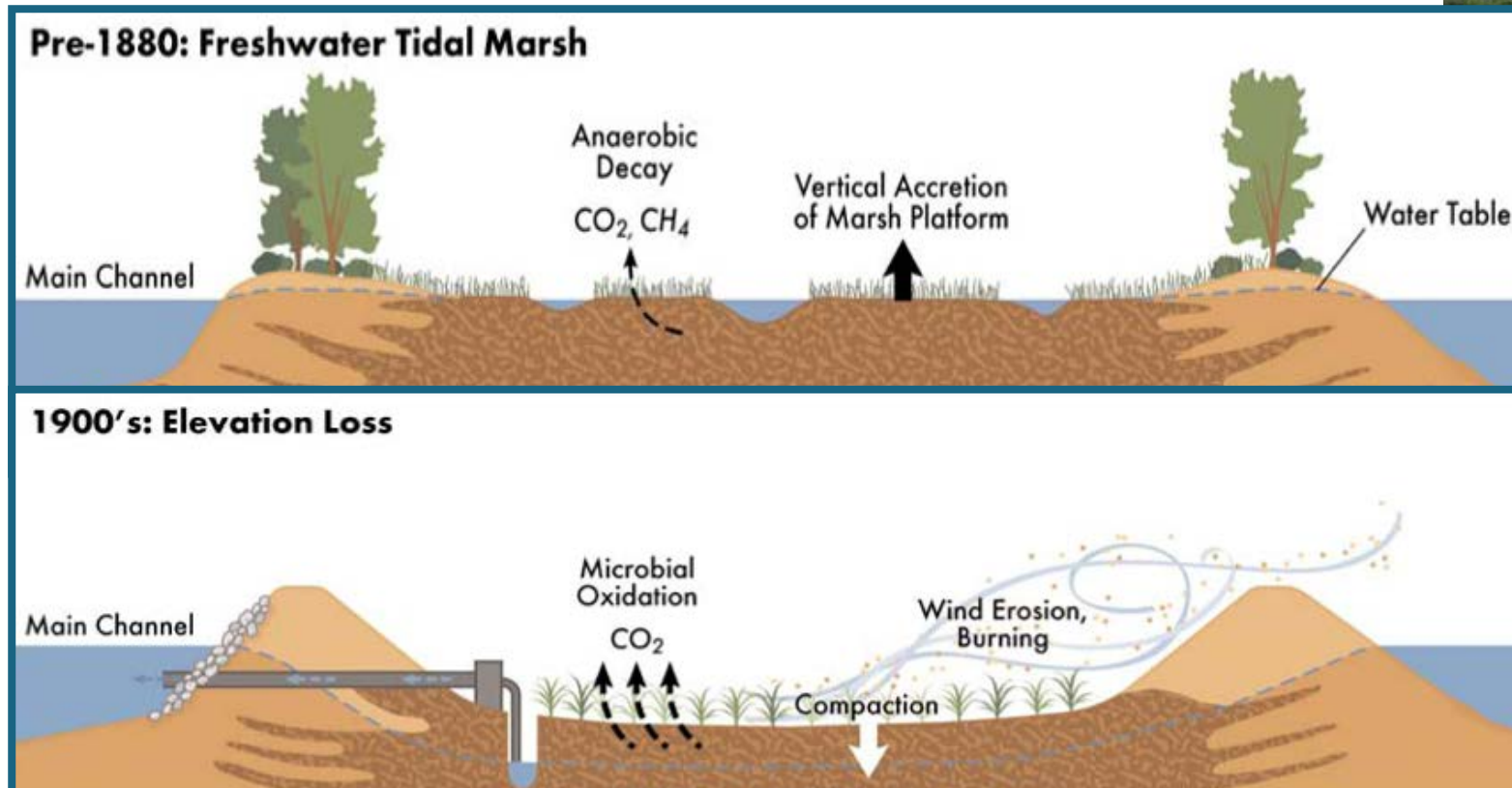
- Subsidence continues at rates ranging from 0.5 to 1.5 inches per year
- Sea levels rising at a rate of about 0.3 inch per year







# Subsidence Process



Board Strategic Development Committee and  
Special SMUD Board of Directors Meeting

**Public comment may be submitted via e-mail to [PublicComment@smud.org](mailto:PublicComment@smud.org)**



# Carbon Emissions Quantified

- Average of 15 metric tons of CO<sub>2</sub> per acre per year
- ~2,000,000 metric tons of CO<sub>2</sub> per year, Delta total
- ~500,000 vehicle equivalent
- Just over 1/4 of CA's total plant-based agriculture carbon emissions



# Greenhouse Gas Emissions Reductions

- ACR Methodology approved in April 2017 – First 3rd party validation/verification in progress for 1,600 acres of wetland
- Ongoing discussions with ARB for eventual inclusion in the compliance program
- Working with public and private landowners to develop pilot projects
- Working with carbon financiers and investors to market resulting carbon credits
- Conservancy receives \$5.2 million for climate resilience work



# Updates

- CNRA Releases the first Climate Smart Land Strategy, and 30X30 Initiative, highlighting the significance of natural and working lands in achieving the State's climate and biodiversity objectives
- Rice cultivation comes to the Delta. Likely 5,000 to 7,000 acres in the coming years
- Public/private partnerships for whole island mosaics (rice, wetland, habitat, high value crops) to manage carbon/subsidence and improve economic viability
- Delta identified as one of two places in the Western US for Carbon Capture Storage

Board Strategic Development Committee and Special SMUD Board of Directors Meeting

**Public comment may be submitted via e-mail to [PublicComment@smud.org](mailto:PublicComment@smud.org)**

**From:** [Rosie Yacoub](#)  
**To:** [Public Comment](#)  
**Subject:** [EXTERNAL] ecosystem services and carbon sequestration in support of regional carbon neutrality and the achievement of SMUD's 2030 Zero Carbon Plan  
**Date:** Tuesday, October 12, 2021 3:11:33 PM

---

**CAUTION:** This email originated from outside of SMUD. Do not click links or open attachments unless you recognize the sender and know the content is safe.

I am supportive of using Land - based carbon sequestration to get multiple land service benefits while reducing atmospheric GHGs. The pollinator corridors additional support a service vital to our agriculture and conservation. I may want to speak to this at the meeting this evening, if I am able to attend.

Thank you,  
Rosie Yacoub

"Wherever I go I seem to be surrounded by fairytales. Business leaders, elected officials all across the political spectrum spending their time making up and telling bedtime stories that soothe us, that make us go back to sleep. These are 'feel-good' stories about how we are going to fix everything. How wonderful everything is going to be when we have 'solved' everything. But the problem we are facing is not that we lack the ability to dream, or to imagine a better world. The problem now is that we need to wake up." – Greta Thunberg



**From:** [Laurie Litman](#)  
**To:** [Public Comment](#)  
**Subject:** [EXTERNAL] Ecosystem services & carbon sequestration  
**Date:** Tuesday, October 12, 2021 6:10:01 PM

---

CAUTION: This email originated from outside of SMUD. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Board,

I am pleased to see you looking at enhancing habitat for pollinators and wildlife. This creative approach to habitat loss and climate change, which also takes into account the natural world, is exciting and should be duplicated everywhere. The biodiversity/extinction crises, pollinator crisis, food security crisis, and climate crisis are all interconnected, and this holistic approach is critical. I also applaud you for NOT including this effort in your Zero Carbon Plan, since there is no guarantee that the habitat and the carbon it sequesters will persist.

Laurie Litman  
President Emerita, 350 Sacramento

**From:** [pknepprath@yahoo.com](mailto:pknepprath@yahoo.com)  
**To:** [Public Comment](#)  
**Cc:** [Rosanna J. Herber](#)  
**Subject:** [EXTERNAL] Strategic Development Committee - ecosystem services and carbon sequestration  
**Date:** Tuesday, October 12, 2021 9:00:46 PM

---

CAUTION: This email originated from outside of SMUD. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Strategic Development Committee -

I was unable to join the strategic development committee session this evening regarding efforts being considered for meeting SMUD's 2030 Zero Carbon Plan.

This work recognizes the importance of expanding large scale renewable sources of electricity but also the importance of maintaining functioning ecosystems. Because we face combined crises related to climate change and biodiversity, it is important that we address both as efficiently as we can.

I am happy to see SMUD undertaking work like this and look forward to learning more about additional projects in the future.

Sincerely,

Paul Knepprath  
3065 E. Curtis Drive  
Sacramento, CA 95818

Sent from my iPhone



# BOARD AGENDA ITEM

## STAFFING SUMMARY SHEET

Committee Meeting & Date  
Strategic Development – 10/12/21

Board Meeting Date  
October 12, 2021 (Special) and  
October 21, 2021

TO					TO								
1.	Gary King				6.								
2.	Frankie McDermott				7.								
3.	Farres Everly				8.								
4.	Scott Martin				9.	Legal							
5.					10.	CEO & General Manager							
Consent Calendar			Yes	X	No <i>If no, schedule a dry run presentation.</i>		Budgeted	X	Yes		No <i>(If no, explain in Cost/Budgeted section.)</i>		
FROM (IPR) Joe Schofield					DEPARTMENT Office of the General Counsel					MAIL STOP B406		EXT. 5446	DATE SENT 10/04/21

**NARRATIVE:**

**Requested Action:** Make determination pursuant to Assembly Bill 361 (AB 361) to continue meetings via virtual (online/teleconference) meeting for the next 30 days.

**Summary:** Pursuant to Executive Order N-29-20 issued on March 17, 2020, and Executive Order N-35-20 issued on March 21, 2020, as well as the Emergency Board Meeting Procedures adopted by this Board via Resolution No. 20-06-08 on June 18, 2020, this Board has conducted regular Board meetings and other public meetings via remote (online/teleconference) meetings.

Executive Order N-08-21 was issued on June 11, 2021, to phase out various Executive Orders issued in response to the COVID-19 (coronavirus) pandemic, including the temporary authority allowing local agency bodies to hold remote meetings under N-29-20. Under this Order, the temporary authority expired on September 30, 2021.

On September 16, 2021, Governor Newsom signed Assembly Bill 361 (AB 361), which became effective immediately upon signature, containing language similar to the Governor's previous Executive Orders that eased Brown Act requirements to allow local agencies to meet remotely. AB 361 allows meetings to continue to be conducted by teleconference, similar to the process used during the current COVID-19 pandemic, but only when there is a declared state of emergency that makes it unsafe to meet in person.

On July 29, 2021, the Sacramento County Public Health Officer issued an Order, effective July 30, 2021, finding the significantly more transmissible Delta variant of the SARS-CoV-2 virus has become the predominant strain in the County of Sacramento, and directing all individuals in the County to wear a face covering indoors in workplaces and public settings regardless of vaccination status. This Order is currently in effect.

It would be impractical to ensure all public meeting attendees are vaccinated and have appropriate face coverings that are worn correctly.

Staff's recommendation is to continue to hold regular Board meetings and other public meetings via solely virtual (online/teleconference) meeting and continue to monitor developments related to the COVID-19 pandemic. Pursuant to AB 361, this Board must make findings every 30 days that conditions warrant continuing to meet virtually instead of in-person.

**Board Policy:** Governance Process GP-3, Board Job Description – j) Take such other actions as may be required by law.  
(Number & Title)

**Benefits:** Making the determination to continue remote meetings will allow for efficient conduct of SMUD business.

**Cost/Budgeted:** Contained in Business Unit budget for internal labor.

**Alternatives:** Take no action and comply with all original Brown Act requirements.

**Affected Parties:** SMUD, Board of Directors, Public

**Coordination:** Executive Office, Board Office, Legal Department, Information Technology, Communications

**Presenter:** Laura Lewis, Chief Legal & Government Affairs Officer

**Additional Links:**

SUBJECT

**Make Determination to Continue Online/Teleconference Meetings (AB 361)**

ITEM NO. (FOR LEGAL USE ONLY)

**6**

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

**RESOLUTION NO. \_\_\_\_\_**

**WHEREAS**, SMUD is committed to preserving public access and participation in meetings of the Board of Directors and to the safety of meeting attendees; and

**WHEREAS**, all meetings of the Board of Directors are open and public, as required by the Ralph M. Brown Act (Gov't Code, §§ 54950-54963) ("Brown Act"), so that any member of the public may attend, participate in, and watch SMUD's governing body conduct its business; and

**WHEREAS**, the newly enacted Government Code section 54953(e) authorizes a local agency's governing body, during a proclaimed state of emergency, to participate in its public meetings using remote teleconferencing without compliance with the requirements of Government Code section 54953(b)(3), under specified conditions; and

**WHEREAS**, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

**WHEREAS**, another condition is that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body determines that meeting in person would present imminent risks to the health and safety of attendees; and

**WHEREAS**, on July 29, 2021, the Sacramento County Health Officer issued an order intended to help limit the spread of COVID-19, and among other things,

required face coverings in indoor public spaces for vaccinated and unvaccinated people alike; and

**WHEREAS**, on September 28, 2021, the Sacramento County Health Officer issued a Teleconferencing Recommendation stating:

Public meetings bring together many individuals (both vaccinated and potentially unvaccinated), from multiple households, in a single indoor space for an extended time. For those at increased risk for infection, or subject to an isolation or quarantine order, teleconferencing allows for full participation in public meetings, while protecting themselves and others from COVID-19.

Utilizing teleconferencing options for public meetings is an effective and recommended social distancing measure to facilitate participation in public affairs and encourage participants to protect themselves and others from COVID-19

; and

**WHEREAS**, under current state of emergency conditions it would be impractical for SMUD to take steps necessary to prevent imminent risks to the health and safety of attendees, such as by holding public meetings outdoors, ensuring public meeting attendees are vaccinated, have appropriate face coverings, and wear them consistent with public health guidance; and

**WHEREAS**, all meetings, agendas, meeting dates, times, and manner in which the public may participate in the public meetings of the SMUD Board and offer

public comment by telephone or internet-based service options including video conference are posted on the SMUD website and physically outside of SMUD's Headquarters Building; and

**WHEREAS**, by Resolution No. 21-10-01 adopted on October 12, 2021, this Board made findings that requisite conditions exist for the SMUD Board to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

**Section 1.** Risks to Health and Safety of Attendees. The Board has reconsidered the circumstances of the state of emergency and hereby finds that the state of emergency continues to directly impact the ability of the members to meet safely in person; the Sacramento County Health Officer has recommended teleconferencing as way to promote social distancing; and holding SMUD Board meetings in person would present imminent risks to the health and safety of attendees.

**Section 2.** Remote Teleconference Meetings. SMUD staff are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution, including conducting open and public meetings in accordance with section 54953(e) and other applicable provisions of the Brown Act.

**Section 3.** Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) November 20, 2021, or (ii) such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time



during which the SMUD Board may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.



SSS No.

E,S,RES 21-07

# BOARD AGENDA ITEM

## STAFFING SUMMARY SHEET

Committee Meeting & Date  
Policy, October 13, 2021Board Meeting Date  
October 21, 2021

TO				TO						
1.	Frankie McDermott			6.	Brandy Bolden					
2.	Jennifer Davidson			7.						
3.	Stephen Clemons			8.						
4.	Claire Rogers			9.	Legal					
5.	Farres Everly			10.	CEO & General Manager					
<b>Consent Calendar</b>		<input checked="" type="checkbox"/>	<b>Yes</b>	<b>No</b> <i>If no, schedule a dry run presentation.</i>		<b>Budgeted</b>	<input checked="" type="checkbox"/>	<b>Yes</b>	<b>No</b> <i>(If no, explain in Cost/Budgeted section.)</i>	
FROM (IPR)				DEPARTMENT				MAIL STOP	EXT.	DATE SENT
Patrick Durham				Energy Delivery and Operations				B203	6327	09/20/2021

**NARRATIVE:****Requested Action:** Accept the monitoring report for Strategic Direction (SD-6), Safety.

**Summary:** Report on the status of Strategic Direction 6 (SD-6) Safety, for safety performance from January through June of 2021. Report addresses safety leadership accomplishments during the first 6 months of the year, current Days Away Restricted Time numbers, and safety opportunities and challenges.

**Board Policy:** This report supports the SD-6 Core Value of Safety by providing a safety performance status.  
*(Number & Title)*

**Benefits:** Provide the scheduled bi-annual monitoring report as requested by the Board of Directors and Executive Staff. The report provides an opportunity to make recommendations or policy revisions, as necessary.

**Cost/Budgeted:** None

**Alternatives:** Provide the Board monitoring report without a presentation.

**Affected Parties:** Board of Directors, Executive Staff

**Coordination:** Organization-wide

**Presenter:** Patrick Durham, Director of Environmental, Safety, and Real Estate Services

**Additional Links:**

SUBJECT

SD-6, Safety Board Monitoring Report

ITEM NO. (FOR LEGAL USE ONLY)

7

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

# SACRAMENTO MUNICIPAL UTILITY DISTRICT

## OFFICE MEMORANDUM

**TO:** Board of Directors

**DATE:** October 5, 2021

**FROM:** Claire Rogers *CR 10/5/21*

**SUBJECT: Audit Report No. 28007345  
Board Monitoring Report; SD-6: Safety Leadership**

Audit and Quality Services (AQS) received the SD-6 *Safety Leadership* first-half 2021 Biannual Board Monitoring Report and performed the following:

- A review of the information presented in the report to determine the possible existence of material misstatements;
- Interviews with report contributors and verification of the methodology used to prepare the monitoring report; and
- Validation of the reasonableness of a selection of the report's statements and assertions.

During the review, nothing came to AQS' attention that would suggest the SD Board Monitoring report did not fairly represent the source data available at the time of the review.

**CC:**

Paul Lau

# Board Monitoring Report 1<sup>st</sup> and 2<sup>nd</sup> Quarters, 2021 Strategic Direction SD-6, Safety



## 1. Background

Strategic Direction SD-6 states that:

Creating a safe environment for employees and the public is a core value of SMUD.

Through best practice methods and continuous improvement, SMUD will be recognized as a leader in employee safety while also assuring the safety of the public related to SMUD operations and facilities. SMUD commits to a proactive approach, including the active involvement of SMUD leadership, employees, contractors, and the community, as well as comprehensive monitoring of organizational and public safety performance.

Therefore, SMUD will continue to improve safety results to:

### Workplace Safety

- a) Reduce SMUD's injury severity incidents to 13 or less than by 2025, as measured by OSHA's Days Away Restricted Time (DART), a rate that demonstrates top quartile safety performance for similar size utilities using the Bureau of Labor Statistics (BLS) work-related safety data.
- b) Provide timely, quality health care for injured employees that aids their recovery while maintaining positive financial performance of the workers' compensation program.

### Contractor Safety

Support contractors to reduce and eliminate potential hazards for Serious Injuries and/or Fatality (SIF) when conducting high risk work.

### Public Safety

- a) Track and report injuries to the public related to SMUD operations or facilities.
- b) Implement measures to protect the public from injuries related to SMUD operations or facilities.

## 2. Executive Summary

**SMUD is in compliance with the SD-6 direction and is in alignment with SMUD's new 5-year strategy of working toward a zero-incident culture.** In the first half of 2021, SMUD met its safety performance targets related to SD-6.

## Workplace Safety

SMUD recorded 25 OSHA Recordables injuries in the first half of 2021. This is a 19% decrease from 2020 (31 OSHA Recordables). Of the 25 injuries, 6 (2 Lost Time & 4 Modified Duty injuries) resulted in a .58 DART rate. One of the 6 DART cases resulted in soft tissue related injuries and all occurred in a field environment. This represents a continued decrease in injuries which is trending downward to meet our 2025 Target (See Appendix A). As compared with the U.S. Bureau of Labor Statistics (BLS), SMUD was below the DART rate for Electrical Power Generation, Transmission and Distribution total DART rate of 0.9 by 0.32 points ([https://www.bls.gov/web/osh/summ1\\_00.htm](https://www.bls.gov/web/osh/summ1_00.htm)).

Quality care of injured employees is measured through the Workers' Compensation program's performance, which is assessed annually by an independent actuary. SMUD continues to have a reduction in claims over the past three years, a reduction in injury frequency rates, and a reduction in indemnity benefits as presented below.

	2018	2019	2020	2021*
<b>No. of Claims (Medical &amp; Indemnity)</b>	120	85	88	59
<b>Incident rate per 100 employees</b>	5.07	3.6	2.3	2.4
<b>Rates per \$100 payroll</b>	.98	.94	.85	.76

\*Preliminary results since the actuarial report will not be finalized until November 2021.

This year has continued to present challenges with COVID-19. COVID -19 hasn't only impacted the way SMUD is getting work done but has also resulted in new and emerging legislation surrounding paid leave and workers' compensation liabilities for COVID related injuries. Despite these challenges SMUD's program remains strong and continues to lead when compared with similarly situated organizations.

## Contractor Safety

Safety has completed 92 contractor site safety field visits through the second quarter. These visits focus on high hazard work performed on SMUD projects focusing on construction safety hazards, such as excavation, working at elevations, and in confined spaces to verify safe working practices by our contractor to reduce the potential for serious injuries or property damage. Contractor reported incidents require an investigation to be completed and typically will warrant additional site safety visits to verify corrective measures have been put into place to reduce further occurrences.

## Public and Community Safety

SMUD tracks public and community incidents in the Safety Incident Tracking System (SITS) involving car-pole, electrical contact, dig-in incidents, and injuries to the public that are related to SMUD's operations or facilities. For the first half of 2021, there have been 145 incidents where the public hit SMUD equipment, with two fatalities from such. Five electrical contacts were reported, resulting in zero fatalities. There have been 41 dig-ins reported with no reported injuries. Zero claims have been filed against SMUD.

### 3. Additional Supporting Information

The new SD-6 Safety Direction became effective February 2021. Our goal is to achieve the desired performance objectives by year-end 2025. This report summarizes the first half of 2021 safety performance.

**Safety Leadership.** The Safety Team continues with its integration efforts to support Executive Leadership's 5-year plan that emphasized zero incidents and injuries and a focus on a zero-accident safety culture. SMUD's Chief Executive Officer (CEO) Paul Lau, re-emphasized the need to improve safety at SMUD with a greater focus of developing a "Safety for Life" culture at SMUD, reducing the risk of serious injuries and fatalities, implementing a safety management system, and improving the analysis of injury and incident trends. These goals are outlined in SMUD's new Safety Road Map.

**Safety Management System.** Three applications within the Safety Management System have been activated this year. They include Inspection Tool, Safety Risk Assessment, and Compliance Calendar. Job aids and training are complete, and all three applications are now in use. Three additional applications are on schedule for activation during the 4<sup>th</sup> quarter of 2021. These include Concern Reporting, Safety Observations, and Ergonomics. Once activated and utilized, new safety dashboards and reports will be made available.

**Safety Standards Development.** During 2021, the Safety Team continued their efforts to improve the process to be used to route new or updated Health & Safety Standards to appropriate Directors for review. The recently obtained SMS "Doc Manager" application will be used for this process. Affected Directors will begin receiving requests in mid to late September 2021.

**Supervisor-Employee Interactions.** Safety staff updated and strengthened its supervisor-employee interaction quality program. Improvements included data governance definitions for Supervisor-Employee Interactions, Safety Contacts, Field and Office visits. Emphasis is placed on field visits for work with the highest hazard potential. For office personnel, an emphasis is placed on observing personnel pertaining to ergonomic risk, and slip/trip/fall hazards in walking areas. During the first half of 2021, a total of 8,663 Supervisor-Employee interactions were complete that resulted in a 166% percentage observed.

**Near Miss Reporting.** Leadership continues to support and encourage near miss reporting. The process improvements that were initiated in SMUD's Safety Incident Tracking System (SITS), provide a method to more effectively track and implement near miss reporting and public incident tracking. The goal of this process is to identify opportunities for learning before injuries and accidents occur. During the first six months of this year, SMUD reported and investigated 32 near misses through SITS.

**Contractor Safety.** SMUD continues to use the ISN system to evaluate our contractor's safety record and safety program. The Contractor Safety program initially focused on SMUD contractors in Power Generation and Environmental Services and has expanded to include Line, Substation, and Vegetation management contractors that perform high risk work, such as high voltage work, working at heights, vegetation management, confined spaces, excavations, etc.

SMUD currently has 70 contractors in the ISN system. We continue to network and benchmark with the other utilities, who are using ISN as part of their contractor safety program to further enhance SMUD's process. During the past year we have expended our site safety evaluations performed on our high-risk contractors validate safety performance on the jobsites. Through Q2 of 2021, 92 site safety evaluations were completed, and we are on track to hit the 125-evaluation end of year target. We are also continuing to validate our pre-qualification criteria for contractor selection. SMUD's pre-qualification criteria focuses on Contractor Fatality History, OSHA Citation History, DART and Total Recordable Incident Rates (TRIR), Insurance Experience Ratio, Safety Culture Questions, and Safety Program Review.

In addition, SMUD Procurement and Safety have partnered together working on enhancing contract language as it relates to contractor safety requirements, Request for Proposal (RFP) templates for high-risk work and incorporating contractor safety as part of the onboarding process.

**Safely Conducted Observations Reduce Common Hazards (SCORCH).** For the first half of 2021, SCORCH team members conducted 2,052 Office and Professional interactions and 1,308 Field employee interactions. These interactions resulted in the removal of 5 barriers to employee safety. The virtual self-observation format continues to be the most effective way of maintaining observation engagement among office employees that work remotely. Virtual self-observations elevated the employee/process partnership for leading indicator data being promptly communicated and shared with key stakeholders for improvements made to the remote worker environment.

A communication plan related to steps for minimizing "eye strain" was implemented to foster a positive change in behavior. Field employees were provided action plans for addressing the ergonomic behavior of "awkward posture" tied to employees performing PC/desk related tasks more commonly from the cab of their SMUD vehicle. A smart workstation setup, performing routine stretch breaks, combined with an awareness for frequency and duration of task or static posture, proved to move employee behavior in a



positive direction in minimizing risk. A new virtual self-observation data sheet is now being utilized by field employees and yielding encouraging feedback and results.

#### **4.0 Challenges**

**COVID-19 and Vaccination Guidance.** The challenge for Safety this year continues to be COVID-19. SMUD safety, People, Services, & Strategies, Emergency Planning, Facilities and Communications worked to develop new COVID-19 guidance and testing programs to protect employees, contractors, and the public. These efforts resulted in one work-related COVID-19 exposure and limited absenteeism to our employees.

**Data Management.** Improving the quality, automation, and use of safety data is an ongoing challenge. SMUD Safety and IT has selected the GenSuite Safety Management System (SMS) to automate the generation of data so that we can trend recorded incidents using data analytics. In addition, Safety expanded its dashboard reporting and real-time DART, OSHA Recordable, and Preventable Vehicle Accident (PVA) reporting. The new SMS will also allow improved data management of employee suggestions, correction action closure rates, and tailboard status.

**Chronic Muscular Injuries.** As presented in this report, SMUD continues to work toward a reduction in all incidents. During the past 6 months, SMUD leadership and employees have worked together to build trust and create a new JLMSC Team format, SCORCH (behavior-based) Committees, Safety for Life efforts, contractor safety field visits, and standards/programs. In addition, SMUD has worked closely with contractors conducting high risk work to support the reduction of injuries and incidents to their employees and subcontractors. During the second half of 2021, SMUD is focusing on its field ergonomic program with Line and Power Generation.

#### **5. Recommendation**

SMUD is committed to becoming a recognized leader in safety. Both SMUD's leadership team and employees recognize that to achieve success we must integrate safety into all that we do. It is recommended that the Board accept the Monitoring Report for SD-6.

#### **6. Appendices - Business Segment Safety Program Improvement Initiatives**

**Energy Delivery and Operations (EDO).** Grid Assets leadership is continuing its approach, to encourage field staff input and participation on work group specific Joint Labor Management Safety Committees (JLMSC), with representatives from Field, Supervision, Union, and Safety in attendance. The Quarterly Business Segment JLMSC has been expanded to an "All field teams' approach" at SMUD, which allows for the sharing of ideas and mitigation controls, for similar risks. The first meeting was held

on June 3, 2021, via Teams, due to COVID-19 impacts. The response from participants has been positive and the value is being recognized in improved communication of safety among all teams.

In 2021, SMUD had one Serious In Injury and/or Fatality (SIF) and one Potential Serious Injury and/or Fatality (PSIF), in the first 6 months of 2021. With these incidents, the Safety Team uses a root cause analysis to identify the causal factors for these types of incidents. This software has been synced with the SMS program, including the “Action Tracking System” (ATS) application, to record and track identified corrective actions, to reduce workplace hazards and the potential for repeat incidents.

Safety has continued working with the SMUD Power Academy, through the COVID pandemic, to review internal and external safety training programs, to ensure continued consistency and quality. An example of this collaboration and teamwork is the rollout of the updated Wildfire Smoke Training. The Safety Team has also augmented this program with additional Purple Air sensors; hand-held “real-time” sensors, to be used by field crews (when internet is inaccessible); vehicle air cleaners; updated Air Quality Index (AQI) response guidelines; and a fillable tailboard supplement.

The Safety Team has continued to provide required safety trainings to field employees, which have smaller maximum capacity limits, due to the COVID-19 social distancing requirements. This includes creating social distancing floor plans for these trainings, providing signage, temperature stations, sanitization, PPE, and other support, as needed.

The Safety for Life events scheduled for 2021 were again postponed due to COVID-19. To ensure the Safety for Life culture continues to evolve during this time of social distancing and remote work, more emphasis will be placed on Safety for Life communications and testimonials. In 2021, Safety re-branded its publications and content to emphasize our Safety for Life culture at SMUD. Safety will be partnering with Red Cross to offer virtual classes in quarter four to SMUD employees. The classes will consist of a Be Red Cross Ready emergency preparedness class and an educational compression only CPR class. In addition, Safety hosted two driving rodeos this year and conducts vehicle ergo inspections as needed. Safety for Life Sparky’s Crew for SMUD children has continued throughout the pandemic.

During 2021, Wellness activities are designed and modified to support all employees, including those working remotely, through virtual wellness programs and activities. These activities focused on improving overall health, by providing on-line stretch breaks, workouts, eating healthy seminars and cooking demos to support physical health. Educational and awareness webinars help supported mental and emotional health, by providing resources and coping mechanisms to address stress and changes in lifestyle.

Health & Wellness realizes the environments in which we live, work and play, impacts our well-being. SMUD efforts includes employees and their families by empowering

individuals to promote and model positive attitudes and behaviors through a lifelong commitment to wellness.

**Zero Carbon Energy Solutions (ZCES).** Since the beginning of the COVID-19 Pandemic, Power Generation has been flexible in their response to be able to prioritize employee safety while also ensuring that the work is completed. The UARP increased work planning efforts to isolate crews and document work routes in case contact tracing is needed. Gas Pipeline began reporting directly to the field to limit employee to employee contact. Safety meetings including Joint Labor Management Safety Committee, Tailboards, Safety Meetings and Safety Training, including annual crew training, have continued with appropriate modifications to occur virtually, or when an in-person meeting is required social distancing and facial coverings are utilized.

Power Generation employees continued with their Savvy FIT Daily Dozen for soft tissue injury reduction. As a result, soft tissue injuries continue to trend down.

In addition to the COVID-19 Pandemic, Power Generation has also responded to extreme high heat and wildfire smoke events. Work was planned to ensure that employees able to reduce or eliminate potential exposures. Then, on August 17, Hydro Operations at Fresh Pond came under mandatory evacuation orders due to the fast-spreading Caldor Fire. Crews quickly moved vehicles and other equipment to White Rock Powerhouse and moved snow removal equipment from Riverton Yard to the shores of Union Valley Reservoir. Those who could not work from home reported daily to White Rock Powerhouse. Air scrubbers were deployed in areas where employees were working as AQI levels were frequently above 500. Evacuation orders were lifted on September 7. Prior to repopulating the Fresh Pond campus, Power Generation leadership had the campus cleaned of ash and debris, and deployed air scrubbers in all areas to eliminate the smoke.

Although Cal/OSHA's Voluntary Protection Program (VPP) program has been limited in its scope and participation due to the COVID-19 pandemic, both the UARP and Gas Pipeline Operations (GPO) continue to pursue best in class improvements. The UARP continues to provide periodic updates to Cal/OSHA on their VPP Certified status and they are preparing for their annual audit. GPO continues to meet and prepare for the Cal/OSHA audit that is hopeful to be scheduled for early 2022 due to COVID-19 restrictions.

Power Generation also completed the purchase of Chili Bar Powerhouse from PG&E in June 2021. Safety inspections were completed by labor, management, engineering, and safety as soon as we took possession. There were 43 safety deficiencies noted, most of which have been resolved to bring the plant to SMUD's high standards.

**Customer & Community Services (CCS).** Safety worked with CCS and Security to safely re-open the CSC lobby and re-start selected programs by identifying and implementing appropriate COVID-19 controls to protect employees, contractors, and the public. Business processes were reviewed for potential risk and modified based on the COVID-19 guidance that Safety has provided to the enterprise.

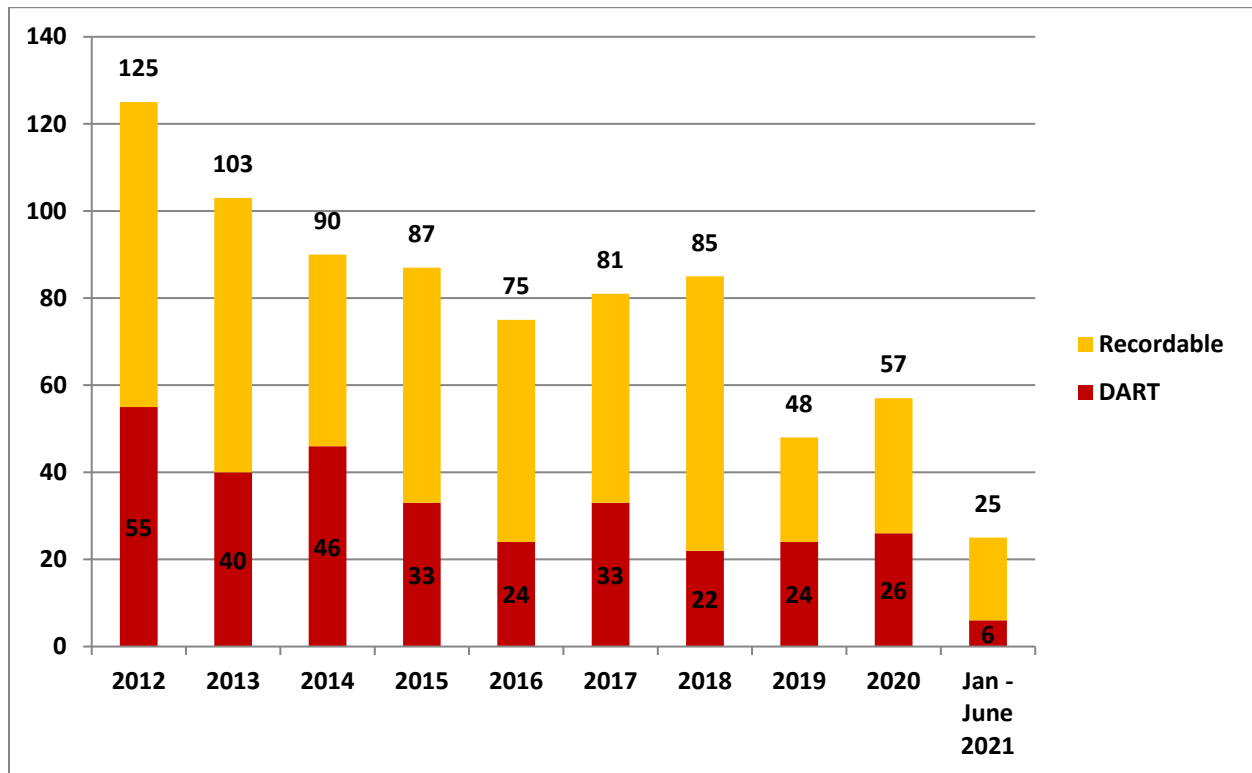
**Corporate Financial and Administrative Services (CFAS).** Facilities and Safety have partnered on the re-entry efforts to ensure current and future workspaces, signage, physical distancing, use of barriers, and cleaning and disinfecting controls are in place and operating affectively. Security Operations has taken an active role in the re-opening of the lobby by coordinating with both Safety and CCS.

