

# Exhibit to Agenda Item #4

Provide the Board with the financial results from the six-month period ended June 30, 2022, and a summary of SMUD's current Power Supply Costs.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting  
Tuesday, August 16, 2022, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

# June 2022 Financial Highlights

**\$75**  
Million

**“Net  
Income”**  
Net position  
YTD  
*Favorable compared  
to budget*

<p><b>\$704</b> Million</p>	<p><b>Customer Revenue</b> \$35M or 5.2% higher customer revenues than budgeted (favorable)</p> <ul style="list-style-type: none"> <li>• \$48M higher than target primarily due to higher customer usage &amp; lower bad debt expense</li> <li>• Offset by \$13M reduction in commercial customer revenues due to overstatement of 2021 estimated unbilled revenues</li> </ul>
<p><b>\$310</b> Million</p>	<p><b>Commodity</b> \$54M or 21.1% higher commodity expenditures than budgeted (unfavorable)</p> <ul style="list-style-type: none"> <li>• Purchased power higher due to increased load, reduced hydro, and thermal generation down due to Cosumnes power plant outage</li> <li>• Non-cash revenue transfer from Hydro Rate Stabilization fund of \$25 million will offset increased purchased power costs from lack of hydro</li> </ul>
<p><b>\$264</b> Million</p>	<p><b>Other Operating Expenses</b> \$15M or 5.5% lower expenditures than budgeted (favorable)</p> <ul style="list-style-type: none"> <li>• Customer expenses &amp; program costs - \$14M lower primarily due to lower transportation electrification expenses and supply chain issues leading to delay in participation in customer programs</li> <li>• Public Good \$6M lower primarily from less participation in energy efficiency programs, due to slower economic recovery in the commercial sector</li> <li>• Offset by \$6M higher Transmission and Distribution expenses - primarily due to higher distribution maintenance underground line &amp; station equipment expenses</li> </ul>
<p><b>\$90</b> Million</p>	<p><b>Non-cash Expenses</b> \$44M or 32.8% lower non-cash expenses than budgeted (favorable)</p> <ul style="list-style-type: none"> <li>• Accounting Governmental Accounting Standards Board required journal entries for pension</li> </ul>

\* There are \$35M other net revenues and expenses not included in the highlights above – primarily \$25M transfer from the Hydro rate stabilization fund

# June 2022 Energy Sources



Hydro generation was 57% lower than budget in June, and 29% lower than budget year-to-date.

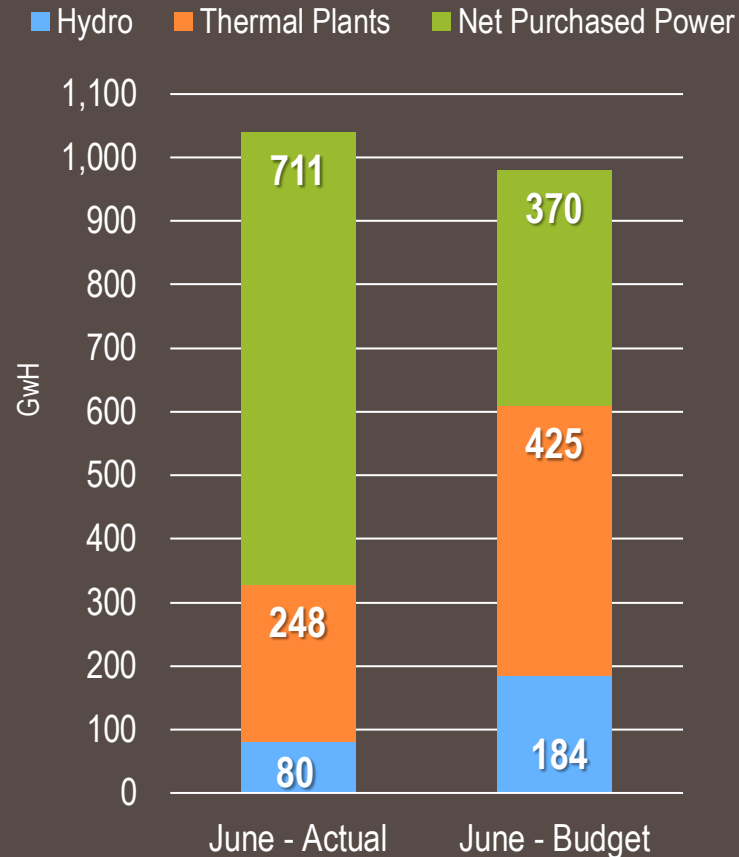


Thermal plants generation 42% lower than budget for June due to the Cosumnes power plant outage, and 18% lower than budget year-to-date.

