

Exhibit to Agenda Item #11

Provide the Board with SMUD's financial results from the seven-month period ended July 31, 2022, and a summary of SMUD's current Power Supply Costs.

Board of Directors Meeting

Thursday, September 15, 2022, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

July 2022 Financial Highlights

\$116
Million

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

\$895 Million	Customer Revenue \$37M or 4.3% higher customer revenues than budgeted (favorable) <ul style="list-style-type: none"> • \$50M higher than target primarily due to higher customer usage & lower bad debt expense • Offset by \$13M reduction in commercial customer revenues due to overstatement of 2021 estimated unbilled revenues
\$406 Million	Commodity \$101M or 33.0% higher commodity expenditures than budgeted (unfavorable) <ul style="list-style-type: none"> • Purchased power higher due to increased load, reduced hydro, and thermal generation down due to Cosumnes power plant outage • Non-cash revenue transfer from Hydro Rate Stabilization fund of \$25 million will offset increased purchased power costs from lack of hydro
\$310 Million	Other Operating Expenses \$19M or 5.8% lower expenditures than budgeted (favorable) <ul style="list-style-type: none"> • Customer expenses & program costs - \$16M lower primarily due to lower transportation electrification expenses and supply chain issues leading to delay in participation in customer programs • Public Good \$8M lower primarily from less participation in energy efficiency programs, due to slower economic recovery in the commercial sector • Offset by \$5M higher Transmission and Distribution expenses - primarily due to higher distribution maintenance underground line & station equipment expenses
\$105 Million	Non-cash Expenses \$51M or 32.7% lower non-cash expenses than budgeted (favorable) <ul style="list-style-type: none"> • Accounting Governmental Accounting Standards Board required journal entries for pension

* There are \$42M other net revenues and expenses not included in the highlights above – primarily \$25M transfer from the Hydro rate stabilization fund