Warehouse has implemented controls to limit COVID-19 exposures in the tool room by having their customers call-in for requests while remaining outside to support social distancing efforts. During days with hazardous air quality conditions, the warehouse provides readily available N95 respirators and vehicle air cleaners. Fleet has mitigated COVID-19 exposures by performing vehicle wipe-downs and disinfecting each vehicle before servicing. To address concerns of hazardous air quality in vehicles, Fleet provided an updated list of SMUD vehicles without in-cabin air filters to help determine the need of requesting a portable vehicle air cleaner from the Warehouse. The Safety Team has encouraged all field forces to integrate their Monthly Vehicle Inspections into SMS through the Inspection Tool application for easy access and documentation. The Procurement, Warehouse, and Fleet (PWF) team continues to focus on the health and safety of their team members, of their customers, and of their families in support of SMUD's North Star strategic plan—Be Safe. Always.

**Driver Safety.** In 2021 the approach to Driver Safety was significantly adjusted due to the impacts of COVID-19. In-cab and in-person instruction and ride along activities such as Supervisor Ride-a-longs were halted to prevent possible COVID-19 exposure. The van pool program was also suspended for the same reason. Additional adjustments for 2021 include the development and implementation of “virtual” defensive driving refresher training that covers Smith System techniques as well as SMUD related information. Drivers will be offered the opportunity to take the behind the wheel portion of the training when it can be performed safely. Revised refresher training is available through LMS now. Driving Rodeos have resumed with Covid-19 safety protocols in place. Additional educational information in the form of brief PowerPoint Presentations covering various vehicle related topics have been made available on the Health and Safety SharePoint site for the use of business unit supervisors when conducting safety meetings.

## Appendix A

### DART Count and OSHA Recordable 2012-2021



RESOLUTION NO. \_\_\_\_\_

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

This Board accepts the monitoring report for **Strategic Direction SD-6, Safety Leadership**, substantially in the form set forth in **Attachment \_\_\_\_** hereto and made a part hereof.



SSS No.
SCS-21-224

# BOARD AGENDA ITEM

## STAFFING SUMMARY SHEET

Committee Meeting & Date Finance & Audit October 19, 2021
Board Meeting Date October 21, 2021

TO					TO				
1.	Robert Adams				6.	Jennifer Davidson			
2.	Richard Oberg				7.	Lora Anguay			
3.	Ed Hamzawi				8.	Scott Martin			
4.	Casey Fallon				9.	Legal			
5.	Gary King				10.	CEO & General Manager			

<b>Consent Calendar</b>	x	<b>Yes</b>		<b>No</b> <i>If no, schedule a dry run presentation.</i>	<b>Budgeted</b>	x	<b>Yes</b>		<b>No</b> <i>(If no, explain in Cost/Budgeted section.)</i>
FROM (IPR) Jesse Mays				DEPARTMENT Advanced Energy Solutions				MAIL STOP EA404	EXT. 5744
								DATE SENT 10/1/2021	

**NARRATIVE:**

**Requested Action:** Authorize the Chief Executive Officer and General Manager to award a contract to AECOM Technical Services, Inc. (AECOM) for Commercial Electric Vehicle Charging as a Service for a three-year term, from October 25, 2021, to October 25, 2024, for a not-to-exceed amount of \$3,600,000.

**Summary:** Request for Proposals (RFP) No. Doc2881578904 was issued in April 2021 to solicit qualified firms to provide commercial electric vehicle (EV) advisory services, electrical engineering/design services, and project management services, as well as EV Charger network and hardware and ongoing maintenance, to support SMUD's new Charging as a Service (CaaS) Program. A pre-proposal conference was held on April 13, 2021, of which fifteen vendors attended. On June 9, 2021, five proposals were received and evaluated in accordance with the advertised criteria.

**Board Policy:** Board-Staff Linkage BL-8, Delegation to the Chief Executive Officer and General Manager with Respect to Procurement; Strategic Direction SD-7, Environmental Leadership; Strategic Direction SD-10, Innovation; Strategic Direction SD-13, Economic Development

**Recommendation:** Award to the Highest Evaluated Responsive Proposer.

Award to:

AECOM Technical Services, Inc.
2020 L Street, Suite 400
Sacramento, CA 95811

Proposers Notified by Procurement: 98

Proposers Downloaded: 33

Pre-Proposal Conference Attendance: 15

Proposals Received: 5



Responsive Proposals Received	P/F	SEED	Technical	Pricing	Total Score	Overall Rank	Proposal Amount	Evaluated Proposal Amount	Proposed Award Amount
		10 Points	70 Points	20 Points					
AECOM Technical Services, Inc.	P	10.00	63.90	14.29	88.19	1	\$3,614,916.66	\$3,483,871.03	\$3,600,000
Brighton Energy Inc.	P	10.00	57.83	20.00	87.83	2	\$2,620,912.60	\$2,489,866.97	
Cleantek Electric Inc.	P	1.79	48.23	12.10	62.12	3	\$4,121,720.70	\$4,114,342.82	
Itron, Inc.	P	-	54.28	6.17	60.44	4	\$8,077,159.78	\$8,077,159.78	
L&T Technology Services	P	10.00	27.73	14.45	52.17	5	\$3,577,612.20	\$3,446,566.57	

**Comments:** This Contract includes non-standard SMUD contract terms. SMUD staff including Risk and Legal negotiated and accepted the non-standard terms that are included in the following sections of the contract:

- [Section 10.A, Intellectual Property](#)
- [Section 12.D, Representations and Warranties](#)
- [Section 13.A, Indemnification of SMUD](#)
- [Section 15.C, Contractor's Obligation Upon Termination](#)
- [Appendix – Insurance Requirements](#)

Supplier Diversity Program: Type below see sample below.

The highest ranked proposer, AECOM Technical Services, Inc. is not a SEED vendor. AECOM has proposed to self-perform 25% of this work and subcontract 20.9% to SEED verified vendors, and 54.1% to non-SEED vendors.

**Benefits:** Awarding a contract to AECOM Technical Services, Inc. will provide SMUD with a highly qualified firm to support SMUD's new Charging as a Service Program.

**Cost/Budgeted:** \$3,600,000; Budgeted for 2021 through 2024 by Advanced Energy Solutions, Customer Delivery

**Alternatives:** Alternative 1) Break up the scope and solicit contracts for the individual categories of service. This option would require additional SMUD resources to manage the contracts. Alternative 2) Solicit a contract that includes all services including EVSE installation and construction. By separating the services and construction contracts SMUD can secure more than one construction contracts which will mitigate the risk of labor demands affecting this program.

**Affected Parties:** Advanced Energy Solutions, Supply Chain Services, and Contractor.

**Coordination:** Advanced Energy Solutions and Jillian Rich, and Supply Chain Services.

**Presenter:** Ed Hamzawi, Director, Advanced Energy Solutions

**Additional Links:**

SUBJECT

**Commercial Electric Vehicle Charging as a Service (CaaS) Contract Award**

ITEM NO. (FOR LEGAL USE ONLY)

**8**

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

**RESOLUTION NO. \_\_\_\_\_**

**WHEREAS**, in April 2021, SMUD issued Request for Proposal No. Doc2881578904 (RFP) to solicit qualified firms to provide commercial electric vehicle (EV) advisory services, electrical engineering/design services, and project management services, as well as EV Charger network and hardware and ongoing maintenance to support SMUD's new Charging as a Service (CaaS) Program; and

**WHEREAS**, a pre-proposal conference was held on April 13, 2021, with 15 vendors in attendance; and

**WHEREAS**, five proposals submitted in response to the RFP were evaluated; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

**Section 1.** As a result of such examination, **AECOM Technical Services, Inc. (AECOM)** is hereby determined and declared to be the highest evaluated responsive proposer to provide commercial electric vehicle charging as a service over the next three years.

**Section 2.** The Chief Executive Officer and General Manager, or his designee, is authorized, on behalf of SMUD, to award a contract to **AECOM** to provide commercial electric vehicle charging as a service for a three-year term from October 25, 2021, to October 25, 2024, for a not-to-exceed amount \$3,600,000.

**Section 3.** The Chief Executive Officer and General Manager, or his designee, is authorized to make future changes to the terms and conditions of the contract that, in his prudent judgment: (a) further the primary purpose of the contract; (b) are intended to provide a net benefit to SMUD; and (c) do not exceed the authorized contract amount and applicable contingencies.



SSS No.  
HRS 21-006

## BOARD AGENDA ITEM STAFFING SUMMARY SHEET

Committee Meeting & Date  
Finance & Audit – October 19, 2021  
Board Meeting Date  
October 21, 2021

TO				TO									
1.	Casey Fallon			6.	Lora Anguay								
2.	Jason Shibata			7.	Scott Martin								
3.	Laurie Rodriguez			8.									
4.	Gary King			9.	Legal								
5.	Jennifer Davidson			10.	CEO & General Manager								
Consent Calendar		X	Yes	No If no, schedule a dry run presentation.		Budgeted		X	Yes	No (If no, explain in Cost/Budgeted section.)			
FROM (IPR) Andrew McDermott				DEPARTMENT Supply Chain Services				MAIL STOP EA404		EXT. 6383		DATE SENT 09/08/2021	
<b>NARRATIVE:</b>													
<p><b>Requested Action:</b> a) Approve contract change to Contract No. 4500110473 with United Health Care Insurance Company (“United HealthCare”) approving 2022 medical insurance premium rates and extending the contract by one year for the period January 1, 2022, through December 31, 2022; 2022 cost estimated at \$37.4 million.</p> <p>b) Approve contract change to Contract No. 4500043215 with Kaiser Permanente approving 2022 medical insurance premium rates and extending the contract by one year for the period January 1, 2022, through December 31, 2022; 2022 cost estimated at \$29.3 million.</p> <p><b>Summary:</b> United HealthCare presented SMUD with a renewal increase for the 2022 plan year of 5.39% for our active employee, pre-65 retiree and Medicare Advantage medical plans. Based on these rates and current enrollment, the total cost for 2022 medical benefit plans is projected at \$37.4 million.</p> <p>Kaiser Permanente presented SMUD with renewal increases for the 2022 plan year of 5.15% for our active employee, pre-65 retiree and Medicare Advantage medical plans. Based on these rates and current enrollment, the total cost for 2022 medical benefit plans is projected at \$29.3 million.</p> <p>These actions will allow SMUD to provide medical benefit plans for the year 2022 to approximately 9,000 employees, retirees, and eligible dependents enrolled in United HealthCare and Kaiser Permanente medical plans in the most cost-effective manner.</p> <p>Note: The estimated costs above will vary based on 2022 employee/retiree Open Enrollment selections and SMUD population.</p> <p><b>Board Policy:</b> SD-3, Access to Credit Markets. SMUD staff negotiated best price and terms with medical providers in consideration of the long-term revenue requirements, debt, and financial risk to SMUD.</p> <p>(Number &amp; Title)</p> <p>SD-8, Employee Relations. Providing medical benefits to employees supports SMUD’s goal of an inclusive workplace that engages and inspires employees to commit to SMUD’s purpose, vision, and values.</p> <p><b>Benefits:</b> Provide quality medical benefits to eligible SMUD employees, retirees and eligible dependents.</p> <p><b>Cost/Budgeted:</b> Assuming current enrollment, SMUD’s share of cost is projected at \$58.7 million (after employee/retiree contributions).</p> <p><b>Alternatives:</b> Not accept the proposed rate increases; consider other alternatives to meet SMUD obligations.</p> <p><b>Affected Parties:</b> All eligible SMUD employees, retirees and eligible dependents participating in SMUD’s medical benefit plans.</p>													

**Coordination:** People Services & Strategies, Procurement, United HealthCare and Kaiser Permanente.

**Presenter:** Laurie Rodriguez, Director, People Services & Strategies

**Additional Links:**

SUBJECT

**\* Approve medical premiums and extend contract with United HealthCare and Kaiser Permanente for the period of Jan. 1, 2022 to Dec. 31, 2022**

ITEM NO. (FOR LEGAL USE ONLY)

**9a**

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

**RESOLUTION NO. \_\_\_\_\_**

**WHEREAS**, by Resolution No. 18-07-03, adopted July 19, 2018, this Board authorized a contract with **United Health Care Insurance Company (United HealthCare)** to provide administration of SMUD's medical benefits for an initial three-year period from January 1, 2019, to December 31, 2021, to SMUD employees, retirees and eligible dependents; and

**WHEREAS**, by Resolution No. 19-10-06, adopted October 17, 2019, this Board approved 2020 premiums through December 31, 2020; and

**WHEREAS**, by Resolution No. 20-09-05, adopted September 17, 2020, this Board approved 2021 premiums through December 31, 2021; and

**WHEREAS**, it would be in SMUD's best interest to extend the medical benefit contract with **United HealthCare** and approve the 2022 premiums through December 31, 2022, because of their distinctive services and relatively lower cost compared to other health plans; **NOW, THEREFORE,**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

**Section 1.** The Chief Executive Officer and General Manager, or his designee, is authorized, on behalf of the SMUD, to approve 2022 medical insurance rates and extend Contract No. 4500110473 with **United Health Care Insurance Company by** one year, for the period January 1, 2022, through December 31, 2022; 2022 cost estimated at \$37.4 million pursuant to the premiums set forth in **Attachment \_\_\_\_** hereto and made a part hereof.

**Section 2.** The Chief Executive Officer and General Manager, or his designee, is authorized to make future changes to the terms and conditions of the

contract that, in his prudent judgment: (a) further the primary purpose of the contract;  
(b) are intended to provide a net benefit to SMUD; and (c) do not exceed the authorized  
contract amounts and applicable contingencies.





SSS No.  
HRS 21-006

## BOARD AGENDA ITEM STAFFING SUMMARY SHEET

Committee Meeting & Date  
Finance & Audit – October 19, 2021  
Board Meeting Date  
October 21, 2021

TO				TO									
1.	Casey Fallon			6.	Lora Anguay								
2.	Jason Shibata			7.	Scott Martin								
3.	Laurie Rodriguez			8.									
4.	Gary King			9.	Legal								
5.	Jennifer Davidson			10.	CEO & General Manager								
Consent Calendar		X	Yes	No If no, schedule a dry run presentation.		Budgeted		X	Yes	No (If no, explain in Cost/Budgeted section.)			
FROM (IPR) Andrew McDermott				DEPARTMENT Supply Chain Services				MAIL STOP EA404		EXT. 6383		DATE SENT 09/08/2021	
<b>NARRATIVE:</b>													
<p><b>Requested Action:</b> a) Approve contract change to Contract No. 4500110473 with United Health Care Insurance Company (“United HealthCare”) approving 2022 medical insurance premium rates and extending the contract by one year for the period January 1, 2022, through December 31, 2022; 2022 cost estimated at \$37.4 million.</p> <p>b) Approve contract change to Contract No. 4500043215 with Kaiser Permanente approving 2022 medical insurance premium rates and extending the contract by one year for the period January 1, 2022, through December 31, 2022; 2022 cost estimated at \$29.3 million.</p> <p><b>Summary:</b> United HealthCare presented SMUD with a renewal increase for the 2022 plan year of 5.39% for our active employee, pre-65 retiree and Medicare Advantage medical plans. Based on these rates and current enrollment, the total cost for 2022 medical benefit plans is projected at \$37.4 million.</p> <p>Kaiser Permanente presented SMUD with renewal increases for the 2022 plan year of 5.15% for our active employee, pre-65 retiree and Medicare Advantage medical plans. Based on these rates and current enrollment, the total cost for 2022 medical benefit plans is projected at \$29.3 million.</p> <p>These actions will allow SMUD to provide medical benefit plans for the year 2022 to approximately 9,000 employees, retirees, and eligible dependents enrolled in United HealthCare and Kaiser Permanente medical plans in the most cost-effective manner.</p> <p>Note: The estimated costs above will vary based on 2022 employee/retiree Open Enrollment selections and SMUD population.</p> <p><b>Board Policy:</b> SD-3, Access to Credit Markets. SMUD staff negotiated best price and terms with medical providers in consideration of the long-term revenue requirements, debt, and financial risk to SMUD.</p> <p>(Number &amp; Title)</p> <p>SD-8, Employee Relations. Providing medical benefits to employees supports SMUD’s goal of an inclusive workplace that engages and inspires employees to commit to SMUD’s purpose, vision, and values.</p> <p><b>Benefits:</b> Provide quality medical benefits to eligible SMUD employees, retirees and eligible dependents.</p> <p><b>Cost/Budgeted:</b> Assuming current enrollment, SMUD’s share of cost is projected at \$58.7 million (after employee/retiree contributions).</p> <p><b>Alternatives:</b> Not accept the proposed rate increases; consider other alternatives to meet SMUD obligations.</p> <p><b>Affected Parties:</b> All eligible SMUD employees, retirees and eligible dependents participating in SMUD’s medical benefit plans.</p>													

**Coordination:** People Services & Strategies, Procurement, United HealthCare and Kaiser Permanente.

**Presenter:** Laurie Rodriguez, Director, People Services & Strategies

**Additional Links:**

SUBJECT

**\* Approve medical premiums and extend contract with United HealthCare and Kaiser Permanente for the period of Jan. 1, 2022 to Dec. 31, 2022**

ITEM NO. (FOR LEGAL USE ONLY)

**9b**

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

**RESOLUTION NO. \_\_\_\_\_**

**WHEREAS**, by Resolution No. 11-09-03, adopted September 1, 2011, this Board authorized a contract with **Kaiser Permanente (Kaiser)** to provide medical benefits for the year 2012 to SMUD employees, retirees and eligible dependents; and

**WHEREAS**, by Resolution No. 12-09-03, adopted September 6, 2012, this Board authorized an extension of the **Kaiser** contract to provide medical benefits for the year 2013 to SMUD employees, retirees and eligible dependents; and

**WHEREAS**, by Resolution No. 13-09-04, adopted September 5, 2013, this Board authorized an extension of the **Kaiser** contract to provide medical benefits for the year 2014 to SMUD employees, retirees and eligible dependents; and

**WHEREAS**, by Resolution No. 14-08-09, adopted August 21, 2014, this Board authorized an extension of the **Kaiser** contract to provide medical benefits for the year 2015 to SMUD employees, retirees and eligible dependents; and

**WHEREAS**, by Resolution No. 15-09-04, adopted September 3, 2015, this Board authorized an extension of the **Kaiser** contract to provide medical benefits for the year 2016 to SMUD employees, retirees and eligible dependents; and

**WHEREAS**, by Resolution No. 16-10-03, adopted October 6, 2016, this Board authorized an extension of the **Kaiser** contract to provide medical benefits for the year 2017 to SMUD employees, retirees and eligible dependents; and

**WHEREAS**, by Resolution No. 17-09-04, adopted September 21, 2017, this Board authorized an extension of the **Kaiser** contract to provide medical benefits for the year 2018 to SMUD employees, retirees and eligible dependents; and

**WHEREAS**, by Resolution No. 18-07-04, adopted July 19, 2018, this Board authorized an extension of the **Kaiser** contract to provide medical benefits for the year 2019 to SMUD employees, retirees and eligible dependents; and

**WHEREAS**, by Resolution No. 19-10-07, adopted October 17, 2019, this Board authorized an extension of the **Kaiser** contract to provide medical benefits for the year 2020 to SMUD employees, retirees and eligible dependents; and

**WHEREAS**, by Resolution No. 20-09-06, adopted September 17, 2020, this Board authorized an extension of the **Kaiser** contract to provide medical benefits for the year 2021 to SMUD employees, retirees and eligible dependents; and

**WHEREAS**, it would be in SMUD's best interest to extend the medical benefit contract with **Kaiser** and approve the 2022 premiums through December 31, 2022, because of their distinctive services and relatively lower cost compared to other health plans; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

**Section 1.** The Chief Executive Officer and General Manager, or his designee, is authorized, on behalf of the SMUD, to approve 2022 medical insurance rates and extend Contract No. 4500043215 with **Kaiser Permanente** by one year, for the period January 1, 2022, through December 31, 2022; 2022 cost estimated at \$29.3 million pursuant to the premiums set forth in **Attachment \_\_\_\_** hereto and made a part hereof.

**Section 2.** The Chief Executive Officer and General Manager, or his designee, is authorized to make future changes to the terms and conditions of the contract that, in his prudent judgment: (a) further the primary purpose of the contract;

(b) are intended to provide a net benefit to SMUD; and (c) do not exceed the authorized contract amounts and applicable contingencies.



SSS No. SCS 21-232

# BOARD AGENDA ITEM

## STAFFING SUMMARY SHEET

Committee Meeting & Date  
Finance & Audit – 10/19/21Board Meeting Date  
October 21, 2021

TO					TO								
1.	Tasha Crawford				7.	Jennifer Davidson							
2.	Robert Adams				8.	Lora Anguay							
3.	Cheryl Spector				9.	Scott Martin							
4.	Laurie Rodriguez				10.								
5.	Casey Fallon				11.	Legal							
6.	Gary King				12.	CEO & General Manager							
Consent Calendar		X	Yes		No If no, schedule a dry run presentation.		Budgeted	X	Yes		No (If no, explain in Cost/Budgeted section.)		
FROM (IPR)					DEPARTMENT					MAIL STOP		EXT.	DATE SENT
Andrew McDermott					Procurement					B357		5862	10/8/21

**NARRATIVE:**

**Requested Action:** Approve Contract Change No. 01 to Contract No. 4500099793 with INTERCARE HOLDINGS INSURANCE SERVICES, INC. to extend the contract expiration date from March 14, 2022, to December 31, 2022, and increase the contract amount by \$294,200, from \$1,825,800 to \$2,120,000.

**Summary:** This contract was awarded on a competitive basis to INTERCARE in December 2020 through Board Resolution 16-12-06. The original contract was awarded for the period from March 15, 2017, to March 14, 2022, for a \$1,825,800. Contract Change No. 01 is requested to extend the contract expiration date to December 31, 2022, and increase the contract by \$294,200 for a new not-to-exceed amount of \$2,120,000. There is a regular monthly spend of \$30,000 for this service, and the current funding will only allow to cover through August 2022. This change is requested to allow SMUD's People Services & Strategies (PS&S) department to enhance the short-term and long-term disability benefits to continue to support SMUD's diverse workforce and will be going to RFP in early 2022. This additional funding will allow for the needed time for the RFP process.

Currently, the contract balance is approximately \$227,000.

Contract Actions	Amount	Cumulative Total	Description
Original Contract	\$1,825,800		
Pending Change No. 01	\$294,200	\$2,120,000	Increase NTE and extend expiration

**Board Policy:** Board-Staff Linkage BL-8, Delegation to the Chief Executive Officer and General Manager with Respect to Procurement; Strategic Direction SD-8, Employee Relations, Strategic Direction SD-6, Safety Leadership  
(Number & Title)

**Benefits:** Will ensure that SMUD continues to receive satisfactory services and remains compliant with all the California Workers' Compensation laws and short-term disability and long term disability (STD/LTD) claims.

**Cost/Budgeted:** \$294,200; Budgeted for 2022 by People Services & Strategies

**Alternatives:** Not approving this contract change would not allow PS&S to enhance the long-term and short-term disability benefits and could result in a lapse of service. This is not the desired route for the business unit.

**Affected Parties:** People Services & Strategies, Supply Chain Services, and Intercare Holdings Insurance Services, Inc.



**Coordination:** People Services & Strategies and Supply Chain Services.

**Presenter:** Laurie Rodriguez, Director, People Services & Strategies

**Additional Links:**

SUBJECT

**Contract Change No. 01 for Intercare Holdings Insurance Services, Inc.**

ITEM NO. (FOR LEGAL USE ONLY)

**10**

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

**RESOLUTION NO. \_\_\_\_\_**

**WHEREAS**, by Resolution No. 16-12-06, adopted December 1, 2016, this Board authorized the Chief Executive Officer and General Manager to award Contract No. 4500099793 to **Intercare Holdings Insurance Services, Inc. (Intercare)** for Workers' Compensation & Short Term / Long Term Disability Third Party Claims Administration Services for a five-year period beginning March 15, 2017, to March 14, 2022, in an amount not-to-exceed \$1,825,800; and

**WHEREAS**, there is currently a regular monthly spend of \$30,000 and such funds will cover services through August 2022; and

**WHEREAS**, SMUD will commence the Request for Proposal process for Workers' Compensation & Short Term / Long Term Disability Third Party Claims Administration Services in early 2022;

**WHEREAS**, extending the contract to December 31, 2022, and increasing the contract amount by \$294,200 is in SMUD's best interests to secure competitive pricing and to continue to support SMUD's diverse workforce until a new contract is in place; **NOW THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

**Section 1.** That this Board approves Contract Change No. 1 to Contract No. 4500099793 with **Intercare Holdings Insurance Services, Inc. (Intercare)** for Workers' Compensation & Short Term / Long Term Disability Third Party Claims Administration Services to extend the contract expiration date to December 31, 2022, and increase the contract amount by \$294,200, from \$1,825,800 to \$2,120,000.

**Section 2.** The Chief Executive Officer and General Manager, or his designee, is authorized to make future changes to the terms and conditions of the contract that, in his prudent judgment: (a) further the primary purpose of the contract; (b) are intended to provide a net benefit to SMUD; and (c) do not exceed the authorized contract amounts and applicable contingencies.



# BOARD AGENDA ITEM

## STAFFING SUMMARY SHEET

Committee Meeting & Date  
Finance & Audit – 10/19/21  
Board Meeting Date  
October 21, 2021

TO					TO					
1.	Gary King	6.				7.				
2.	Jennifer Davidson	8.				9.	Legal			
3.	Lora Anguay	10.	CEO & General Manager							
4.	Scott Martin									
5.										
<b>Consent Calendar</b>		<input checked="" type="checkbox"/>	<b>Yes</b>	<b>No</b> <i>If no, schedule a dry run presentation.</i>		<b>Budgeted</b>	<input checked="" type="checkbox"/>	<b>Yes</b>	<b>No</b> <i>(If no, explain in Cost/Budgeted section.)</i>	
FROM (IPR) Joe Schofield				DEPARTMENT Office of the General Counsel				MAIL STOP B406	EXT. 5446	DATE SENT 09/28/21
<b>NARRATIVE:</b>										
<b>Requested Action:</b>		Discuss Ward redistricting preliminary maps to adjust SMUD ward boundaries using the 2020 data released by the U. S. Census Bureau (as adjusted to meet State requirements) and approve release of draft maps in anticipation of the November 4, 2021, and December 15, 2021, public workshops on redistricting and the adoption of the new ward boundaries on January 20, 2022.								
<b>Summary:</b>		<p>The Municipal Utility District (MUD) Act and Elections Code require that the Board adjust SMUD's ward boundaries every 10 years following the release of data by the Census Bureau. SMUD is required to complete its redistricting effort no later than April 17, 2022 (recently adjusted by SB 594). Federal judicial decisions and the Voting Rights Act of 1985 set forth the federal requirements for redistricting, including direction to apportion wards with a maximum population deviation under 10 percent and a prohibition on redistricting in a manner which results in a denial or abridgement of the right to vote. California Elections Code section 22000 sets forth the criteria the Board should consider in adjusting ward boundaries.</p> <p>The following criteria (based on legal requirements) to develop new ward boundaries was adopted by Resolution No. 21-07-05 on July 15, 2021:</p> <ul style="list-style-type: none"> <li>Adjust wards so they are, as far as practicable, equal in population such that the population deviation between the largest and smallest wards does not exceed 10%;</li> <li>Consider geography and topography;</li> <li>Consider cohesiveness, contiguity, integrity, and compactness of territory;</li> <li>Consider communities of common interest: contiguous populations which share common social and economic interests that should be included within a single district for purposes of its effective and fair representation.</li> </ul>								
<b>Board Policy:</b> <i>(Number &amp; Title)</i>		Governance Process GP-3, Board Job Description – j) Take such other actions as may be required by law.								
<b>Benefits:</b>		Comply with state and federal requirements; adjust ward boundaries to account for changes in population.								
<b>Cost/Budgeted:</b>		Contained in the Corporate/Legal Budget – most costs are for internal labor.								
<b>Alternatives:</b>		None – action must be taken to comply with the law.								
<b>Affected Parties:</b>		SMUD, Board of Directors, Public								
<b>Coordination:</b>		Executive Office, Board Office, Legal Department, Community Engagement, Sustainable Communities, Distribution Planning & Operations, IT, and Marketing & Corporate Communications								
<b>Presenter:</b>		Joe Schofield, Deputy General Counsel								
<b>Additional Links:</b>										
SUBJECT <b>Redistricting - Preliminary Maps</b>								ITEM NO. (FOR LEGAL USE ONLY) <b>11</b>		

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

**RESOLUTION NO. \_\_\_\_\_**

**WHEREAS**, the Municipal Utility District (MUD) Act and Elections Code require that the Board adjust SMUD's ward boundaries every 10 years following the release of data by the U. S. Census Bureau (as adjusted to meet State requirements); and

**WHEREAS**, SMUD is required to complete its redistricting effort no later than April 17, 2022; and

**WHEREAS**, federal judicial decisions and the Voting Rights Act of 1985 set forth federal requirements for redistricting, including direction to apportion wards with a maximum population deviation under 10 percent and a prohibition on redistricting in a manner which results in a denial or abridgement of the right to vote; and

**WHEREAS**, by Resolution No. 21-07-05, adopted on July 15, 2021, this Board adopted the following criteria (based on legal requirements) to develop new ward boundaries:

- Adjust wards so they are, as far as practicable, equal in population such that the population deviation between the largest and smallest wards does not exceed 10%;
- Consider geography and topography;
- Consider cohesiveness, contiguity, integrity, and compactness of territory;
- Consider communities of common interest: contiguous populations which share common social and economic interests that should be included within a single district for purposes of its effective and fair representation; and

**WHEREAS**, to ensure opportunities for public feedback on the development of new ward boundaries, staff has scheduled two public workshops to be held at SMUD or via virtual meeting in accordance with local, state, and federal

guidelines and recommendations in place for containment of COVID-19 for the presentation of proposed boundary maps, with the first workshop to be held on November 4, 2021, and the second workshop to be held on December 15, 2021; and

**WHEREAS**, draft preliminary maps revising ward boundaries have been developed based on the Board-adopted criteria; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

**Section 1.** That this Board approves release of draft redistricting preliminary maps in anticipation of the November 4, 2021, and December 15, 2021, public workshops on redistricting and the adoption of the new ward boundaries on January 20, 2022.





SSS No. LEG 2021-0123

# BOARD AGENDA ITEM

## STAFFING SUMMARY SHEET

Committee Meeting &amp; Date

ERCS – 10/20/21

Board Meeting Date

October 21, 2021

TO				TO							
1.	Frankie McDermott			6.							
2.	Stephen Clemons			7.							
3.	Brandy Bolden			8.							
4.	Lora Anguay			9.	<b>Legal</b>						
5.				10.	<b>CEO &amp; General Manager</b>						
<b>Consent Calendar</b>		<input type="checkbox"/>	<b>Yes</b>	<input checked="" type="checkbox"/>	<b>No</b> <i>If no, schedule a dry run presentation.</i>		<b>Budgeted</b>	<input checked="" type="checkbox"/>	<b>Yes</b>	<b>No</b> <i>(If no, explain in Cost/Budgeted section.)</i>	
FROM (IPR) Laura Lewis				DEPARTMENT Office of the General Counsel				MAIL STOP B308	EXT. 6123	DATE SENT 10/05/21	

**NARRATIVE:**

**Requested Action:** Cast vote on **Sacramento Local Agency Formation Commission (LAFCo)** ballot regarding the election of a Special District Commissioner to LAFCo and an Alternate Special District Commissioner to LAFCo.

**Summary:** Pursuant to the provisions of section 56332 of the Government Code, the Executive Officer of Sacramento LAFCo has determined that a meeting of the Special District Selection Committee for the purpose of selecting a Special District Commissioner [Office No. 7] and Alternate Special District Commissioner [for Offices No. 6 & 7] to serve on the Sacramento LAFCo is not feasible. Therefore, the business of the Special District Selection Committee will be conducted in writing.

To be valid, selection of a candidate must be done by a majority vote of the governing board of an Independent Special District in an official meeting of that board and certified by the secretary of the board. The ballot must be returned by no later than 4:00 p.m. on November 17, 2021. Communications from Sacramento LAFCo are attached, including copies of the ballot and resumes of the candidates for Special District Commissioner and Alternate Special District Commissioner.

**Board Policy:** GP-2 Governance Focus; GP-3 Board Job Description  
*(Number & Title)*

**Benefits:** The SMUD Board will have a voice in determining their representatives on Sacramento LAFCo.

**Cost/Budgeted:** No budget impact.

**Alternatives:** Decide not to cast a vote for Special District Commissioner or Alternate Special District Commissioner.

**Affected Parties:** Board, Sacramento LAFCo, Special Districts

**Coordination:** Legal, Executive Office, Board Office

**Presenter:** Laura Lewis, Chief Legal & Government Affairs Officer

**Additional Links:**

SUBJECT

Cast Vote on Sacramento LAFCo Ballot

ITEM NO. (FOR LEGAL USE ONLY)

**12**

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.



SACRAMENTO LOCAL AGENCY FORMATION COMMISSION  
1112 I Street, Suite 100 • Sacramento, CA 95814 • (916) 874-6458 • Fax (916) 874-2939  
[www.saclafco.org](http://www.saclafco.org)

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DATE: October 1, 2021

TO: Special Districts' Selection Committee

FROM: José C. Henríquez, Executive Officer   
Sacramento Local Agency Formation Commission

RE: **Selection of Special District Commissioner and Alternate Special District Commissioner**  
For the Sacramento Local Agency Formation Commission  
Term of Office: **January 1, 2022 to December 31, 2025**

Pursuant to the provisions of Section 56332 of the Government Code, the Executive Officer has determined that a meeting of the Special District Selection Committee for the purpose of selecting a Special District Commissioner [Office No. 7] and Alternate Special District Commissioner [Office No. 6 & 7] to serve on the Sacramento Local Agency Formation Commission is not feasible. Based on past experience, due to the size of the Special District Selection Committee, it has been difficult to establish a quorum. Therefore, the business of the Special District Selection Committee will be conducted in writing, as provided in the cited section code.

***Please see the attached Ballot***

**Please select one candidate** for Special District Commissioner.

**AND**

**Please select one candidate** for Alternate Special District Commissioner.

**Please return the ballot to the LAFCo office no later than:**

**4:00 P.M. on WEDNESDAY, NOVEMBER 17, 2021** To be valid, selection of a candidate must be done by a majority vote of the governing board of an Independent Special District in an official meeting of that board and certified by the secretary or clerk of the board.

Any ballot received after the date specified above shall not be valid. The candidate who receives the most votes will be determined the winner outright. In the event of a tie, there will be a run-off selection held in the same format as the initial selection. The LAFCo Executive Officer will announce the results of the selection within seven days of the specified date.

If you have questions regarding selection procedures, please contact the Sacramento LAFCo Commission Clerk, Diane Thorpe, at (916) 874-6458.

Return:

**Sacramento LAFCo  
1112 "I" Street; Suite 100  
Sacramento, CA 95814**

or e-mail:

[Diane.Thorpe@SacLAFCo.org](mailto:Diane.Thorpe@SacLAFCo.org)



## Ballot

### LAFCo Special District Commissioner & Alternate

Commissioner & Alternate Commissioner  
Please select one candidate from each COLUMN

#### Ballot A

Commissioner - Office No. 7  
Please select **ONE** candidate **BELOW**

**Edward J. "Ted" Costa**

San Juan Water District

☐

**Michael Hanson**

Arcade Creek Recreation & Park District

☐

**Gay Jones** (Incumbent)

Sacramento Metropolitan Fire District

☐

#### Ballot B

**Alternate** Commissioner - for Offices No. 6 & 7  
Please select **ONE** candidate **BELOW**

**Michael Hanson**

Arcade Creek Recreation & Park District

☐

**Charlea Moore** (Incumbent)

Rio Linda Elverta Recreation & Park District

☐

Ballot must be received by **4:00 pm on Wednesday November 17, 2021**

Special Districts must return the ballots to LAFCo by the date specified above. Any ballot received after the specified date shall not be valid. *The information below must be complete*

The candidate who receives the most votes will be determined the winner outright.

