



Carson Power Plant



Campbell Power Plant



Cosumnes Power Plant



Procter & Gamble Power Plant



McClellan Power Plant

Sacramento Municipal Utility District Financing Authority 2023 Proposed Budget



SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY
P.O. Box 15830, Sacramento, CA 95852-1830

November 8, 2022
SFA 22-007

TO: DISTRIBUTION

SUBJECT: 2023 APPROVED JPA BUDGETS (as follows):
SFA – Cosumnes Power Plant Budget
SFA – Campbell Power Plant Budget (includes McClellan Power Plant)
SFA – Procter & Gamble Power Plant Budget
SFA – Carson Power Plant Budget

We are pleased to present the proposed 2023 Operating Budgets for the Sacramento Municipal Utility District Financing Authority (SFA). These budgets represent the anticipated expenses for the operation of the SFA fleet.

The Operating Budgets for the Authority for the period of January 1, 2023 to December 31, 2023 totals \$231,862,000 for Operations & Maintenance, \$8,628,000 for Administrative & General, \$11,921,000 for Principal & Interest and \$20,758,000 for Capital Expenditures. The Budgets' assumptions and supporting financial schedules are included for your information and review. Should you have any questions regarding these proposed 2023 Operating Budgets, please don't hesitate to contact me at (916) 732-5817.

Sincerely,

Ryder
Couch

Digitally signed by
Ryder Couch
Date: 2022.10.27
11:22:03 -07'00'

Ryder Couch
Manager, Thermal Generation Assets

2023 SFA THERMAL FLEET

The Sacramento Municipal Utility District Financing Authority (SFA) is a Joint Powers Agency (JPA) formed by Sacramento Municipal Utility District (SMUD) and currently consists of five separate Thermal plants: Campbell Power Plant, Carson Power Plant, Cosumnes Power Plant, McClellan Power Plant, and Procter & Gamble Power Plant. On November 1, 2021, these plants transferred individual JPA ownerships to SFA.

CAMPBELL POWER PLANT / MCCLELLAN POWER PLANT

The plant is located at 3215 47th Avenue, Sacramento, CA. The plant consists of a 160 MW clean-burning gas-fired combined cycle turbine generator unit. Besides electricity, the plant can generate steam, which could be sold to a suitable steam host. The plant's original steam host, Campbell Soup Supply Company, closed their factory in 2013 and no suitable replacement has been identified. The plant burns natural gas, which is supplied through natural gas pipelines owned and operated by SMUD. SMUD has designed and built transmission and telecommunications facilities to integrate the Project into SMUD's electrical system.

On May 11, 2007, the McClellan Gas Turbine (McClellan) facility was acquired through an Asset Sales Agreement. At that time, the operation and maintenance of McClellan became a secondary function of Campbell Power Plant. The McClellan gas turbine is a 72 MW simple cycle combustion turbine with both fast and black start capabilities. McClellan has been in commercial operation at the McClellan business park in Sacramento County since 1986. All electricity produced by McClellan is sold to SMUD.

CARSON POWER PLANT

The plant is a cogeneration plant located adjacent to the Sacramento Regional Wastewater Treatment Plant (SRCSD) facility in southern Sacramento County. The plant consists of one clean-burning gas-fired combined cycle gas turbine generator unit, one steam turbine generator unit, and one simple cycle gas turbine for a combined capacity of 107.5 MW. Besides electricity, the plant generates steam that is sold to SRCSD and an adjacent ice producing facility owned by the Glacier Valley Ice Company (Glacier Ice). The units are permitted to burn both digester gas from the SRCSD facility, which was previously flared, and natural gas. SMUD has designed and built transmission and telecommunications facilities to integrate the Project into SMUD's electrical system. Since January 2012, Carson Power Plant has been cleaning the digester gas it receives from SRCSD to pipeline quality and selling it to SMUD for use in the Cosumnes Power Plant, where it can be used more efficiently.

