

Exhibit to Agenda Item #4

Discuss authorizing the Chief Executive Officer and General Manager, on behalf of **Sacramento Municipal Utility District Financing Authority (SFA)**, to negotiate and award four contracts to **EthosEnergy Power Plant Services, LLC**, to provide thermal plant operations and maintenance services for i) **Cosumnes Power Plant**, ii) **Campbell and McCellan Power Plants**, iii) **Carson Power Plant**, and iv) **Procter & Gamble Power Plant** (collectively, the **Contracts**) for an approximate five-year period from October 15, 2025, to December 31, 2030, with an option to extend the operations and maintenance period for an additional five years, for a total aggregate not-to-exceed amount of \$303,810,611 for the **Contracts**.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, August 19, 2025, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

Project Overview

There are 5 thermal assets currently operated and maintained by Ethos Energy Group with a team of 65 total personnel. Fleet is rated at 1100MW.

- Campbells Soup (CSG):
 - 160 MW Combined Cycle 1x1 facility
- Proctor & Gamble (PGG):
 - 164.3 MW Combined Cycle 2x1, peaking unit and 2 Aux boilers
 - PGG has a steam sales contract with P&G
- Carson Ice (CIG):
 - 99.9 MW Combined cycle 1x1, peaking unit and 1 Aux boiler
 - Carson has a contracts in place with the ice plant and the Sacramento Regional County Sanitation District (SRCSD)
- Consumnes (CPP):
 - 602 MW Combined Cycle 2x1 facility
- McClellan:
 - 72 MW Simple Cycle Peaking Unit



RFP Overview

The Request for Proposal was released in January 2025. Bidders were provided with an opportunity to bid on three separate options based on the proposer's area(s) of expertise:

Option 1:

- Combined O&M Services for all thermal plants
- One consolidated offer to result in four separate, but intertwined Contracts
- SMUD Received three bids in response to option 1 (Ethos, Pro Energy, NAES)

Option 2:

- O&M Services for the frame-based power plants (Cosumnes, Campbells, McClellan)
- SMUD Received two bids in response to option 2 (Ethos and NAES)

Option 3:

- O&M Services for the Aero-Derivative based power plants (Carson Ice and Procter)
- SMUD Received three bids in response to option 1 (Ethos, Pro Energy, NAES)



Procurement Strategy

Procurement received three proposals.

Themes evaluated

- Mandatory Requirements
- SEED Participation
- Company Experience and Qualifications
- Experience and Qualifications of Project Team
- Technical Approach
- Commercial Terms and Pricing



RFP Evaluation Results

Responsive Proposals Received	Pass/Fail	SEED Points	Technical Points	Price Points	Total Score	Rank	Proposal Amount	SEED Credit	Evaluated Proposal Amount	Proposed Award Amount
		10	50	40	100					
EthosEnergy	Passed	1.25	45.3	37.9	84.4	1	\$76,670,482	\$95,838	\$76,574,643	\$303.8 Million
NAES Corporation	Passed	-	39.5	40.0	79.5	2	\$72,519,446		\$72,519,446	
PROENERGY Services	Passed	-	35.1	38.5	73.6	3	\$75,353,248		\$75,353,248	

Recommendation

The thermal fleet is seeing large scale changes nation-wide, in operation, procurement and compliance. The selected Contractor has been a trusted partner since 2007 ensuring that our thermal fleet is maintained and operated in a safe, reliable and efficient manner. We recommend continuing our strategic partnership with Ethos.

Ethos offering includes:

- Right sizing thermal staff for continued fleet reliability.
 - Includes a dedicated Facility Manager and Plant administrator for CIG.
- Continued Corporate support for Thermal fleet reliability and resilience.
 - Includes access to engineering, field service, generator services, HSE, and NERC support
- Bolstering of HSE and NERC compliance program.
 - Includes a dedicated NERC support manager for all sites.
 - Includes a dedicated HSE manager for CIG and PGG
- Support for SMUD's Zero Carbon goals.
- Continued thermal fleet remote monitoring and diagnostics support.