The LAFCo Executive Officer will announce the results of the election within seven days of the specified date.

Please mail completed ballot to LAFCo Commission Clerk at 1112 "I" Street, Suite 100; Sacramento CA 95814  
or send via e-mail to: [Diane.Thorpe@SacLAFCo.org](mailto:Diane.Thorpe@SacLAFCo.org)

contact Diane Thorpe at (916) 874-6458 if you have any questions.

\_\_\_\_\_  
Name of Special District

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
District Website Address

\_\_\_\_\_  
Date of Meeting

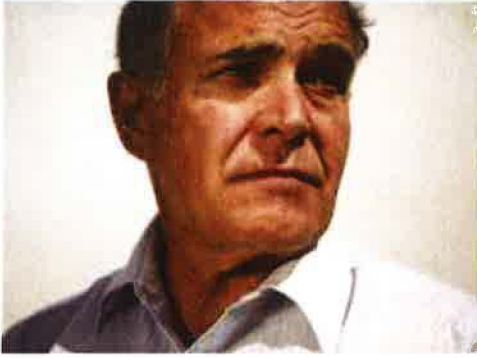
\_\_\_\_\_  
District Phone Number

\_\_\_\_\_  
Signature of Secretary or Clerk of the Board

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
E-mail Address



## **Resume of Edward J. (Ted) Costa**

### ***TESTED AND TRUSTED***

#### **TED COSTA IS:**

I was born and raised on a family farm in South Natomas and educated in local schools---American River College and UC Davis;

Mentored in politics by the late Paul Gann and Senator S.I. Hayakawa;

Intricately involved in thirteen state-wide initiatives----from Prop. 13 to Re-Redistricting Reform. I drafted three sections of the California State Constitution. I managed 16 lawsuits before the Court of Appeals and Supreme Court. We won 15.

I am currently a board member of the San Juan Water District, a Community Service District that takes American River water, treats it and sends it to water districts in the northeast part of Sacramento County AND at the lowest cost in the entire state.

I live in Citrus Heights with my wife Dr. Jayna and our many animals.

#### **TED COSTA BELIEVES:**

Special Districts are the backbone of government. When our water main breaks, we don't call a Legislator. When our power goes out, we don't call a Congressman. We call our Special Districts for all these services. It is so important our special districts are run as efficiently as possible and held accountable to the people. LAFCO is the agency that makes that happen.

LAFCO powers come straight from the Legislature and are rightfully divided up by counties, cities and special districts with the intent of making local governmental subdivisions work more efficiently for the people.

If you vote for me, I will work hard to be a good steward of your trust. Please feel free to contact me:  
(916) 599-2986, [tedcosta@tecosta.com](mailto:tedcosta@tecosta.com)



## **Michael Hanson, PMP**

5668 Rolling Oak Drive  
Sacramento, CA 95841

510-386-0345  
Sacramento, CA 95841

[mhanson2013@outlook.com](mailto:mhanson2013@outlook.com)

**Dedicated Project manager and Technical Analyst** bringing focus leadership, team building, relationship building, communication, technical skills, innovative approaches, and with critical thinking assess complex problems and work towards solutions. A self-starter with excellent communication skills and solid project management background in the areas of consulting, initiation, requirements gathering and validation, change management, staffing and team building, task estimation, and client interaction. Build strong teams with a focus on delivering on customer needs through teamwork, positive attitude, being well organized, using critical thinking, continuous improvement, conflict resolution, with a hands-on approach, and a single point of contact. Experience managing projects and teams in various environments including Insurance, Government, Technology, and Non-profit.

### **Experience**

#### **Arcade Creek Recreation and Park District Director**

**12/2014 – present**

- Chair 2015
- Director leading the Master Plan project
- Secretary/Treasurer and member of the Finance committee 2017-2019
- Vice-Chair and member of search committee for new GM (2020)
- Served on Sacramento Special District Advisory Commission (2 terms)

#### **Key accomplishments:**

- 1) Worked to get ACRPD out of debt with CalPERS. In 2015, we had a debt with CalPERS of ~500K and today, we are current. This frees up financial capability to equipment and capabilities for our employees and begin to address community needs related to the Parks.
- 2) Part of the team to update a master plan that was 20+ years old. The district needs to have a direction so we can build a patchwork towards the common goal using available resources.
- 3) On the search committee to locate the replacement GM for the district. We found an ideal individual who has a wealth of experience, wanted to come to Sacramento, and would fit in with the current employees.
- 4) I was granted a scholarship to the CARPD Convention in Tahoe. This provided the impetus to pursue a Shine Grant resulting in lighting Arcade Creek Park with LED lighting powered by solar panels.

#### **Benevolent and Protective Order of Elks Officer Carmichael Elks Lodge #2103**

**12/2014 – present**

Worked in various roles including being elected as "president" twice and elected as a trustee to the board of directors twice. I chaired the operational aspects of the 1300-member Lodge through the COVID-19 shutdowns, etc. Worked with members to keep the finances positive. While we lost ~100 members during COVID, we have recovered almost that many this year and are continuing to grow. The Lodge building was built in the 1960s, 1970s, and 1980s. It has a large footprint on the 9+ acre lot. We have been managing significant costs related to the air conditioning and general upkeep of the buildings.

### **30+ Years in Data Processing**

During my years in data processing, I worked in varied industries: Government/Technical (Stanford Research Institute), Chip Manufacturing (Advanced Micro Devices), Education (University of California at Davis), Insurance (CSAA), and support/outsourcing companies (EDS, HP). During my time in these organizations, I was a developer, team lead, department manager and project manager. The opportunities afforded in these organizations provided the background to aid other organizations in their growth.

#### **Highlights:**

- At Stanford Research, I worked on the Headstart Project consolidation of data tracking children across years and schools. This helped provide the winning of the contract related to the Follow-Thru project.
- During my 10 years at AMD, I managed a team supporting Shipping and the fabrication units, managed one of the Computer Operations teams to streamline the processing, and started into Project Management. One of the efforts I completed cut computer report paper usage by over half by isolating the needed reports for the specific organization and eliminating superfluous copies of reports.
- At UC Davis, my team was responsible in supporting the HR/Payroll systems and Departmental Computing. While much of the actual data processing occurred at the Office of the President so all campus reporting was consistent, our role was to deliver the information and support to the various departments on campus. As part of the Departmental Computing effort, we won the contract with the Transportation and Parking Unit to replace their system with one that would be maintained and supported on campus.
- At CSAA, I lead a team supporting Membership systems, brought in new technologies, helped to test and discard one system replacement that did not work consistently, and moved into project management. During my time at CSAA I was part of an outsourcing effort to move all computing support to an external vendor (EDS) while the support team continued to sit at their current desks and support CSAA. This arrangement continued for over 20 years as I was either working for the vendor, EDS then HP, managing the work for CSAA or working for CSAA managing the work being performed by the vendor. We moved data centers, applications, and generally supported the work associated with CSAA until they were finally able to insource their data processing.

Fellow Special District Directors,

I respectfully request your vote to continue as Special District Commissioner, Seat # 7, on the Sacramento County Local Agency Formation Commission. Representing Special Districts on Sacramento LAFCO is a privilege and an honor.

Special Districts represent the most basic connection between citizens and their government. We really are the closest public entity to our community. We provide our neighborhoods with services and responsiveness that are found no where else. This close connection makes it imperative that the voice of Special Districts is heard and represented at our Local Agency Formation Commission. This is why I want to serve on LAFCO.

As the incumbent, there are several areas in which I want to continue to build upon.

The first is the Special District Advisory Committee (SDAC). As a member since inception, I have continued to expand the voice of Special Districts at Sacramento LAFCO. Emphasizing the importance of Municipal Service Reviews, maintaining an open dialogue among Special Districts in our county, and discussing the impacts of proposed LAFCO applications upon Districts are very important to me. Sharing information amongst ourselves contributes to our success, and SDAC facilitates this exchange.

The second is to continue to work closely with the California Special District Association (CSDA). A strong, professional and valuable relationship exists between us. It is very important to continue working together in areas of mutual concern to make Special Districts strong and successful.

A third area is the California Association of Local Agency Formation Commissions (CALAFCO). I have served on the Board of Directors of CALAFCO since 2006. This work informs me on statewide issues that can carry many implications for LAFCOs.

Thank you for your support. Please contact me with any questions or comments you may have.

Sincerely,

Gay Jones, Director  
Sacramento Metropolitan Fire District

Special District Commissioner  
Sacramento LAFCO.

916-208-0736



## Gay Jones (Incumbent)

---

Sacramento Metropolitan Fire District  
10545 Armstrong Avenue, Suite 200  
Mather, CA 95655  
Phone: (916) 208-0736

### STATEMENT OF QUALIFICATIONS

My experience representing Special Districts continues to broaden and deepen. This is reflected by my service as a Sacramento Metropolitan Fire District Director, as a Sacramento County LAFCO Commissioner and as a CALAFCO Board Member.

The challenge to use critical thinking to make decisions never diminishes. It is hard work to investigate and study all aspects surrounding an issue. Asking questions and listening to the replies requires a commitment to weigh, measure and balance all the information. That analysis, in turn, must be informed by sound public policy.

My goal is to support this process where critical thinking joins sound public policy resulting in good decisions.

### EXPERIENCE

- 2000 – Present: Director for Sacramento Metropolitan Fire District
- 1981 – 2006: Sacramento Fire Department (Retired Captain)
- 1973 – 1979: United States Peace Corps

### LAFCo Experience

- 2006 – Present: Special District Commissioner for Sacramento LAFCo
- 2004 – 2006: Alternate Commissioner for Sacramento LAFCo

### CALACFO State Level Experience

- 2006 – Present: Board Member for California Association of LAFCo (CALAFCO)



- 2013 – 2018 : Executive Board Member, CALAFCO
- 2015: Chair for CALAFCO Annual Conference

#### **EDUCATION AND CERTIFICATES**

- Master's Degree, California State University, Sacramento
- Bachelor of Science, Lewis and Clark College
- Associate Degree, American River Community College
- Chief Officer Certification, California State Board of Fire Service
- Special District Leadership and Management Certification, Special District Institute

#### **COMMUNITY ACTIVITIES**

- Chair, Cordova Community Planning Advisory Council, Sacramento County
- Steering Committee Member, Butterfield Riviera East Community Association (BRECA) since 1998
- Member, American River Parkway Coalition

## *Charlea R Moore*

*8840 El Verano Ave. • Elverta, CA 95626*

*Phone 916-991-0338 (home)*

*Cell 916-275-3275 (best contact)*

*Email - Charhorseranch@aol.com*

### **Applicant Statement for the Special District LAFCO Representative**

I moved from Glassboro New Jersey to Rio Linda Elverta in 1981, along with my 3 year old daughter and my husband.

Almost immediately I became involved with Sacramento County Service Area #3 which was the forerunner of our current independant Parks and Recreation District serving the Rio Linda Elverta Communities. This involvement was the result of reading a statement in the local paper, indicating that the Parks Advisory Board had determined that there were sufficient equestrian trails in the area. I was very happy to advocate for additional trails and in the process begin my education in local governance processes.

Over the next several decades I was appointed to numerous County and Local advisory boards, steering committees and ad hoc committees. My interest expanded to include growth issues, flood issues and agriculture/suburban/urban issues.

I learned a great deal about how government works and how Special Districts fit into the process. I became a strong advocate for local governance after going through 3 incorporation attempts in the Rio Linda Elverta communities and in the education process I switched from anti-incorporation to pro-incorporation for unincorporated communities.

In about 1992 I was appointed to the RLE CPAC in and served during the Community Plan Update. I am familiar with the governance process and with procedures for arriving at a decision as a board member. I have served several terms on CPAC under four different County Supervisors since that initial appointment. All of these experiences were very educational for me.

In 2002 I successfully ran for the Rio Linda Elverta Recreation and Parks District. I truly enjoyed and have greatly benefited from the experience of becoming an elected board member. I ran again in 2016 and am currently serving as Secretary for the RLE Recreation and Parks District.

I believe that my history in the community and experience as an elected public official will be an asset for Special Districts as a LAFCO Special District Board member.

Thank you,

Charlea R. Moore

**RESOLUTION NO. \_\_\_\_\_**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

**Section 1.** This Board casts its vote for \_\_\_\_\_ as  
Special District Commissioner to the **Sacramento Local Agency Formation  
Commission (LAFCo).**

**Section 2.** This Board casts its vote for \_\_\_\_\_ as  
Alternate Special District Commissioner to the **Sacramento Local Agency  
Formation Commission (LAFCo).**



SSS No. HRS 21-007

# BOARD AGENDA ITEM

## STAFFING SUMMARY SHEET

Committee Meeting &amp; Date

N/A

Board Meeting Date

October 21, 2021

TO					TO							
1.	Laurie Rodriguez				6.							
2.	Gary King				7.							
3.	Frankie McDermott				8.							
4.	Lora Anguay				9.	Legal						
5.	Jennifer Davidson				10.	CEO & General Manager						
Consent Calendar			Yes	X	No If no, schedule a dry run presentation.		Budgeted	X	Yes	No (If no, explain in Cost/Budgeted section.)		
FROM (IPR) Cheryl Spector					DEPARTMENT People Services & Strategies					MAIL STOP E110	EXT. 7076	DATE SENT 10/14/21

**NARRATIVE:**

**Requested Action:** Approve a Memorandum of Understanding (MOU) between Sacramento Municipal Utility District (SMUD) and the International Brotherhood of Electrical Workers Local 1245 (IBEW) for the period, January 1, 2022, through December 31, 2025.

**Summary:** SMUD and IBEW reached Tentative Agreement on September 16, 2021, on provisions of a successor MOU to the one that expires on December 31, 2021. Key aspects of the 48-month agreement, which IBEW members ratified on October 7, 2021, are below:

- 4-year contract (2022 through 2025)
- General Wage Increase (for all IBEW bargaining unit employees):
  - 2022: 3.5%
  - 2023: 3%
  - 2024: 3%
  - 2025: 3.25%
- Equity Adjustments for 2022 – In addition to General Wage Increase for select IBEW bargaining unit employees as follows:
  - Lineworker Series: 11%
  - Electrical Technician Series: 7%
  - Cable Splicer/Electrician Series: 3%
  - Cable Splicer/Electrician Foreman/woman (in addition to Series increase, noted above): 2.5%
  - Substation Construction Foreman/woman: 2.5%
- Two-Tier Job Classes – Employees at Open Class wages, hired after 1/1/13, in the following job classes will be eligible for a staggered wage increase (which includes the annual general wage increase) to reach the Closed Class wages by 2025:
  - Power System Operator Series
  - Distribution System Operator Series
  - Hydro Operator Series
  - Line Equipment Operator Job Class
- Double time for all overtime, starting in 2022
- Medical Employee Premium Cost Sharing of 12.5% for HMO Plans for all 4 years.
- Deferred Compensation Program:
  - SMUD will now match up to \$1200/year per eligible IBEW employee each year (\$75,000 additional cost each year).

- SMUD will be increasing monthly direct contributions to eligible PEPRA employees as follows:
  - 2022: \$25 more per month
  - 2023: \$50 more
  - 2024: \$75 more
  - 2025: \$100 more

**Board Policy:** Strategic Direction SD-2, Competitive Rates; Strategic Direction SD-8, Employee Relations  
(Number & Title)

**Benefits:** This agreement represents a total compensation package that has reasonable risk and cost sharing by both parties. The agreement successfully meets SMUD’s financial targets while maintaining competitive pay for IBEW employees, safety in the workplace, employee engagement, and positive labor-management relationships.

**Cost/Budgeted:** Staff expects the cost of the agreement to be at or below budget projections.

**Alternatives:** Re-open negotiations with IBEW.

**Affected Parties:** All work areas with IBEW-represented employees and People Services & Strategies, Employee Relations

**Coordination:** People Services & Strategies, Employee Relations

**Presenter:** Cheryl Spector, Manager, Employee Relations

**Additional Links:**

SUBJECT

**Memorandum of Understanding between SMUD and IBEW**

ITEM NO. (FOR LEGAL USE ONLY)

**13**

ITEMS SUBMITTED AFTER DEADLINE WILL BE POSTPONED UNTIL NEXT MEETING.

**DRAFT**

**Sacramento Municipal Utility District**

**And**

**IBEW, Local Union 1245**

**MEMORANDUM**

**OF**

**UNDERSTANDING**

**2022 - 2025**

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## PREAMBLE

Pursuant to the requirements of Government Code Section 3500, et seq, representatives of the Sacramento Municipal Utility District, hereinafter referred to as "SMUD", and the International Brotherhood of Electrical Workers Local Union 1245, hereinafter referred to as "the Union or IBEW", have met and conferred in good faith with the purpose of promoting harmonious labor relations and establishing and maintaining appropriate wages, hours, and other terms and conditions of employment. SMUD recognizes the Union as the representative of all employees of SMUD commonly referred to as "Hourly-Rated" employees, as defined in Board Resolution Number 6441. The provisions of this Agreement hereinafter set forth shall apply to those employees of SMUD for whom the Union is the established representative.



**ARTICLE 1****DEFINITIONS****1. INTRODUCTION**

The following terms are defined here for use throughout this Agreement.

**2. HEADQUARTERS DEFINITIONS**

The following reporting "To and From" work locations are headquarters: Sacramento (which includes Customer Service Center, and Headquarters Campus), East Campus Operations Center, Elk Grove Yard, and Fresh Pond.

**3. EMPLOYEE DEFINITIONS****A. Regular Employee**

- 1) The term "regular employee" includes:
  - a) Permanent, full-time Civil Service employees.
  - b) The General Manager/CEO and full-time non-Civil Service employees appointed by the Board of Directors.
  - c) Non-Civil Service employees appointed to permanent positions with the expectation they will qualify and receive Civil Service appointments to their positions.
  - d) Permanent, part-time employees who are hired to work at least 20 hours per week on a fixed schedule.
  - e) Full-time Limited Term or Temporary Construction employees (reference Public Utility Code Section 12055) hired for more than 6 consecutive months.
- 2) The term "regular employee" excludes:
  - a) Limited Term or Temporary Construction employees (reference Public Utility Code Section 12055) hired to work less than 20 hours per week.
  - b) Employees who are on-call or work on an as-needed basis.
  - c) Employees who are on an unpaid leave of absence.
  - d) Full-time Limited Term or Temporary Construction employees (reference Public Utility Code Section 12055) hired for 6 months or less.

**B. Relief Shift Employee**

The employee performs the duties of emergency relief and must be available for working revolving shifts on any day of the week. The employee can be assigned for the relief of any shift without advance notice.

## Employee Definitions (Cont'd)

### **C. Rotating Shift Employee**

The employee's regular work schedule requires them to rotate between two or more shifts. This includes, but is not limited to, Troubleshooters (not resident Troubleshooters).

### **D. Service Employee**

Employees are assigned to perform work that is directly related to providing utility service, including work on the electric facilities. Service employees include Revenue Protection Representatives, Troubleshooters, etc.

### **E. Shift Employee**

The employee's regular work schedule is the second or third shift.

### **F. Special Shift Employee**

**The Special Shift Employees, including PSO, DSO, and Troubleshooters, are permitted to eat their meal on SMUD time during their regularly scheduled work hours.**  
*(Revised 1/1/2022)*

## **4. OVERTIME DEFINITIONS**

### **A. Change In Shift**

The employee is permanently or temporarily transferred to a new work schedule or shift that will last one workweek or more.

### **B. Early Call-In**

The employee is called to work early and works into their regular work hours.

### **C. Emergency Call-Out**

The employee is called to work on their regular workday to perform emergency work that does not extend into their regular work hours, or the employee is called to perform emergency work on their day off.

### **D. Emergency Work**

Overtime work which has not been prearranged.

### **E. Extended Work Schedule**

The employee is required to work beyond their regular work hours.

### **F. Prearranged Overtime**

The employee is notified before leaving work on a workday to work overtime, and they are given at least 12 hours off before the reporting time. *(Revised 1/1/2013)*

**5. SHIFT DEFINITIONS**

**A. First Shift**

Work periods regularly scheduled to begin between the hours of 4:00 a.m. and 11:55 a.m.

**B. Second Shift**

Work periods regularly scheduled to begin between the hours of 12:00 noon and 7:55 p.m.

**C. Third Shift**

Work periods regularly scheduled to begin between the hours of 8:00 p.m. and 3:55 a.m.

**ARTICLE 2****UNION SECURITY****1. INTRODUCTION**

The following Agency Shop provisions shall apply to all employees represented by the Union.

**2. DUES/FEES**

- A. Any employee of SMUD in a classification represented by the Union who is not on leave of absence shall, as a condition of continued employment and within ninety days of his/her date of hire, **(1) become a member of the Union and pay the membership fee, (2) pay the Union a service fee in an amount not to exceed periodic dues and general assessments of the Union, or (3) pay no fee. The Union shall obtain written authorization from any employee authorizing such fees and maintain such authorization until three years after the signing employee is no longer a member of a bargaining unit. The Union shall provide a list to SMUD of all the employees authorizing the fee deductions and SMUD shall deduct fees from the listed employees' paychecks each payday. The amount of any membership of service fees shall be determined by the Union and implemented by SMUD in the first payroll period which starts 30 days after written notice of the new amount is received by SMUD. Union fees will be split equally and deducted per pay period in the first two pay periods of the month. (Revised 1/1/2022)**

**3. UNION RESPONSIBILITIES**

- A. The Union shall keep an adequate itemized record of its financial transactions and shall, by April 1 of each year, make available to SMUD, and to all bargaining unit employees, a detailed written financial report for the fiscal year ending the preceding December 31, in the form of a balance sheet and an operating statement, certified as to its accuracy by its president and the treasurer or corresponding principal officer, or by a certified public accountant.
- B. The Union certifies to SMUD that it has adopted, implemented, and will maintain procedures in accordance with applicable statutes, any decisions by a court of competent jurisdiction, and any other applicable legal authority.
- C. Hold Harmless: The Union agrees to indemnify and hold SMUD harmless against any and all liability including but not limited to such items as wages, damages, awards, fines, court costs, and attorney fees which may arise by reason of the result of the operation of this Article.

4. **CHANGE OF LAW**

In the event there is a change in the law whereby any provision hereof becomes invalid by **change in law or published court ruling, or the requirements set forth in SB 866 (2017) are changed**, the parties hereto shall meet-and-confer within thirty (30) days to negotiate a substitute provision which conforms to said law or court decision. *(Revised 1/1/2022)*

5. **IBEW ACCESS TO NEW EMPLOYEE ORIENTATIONS**

SMUD shall notify the IBEW of the time and location of all new employee orientation (NEO) meetings at least ten (10) working days prior to the meeting, unless an urgent and unforeseeable need for an orientation meeting precludes SMUD from providing such notice. If ten (10) working days advance notice cannot be provided, SMUD shall provide as much advance notice as possible. The IBEW shall be afforded thirty (30) minutes during the NEO to present information about the IBEW to new IBEW employees. *(Revised 1/1/2022)*



**ARTICLE 3****WAGES AND CLASSIFICATION****1. PAYDAY**

Pay periods cover 2 weeks. They begin at 12:01 a.m. Saturday and end at midnight Friday. Employees will be paid on the Friday following the end of the pay period. Area personnel normally distribute paychecks the preceding day. If the distribution date (Thursday) is a holiday, employees' checks will be distributed on Wednesday, and dated Friday. If the payday (Friday) is a holiday, employees' checks will be dated and distributed on Thursday.

**2. ENTRY RATES - NEW EMPLOYEES**

New employees normally receive the first step or entry rate for their classification. If an employee has exceptional qualifications, they may be considered for a starting rate above the first step. Approval of the Department Director, with the advice and concurrence of the Director, People Services & Strategies, is required.

Consideration in starting employees above the entry level will include:

- A. Quality and quantity of their experience relevant to the classification.
- B. **Wage Rate** level and qualification of other SMUD employees in the same classification. *(Revised 1/1/2022)*
- C. The employee's **Wage Rate** demands (considering pay, benefits, and future adjustments). *(Revised 1/1/2022)*
- D. The availability of other qualified applicants.

**3. WAGE SCHEDULE PROGRESSION**

- A. When pay ranges are designated, movement to the next higher step is based on specified time in grade and satisfactory performance.
- B. Apprentices must demonstrate progressive skill and achievement toward journey level proficiency before advancement to the next step in an apprentice range.

**4. MERIT INCREASES**

All current employees in a classification with an established pay range are eligible for merit increases at 6-month intervals until they reach the top of the range. Merit increases are granted for effective performance. *(Revised 1/1/2013)*

Effective 1/1/2013 all newly hired personnel in a classification with an established pay range are eligible for the first merit increase after 12 months and at six-month intervals thereafter until they reach the top of the range. Merit increases are granted for effective performance. This change does not affect current employees transferring into new classifications. *(Revised 1/1/2013)*

**All employees that are in an apprenticeship will be eligible to receive their merit increases at six-month intervals. *(Revised 1/1/2022)***

## Merit Increases (Cont'd)

### **A. Eligibility**

- 1) Current full-time employees in a classification with a wage range are considered for a merit increase at 6-month intervals.

Effective 1/1/2013, all newly hired full-time employees' first merit increase will be after 12 months and thereafter, at six-month intervals. This change will not affect current employees transferring into new classifications. *(Revised 1/1/2013)*

- 2) Current part-time employees are considered for a merit increase when they have worked the equivalent number of hours (1,044 hours) needed for a full-time employee to be eligible for a merit increase.

Effective 1/1/2013, all newly hired part-time employees are considered for a merit increase when they have worked the equivalent number of hours (2,080) needed for a full-time employee to be eligible for a merit increase. *(Revised 1/1/2013)*

- 3) Probationary Period -- Absences during the probationary period may extend the merit increase eligibility date. Probationary periods interrupted by absences exceeding 10 consecutive working days may be extended by 10 working days for each 10 days of absence. Time off charged to jury duty, holidays or military leave of less than four weeks will not be considered as absences when computing probationary period extensions.
- 4) Leave Without Pay - When employees are absent without pay (except military service) for more than 90 calendar days, the absence may result in merit increase eligibility dates being adjusted to reflect the time absent

### **B. Temporary Appointments**

Temporary appointments to a higher classification may affect merit increase eligibility.

- 1) When employees are temporarily appointed to a higher or different classification, they retain eligibility for merit increases in their original classification.
- 2) When employees are on a timecard upgrade, they do not accrue time toward a merit increase in the higher classification.
- 3) When temporarily appointed to a higher classification by an ESN, the employee will not accrue time for merit increase in the higher classification unless appointed for more than 6 consecutive months.

### **C. Effective Date**

Merit increases are effective on the first day of the pay period closest to the date of the original appointment, promotion, or transfer to a different classification.

The new supervisor shall determine merit increase dates for employees who retain their same classification but are permanently transferred to another work area.

Merit Increases (Cont'd)**D. Granting Merit Increases**

- 1) The normal merit increase is one step for satisfactory performance. Merit increases of 2 or more steps (specials) may be given for exceptional performance.
- 2) Justification for granting or withholding a merit increase must accompany the authorizing Merit **Wage Rate** Review. (*Revised 1/1/2022*)

**E. Withholding Merit Increases**

- 1) A merit increase may be withheld. A factual statement is required to document unsatisfactory progress or performance. It must be discussed with the employee at least 5 days prior to the effective date of the merit increase.
- 2) The decision to withhold a merit increase is subject to appeal in the same manner as other grievances.

**F. Reinstating Withheld Merit Increases**

- 1) A withheld merit increase may be reinstated after the employee has corrected the deficiencies.
- 2) A withheld merit increase normally will not be considered for reinstatement for at least 6 months.
- 3) When a withheld merit increase is reinstated, the date of reinstatement establishes the next merit increase eligibility date.

**5. TEMPORARY UPGRADES****A. Pay Rates**

If employees are temporarily assigned to work in a higher classification, they are paid at the higher rate for the time worked.

If the ranges overlap, employees will be paid the rate that is a minimum of 5% above their current rate. If the ranges do not overlap, employees will be paid the entry rate of that class.

**B. Minimum Time Worked**

The daily accumulated time at the higher classification must equal 2 hours or more. (Time may be accumulated in increments of not less than 1/2 hour.)

**C. When an ESN is Required**

Assignments to higher classifications for a period in excess of 15 working days require an approved ESN.

## Apprentice Wage Rates (Cont.)

### **D. Certification Requirements for Upgrade**

Employees may not be upgraded to a journey level classification in which a SMUD apprenticeship is a prerequisite unless they have been certified by their department Director as having comparable training and experience. The Director, People Service & Strategies, will review the certification.

### **E. Temporary Vacancies**

- 1) Temporary vacancies may be filled by a temporary upgrade. An individual from the work area will be upgraded if the individual and at least 2 other people within the work area are on a current eligibility list. This may be done without certification. If less than 3 people from the work area are on the list, or if no eligible list exists, the vacancy may be filled from any source available. Temporary upgrades will not be made for more than 12 consecutive months.
- 2) SMUD agrees to upgrade a journey level to subforeman-woman if he/she is asked to supervise another journey level or someone in a lower classification for more than 2 hours. (Not applicable for journey level helper and trainer-trainee situations.)
- 3) Employees temporarily promoted or transferred to PAS or OSE represented classifications will retain the benefits and working conditions of hourly-rated employees.

## **6. WAGE RATE - ASSIGNED LOWER CLASSIFICATION**

When a position is reclassified to a lower pay rate, the incumbent shall be entitled to transfer to a vacant position in the same or a comparable class for which they are qualified. If the incumbent elects to remain in the reclassified position, the employee's **Wage Rate** will be protected for 2 years. An employee remaining in a reclassified position shall not be required to serve a probationary period. *(Revised 1/1/2022)*

## **7. APPRENTICE WAGE RATES**

When employees voluntarily move into an apprenticeship program or other similar training program, their starting **Wage Rate** in the new classification is individually determined. The employee's specific salary step is determined by the department Director with the review of the Director People Services & Strategies, after considering the following: *(Revised 1/1/2022)*

- A. The value of the employee's experience as it relates to the minimum and desirable qualifications of the new position.
- B. The experience and pay steps of other employees in the new classification.
- C. Pay Scales for apprenticeships will be as follows: *(Revised 1/1/2022)*
  1. The starting **Wage Rate** is equal to 65% of the Journey Level **Wage Rate** for the Classification, and

2. The Top Step **Wage Rate** is equal to 95% of the Journey Level **Wage Rate** for the Classification
3. **Wage Rates** for interim steps shall be set based on the number of steps established for the apprentice classification.

## 8. **PAYMENT FOR TIME NOT WORKED**

Payment for time not worked (i.e., personal leave, jury duty, sick leave, military leave, etc.) is made at the employee's regular rate of pay unless they are temporarily promoted by ESN. The fact that the employee was receiving a shift differential or had been temporarily upgraded before and/or after paid leave time, is not relevant.

## 9. **WAGES**

Effective the period that includes January 1, 2022, all wage increases shall be reflected in IBEW appendix A.

### A. Equity Adjustments

Effective the pay period that includes January 1, 2022, and prior to any general wage increase, employees in the following job classifications will be eligible for an equity adjustment as specified below. *(Revised 1/1/2022)*

<b><u>Job Class</u></b>	<b><u>2022 Equity Adjustment</u></b>
<u>Line Worker Series</u>	<b>11%</b>
<u>Electrical Technician Job Series</u>	<b>7%</b>
<u>Cable Splicer/Electrician Series</u>	<b>3%</b>
<u>Cable Splc/Elec Constr Frmn/Wm Classification</u>	<b>2.5%</b>
<u>Substation Construction Frmn/Wm Classification</u>	<b>2.5%</b>

If mutually agreeable to both SMUD and the Union, a wage re-opener may be requested by either party as needed (no more than once per calendar year) to meet and confer over any equity adjustments that may be needed due to a change in market conditions in an effort to address demonstrated issues with effectively attracting and/or retaining employees in these job classes. *(Revised 1/1/2022)*

### B. Two – Tier Classifications

Effective the pay period that includes January 1 of each year, employees hired after 1/1/2013 at the Open class wage for Hydro Operator Series, Distribution System Operator Series, Power System Operators Series, Material Specialist III and IV and Line Equipment Operator will be eligible for the annual wage increases up to the Closed Class (1/) wage by 2025 as follows: *(Revised 1/1/2022)*

Classification	2021 Wage Rate		Annual Wage Increases (including General Wage Increase)			
	Open Class	Closed Class (1/)	2022	2023	2024	2025
POWER SYS OPER (E)	\$57.54	\$70.17	8.50%	8.25%	8.50%	8.49%
POWER SYS OPER I	\$70.14	\$85.55	8.75%	8.25%	8.25%	8.51%
POWER SYS OPER II	\$73.65	\$89.80	8.75%	8.25%	8.25%	8.47%
SHIFT SR POWER SYS OPER	\$77.34	\$94.32	8.75%	8.25%	8.25%	8.50%
SR POWER SYS OPER	\$77.34	\$94.32	8.75%	8.25%	8.25%	8.50%
DISTRBUTN SYSTEM OPER I	\$62.12	\$72.57	7.25%	7.00%	7.00%	7.86%
DISTRBUTN SYSTEM OPER II	\$66.14	\$77.30	7.25%	7.00%	7.00%	7.91%
LEAD DIST SYS OPER	\$68.75	\$80.42	7.25%	7.00%	7.00%	8.00%
SR DISTRIBUTION SYSTEM OPERATOR	\$69.46	\$85.02	8.75%	8.50%	8.50%	8.39%
LINE EQUIP OPER	\$43.97	\$52.47	8.00%	7.50%	7.75%	8.15%
HYD OPER	\$55.98	\$60.96	5.50%	5.25%	5.25%	5.64%
HYD OPER APPR	\$53.18	\$57.90	5.50%	5.25%	5.25%	5.62%
HYD OPER FRMN/WN	\$66.96	\$72.88	5.50%	5.25%	5.25%	5.58%
SR HYD OPER	\$60.48	\$65.84	5.50%	5.25%	5.25%	5.61%
MATERIAL SPCLST III	\$41.31	\$49.37	8.00%	7.75%	7.75%	8.06%
MATERIAL SPCLST IV	\$43.90	\$52.47	8.00%	7.75%	7.75%	8.07%

### C. General Wage Increase

Effective the pay period that includes January 1, of each year, SMUD shall provide a general wage increase for all IBEW represented employees as follows:  
*(Revised 1/1/2022)*

<u>2022</u> 3.5%	<u>2023</u> 3.0%	<u>2024</u> 3.0%	<u>2025</u> 3.25%
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## ARTICLE 4

### WAGE PREMIUMS

#### 1. **INTRODUCTION**

SMUD pays wage premiums **and/or incentives** for commercial driver's license, shift differential, asbestos certification, **Class C driver's license with Hazmat endorsement, crane certification, automotive service excellence** and lead certification **as outlined below.** (*Revised 1/1/2022*)

#### 2. **SHIFT DIFFERENTIAL**

##### A. **Shift Differential Eligibility**

Shift premiums are not paid to part-time employees. Shift premiums are paid to full-time employees **based on which shift they start in** per the following: (*Revised 1/1/2022*)

1) **First Shift (4:00 a.m. and 11:55 a.m.)**

This shift does not carry a shift differential.

2) **Second Shift (12:00 noon and 7:55 p.m.)**

This shift carries a differential of 6 percent of the Journey Electrician wage.

3) **Third Shift (8:00 p.m. and 3:55 a.m.)**

This shift carries a differential of 8 percent of the Journey Electrician wage.

4) **12-Hour Shift**

No shift premium is paid for the 12-hour day shift. The night shift premium for employees on the 12-hour rotating shift schedule is the third shift differential.

##### B. **Shift Differential Pay**

- 1) Any shift differential payable for an employee's regularly scheduled hours of work is also paid for any time worked immediately before or following their regular hours of work.

**Example:** An employee's regularly scheduled work hours are 3:30 p.m. to 11:30 p.m. They are asked to work from 3:30 p.m. to 1:30 a.m. on a certain day. They are paid the second-shift differential for the entire work period.