COSUMNES POWER PLANT

Cosumnes is located on a property adjacent to the decommissioned Rancho Seco Nuclear Generating Station near the town of Herald, in the County of Sacramento. The plant consists of two ultra-low emissions, F-class, high efficiency gas-fired combined cycle gas turbine generator units, two heat recovery boilers, and one steam turbine generator unit with a combined, net capacity of 602 MW. The plant burns natural gas, which is supplied through a natural gas pipeline owned and operated by SMUD. SMUD has designed and built transmission and telecommunications facilities to integrate the plant into SMUD's electrical system.

PROCTER & GAMBLE POWER PLANT

The Procter & Gamble Power Plant is located adjacent to the Procter & Gamble Manufacturing Company (Procter & Gamble) in Sacramento County. The plant consists of two clean-burning gas-fired combined cycle gas turbine generator units, one steam turbine generator unit, and one simple cycle gas turbine for a combined capacity of 190.3 MW. Besides electricity, the plant generates steam, which is sold to Procter & Gamble. The plant burns natural gas, which is supplied through a natural gas pipeline owned and operated by SMUD. SMUD has designed and built transmission and telecommunications facilities to integrate the plant into SMUD's electrical system.

SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY
BUDGET SUMMARY
Dollars in Thousands

	2022	2023	NET CHANGE
	PLANT TOTAL	PLANT TOTAL	
GENERATION (MWh)	5,476,313	5,156,103	-6%
FUEL			
Combined Cycle Gas Expenses	\$ 139,974	\$ 135,699	-3%
Combined Cycle Biogas Expense	54,771	46,852	-14%
Peaker Plant Gas Expenses	1,872	2,069	11%
Digester Gas for Resale	641	1,292	102%
Auxiliary Boiler Fuel Costs	309	353	14%
TOTAL FUEL EXPENSES	197,567	186,265	-6%
PLANT OPERATION & MAINTENANCE			
Operator Fees & Bonuses	14,156	14,564	3%
Operator Reimbursable Expenses	16,578	17,360	5%
Operating Expenses	14,448	13,246	-8%
Other Expenses	412	427	4%
TOTAL PLANT OPERATION & MAINTENANCE	45,594	45,597	0%
	-		
TOTAL O&M COSTS	243,161	231,862	-5%
ADMINISTRATIVE & GENERAL			
SMUD Labor	1,844	1,571	-15%
Outside Services	199	173	-13%
Insurance	5,876	6,884	17%
TOTAL ADMINISTRATIVE & GENERAL	7,919	8,628	9%
INTEREST EXPENSE			
Interest on Bonds	4,773	4,441	-7%
DEBT SERVICE PRINCIPAL REPAYMENT			
Principal Repayment		7,480	100%
TOTAL PRINCIPAL & INTEREST	11,421	11,921	4%
CAPITAL EXPENDITURES			
Capital Improvements	19,631	20,758	6%
	-		
TOTAL CAPITAL EXPENDITURES	19,631	20,758	6%

*2022 reflects changes in allocation of expense type and will not match the 2022 budget book.

2023 SFA – Thermal Fleet Budget

The 2023 SFA – Thermal Fleet Budget covers the expected financial operations of all the thermal plants. These budgets represent expenses to be incurred and/or paid by SFA in 2023 while running and conducting the business of each plant. The second part of the budget lists capital and other expenditures proposed for 2023. Also included in this document is a pro forma financial statement. This statement incorporates SFA revenues and non-cash expenses such as depreciation to show the complete financial results of operations for the year.

The operation of SFA is governed by a series of agreements, among the JPA members and outside parties. A description of these agreements follows:

JOINT POWERS AGREEMENT, SMUD will provide technical and administrative services for SFA pursuant to the Power Purchase Agreement (PPA), as SFA has no employees. The SFA Board consists primarily of the SMUD Board with one non-voting member representing Modesto Irrigation District (MID).