July 2022 Energy Sources



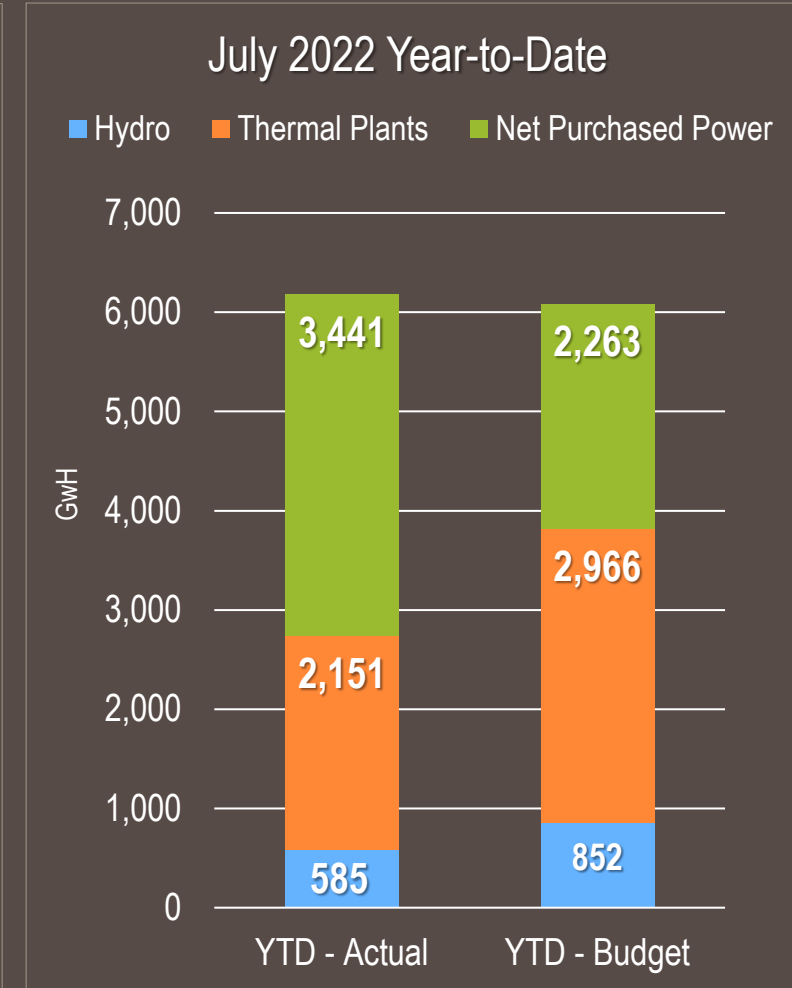
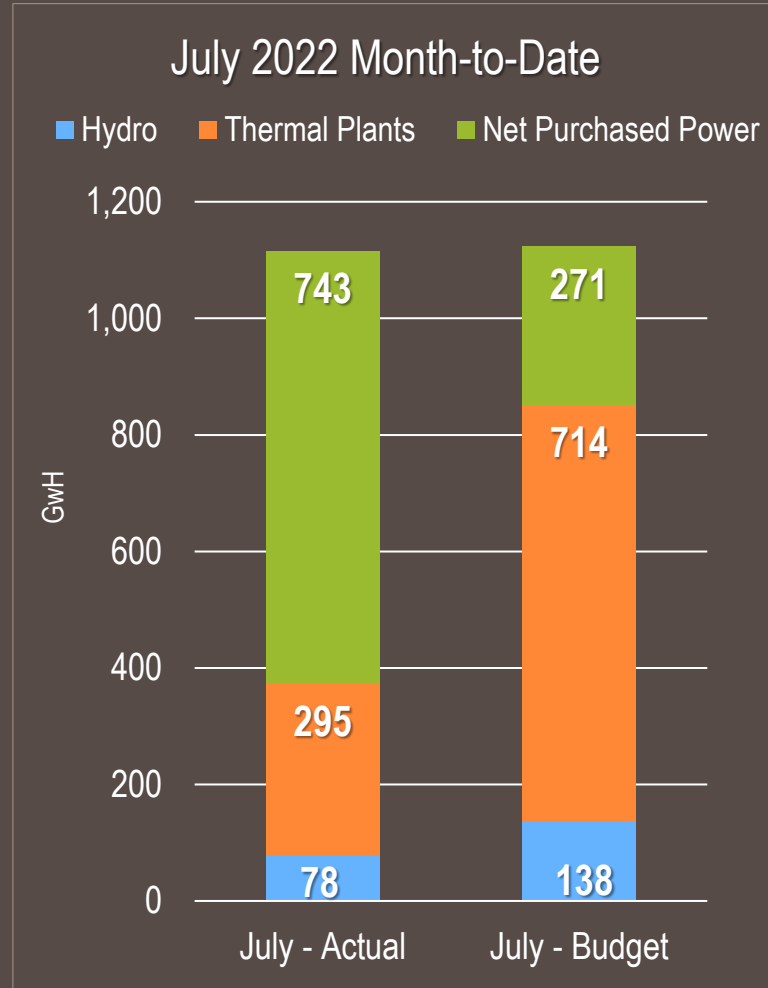
Hydro generation was 44% lower than budget in July, and 31% lower than budget year-to-date.



Thermal plants generation 59% lower than budget for July due to the Cosumnes power plant outage, and 28% lower than budget year-to-date.