- 2) When employees are required to work a shift that does not start just before or after their own regularly scheduled shift, they are paid the shift differential applicable to the shift in progress at the start of such work.

**Example:** An employee's regularly scheduled work hours are 3:30 p.m. to 11:30 p.m. With 24 hours' notice they are asked to change shifts for five days or more to the established 1:00 a.m. to 9:00 a.m. shift. They are paid the third shift differential for the entire work period.

## Shift Differential (Cont'd)

### C. **Overtime Rate**

The appropriate overtime rate is applied to the shift differential when working overtime on the second or third shift.

### D. **Non-Work Time**

- 1) Shift differentials are paid only for hours actually worked. They are not paid for non-work time such as holidays, sick leave, personal leave, etc.
- 2) Shift employees working on a non-workday (a day not scheduled as a workday) receive a shift differential only when working a full, regularly established shift. Working any other 8-hour period on a non-workday does not qualify for the shift differential.

**Example 1:** An employee is a shift employee regularly scheduled to work from Monday through Friday. They are asked to work on a Saturday from 4:30 p.m. to 12:30 a.m., which is not a regularly established shift. The time worked would not qualify for a shift differential.

**Example 2:** An employee is a shift employee regularly scheduled to work from Monday through Friday. They are asked to work Saturday on a regularly established shift (4:00 p.m. to 12 p.m.). The time worked would qualify for a shift differential.

## 3. **COMMERCIAL (CLASS A OR B) DRIVER'S LICENSE**

- A. The provisions of this section do not apply to employees whose job classifications require them to possess a Commercial Driver's License as a condition of employment. (See Appendix B for job classification applicability)
- B. Employees within designated classes who possess a valid Commercial license in order to meet threshold requirements shall be placed on a pay range which is **\$1.15**/hour higher than the regular straight time hourly rate of pay for their classification as full consideration for such licensure and willingness to operate SMUD vehicles requiring this license. Employees who are required to obtain a "Hazmat" endorsement shall be placed on a pay range which is **\$1.27**/hour higher than the regular straight time hourly rate of pay for their classification as full consideration for such licensure and willingness to operate SMUD vehicles requiring this license and endorsement. (*Revised 1/1/2022*)
- C. Area Heads, Directors or Supervisors will meet with representatives of the Union to develop a minimum threshold for each work area. Thresholds will be based on operational need and not just preference.
- D. Work area threshold levels as determined are added to this agreement as Appendix C.



#### Commercial (Class A or B) Driver's License (Cont'd)

- E. SMUD prefers to meet its need for drivers with a Commercial license on a voluntary basis. However, should the number of valid Commercial Driver's licenses fall below the threshold established for a work area; additional volunteers will be solicited among the work group. If sufficient volunteers are still not obtained, SMUD may require the least senior person in the class series at the work area to obtain and maintain a valid Commercial license (and endorsements where appropriate).
- F. Any employee who becomes ineligible for the Commercial license must immediately notify their supervisor in writing. The Commercial license wage premium will be suspended until proof of renewed eligibility is provided. The employee who becomes ineligible for the Commercial license will (where possible) be reassigned duties within the same classification, not requiring a Commercial license.
- G. Subject to the provisions of Section E above, any employee who desires to surrender their Commercial license voluntarily may do so provided they give SMUD at least 30 days written notice.
- H. It is the intention of SMUD and the Union to work together to resolve any unforeseen problems that may be encountered.

#### **4. CERTIFIED ASBESTOS WORKERS**

- A. Employees who are certified Asbestos Workers through SMUD provided (or authorized) training programs will receive a lump sum payment of \$150 upon successful completion of the training and certification/**recertification** and a wage premium of **\$1.00** per hour for the hours worked on permitted asbestos abatement or removal jobs. (*Revised 1/1/2022*)

#### **5. CLASS C DRIVER'S LICENSE WITH HAZMAT ENDORSEMENT**

Employees within designated classes who possess a valid Class C License with Hazmat Endorsement shall be placed on a pay range which is \$0.75/hour higher than the regular straight time hourly rate of pay for their classification as full consideration for such licensure and willingness to perform work requiring this licensure and endorsement.

## **6. CRANE CERTIFICATION**

All employees required to maintain a crane certification and be eligible to receive the crane premium will be at management's discretion. The pay range for employees who are certified crane operators shall be \$0.95/hour higher than the regular straight time hourly rate of pay for their classification. *(Revised 1/1/2022)*

- Employees who obtain a *Swing Cab Telescopic Crane* certification/recertification will receive a wage premium and lump sum payment of \$1,500\*. Employees must provide a certificate of completion in order to receive the lump sum payment.
- Employees who obtain an *Articulating Boom Crane* certification/recertification are *not* eligible for lump sum payment, only the wage premium.
- All employees with crane certification are required to maintain a Class A driver's license. The above crane premium will be paid in conjunction with the CDL premium listed in 3A and 3B to all employees that obtain a crane certification.

SMUD prefers to meet its need for crane operators on a voluntary basis. However, should the number of certified crane operators fall below operational needs, additional volunteers will be solicited among the work group. If sufficient volunteers are still not obtained, SMUD may require the least senior person in the class series at the work area to obtain and maintain a crane certificate (and endorsements where appropriate).

\* Will be paid out effective with implementation of MOU for existing employees based on their most recent and active certificate.

## **7. AUTOMOTIVE SERVICE EXCELLENCE (ASE) CERTIFICATIONS**

A. Fleet employees who have passed probation and obtain a certification, or re-certification, from one of the following certification series will be eligible for a lump sum payment of \$150 upon completion of the initial certification, or re-certification. Employees will be eligible to receive another \$150 per certification if all certifications in the series are completed for a Master Certified status. Employees must provide a certificate of completion for each certification and for the Master Certified status in order to receive the lump sum payments. All lump payments for initial and re-certifications listed below shall apply. *(Revised 1/1/2022)*

Certification Series eligible for the lump sum payments:

- **Automobile and Light Truck Certification (A1-A9 Series)**
  - \$150 lump sum payment for each A1-A9 certification examination
  - \$1,350 additional lump sum payment once A1-A9 series certification is completed for Master Certified status
- **Medium-Heavy Truck Certification (T1-T8 Series)**
  - \$150 lump sum payment for each T1-T8 certification examination
  - \$1,200 additional lump sum payment once T1-T8 series certification is completed for Master Certified status

Automotive Service Excellence (ASE) Certifications (Cont'd)

- **Collision Repair & Refinish Certification (B2-B5 Series)**
  - **\$150 lump sum payment for each B2-B5 certification examination**
  - **\$600 additional lump sum payment once B2-B5 series certification is completed for Master Certified status**
- **Advanced Engine Performance Specialist Certification (L1, L2, L3)**
  - **\$150 lump sum payment for each L1, L2, L3 certification examination**
  - **While this certification does not have a Master Certified status, SMUD recognizes the benefits of having employees obtain all three certifications and will still provide an additional \$450 lump sum payment if all three L certifications are obtained**

**Fleet employees will be reimbursed for the test fees they pay for tests they successfully pass in accordance with SMUD's Reimbursement Policy, Management Procedure 03.02.02.101.**

**Fleet employees are eligible for the Master Certified status lump sum upon completion then upon renewal.**

## ARTICLE 5

### BASIC AND ALTERNATIVE WORK SCHEDULES

#### 1. **INTRODUCTION**

The normal workweek for full-time employees is 40 hours. Part-time employees normally work less than 40 hours per week on a regular or services-as-needed schedule.

#### 2. **BASIC WORK SCHEDULES**

##### A. **Normal Work Schedule**

Employees' normal work schedule is an 8-hour workday, Monday through Friday, with a scheduled lunch period approximately midway through the regular workday.

##### B. **Established Work Schedule**

An employee's established work schedule is consistent with the normal operation of their division or department. An employee's schedule may be changed to:

- 1) Provide better service to customers or other work units.
- 2) Stagger working hours to alleviate traffic congestion.
- 3) Reflect seasonal changes in daylight hours or temperature conditions.
- 4) Provide extended coverage for maintenance, testing, and operating activities.
- 5) Reflect the desires of employees in a work unit (with supervisory approval).

Established work schedules will not be changed arbitrarily.

##### C. **Special Work Schedules**

Special work schedules are different from the normal work schedules. They include, but are not limited to, the following:

- 1) Tuesday through Saturday schedules (may be assigned to employees in rotation).
- 2) Schedules that require working one-half day on Saturday with an equivalent number of hours off during the same week.
- 3) Schedules of special shift employees to maintain a watch. This includes such employees as Power System Operators, Distribution System Operators, Troubleshooters.

Other special schedules may be established when employees are assigned work, which cannot be performed with a normal work schedule.

## Basic Work Schedules (Cont'd)

### **D. Emergency Relief Schedule**

If an employee is classified to perform the duties of emergency relief as Power System Operator, Distribution System Operator, Extra/Relief Troubleshooter, or other similar position, or if they are assigned as a relief operator, they will be available for duty in revolving shifts on any day of the week. They can be assigned for the relief of any shift without advance notice.

### **E. Change In Schedule**

Hours of work may be changed by mutual agreement of SMUD and the particular employees involved. When done for the convenience of the employees, overtime policies would not apply.

Nothing in SMUD policy prohibits an employee from being assigned to work outside of their work schedule or from being transferred from one schedule to another, provided they are paid in accordance with SMUD's applicable overtime policies.

## **3. ALTERNATIVE WORK SCHEDULES**

### **A. 9/80 Shifts**

#### **1) Work Schedule**

The bi-weekly work schedule will consist of 8 days at 9 hours per day and one day at 8 hours per day and will be paid at the straight-time rate.

Normal "off days" under the 9/80 schedule will be either Monday or Friday. A workweek that allows the day off to fall on a day other than a Monday or Friday may be arranged as an exception with the concurrence of the employee, the Union and the Department Director.

Employee requests for changes from one work schedule or pattern to another must be approved by the appropriate Department Director and can only be done during the semi-annual open enrollment period (either in the month of February to be effective the first pay period in April, or in July to be effective the first pay period in September). Open enrollment months may only be changed by mutual agreement between the Union and SMUD. Where special circumstances warrant an exception, an employee's schedule may be changed outside of the open enrollment period with the approval of the Department Director.

Shift changes are to be minimized. Shift changes for less than full workweeks are not considered an official change in shift, and the provisions of this Article regarding shift changes will apply.

#### **a) All IBEW represented employees (*Revised 1/1/2013*)**

Any weekday will be considered the employee's normal shift day (i.e., 9 or 10 hour). Saturday and Sunday will be considered an 8-hour shift day.

## Alternative Work Schedules (Cont'd)

### 2) **Lunch Period**

A minimum one-half hour unpaid lunch period will be scheduled approximately midway through the workday **and on an employee's split day, the unpaid lunch period shall be taken after at least halfway through the shift.** (*Revised 1/1/2022*)

### 3) **Participation**

- a) Eligibility for participation will be determined by the appropriate Department Director based on the operational requirements of the department.
- b) Participation in the 9/80 work schedule is voluntary.

### 4) **Continuation of 9/80 Schedule**

The 9/80 Schedule will only be continued with mutual agreement between SMUD and the Union. The 9/80 Schedule may be discontinued upon the request of either SMUD or the Union. After an official request has been made in writing to discontinue the 9/80 Schedule, a 30-day cooling-off period will be observed prior to the actual termination date of the schedule. It is the intention of SMUD and the Union to work together to resolve any unforeseen problems that may arise in administering the 9/80 Schedule. It is recognized that some departments have established unique guidelines for policy interpretation in crew situations. These guidelines must be reviewed and modified as appropriate jointly by the Union and Department Director.

## **B. 4/10 Shifts**

### 1) **Work Schedule**

The **work schedule** will consist of 4 days at 10 hours per day and will be paid at the straight-time rate. (*Revised 1/1/2022*)

The normal **work schedule** will be Monday through Thursday, or Tuesday through Friday, with either Mondays or Fridays as the off day. A workweek that allows the day off to fall on a day other than Monday or Friday may be arranged as an exception with the concurrence of the employee, the Union, and the Department Director.  
(*Revised 1/1/2022*)

Employee requests for changes from one work schedule or pattern to another must be approved by the appropriate Department Director and can only be done during the semi-annual open enrollment period (either in the month of February to be effective the first pay period in April, or in July to be effective the first pay period in September). Open enrollment months may only be changed by mutual agreement between the Union and SMUD. Where special circumstances warrant an exception, an employee's schedule may be changed outside of the open enrollment period with the approval of the Department Director.

Shift changes are to be minimized. Shift changes for less than full workweeks are not considered an official change in shift, and the provisions of this Article regarding shift changes will apply.

## Alternative Work Schedules (Cont'd)

### a) All IBEW Represented Employees *(Revised 1/1/2013)*

Any weekday will be considered the employee's normal shift day (i.e., 9 or 10 hour). Saturday and Sunday will be considered an 8-hour shift day.

### 2) **Lunch Period**

A minimum one-half hour unpaid lunch period will be scheduled approximately midway through the workday.

### 3) **Participation**

a) Eligibility for participation will be determined by the appropriate Department Director based on the operational requirements of the department.

b) Participation in the 4/10 work schedule is voluntary.

### 4) **Continuation of 4/10 Schedule**

The 4/10 Schedule will only be continued with mutual agreement between SMUD and the Union. The 4/10 Schedule may be discontinued upon the request of either SMUD or the Union. After an official request has been made in writing to discontinue the 4/10 Schedule, a 30-day cooling-off period will be observed prior to the actual termination date of the schedule. It is the intention of SMUD and the Union to work together to resolve any unforeseen problems that may arise in administering the 4/10 Schedule. It is recognized that some departments have established unique guidelines for policy interpretation in crew situations. These guidelines must be reviewed and modified as appropriate jointly by the Union and Department Director.

## **C. 12-Hour Shift**

- 1) Each group that has rotating 12-hour shift requirements will prepare and post in the work area an annual shift schedule. This schedule will be posted prior to January first of each year.
- 2) Shift schedules shall be designed such that no employee shall be regularly required to work more than 5 consecutive 12-hour days during any one workweek. When business circumstances dictate the need for additional consecutive days, SMUD will ask for volunteers prior to making the additional days mandatory.
- 3) "Workweek" shall be defined as a 7 consecutive day period **starting at midnight on Friday unless otherwise established in writing by the meet and confer process.** *(Revised 1/1/2022)*
- 4) During an outage, overhaul or when scheduled for training, an employee may be temporarily assigned to another schedule (e.g., 4/10, 9/80, 5/40) to meet that business requirement.

## Alternative Work Schedules (Cont'd)

- 5) Personnel on 12-hour shifts and relief shifts will not observe a lunch period but will eat their meal on SMUD time.

a) Training shifts will observe a one-half hour unpaid lunch period.

6) **Shift Changes**

Shift changes are to be minimized. Shift changes for less than full workweeks are not considered an official change in shift, and the provisions of this Article regarding shift changes will apply.

7) **Benefits**

All benefits that are currently based on an employee's base rate of pay will continue to be based on a 40-hour workweek rate. Benefits that are currently based on an employee's actual earnings will be so determined.

8) **Relief Crew**

If scheduled to work as part of a relief crew, employees will be guaranteed 40 hours pay for that workweek.

Employees on the relief crew will be given a minimum of 12 hours off between shifts. If employees do not receive 12 hours off between shifts, they will be paid the applicable overtime pay rate for those hours worked that encroach upon the 12-hour shift requirements.

9) **Continuation of the 12-Hour Shift**

The 12-hour shift schedule will be reviewed on a regular basis. Either SMUD or the Union may request to return to an 8-hour shift schedule at any individual location or all work locations by giving 60 days written notice should, in the opinion of either party, the 12-hour shift program adversely affect the operation of SMUD or the employees. It is the intention of SMUD and the Union to work together to resolve any difficulties or problems that may be encountered on the 12-hour shift rotation.

## 4. **CHANGE IN SHIFT**

Work schedules and shifts may be changed based on SMUD requirements. An official change in shift occurs if employees are permanently or temporarily transferred to a new work schedule or shift for one workweek or more. **Exception: See Subsection B below.**

A change in shift does not occur if an employee's work hours are extended by an early call in, or they are asked to work beyond their regular work hours.

A change in shift does not occur if an employee's work hours are changed at the employee's request or for the employee's convenience.



## Change In Shift (Cont'd)

### **A. Shift Change For One Workweek Or More**

- 1) If employees are transferred to a new work schedule or shift for one workweek or more, they will:
  - a) Be given at least 24 hours' notice in advance of the new starting time, and
  - b) Have a minimum of 12 hours off between shifts, and
  - c) Be required to work no more than 40 hours at the straight-time rate of pay **in the calendar week.** (*Revised 1/1/2022*)
- 2) If employees do not receive 24 hours' notice or 12 hours off between shifts, they will receive the applicable overtime pay rate for those hours worked which encroach upon the 24-hour notice or the 12-hour shift requirements, whichever is greater.
- 3) Normal overtime, overtime meals, travel time, and rest period provisions will apply to the employee's newly scheduled shift as if it was their regular working hours.

### **B. Shift Change For Less Than One Workweek**

Shift changes for less than full workweeks are not considered an official change in shift. Employees will be compensated at the applicable overtime rate for all hours worked outside their regular work hours. Exception: Shift changes for less than full workweeks for static swing and night shift employees will be considered an official change in shift and will not be compensated at the applicable overtime rate for all hours worked outside their regular work hours if the following provisions are met:

1. Management provides at least two weeks' notice of the shift changes;
2. Management does not exceed three different shift changes for less than one workweek in a quarter.

For example, Fleet management can change their static night shift employees' shifts for less than one workweek on three different occasions within a quarter without compensating employees at the applicable overtime rate if the provisions noted above are met. This flexibility will assist management in scheduling SMUD and vendor training, and work group events. (*Revised 1/1/2018 per LOA*)

## **5. RETURN TO REGULAR WORK SCHEDULE**

When employees return to their regularly scheduled work hours, they will be compensated at their straight-time rate of pay for work performed during their regular work hours. Employees will also have a minimum of 12 hours off between shifts.

If employees do not receive 12 hours off between shifts, they will be paid the applicable overtime pay rate for those hours worked that encroach upon the 12-hour shift requirements.

## **6. LUNCH PERIODS**

### **A. Regular Lunch Period**

Unless employees are special shift employees, they have a scheduled lunch period approximately midway through their established work schedule.

Special shift employees are permitted to eat their meal on SMUD time during regularly scheduled work hours.

### **B. Change In Lunch Period**

- 1) An employee's regular lunch period may be advanced or delayed one hour or less, without the payment of overtime, for any of the following reasons:
  - a) When work on facilities serving a customer can most conveniently be performed during the employee's lunch period.
  - b) When work must be performed because of an interruption of utility service or other emergency.
  - c) When work must be performed to eliminate a hazard to life or property.
  - d) When the foreman/woman and the employees involved mutually establish a different lunch period or agree to a temporary change in the regular lunch period.
- 2) If an employee's lunch period is advanced or delayed more than one hour due to any of the first 3 reasons above, they will be paid at the applicable overtime rate for the time worked during their normal lunch period. The employee will be provided reasonable time to eat their lunch on SMUD time.

## ARTICLE 6

### ON-CALL PAY

#### 1. **INTRODUCTION**

Employees in classifications addressed in this article are required to be on-call for emergency response. Employees in classifications not addressed in this article are not required to be on-call.

#### 2. **GENERAL ON-CALL PROVISIONS**

The following provisions are applicable to all classifications that are required to be on-call. Classification specific provisions are addressed in separate sections or Side Letters of Agreement

- A. Normally on-call will span a period of 7 consecutive days.
- B. The appropriate supervisor is responsible for calling employees.
- C. Employees will be allowed to trade assignments at any time up until the on-call period has begun. Once the on-call period has begun, employees may have another employee cover a portion of the assignment with supervisory approval.
- D. Employees on-call will be compensated at the rate of two (2) hours of their regular, straight-time base rate of pay for each weekday on-call.

**Employees on-call will be compensated at the rate of four (4) hours of their regular, straight-time base rate of pay for each Saturday and Sunday. (Revised 1/1/2022)**

**Employees on-call will be compensated at the rate of six (6) hours of their regular, straight-time base rate of pay for SMUD paid holiday on-call. (Revised 1/1/2022)**

- E. Employees on-call are required to be fit for duty and available to report to work in a reasonable amount of time.
- F. All applicable overtime provisions will apply if the on-call employee is required to respond.
- G. Employees on-call will be provided with a cell phone, **at the request of the employees.** (Revised 1/1/2022)

#### 3. **DISTRIBUTION SYSTEM OPERATORS**

See Side Letter of Agreement LR 16-032

#### 4. **TELECOMMUNICATIONS TECHNICIANS**

- A. Employees in the following classifications in the Telecommunications Unit and the Telephone Services Unit may be subject to on-call:
  - Senior Telecommunications Technician
  - Telecommunications Technician
- B. On-call will span a period of 7 consecutive days, from 0730 hours Tuesday through 0730 hours the following Tuesday.

## Telecommunications Technicians (Cont'd)

- C. SMUD will seek volunteers for on-call assignments. Assignments will be made on the basis of employee preference.
- D. If there are insufficient volunteers for an on-call period, employees will be appointed. An employee who has been on-call without volunteering cannot be appointed again until all employees have served a required on-call period.
- E. Volunteers may be called to work alongside the on-call employee for on the job training purposes. In the event the on-call employee cannot solve a service call problem alone, other employees may be called to assist. Assisting employees will be sought from the volunteer list first unless specific expertise is required.
- F. In addition to being provided a cell phone and pager, employees in the Telephone Services Unit should be provided with a laptop computer furnished with a modem and appropriate software to access the supported systems.

## **5. LINE CONSTRUCTION CLASSIFICATIONS**

### **A. Foreman/woman, Fault Locator, and Line Equipment Operator Regular On-call**

Employees in the following classifications will be subject to the following regular on-call provisions:

- Line Construction Foreman-woman
  - Line Foreman-woman, Light
  - Line Sub foreman-woman
  - Fault Locator
  - Line Equipment Operator
- 1) An on-call schedule will be established that rotates assignments among employees in the above classifications.
    - a. At the end of each calendar year the schedule will be rotated so that the same crews don't have on-call on the same holidays every year.
    - b. For crew stability, the on-call crew will consist of the Foreman's regular assigned crew. *(Revised 1/1/2013)*
    - c. The start of the on-call assignment will be effective at the start of shift on Monday and end the start of shift on the following Monday.
  - 2) The two on-call line foremen/women will alternate trouble calls during their respective week starting with the first foreman/woman listed on the schedule. However, if the on-call supervisor determines that the crew already out can handle a subsequent trouble call, the foreman/woman and crew will not be called.

## Line Construction Classifications (Cont'd)

When additional personnel are needed when both the "A" and "B" crews are either already working and/or are on a rest period, the On-call Supervisor will call the next on-call foreman on the on-call rotation sheet. If the next foreman on the on-call rotation sheet is unable to respond, the supervisor will continue calling the next foreman in line.

*Example: "C" foreman unavailable, "D" foreman gets the next call and so forth.*

The foreman/woman informs supervisor of regular crew members called out. If additional line hands are needed due to the size of the job and/or not all regular crew members are able to respond, then the supervisor will check the emergency signup sheet to fill vacancies. If the supervisor is unable to fill the crew from the emergency signup sheet, then the supervisor will go to the emergency hours list and fill the crew starting with personnel in the classification required with the least amount of total overtime hours. *(Revised 1/1/2018 per LOA)*

When emergency work slows down, crews not on call will be released first.

- 3) In addition to being provided a cell phone, Foremen will be provided with a SMUD vehicle equipped with a radio. *(Revised 1/1/2013)*
- 4) When the on-call employee has made arrangements for another employee to take their calls, both the scheduled and the replacement employee are responsible for notifying the on-call Foreman about the substitution arrangements. The substitute foreman/woman will utilize the crew assigned to the scheduled on-call foreman/woman for all overtime work. The Foreman is responsible for notifying the on-call Supervisor of the change in employee" *(Revised 1/1/2013)*
- 5) The dispatcher is responsible for keeping the on-call supervisor informed of all after-hours activity including changes in location, and the need for additional tools, equipment, or personnel. The on-call supervisor is responsible for providing the necessary support personnel.
- 6) The on-call Supervisor shall call out the on-call Foreman(s) when emergency work is required. The on-call Foreman(s) shall call out their crew. *(Revised 1/1/2013)*
- 7) Employees who are on-call must notify the on-call supervisor if they are unable to meet their on-call responsibilities because of a personal emergency. Once notified, the on-call supervisor must decide if they need to fill behind the absent employee. If so, they will contact employees on the schedule (in appropriate order) seeking a volunteer to cover the remainder of the on-call assignment. The volunteer replacement will maintain their position on the schedule.
- 8) On-call crews are eligible for Prearranged Overtime work on their ADO and on Saturdays as a crew, as long as, customer service is not hindered or impacted.
- 9) Employees can volunteer to be placed on a weekly volunteer roster. This roster will be ranked from the ranked overtime list.

## Line Construction Classifications (Cont'd)

### **B. Lineman-woman, Apprentice and Pre-Apprentice Regular On-call**

Employees in the following classifications will be subject to the following regular on-call provisions:

- Lineman-woman
  - Apprentice Lineman-woman
  - Pre-Apprentice Lineman-woman
- 1) An on-call schedule will be established that rotates on-call assignments among employees in the above classifications. The crew assignments will be to the employees' normal on-call foreman/woman's assigned crew.
    - a. At the end of each calendar year the schedule will be rotated so that the same crews don't have on-call on the same holidays every year.
    - b. For Crew stability, the on-call crew will consist of the crew's core group of five (5).
    - c. The start of the on-call assignment will be effective at the start of shift on Monday and end the start of shift on the following Monday.
    - d. When additional personnel are needed when both the "A" and "B" crews are either already working and/or are on a rest period, the On-call Supervisor will call the next on-call foreman on the on-call rotation sheet. If the next foreman on the on-call rotation sheet is unable to respond, the supervisor will continue calling the next foreman in line.

*Example: "C" foreman unavailable, "D" foreman gets the next call and so forth.*

The foreman/woman informs supervisor of regular crew members called out.
    - e. If additional line hands are needed due to the size of the job and/or not all regular crew members are able to respond, then the supervisor will check the emergency signup sheet to fill vacancies. If the supervisor is unable to fill the crew from the emergency signup sheet, then the supervisor will go to the emergency hours list and fill the crew starting with personnel in the classification required with the least amount of total overtime hours. (*Revised 1/1/2018 per LOA*)
    - f. When emergency work slows down, crews not on call will be released first.
  - 2) Employees can volunteer to be placed on a weekly volunteer roster. This roster will be ranked from the ranked overtime list.
  - 3) Employees who volunteer and are not assigned to an on-call crew remain on the weekly volunteer roster, but the General On-call Provisions do not apply.
  - 4) Employees will be allowed to trade or arrange for a qualified, equivalent substitute to take their calls. Apprentices hired after May 31, 2005, will be required to serve their on-call during the regular rotation unless excused by their supervisor in coordination with the Training Coordinator. Both the scheduled and the replacement employee are responsible for notifying the on-call supervisor about the substitution arrangements. The on-call supervisor is responsible for notifying the on-call foreman/woman concerning the substitution.
  - 5) If the job requires staffing above the normal on-call crew, the on-call supervisor will call necessary employees from the weekly volunteer roster in appropriate order.

## Line Construction Classifications (Cont'd)

- 6) Additional crew members beyond the normal crew size will be assigned by the on-call supervisors from the appropriate list. After the voluntary list has been exhausted, the on-call supervisor may elect to call any qualified employee to respond. *(Revised 1/1/2013)*
- 7) On-call crews are eligible for Prearranged Overtime work on their ADO and on Saturdays as a crew, as long as, customer service is not hindered or impacted

### C. **Short Notice On-call**

During storms, earthquakes, and other emergency situations when management has determined that the regular on-call staffing is inadequate to meet the operational (power restoration) needs of SMUD, employees working in Distribution Services, Line, will be subject to the following short notice on-call provisions:

- 1) To this end, employees who have volunteered for short notice shall be offered on a crew basis to the next on-call crew in rotation. If a full crew is not available, the crew shall find their own replacements according to the rules for emergency on-call replacement. If the crew is not available to work, the next crew up in the rotation will be offered the short notice on-call. *(Revised 1/1/2013)*
- 2) Employees will be notified that they are being placed on short notice on-call as early as possible but no later than the end of the regular workday. Such assignments will be for one day unless otherwise indicated.
- 3) Employees assigned will be provided with a **cell phone, at the request of the employees.** *(Revised 1/1/2022)*
- 4) Short notice on-call employees are required to remain fit for duty, be reachable by phone, and be available to report to work in a reasonable amount of time.
- 5) Short notice on-call assignments are intended to meet a short-term staffing need, and as such, they are not expected to last for more than 6 consecutive days.
- 6) Employees on short notice on-call will receive two (2) hours of pay at the regular straight time rate for each weekday so assigned.

Employees on short notice on-call will receive **four (4) hours** of pay at the regular straight time rate for each Saturday **and** Sunday. *(Revised 1/1/2022)*

**Employees on short notice on-call will receive six (6) hours of pay at the regular straight time rate for each SMUD paid holiday so assigned.**  
*(Revised 1/1/2022)*

- 7) All applicable overtime provisions will apply if the on-call employee is required to respond.

## **6. GAS OPERATIONS CLASSIFICATIONS**

- A. Employees in the following classifications in Gas Operations will be subject to on-call:
- Gas Foreman/woman, Light
  - Gas Pipeline Fieldperson
  - Gas Control Technician (*Revised 1/1/2013*)
- B. On-call will be rotated among appropriate employees to assure equitableness. In the event a scheduled on-call employee is unable to perform his/her duties, the on-call assignment will first be assigned to an appropriate employee with the lowest overtime hours actually worked over the previous 12-month period. (*Revised 1/1/2013*)
- C. In addition to being provided a cell phone employees will be provided with a SMUD vehicle and radio. The SMUD vehicle will be provided for the on-call period only. (*Revised 1/1/2013*)
- D. Typically, employees who are on-call will be dispatched by the Power System Operator (PSO) or the GPO On-Call supervisor to report to the site of the indicated problem and assess the nature of the problem. After safely securing the site, the on-call employee will notify the PSO of the status of the situation. In the event that additional resources may be needed to resolve the situation, the on-call employee will make those recommendations to the PSO. (*Revised 1/1/2013*)

## **7. HAZARDOUS WASTE CREW**

- A. Employees in the following classifications may be subject to on-call:
- Hazardous Waste Foreman-woman, Light
  - Hazardous Waste Technician
- B. On-call assignments will be limited to one employee during any on-call period. During an on-call period, Hazardous Waste Technician employees will be temporarily upgraded to the Hazardous Waste Foreman-woman, Light classification for the duration of any call out response required. Additionally, the compensation paid for being on-call, will be paid at the Hazardous Waste Foreman-woman, Light rate.
- C. In addition to being provided a cell phone, employees will be provided with a SMUD vehicle equipped with a radio. SMUD vehicle will be provided for the on-call period only.

## **8. WAREHOUSE OPERATIONS**

- A. Employees in the classification of Material Specialist in Warehouse Operations assigned to East Campus Operations Center will be subject to on-call.
- B. On-call will be rotated among appropriate employees to assure equitableness.

## **9. CABLE LOCATORS**

- A. Employees in the following classifications are subject to on-call:

Cable Locators



- B. An on-call schedule has been established and will be updated using SMUD seniority.
- C. Scheduled on-call employees may offer their call to other qualified personnel on the schedule. The call shall be offered to each employee in the order that they are scheduled, until accepted. If no eligible employee accepts the call, then the scheduled Cable Locator must fulfill his or her on-call obligations.
- D. On-call personnel must report to the location of the emergency work within 2 hours of the call. The on-call Cable Locator will be assigned a SMUD vehicle to take home for the duration of the on-call assignment. *(Revised 1/1/2018 per LOA)*
- E. On-call overtime begins when the Cable Locator receives the call and ends when the locating work has been performed, and the Cable Locator returns directly home, and reports complete to the on-call Supervisor. *(Revised 1/1/2018 per LOA)*



## ARTICLE 7

### OVERTIME

#### 1. INTRODUCTION

Any employee may be requested to work overtime to meet the needs of SMUD. A willingness to work overtime when requested is a condition of employment. When permitted by the work situation, overtime is first allocated to qualified volunteers. It will be distributed among employees within each work group in the classification involved as equally as practicable.

SMUD makes every attempt to minimize the amount of overtime employees are required to work. This is to ensure minimal disruption of an employee's leisure time and to protect the employee's health. SMUD pays a premium to employees to recognize the inconvenience incurred for working hours outside of their regular work schedule. Overtime is computed to the nearest quarter hour.

#### 2. ELIGIBILITY

All hourly rated employees are eligible for cash compensation for overtime when they work more than 8 hours on a normal work schedule, work more than 40 hours in a workweek, work on a non-workday, work on a holiday, or work outside of regular work hours on a workday.

Employees who are in a light duty status are restricted from working overtime, unless specific medical documentation is provided outlining the number of days in the week the employee can work and the number of hours per day. (*Revised 1/1/2013*)

#### 3. ALTERNATIVE WORK SCHEDULES

##### A. 9/80 Shifts

Overtime will only be paid for hours worked in excess of 9 hours per day on regularly scheduled days of 9 hours, 8 hours per day on regularly scheduled days of 8 hours, or 40 hours per **work** week. All other overtime situations will be handled according to these Articles except that "regular work hours" or "regular work schedule" will be defined as a bi-weekly pattern of eight 9 hour shifts and one 8-hour shift according to a regular and pre-established schedule. **The workweek begins half-way through the scheduled 8-hour day and opposite the employee's ADO and continues for 7 consecutive 24-hour periods unless otherwise agreed to by SMUD.** The **double time** overtime rate will be paid for all hours worked outside an employee's regularly scheduled workweek. (*Revised 1/1/2022*)

##### B. 4/10 Shifts

Overtime will only be paid for hours worked in excess of 10 hours per day or 40 hours per **work** week. All other overtime situations will be handled according to these Articles except that "regular work hours" or "regular work schedule" will be a 10-hour shift rather than an 8-hour shift. **The workweek begins at midnight on Friday and continues for 7 consecutive 24-hour periods unless otherwise agreed to by SMUD.** The **double time** overtime rate will be paid for all hours worked outside an employee's regularly scheduled workweek. (*Revised 1/1/2022*)

### C. **12-Hour Shift**

Overtime will only be paid for hours in excess of 12 hours per day or 40 hours per **work** week. All other overtime situations will be handled according to these Articles except that "regular work hours" or "regular work schedule" will be a 12-hour shift rather than an 8-hour shift. **The workweek begins at midnight on Friday and continues for 7 consecutive 24-hour periods unless otherwise agreed to by SMUD.** The **double time** overtime rate will be paid for all hour worked outside an employee's regularly scheduled workweek.

*(Revised 1/1/2022)*

All hours worked will be compensated at the straight time hourly rate except as outlined below:

- 1) Overtime will be paid at the **double time** overtime rate for all hours worked outside of the normal work hours.
  - a) Extended hours on a normal workday are paid at the **double time** overtime rate.
  - b) Any regularly scheduled hours in excess of 40 hours in a workweek will be compensated at the **double time** overtime rate.
- 2) All other overtime situations will be handled according to these Articles except that "regular work hours" or "regular work schedule" will refer to a 12-hour shift rather than an 8-hour shift. When assigned to the training shift or to a less than 12-hour relief shift, the rules for the appropriate shift schedule will apply.

#### 4. **COMPUTATION OF PAY**

##### A. **Straight Time Pay**

Time worked during an employee's regular work hours is paid at the straight time rate of pay.

##### B. **Double Time Pay**

Except as provided herein; time worked outside an employee's regular work schedule is paid at 2 times the straight-time rate.