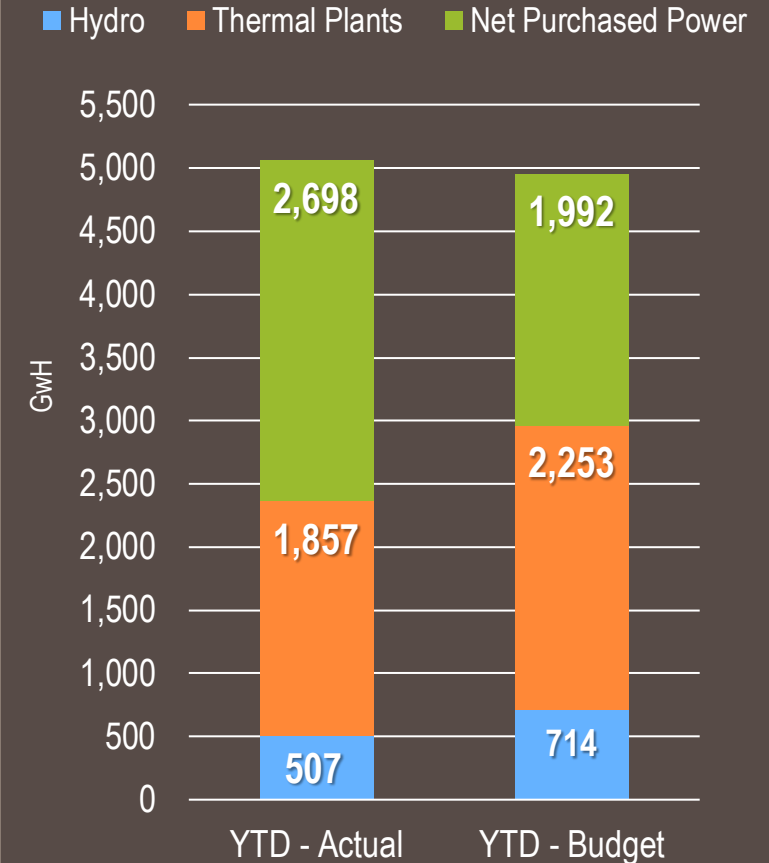


Net purchased power was almost double the budget for June due to the Cosumnes power plant outage, and 35% higher year-to-date due to higher load and the shortfall of hydro & thermal.

