

# Exhibit to Agenda Item #1

Accept the monitoring report for **Strategic Direction SD-7,  
Environmental Leadership.**

Board Policy Committee and Special SMUD Board of Directors Meeting  
Wednesday, September 8, 2021, scheduled to begin at 5:30 p.m.

# Strategic Direction (SD)-7, Environmental Leadership

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.

# Conduct Business & Operations in a Sustainable Manner



## Pollution Prevention

- SMUD Sustainability Efforts
- Waste Recycling
- Clean Energy Promotion
- Site Remediation Efforts



## Minimizing Environmental Impacts

- Sulfur Hexafluoride (SF<sub>6</sub>) Reduction Program
- Transportation Electrification, California Mobility Center, Hydrogenation-Derived Renewable Diesel (HDRD)
- Integrated pest and vegetation management
- Avian Protection



## Conserving Resources

- Environmentally Sustainable Purchasing Program (ESPP)
- Greenergy<sup>®</sup>, Energy Assistance Program (EAPR), SolarShares<sup>®</sup>
- Sacramento Shade Program
- SMUD Energy Store, training classes and videos



## Building Partnerships with our Community

- Sustainable Communities (Local Vision Award from (SVS-APA)
- Customer JD Power Sustainability and Escalent/Congent Environmental Champion awards
- Clean Cities, Cleaner Air Partnership, California Clean Air Day
- 2020 CDP Disclosure ("A" Grade), TCR Climate Registered™ Platinum Status

# Leadership & Innovation to Reduce GHG Emissions



## Zero Carbon Plan

- Fleet Elect.
- Battery Storage
- PV & Wind
- Home Elect.

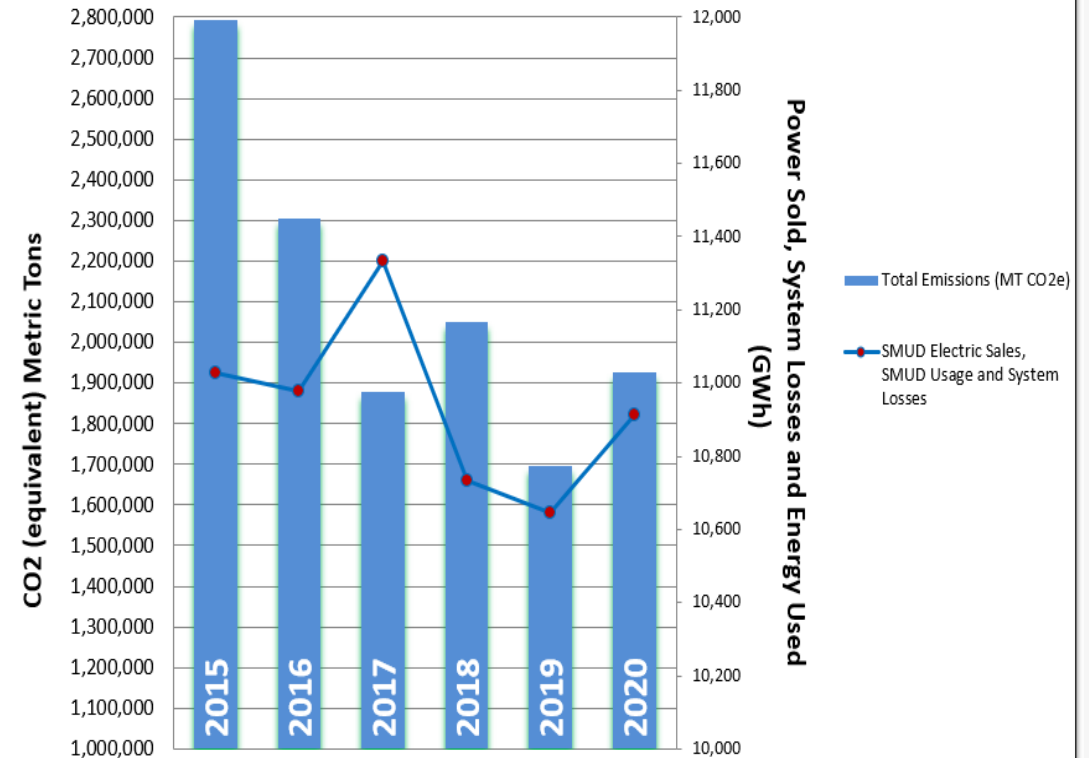
## GHG Reporting

- CARB
- USEPA
- TCR
- CDP
- Scope 1, 2 & 3 emissions

## Sustainability Plan

- Carbon Footprint
- Green Team
- Internal GHG reduction efforts

2015-2020 SMUD Greenhouse Gas Emissions Trends



\* SMUD electric sales are net of wholesales electricity.

\*\* The 2020 GHG Emissions data for natural gas powered plants has been verified by an independent 3rd-Party.

# Advanced Electrification of Vehicles, Buildings & Equipment

Fleet Electrification

Electric Utility Industry  
Sustainable Supply Chain  
Alliance (EUISSCA) – Greening  
Supply Chain

HQ LEED Effort

Electric Hand-Tools for Facilities  
staff



# Building Partnerships with Our Community

- Keeping Our Commitments to Community
- Sustainable Communities Resource Priorities Map Release and Training
- Community Workforce Partnerships
- Realigning Resources for Collective Impact
- Shine Optimization
- Partner Connections Alignment
- Online Learning Options/Digital Inclusion
- Microloan Program
- Community Resource Liaisons and SMUD Volunteer Program
- Environmental Justice Components
- Tribal Consultations



# Highlight - Env. Justice and Supply Chain Efforts

## Environmental Justice (EJ)

- Integration of EJ components in CEQA documents
- Working closely with Sustainable Communities
- Trial Projects –Station G and North City Landfill Cap
- Tribal Consultation

## Supply Chain

- Electric Utility Industry Sustainable Supply Chain Alliance (EUISSCA)
- Benchmarking (environmental, social and governance)
- Vendor Education/Outreach
- Policy Development

# Challenges and Opportunities

## Challenges

- COVID-19 pandemic
- Federal vs. State Regulations
- Technology Changes
- Complicated Environmental Remediation Projects
- Alternative Commute Program Participation

## Opportunities

- Community Partnering (e.g., SCI, California Mobility Center)
- Improved Internal Efficiency and Process Improvements
- Leveraging Lead Industry Groups and Partnerships
- Benefits from SMUD re-organization



# Requested Action

- SMUD is in Compliance with SD-7.
- It is recommended that the Board accept the Monitoring Report for SD-7, Environmental Leadership.
- Place item on the Board consent calendar for approval September 16, 2021.