All hours incurred while a SMUD IBEW- represented employee works under the auspices of a SMUD Mutual Assistance Agreement with another utility are paid at 2 times the straight time rate. (*Revised 1/1/2022*)

**Revise Letter Agreement LR 17-025 Mutual Aid as follows:**

**Compensation- Mutual Aid: All hours worked are paid at the double time rate of pay.**

##### C. **Holiday Pay**

Holiday premium pay provisions are outlined in the Holidays Article.

##### D. **Maximum Overtime**

Employees will not work more than 16 consecutive hours or combination of hours that has the same effect of not providing the proper rest period. Exceptions to this would only occur in circumstances involving public safety or welfare. Supervisors authorizing work in excess of 16 consecutive hours will ensure the employee is capable of continuing work in a safe manner.

## **5. IBEW OVERTIME ASSIGNMENTS**

Overtime work shall be distributed among employees within each work group in a classification as equally as practicable. SMUD will post in each work location a ranked overtime list. This ranked list criteria will be developed within each work group by written agreement between SMUD and Union. This list will be updated every pay period and will be used when selecting employees to work overtime.

### **A. Overtime Assignments**

When the situation permits, SMUD will seek volunteers for required overtime. Work assignments will be made from volunteers in reverse order from the ranked overtime list. If there are insufficient volunteers for required overtime, employees will be appointed based on reverse order from the ranked overtime list.

### **B. Improper Overtime Assignments**

If employees on the ranked overtime list are improperly bypassed for overtime, appropriate overtime compensation will be paid to the employees who were bypassed.

### **C. Sign-up Procedures**

1. The sign-up list will be posted Wednesday and will remain posted until the end of the work shift on the following Tuesday for those employees desiring to work voluntary prearranged overtime for the following prearranged overtime period commencing on Friday.

Employees desiring voluntary overtime must sign-up or be asked prior to the end of the preceding work shift. (Phone contact is acceptable for employees not reporting to their normal work location that day).

Overtime timesheets submitted late or with errors may not be included in the next ranked voluntary overtime sheet.

A new employee will be given the average number of overtime hours worked by those on the list at that time and will then be placed on the list with those hours.

An employee who has been promoted or changes classification will be given the average number of overtime hours by those on the list at that time and will then be placed on the list with those hours.

## IBEW Overtime Assignments (Cont'd)

### 2. Posted Locations

Signup sheets for voluntary prearranged overtime will be posted in the designated area for each work group.

### 3. Prearranged Overtime Assignment and Administration

- If employees have scheduled prearranged work, they can maintain their own crew and get their own substitutes according to the rules for emergency on-call replacement. Each crew members' first obligation is to their own crew. If their own crew is not working, they are free to volunteer for another crew. *(Revised 1/1/2013)*
- The work period for this signup sheet is the beginning of shift on the Friday until the beginning of shift the next Friday.
- The accounting period for record purposes will be from January 1 through December 31 of each year. To start this procedure on January 1, SMUD seniority will be used.
- Volunteer employees must have all the qualifications required for the specific overtime assignment.
- Volunteer employees with the lowest number of recorded prearranged overtime hours will be offered overtime assignments.
- Employees that refuse an assignment will be credited with the maximum prearranged hours worked by employees used for that day a standard 8 hours, which will be recorded as turn down time.
- When multi-day jobs or jobs in progress are being assigned from the voluntary overtime sheet, preference will be given to employees that have volunteered for each of the days anticipated. This practice will by-pass employees with a lower number of overtime hours and will not be considered a by-pass.
- Overtime hours will be entered into SAP from the previous Friday. Additions, corrections, or adjustments to the ranked list will not be applied to the current posted prearranged overtime signup sheet.
- Errors or omissions on the volunteer signup sheet must be reported by the employee or their representative in order to be changed. Two full business days will be allowed to confirm or correct any reported errors.
- An Employee who is off duty on leave will not be asked or required for overtime until the employee returns to work on their next regular scheduled workday and the employee will not be credited with time worked.

## IBEW Overtime Assignments (Cont'd)

### 4. Mandatory Overtime

- Mandatory prearranged overtime will be assigned first to employees with the lowest recorded prearranged overtime hours actually worked.
- An Employee that does not have a specific skill or qualification required for the mandatory assignment may be passed for that specific assignment.
- Employees assigned under this section may find a qualified replacement but, will be charged the maximum prearranged with standard 8 hours turn down time.

### 5. Other Employees

- When the work group has a need for manpower in excess of volunteers it may go to other work groups within Grid Assets for qualified employees and reduce the number of mandatory assignments needed.
- From time-to-time SMUD may use employees from other work groups. When this practice occurs, SMUD agrees to use the employees in the immediate work group for relief purposes (up-grade) prior to going to other work groups.
- Employees from other work groups will use the prearranged overtime procedure established in their work group for assignments.

## 6. **COMPENSATORY TIME OFF - TIME OFF IN LIEU OF OVERTIME**

### A. **Eligibility**

Employees may **earn** compensatory time off (CTO) instead of overtime pay, **at the discretion of the employee. Management reserves the right to deny a request to earn CTO when an employee has documented attendance issues in accordance with the Positive Discipline Policy (AP 05.02.09). (Revised 1/1/2022)**

**Employees may take compensatory time off (CTO)** with mutual agreement between the employee and their supervisor. **(Revised 1/1/2022)**

### B. **Earning and Using CTO**

CTO will be earned at the **double time rate for each hour** of overtime. Accumulated CTO may not exceed 40 hours at any time. All CTO balances will be paid out to employees after the end of the CTO year. The CTO year shall begin with payroll period 22 and run through the end of payroll period 21 of the following year. All personal leave taken will be charged first to CTO and then to the employee's leave balance. **(Revised 1/1/2022)**



## 7. **TRAVEL TIME**

- 1) Employees will be compensated with straight-time compensatory time off (CTO) for the actual total number of hours of travel time not to exceed eight (8) hours per day for required training. Straight time pay may be authorized for travel in situations where it is impractical to give CTO. Travel time outside of working hours for regular apprentice classes and for optional training is not compensated (*Revised 1/1/2018*).

Note - The following example will be used to figure the amount of CTO.

On day off, employee gets CTO from home to airport, CTO for the amount of travel time while traveling by air or bus to destination, and then CTO for travel time from airport to place of training. The total amount of CTO granted will not exceed 8 hours per day. (*Revised 1/1/2013*)

## 8. **MINIMUM TIME**

- A. The minimum time is 2 hours for which overtime compensation is paid on emergency call-outs that do not extend into an employee's regular work hours. Work time will begin at the time of the phone call.
- B. Employees will be paid at the **double time** overtime rate for a minimum of 2 hours if they report for prearranged overtime and are not needed. This does not apply to relief employee assignments that are cancelled. If prearranged overtime on a regular workday is cancelled before employees leave home, they do not qualify for any compensation. If prearranged overtime on a non-workday is not cancelled prior to the end of an employee's immediately previous regular workday, they will be paid at the **double time** overtime rate for a minimum of 2 hours. (*Revised 1/1/2022*)
- C. If employees are called out early to work into or requested to stay beyond their regular work hours, they are paid at the **double time** overtime rate only for actual time worked. (*Revised 1/1/2022*)
- D. Overtime is computed to the nearest quarter hour.

## 9. **REST PERIODS**

### A. **8-Hour Shifts**

Employees are entitled to a rest period of 8.5 consecutive hours after working 8 hours or more overtime during the 16 hours immediately prior to their regularly scheduled hours of work on a workday or non-workday.

## Rest Periods (Cont'd)

### **B. 9/80 Shifts**

On 9-hour workdays employees are entitled to a rest period of 8.5 consecutive hours after working 6.5 hours or more overtime during the 14.5 hours immediately prior to the regularly scheduled hours of work on a workday or non-workday.

On 8-hour workdays employees are entitled to a rest period of 8.5 consecutive hours after working 8 hours or more overtime during the 16 hours immediately prior to the regularly scheduled hours of work on a workday or non-workday.

### **C. 4/10 Shifts**

Employees are entitled to a rest period of 8.5 consecutive hours after working 5.5 hours or more overtime during the 13.5 hours immediately prior to the regularly scheduled hours of work on a workday or non-workday.

### **D. 12-Hour Shift**

On 12-hour workdays employees are entitled to a rest period of 8.5 consecutive hours after working 4 hours or more overtime during the 12 hours immediately prior to the regularly scheduled hours of work on a workday or non-workday.

### **E. Compensation**

- 1) The rest period starts upon release from an employee's designated headquarters. This rest period excludes mealtime and any travel time to which employees are entitled at the end of the work period. If any part of the rest period falls within an employee's regular work hours, they will be paid for those hours at the straight time rate.
- 2) Employees will not be compensated for their regular lunch period even when it falls within the rest period.
- 3) If a rest period cannot be provided when due, double time is paid until the rest period is provided. Hours worked prior to an 8.5-hour rest period are not included in computing another period of overtime work.
- 4) If employees are required to report back to work prior to the end of their 8.5-hour rest period, they will be paid double time until a rest period can be provided.

### **F. Requirements at End of Rest Period**

- 1) If an employee's rest period ends during the first half of their workday, they may, if their supervisor approves, report to work at the beginning of the second half of the workday. The employee may elect to be placed on CTO, personal leave and/or leave without pay for the time between the expiration of their rest period and the end of the first half of the workday.

## Rest Periods (Cont'd)

**Example:** An employee's rest period ends at 8:30 a.m. The employee's regular work hours are 7:00 a.m. - 3:30 p.m. (lunch from 11:00 - 11:30 a.m.). If the employee's supervisor approves, the employee need not report back to work until 11:30 a.m.

The time between 8:30 a.m. and 11:30 a.m. may be charged to CTO, personal leave and/or leave without pay. (NOTE: Personal leave may be taken in hour increments only.)

- 2) If an employee's rest period ends during the second half of their workday, they may, if their supervisor approves, report to work the following workday. The employee may elect to be placed on leave without pay, CTO or personal leave for the time between the expiration of the rest period and their regular quitting time.

**Example:** An employee's rest period ends at 1:00 p.m. The employee's regular work hours are 7:30 a.m. - 4:00 p.m. If the employee's supervisor approves, the employee need not report back to work until 7:30 a.m. the next workday.

The time between 1:00 p.m. and 4:00 p.m. may be charged to CTO, personal leave or leave without pay.

### **G. Special Rest Period**

An employee's supervisor may excuse the employee from up to 4 hours of their regular shift if they worked 4 or more overtime hours in the 8 hours immediately preceding the beginning of the employee's regular shift.

Special rest period may be granted if the timing of an emergency call out prevents the employee from getting sufficient rest. The employee will receive straight time pay for any of the special rest period that falls within their regular shift.

## ARTICLE 8

### EMERGENCY DUTY

#### 1. **EMERGENCY CALL-OUTS**

- A. When employees are called out for an emergency, their work time will begin at the time of the phone call.
- B. If employees are called in advance to cover behind an employee who is unable to report to work for their shift, and they are directed to report at the specific shift starting time, they will be credited with an additional 45 minutes at the appropriate overtime rate and all other emergency call out provisions (meals, etc.) will apply.
- C. If employees are asked to come in immediately to cover the shift, their work time will begin at the time of the phone call.
- D. **Employees called back to work within 45 minutes of the end of their regular workday will treat the call as a continuation of their workday and will be compensated accordingly. (Revised 1/1/2022)**

#### 2. **MULTIPLE CALL-OUTS**

- A. If employees are called out for work more than once in the 24-hour period from midnight to midnight, the 2-hour minimum overtime compensation is paid **for all** calls outside of their regular work hours. (Revised 1/1/2022)
- B. For the purpose of this provision, concurrent calls or successive calls without a break in paid time are considered a single call.

#### 3. **GRID ASSETS LINE DIVISION EMERGENCY RESPONSE DURING REGULAR WORK HOURS**

- A. When response to an emergency is necessary during normal business hours, the needs of SMUD and our customer-owners may take precedence over responding with the recognized on-call crew. When notified of an emergency that requires response, the Distribution System Operator will notify the on-call supervisor. The on-call supervisor will decide whether the on-call crew will respond to calls between 1400 and the end of regular business hours. An emergency call-out will be defined as an assignment to the on-call crew by the on-call supervisor after 1400 hours and the assignment results in an earned meal.  
(Revised 1/1/2018 per LOA)

The nearest available crew, size and type of crew required, and the nature of the emergency will all be considered when responding.

## Grid Assets Line Division Emergency Response (Cont'd)

If the work continues beyond regular business hours; the responding crew will continue the work to completion or until relieved by the direction of the on-call supervisor.

The supervisor is responsible for assessing the approximate length of time necessary to make repairs. If in his/her judgment the work will extend past 2200 hours, the on-call crew will be utilized as the relief crew. Such relief shall be provided as soon as practicable when, in the opinion of the supervisor, SMUD operations would not be adversely affected.

### B. Sign-Up Procedures

- Sign up for emergency overtime work will be on a daily basis. Emergency overtime signup will be posted daily until close of business for the following day's emergency overtime. The overtime sheet posted on Friday will include Saturday, Sunday, and Monday. If an employee's ADO falls on Friday, a separate signup sheet will be available on Thursday for weekend work. If an employee is on rest period or continuation of shift, their Foreman may contact the supervisor to have the employee placed on the signup list. Employees desiring voluntary emergency overtime must sign- up at designated posted locations. (Phone contact is acceptable for employees not reporting to their normal work location that day). *(Revised 1/1/2013)*
- Employees will only be considered for voluntary emergency assignments on days they have indicated on the voluntary emergency overtime sheet.
- Overtime timesheets submitted late or with errors may not be included in the next ranked voluntary overtime sheet.
- A new employee will be given the average number of emergency overtime hours worked by those on the list at that time and will then be placed on the list with those hours.
- An employee who has been promoted or changes classification will be given the average number of emergency overtime hours worked by those on the list at that time and will then be placed on the list with those hours.

### C. Posted Locations

- Signup sheets for voluntary emergency overtime will be posted in the designated area for each work group.

### D. Voluntary Emergency Overtime Assignment and Administration

- The accounting period for record purposes will be from January 1 through December 31 of each year. To start this procedure on January 1, SMUD seniority will be used.
- Volunteer employees must have all the qualifications required for the specific overtime assignment.

## Grid Assets Line Division Emergency Response (Cont'd)

- Volunteer employees with the lowest number of recorded emergency overtime hours will be offered overtime assignments.
- When multi-day jobs are being assigned from the voluntary overtime sheet, preference may be given to employees that have volunteered for each of the days anticipated. This practice will by-pass employees with a lower number of overtime hours and will not be considered a by-pass.
- Overtime hours used will be entered into SAP from the previous Friday. Additions, corrections, or adjustments to the ranked list will not be applied to the current posted emergency overtime signup sheet.
- Errors or omissions on the volunteer signup sheet must be reported by the employee or their representative in order to be changed. Two full business days will be allowed to confirm or correct any reported errors.
- An employee who is off on leave will not be asked or required for overtime until the employee returns to work on their next regular scheduled workday and the employee will not be credited with time worked.

### E. Mandatory Overtime

- When there are insufficient volunteers available for duty, SMUD will assign employees to report for duty.
- Mandatory emergency overtime will be assigned first to employees with the lowest recorded emergency overtime hours actually worked.
- An Employee that does not have a specific skill or qualification required for the mandatory assignment may be by passed for that specific assignment.
- Employees assigned under this section may find a qualified replacement but will be charged with a standard 8 hours turn down time.

## **4. EMERGENCY RELIEF SCHEDULES**

- A. If employees are classified to perform the duties of emergency relief as Control Room Operator or other similar position, or if they are assigned as a relief operator, they will be available for duty in revolving shifts on any day of the week. These employees can be assigned for the relief of any shift without advance notice.
- B. Overtime compensation for emergency relief work performed during the regular work hours of a shift is not paid unless employees are required to report for work without having had 12 hours off following the end of their last work period. When this occurs, employees are paid the applicable overtime compensation for any time worked in the 12-hour period following the end of their last preceding work period.

## Grid Assets Line Division Emergency Response (Cont'd)

### **5. CALL OUT PROCEDURES**

Call-outs will begin with the on-call rotation list. If that list is exhausted, management will then go to the emergency sign up list and then the list of low overtime hours.

*(Revised 1/1/2018 per LOA)*

## ARTICLE 9

### OVERTIME MEALS

#### 1. **INTRODUCTION**

SMUD will provide meals or payment for meals under certain qualifying situations when employees are required to work overtime. The emphasis should be on the employee actually eating the meal. It is not desirable to have an employee miss a meal in order to become eligible for a missed meal payment.

#### 2. **ELIGIBILITY**

##### A. **Who Qualifies**

All hourly-rated employees required to work overtime are eligible to receive overtime meals or payment for meals under certain qualifying situations. For the purpose of this Article, work hours are defined as hours worked excluding travel time and the time taken to eat the meal.

##### B. **Emergency Call Outs**

If employees are called out, they will be told before coming in whether or not to eat a meal. (Normally if the call-out is at a mealtime, and the situation permits, employees will be asked to eat before reporting.) If the emergency call-out is within 90 minutes of the employee's end of regular work hours, and the situation does not permit the employee to eat before reporting, the employee will become eligible for a meal as if it were an extension of their regular work hours. In a crew situation, if any member of the crew is called out within 90 minutes of that employee's end of regular work hours, the entire crew will become eligible for a meal as if it were an extension of regular work hours. The time that the crew members become eligible for that meal will be at the earliest time at which any member of the crew becomes eligible for a meal based on that employee's regular work schedule.

##### C. **Non-workday Overtime**

When performing overtime, prearranged or not, on a non-workday, including 4 or more of an employee's regular work hours, the employee will be told to bring a lunch if they are given time to prepare a lunch.

Meals are provided for call-outs lasting 5 work hours or more. For every additional 5 work hours, employees are eligible for another meal.

##### D. **Prearranged or Not Prearranged**

The only difference in meal arrangements for prearranged overtime work and overtime work that is not prearranged is that when the prearranged overtime work is performed during regular work hours, employees observe the lunch arrangements that prevail on their regular workday (e.g., employees provide their own lunch and are not compensated for the lunch period).



## Eligibility (Cont'd)

Regular workday meal provisions are observed when emergency work is performed on a non-workday during what would be the employee's regular work hours, except that the employee is compensated for the lunch period and reimbursed for costs in accordance with Maximum Meal Allowances.

### **E. Meal Intervals**

Employees are eligible for a meal for every 5 hours worked. All work hours apply toward overtime meals eligibility. Normal practice is for employees to have meals at approximately 5-hour intervals. Therefore, employees will not normally be required to work more than 5 consecutive hours without a meal or meal payment.

### **F. Mealtime**

In determining time intervals for the purpose of providing meals, time allowed for previously consumed meals is not included. An employee's mealtime begins when the employee arrives at the meal location and ends when the employee leaves the meal location.

### **G. Determining if Employees Qualify**

Use the following table and these instructions to find out if employees qualify for an overtime meal.

**INSTRUCTIONS:** Find the conditions that apply to the employee's situation in the "IF" columns, (A and B). The "THEN" columns (C, D, and E) show employees what they are eligible for.

For example, an employee is required to work overtime as an extension of their regular hours. Go down column A to the condition statement: "If overtime work is.... an extension of your regular work hours," Rule 3. Follow Rule 3 to the right; column B shows that it does not apply. Columns C and D are "YES", meaning that the meal period is paid at the applicable overtime rate, and the cost of the meal is reimbursed. Column E tells the employee that they are eligible for a meal 1-1/2 hours after the end of their regular work hours. The employee is eligible for additional meals every 5 work hours.

## **DETERMINING OVERTIME MEAL ELIGIBILITY (Based on an 8-hour workday)**

### **IF:**

### **THEN:**

Rule Number	A Overtime work is	B And is Prearranged	C Then the meal period is paid at applicable rate	D And the cost of the meal is reimbursed up to the prescribed limit	E And the time needed to become eligible is
1	During employee regular work hours, but on non- workdays.	Yes	No	No	N/A
2		No	Yes	Yes	5 work hours.
3	An extension of employee regular work hours.	N/A	Yes	Yes	1-1/2 work hours after the end of employee regular work schedule, and every 5 work hours thereafter.

4	Wholly outside employee regular work hours.	Yes	Yes	Employee furnishes the first meal. Subsequent meals are reimbursed.	5 work hours after the first meal, and every 5 work hours thereafter.
5		No	Yes	Yes	Every 5 work hours. Also see Paragraph 2.B.
6	Early Call In 2 or more hours before employee regular start time.	Yes	Yes, only for meals earned during overtime hours.	Employee furnishes one meal. Other meals are reimbursed.	N/A
7		No	Yes, only for meals earned during overtime hours.	Yes	N/A
8	Less than 2 hours before employee regular start time.	Yes	No	No	N/A
9		No	Yes, only for meals earned during overtime hours.	Yes, in certain circumstances. See Para. 3.C.2)	N/A
10	Emergency Call Out	No	Yes	Yes	Every 5 work hours. Also see Paragraph 2.B.

Note: For purposes of this chart, work hours are defined as hours worked excluding travel time and the time taken to eat the meal.

### 3. **GUIDELINES**

#### A. **Maximum Meal Allowances**

Effective January 1, 2013, and beyond (*Revised 1/1/2013*)

The maximum reimbursement for overtime meals will increase yearly equal to the percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (1982 – 1984 = 100) – US City Average for the 12-month period ending the prior October.

#### B. **Overtime Meal Eligibility**

Overtime meal eligibility is based on the employee's work hours. When working on a crew situation, the entire crew's overtime meal eligibility is based on the foreman/woman's work hours.

#### C. **Early Call-In**

##### 1) **Prearranged**

If SMUD requires an employee to perform work starting 2 hours or more before the employee's regular work hours (excluding travel time), and the employee continues to work into their regular work hours, the employee provides for one meal on the job, and SMUD provides reimbursement for other meals as required for the duration of the work period. If the work starts less than 2 hours before the employee's regular work hours, the usual meal arrangements prevail.

##### 2) **Emergency**

If, in an emergency call-in situation (not prearranged), SMUD does not give employees an opportunity to eat a breakfast and prepare a lunch before reporting for work, SMUD will provide meals for employees or reimburse the employees for these meals. The

## Guidelines (Cont'd)

meals are eaten at approximately the usual times and SMUD pays for the time taken to eat the meals, except that employees will not be paid for their lunch period on a regular workday.

### **D. Owed Meals at Completion of Assignment**

When employees are owed a missed meal(s) upon release from their work headquarters, they will be paid in accordance with Maximum Meal Allowances, and 30 minutes pay for each missed meal(s) at the applicable overtime rate. The time will be added to their end of shift work hours and will apply to the computation of total hours worked.

When employees are owed a meal, SMUD makes every effort to provide them the meals and the time to eat them. Occasionally a meal break is missed. A meal is considered missed when enough time has passed that a second meal is owed.

- 1) Employees qualify for a missed meal when:
  - a) An overtime meal could not be eaten because of work requirements; and
  - b) A minimum of 5 work hours has passed from the time the first overtime meal was owed: and
  - c) A second meal is earned.
- 2) For missing a meal, employees receive the Maximum Meal Allowance plus 30 minutes pay at the overtime rate that is applied at the time the meal should have been eaten. Additionally, thirty minutes will be added to the end of their work shift for each missed meal.

Example: An employee is released from duty at xxxx hours and has missed one meal during the course of their workday, 30 minutes would be added to their paid time and as a result, their rest period would start at xxxx hours plus 30 minutes. For each additional missed meal an additional 30 minutes would be added their paid time and their rest period would start 30 minutes later.

- 3) If a second overtime meal is earned, employees will be provided a meal up to the Maximum Meal Allowance and will be paid for the time to eat the meal.

Example: An employee is regularly assigned to work from 7:00 a.m. to 3:30 p.m. After eating lunch at the employee's regularly scheduled time, 11:30 a.m., they are notified that their shift is being extended beyond 3:30 p.m., so that they can complete the job underway. Since the employee's shift has been extended, they are eligible for a meal after 1-1/2 hours of overtime, at 5:00 p.m. However, the employee could not stop to eat until 10:00 p.m. Since the employee could not eat the meal owed them at 5:00 p.m., and 5 work hours have passed from the time the first overtime meal was owed, they now qualify for a second overtime meal. The employee will receive the Maximum Meal Allowance plus 30 minutes pay at the applicable overtime rate for the meal owed at 5:00 p.m. and will be provided a meal up to the Maximum Meal Allowance for the second meal, and payment for the meal period.

## Guidelines (Cont'd)

- 4) If employees receive an early call-in of 2 hours or more, excluding travel time, and they miss the first meal period and then observe their normal lunch period, they are compensated under the missed meal provision (30 minutes at the applicable overtime rate plus the Maximum Meal Allowance).

Example: An employee is regularly assigned to work from 7:00 a.m. to 3:30 p.m. They are called in to work at 4:00 a.m. (not prearranged). Because of the requirements of the work, the employee is not able to eat a meal until their normal lunch period, 11:00 a.m. Since more than 5 work hours have passed since the first meal was earned, and another meal is now due, the employee qualifies for a missed meal, and will receive the Maximum Meal Allowance plus 30 minutes pay at the applicable overtime rate.

Note: Special Shift Employees: Since these employees are permitted to eat their meal on SMUD time, time to eat a missed meal is not provided.

### **E. SMUD Provided Meals at Work Site**

When an overtime meal is earned and the appropriate supervisor determines that SMUD should provide a meal at the work site, the following guidelines shall apply:

- 1) Employees will be provided a meal that should be, but under certain conditions may not be, a comparable substitute for a meal that the employee would have eaten; and
- 2) Employees will be provided reasonable time to eat the meal on SMUD time; and
- 3) Employees will still be due the earned meal (i.e., the provided meal is not considered to be a meal payment, a meal provided, or a meal taken).

Note: The type of meal provided will depend on the average restaurant available in the general area, the time of day the meal is provided, the availability of restaurants that can provide a comparable substitute within a reasonable distance of the work site, and the breakfast, lunch or dinner menu at restaurants where comparable substitutes are available.

### **F. 9/80 Shifts**

The guidelines will apply except that "regular work hours" or "regular schedule of shift" will be defined as a bi-weekly pattern of eight 9 hour shifts and one 8 hour shift according to a regular and pre-established schedule; however, if an employee's regular work hours are extended, he/she will earn an overtime meal payment one hour after the end of the regular work schedule (e.g., at the 10th hour of work on a 9 hour shift day).

### **G. 4/10 Shifts**

The guidelines will apply except that "regular work hours" or "regular schedule of shift" will be a 10-hour shift rather than an 8 hour shift; however, if an employee's regular work hours are extended, he/she will earn an overtime meal payment one hour after the end of the regular work schedule (e.g., at the 11th hour of work).

## Guidelines (Cont'd)

### **H. 12-Hour Shift**

The guidelines will apply to overtime meals except that "regular work hours" or "regular schedule or shift" will be a 12-hour shift rather than an 8-hour shift.

Employees working scheduled 12-hour shifts for straight time will not be eligible for overtime meals unless they continue to work after their regular quitting time for one hour and at 4-hour intervals thereafter. The 12-hour rules apply when employees are scheduled to work the 12-hour shift rotation. If an employee is scheduled for 8-hour days, the 8-hour rules apply.

### **I. Reimbursements**

- 1) When employees earn an overtime meal, and the meal is not paid for by SMUD, they will be paid in accordance with Maximum Meal Allowances. This payment will be made through the payroll system and will be included on the employee's paycheck. No additional meal payment will be made if they are provided a SMUD-paid meal.
- 2) If employees work for an extended period of time, they may earn additional meals during their shift. No additional meal payment will be made if they are provided SMUD-paid meals.
- 3) Payments for overtime meals will be included in employee's gross income, and applicable Federal and State income taxes and FICA taxes will be withheld.
- 4) If second or third overtime meal expenses total \$50 or less, reimbursement may be made from petty cash funds.
- 5) Reimbursement may be made from petty cash funds up to \$100 to foremen/women who have paid for meals taken by their crews during periods of emergency work.
- 6) SMUD will make procurement cards available, as needed, to carry out the provisions of this article.

**ARTICLE 10**  
**PERSONAL LEAVE**

**1. INTRODUCTION**

Department Directors or supervisors must approve all requests for leave in advance. Absence not approved in advance will be charged as leave of absence without pay.

**2. EARNING PERSONAL LEAVE**

All regular employees begin accumulating personal leave credits upon employment.

**A. Full-Time Employees**

Full-time regular employees earn personal leave credits on the following schedule:

**1. First through Fourth Year of Service**

Employees earn 80 hours of personal leave per year (6 hours and 40 minutes per month).

**2. 5th through 14th Year of Service**

Employees earn 120 hours of personal leave per year (10 hours per month) from the beginning of their 5th year through their 14th year of service.

**3. 15th through 22nd Year of Service**

Employees earn 160 hours of personal leave per year (13 hours and 20 minutes per month) from the beginning of their 15th year through their 22nd year of service.

**4. 23rd through 29th Year of Service**

Employees earn 200 hours of personal leave per year (16 hours and 40 minutes per month) from the beginning of their 23rd year through their 29th year of service.

**5. 30 or More Years of Service**

Employees earn 240 hours of personal leave per year (20 hours per month) from the beginning of their 30th year of service.

**B. Part-Time Regular Employees**

Part-time employees scheduled to work 20 or more hours per week on a fixed schedule, earn personal leave credits based on the hours worked. (176 hours equal one month's service).

## Earning Personal Leave (Cont'd)

### **C. Personal Leave Bonus**

#### **1. Full-Time Employees**

Permanent, full-time employees will be credited with a 40-hour personal leave bonus on the 10th anniversary date of full-time continuous service.

#### **2. Part-Time Regular Employees**

Regular, part-time employees will be credited with a 40-hour personal leave bonus after working the equivalent number of hours required of full-time employees.

### **D. Accrual Limit**

Employees may carry up to 680 hours of personal leave into the New Year. Excess vacation accrual (beyond the 680-hour limit) as of the start of the New Year will be forfeited and the vacation time forfeited will be paid out at the employee's straight time rate of pay in the pay period including January 9th. *(Revised 1/1/2018)*

Exception: If an emergency arises or service requirements do not allow employees to use their personal leave credits, their department Director may recommend to the General Director that the employee be allowed to exceed the maximum hours that may be carried over into the next year.

### **E. Non-Accrual of Personal Leave Credits**

Employees will not earn personal leave for each cumulative total of 176 working hours of the preceding 12 months while they are absent on leave without pay.

### **F. Personal Leave Sell-Back**

- 1. Full time employees may elect to sell back up to one hundred-twenty (120) hours (up to 60 for part-time employees) of accumulated personal leave credits per year, provided they employee schedules and uses at least the equivalent of one (1) work week of personal leave in the same year.**
- 2. Personal Leave Sell-Back Agreements, which are irrevocable, must be submitted to the HRS Payroll unit no later than December 31 of the year prior to the year in which the personal leave will be accrued and paid out. An employee may elect to apportion the amount of sell back between paychecks for pay periods 13 and 25, limited to the amount of Personal Leave accrued in that year at the time of the payout.**
- 3. An employee may request a hardship withdrawal payment of accrued leave at any time when an unforeseen hardship arises, and payment is needed to cover such expenses. Hardship withdrawals are only allowed for the reasons specified in the hardship distribution rules for SMUD's 457(b) plan as well as other similar hardships approved by SMUD. *(Revised 1/1/2022)***

### **3. USING PERSONAL LEAVE CREDITS**

Employees are eligible to use their personal leave credits as soon as they show on their pay stub.

#### **A. 9/80 Shifts**

Employees who take paid time off on Personal Leave on a regularly scheduled workday will be charged the number of hours they were regularly scheduled to work (i.e., nine (9) hours, if regularly scheduled to work a 9-hour shift).

#### **B. 4/10 Shifts**

Employees who take paid time off on Personal Leave on a regularly scheduled workday will be charged 10 hours personal leave.

#### **C. 12-Hour Shift**

Personal leave may be taken on an hourly basis. When a full day's personal leave is taken, it will be charged according to the normal work shift of the individual. An individual working 12-hour shifts who takes a personal leave day will be charged 12 hours of personal leave.

#### **D. Scheduling Personal Leave**

Personal leave is normally taken each calendar year.

The time is scheduled and approved by the employee's department Director or supervisor after considering the preference and seniority of each employee in each classification. Seniority is determined by total years of continuous SMUD service.

#### **E. Normal Working Conditions**

##### **1. Scheduling for More Than One Week**

Leave periods of one, two, or three weeks will be given preference over split leave periods and leave periods of more than three weeks.

##### **2. Scheduling Entire Crews or Other Work Units**

If it is necessary to schedule time off for an entire crew or work unit, the leave period will be scheduled to meet SMUD's needs, and the dates selected by a majority of the crew or work unit.

##### **3. Scheduling for Less Than One Week**

When conditions of the work permit; employees may be granted one hour or more personal leave at a time.



**F. Emergency Conditions/Service Requirements**

In an emergency, employees may be asked to forego all or part of their scheduled leave period. If employees are already on personal leave, they may be requested to report for duty. SMUD recognizes that all employees are entitled to use their personal leave. It is also recognized that certain service requirements of SMUD may require personal leave to be kept to a minimum. SMUD supervisors will make every effort to provide personal leave to each employee annually.

**G. Part-Time Regular Employees**

Part-time employees regularly scheduled to work 20 or more hours per week may be granted personal leave up to 40 hours in a week.

**H. Effect of Holidays**

If a recognized SMUD holiday falls within an employee's personal leave period, it is not counted as a day of personal leave.

**4. PAYMENT FOR PERSONAL LEAVE**

**A. Regular Classification**

An employee's personal leave pay is computed at the straight-time rate of pay for their regular classification at the time the leave is taken.

**B. Dual Classification**

If employees are in a dual job classification, their personal leave pay is based on the classification in which they would be working if they were not on personal leave.

**C. Extended Military Leave**

If employees are on an extended military leave (over 180 calendar days), they must take a lump sum cash payment for their accumulated personal leave or save it for use later. A lump-sum cash payment will be calculated at the employee's rate of pay when their leave started.

## **5. PAYMENT FOR UNUSED PERSONAL LEAVE**

### **A. Termination of Employment**

#### **1. Regular Terminations**

If employees are eligible to accrue personal leave credits and they terminate from SMUD employment, they will be paid for any accumulated personal leave credits.

Employees may not use their accumulated personal leave credits immediately prior to the effective date of termination. Employees will receive cash compensation in a lump-sum payment.

#### **2. Dismissal for Cause**

Normally, if employees are dismissed for cause, they will be paid for any accumulated personal leave credits they might have at the time of termination. In extraordinary cases, before final payment is made to employees, General Manager approval will be required.

### **B. Retirement**

If employees are retiring, they may take a lump-sum payment for their personal leave. Employees may choose to take personal leave prior to the effective date of their retirement if: they have the equivalent of 5 years of full-time uninterrupted service with SMUD, and they have been a member of the Public Employees Retirement System (PERS) for at least 5 years, and they are at least 50 years of age.

## ARTICLE 11

### HOLIDAYS

#### 1. **INTRODUCTION**

Eligible employees are granted paid time off for specified holidays and provided premium pay if required to work on a holiday.

#### 2. **AUTHORIZED HOLIDAYS**

##### A. **SMUD-Observed Holidays**

SMUD guarantees regular employees the following 9 SMUD-observed holidays: New Year's Day; Martin Luther King, Jr. Day (celebrated on the third Monday in January); Presidents' Day (celebrated on the third Monday in February); Memorial Day (celebrated on the last Monday in May); Independence Day; Labor Day; Thanksgiving Day; Day After Thanksgiving; and Christmas Day.

##### B. **Floating Holidays**

In addition to SMUD-observed holidays, regular, permanent employees with 6 or more months of full-time service receive floating holidays according to the following: January 1, July 1, September 1 and November 1. These floating holidays are administered as 8 hours of personal leave. They may be carried over from year to year in the same manner and with the same limits as accumulated personal leave.

SMUD will approve the use of a floating holiday, or a day of personal leave for any regular SMUD employee, who has served in the armed forces of the United States, or their allies, and who wishes to observe the (November 11) Veterans Day Holiday.

##### C. **Special Holidays**

The General Manager/CEO may authorize regular employees, additional time off during the Christmas - New Year holiday season.

