

Exhibit to Agenda Item #1

Kick off the 2026-2027 **Integrated Resource Plan (IRP)** public process with the SMUD Board; provide the Board with an **IRP** presentation on objectives, **IRP** filing requirements, history of SMUD **IRPs**, key focuses in this **IRP** process, and Board and Community Outreach process and schedule.

Board Energy Resources and Customer Services Committee and Special SMUD Board of Directors Meeting

Wednesday, October 14, 2026, scheduled to begin at 6 p.m.

SMUD Headquarters Building, Auditorium

Meeting objectives

Kick-off the Integrated Resource Plan (IRP) public process which will assess where we are with current SD-9 Resource Planning decarbonization goals, explore potential future paths forward, identify trade-offs, and determine our future SD-9 goals.



2026-2027 Integrated Resource Plan (IRP) public process kick-off



Kick off the public IRP process

- Current IRP adopted in 2021: 2030 Zero Carbon Plan.
- Many conditions have changed since 2021 requiring we revisit our IRP.
- There is a strategic and statutory need to update our IRP.



Engaging our Community and Industry

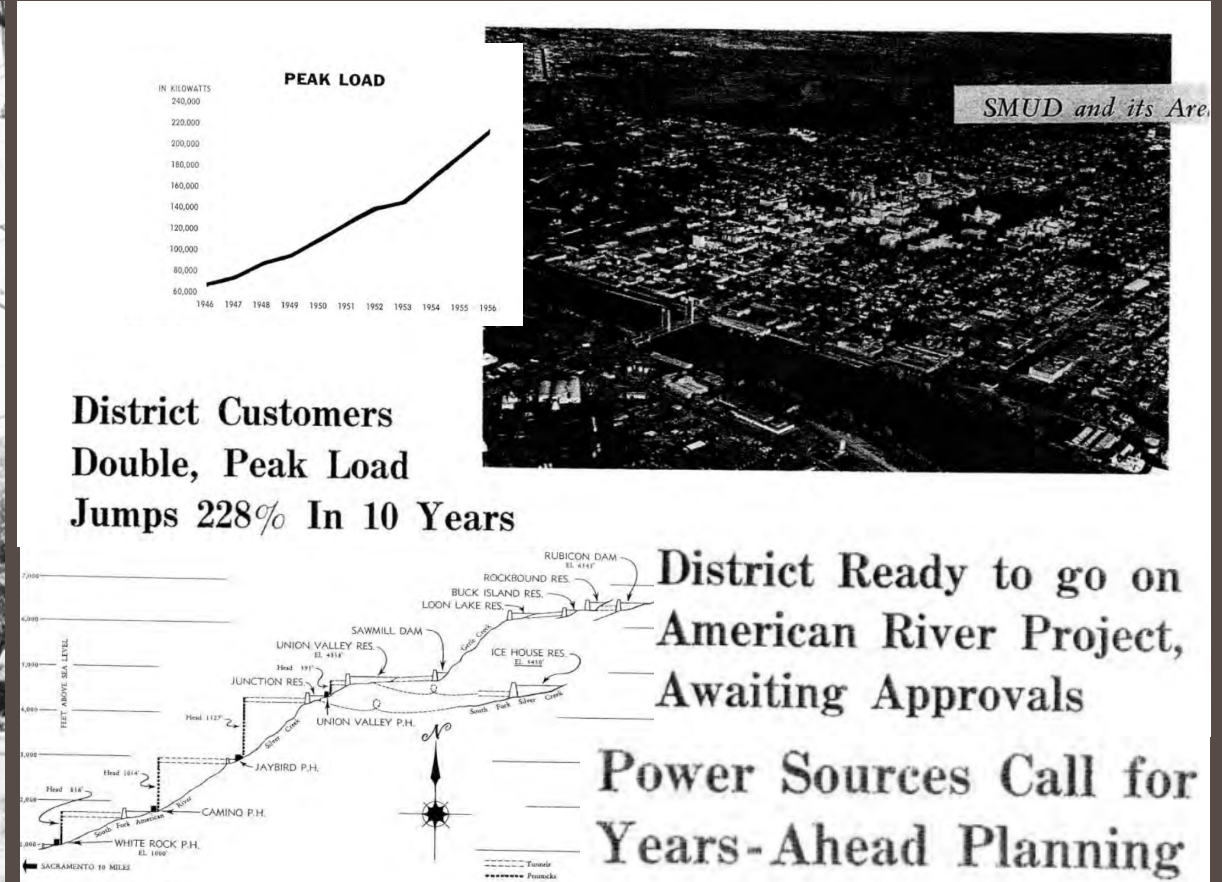
- Comprehensive outreach through Board meetings and community outreach.
- E3 consultants and industry facilitators to support the public process.
- Listening sessions with Neighborhood Associations, Business Advisory Council, and Environmental Forum.
- Virtual forums open to the public.



