

# Exhibit to Agenda Item #2

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

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

Wednesday, October 19, 2022, scheduled to begin at 5:30 p.m.

Virtual Only

# 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 – 77.14% diversion
- Site Remediation Efforts – North City landfill closure and former Community Linen

## Minimizing Environmental Impacts

- Transportation and Equipment Electrification
- Wildfire Mitigation Plan
- Environmental Justice
- Avian Protection Plan

## Conserving Resources

- Sacramento Shade Program
- Environmentally Sustainable Purchasing Program (ESPP)
- Greenenergy®, SolarShares®

## Building Partnerships with our Community

- Zero Carbon Plan
- Sustainable Communities
- J.D. Power's Certified Sustainability Leader designation, Sacramento Housing Alliance Build It Green award
- Land Acknowledgement Statement

# Leadership & Innovation to Reduce Greenhouse Gas Emissions



## Zero Carbon Plan

- Fleet and Building Electrification
- Battery Storage
- Solar and Wind



## Greenhouse Gas Reporting

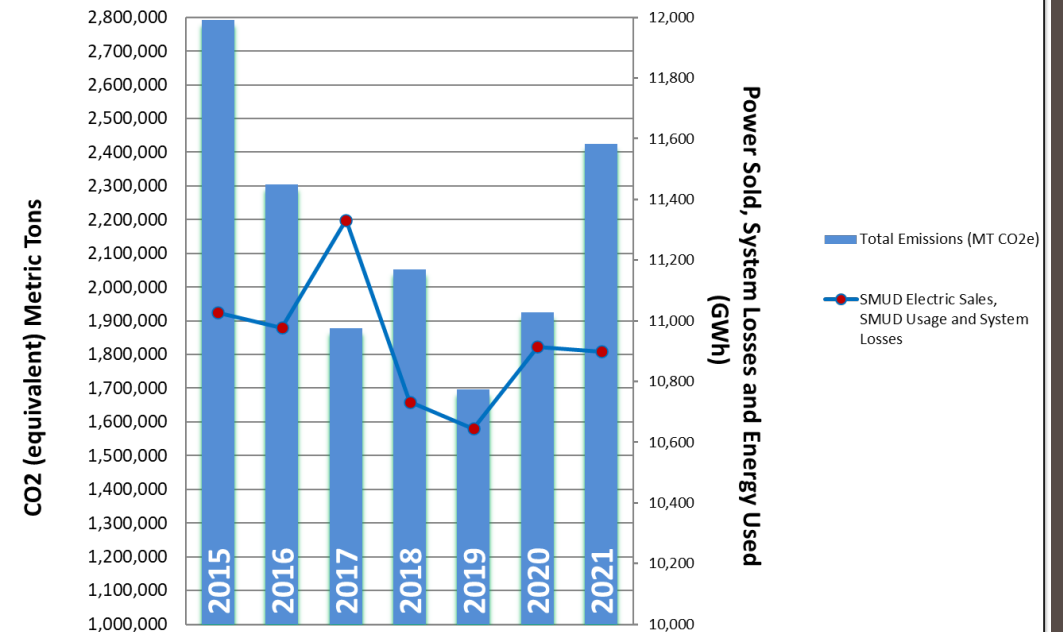
- California Air Resources Control Board (CARB)
- U.S. Environmental Protection Agency (USEPA)
- The Climate Registry (TCR)
- CDP (formerly Climate Disclosure Project)
- Scope 1, 2, 3 Emissions



## Sustainability Efforts

- Carbon Footprint Dashboard
- Green Team
- Internal Greenhouse Gas Reduction Efforts

2015-2021 SMUD Greenhouse Gas Emissions Trends



\* SMUD electric sales are net of wholesales electricity.

# Electrification of Vehicles, Buildings, and Equipment

- Electric Lawn Mower Pilot Program with Sacramento Metropolitan Air Quality Management District
- Electrifying SMUD equipment





# Building Partnerships with Our Community

- 226 Sustainable Communities Partnerships
- Land Acknowledgement Statement
- Sacramento Tree Foundation
- Electric Power Research Institute (EPRI)
- Electric Utility Industry Sustainable Supply Chain Alliance (EUISSCA)



# Challenges and Opportunities

## Challenges

- COVID-19 pandemic
- Evolving federal, state, and local regulations
- Supply chain constraints
- Complicated environmental remediation projects
- Eagle monitoring permit

## Opportunities

- Improved internal efficiency and process improvements
- Leveraging lead industry groups and partnerships



# 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 October 19, 2022.