#### 3. **HOLIDAY PAY**

##### A. **Eligibility for SMUD-Observed Holiday Pay**

##### 1) **Full-time Employees**

To be eligible for holiday pay, an employee must be a regular employee. In addition:

- a) Employees must have worked the workday immediately prior to or immediately following the holiday, or
- b) Employees must have been on approved personal leave, sick, CTO, or leave with pay for the entire workday immediately prior to or immediately following the holiday.

## Holiday Pay (Cont'd)

### **2) Part-time Regular Employees**

To be eligible for holiday pay, part-time employees must be working 20 or more hours per week on a fixed schedule.

### **B. Eligibility for Floating Holiday Pay**

Eligibility is the same as that for SMUD-observed holidays for all employees working for more than 6 months.

### **C. Eligibility for Special Holiday Pay**

The General Manager/CEO may determine who is eligible for special holidays such as additional time off during the Christmas-New Year holiday season.

#### **1) Full-Time Permanent Employees**

To qualify for Special Holiday pay, employees must work or be on paid leave for the other work hours on the day that it is granted. If employees are required to be on duty for the Special Holiday, they should be given equivalent time off on New Year's Eve or other suitable time. If employees cannot be granted time off, they will be given the equivalent of straight time pay in addition to pay for working that day. If the day designated as a Special Holiday is a regularly scheduled day off for employees, then the first time that they request personal leave after that day, they will charge the equivalent number of hours to "Other Paid Leave." This will ensure that employees are given equivalent paid time off.

#### **2) Part-Time Regular Employees**

Part-time employees regularly scheduled to work 20 or more hours per week will be credited with half the paid time off granted to full-time employees for a Special Holiday, whether or not they were scheduled to work on that day.

### **D. Holiday Pay**

- 1) When a holiday falls on an employee's regularly scheduled workday, the employee will be given the day off and will be compensated for the number of hours the employee is regularly scheduled to work on that day. When a holiday is observed on an employee's regular day off, the employee is credited with 8 hours of personal leave. Part-time Regular employees will be credited with 4 hours pay for any authorized holiday whether or not scheduled to work on that day. Holiday pay is based on the classification in which the employee is scheduled to work when the holiday occurs.
- 2) For shift employees, if a holiday falls on a Saturday and employees are credited with an extra day of personal leave, shift employees receive the extra day of personal leave or 8 hours of straight time pay for working on the holiday at the employee's discretion.

## Holiday Pay (Cont'd)

### **3) 12-Hour Shift**

If an employee scheduled to work a 12-hour shift requests and is granted the day off on a holiday, the employee will be provided with 12 hours of straight time holiday pay. If an employee is scheduled to work, the employee will be allowed to work the holiday. Employees whose day off occurs on a holiday shall be paid for 8 hours at the straight time rate or be credited with 8 hours of personal leave at the employee's discretion.

## **4. OBSERVING HOLIDAYS**

- A. When a SMUD holiday falls on a Saturday, SMUD will observe the holiday on the preceding Friday. Sunday holidays will be observed on the following Monday.

### **B. 12-Hour Shift**

Holiday compensation will be paid to 12-Hour Shift Power System Operators ("PSO"), 12-Hour Shift Distribution System Operators ("DSO"), and 8-Hour Shift Troubleshooter employees who work the actual holiday, not to those who work the designated holiday. Employees working the day shift on the actual holiday and those working the night shift that starts on the actual holiday will be paid for the holiday. (*Revised 1/1/2013*)

## **5. PREMIUM HOLIDAY PAY**

### **A. Regular Full-Time Employees**

Employees eligible for holiday pay provisions will receive it if they must work on the designated holiday rather than the "actual" holiday, except 12-hour shift employees. *For example*, if the holiday falls on a Sunday, SMUD will observe that holiday on the following Monday. Employees required to work on the "actual" Sunday holiday would not receive the holiday pay provisions. However, employees required to work on the designated holiday (Monday) would receive the holiday pay provisions.

Employees are paid for all time worked on the holiday at the rate of double-time, plus straight-time pay for the holiday for a total of 3 times their straight-time pay.

### **B. Part-Time Employees**

Part-time employees are paid for all time worked on the holiday at the rate of double-time.

### **C. 12-Hour Shift**

Premium holiday pay will be paid to 12-Hour PSO, DSO, and Eight Hour Shift Troubleshooters, employees who work the actual holiday, not to those who work the designated holiday. Employees working the day shift on the actual holiday and those working the night shift that starts on the actual holiday will be paid for the holiday. (*Revised 1/1/2013*)

- 1) When PSO and DSO employees regularly scheduled workday falls on a holiday, the employee will be paid double-time for the hours worked and 12 hours straight

### Premium Holiday Pay (Cont'd)

time holiday pay. A Troubleshooter will be paid double-time for the hours worked and 8 hours straight time holiday pay. (*Revised 1/1/2013*)

- 2) If an employee is required to work a holiday on a normally scheduled day off, the employee will be paid double-time for the hours worked, and 8 hours at the straight time rate or be credited with 8 hours of personal leave at the employee's discretion.
- 3) If a PSO, DSO or troubleshooter is on a pre-determined rotating schedule for the year and are scheduled for a Holiday, they will be allowed to work the holiday.

If a holiday falls within a Troubleshooter's shift, employees scheduled shall have the 1<sup>st</sup> opportunity to work that holiday

If a Troubleshooter declines to work on the Holiday, shift coverage will be filled from a volunteer list of relief Troubleshooters with the least number of overtime hours. (*Revised 1/1/2013*)

## ARTICLE 12

### SICK LEAVE

#### 1. **INTRODUCTION**

Except as outlined in the Article below, sick leave provides salary protection in case of illness or injury in accordance with SMUD's Sick Leave Policy, AP 4.5.15. *(Revised 1/1/2018)*

#### 2. **GUIDELINES**

##### A. **General**

Payment for sick leave is calculated at the employee's rate of pay when the leave is taken except when under timecard upgrade.

##### B. **Use of Sick Leave**

Sick leave may be taken in 15-minute increments. When employees use sick leave, they must let their supervisor know in advance, if possible. If employees can't show up for work, they are expected to notify their supervisor each day, prior to the start time of their scheduled shift. If employees are off work for 5 or more consecutive days due to illness or injury, they may be required to provide a medical release for return to work, or other document satisfactory to their supervisor that indicates they may safely return to work. *(Revised 1/1/2013)*

If an employee's supervisor has cause to believe that the employee's absence is not for an authorized reason and the employee has already taken three days of sick leave that calendar year, the employee may be required to provide substantiating evidence. If the employee fails to provide adequate evidence, their request for sick leave will be denied and the absence will instead be charged to unauthorized leave without pay. Improper use of sick leave and/or unauthorized leave without pay is considered a work conduct and/or an attendance problem that will be addressed through the positive discipline process.

Sick leave may also be used for supplementing worker's compensation payments and when taking disability retirement.

##### C. **Sick Leave While On Personal Leave**

If employees become ill while on personal leave, they may request that their personal leave be changed to sick leave.

##### D. **Sick Leave On a Holiday**

If an employee is sick on a workday that is also a holiday, the employee will get holiday pay, and sick leave will not be charged.

##### E. **Sick Leave Incentive Plan**

SMUD encourages employees to maintain good health by providing a sick leave incentive plan. Employees can earn personal leave credits if they have low sick leave use. Eligible

employees are permanent full-time employees who work a full payroll year. The credit is granted after year's end according to the following schedule:

Guidelines for Administration of the Sick Leave Incentive Program							
Prior Year's Sick Leave Usage by Work Schedule				Personal Leave Granted by Work Schedule			
8 hr-5	9-80	4-10	12 hrs.	8 hr-5	9-80	4-10	12 hrs.
0 hrs.	0 hrs.	0 hrs.	0 hrs.	16 hrs.	18 hrs.	20 hrs.	24 hrs.
1-8 hrs.	1-9 hrs.	1-10 hrs.	1-12 hrs.	12 hrs.	13.5 hrs.	15 hrs.	18 hrs.
9-16 hrs.	10-18 hrs.	11-20 hrs.	13-24 hrs.	8 hrs.	9 hrs.	10 hrs.	12 hrs.
17-24 hrs.	19-27 hrs.	21-30 hrs.	25-36 hrs.	4 hrs.	4.5 hrs.	5 hrs.	6 hrs.

Employees who are granted 2 days personal leave credits may choose cash instead of time off.

Up to 4 prearranged medical or dental appointments will not count toward sick leave usage for the above schedule.

**F. Long-Term Disability**

An employee will be permitted to use his/her sick leave in those situations in which the illness meets the disabled definition of SMUD's Long-Term Disability Plan. If the employee is not precluded by his/her disability from performing other work and SMUD has made a limited duty assignment available to the employee, he/she shall not be permitted to use sick leave. *(Revised 1/1/2013)*



## ARTICLE 13

### LEAVES OF ABSENCE

#### 1. **GENERAL**

An authorized leave of absence is leave that is approved in advance. An unauthorized leave of absence is leave that is not approved in advance. An extended leave of absence is an unpaid leave that is more than six months.

#### 2. **LEAVE OF ABSENCE WITH PAY**

##### 1) **Death In Family**

If there is a death in an employee's family\* and the employee has been continuously employed for six months or more, they may be allowed up to three workdays leave of absence with pay. Employees who take paid time off on Bereavement Leave on a regularly scheduled workday will be credited with the number of hours they were regularly scheduled to work.

\*Family is defined as: spouse or registered domestic partner; child (includes stepchildren or adopted); parent (includes spouse or registered partner's parent); grandparent, grandchild or sibling; brother or sister (includes stepbrother or stepsister); daughter-in-law or son-in-law, or nieces, nephews, uncles or aunts. *(Revised 1/1/2018 per LOA)*

This leave is not granted automatically, and the employee's area head will consider the following types of factors prior to approving the employee's request: the relationship of the deceased; the employee's responsibility for arrangements; the date and place of the service.

##### 2) **Election Days**

The polls are normally open long enough to allow employees to vote either before or after work. However, should an emergency work situation make it unlikely the employee will be able to vote, their supervisor will grant them a maximum of two hours paid time off to vote in any statewide general election.

##### 3) **Court Appearance**

**Except as outlined in the section below, SMUD will allow regular employees to take time off with pay for authorized court appearances in accordance with SMUD's Jury Duty and Court Appearances Policy (AP 04.05.06). *(Revised 1/1/2022)***

## Court Appearance (Cont'd)

### **1) Jury Duty**

#### **a) Length of Jury Duty**

Since employees may be called for jury duty late in the morning or released early in the day, their supervisor may require employees to work the remaining fraction of the workday. If employees do not comply with this obligation, they will not be paid their SMUD salary for the time not at work. Employees may also be subject to disciplinary action.

#### **b) Time of Jury Duty**

Jury duty occurring at times other than an employee's regular work hours does not typically excuse them from working their normal shift. Employees may be excused only if the jury duty required their service for 8 hours during the 16 hours immediately preceding their regular shift. This does not, however, in any way authorize payment of overtime in the event employees actually decide to work.

#### **c) 12-Hour Shift**

Jury duty will result in the employee being rescheduled to an 8-hour day shift; Monday through Friday, while on jury duty with the employee guaranteed a 40-hour workweek. If released from jury duty prior to the end of the workweek, the employee will be returned to relief duty for the remainder of the week.

### **2) Duty as a Witness**

#### **a) Under Subpoena**

If employees are subpoenaed as a witness in a civil or criminal trial or hearing, they must give their supervisor a copy of the court order requiring them to appear. Employees may be given paid time off for this appearance.

#### **b) Expert Witness**

If employees are called as an expert witness, and SMUD has no interest in the trial, employees must use their personal leave credits for the time off.

### **3) Involvement as a Plaintiff or Defendant**

If employees are personally involved in a court case as the plaintiff or defendant, SMUD will not provide them with paid time off to appear in court or to transact business associated with their case. The employee's supervisor may, however, grant personal leave in such cases.

#### **D. Professional Leave**

Upon recommendation of an employee's Department Director and approval by the General Manager/CEO, SMUD may allow them to participate to a reasonable extent in the activities of a professional organization without loss of pay. However, SMUD will not reimburse the employee for travel or other expense unless SMUD receives a direct benefit from their activities, as determined by their Department Director.

If employees hold a major national office in a recognized professional association, they may be allowed absence with pay for travel required in the performance of their duties as an officer. Such absence with pay shall normally not exceed ten working days in a calendar year.

#### **E. Short-Term Union Business**

**SMUD will not unreasonably deny requests for leaves of absence for employees to serve as stewards or officers of the exclusive representative or of any statewide or national employee organization with which the exclusive representative is affiliated.** Employees who are granted leave-of-absence from SMUD to work for the Union remain on SMUD's payroll. Employees will continue to receive PERS contributions and service credit. SMUD in its sole discretion reserves the right to deny a requested leave-of-absence. **During the leave, SMUD shall fund the retirement contributions required of SMUD as an employer and as specified by the MOU. The employee shall earn full service credit during the leave of absence and shall pay their employees contributions. (Revised 1/1/2022)**

- 1) The Union shall reimburse SMUD for the employee's salary plus fringe benefit costs while the employee is on the leave-of-absence.
- 2) This provision will apply to leaves-of-absence for six months or less.
- 3) Requests shall be made at least two weeks in advance and directed to the Manager, Labor Relations unless otherwise agreed to between SMUD and the Union.
- 4) **At the conclusion or termination of leave, SMUD shall reinstate the employee to the same position and work location held prior to the leave, or, if not feasible, a substantially similar position without loss of seniority, rank, or classification. (Revised 1/1/2022)**
- 5) The Union agrees to indemnify and hold SMUD harmless against any and all liability for loss, damage, cost or expense which SMUD may incur by reason of bodily injury, including death, to any person or persons or by reason of damage to or destruction of property, including the loss of use thereof, arising out of or in any way connected with the herein described program, whether or not due in whole or in part to any act, omission or negligence of SMUD, active or passive, excepting only such injury, loss or liability as may result from the criminal or willful misconduct of SMUD, its agents or employees, other than employees participating in this program.

a) Workers' Compensation

Where payments are made to SMUD's employees under a workers' compensation or disability benefits law for bodily injury or death arising out of or in any way connected with the herein described program, the Union shall make full and complete reimbursement to SMUD to the extent such payment increases SMUD's workers' compensation or disability benefit costs, whether such increase in costs occurs in the form of an increase in premiums or contributions, reduction in dividends or premium refunds, or otherwise.

b) Notice and Defense of Claims

In the event any claim or demand is made, or suit or action is filed against SMUD alleging liability for which the Union shall indemnify and hold harmless SMUD under this Section, SMUD shall promptly notify the Union thereof, and the Union shall at its sole expense bear the cost and expense including legal fees to settle, compromise or defend the same in such manner as it, in its sole discretion, deems necessary or prudent.

c) Insurance Representation

The Union agrees to carry the amount of self-insurance or comprehensive liability insurance, including contractual liability coverage, covering the indemnification and defense obligations set forth herein, subject to such types and amounts of self-insurance, retentions, or deductibles as are consistent with good business practice in the industry.

### **3. LEAVE OF ABSENCE WITHOUT PAY**

#### **J. Leave For Personal Business**

Employees may be granted leave for urgent or substantial personal reasons such as caring for their newborn child, being appointed, or elected to an employee organization which requires their services in connection with SMUD activities and furthering the employee's education. Employees must use all of their personal leave before starting their unpaid leave or take a lump-sum cash payment for their accumulated personal leave.

#### **K. Medical Leave**

Employees may be granted a leave for illness if they are regular, permanent, or probationary employees. Employees must use all their sick leave and personal leave before going on a medical leave of absence. Employees may keep up to 80 hours of personal leave credits when they begin to use LTD benefits. The leave will be granted for a reasonable period of time for employees to recuperate from a disabling illness or injury. The General Manager/CEO must approve leaves of more than one year. *(Revised 1/1/2013)*

### **4. MATERNITY LEAVE**

#### **A. Pregnancy Disability Leave**

Pregnancy disability is defined as the time employees are temporarily disabled due to a pregnancy, childbirth, or related medical condition. The employee's supervisor may request a doctor's verification of their physical condition.

Employees may take up to four months of leave for pregnancy disability. SMUD requires employees to use their sick leave first. If employees have exhausted their sick leave credits and are still physically unable to return to work, they may choose to use their comp time and then personal leave (in that order) before taking unpaid leave. *(Revised 1/1/2013)* If an employee wishes to maintain 80 hours of personal leave before taking unpaid leave, s/he must be enrolled in Short Term Disability (STD). *(Revised 1/1/2018)*

#### **B. Nonmedical Parental Leave**

Employees may take up to 12 workweeks of leave in each calendar year as cited in the federal Family Medical Leave Act and the state California Family Rights Act. Employees must use their accrued comp time and personal leave (in that order) before taking the unpaid leave portion of the FMLA/CFRA leave. Sick leave may not be used for this purpose unless the child is ill. *(Revised 1/1/2018)*

## **5. EFFECTS OF LEAVE ON SMUD BENEFITS**

### **A. Leave of Absence with Pay**

There is no effect on employee benefits.

### **B. Leaves of Absence Without Pay**

#### **1) Personal Leave and Sick Leave**

While employees are on an unpaid leave of absence, they will not earn personal leave or sick leave credits. Employees in a leave without pay status and receiving Workers Compensation benefits ("WC"), will cease accruing leave credits unless they are supplementing their WC with personal or sick leave. Employees who are in a leave without pay status and receiving short- and long-term disability benefits do not accrue leave. (*Revised 1/1/2013*)

#### **2) Salary Increases**

Employees will not be eligible for salary increases or other benefits or considerations where service is a factor.

#### **3) Long-Term Disability (LTD)**

If employees are on an unpaid leave of absence and they become disabled, they may be eligible for LTD consistent with the plan eligibility.

#### **4) Health, Life, and Dental Coverage**

##### **a) Medical Leave**

If employees are regular employees on a leave of absence for illness or injury, they may continue participating in the group health, life, and dental plan. SMUD will pay its share of the premium under the provisions of the contract. The coverage in most cases will continue until employees are well enough to return.

##### **b) Personal, Education, and Non-medical Maternity Leave**

If employees are regular employees, they may continue participating in the group health, life, and dental plans. However, SMUD will only pay its share of the premium for the first three months of leave. Beyond that time, employees will be responsible for the entire premium.

**5) Holidays**

Employees are not eligible to be paid for holidays when they are on unpaid leave of absence the day before and the day after the holiday.

**6) PERS and Social Security**

No contributions are made by the employee or SMUD when the employee is on an unpaid leave of absence.

**6. EFFECTS OF LEAVE ON PAYROLL DEDUCTIONS**

**A. Less Than One Year**

If employees' leave was less than a year, their payroll deductions (Deferred Compensation, United Way, Credit Union, Union Dues, etc.) will be reestablished upon their return.

**B. One Year Or More**

If employees' leave was for one year or more, they must reestablish the deductions upon their return.

**7. ABUSE OF LEAVE**

**A. Expiration of Leave**

If employees fail to return to work upon the expiration of their leave of absence, their employment with SMUD may be terminated.

**B. Inappropriate Use of Leave**

If employees use their leave of absence for purposes other than for which it was granted, their leave of absence may be terminated, and their employment with SMUD may also be terminated.

**C. Unauthorized Leave of Absence**

Absence without approved leave, voluntary or involuntary, for five consecutive workdays constitutes resignation from SMUD service, as of the last day worked.

See the Automatic Resignation Article, for further details.

**8. MILITARY LEAVE OF ABSENCE**

SMUD provides time off and other benefits (collectively referred to as "Military Leave") to employees called to (a) active or inactive duty/training in the Armed Forces (Air Force, Army, Coast Guard, Marine Corps, Navy, and Space Force), Air National Guard, and Army National Guard, (b) active or inactive duty, training, encampment, navel cruises, special exercises, or like activity in the National Guard, Naval Militia, or Commissioned Corps of Public Health Services, or (c) an emergency operation of the Civil Air Patrol (a California Wing of the civilian auxiliary of the United States Air Force) (a) through (c) are collectively

referred to as “Military Service”). In accordance with federal and state laws, SMUD provides job protection for reemployment after Military Service without loss of seniority, status, and pay as set forth in this Article. *(Revised 1/1/2022)*

**A. Eligibility and Approval for Unpaid and Paid Military Leave**

- 1) Generally, there is no required minimum amount of employment with SMUD required for unpaid Military Leave. However, for those in the Civil Air Patrol, they must have been employed with SMUD continuously for 90 days prior to the requested unpaid Military Leave. *(Revised 1/1/2022)*
- 2) 30 days of paid Military Leave (no more than 240 hours) is available to employees providing Military Service who (1) have completed at least one year of continuous service with SMUD immediately before this Paid Military Leave that is sought, and (2) will return to SMUD will be within 180 days (including travel to and from) of the start of the Paid Military Leave. Payment for Military Leave is not available for times in which the employee would not be regularly scheduled to work at SMUD. *(Revised 1/1/2022)*
- 3) Up to 6 months of paid Military Leave per deployment is available to employees providing active Military Service and who (1) have completed at least one-year continuous service with SMUD immediately before this Paid Military Leave is sought, and (2) have not received the benefit in Section A.2 of this Article within the prior year. Leave pursuant to this paragraph will be paid in the amount of the difference between their military base pay and their regular salary and continue their existing health and welfare premium. After six months of active duty, such employees will be placed on unpaid Military Leave and will be required to pay all further benefits premiums. Employees who performed Military Service will receive a week’s personal leave on their return from a duty of more than 180 calendar days in recognition of their need for rest and recuperation. *(Revised 1/1/2022)*



## Military Leave of Absence (Cont'd)

### **B. Service Time Credit**

Employees' time on Military Leave counts as SMUD service for calculating benefits.  
(*Revised 1/1/2022*)

### **C. Benefits Determination**

#### **1) Leave Accruals**

When on **Military Leave** without pay, an employee's personal and sick leave accruals are suspended. (*Revised 1/1/2022*)

#### **2) Personal Leave Lump Sum Payout**

Employees called up for active **Military Service** may request a lump sum payout for their accrued personal leave. (*Revised 1/1/2022*)

#### **3) Holidays**

Employees on **paid Military Leave** are eligible for paid holidays. (*Revised 1/1/2022*)

#### **4) Deferred Compensation**

Employee's arrangement remains in effect unless they wish to change it.

## Military Leave of Absence (Cont'd)

### **D. Employee's Responsibility**

Employees are expected to request a **Military Leave and other** leaves of absence **from their manager** with as much advance notice as possible. Employees are expected to keep their manager advised of their leave situation and notify People Services & Strategies at least two weeks prior to expiration of their **Military Leave** to discuss their return to work. (*Revised 1/1/2022*)

### **E. Return from Military Leave**

When employees are ordered to active-duty **Military Service** and return within 5 years of call-up, they are entitled to return to their former position if it still exists. If it has ceased to exist, employees will be reinstated into a comparable position. If employees were ordered to active duty during war, national emergency, national conscription, or pursuant to **an** order of the United Nations, **or for other reasons specified by law**, the 5-year limitation is not applicable. In order to be eligible for such **an exception to the 5-year limitation**, employees must not have received a dishonorable discharge. Employees must **return from full time Military Service within 40 days of being released, and employees returning from service** or within twelve months of the date on which they could have terminated from active service, whichever is sooner. **Or, if they are returning from active duty for training, initial active duty for training, inactive duty training, or fulltime National Guard training, they must return within 14 days following the completion of service if their service was 31 to 180 days (within 90 days if their service was more than 180 days).**

For reserve training and other **inactive duty** activities, when the employee's service period is 30 days or less, they must report back to work on their next regularly scheduled work shift after a reasonable time to arrive home, rest, and travel to work. When the employee's service period is from 31 to 180 days, they must report to work no later than 14 days following completion of service. For service of more than 180 days, the employee must apply and return to work no later than 90 days after completion of military service. Exceptions are made for employees injured or disabled during service. Such employees should contact People Services & Strategies.

### **F. Additional Voluntary Service**

All requests for additional voluntary active duty must be submitted to the employee's manager for consideration and approval. The employee's manager may contact their commanding officer to determine the absolute necessity of the request. If the employee's request is approved, they will be paid leave within the limits set forth in this Article.

## ARTICLE 14

### EXPENSES

#### 1. **INTRODUCTION**

SMUD will pay for or reimburse employees for authorized expenses relating to SMUD business.

#### 2. **PERSONAL VEHICLE USE**

##### A. **Authorization**

Employees may be authorized by their Department Director, Area Head, or Program Director to use their own vehicle on SMUD business.

##### B. **Personal Liability**

Employees should have adequate limits of protection under their personal automobile liability policy. SMUD insurance does not cover an employee's own personal liability if they are in an accident.

##### C. **Mileage Reimbursement**

- 1) Mileage reimbursement rates are per IRS Guidelines up to the equivalent common carrier fare at the time of departure.
- 2) Incidental travel expenses (i.e., bridge tolls and parking) will be reimbursed at cost.
- 3) Mileage claims for trips to the Sacramento Airport are generally limited to the shortest round-trip distance between either:
  - a) Employee's work headquarters and the airport; or
  - b) Employee's home and the airport.

**Note:** Special circumstances (i.e., trips by spouses, loss of carpool privileges, or leaving on a weekend) may qualify for increased mileage allowances. Employees should discuss possible exceptions with their Department Director.

#### 3. **TEMPORARY CHANGE OF HEADQUARTERS**

##### A. **General**

If employees are temporarily assigned a change of work headquarters, SMUD will assure that they have appropriate lodging, meals, travel time, and transportation or mileage reimbursement to enable the employee to maintain their expected level of performance and to minimize any disruption to their customary standard of living.

## Temporary Change of Headquarters (Cont'd)

### **B. Reimbursement**

- 1) If employees are temporarily assigned to a work headquarters at such a distance from their permanent headquarters that it is not practical for them to commute daily, they shall be entitled to expense allowances as follows:

- a) Per Diem

Per diem per IRS guidelines is provided to cover such costs as meals, coffee breaks, snacks, newspapers, dry cleaning, laundry, personal phone calls, tips and taxes. The per diem rate covers all full days (midnight to midnight). Fifty percent (50%) of the rate will be paid for the first and last day, due to the reduced expenses.

- b) Lodging

SMUD will designate employees' lodging and pay for its cost. If employees choose to stay at another location, SMUD will pay the cost of that lodging up to the amount of the lodging originally selected by SMUD.

- c) Travel Time

Employees will be paid travel time each way for the actual commute required at the appropriate overtime rate from the designated lodging to the job site, up to a maximum of one hour each way. Travel time at the appropriate rate will be paid to employees on the first and last day of the job. Each 45 miles will equal one (1) hour of travel.

- d) Transportation

Transportation may be provided or arranged for by SMUD from the designated lodging to employees' temporary work headquarters. If a SMUD vehicle is not provided, employees will be authorized to use their own vehicle.

When employees use their own vehicle, they will be reimbursed for any mileage in excess of ten miles from the designated lodging to and from their temporary work headquarters under the private automobile reimbursement rates.

- 2) Employees will not be eligible for any of the above expense allowances if they live closer to the temporary headquarters than they do to their permanent headquarters.

### **C. Special Circumstances**

If special circumstances exist at the time a temporary change of work headquarters is to be made, and it is in the best interest of SMUD, SMUD will meet and confer and may agree upon reasonable alternatives to the above expense allowances for meals, lodging, travel time, and transportation in advance of the assignment.

## Temporary Change of Headquarters (Cont'd)

### **1) Temporarily Assigned to Work in The Back Country**

- a. The number of crew members assigned will be determined by the work required, plus one. Participation will be on a voluntary basis.
  - i. In the event not enough qualified volunteers are available, SMUD shall, at its sole discretion, hire contract employees, or contract the work out, in accordance with the provisions of MOU Article 31.12.
- b. Employees will be compensated as follows for each workday they are assigned to the back country:
  - i. An amount equivalent to two (2) hours of their regular, straight time base rate of pay. Note: This amount will be paid under timekeeping code WROC, and is not reportable to CalPERS as income for purposes of calculating retirement benefits.
  - ii. Payment for Meals and Incidentals established by SMUD for South Lake Tahoe, El Dorado County, California (currently \$54/day). Note: This rate is established and updated annually by SMUD, based on data provided by the U.S. General Services Administration.
  - iii. Because employees are expected to provide their own camping equipment and supplies for back country assignments, compensation provided under this section will be disbursed to employees at least two weeks in advance of the assignment, in order for employees to purchase equipment and supplies in advance of the trip. Exceptions, in which case disbursement will be made as much in advance as possible:
    1. The next back country assignment, which will likely take place in less than two weeks' time
    2. In the event of an emergency or last-minute substitution
- c. Back Country assignments will normally be continuous in nature. That is, they will not normally involve a day off during the assignment, unless such time off is required to meet minimum rest requirements prescribed by the MOU. All overtime work while on back country assignment must be approved by management in advance. Employees have the option to return to Fresh Pond every 6<sup>th</sup> day. Note: SMUD will not provide special transportation for this purpose.
- d. This agreement will remain in effect through the term of the current MOU, unless modified by the parties in writing. (*Revised 1/1/2013*)

### **D. Daily Commute**

- 1) If employees are temporarily assigned to a work headquarters and the distance is such that they can commute daily from their home, they will be paid travel time each way as follows:

	<b>Fresh Pond</b>	<b>Headquarters</b>	<b>Rancho Seco</b>	<b>Elk Grove</b>	<b>East</b>
Fresh Pond	-	1 hour	1½ hours	1½ hours	1 hour
Headquarters	1 hour	-	1 hour	½ hour	½ hour
Rancho Seco	1½ hours	1 hour	-	½ hour	1 hour
Elk Grove	1½ hours	½ hour	½ hour	-	½ hour
East Campus	1 hour	½ hour	1 hour	½ hour	-

- 2) If employees live closer to the temporary headquarters than their permanent headquarters, they will not be paid travel time since they are already benefiting from the reduction in their normal commute.
- 3) If employees are not provided with SMUD transportation for the temporary change of headquarters, they will be paid for any additional commute in mileage as a result of the headquarters change.

**E. Formal Training Purposes**

For formal training purposes, including apprentice training, employee's reporting headquarters may be temporarily changed (less than 12 months) without additional compensation if their round-trip commute distance is not increased by more than 10 miles.

**4. TRAVEL EXPENSES**

Employees may choose per diem reimbursement or provide receipts for reimbursement of actual expenses. Employees are expected to exercise sound judgment and common sense whenever they incur expenses.

**A. Per Diem Purpose**

Per diem is provided to cover such costs as meals, dry cleaning, laundry, personal phone calls, tips, and taxes.

**B. Per Diem Eligibility**

Employees will be paid per diem if they are traveling away from SMUD for an extended time (normally nine calendar days or longer).

**C. Per Diem Rates**

- 1) Per diem rates are per IRS Guidelines. Contact travel arrangers for individual meal breakdown.
- 2) The per diem rate covers all full days (midnight to midnight). Fifty percent (50%) of the rate will be paid for the first and last day, due to the reduced expenses.
- 3) The per diem rate does not include lodging expenses.

- 4) If the Department Director determines that the per diem rate is insufficient for the circumstances, he/she may authorize use of the meal allowance rates and actual costs for incidental expenses. This may result from an employee traveling to a number of different locations or to a high cost-of-living area.
- 5) Per Diem rates should be requested under the "Meals" area of the Travel Claim.
- 6) Contact department travel arrangers for further information.

## **5. MOVING EXPENSES**

Reasonable relocation expenses will be authorized for new employees, if it is necessary to recruit outside the Sacramento area. Employees will be reimbursed in accordance with SMUD DAP 4.5.2.101 dated February 17, 2011. (See Attachment E) (*Revised 1/1/2013*)

## **6. MISCELLANEOUS REIMBURSABLE EXPENSES**

### **A. Registration and Licensing Fees**

SMUD will pay 100% of registration or licensing fees and the cost of maintaining a registration or license when SMUD requires it for employees to perform their job. Regular driver's licenses are exempted. SMUD will pay all initial license fees and all but \$10 of the renewal fee on renewals for commercial drivers' licenses.

### **B. Organizational Membership Fees**

SMUD will pay organization membership fees when membership is held in SMUD's name and when SMUD requires the employee to be a member of an organization.

SMUD will pay 100% of the membership fee for any employee who wants to join SMUD's Toastmaster Chapter.

Professional organizations' membership fees are generally reimbursable. Service, social, and labor organizations' membership fees are not normally reimbursable.

### **C. Business Meeting Expenses**

Employees will be reimbursed for expenses associated with any meeting they are required to attend as a SMUD representative. Approval is required at the area head level or above. Employees are not normally eligible for reimbursement in other situations. The department Director level or above may approve exceptions.

### **D. Communications Expenses**

Employees may be reimbursed for the actual cost of telephone calls, faxes, telegrams, etc. when those costs are connected with official SMUD business. Approval is required at the area head level or above.

## **E. Miscellaneous Expenses**

Other miscellaneous expenses may be reimbursable when spent conducting SMUD business.

## **7. PERSONAL TOOLS**

Employees in certain job classifications are required to provide some or all tools that are needed to perform the duties of their job. These tools will be replaced by SMUD if they are worn, lost, or stolen under certain conditions. This policy does not apply to Rancho Seco employees. Procedures at this work location are established by the responsible department Directors.

### **A. Responsibility**

#### **1) Employee**

- a) To provide all tools listed on the tool list for the job classification.
- b) To provide tools of good quality and that meet SMUD's safety standards.
- c) To take all reasonable precautions to protect tools from theft, including locking them up when not in use. It is understood that some trucks may be unlocked for emergency use.
- d) To report in a timely manner tool lost or broken on a SMUD job or stolen as a result of a forcible entry on SMUD property.

#### **2) Department**

- a) To inspect the required tools employees, provide to ensure the tools meet SMUD standards.
- b) To maintain a current list of job classifications required to furnish tools.
- c) To maintain a current list of all tools that is required for each job classification.
- d) To inform tool room or office responsible for department tools of any additions or deletions to the list of job classifications or tools.
- e) To provide the employee who must furnish tools a listing of tools that is required.
- f) To provide a proper place to store tools under reasonably secure conditions to prevent loss due to theft.

#### **3) Tool Room or Office Responsible for Department Tools**

- a) To replace tools when requested and approved by the employee's immediate Supervisor and Area Head.
- b) To maintain a file of employees who have had tools replaced. This file should contain the employee's name, job classification, department, tool replaced, and its cost.



## Personal Tools (Cont'd)

### **B. Conditions For Tool Replacement**

- 1) A tool listed on the tool list for the employee's job classification is replaced at SMUD expense when it is:
  - a) Worn or broken by normal use on a SMUD job;
  - b) Lost in the course of performing SMUD work;
  - c) Stolen as a result of clearly identifiable forcible entry on SMUD property.
- 2) A tool will not be replaced by SMUD when it is:
  - a) Not listed for employee's job classification;
  - b) Worn or broken as a result of employee personal use or from other employment;
  - c) Lost or stolen because of employee negligence.

### **8. SMUD TOOLS**

- A. SMUD provides tools to certain employees in various classifications. The tools are purchased for SMUD business purposes and use. Each business unit will prepare guidelines to include:
  - 1) Determining tool needs for employees;
  - 2) Procedures for issuing and marking tools;
  - 3) Procedures for replacing broken or lost tools;
  - 4) Annual inventory of individual tool assignments;
  - 5) Procedures to follow in case of theft of tools;
  - 6) Procedures for personal use of SMUD tools.

## ARTICLE 15

### GRIEVANCES

#### 1. **INTRODUCTION**

It is the intent of both SMUD and the Union that grievances be resolved at the lowest possible level, in a timely manner to promote continuing cooperation between management, the Union and employees.

#### 2. **DEFINITIONS**

- A. A grievance is an employee objection to the application of a SMUD rule, policy, or approved memorandum of understanding on personnel practices or working conditions to the employee's particular situation. An objection to the terms and provisions of a rule, policy, or memorandum of understanding is not considered a grievance. However, an objection to the way a rule, policy, or memorandum of understanding is applied in a particular Grievant situation would be considered a grievance.
- B. Date of occurrence is the day the event that is the subject of the grievance occurred, or the date when the grievant reasonably should have been aware of the occurrence of the event that is the subject of the grievance.

