

Exhibit to Agenda Item #3

SMUD's Financial Results for the year 2022.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, March 14, 2023, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

December 2022 Financial Highlights

<p>\$71 Million</p> <p>“Net Income” Net position YTD <i>Unfavorable compared to budget</i></p>	<p>\$1,632 Million</p> <p>Customer Revenue \$128M or 8.5% higher customer revenues than budgeted (favorable)</p> <ul style="list-style-type: none"> • \$141M higher than target primarily due to higher customer usage & lower bad debt expense, offset by \$13M reduction in revenues due to overstatement of 2021 estimated unbilled revenues
	<p>\$851 Million</p> <p>Commodity \$326M or 62.2% higher commodity expenditures than budgeted (unfavorable)</p> <ul style="list-style-type: none"> • Purchased power higher due to increased load, reduced hydro, thermal generation down due to Cosumnes power plant (CPP) outage and higher power prices
	<p>\$808 Million</p> <p>Other Operating Expenses \$41M or 4.9% lower expenditures than budgeted (favorable)</p> <ul style="list-style-type: none"> • Customer expenses & program costs - \$25M lower primarily due to lower transportation electrification costs • Public Good \$9M lower primarily from less participation in energy efficiency programs • Non-cash expense \$18M lower due to implementation of regulatory accounting for pension and Other Post-Employment benefits (OPEB) • Offset by \$12M higher Transmission and Distribution operating & maintenance expenses
	<p>\$200 Million</p> <p>Other Operating & Non-operating Revenues \$108M or 116.9% higher other operating & non-operating revenues than budgeted (favorable)</p> <ul style="list-style-type: none"> • Other Operating revenues higher primarily due to transfer from Hydro Rate Stabilization fund of \$25 million and \$30 million from the Rate Stabilization fund for Western Area Power Administration (WAPA) hydro • Non-Operating revenues higher due to positive natural gas hedging activities and higher interest income

\$102 M other net expenses and revenues not included in the highlights above primarily due to interest expense

December 2022 Energy Sources



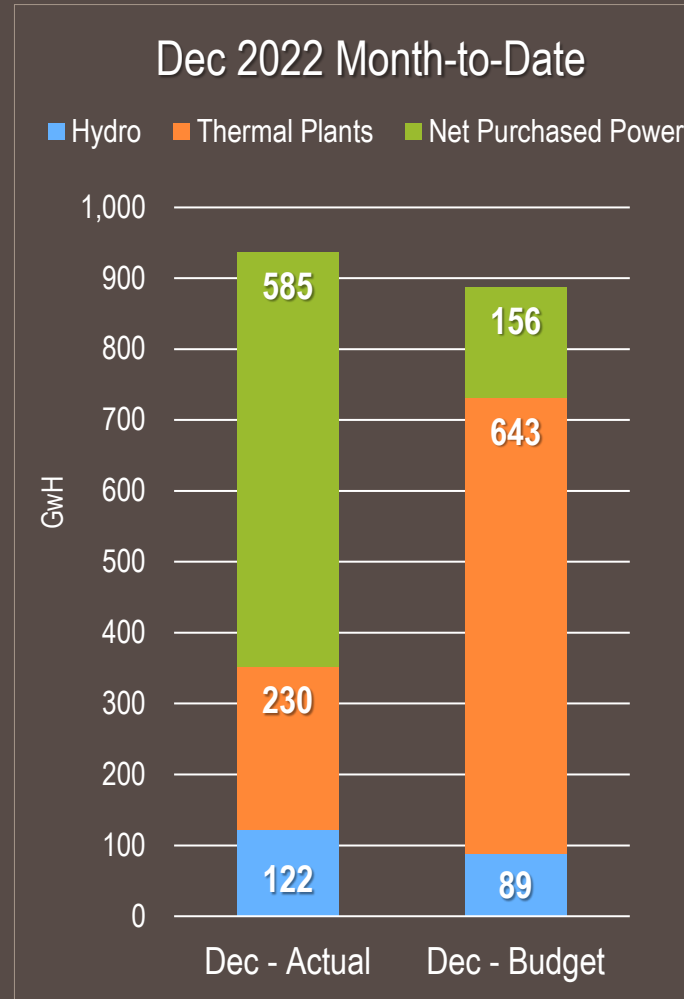
Hydro generation was 37% higher than budget in December, and 24% lower than budget year-to-date.



Thermal plants generation 64% lower than budget for December due to the Cosumnes power plant outage, and 45% lower than budget year-to-date.



Net purchased power was 275% higher than budget for December due to high power prices and purchase of replacement power for the Cosumnes power plant, and 108% higher year-to-date due to higher load and the shortfall of hydro & thermal.



Cash Flow Highlights - YTD December 2022



Other 2022 Financial Highlights



- \$10 million received from the California Arrearage Payment Program (CAPP)



- \$156 million Rate Stabilization Fund 2022 ending balance
- \$24 million hydro rate stabilization withdrawal and \$30 million WAPA withdrawal



- \$50 million advance of Cosumnes Power Plant (CPP) business interruption insurance claim



- Approximately \$235 million net pension liability
- Approximately \$7 million net Other Post-Employment Benefits (OPEB) liability



- \$133 million refunding debt was issued, generating \$28.6 million net present value savings