POWER PURCHASE AGREEMENT (PPA) between SMUD and SFA. SFA has agreed to sell to SMUD and SMUD has agreed to purchase the energy and capacity from the Thermal Fleet. SMUD will pay SFA for its costs whether the plants are operating or not. This agreement will be in effect until terminated by SMUD, but in no case before the bonds for Cosumnes Power Plant is paid in full. This agreement covers the terms of how the fleet will be operated (SMUD will dispatch) and the calculation of payments from SMUD to SFA for operation of the plants.

GAS SUPPLY AGREEMENT (GSA) between SMUD and SFA. SMUD will arrange for all-natural gas supply and transportation requirements for the SFA, and SMUD will charge SFA for SMUD's actual supply and transportation costs properly allocable to each plant.

WATER SUPPLY AGREEMENT between SMUD and SFA covers the terms under which SMUD supplies all water to the Cosumnes Power Plant.

OPERATIONS & MANAGEMENT AGREEMENT (O&M AGREEMENT) between SFA and Ethos Energy Power Plant Services (Ethos), the plant operator. SFA has contracted with Ethos to operate, repair, overhaul and maintain the thermal fleet for a five-year term effective January 1, 2016, in exchange for payments tied to specified plant performance standards. On August 21, 2020, SFA exercised a one-sided renewal clause extending the agreement for a second five-year term.

GROUND LEASE AGREEMENT between SMUD and SFA covers the terms of SFA's ground lease for the property on which the plants are located.

INDENTURE OF TRUST (INDENTURE) between SFA – Cosumnes Power Plant and U.S. Bank National Association. This agreement covers the terms and conditions of the Trust Estate executed on behalf of the bondholders. It secures and pledges revenues to the payment of principal and interest on the bonds and ensures compliance by SFA with all covenants contained therein.

COMMODITY AGREEMENT between SFA – Carson Power Plant and SRCSD. This agreement covers the terms and conditions of the sale of digester gas from the SRCSD to SFA and the sale of steam from SFA to SRCSD.

THERMAL ENERGY SALES AND SUBLEASE AGREEMENT between SFA – Carson Power Plant and Glacier Ice. This agreement covers the terms and conditions of energy sales from SFA to Glacier Ice. In September 2016, the second amendment to this agreement was signed wherein SFA replaced the steam driven

refrigeration equipment with electrically driven motors. The electrification project was completed in February 2017.

STEAM SALES AGREEMENT between SMUD and Procter & Gamble, and Steam Services Agreement assigning SMUD's rights to SFA. These agreements cover the terms and conditions of steam sales from SFA to Procter & Gamble.

NATURAL GAS PRICES are based on SMUD's actual costs obligated to firm natural gas purchases and estimates for the non-firm portion prepared by SMUD's Energy Trading & Contracts group. The variable rate is based on the latest available Petroleum Industry Research Associates forecast of commodity prices by month for 2023, plus 3.2% fuel use. The fixed component represents SFA's pro rata share of fixed capacity costs on the Alberta Gas Company/NOVA Corporation of Alberta/Pacific Gas Transmission Company (ANG/NOVA/PGT) interstate pipelines, and its pro rata share of depreciation, interest, and O&M costs on SMUD's ownership interest in the Pacific Gas & Electric (PG&E) Line 300/401 interstate pipeline and SMUD's local gas pipeline. The monthly prices are shown on the Operating Assumptions page.

FIXED OPERATING FEE to be paid from SFA to Ethos is based on the flat annual base operating fee per the O&M Agreement. This payment is assumed to cover all direct and indirect labor costs, including benefits, taxes, insurance, home office support, management and supervision incurred by Ethos. This payment escalates in future years at 2.5% per year in accordance with the existing O&M Agreement.

REIMBURSABLE & MAINTENANCE OVERHAUL OPERATING COSTS to be paid from SFA to Ethos are based on estimated variable plant operating costs, excluding fuel, to be incurred by Ethos in 2023.

2023 SFA – THERMAL FLEET BUDGET

LINE-ITEM DETAIL

FUEL

This schedule shows details of the budgeted expenses for fuel to be burned at each plant.

