

Exhibit to Agenda Item #1

Accept the monitoring report for **Strategic Direction SD-13, Economic Development Policy.**

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, October 18, 2022, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

Economic Development Policy

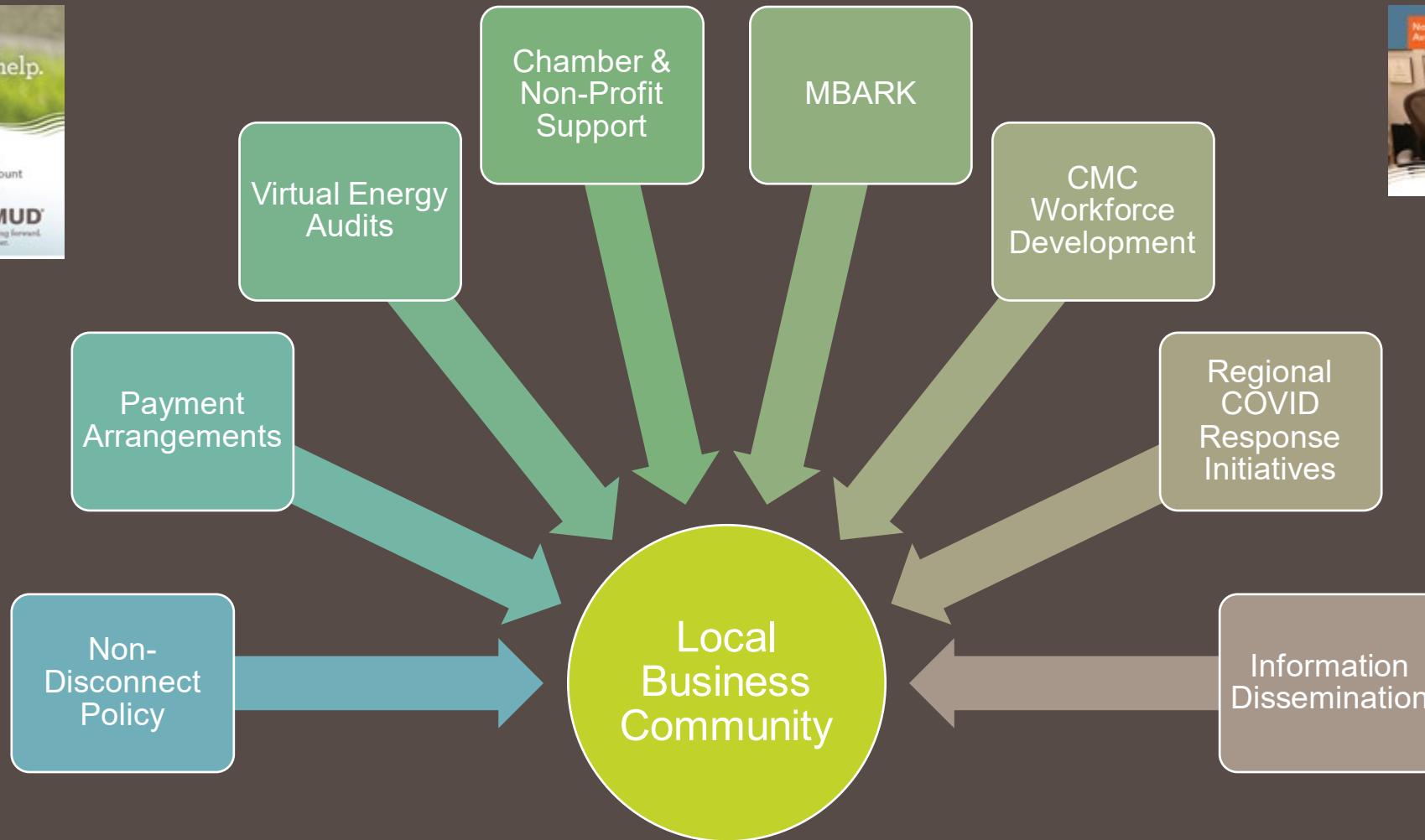
SD-13:

“Promoting the economic vitality of our region and the growth of our customer base is a key value of SMUD. Therefore, SMUD shall exercise strategic leadership and actively participate in regional economic development.