### June 2022 Month-to-Date

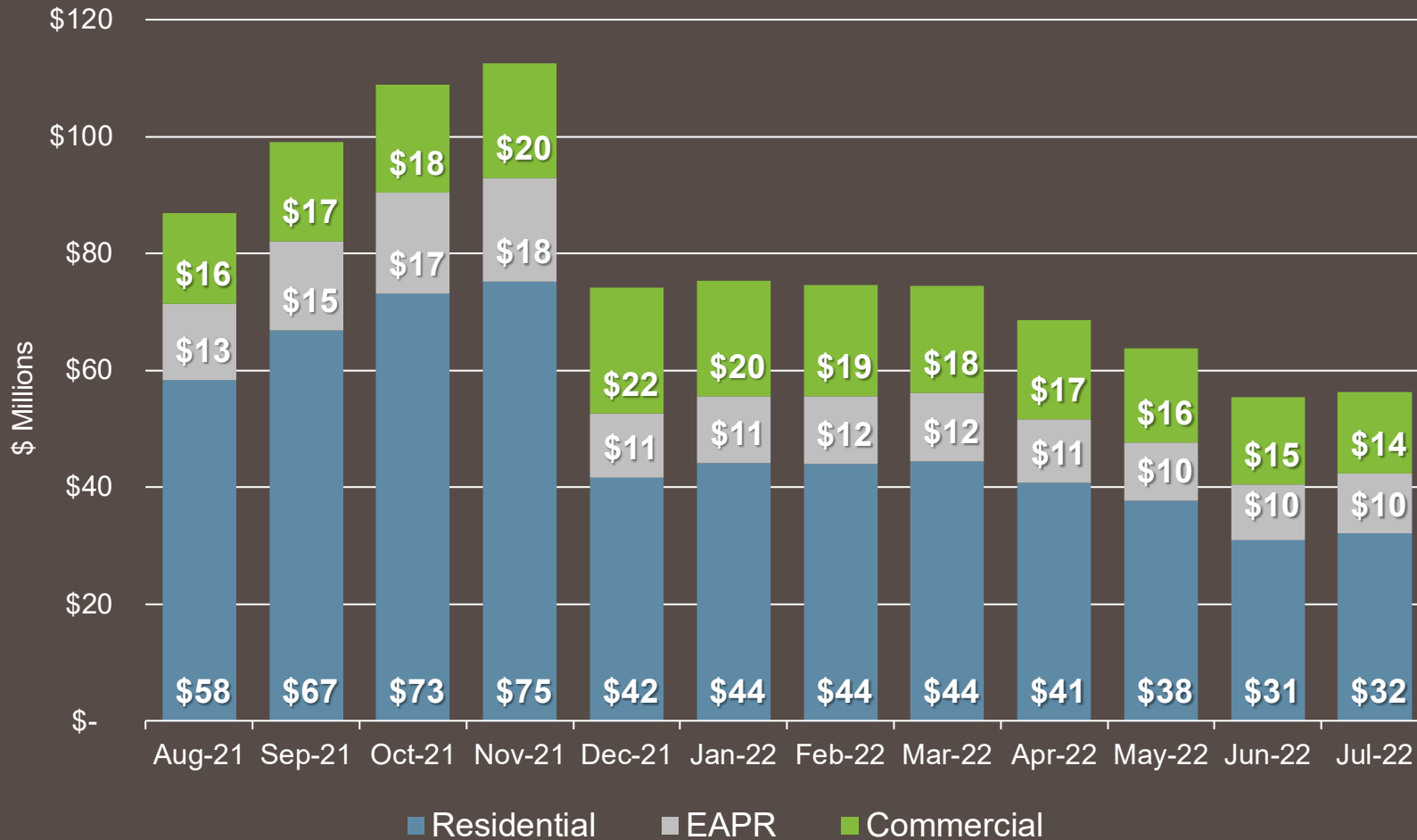


### June 2022 Year-to-Date



# Delinquency by Account Type

As of 7/31/2022



Delinquency Summary as of 7/31/2022		
	Delinquency (millions)	Number of Customers
Residential	\$32.1	113,228
Energy Assistance Program Rate (EAPR)	\$10.2	29,517
Commercial	\$14.0	9,347
All other (St. Lighting, Night Light, Agriculture)	\$ 0.6	1,356
<b>Totals</b>	<b>\$56.9</b>	<b>153,448</b>

# Commodity Budget: Mitigations & Forecast



SMUD has in place financial mitigation tools that hedge against hydroelectric uncertainty

\$56.1 Million	Hydro Rate Stabilization Fund balance
-\$25.1 Million	HRSF withdrawal for Water Year April 2021 to March 2022
\$31.0 Million	HRSF remaining balance after withdrawal
\$33.5 Million	Western Area Power Administration Rate Stabilization Fund balance
-\$30.0 Million	WAPA RSF forecasted withdrawal
\$3.5 Million	Estimated – WAPA RSF remaining balance after forecasted withdrawal