PLANT OPERATION & MAINTENANCE

- **OPERATOR FEES & BONUSES:** The budget for operator fees and plant operating expenses represents fees to be paid to Ethos under the terms of the O&M Agreement, plus actual plant operating expenses incurred by Ethos and reimbursed from SFA without markup. The budget shows the portion paid to Ethos as an operating expense. Under the terms of the O&M Agreement, Ethos is reimbursed for all plant operating and maintenance expenses, and repairs. Ethos will earn performance bonuses under the O&M Agreement if the combined cycle Equivalent Forced Outage Factor is less than five percent (5%). Ethos will also earn bonuses for maintaining a peaking plant successful call-up ratio based on how successfully the unit starts and generates electricity when needed. The 2023 budget assumes that Ethos will successfully earn these bonuses.
- **OPERATING EXPENSES:** Under the terms of the O&M Agreement and PPA, various tests (heat rate, NDC, etc.) of plant operations may be required by SMUD or SFA during the year. This line item covers the estimated reimbursement to Ethos for performing such tests, or for other items not covered by the O&M Agreement.

OPERATING AND ADMINISTRATIVE COSTS

- **OPERATING EXPENSES:** This represents the estimated cost of various expenses required to keep the plants within operational expectations. This includes Water/Sewage, Station Service Electricity, and the Site Lease.
- **ADMINISTRATIVE & GENERAL COSTS:** Under the terms of the JPA, SMUD will provide staff to perform administrative and technical support services to SFA and arrange for insurance coverage, and SMUD will be reimbursed for the cost of providing these services subject to available funds per the priority of distribution of SFA revenues. SMUD will contract with engineering specialists to assist in technical engineering and regulatory compliance issues which arise during operation. Also, SFA retains the services of an Independent Auditor to audit and certify the SFA financial statements and evaluate internal controls applicable to SFA.

SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY
BUDGET SUMMARY
Dollars in Thousands

	2022	2023					NET CHANGE
	PLANT TOTAL	CAMPBELL	CARSON	COSUMNES	PROCTER & GAMBLE	PLANT TOTAL	
GENERATION (MWh)	5,476,313	736,462	400,295	3,287,979	731,367	5,156,103	-6%
FUEL							
Combined Cycle Gas Expenses	\$ 139,974	\$ 22,536	\$ 12,475	\$ 80,528	\$ 20,160	\$ 135,699	-3%
Combined Cycle Biogas Expense	54,771			46,852		46,852	-14%
Peaker Plant Gas Expenses	1,872				2,069	2,069	11%
Digester Gas for Resale	641		1,292			1,292	102%
Auxiliary Boiler Fuel Costs	309				353	353	14%
TOTAL FUEL EXPENSES	197,567	22,536	13,767	127,380	22,582	186,265	-6%
OPERATION & MAINTENANCE							
Operator Fees & Bonuses	14,156	3,815	2,327	4,917	3,505	14,564	3%
Operator Reimbursable Expenses	16,578	3,461	2,772	7,577	3,550	17,360	5%
Operating Expenses	14,448	2,557	1,402	4,062	5,225	13,246	-8%
Other Expenses	412	194	17	138	78	427	4%
TOTAL OPERATION & MAINTENANCE	45,594	10,027	6,518	16,694	12,358	45,597	0%
TOTAL OPERATING EXPENSES	243,161	32,563	20,285	144,074	34,940	231,862	-5%
ADMINISTRATIVE & GENERAL							
SMUD Labor	1,844	324	328	603	316	1,571	-15%
Outside Services	199	67	31	44	31	173	-13%
Insurance	5,876	1,449	1,208	2,657	1,570	6,884	17%
TOTAL ADMINISTRATIVE & GENERAL	7,919	1,840	1,567	3,304	1,917	8,628	9%
INTEREST EXPENSE							
Interest on Bonds	4,773			4,441		4,441	-7%
DEBT SERVICE PRINCIPAL REPAYMENT							
Principal Repayment	6,648			7,480		7,480	11%
TOTAL PRINCIPAL & INTEREST	11,421			11,921		11,921	4%
CAPITAL EXPENDITURES							
Capital Improvements	19,631	3,560	-	15,908	1,290	20,758	6%
TOTAL CAPITAL EXPENDITURES	19,631	3,560	-	15,908	1,290	20,758	6%

*2022 reflects changes in allocation of expense type and will not match the 2022 budget book.

SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY
2023 CAPITAL EXPENDITURES
(Dollars in Thousands)

	<u>CAMPBELL</u>	<u>CARSON</u>	<u>COSUMNES</u>	<u>PROCTER & GAMBLE</u>	<u>TOTAL</u>
CAPITAL EXPENSES					
CO/Catalyst				\$ 250	\$ 250
Centrifugal Chiller Install 1A				\$ 1,040	\$ 1,040
CTG Major Overhaul	\$ 3,560				\$ 3,560
DCS Control Upgrade			\$ 100		\$ 100
CT Rotor LTE			\$ 2,100		\$ 2,100
Power Supplies Replacement			\$ 130		\$ 130
Unit 3 Hot Reheat Bypass Replacement			\$ 2,500		\$ 2,500
CT3/CT2 Major Inspection			\$ 3,500		\$ 3,500
CT Hardware CA and Repair			\$ 1,000		\$ 1,000
HRSG Flash Tanks			\$ 500		\$ 500
BFW Pumps			\$ 600		\$ 600
Outage and Repair			\$ 5,353		\$ 5,353
BC Feed Tank Replacement			\$ 125		\$ 125
TOTAL CAPITAL EXPENSES	\$ 3,560	\$ -	\$ 15,908	\$ 1,290	\$ 20,758

2023 SFA BUDGET

PRO FORMA FINANCIAL SCHEDULES

SFA maintains its accounting records in accordance with Generally Accepted Accounting Principles and generally follows the Uniform System of Accounts for Public Utilities and Licensees prescribed by the Federal Energy Regulatory Commission (FERC). The following schedules are the Statements of Revenues, Expenses and Changes in Net Position and Revenue Detail Schedule, which show the projected results of operations, for SFA during the 2023 budget period based on the 2023 budget assumptions and expense and capital budgets.

REVENUE DETAIL:

Schedule details expected SFA Revenue during the 2023 budget period.

- **ELECTRIC REVENUE:** Under the terms of the PPA, SMUD is obligated to make monthly payments to SFA for energy provided by SFA. These payments are based on certain assumptions and rates, which were detailed under Budget Assumptions. The estimate assumes the plant operator will maintain the minimum availability factor for the combined cycle plant necessary to qualify for maximum payments.
- **OPERATING PAYMENT:** Under the terms of the PPA, SMUD will pay SFA an amount equal to the sum of all costs and expenses payable by SFA pursuant to the Lease and Property Agreement, the O&M Agreement, the GSA, all insurance costs and any cost or expense otherwise incurred in the operation and maintenance SFA, including capital improvements and overhaul expenses, plus \$200,000 per month to each plant to cover other SFA obligations.

**SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY
2023 OPERATING ASSUMPTIONS**

	<u>CAMPBELL</u>	<u>CARSON</u>	<u>COSUMNES</u>	<u>PROCTER & GAMBLE</u>	<u>TOTAL (OR AVERAGE)</u>
Resource Operating Plan:					
<u>Combined Cycle Power Plant:</u>					
Capacity (Megawatts Net)	164	57	576	120	917
Generation (MWh)	710,470	363,255	3,287,979	675,823	5,037,527
Natural Gas (1000's of MMBtu)	5,521	2,838	17,850	5,389	31,598
Carson Digester Gas (1000's of MMBtu)			402		402
Biogas (1000's of MMBtu)			4,855		4,855
Average Heat Rate (Btu/kWh)	7,982	7,947	6,786	7,979	7,674
<i>Availability (IEEE)</i>	<i>85.5%</i>	<i>95.1%</i>	<i>86.6%</i>	<i>93.8%</i>	<i>90.2%</i>
<u>Peaking Power Plant:</u>					
Peaker Capacity (Megawatts Net)	72	43		50	165
Peaker Generation (MWh)	25,992	37,040		55,544	118,576
Peaker Natural Gas (1000's of MMBtu)	323	383		557	1,263
Peaker Average Heat Rate (Btu/kWh)	12,693	10,395		10,048	11,045
<i>Peaker Budgeted Availability (IEEE)</i>	<i>94.7%</i>	<i>95.2%</i>		<i>95.0%</i>	<i>94.9%</i>
<u>Price Per MMBtu</u>					
Natural Gas Variable Price (\$/MMBtu)	\$2.42	\$2.42	\$2.42	\$2.42	
Carson Digester Gas Variable Price (\$/MMBtu)			\$3.22		
Biogas Variable Price (\$/MMBtu)			\$9.38		
Biogas Gas Variable Price (\$/MMBtu) - Carson		\$3.90			
Biogas Gas Costs for Resale, excluding depreciation (\$1,000's)		\$1,292			
Total Capacity MW	236	100	576	170	1,082
Total Generation MWh	736,462	400,295	3,287,979	731,367	5,156,103

SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY
2023 STEAM SALES REVENUE
(Dollars in Thousands)

STEAM SALES REVENUE:

CARSON

GLACIER VALLEY ICE COMPANY:

KWh Sales per Load Fcst	5,255,208
\$ per KWh	\$ 0.02
Glacier Energy Sales Revenue on Steam	\$ 103
Glacier Energy Fixed Fee	\$ 2

SAC REG CTY SAN DIS (SRCSD):

SRCSD Steam Delivery (MMBtu)	218,503
Steam Price (\$/MMBtu)	\$ 2.88
SRCSD Steam Sales Revenue	\$ 630

TOTAL STEAM SALES (incl FIXED)	\$ 735
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Glacier Valley Site Lease Revenue	\$ 55
Digester Gas Sales Revenue	1,567
TOTAL OTHER OPERATING REVENUE	\$ 1,622

TOTAL REVENUE	\$ 22,704
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PROCTER & GAMBLE

PROCTER & GAMBLE

PG&E Price Forecast (\$/MMBtu)	\$ 2.42
Steam Delivery (Klb / hour)	48
Operating Hrs w/ availability @ 100%	
P & G Steam Delivery (million lb)	424
P & G Steam (Btu / lb)	14,460
P & G Steam Delivery (MMBtu)	511,470
Tier I Steam Price (\$/Average)	\$ 5.48
Tier II Steam Price (\$/Average)	\$ 3.41
P & G Steam Sales Revenue	\$ 2,208

*First 30 million lbs of Steam per month paid at Tier 1 Steam
Price, remaing paid at Tier II Steam Price*

TOTAL OTHER OPERATING REVENUE	\$ 2,208
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TOTAL REVENUE	\$ 40,695
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2023 SFA BUDGET

PRO FORMA FINANCIAL STATEMENTS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The Pro Forma Statements of Revenues, Expenses and changes in Net Position is a projected summary of the results of operations prepared on a FERC basis for SFA in 2023. The Statements of Revenues, Expenses and changes in Net Position incorporates revenues as shown on the Revenue Detail, expenses as shown on the Budget Summary, and non-cash expenses such as depreciation and amortization.

DEPRECIATION represents the pro rata expensing of the capital cost of SFA. Estimated service life is based on the remaining life of the Plants at the time a capital project is placed in service, the original life of the Plants being 30 years

SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY
2023 BUDGET SUMMARY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Period January 1, 2023 to December 31, 2023
Dollars in Thousands