Specifically:

- a) SMUD shall promote innovation while maintaining rate affordability and balancing the other strategic directions.
- b) SMUD shall align its economic development activities with regional economic development initiatives.
- c) SMUD shall assist in retaining, recruiting and growing commercial and industrial rate-paying customers.
- d) SMUD shall offer economic development rates and program incentives.
- e) SMUD shall offer a contracting program for certified small businesses who are rate-paying customers.”

2021 COVID-19 Pandemic Response



Inclusive Economic Development Approach



2030 Zero Carbon Vision



Competitive Rates & Incentives



Inclusive and Equitable Partnerships



Small Business Contracting



Innovation and Entrepreneurship



Attraction, Retention & Expansion



Sustainable Communities Focus



Developer Community Support

a) SMUD shall promote innovation while maintaining rate affordability and balancing the other strategic directions.

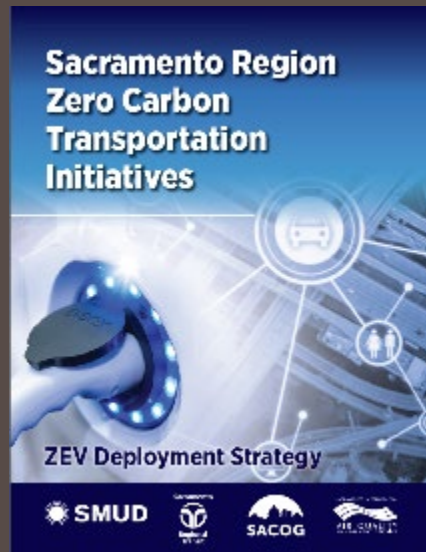
Internal Strategies

Enterprise

Grant

Community
Impact

DEIB



- a) SMUD shall promote innovation while maintaining rate affordability and balancing the other strategic directions. *(continued)*

Innovation Ecosystem Engagement



CleanStart



STARTUP SAC



Hacker Lab



ESS^{INC}
CATALYZING A CLEAN FUTURE. EVERY DAY.