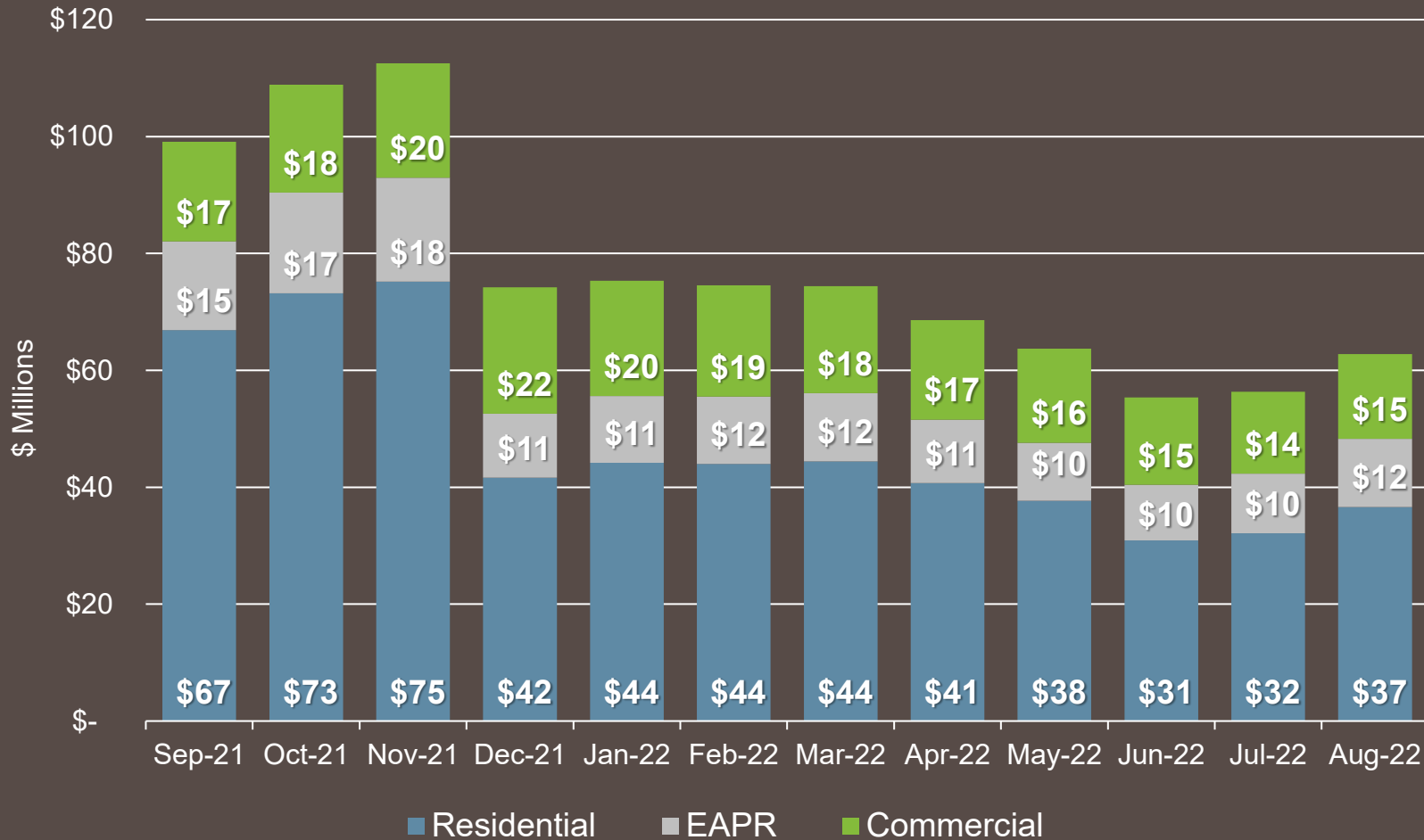


Net purchased power was 174% higher than budget for July due to purchase of replacement power for the Cosumnes power plant, and 51% higher year-to-date due to higher load and the shortfall of hydro & thermal.



Delinquency by Account Type

As of August 31, 2022



Delinquency Summary as of 8/31/2022		
	Delinquency (millions)	Number of Customers
Residential	\$36.6	114,969
Energy Assistance Program Rate (EAPR)	\$11.7	31,503
Commercial	\$14.5	9,319
All other (St. Lighting, Night Light, Agriculture)	\$ 1.0	1,685
Totals	\$63.8	157,476

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 August 31, 2022			
	UARP	WAPA	UARP + WAPA
Forecast	995 GWh	221 GWh	1,216 GWh
2022 Budget	1,303 GWh	661 GWh	1,964 GWh
Variance	-308 GWh	-440 GWh	-748 GWh

