

Exhibit to Agenda Items #3 and #4

3. Discuss adoption of an update to SMUD's **Renewable Energy Resources Procurement Plan (RPS Procurement Plan)** as required by Public Utilities Code section 399.30(a) and by the *Enforcement Procedures for the Renewables Portfolio Standard for Publicly Owned Utilities (CEC RPS Regulations)* section 3205(a), reflecting updated renewable procurement as included in SMUD's **2030 Zero Carbon Plan** and latest RPS regulations.
4. Discuss adoption of an update to SMUD's **Renewables Portfolio Standard (RPS) Enforcement and Compliance Plan**.

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

Wednesday, June 15, 2022, scheduled to begin at 5:30 p.m.

Virtual Meeting Online

CEC Renewable Energy Resources (RPS) Procurement Plan

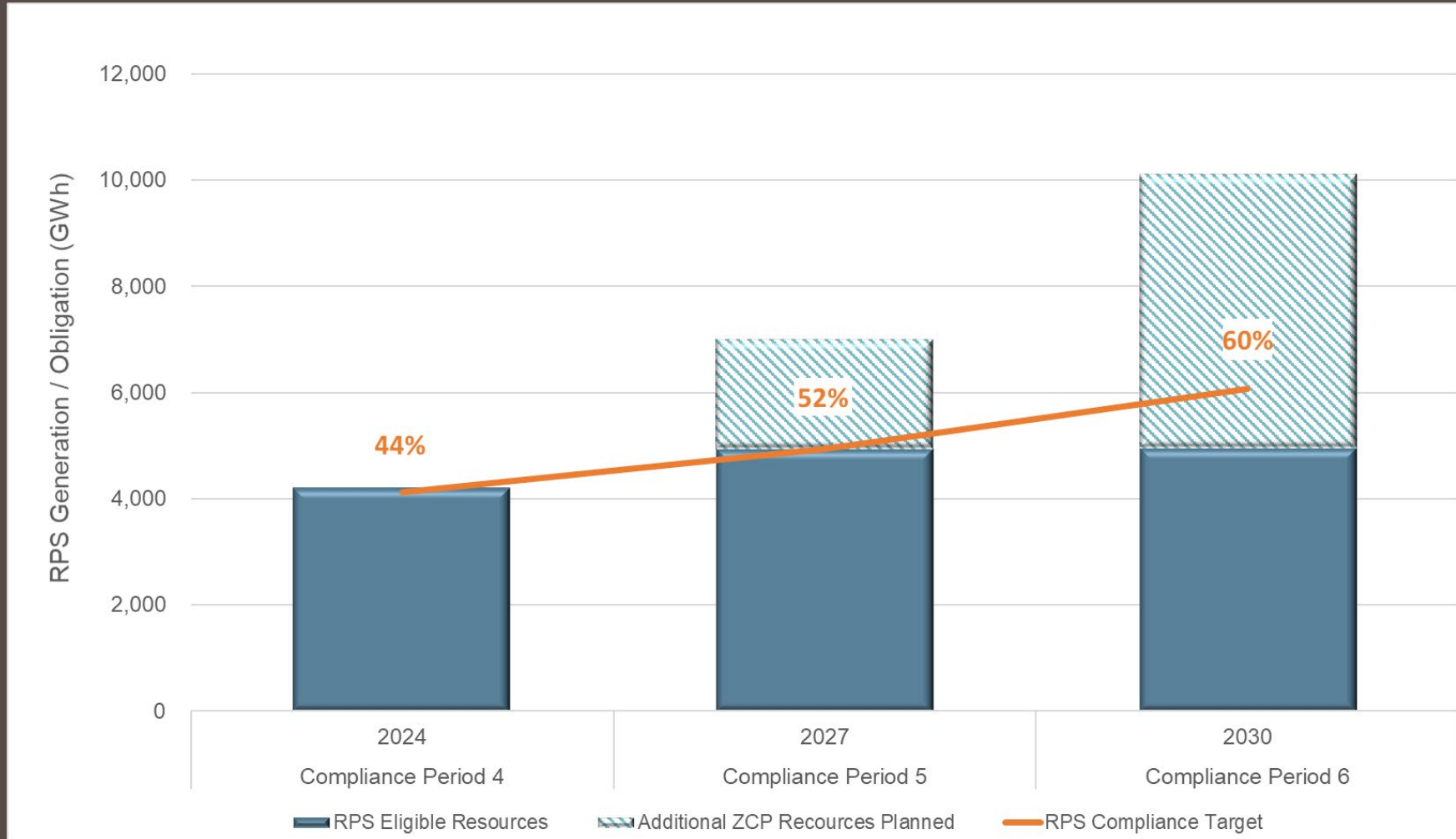
Powering forward.
Together.



CEC Renewable Energy Resources (RPS) Procurement Plan Requirement

- State law requires SMUD to file a Board adopted RPS Procurement Plan with the Integrated Resource Plan (IRP) filing to the California Energy Commission (CEC).
 - Demonstrates how SMUD plans to meet RPS requirements through 2030.
 - We last filed our RPS Procurement Plan in 2019, in conjunction with the filing of our 2018 IRP with the CEC, also in 2019.
 - This new filing will replace what is on file now with the CEC, which is based on SMUD's 2018 IRP.
- **SMUD's 2030 Zero Carbon Plan (ZCP)** included a plan to add a substantial amount of renewable generation exceeding state RPS requirements by mid-decade.
 - SMUD's updated RPS Procurement Plan reflects the renewable resource plan in SMUD's ZCP.

RPS Procurement Plan Forecast



Staff Recommendation

Adopt an update to SMUD's **Renewable Energy Resources Procurement Plan (RPS Procurement Plan)** as required by Public Utilities Code section 399.30(a) and by the *Enforcement Procedures for the Renewables Portfolio Standard for Publicly Owned Utilities* (CEC RPS Regulations) section 3205(a).

CEC Renewable Portfolio Standard (RPS) Enforcement and Compliance Plan

Powering forward.
Together.



CEC RPS Enforcement and Compliance Plan Requirement

- State law requires the SMUD Board to adopt and update, as necessary, a **Renewable Portfolio Standard (RPS) Enforcement and Compliance Plan** (RPS Enforcement Plan).
 - We last filed our RPS Enforcement and Compliance Plan in 2013.
 - Regulations have changed and require us to update this plan.
- The RPS Enforcement and Compliance Plan:
 - Demonstrates how SMUD plans to establish compliance with and enforcement of RPS requirements through 2030.
 - Details actions SMUD will take if it is determined that we will not meet the RPS procurement targets.
 - A determination of non-compliance would be promptly reported to the Board for discussion of a mitigation plan.

CEC RPS Enforcement and Compliance Plan Update Highlights

- Updates reflect latest RPS laws:
 - Retail sales exclusion for voluntary green pricing and shared renewable programs which reduces RPS obligation.
 - Requires at least 65% of renewable generation applied to the RPS target to be from long-term contracts (10+ years).
 - Updates rules for excess procurement starting in Compliance Period 4 (2021)
- **SMUD's 2030 Zero Carbon Plan** reflects these regulatory changes.

Staff Recommendation

Adopt an update to **SMUD's Renewables Portfolio Standard Enforcement and Compliance Plan (RPS Enforcement Plan)** as required by Public Utilities Code section 399.30(e) and by the *Enforcement Procedures for the Renewables Portfolio Standard for Publicly Owned Utilities (CEC RPS Regulations)* section 3205(b).