GROWTH FACTORY



impact
VENTURE CAPITAL



INNO GROVE



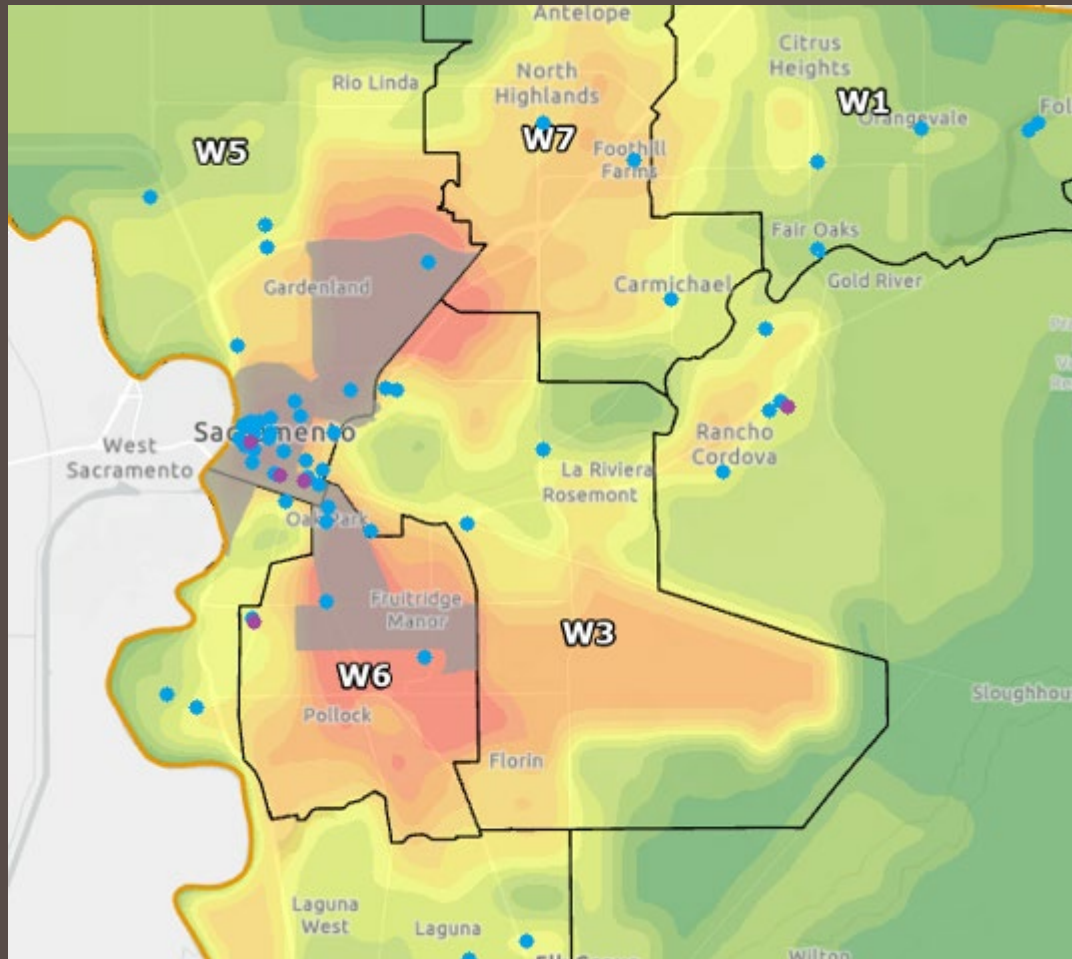
FourthWave

b) SMUD shall align its economic development activities with regional economic development initiatives.

- Leadership in Regional Economic Development Initiatives



b) SMUD shall align its economic development activities with regional economic development initiatives. (continued)



Workforce & Equitable Economic & Community Development

-  Regional Workforce Strategy
-  Economic Development Partnerships
-  Shine Awards Program
-  Community Resource Liaisons
-  California Mobility Center

c) SMUD shall assist in retaining, recruiting and growing commercial and industrial rate-paying customers.

442

jobs attracted

24

new business startups

8,056

jobs retained

575

jobs created

\$38.7

million in small business loans

225

developers engaged

363

businesses received EE incentives

85%

increase in revenue from cannabis customers

d) SMUD shall offer economic development rates and program incentives.

Economic Development Rate:

Size	Term	Industry Requirements	Job Requirements	Full Service Requirement	Discount (2 options)
300kW+	10 years	No limitations	No minimum requirement	No	<p>Standard EDR</p> <p><u>Opt A:</u> 6% for years 1-5, declining 1% per year for years 6-10</p> <p><u>Opt B:</u> 4.5% for 10 years</p> <p>Rate for Disadvantaged Communities</p> <p><u>Opt A:</u> 8% for years 1-5, declining 1.5% per year for years 6-10</p> <p><u>Opt B:</u> 6% for 10 years</p>

Programs & Services:

- Integrated Design Solutions, Custom Energy Efficiency, Complete Energy Solutions, Express Energy Solutions programs, and Supplier Education and Economic Development (SEED)
- Go Electric rebates

e) SMUD shall offer a contracting program for certified small businesses who are rate-paying customers.



a) SMUD shall offer a contracting program for certified small businesses who are rate-paying customers. *(continued)*

SMUD SEED GOAL: 20%

- ✓ SEED Award % of Total Awards: **23%**
- ✓ Number of SEED Awards: 115
- ✓ SEED Total \$ Award: \$48 million
- ✓ SEED Compliance: 93.9%
- ✓ SEED Vendors: 959

= 3,000+ people reached
➤ 100+ outreach events
➤ 27 workshops, orientations, panels



Conclusion

- 2021 SMUD efforts were in compliance with SD-13
- Requested Action: Accept the monitoring report for Strategic Direction SD-13, Economic Development
- Place item on Board consent calendar for approval