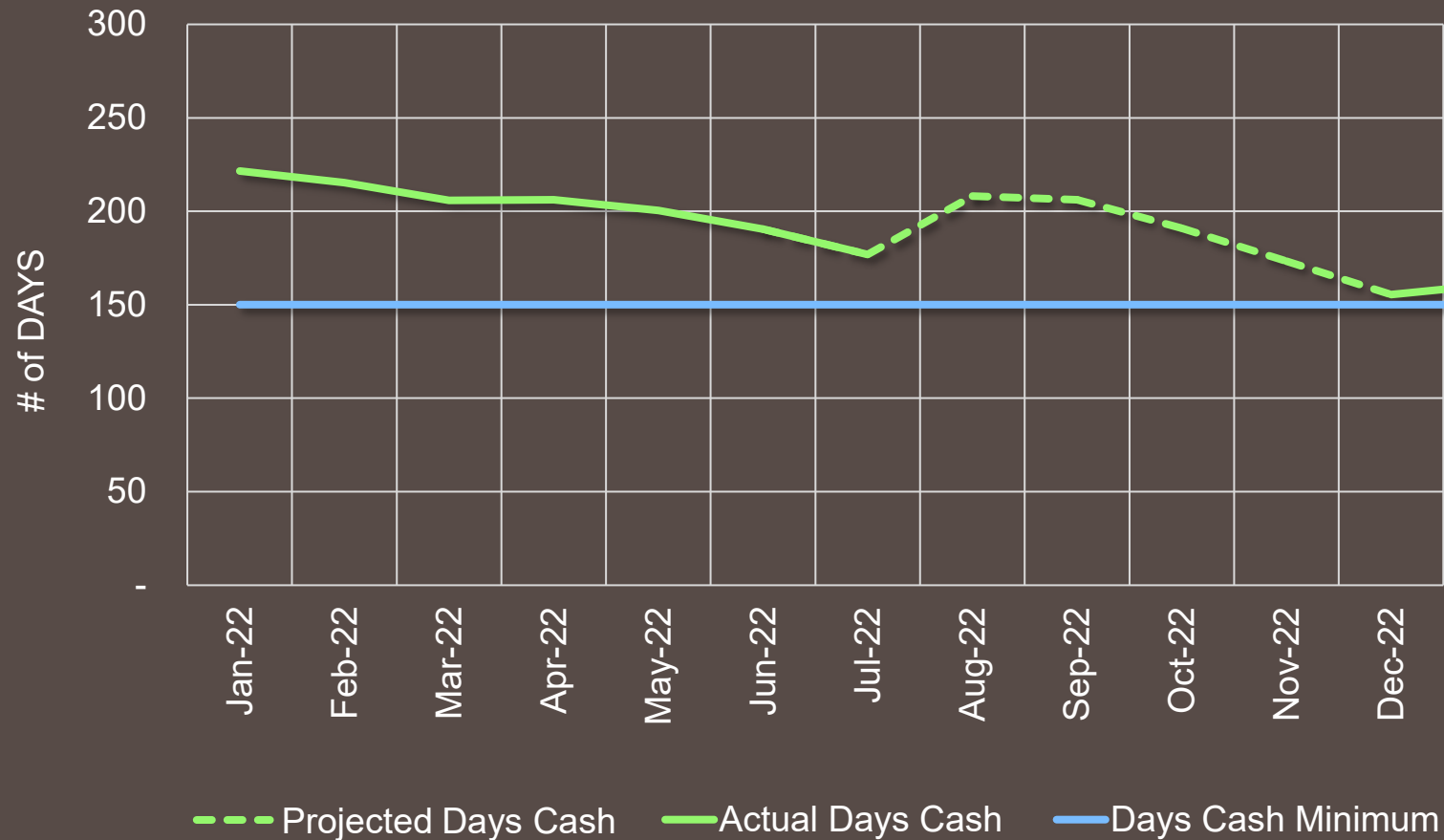
WAPA: Western Area Power Administration

UARP: Upper American River Project

RSF: Rate Stabilization Fund

Days Cash on Hand

As of July 31, 2022



Days Cash on Hand As of July 31, 2022		
July 31, 2022	Budget	180 days
July 31, 2022	Actual	177 days
Dec. 31, 2022	Budget	162 days
Dec. 31, 2022	Projected	155 days