

Exhibit to Agenda Item #1

Discuss the monitoring report for Strategic Direction SD-4, Reliability.

Board Policy Committee and Special SMUD Board of Directors Meeting

Wednesday, June 10, 2026, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

Agenda

2025 SD-4 Annual Monitoring Report

SD-4, Reliability Policy

Meeting customer energy requirements is a core value of SMUD.

Therefore:

SMUD will assure all customer energy requirements are met. This will be accomplished through the use of: (i) its generation resources and purchase power portfolio 100 percent of the time; and (ii) its transmission assets to assure an overall availability of at least 99.99 percent.

SMUD will achieve distribution system reliability by:

Limiting the average frequency of outage per customer per year to:

- With major event : 0.99 – 1.33
- Excluding major event : 0.85 – 1.14

Limiting the average duration of outages per customer per year to:

- With major event: 67.5 - 93.3 minutes
- Excluding major event: 49.7 – 68.7 minutes

Ensuring that no individual circuit exceeds these targets for more than two consecutive years. For circuits that exceed these targets for two consecutive years, a remedial action plan will be issued and completed within eighteen months.

SMUD will maintain the electric system in good repair and make the necessary upgrades to maintain load serving capability and meet regulatory standards.

SD-4, 2025 Reliability Results

Generation and Transmission System

Met customers' energy supply needs 100% of the time through a combination of SMUD generation and purchase power supplies

- *Generation Asset and Gas Pipeline Availability*
 - *Thermal Generation – 88.6%*
 - *Hydro Generation – 90.2%*
 - *Thermal Generation June through September – 99.2%*
 - *Hydro Generation June through September – 98.9%*
 - *At system peak, 48% of the generation was provided by internal resources and 52% was provided by purchased power*
- *Overall availability of transmission system was 100%*

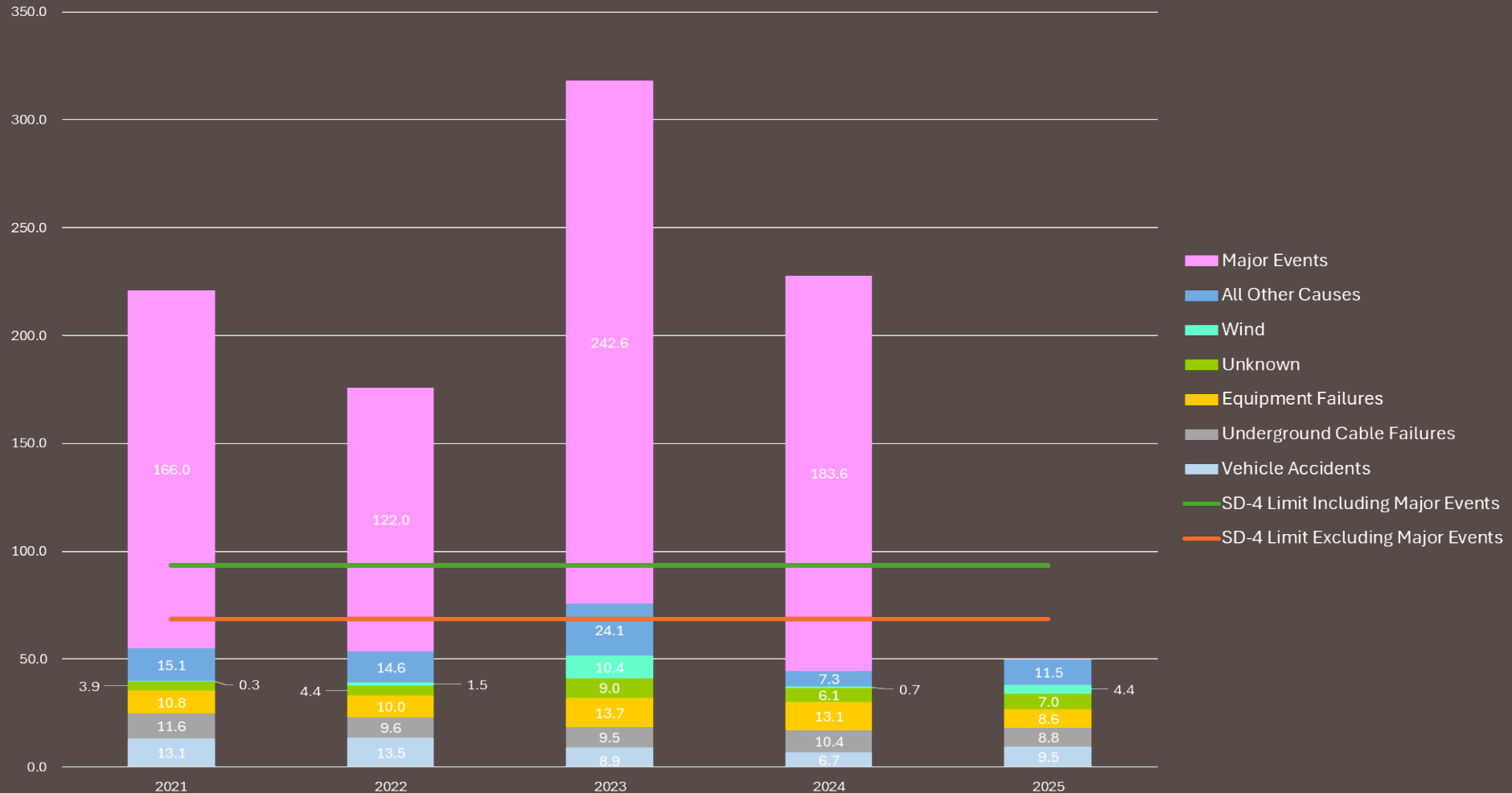
SD-4, 2025 Reliability Results

SMUD was in compliance for both System Average Interruption Duration Index (SAIDI) and System Average Interruption Frequency Index (SAIFI).

	With Major Events		Excluding Major Events	
	SD-4 Limit	2025 Results	SD-4 Limit	2025 Results
SAIFI [Average Outage Frequency]	1.33	0.87	1.14	0.87
SAIDI (minutes) [Average Outage Duration]	93.3	49.7	68.7	49.7

98.8% of all distribution circuits (740 circuits) met the reliability criteria

Outage Duration (SAIDI) Performance Drivers Multi-Year Comparison



Outage Frequency (SAIFI) Performance Drivers Multi-Year Comparison



2025 Worst Performing Circuits

- Nine circuits exceeded reliability limits for two or more consecutive years.
- Twenty projects were issued to improve reliability of the above nine circuits.
 - Fourteen projects have been completed.
 - Remaining six projects are in progress with most scheduled to be completed within the 18-month requirement.

Requested Action

Accept the 2025 SD-4 monitoring report