	2022	CAMPBELL	CARSON	COSUMNES	PROCTER & GAMBLE	2023
OPERATING REVENUES:						
Sale of Electricity	\$ 283,381	\$ 38,429	\$ 20,347	\$ 176,437	\$ 38,487	\$ 273,700
Sale of Digester Gas	915	-	1,567	-	-	1,567
Sale of Steam / Energy	3,127	-	790	-	2,208	2,998
TOTAL OPERATING REVENUES	287,423	38,429	22,704	176,437	40,695	278,265
OPERATING EXPENSES						
Fuel	197,567	22,536	13,767	127,379	22,583	186,265
Production	45,594	10,028	6,518	16,694	12,357	45,597
Administrative & General	7,878	1,840	1,567	3,304	1,917	8,628
Total Operations	251,039	34,404	21,852	147,377	36,857	240,490
Depreciation	34,522	10,326	5,822	14,143	5,932	36,223
Amortization of Regulatory Asset-Debt Issuance	104	-	-	104	-	104
TOTAL OPERATING EXPENSES	285,665	44,730	27,674	161,624	42,789	276,817
NET OPERATING INCOME/(LOSS)	1,758	(6,301)	(4,970)	14,813	(2,094)	1,448
INTEREST EXPENSE						
Interest on Long-Term Debt	4,773	-	-	4,441	-	4,441
Amortization of Premium/Discount Costs	(1,721)	-	-	(1,575)	-	(1,575)
NET INTEREST EXPENSE	3,052	-	-	2,866	-	2,866
CHANGE IN NET POSITION	\$ (1,294)	\$ (6,301)	\$ (4,970)	\$ 11,947	\$ (2,094)	\$ (1,418)

SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY
DEBT SERVICE
Revenue Bonds (Series 2015)
Dollars in Thousands

<u>Current Year</u>	<u>COSUMNES</u>
INTEREST ON BONDS	\$ 4,441
PRINCIPAL REPAYMENT	7,480
DEBT SERVICE ACCRUALS	<u>\$ 11,921</u>

	<u>Period</u> <u>Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Interest</u>	<u>Debt Service</u>	<u>Annual</u> <u>Debt Service</u>
2022	July 01, 2022	\$ 11,450	\$ 2,530	\$ 5,059	\$ 13,980	\$ 16,509
	January 01, 2023	\$ -	\$ 2,243	\$ -	\$ 2,243	\$ -
2023	July 01, 2023	\$ 1,845	\$ 2,243	\$ 4,487	\$ 4,088	\$ 6,332
	January 01, 2024	\$ -	\$ 2,197	\$ -	\$ 2,197	\$ -

DRAFT

RESOLUTION NO. _____

BE IT RESOLVED BY THE COMMISSIONERS
OF THE
SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING AUTHORITY

Section 1. This resolution may be referred to as the 2023 SFA Budget

Resolution and includes:

SFA – Cosumnes Power Plant Budget
SFA – Campbell Power Plant Budget (includes McClellan Power Plant)
SFA – Procter & Gamble Power Plant Budget
SFA – Carson Power Plant Budget

Section 2. There is hereby appropriated from the Revenue Fund, Operating Fund, Debt Service Fund, and other funds as appropriate, sufficient monies for the payment of demands against the Authority which relate to obligations incurred for the purposes and within the amount specified for such purposes in the following projection of the Authority's programs for the period January 1, 2023 through December 31, 2023.

Operation and Maintenance	\$231,862,000
Administrative & General	\$ 8,628,000
Principal and Interest	\$ 11,921,000
Capital Expenditures	\$ 20,758,000

There shall be deemed added to the O&M and Capital line items a +20% increase with no limit to a decrease in the Operations and Maintenance Expense line items, plus an additional \$2 million each applicable to the overall budgets.

Section 3. Demands against the Authority may be paid without the prior specific approval of this Commission, if they relate to obligations incurred for the purpose and within the amounts specified in Section 2, provided such demands are approved by the Chief Executive Officer & General Manager of the Authority, or his designee. It is the purpose and intent of this paragraph to delegate to the Chief Executive Officer & General Manager, or his designee, authority to make purchases, to negotiate and execute contracts, and expend funds in any manner necessary or appropriate to the administration of the business affairs of the Authority, within the amounts and for the purposes set forth above, subject to duly adopted delegations of authority.