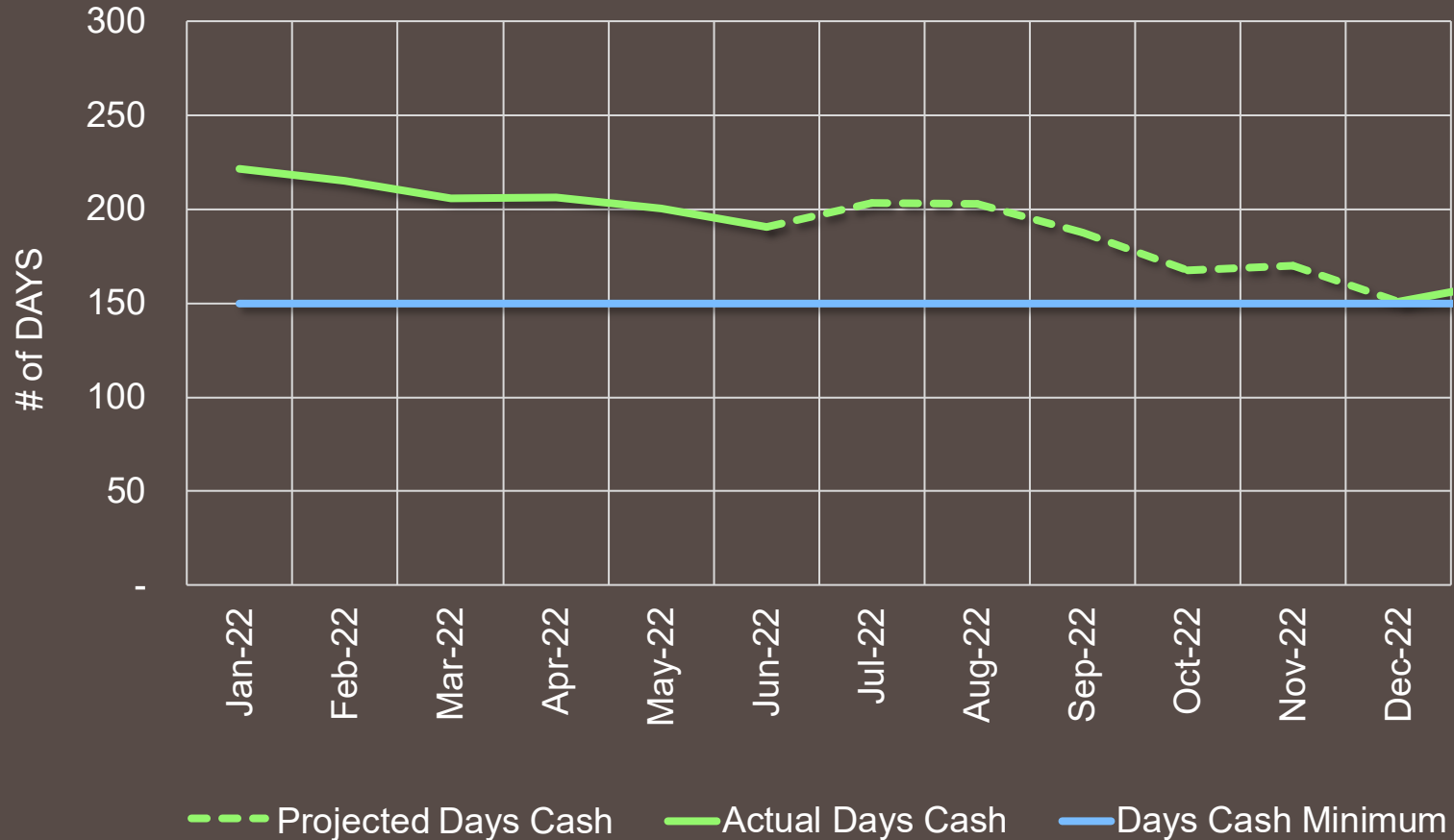
2022 Commodity Forecasted Annual Costs as of July 31, 2022	
Forecast	\$635 - \$654 Million
2022 Budget	\$441 Million
Difference	\$194 - \$213 Million

Hydro Performance Annual Forecast as of July 31, 2022			
	UARP	WAPA	UARP + WAPA
Forecast	1,055 GWh	240 GWh	1,295 GWh
2022 Budget	1,303 GWh	661 GWh	1,964 GWh
Variance	-248 GWh	-421 GWh	-669 GWh

WAPA: Western Area Power Administration    UARP: Upper American River Project    RSF: Rate Stabilization Fund

# Days Cash on Hand

As of 6/30/2022



Days Cash on Hand as of June 30, 2022		
June 30, 2022	Budget	175 days
June 30, 2022	Actual	191 days
Dec. 31, 2022	Budget	162 days
Dec. 31, 2022	Projected	151 days