Adopt the next IRP

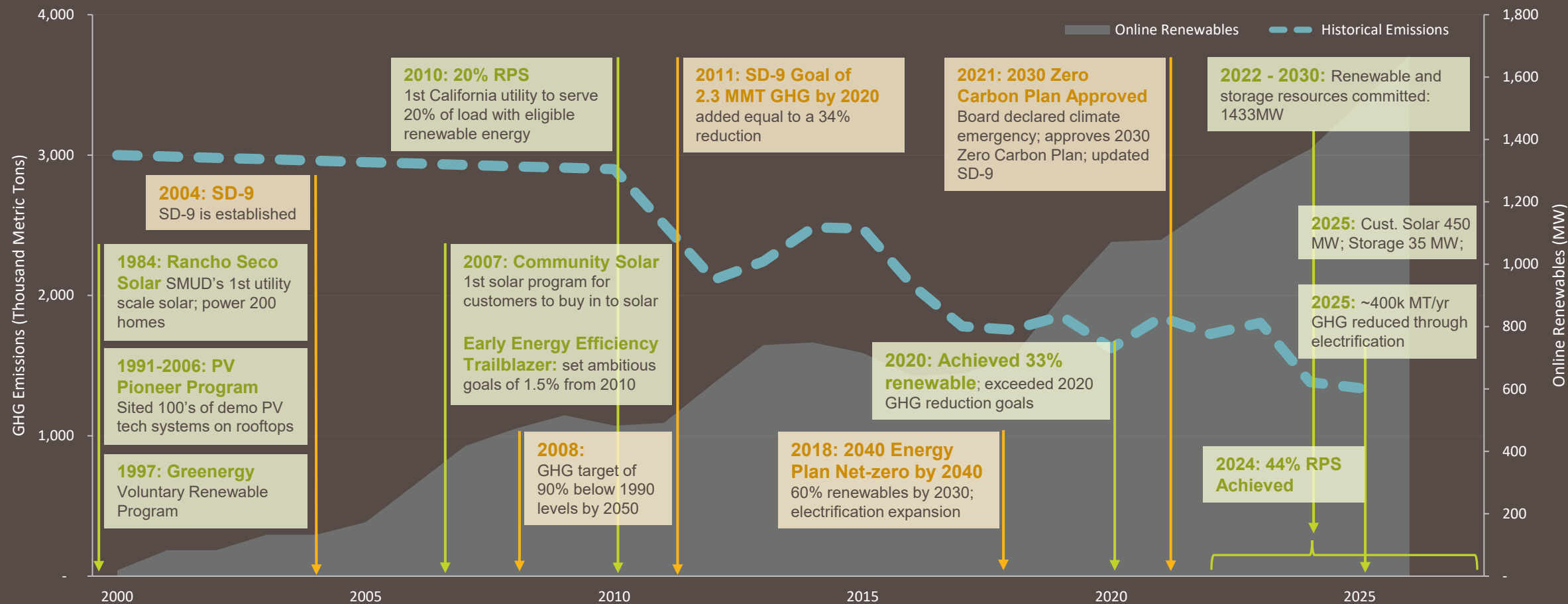
- At the conclusion of this process, SMUD's Board will adopt a new IRP.
- Strategic Direction 9 – Resource Planning will be updated to reflect new goals.
- SMUD will file the new IRP with the California Energy Commission in September 2027.