#### 3. **APPLICATION**

Employees shall have the right to represent themselves individually in their employment relations with SMUD. Employees may choose to use either this grievance procedure (with Union representation), or to represent themselves in grievances as defined above. For removals, discharges, or suspensions, Grievant may choose to use either the grievance procedure or request a General Manager/CEO Hearing. (*Revised 1/1/2022*)

#### 4. **TIME LIMITS**

Time limits contained in this grievance procedure are mandatory. Failure to meet the time limits shall result in forfeiture by the party (SMUD or Union) not meeting the time limits.

The parties may, by mutual written agreement, extend time limits for up to 5 working days. SMUD and Union may also, by mutual written agreement, waive any step in the procedure. Doing so does not change the procedures to be followed in later grievances.

#### 5. **REPRESENTATION**

Employees who are Grievants, representatives, or witnesses will be given time off with pay to attend hearings and will be reimbursed for personal expenses (excluding legal fees) incurred in connection with the hearing.

If an employee is a grievant or witness in a formal grievance proceeding, they will be paid at the applicable overtime rate if they are requested to appear at such proceedings outside their regular work hours. Related overtime rules such as shift differential, travel time, minimum call-out time, and overtime meals do not apply.

## **6. INFORMAL RESOLUTION**

Prior to the filing of a formal grievance, the employee and/or the Union representative should attempt to resolve workplace disputes by meeting informally with the involved supervisor. If the workplace dispute cannot be resolved informally, the employee and/or the Union representative may use the following procedures to resolve the matter.

## **7. GRIEVANCE PROCEDURE**

### **A. Step 1 – Director (or equivalent)**

The initial formal step in the resolution of a grievance shall be a meeting requested by the grievant and/or the Union representative with the grievant's department director. This meeting shall be requested within 10 working days following the date of occurrence.

This meeting will be held within 5 working days from the date of request and will include the grievant, and/or the Union representative, the department director, the immediate supervisor, other involved supervision, and any witnesses. The Union representative shall submit grievance form (SMUD Form-1773) to the director in conjunction with this meeting. The representative will contact Labor Relations to secure an IBEW number for the grievance form.

Within 10 working days of this meeting, the director shall submit a written response to the grievant and/or the Union representative, setting forth the basis for the decision regarding the dispute, including all supporting documentation.

If the parties are unable to resolve the grievance, the Union may refer the grievance to the Investigating Committee (IC). The referral must be received within 15 working days following receipt of the director's response. (*Revised 1/1/2018 per LOA*)

### **B. Step 2 - Investigating Committee**

The IC will be comprised of a Senior Labor Relations Analyst and the Union Business Representative. This Committee shall meet as soon as possible, but no later than 5 working days after receipt of the written grievance.

The IC, after discussions with the grievant, may resolve the grievance, conduct an independent investigation, or at the request of either party, refer the matter to a Fact-Finding Team or to the Grievance Review Committee.

#### **1) Fact Finding Team**

a) The Fact-Finding Team (FFT) shall be comprised of one individual appointed by SMUD and one appointed by the Union. The FFT may be comprised of the same members as the IC.

b) The IC will give the case to the FFT with specific time frames for completing the investigation. If required for a complete investigation, these time frames may be adjusted by the FFT.

- c) The FFT, with input from the grievant, the involved supervisor, and the IC, may decide who will be interviewed.
- d) The FFT shall arrange meetings with the interviewees.
- e) The FFT shall prepare a non-partisan report of its findings and shall submit the report to the IC within 10 working days following completion of the investigation.

If the IC does not resolve the grievance, **the Union may refer the grievance** to the Grievance Review Committee (GRC) for consideration **within 10 working days of this decision.** *(Revised 1/1/2022)*

#### **C. Step 3 - Grievance Review Committee**

The GRC shall be comprised of 6 members; 3 appointed by SMUD, 3 appointed by the Union. At least one of the Union members shall be a full-time representative of the Union and at least one of SMUD members shall be an Executive Officer (or equivalent). The IC shall provide each member of the GRC all available information concerning the grievance.

Upon reaching a unanimous agreement, the GRC shall issue a written decision, signed by each member of the committee, to the involved parties and other individuals as determined by the Committee. The decision is final and binding.

If the grievance is not resolved by the GRC within 10 working days of the grievance discussion, either party may submit it to arbitration by serving written notice to the other party. The notice must be postmarked or received within 20 working days after the grievance was considered by the GRC. *(Revised 1/1/2018 per LOA)*

#### **D. Step 4 - Arbitration**

If the grievance is submitted to arbitration, SMUD and the Union will mutually agree to the selection of an arbitrator. The arbitrator shall be limited to resolving grievable matters as defined in this Article as raised in the formal grievance originally filed by the employee. The arbitrator shall examine the case to the extent and manner justified. The conclusions of the arbitrator will be final and binding. The arbitrator shall have no power to alter, change, detract from, or add to the provisions governing the labor relations of SMUD and its employees, including, but not limited to, the MUD Act, MMBA, and this Agreement.

The fees and expenses for arbitration shall be shared equally by the Union and SMUD.

The parties mutually agree that they may resolve a dispute at any step in the process; however, resolution at Step 3 or below is without prejudice to the position of either party, unless mutually agreed to otherwise.

### **8. GRIEVANCE SETTLEMENT**

SMUD will make every reasonable effort to effectuate remedies provided for in a grievance settlement within 30 calendar days of such settlement after receipt of all necessary information and/or documentation. SMUD shall pay the grievant within 30 calendar days after receipt of all necessary information and/or documentation, any monetary compensation provided for in the

## Grievance Settlement (Cont'd)

grievance settlement. If SMUD fails to effectuate the grievance remedy within 30 calendar days, the Union may file a grievance concerning that failure.

### **9. GENERAL MANAGER/CEO HEARING**

No provision of this MOU shall be construed to restrict an individual from presenting disputes involving removals, discharges, or suspensions to SMUD pursuant to Section 12161 et seq. of the California Public Utilities Code (outlined below) without the intervention of the Union. If an employee elects to proceed under this section, the procedures and grievance steps set forth in the foregoing sections of this Article, including arbitration, are not available to the employee.

What can be heard? Any grievance of a decision calling for removal, discharge or suspension.

Who can be heard? All SMUD employees having appropriate grievances may appeal to the General Manager/CEO.

How to appeal? Written request for an appeal hearing must be filed with the General Manager/CEO by the grievant within 5 days of receipt of mailed notice of removal, discharge or suspension or prior to the effective date of action, whichever is later.

Who will hear it? The General Manager/CEO, upon receiving written request, will immediately appoint a committee of 3 to hear the case. The committee will consist of SMUD officers, assistant officers (other than elected officials), department Directors, or area heads. The General Manager/CEO will mail notice of hearing time and place to the last known address of person being heard.

Hearing and ruling on the grievance. The committee will examine the case to the extent that it feels warranted. The committee may, among other things, order the employee discharged, suspended, or reinstated. The committee's order is final unless further appealed to the General Manager/CEO within 10 days after the date of the order.

### **10. Grievance Procedure – Discrimination/Harassment**

In all cases involving an employee represented by IBEW Local 1245 as a respondent in a **complaint** in violation of SMUD Administrative Policy **05.01.01**, the respondent will be permitted to have Union representation present during any interview(s) conducted with the respondent during the investigatory process. The investigator shall be instructed to explore all reasonable leads and, within reason, interview all persons identified as having information likely to influence the eventual outcome of the investigation. (*Revised 1/1/2022*)

The investigator shall submit a confidential report to SMUD. SMUD will review the report and determine whether or not discipline is appropriate. If no discipline is imposed, the case is closed, and the report is filed consistent with current practice. If the respondent is disciplined, a copy of the report will be sent to Local 1245's designated representative. The report will be held in the strictest confidence to ensure and protect the privacy of the individuals involved.

If any discipline is imposed and the employee chooses to appeal the discipline using the grievance procedure, the grievance shall be filed initially at Step 3.

## ARTICLE 16

### DISCIPLINE

#### 1. **INTRODUCTION**

Disciplinary action involving IBEW-represented employees will be handled in accordance with the SMUD's Positive Discipline Policy, AP **05.02.09**. (*Revised 1/1/2022*)

#### 2. **PROGRAM EXCLUSION**

SMUD's Substance Abuse Program, SMUD's **Non-Discrimination/Anti-Harassment Policy AP 05.01.01**, **SMUD's Whistleblower and Anti-Retaliation Policy AP 05.01.03** and the DOT Drug and Alcohol Program are "stand alone" programs/**policies** and violations of these programs/**policies** will not be subject to the provisions of this Article. (*Revised 1/1/2022*)

## ARTICLE 17

### PERSONNEL FILES

#### 1. **INTRODUCTION**

Documentation concerning work performance, absenteeism, and disciplinary action may be put in the employee's official personnel file.

#### 2. **GUIDELINES**

- A. The signature or initial of the employee should be obtained on these documents to confirm notification of such action.
- B. An employee is entitled to a copy of all such material upon request.
- C. An employee may have documents relating to work performance, absenteeism, and disciplinary actions removed if the documents are one year or older. However, documentation involving theft or insubordination may be retained for longer periods at management's option.

## ARTICLE 18

### PERFORMANCE EVALUATIONS

#### 1. **INTRODUCTION**

Employee performance will be periodically evaluated and documented on a thorough, systematic, and objective basis.

#### 2. **DURING PROBATION**

##### A. **Six-Month Probation**

Current employees will be evaluated at the end of their third and fifth month.

Effective 1/1/2013, all new hired IBEW represented employees will serve a twelve (12) month probationary period and will be evaluated consistent with the following paragraphs. *(Revised 1/1/2013)*

##### B. **Twelve-Month Probation**

Employees will be evaluated at the end of their fifth and eleventh months.

C. An employee's supervisor may formally evaluate their performance at more frequent intervals.

D. All employees hired after 1/1/13 that serve a twelve (12) month position probation in a classification with multiple steps in the pay scale group will, upon successful completion of probation, receive a two-step increase, not to exceed the top step. *(Revised 1/1/2018 per LOA)*

#### 3. **FOLLOWING PROBATION**

Employees will be evaluated at the time of their merit increase. If employees are at the top of their pay range, they will be evaluated annually.

#### 4. **UPON TERMINATION**

Any employee may be evaluated if they resign, are laid off, or terminated. Employees with less than satisfactory performance at the time of termination are normally not eligible for rehire.

#### 5. **UPON TRANSFER, PROMOTION, OR DEMOTION**

A position probation is required for every appointment to a new position. An employee who has previously passed probation in the classification into which they are reinstated, shall not be subject to the completion of a new probationary period; however, those returning to a comparable position in a different class must serve another probation, based on SMUD Civil Service Rules. Performance Evaluations will be completed consistent with 2, above. In addition, an employee's supervisor in their prior department is required to complete an exiting performance evaluation to accompany their ESN moving them to the new department. People Services & Strategies will not process the transfer ESN without the evaluation.

## Performance Evaluations (Cont'd)

### **6. WHEN APPROPRIATE**

Employees may be evaluated whenever their supervisor feels a written record of their performance is appropriate.



## ARTICLE 19

### PROMOTIONS

#### 1. **INTRODUCTION**

States SMUD's policy and guidelines regarding promotions.

#### 2. **PROMOTIONAL STARTING RATES**

##### A. **Promotion to an Hourly-Rated Classification**

When employees are promoted to an hourly-rated classification, their placement on the salary range will be based on the following considerations:

- 1) Quality and quantity of experience relevant to the classification.
- 2) Salary level and qualifications of other SMUD employees in the work group in the same class or class series.
- 3) Future opportunities for pay and benefits.
- 4) Availability of other qualified applicants.
- 5) Department labor budget.

Unless stated otherwise, if employees are promoted to an hourly-rated classification, they will start at the step that provides a minimum of a 2-1/2 percent salary increase.

This promotional increase is in addition to any scheduled merit increase that would have been received within 3 months from the date of promotion had the promotion not occurred.

The promotional increase will be applied to the employee's permanent classification salary rather than to any current or interim temporary promotional salary.

#### 3. **PROMOTIONAL STARTING DATES**

Promotions are effective at the beginning of a payroll period. The effective date of a promotion will be no later than the beginning of the first payroll period following the employee's 2 weeks of notice to their supervisor. The actual release date will be mutually agreed upon by the affected department Directors.

#### 4. **CHANGE WITHIN HOURLY-RATED CLASSIFICATIONS WITH IDENTICAL STARTING RATES BUT DIFFERENT MAXIMUMS**

If employees move within hourly-rated classifications with identical starting rates but different maximums (either higher or lower), the specific step that they would move to in the new salary range is individually determined.

## **5. ELIGIBILITY LISTS**

- A. Open eligibility lists shall continue to be certified for appointments for a period of 2 years from their inception, unless otherwise abolished through the normal Civil Service processes.
- B. Whenever eligibility lists are abolished, notification of the cancellation of the list should be sent to the Union representative. This is to assure that the Union is aware of the list cancellation and can answer or counsel employees as appropriate.
- C. Whenever there exists a current promotional eligibility list and an open eligibility list for the same position, for certification purposes, the promotional list takes precedence over the open list.

## **6. TRANSFER/PROMOTION PROCESS**

Permanent civil service vacancies that are to be filled through internal examination and only open to SMUD employees are listed as Transfer/Promotion opportunities. Civil Service Rules will establish which SMUD employees are eligible to apply for transfer/promotion opportunities (i.e., Rule 2). Hiring departments will be responsible for conducting a transfer/promotion selection process in consultation with Human Resource Services staff. These vacancies will be posted as a Transfer/Promotion job announcement for a *minimum* of 10 working days.

An eligibility list may or may not be established from a transfer/promotion examination process. If an eligibility list is established, it will be maintained by People Services & Strategies and governed by Civil Service Rule provisions pertaining to eligible lists, except that the list duration shall not exceed 12 months for classes represented by the IBEW (*Revised 1/1/2018 per LOA*).

SMUD at its discretion may post a notice to fill a vacancy using a 'Transfer/Eligible List' announcement unless the only candidates able to apply are the incumbents on an eligibility list. 'Transfer/Eligible List' announcements will be posted for a minimum of five (5) working days. When filling a vacancy identified by a 'Transfer/Eligible List' announcement, the hiring supervisor may choose a qualified candidate from an existing Civil Service Eligible List or transfer a qualified employee in the same classification who has applied for the job in response to the 'Transfer/Eligible List' announcement.

Applicants not on a previously established Civil Service List, applicants who are not eligible for transfer, or applicants who have not applied for the job in response to the 'Transfer/Eligible List' announcement will not be considered for positions posted in this manner.

## ARTICLE 20

### TRANSFERS

#### 1. **INTRODUCTION**

Qualified employees may move from one position to another, in either the same or in a different class through the transfer/promotion process or in some instances the reassignment or reallocation process.

#### 2. **TRANSFERS - ELIGIBILITY**

- A. Employees may request a transfer from one class to another within or between employee groups if they possess the qualifications required to perform the job.
- B. Employees may take a voluntary demotion.
- C. The supervisor in the new department may establish a salary level lower than the employee's current pay based on the employee's knowledge and experience as compared to others in the same class.
- D. The effective date of the transfer is arranged between the supervisors. Employees should be released from their supervision within four (4) weeks from the date of request.
- E. See Civil Service Rules for further details.

#### 3. **MEDICAL TRANSFERS - ELIGIBILITY**

SMUD may transfer employees from one class to another within or between employee groups if they have an illness or injury preventing them from continuing in their current position.

#### 4. **DEMOTIONS**

Employees may move to a position or class with a lower pay range or rate of pay.

A demotion may be voluntary or involuntary and is made to a position whose duties the employee is qualified to perform. When Federal, State, or local regulations require an employee to obtain and maintain special qualifications and the employee is unable to obtain or maintain them, the employee may be transferred or demoted.

A demoted employee does not have to serve another probationary period if the employee previously completed probation in that class; **however, those returning to a comparable position in a different class must serve position probation, based on SMUD Civil Service Rules.** An employee's salary may be reduced in order to be within the grade range of the new class.  
(Revised 1/1/2022)

#### 5. **ROTATION AND TRAINING ASSIGNMENTS - ELIGIBILITY**

- A. Rotation and training assignments are for cross-training purposes. They allow SMUD and employees to maximize employee potential without a class change.

### Rotation and Training Assignments - Eligibility (Cont'd)

- B. In order to be considered:
  - 1) Employees must have successfully completed their probationary period; and
  - 2) Employees must possess the qualifications to perform the assignment; and
  - 3) Employee assignment must be approved in advance by the appropriate Chief Officer or the General Manager/CEO, after a review by the Director, Human Resource Services.
- C. Employees retain their existing class and pay level. These temporary assignments are voluntary. They may be renewed when it is in the best interest of both the employee and SMUD.

## **ARTICLE 21**

### **AUTOMATIC RESIGNATION**

#### **1. INTRODUCTION**

Unauthorized leaves of absence can result in an employee forfeiting their SMUD employment.

#### **2. AUTOMATIC RESIGNATION**

Absence without authorized leave, whether voluntary or involuntary, for five consecutive days is an automatic resignation from SMUD service as of the last day worked.

#### **3. REHIRE**

An employee can request rehire from automatic resignation in writing to the department Director if submitted:

- A. Within ten days of department Director's mailing of acceptance of resignation to employee's last known address; or
- B. Within 90 days of the separation date if no notice of acceptance of resignation is mailed.

The employee must make a satisfactory explanation of the cause for the absence and reason for failure to obtain authorization.

The department Director may rescind the resignation and rehire the employee if satisfied that the reasons warrant rehire. The employee shall not be paid for any period of the unauthorized absence.

Authorized leave may be granted from the date of the department Director's decision to rehire if the employee is unable to resume duties immediately.

## **ARTICLE 22**

### **LAYOFF PROCEDURE**

#### **1. INTRODUCTION**

If a reduction in force becomes necessary, SMUD will prepare a program that addresses the particular situation and will communicate it to appropriate bargaining unit representatives and employees. Affected employees will be notified at least ten working days prior to layoff.

#### **2. SEQUENCE OF LAYOFFS**

Layoffs will be determined by classification. All non-Civil Service employees appointed to permanent positions, part-time employees, limited term employees, or temporary construction employees in the affected class will be laid off first. SMUD will determine the order. Civil Service employees will then be laid off in reverse order of SMUD seniority. Ties in seniority will be broken by management based on the business needs of SMUD. The names of those laid off will be automatically placed on a reinstatement list for a period of two years for their class and will remain on any other eligibility lists.

#### **3. BUMPING**

A Civil Service employee whose position is being eliminated may bump a person with less SMUD seniority in the employee's same or immediately prior held class. The employee may also bump into a comparable or lower class position within the employee's class series and bargaining unit if necessary to avoid being laid off. Employees who bump will be automatically placed on the reinstatement list for a period of two years and will remain on any other eligibility lists. The employee must meet the minimum qualifications for the job. The Director, People Services & Strategies and the appropriate bargaining unit representative will review a challenge to the employee's qualifications. Determination that an employee is not qualified must be unanimous. A bumping employee will not have to serve another probationary period.

Employees with bumping rights will be offered a position at the highest level possible consistent with these rules. Employees who decline the position offered will be laid off.

#### **4. REINSTATEMENT**

A reinstating employee will be offered a return to the class that the employee left. The employee's salary will be reinstated to the same relative position in the salary range. The employee's SMUD seniority will be restored as if the employee had not left. Sick leave balance and personal leave accrual rates will be restored. The employee will not accrue paid leave during the layoff period. The employee who passed probation in the class will not have to serve a new probationary period.

A person failing to respond within ten working days of notification or declining an offer to return will be removed from the reinstatement list.

#### **5. WORKSITE AGREEMENT**

When a permanent change of worksite becomes necessary due to a reduction-in-force at that worksite, the employees at the worksite with the least amount of SMUD seniority who are in the classification to be reduced will be impacted first; provided however, that a more senior

### Worksite Agreement (Cont'd)

employee at that worksite has not voluntarily accepted an offer to change worksites (any such offer would be extended for two workdays only). SMUD worksites are Sacramento (Customer Service Center, and Headquarters Campus), Elk Grove Yard, East Campus Operations Center, and Fresh Pond. *(Revised 1/1/2013)*

The impacted employee will have the opportunity to move to the least senior position in the same classification SMUD-wide; provided however, that his/her SMUD seniority is greater. For this purpose, vacancies shall be considered to be the least senior positions within the classification.

Where multiple positions are involved, impacted employees shall choose their placement from among the equivalent number of least senior positions in order of their seniority; i.e., the most senior impacted employee shall have first choice of placement. Where multiple placements are possible at a single worksite, SMUD shall determine the placements at that worksite.

In the event no placement is possible within the same classification, or the employee refuses a placement within the same classification, that employee shall be laid off unless the employee exercises his/her bumping rights under Civil Service Rule 6, Reductions In Force.

Should a vacancy occur in the same classification at a transferred employee's former worksite within 24 months of his/her displacement, the employee shall have a right of return to the former worksite in order of seniority.

## **ARTICLE 23**

### **SUBSTANCE ABUSE PROGRAM**

#### **1. INTRODUCTION**

Where there is evidence of drug or alcohol abuse or reasonable cause to believe such abuse exists, drug/alcohol screening may be performed in accordance with SMUDs' Substance Abuse Testing and Rehabilitation Program's Administrative Policy and Management Procedure.

#### **2. RELATION TO DISCIPLINE**

The Substance Abuse Testing and Rehabilitation Programs are "stand alone" programs and violations of these programs will not be subject to the provisions of Article 16, Discipline.

## **ARTICLE 24**

### **DOT DRUG AND ALCOHOL**

#### **1. INTRODUCTION**

Compliance with U.S. Department of Transportation drug and alcohol testing requirements shall be handled in accordance with SMUD's Substance Abuse Testing and Rehabilitation Programs AP 05.02.06.

#### **2. RELATION TO DISCIPLINE**

The Substance Abuse Testing and Rehabilitation Programs are "stand alone" programs and violations of these programs will not be subject to the provisions of Article 16, Discipline.



## **ARTICLE 25**

### **PERSONAL APPEARANCE**

#### **1. INTRODUCTION**

Personal appearance standards should be consistent with the nature of the work performed.

**Responsibility:** Supervisors are expected to apply standards of appearance and demeanor among employees.

#### **2. GUIDELINES**

Supervisors and employees should consider the following in determining personal appearance standards:

- A. The degree of public contact the employee's position involves.
- B. Whether the employee's personal appearance creates a health or safety hazard.
- C. Whether the employee's personal appearance interferes with the efficient performance of the job.

## **ARTICLE 26**

### **EMPLOYMENT OF RELATIVES**

#### **1. INTRODUCTION**

Issues involving the employment of relatives involving IBEW-represented employees will be handled in accordance with SMUD's Employment of Relatives policy, AP 05.03.04.  
ARTICLE 27

## **ARTICLE 27**

### **OUTSIDE EMPLOYMENT**

#### **1. INTRODUCTION**

Outside Employment will be handled in accordance with SMUD's Outside Employment Policy, AP 05.03.05.

## **ARTICLE 28**

### **EDUCATIONAL ASSISTANCE**

#### **1. INTRODUCTION**

Educational assistance will be handled in accordance with SMUD's Education Assistance & Tuition Reimbursement Policy and Procedures, AP 04.03.02 & MP 04.03.02.100.

## ARTICLE 29

### INCLEMENT WEATHER

#### 1. **GUIDELINES**

- A. When inclement weather prevents employees from performing routine energized work, climbing, or safely performing tasks in the field, they may be held pending emergency calls. The time can be used for performing safe tasks in the field, training, or miscellaneous work.
- B. Permanent Civil Service employees who report for work on their workday but are not required to work in the field because of inclement weather, are paid for the full day. Such employees who are not assigned other productive work (as provided above) may request to take the day as personal leave. If the request is approved, the employee will only be charged one-half hour for each full hour of leave taken.
- C. All non-regular employees may be released when inclement weather prevents them from working. They are paid only for the time worked, or the time they are held on SMUD premises. However, they will receive a minimum of two hours pay for reporting to work.
- D. **When SMUD management elects to limit routine work for reasons including, but not limited to, excessive heat and wildfire smoke events, SMUD management may offer personal leave and the employee will only be charged one-half hour for each full hour of leave. (*Revised 1/1/2022*)**

## **ARTICLE 30**

### **BENEFITS**

#### **1. INTRODUCTION**

SMUD's benefits program is designed to be a valuable component of employees' total compensation that maximizes the value of the benefits offered for the dollars spent.

The comprehensive benefit program is an umbrella of protection and security that includes health, dental and vision insurance, disability, retirement, and supplemental retirement plans. These programs are designed to provide an employee with sufficient income and other benefits to minimize the financial impact of a catastrophic accident or illness on employees and their families.

#### **2. ELIGIBILITY**

All permanent full-time, permanent part-time (working at least 20 hours per week), and limited term employees will be eligible to participate in the different health and welfare benefit plans. Each benefit plan offered by SMUD has its own requirements for dependent eligibility and participation.

To receive medical and dental benefits as a SMUD retiree, an employee must have served at least the equivalent of five years of continuous full-time SMUD service immediately prior to retirement in order to be eligible to enroll in the plans. (*Revised 1/1/2013*)

#### **3. BENEFITS OFFERED**

SMUD offers health and welfare benefits mandated by federal or state regulations such as Social Security, Unemployment Insurance, and Workers' Compensation. In addition to the mandated benefits, the following benefit options are offered:

- Medical
- Dental
- Vision
- Flexible Savings Account
- Short-Term Disability
- Long-Term Disability
- Employee Life Insurance
- Spouse Life Insurance
- Dependent Life Insurance
- Retirement through the Public Employees Retirement System
- Extended Compensation under Workers' Compensation
- Tax Deferred Plans – 457(b) and 401(k) deferred compensation plans

The IBEW Benefit Guidebook shall be printed and distributed to all IBEW employees no less than 2-weeks prior to Open Enrollment. The Benefit Guide will also be available on the SMUD iNet which summarizes the benefit options offered to IBEW employees each calendar year. Complete terms of these benefit plans are specified in the Evidence of Coverage documents available on the Benefits administration portal.

## Benefits Offered (Cont'd)

SMUD will provide the following medical plan options to all IBEW-represented employees regardless of zip code where they reside, **this is to ensure employees previously covered by the EPO medical plan and employees that reside in areas where HMO plans are not available, have the opportunity to utilize the EC-OC zip code as their primary work location to access HMO plans that they would not have access to based upon their zip codes: (Revised 1/1/2022)**

- High Premium HMO
- Low Premium HMO
- High Deductible Health Plan (HDHP) with Health Savings Account (HSA)

IBEW-represented employees may need to use the EC-OC (zip code 95827) as their primary place of work when enrolling in a SMUD HMO medical plan option.

**Effective January 1, 2022**, High Premium HMO Plan co-pays not to exceed the following maximums **for the term of this MOU: (Revised 1/1/2022)**

<u>Services</u>	<u>High Plan Maximums</u>
Visit to Physician's Office	Co-pay not to exceed \$45
Vision and Hearing Exams	Co-pay not to exceed \$45
Surgery Outpatient	Co-pay not to exceed \$45
Emergency Room Visits	Co-pay not to exceed \$155
Hospitalization	Co-pay not to exceed \$250
Chiropractic Services	Co-pay not to exceed \$45
Mandatory Generic	Co-pay not to exceed \$25
Brand Name	Co-pay not to exceed \$65
2 mail order co-payments for 100-day supply	

## **4. AGREEMENT TO MEET AND CONFER**

SMUD and the Union agree, upon a written request of SMUD, to meet and confer in good faith over any proposed changes to any of the provided health plans and related matters (for example: health plan coverage transferred to CalPERS health program). If an agreement is reached, this MOU will be modified accordingly. If the parties are unable to reach agreement, the impasse procedure set forth in Article 31, Section 16 will be used to resolve the impasse except that any ruling by an arbitrator will be advisory and not binding on the parties.

SMUD may re-open negotiations on the subject of the Affordable Care Act (ACA) or its impacts. If, during the term of the MOU, the legal requirements of the ACA have an impact on SMUD rights and obligations regarding health benefits for IBEW employees (e.g., the Cadillac Tax), SMUD and the Union agree to re-open Article 30 Benefits, in order to meet and confer over such impacts. (Revised 1/1/2018)

## **5. HEALTH & WELFARE BENEFITS ADVISORY COMMITTEE**

The Health & Welfare Advisory Committee will meet (by mutual consent) for the purpose of cooperatively discussing and exploring various insurance providers, insurance plans, and creative designs to maximize optimal use of healthcare resources. The Committee may participate in the Request for Proposal (“RFP”) processes involving healthcare. The Committee may also review current healthcare benefits and submit a recommendation regarding such benefits when a majority of the Committee membership agrees on a recommendation. The recommendation shall be presented directly to either the Director, **People Services & Strategies**, or the Chief **Diversity** Officer, as appropriate. *(Revised 1/1/2022)*

The Health & Welfare Advisory Committee membership shall consist of a minimum of 2 and a maximum of 4 representatives each from both SMUD and the IBEW.

Each party shall designate one representative to be its Chair. The respective chairs are responsible for the conduct and decorum of meetings. The respective Chairs shall jointly determine the date, time, anticipated duration and location of Health & Welfare Advisory Committee meetings. They will exchange and discuss prospective agenda items at least two weeks in advance of a committee meeting and set the order of the agenda topics at that time. Additional topics for discussion may be added to the agenda later by mutual consent of the Chairs. Meetings will follow the agenda developed in advance. The parties may also mutually agree upon additional meetings. In addition, the respective Chairs are responsible for maintaining open lines of communication between Committee meetings to exchange information on new or developing issues, discuss the progress of Committee business, and plan for forthcoming meetings.

The respective Chairs shall determine the method and person responsible for the recording of the minutes of the meeting. The minutes of meetings will summarize the discussion that occurred and any recommendations to which a majority of the committee members agree and be signed by the respective Chairs of the Health & Welfare Advisory Committee meetings. The minutes of the meetings will not be introduced into any grievance hearing.

The parties agree that when an issue is unresolvable or unable to be redirected to another forum, and that, after a minimum of three attempts, there is no purpose to be gained by further discussion, the parties will agree to disagree and cease discussion of the issue. *(Revised 1/1/2018)*

## **6. SMUD CONTRIBUTIONS**

### **A. Employee Medical Plan Premium Contributions**

1. Effective January 1, 2022, IBEW-represented employees enrolled in SMUD medical plans will contribute a medical premium cost share as follows:  
*(Revised 1/1/2022)*
  - HMO plans: **12.5%**
  - PPO plans (closed to new enrollees): **30%**
  - High Deductible Health Plan (HDHP) plans: **6%**

## SMUD Contributions (Cont'd)

These contributions shall not change during the life of the contract unless the parties mutually agree to do so in writing. SMUD shall contribute the difference between the employee contribution and the monthly premium cost on behalf of the employee.

2. SMUD shall take the necessary steps to enable IBEW-represented employee payroll deductions for medical premiums to be treated on a pretax basis.
3. SMUD will provide IBEW represented employees enrolled in the HDHP Health Savings Plan with an annual contribution on January 1 to a Health Savings Account (HSA):
  - For years **2022-2025**: \$1700 (employee only) or \$2900 (employee with covered dependents). Five hundred dollars (\$500) of this contribution to the HSA is in lieu of the \$500 annual SMUD contribution to an eligible IBEW employee's Flexible Spending Account (FSA). (***Revised 1/1/2022***)

SMUD will pay any administrative fees attributed to the HSA. The annual contribution amount to the HSA will be front loaded and employees will be allowed to contribute pre-tax dollars each year up to the IRS-allowed maximum for the term of this MOU.

IBEW represented employees enrolled in the HDHP Plan will also be automatically enrolled in Accident and Critical Illness Insurance Plans at no cost to the employee.

These contributions shall not change during the life of the contract unless the parties mutually agree to do so in writing. (*Revised 1/1/2018*)

## SMUD Contributions (Cont'd)

4. SMUD shall provide a monthly credit in the form of a cash payment of \$200 (reportable as taxable income) to an IBEW-represented employee who opts out of (waives) SMUD medical insurance coverage and can provide evidence of medical insurance outside of SMUD.
5. SMUD shall pay the administrative fees and contribute \$500 annually to each eligible IBEW-represented employee's Flexible Spending Account (FSA). Employees will be allowed to contribute pre-tax dollars up to the IRS-allowed maximum for the term of this MOU. Based on IRS guidelines, IBEW-represented employees who maintain an HSA will only be allowed to use monies in their FSA accounts for non-medical healthcare expenses (e.g., dental, vision).

Effective January 1, 2015, SMUD will establish procedures for all IBEW represented employees to be automatically enrolled in SMUD's offered FSA. Once enrolled, employees will be continuously enrolled unless they decide not to participate.

Those employees not wanting to participate in the FSA must inform SMUD's Benefits Unit during each Open Enrollment period of their intent not to participate. *(Revised 1/1/2018 per LOA)*

### **B. Retiree Medical Plan Contributions**

#### **TIER 1**

For employees hired prior to January 1, 1991, SMUD will contribute one hundred percent (100%) of the retiree only portion of the premium for all SMUD-sponsored medical insurance plans, 90% for dependents for the two lowest cost health insurance plans, and 85% for dependents for the higher cost plans.

## SMUD Contributions (Cont'd)

### **TIER 2**

All IBEW employees hired on or after January 1, 1991, and before January 1, 2007, with continuous SMUD service and who is eligible to retire from SMUD, will receive SMUD provided medical contributions according to the following schedule:

<b>Retiree's Years of Continuous SMUD Service</b>	<b>Percent (%) of SMUD Contribution for Retiree</b>	<b>Percent (%) of SMUD Contribution for Dependent(s) for 2 lowest cost plans</b>	<b>Percent (%) of SMUD Contribution for Dependent(s) for all other SMUD- sponsored plans</b>
Less than 10	0	0	0
10	50	45	42.5
11	55	49.5	46.75
12	60	54	51
13	65	58.5	55.25
14	70	63	59.5
15	75	67.5	63.75
16	80	72	68
17	85	76.5	72.25
18	90	81	76.5
19	95	85.5	80.75
20	100	90	85

SMUD will contribute up to one hundred percent (100%) of the retiree-only portion of the medical insurance premium for all SMUD-sponsored medical insurance plans according to the Tier 2 schedule.

Tier 2 employees with continuous SMUD service and who retire with 20 years of service after the age at which they reach Medicare eligibility or age 65, SMUD shall contribute 100% of the retiree-only portion of the monthly medical insurance premium for all SMUD-sponsored health plans.

For dependent(s) covered under the retiree's plan, SMUD shall contribute 90% of the percentage it contributes for the retiree's medical insurance premium (based on the Tier schedule) on the two (2) lowest cost health insurance plans or 85% of the percentage it contributes for the retiree's medical insurance premium (based on the Tier schedule) for all other SMUD-sponsored health plans.

SMUD percentage of contribution toward the medical insurance premium in effect at the time of retirement will remain constant throughout retirement. Every January 1, SMUD will recalculate the dollar amount of their contribution to reflect any changes in the medical premium rates. *(Revised 1/1/2018 to clarify intent)*



### **TIER 3**

For employees hired on or after January 1, 2007, and before January 1, 2018, with continuous SMUD service and who are eligible to retire from SMUD, and who retire prior to the age at which they are Medicare-eligible or age 65, SMUD shall provide medical insurance premium contributions according to the following schedule:

<b>Retiree's Years of Continuous SMUD Service</b>	<b>Percent (%) of SMUD Contribution for Retiree</b>	<b>Percent (%) of SMUD Contribution for Dependent(s) for 2 lowest cost plans</b>	<b>Percent (%) of SMUD Contribution for Dependent(s) for all other SMUD- sponsored plans</b>
Less than 10	0	0	0
10	25	22.5	21.25
11	27.5	24.75	23.38
12	30	27	25.5
13	32.5	29.25	27.63
14	35	31.5	29.75
15	37.5	33.75	31.88
16	40	36	34
17	42.5	38.25	36.13
18	45	40.5	38.25
19	47.5	42.75	40.38
20	50	45	42.5
21	55	49.5	46.75
22	60	54	51
23	65	58.5	55.25
24	70	63	59.5
25	75	67.5	63.75

SMUD will contribute up to seventy-five percent (75%) of the retiree-only portion of the medical insurance premium for all SMUD-sponsored medical insurance plans according to the Tier 3 schedule.

