Exhibit to Agenda Item #2
SMUD’s Financial Results for the year 2023.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, March 19, 2024, scheduled to begin at 5:30 p.m.
Auditorium, SMUD Headquarters Building
## December 2023 Financial Highlights

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Comment</th>
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</thead>
</table>
| **Customer Revenue**              | $1,603 Million | $21M or 1.3% lower customer revenues than budgeted (unfavorable)  
- Customer revenue is below target by $32M primarily due to lower usage from the loss of a large commercial customer offset by $11M lower bad debt expense |
| **Commodity**                     | $551 Million  | $15M or 2.7% lower commodity expenditures than budgeted (favorable)  
- Purchased power was reduced due to increased hydro generation from higher precipitation for the year, lower market prices and overall lower load than plan |
| **Other Operating Expenses**      | $894 Million  | $28M or 3.0% lower expenditures than budgeted (favorable)  
- Customer service and information expenses $11M lower due delays in load management programs and transportation electrification projects, leading to delay in participation in customer programs  
- Public good expenses $13M lower due to project delays in energy efficiency, community impact strategy programs, and research & development programs  
- Transmission and distribution expenses $9M higher due to costs related to the storm response |
| **Net Other Non-Operating Revenues (Expenses)** | $37 Million  | $103M or 157.2% higher other operating & non-operating revenues than budgeted (favorable)  
- Other non-operating revenue higher due to gain on sale of Solano land, insurance recovery payment on Cosumnes power plant repairs, settlement payment and interest income |

**Net Income**

- $220 Million  
  - Favorable compared to budget  
  - To be invested in capital expenditures

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$99 million other net expenses and revenues not included in the highlights above primarily due to interest expense.
### December 2023 Cash Flow Highlights

#### Operating Activities
- **$2,152 million** Receipts from customers, commodity sales & other
- **($1,665) million** Payments for commodities, employee costs & other vendors

#### Capital & Noncapital Financing Activities
- **($252) million** Principal & Interest payments on debt net of bond refunding
- **($496) million** Capital expenditures
- **$200 million** Issuance of commercial paper

#### Investing Activities
- **$569 million** Sales and maturities of securities (to be liquidated for cash flow needs)
- **($674) million** Purchases of securities for investment yield

**Net decrease in cash flows**: **($99) Million**

**Total cash flow highlights**:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Operating Activities</td>
<td>$487 Million</td>
</tr>
<tr>
<td>Capital &amp; Noncapital Financing Activities</td>
<td>($503) Million</td>
</tr>
<tr>
<td>Investing Activities</td>
<td>($83) Million</td>
</tr>
</tbody>
</table>

**Total cash flow**: **($99) Million**
Other 2023 Financial Highlights

- $14 million received from Consumnes Power Plant insurance claim
- $15 million settlement related to U.S. Bureau of Reclamation Central Valley Project Improvement Act
- $45 million received / net $33 million gain from Solano land sale

- $212 million Rate Stabilization Fund 2023 ending balance
- $65 million Hydro Rate Stabilization deposit and $1 million WAPA deposit

- Approximately $259 million net pension liability
- Approximately $25 million net Other Post-Employment Benefits (OPEB) liability

- $493 million refunding debt was issued, generating $99 million in cash flow savings through 2041

March 19, 2024