Tier 3 employees with continuous SMUD service and who retire with 25 years of service after the age at which they reach Medicare eligibility or age 65, SMUD shall contribute 100% of the retiree-only portion of the monthly medical insurance premium for all SMUD-sponsored health plans.

For dependent(s) covered under the retiree's plan, SMUD shall contribute 90% of the percentage it contributes for the retiree's medical insurance premium (based on the Tier schedule) on the two (2) lowest cost health insurance plans or 85% of the percentage it contributes for the retiree's medical insurance premium (based on the Tier schedule) for all other SMUD-sponsored health plans.

SMUD percentage of contribution toward the medical insurance premium in effect at the time of retirement will remain constant throughout retirement. Every January 1, SMUD will recalculate the dollar amount of their contribution to reflect any changes in the medical premium rates. *(Revised 1/1/2018 to clarify intent)*

## SMUD Contributions (Cont'd)

### **TIER 4**

For employees hired on or after January 1, 2018, with continuous SMUD service and who are eligible to retire from SMUD, SMUD shall provide medical insurance premium contributions on a prorated basis, according to the following schedule:

Retiree's Years of Continuous SMUD Service	Percent (%) of SMUD Contribution for Retiree	Percent (%) of SMUD Contribution for Dependent(s) for 2 lowest cost plans	Percent (%) of SMUD Contribution for Dependent(s) for all other SMUD- sponsored plans
Less than 15	0	0	0
15	25	22.5	21.25
16	27.5	24.75	23.38
17	30	27	25.5
18	32.5	29.25	27.63
19	35	31.5	29.75
20	37.5	33.75	31.88
21	40	36	34
22	42.5	38.25	36.13
23	45	40.5	38.25
24	47.5	42.75	40.38
25	50	45	42.5

SMUD will contribute up to fifty percent (50%) of the retiree-only portion of the medical insurance premium for all SMUD-sponsored medical insurance plans according to the Tier 4 schedule.

For dependent(s) covered under the retiree's plan, SMUD shall contribute 90% of the percentage it contributes for the retiree's medical insurance premium (based on the Tier schedule) on the two (2) lowest cost health insurance plans or 85% of the percentage it contributes for the retiree's medical insurance premium (based on the Tier schedule) for all other SMUD-sponsored health plans.

SMUD percentage of contribution toward the medical insurance premium in effect at the time of retirement will remain constant throughout retirement. Every January 1, SMUD will recalculate the dollar amount of their contribution to reflect any changes in the medical premium rates. *(Revised 1/1/2018)*

### **C. DENTAL CONTRIBUTIONS**

SMUD will pay one hundred percent (100%) of the employee/retiree and dependent coverage as set forth in the Traditional Plan including Sealant coverage. Eligible IBEW-represented employees have the ability to select a buy-up plan with the additional cost being borne by the IBEW-represented employee. *(Revised 1/1/2018)*

## SMUD Contributions (Cont'd)

Effective 1/1/2013, SMUD will provide orthodontia in the Traditional Plan to employees and eligible dependents with payments capped at \$1500 (lifetime).  
(Revised 1/1/2013)

### **D. VISION CONTRIBUTIONS**

SMUD will pay one hundred percent (100%) of the employee and dependent premium for the Traditional Plan. Eligible IBEW-represented employees have the ability to select a buy-up plan with the additional cost being borne by the IBEW-represented employee.  
(Revised 1/1/2018)

### **E. RETIREMENT - PERS**

All IBEW Classic Member employees within the CalPERS retirement system will continue to have retirement formula of 2%@55 and will contribute the full 7%-member contribution.

All IBEW New Member employees within the CalPERS retirement system will continue to have a retirement formula of 2%@62 as dictated by Public Employee's Pension Reform Act of 2013 (PEPRA) and will continue the normal cost of employee contributions as calculated by CalPERS.

Note: "Classic" vs. "New" members are defined by CalPERS. (Revised 1/1/2018)

For 12-Hour Shift employees, SMUD will make the appropriate PERS contribution for all regularly scheduled hours (including regularly scheduled hours at the overtime rate) up to the allowable maximum.

## **7. DEFERRED COMPENSATION ENHANCEMENT PROGRAM**

### **A. Deferred Compensation Matching Program**

**SMUD will match each eligible IBEW-represented employee's contributions to either their 401(k) or 457(b) account up to the annual amount as specified below:**  
(Revised 1/1/2022)

<u>Year</u>	<u>SMUD Matching Contribution</u>
<b>2022:</b>	<b>\$1200</b>
<b>2023:</b>	<b>\$1200</b>
<b>2024:</b>	<b>\$1200</b>
<b>2025:</b>	<b>\$1200</b>

Employee participation in the matching contribution program is voluntary. In order to be eligible to receive matching funds, an employee must have successfully completed SMUD probation (6 month or 12 months depending on classification) and must have made contributions into a 401(k) or 457(b) account during the calendar year **subject to the current IRS rules and limits**. SMUD will match contributions up to \$1200 per year into an active account as of the day of distribution to be eligible to receive matching funds. SMUD's contribution into an employee 401(k) or 457(b) Plan account will not be considered an employee contribution. (Revised 1/1/2022)

SMUD Contributions (Cont'd)

Deferred Compensation Enhancement Program (Cont'd)

**B. Direct Contributions**

SMUD shall make direct contributions to eligible IBEW-represented employees' 401(k) **or 457(b)** accounts according to the following schedule, **2022-2025:**

<b>Effective 1/1/2022</b>	<b>Monthly Contributions</b>	
<b>SMUD Years of Service</b>	<b>Classic Employees (CalPERS)</b>	<b>PEPRA Employees</b>
Upon completion of year one (1) through five (5)	\$225	<b>\$250</b>
Six (6) through 10	\$250	<b>\$275</b>
11 through 15	\$275	<b>\$300</b>
16 through retirement	\$300	<b>\$325</b>
<b>Effective 1/1/2023</b>	<b>Monthly Contributions</b>	
<b>SMUD Years of Service</b>	<b>Classic Employees (CalPERS)</b>	<b>PEPRA Employees</b>
Upon completion of year one (1) through five (5)	\$225	<b>\$275</b>
Six (6) through 10	\$250	<b>\$300</b>
11 through 15	\$275	<b>\$325</b>
16 through retirement	\$300	<b>\$350</b>
<b>Effective 1/1/2024</b>	<b>Monthly Contributions</b>	
<b>SMUD Years of Service</b>	<b>Classic Employees (CalPERS)</b>	<b>PEPRA Employees</b>
Upon completion of year one (1) through five (5)	\$225	<b>\$300</b>
Six (6) through 10	\$250	<b>\$325</b>
11 through 15	\$275	<b>\$350</b>
16 through retirement	\$300	<b>\$375</b>
<b>Effective 1/1/2025</b>	<b>Monthly Contributions</b>	
<b>SMUD Years of Service</b>	<b>Classic Employees (CalPERS)</b>	<b>PEPRA Employees</b>
Upon completion of year one (1) through five (5)	\$225	<b>\$325</b>
Six (6) through 10	\$250	<b>\$350</b>
11 through 15	\$275	<b>\$375</b>
16 through retirement	\$300	<b>\$400</b>

**(Revised 1/1/2022)**

## Deferred Compensation Enhancement Program (Cont'd)

### **8. TAX DEFERRED PLANS**

Election to participate in any plan other than the deferred compensation enhancement program described above is voluntary and compensation deferrals and program costs are paid by participants.

### **9. LONG-TERM DISABILITY**

SMUD will pay one hundred percent (100%) of the employee benefit coverage as set forth in the plan.

Employees returning from LTD will have a right of return to their former headquarters unless their classification is no longer used at their former headquarters, or they are precluded from that location or classification because of a medical condition.

If the classification is no longer used, the employee may voluntarily demote to any open position to which he/she is qualified at the former headquarters or transfer to another location where the classification is still used.

## **10. EMPLOYEE LIFE INSURANCE**

Employee life insurance coverage is based on the amount of an employee's annual base pay (rounded to the nearest \$5,000 worth of coverage) effective September 30 of the previous year. SMUD pays the full cost of life insurance premiums for coverage up to one time (1x) annual base pay. Employees can purchase additional coverage with the cost for this additional coverage entirely borne by the employee and this additional coverage is subject to the carrier's qualifications and restrictions. Employees can choose additional coverage of either one time (1x), two times (2x), or three times (3x) of their annual base pay for a total of four times (4x) their annual base pay up to the maximum coverage amount of \$500,000. *(Revised 1/1/2018 per LOA)*

## **11. SPOUSE AND DEPENDENT LIFE INSURANCE**

Employees can elect coverage for their spouse of **\$25,000 or up to 50% of the amount** they have chosen through the employee life insurance plan. Employees can elect coverage for **their eligible** dependent children in the amount of: \$2,500, \$5,000, \$7,500 or \$10,000.

**For clarification, there are two options an employee can choose from when selecting spousal life insurance:**

**Option 1: 50% of the total coverage amount elected by the employee (total coverage includes employer paid portion and employee buy-up portion). Any spousal election under this option (50% of employee coverage amount) will require an evidence of insurability (EOI) and the EOI must be approved by the life insurance carrier.**

**Option 2: Flat \$25,000 coverage amount. No EOI is required.**

*(Revised 1/1/2022)*

## **12. EXTENDED COMPENSATION**

SMUD may offer extended compensation to supplement temporary disability from an on-the-job accident. It is an advance against any permanent disability benefits employees may receive. Employees may be eligible for extended compensation benefits on the first workday of absence after the day of the job-related injury or illness. Additionally, any Extended Compensation paid over and above the amount of Permanent Disability awarded shall also be reimbursed to SMUD.

## **13. OTHER FRINGE BENEFITS**

SMUD currently offers other benefits such as Employee Assistance Program, Wellness programs, Personal Computer Purchase Program, Educational opportunities, Ride Share Program, Child Care Center and childcare tuition assistance. Some of these programs are fully sponsored by SMUD and others are supported and paid for by employees.

## **14. SHORT TERM DISABILITY INSURANCE**

Effective Plan Year 2007, all permanent full time and permanent part time IBEW-represented employees working at least 20 hours a week on a fixed schedule may purchase coverage under SMUD's Short-Term Disability Plan.

**15. WELLNESS CENTER PARTICIPATION**

IBEW employee membership in SMUD's Wellness Center will be \$5.00 per pay period. SMUD shall reimburse membership fees paid by those employees who use the facility an average of eight (8) times per month annually. Reimbursement shall be made through payroll within ninety (90) days following the end of the year. Only those employees still on SMUD's payroll at the time of reimbursement shall be eligible to receive such payment.

*(Revised 1/1/2018 per LOA)*

**16. HEALTH ASSESSMENT PROGRAM**

Employees who participate in SMUD's Health Assessment Program and fulfill program requirements will pay \$5 less per month for their health insurance. All employees will be granted time, while on duty, to participate in the health assessment portion of the program. This time must be scheduled in advance, with supervisory approval. Additional program requirements must be completed and will be done on the employee's own time.



## ARTICLE 31

### MISCELLANEOUS

#### 1. **SMUD PROPERTY ACCESS**

Official representatives of the Union will be permitted access to SMUD property to confer with SMUD employees on matters of employer/employee relations after receiving permission of the area supervisor so they will not interfere with work in progress.

#### 2. **SAFETY**

SMUD and the Union agree that Joint Labor Management Safety Committees are an important factor in maintaining safe and healthy work environment for SMUD employees.

It is further agreed, as soon as reasonably possible following ratification of this agreement, to establish Joint Labor/Management Safety Committees in departments employing IBEW-represented employees.

The committee shall consist of:

- One Representative appointed by the Union
- One Representative appointed by Management
- Work group representatives selected along geographic or functional lines  
(number to be decided by the Department)

In addition to the above members, the Grid Assets committee will also include a Department Safety Representative and a representative assigned by the Corporate Safety Office.

The committee shall meet at least once each quarter and more often if needed to review safety activities in the department, to consider safety complaints raised by employees, foremen or safety representatives, to discuss safety issues of mutual concern to the parties, and to recommend corrective measures to the Department Director.

The committee shall publish written minutes of each meeting, copies of which shall be distributed to other department safety committees, SMUD's Safety Office, and to department employees.

#### 3. **WORK GLOVES / PROTECTIVE CLOTHING**

- A. SMUD will provide for unlimited replacement of issued work gloves. When issued, gloves should be appropriately and permanently marked in a manner that identifies the employee receiving them. Upon certification by an employee's foreman/woman that a pair of issued gloves was lost without negligence by the employee, SMUD will sell the employee another pair of gloves at one-half its cost.
- B. SMUD will make available at an employee's request the use of protective clothing for other than hazardous substances. This clothing is to protect employee's garments from such things as oily or greasy substances **or burn holes from welding, grinding, etc. (Revised 1/1/2022)**

Work Gloves/Protective Clothing (Cont'd)

- C. IBEW represented employees shall be reimbursed a footwear allowance towards the purchase or repair of appropriate footwear designated by SMUD as follows.**  
*(Revised 1/1/2022)*

- **Lineworker Series up to \$400 annually**
- **All other classifications up to \$300 annually**
- **PSO and DSO classifications are excluded from footwear reimbursement**

All classifications will be required to purchase and wear the approved footwear appropriate for work being performed, except Linemen/women, who will purchase one pair of special footwear. Once footwear is purchased, all personnel will be required to wear the product.  
*(Revised 1/1/2013)*

Each Business Unit with personnel in classifications that require the wearing of appropriate footwear will establish procedures for the purchase of the footwear.  
*(Revised 1/1/2018 per LOA)*

#### 4. **FLAME RESISTANT CLOTHING**

SMUD agrees to provide certain flame-resistant clothing to those employees who work on or near exposed electrical conductors or equipment energized at 50 volts (AC or DC) or greater. The clothing will be provided at no cost to the employees for purchase or maintenance.

##### A. **Affected Classifications**

Employees in the following classifications are required to wear flame-resistant clothing when exposed to the described hazardous conditions.

- Apprentice Cable Splicer/Electrician
- Apprentice Electrician
- Apprentice Electrical Technician
- **Apprentice Facilities Stationary Engineer**
- Apprentice Lineman-woman
- Apprentice Meter Technician
- **Apprentice Plant Mechanic**
- Cable Locator
- Cable Splicer/Electrician
- Cable Splicer/Electrician Foreman-woman, Light
- Combustion Turbine Technician
- Electrical Technician
- Electrician
- **Facilities Stationary Engineer**
- Fault Locator
- **High Voltage Technicians**
- Hydro Operator
- Line Construction Foreman-woman
- Line Equipment Operator
- **Line Equipment Operator Assistant**
- Line Foreman-woman, Light
- Line Subforeman-woman
- Lineman-woman
- **Maintenance Carpenter**
- Meter Technician
- Network Electrical Foreman-woman, Light
- **Plant Mechanic**
- **Plant Mechanic Foreman**
- Revenue Protection Representative
- Senior Meter Technician
- Senior Troubleshooter
- Substation Subforeman-woman
- Substation Foreman-woman, Light
- Telecom Technician
- Troubleshooter

## Flame Resistant Clothing (Cont'd)

The above classifications are subject to change in accordance with Hazard Assessment Analyses, as outlined in SMUD Safety Program Manual.

- B. Each Business Unit with personnel in classifications that require the wearing of the Flame-Resistant Clothing will establish the initial Flame-Resistant Clothing allotment and subsequent clothing requirements.

Additionally, each Business Unit will establish procedures for the purchase of the Flame-Resistant Clothing by assigned employees. *(Revised 1/1/2018 per LOA)*

## **5. APPRENTICE INSTRUCTORS**

Journey-level or Light Foreman/woman level employees who have volunteered to provide instruction for the after-hours (night school) apprentice training and are authorized and directed to provide instruction to Apprentices will be compensated in the following manner:

- A. An hourly rate of two times a Light Foreman/woman's regular straight time rate of pay or two times the employee's regular rate of pay (if higher).
- B. If a class session requires more than the normal two hours, the instructor will be compensated at the two times rate for each additional hour. The training coordinator or supervisor must approve additional hours in advance.
- C. An instructor may choose to take CTO in lieu of pay with advance approval of his/her supervisor.
- D. Based on the normal class session time requirements outlined above (2 hours of class contact and 1 additional hour), an employee would be credited with a total of 6 hours of CTO per class session.
- E. It is understood that either the flat rate method or the CTO method will constitute full compensation for a class session. Meal time, meal payments, and travel time will not be applicable.
- F. **Employees who provide instruction for the after-hours (night school) apprentice training shall not have those hours added to the ranked overtime list for their respective work groups. *(Revised 1/1/2022)***
- G. Course preparation time or instruction provided during normal working hours will be compensated at the employee's normal rate of pay.

## **6. SMUD/IBEW JOINT APPRENTICESHIP TRAINING COMMITTEE (JATC)**

It is the intent of the parties to support the establishment of apprenticeship programs for certain IBEW-represented classifications where such programs are deemed appropriate. The IBEW and SMUD agree that such programs will be administered in accordance with the following provisions:

- A. The classification of positions and the selection (hiring) process shall be managed in accordance with SMUD's Civil Service Rules.

## JATC (Cont'd)

- B. SMUD retains the right to hire, evaluate and discipline any employee participating in an apprenticeship program, taking into consideration the recommendations of the JATC.
- C. Apprenticeship programs shall operate in accordance with the Apprenticeship Standards of the SMUD/IBEW Joint Apprenticeship Training Committee.

## **7. JOINT LABOR-MANAGEMENT COUNCIL**

SMUD and the Union agree that it is essential to sound labor-management relations and to the economic progress of SMUD and its employees to make constant improvements in SMUD's operations in order to maintain efficiency and control costs. To accomplish this goal, it is essential that employees understand the basis for changes affecting their employment and working conditions.

It is also agreed that periodic discussions between Union and Management can promote good labor relations by preventing relaxation of standards with respect to training or the application of job specifications and other working conditions.

The parties to this agreement recognize that there are many issues outside of the collective bargaining agreement that are of mutual concern and interest to both labor and management and can best be handled through cooperative action. To this end, the parties agree to create a Joint Labor-Management Council.

### **A. Purpose**

- 1) To provide a forum to understand issues of a general concern to both labor and management.
- 2) To provide a forum to evaluate ideas to improve productivity, quality of services and innovations within SMUD or the industry.
- 3) To refer matters to appropriate forums (i.e., Safety and Standards Committee, grievance procedure, etc.) for resolution.
- 4) To make joint recommendations to Executive Management on issues not resolved by other appropriate forums.
- 5) To provide appropriate communications to fulfill the charter of the council.

### **B. Structure**

#### **1) Representatives**

The Council will be composed of a bi-lateral body of six (6) labor representatives appointed by the Union and an equal number of management representatives (one of which will be a member of the Executive Committee) appointed by SMUD.

#### **2) Meetings and Agenda**

The Council shall meet quarterly or as otherwise mutually agreed upon by the Council. The first meeting of the Council will be held within thirty (30) days of the ratification of this labor agreement.

## Joint Management Labor Council (Cont'd)

Matters for consideration by the Council shall be addressed to the Union Business Representative or Manager of Employee Relations. They will set the agenda for Council. Either party may bring persons to the Council meeting whose input would be appropriate to understand the issues scheduled for discussion.

### **3) Leadership**

The parties shall each select a representative to function as co-chairpersons of the Council.

### **4) Authority of Council**

The Council will act by consensus.

## **8. BULLETIN BOARDS**

SMUD will provide the Union adequate bulletin board space for the purpose of posting thereon matters relating to official Union business. The Union shall not post any matter derogatory to SMUD, its employees, or its customers.

Employees may advertise the sale or rent of their personal or real property on SMUD bulletin boards.

## **9. TOWER CLIMBING**

The Telecommunications Technicians agree to learn tower climbing techniques and the proper use of associated safety equipment. SMUD agrees to provide tower climbing training on an as needed basis. The Telecommunications Technicians agree to be available for tower climbing on a volunteer basis. If a sufficient number of volunteers cannot be found, technicians will be appointed in inverse order of SMUD seniority. Technicians shall be allowed to decline such appointment for medical reasons or other reasonable circumstances.

## **10. COFFEE BREAKS**

To provide consistency among all departments, employees will be allowed to consume coffee or other beverages at their workstations or work sites provided safe work practices are not compromised. It is recognized that in many work situations involving lengthy periods of high concentration, a brief pause to consume a beverage is reasonable so a quality work effort can be continued. However, it is the intent of this paragraph that these short intervals should have a minimum impact on productivity.

## **11. SUCCESSOR CLAUSE**

SMUD agrees to make every effort to keep the Union informed of any discussions SMUD is having concerning the transfer of a significant SMUD asset to another entity. SMUD's ability to do so will depend to some extent upon the nature of the negotiations and the parties with whom SMUD is negotiating. However, it is the intent of the parties that as soon as practical, the Union will be informed of any such discussions and will become involved in the implementation of any severance pay program.

## 12. CONTRACTING OUT

- A. SMUD shall not contract any work normally performed by the IBEW bargaining unit if such contracting is intended to reduce or has the effect of reducing the regular work force by attrition, demotion, displacement or lay off. Further, prior to any reduction in force of IBEW-represented employees, affected IBEW employees meeting the minimum qualifications of the job being contracted will be offered any bargaining unit work being performed by contractors. These assignments will be of a temporary nature. All current rules concerning bumping and selection shall apply.

For the purpose of this agreement, contracting occurs when temporary positions are being filled by non-IBEW employees; outside contractors are performing work in the IBEW bargaining unit; and cross-training is in effect. SMUD agrees to notify IBEW in each instance of its intent to contract IBEW bargaining unit work.

- B. **Prior to contracting out work normally performed by IBEW-represented employees, SMUD will provide volunteer IBEW-represented employees with the first right of refusal.** When contracting out work normally performed by IBEW represented employees, SMUD will have such work done by the optimum use of volunteer IBEW represented employees. Exceptions to the foregoing for Power Generation are contractors may be used for the following circumstances: (*Revised 1/1/2022*)

- OEM support;
- Capital funded projects; or
- Seasonal FERC/DSOD related work. (*Revised 1/1/2013*)

## 13. CONFLICT OF LAW

If any provision of this MOU or the application of such provision should be found invalid by any decree of a court of competent jurisdiction or by the reason of any existing or subsequently enacted legislation, the remaining parts or portions of this MOU shall remain in full force and effect.

## 14. TECHNOLOGICAL CHANGES

SMUD shall continue to provide the Union with as much notice as practicable of technological changes in its business that may have a significant effect on its work force. In such circumstances, SMUD and the Union shall then meet to study and endeavor to adopt appropriate solutions.

## 15. NO STRIKES. NO LOCKOUTS

During the term of this Agreement, SMUD agrees that there shall be no lockout, and the Union agrees on behalf of itself and the employees represented by it that there shall be no authorized, concerted failure to report to work, cessation or interruption of work, slowdown, strike, (**including, but not limited to, sympathy strikes**), boycott or any type of organized or concerted interference, express or implied, direct, indirect, coercive or otherwise, with SMUD's business. The Union further agrees that, should any such acts be committed by any employee or employees, it shall openly and publicly denounce and discourage said acts. (*Revised 1/1/2022*)

**16. CONTINUATION OF OTHER TERMS AND CONDITIONS - ENTIRE AGREEMENT**

This MOU sets forth the entire understanding of the parties regarding the matters contained herein and any other prior or existing understanding or MOU by the parties, whether formal or informal, regarding such matters are hereby superseded. Except as provided in this MOU, it is agreed and understood that all benefits and working conditions provided by this MOU shall remain unchanged during the term of this MOU, unless expressly modified by mutual agreement through the meet and confer process.

With regard to terms and conditions of employment not expressly covered by this MOU, the parties recognize that during the term of this MOU it may be necessary or desirable for SMUD to make changes on matters within the scope of representation. If and when SMUD finds it necessary to make such changes, it will notify the Union at least 30 days prior to the proposed implementation. At the request of the union, the parties shall meet and confer in a good faith effort to reach agreement over such matters that fall within the scope of representation.

If the parties are unable to reach agreement, the impasse shall be resolved through the use of MED (iation)-ARB (itration). Agreements or decisions resulting from this process shall be binding on the parties.

**17. UARP COLD WEATHER CLOTHING**

**Hydrography Field Technicians and Heavy-Duty Equipment Operator classifications that perform work in the Upper American River Project (UARP) shall be provided cold weather clothing including an insulated jacket and insulated bibs authorized by SMUD. Employees shall be allowed to replace the clothing every three (3) years. (*Revised 1/1/2022*)**



SIGNATURE PAGE

## **APPENDIX A**

### **WAGE RATES**

**The parties agree to place all wage schedules, including all premiums, for all IBEW represented employees in Appendix A of the current MOU. (*Revised 1/1/2022*)**

## **APPENDIX B**

### **CLASSIFICATIONS REQUIRING COMMERCIAL LICENSES**

#### **(Class A and B)**

Cable Splicer/Electrician  
Cable Splicer/Electrician Frmn/Wn, Light  
Crane Operator  
Electrician, Substation  
Electrician, Substation Apprentice  
Electrician, Substation Frmn/Wn, Light  
Equipment Operator  
Garage Attendant 1  
Hazardous Waste Foreman/woman, Light  
Hazardous Waste Technician  
Heavy Duty Equipment Operator  
Hydrography Field Technician  
Line Equipment Operator  
Lineman/woman  
Lineman/woman Apprentice  
Lineman/woman Frmn/wm, Light  
Mechanic  
Parts Clerk  
Service Writer  
Vehicle Mechanic, Lead  
Vehicle Mechanic, Senior  
Vehicle Attendant  
Vehicle Maintenance Aide  
Vehicle Mechanic  
Vehicle Mechanic Welder

Employees in apprentice positions for these classifications will also be required to possess the Commercial driver's license of the appropriate level.

Base wage rates for the above-listed classifications will be adjusted to include the appropriate Commercial driver's license premium as defined in Article 4, Section 3(B).

All employees in apprentice positions leading to status as a journey level employee in a classification that may require a Commercial driver's license must obtain and maintain a valid Commercial license throughout the period of their apprenticeship.

## APPENDIX C

### WORK AREA THRESHOLD LEVELS

#### **General Services**

##### Grounds Maintenance

##### Required #

Gardener / Utility Worker

3

#### **Fresh Pond**

##### Commercial

##### Total #

Building Maint Mech

1

Electricians

1

Heavy Duty Equip. Operator

3

Heavy Duty Equip. Op, Foreman

1

Hydro Field Tech

1

Hydro Field Tech Foreman

1

Hydro Op, Foreman

1

#### **Grid Assets**

The number of Class A license holders within Grid Assets will be determined by the number of vehicles directly assigned to each workgroup plus 25% of the pool vehicles used by the workgroup. The number of drivers required will not exceed 150% of the workgroup's vehicles by classification series. All apprentices are required to acquire and maintain a Class A license throughout their apprenticeship, and they will be included in the 150% requirement. The 150% does not include any positions that require a Class A license as part of the job classification or positions that are excluded by the work they perform.

Example:

<b>Work Area</b>	<b>Assigned Class A Vehicles</b>	<b>Pool Class A Vehicles (# x .25)</b>	<b>Total</b>	<b>Total Drivers (150% of Total)</b>
Line	35	15(4)	39	59
Electrical	9	8(2)	11	17
Network	3	7(2)	5	8
Total	56	32 (9)	65	99

## APPENDIX D

### SUPPLEMENTAL LETTERS OF AGREEMENT

**The parties agree that all current side letters be printed in their entirety and shall be included in Appendix D of the MOU. (*Revised 1/1/2022*)**

This list is the all-inclusive sum of recognized side letters of agreement up to the starting date of the current MOU

- Letter Agreement regarding Change of Titles for Lineworker Series (LR 01-91 dated December 18, 2001)
- Letter Agreement – Operational Boundaries For PSO/DSO (LR 02-047 dated March 22, 2002)
- Letter Agreement – Certify Meter Tech Apprentices to R/I 240 Volt and Below Meters (LR 03-203 dated October 29, 2003)
- Letter Agreement - Critical Classifications (LR 05-076 dated June 28, 2006)
- Letter Agreement - Mutual Aid Duty Assignments (LR 07-037 dated June 1, 2007)
- Letter Agreement - Administration of Sub-Station Electricians Overtime list (LR 07-040 dated July 26, 2007)
- Letter Agreement - Wage Premium for Helicopter Line Work (LR 09-035 dated August 4, 2009)
- Letter Agreement - Energy Supply Personnel 4/10 work Schedule (LR 10-007 dated January 29, 2010)
- Letter Agreement - Understanding of Meeting of January 13, 2011 (LR 11-004 dated January 18, 2011)
- Letter Agreement - Assignment of Overtime for Gardeners, Utility Workers, and Custodians (LR 11-006 dated March 24, 2011)
- Letter Agreement - Assignment of Overtime for Facilities Electricians (LR 11-007 dated February 4, 2011)
- Letter Agreement - Extension of 2009 Fire Retardant Clothing (LR 12-007 dated February 29, 2012)
- Letter Agreement - Revised Material Specialists On-Call Policy (LR 12-013 dated March 23, 2012)
- Letter Agreement - Reduce Custodian Staffing Level (LR 12-019 dated March 23, 2012)
- Letter Agreement - Power System Operators Overtime Procedures (LR 12-023 dated April 9, 2012)
- Letter Agreement - New Hire Employees Starting Pay Rates (LR 12-038 dated September 21, 2012)
- Letter Agreement - Headquarters Consolidation for Facilities IBEW Represented Employees (LR 13-012 dated April 4, 2013)
- Letter Agreement – Update to Article 30 Benefits (LR 13-033 dated September 11, 2013)
- Letter Agreement - Training Program for Telecommunications Technician Classification (LR 14-013 dated April 30, 2014)
- Letter Agreement - Grid Assets Electrical Technician On-call Policy (LR 14-021 dated June 27, 2014)
- Letter Agreement - Material Specialist On-call Policy (LR 15-014 dated April 29, 2015)
- Letter Agreement - Grid Assets Network Cable Splicer/Electricians On-call Policy (LR 15-027 dated August 13, 2015)
- Letter Agreement - Troubleshooter Residency Requirement (LR 16-002 dated March 1, 2016)
- Letter Agreement - Facilities Electrician On-call Policy (LR 16-014 dated July 6, 2016)

#### **APPENDIX D**

- Letter Agreement - Facilities Stationary Engineer On-call Policy (LR 16-015 dated July 6, 2016)
- Letter Agreement - Troubleshooter Work Area (LR 16-019 dated August 31, 2016)
- Letter Agreement - DSO Call Out Procedures (LR 16-032 dated December 16, 2016)
- Letter Agreement - Update to Lineworker Series LOA LR 01-91 (LR 17-006 dated March 20, 2017)
- Letter Agreement - Update to New Hire Employees Starting Pay Rates LOA LR 12-038 (LR 17-007 dated March 20, 2017)
- Letter Agreement - Clarification on Article 3 Wages for 2018-2021 MOU (LR 17-013 dated August 9, 2017)



## APPENDIX E

### Relocation Expenses Management Procedure 5.03.03.100

#### Relocation Agreements

As part of the hiring process, management may offer to reimburse reasonable relocation expenses for new employees in certain salaried or difficult-to-recruit positions in accordance with SMUD policy and the limitations set forth in this procedure.

Hiring Directors shall notify HR Services when they wish to make offers to reimburse potential candidates for relocation expenses. HR Services shall document the reasons for the recruitment incentives and the approving authority.

HR Services shall prepare and process all written employment offers, including offers to provide recruitment incentives. As part of the acceptance of an employment offer, the prospective employee must agree to repay SMUD in full for all incentives if he/she separates from SMUD employment, for any reason other than a SMUD-initiated reduction in force, within one year from the start date.

#### Payment Limitations

SMUD shall pay for air transportation at coach class rates only. All reimbursements for lodging, meals, and incidentals shall be limited to the maximum IRS per diem rate for the greater Sacramento area. IRS rates are available at [www.gsa.gov/perdiem](http://www.gsa.gov/perdiem).

SMUD shall not pay or reimburse for expenses above the specified limits or for expenses not specifically covered in this procedure unless approved by executive management as part of a signed employment agreement.

#### Payment Arrangements

Once SMUD receives the signed employment offer, the hiring department shall be responsible for arranging direct payments to vendors on behalf of the employee and for processing any reimbursements to the employee.

The hiring department shall ensure that candidates obtain pre-approval for all arrangements related to air and rail transportation and the movement and storage of personal property. SMUD shall pay vendors directly for such expenses.

SMUD shall reimburse the employee directly for other authorized travel and living expenses upon completion of the move and commencement of employment. SMUD does not provide any advance payment of relocation expenses.

#### Search For Housing

As part of a prospective employee's employment offer, management may authorize the payment for up to five days and four nights of travel for the prospective employee and legal spouse/domestic partner to search for new housing prior to relocating to the greater Sacramento area. Covered



expenses include one-time, round-trip transportation (mode determined by mutual agreement) to and from the greater Sacramento area, lodging, car rental (plus fuel, parking, etc.), and meals and incidentals while in the area. This allowance is not available once the prospective employee relocates temporarily or permanently to the greater Sacramento area.

### **Personal Property and Vehicles**

SMUD shall pay moving costs including packing, loading, and transporting up to a maximum of 15,000 pounds (excluding the weight of passenger vehicles) of household effects and personal property from the primary previous residence, and unloading and unpacking at the destination. SMUD shall pay for moving protection insurance to cover up to 15,000 pounds of household effects and personal property.

SMUD shall also pay the cost of transit insurance and commercial shipping for two passenger vehicles on moves of 500 or more miles or for one vehicle on moves of less than 500 miles. An employee who chooses to drive his/her own vehicle(s) shall be reimbursed for mileage by the most direct route for one vehicle and for 75% of total mileage rate for a second vehicle on moves of more than 500 miles.

SMUD shall pay for temporary storage of personal property in the greater Sacramento area for up to 30 days and for the one-time handling and delivery of personal property to the storage facility and the one-time handling and delivery out of storage.

### **Transportation and In-Transit Expenses**

SMUD shall pay the cost to transport by air or rail the employee, legal spouse/domestic partner, and legal dependents from the former residence to the new residence in the greater Sacramento area. Transportation reimbursement shall be limited to the most direct route of travel.

SMUD shall reimburse employees who choose to relocate themselves and their families by means of personal transportation in accordance with above provisions for the transport of personal vehicles.

SMUD shall reimburse the cost of lodging while in transit only for the employee. The employee shall be responsible for any additional lodging expenses incurred for members of his/her household.

SMUD shall reimburse per diem meals and incidentals for the employee, legal spouse/domestic partner, and legal dependents while in transit.

SMUD reimbursement for transit costs shall be limited to one day for travel by air or one day for every 350 miles for travel by personal vehicle.

### **Temporary Housing**

Upon relocation to the greater Sacramento area, SMUD shall reimburse the employee for temporary lodging for up to 30 days while the employee arranges permanent housing. Reimbursement shall be for lodging only and shall not include meals and incidentals.

**Taxation Issues**

The IRS considers the payment of some relocation expenses as employee compensation subject to taxation. SMUD may deduct federal and state withholding taxes from certain relocation expense reimbursements. SMUD shall include taxable amounts in the W2 for the employee in the year of reimbursement. The employee shall be responsible for obtaining tax advice about relocation expenses and maintaining receipts for tax purposes.

**Related References**

IBEW/OSE Memorandums of Understanding

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RESOLUTION NO. \_\_\_\_\_

**BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

That this Board hereby approves a **Memorandum of Understanding** between the **Sacramento Municipal Utility District** and the **International Brotherhood of Electrical Workers (IBEW) Local Union 1245** for the period January 1, 2022, through December 31, 2025, substantially in the form set forth in **Attachment \_\_\_\_** hereto and made a part hereof.