SMUD has a history of planning forward



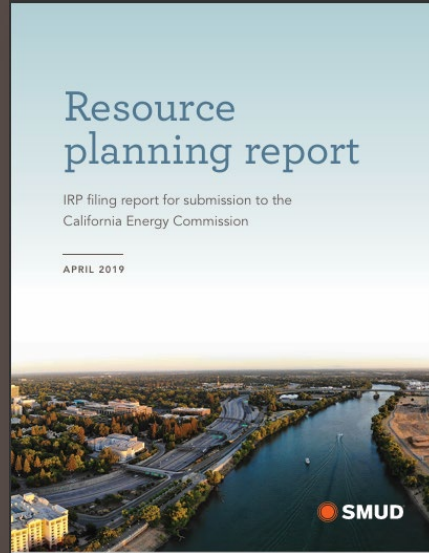
SD-9 Resource Planning through the years...

SMUD's Resource Planning activities have guided the achievement of major policy goals over the years



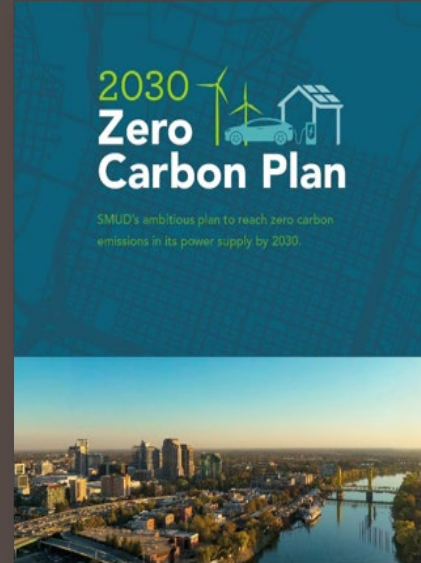
Ensure affordable, reliable and equitable service

Recent public IRPs



2019

1st formal IRP process with Board and public - Set a goal of Net Zero emissions by 2040.



2021

2nd Public IRP Process with Board & comprehensive community stakeholder process.



2027

3rd Public IRP process with Board & comprehensive community stakeholder process.

Integrated Resource Plan (IRP): What is it?



A long-term Utility Planning Study

Planning ahead 10+ years

- Evaluates paths to meet our customers' demand and informs affordability impacts of various paths.
- Highlights tradeoffs between various scenarios and variables.
- Needs to be updated periodically as conditions change.



Guides Policy Development

Balances key priorities

- Informs policy changes in Strategic Directive 9 Resource Planning.
- Balances priorities: affordable, reliable and sustainable service.
- Ensures community resiliency and benefits.



Meets IRP Filing requirements

CA Filing Mandate

- Last IRP filing was Sept. 2022 (2030 Zero Carbon Plan).
 - Senate Bill 350 requires we file every 5 years.
 - Next filing deadline is Sept. 2027.
- Requires a Board adopted IRP through a public process.

An IRP is not...

A definitive road map to achieve our goals – assumptions and conditions can change rapidly and we will adjust along the way.

A substitute for ongoing organizational decisions nor is it a playbook for specific projects or programs.

A guarantee of outcomes – actual implementation depends on market conditions, regulatory climate, state and federal policy, resource availability and costs, customer adoption of clean technology, etc.

A rate making process – IRP provides high-level directional costs, and average system rate impacts many years in the future – SMUD's rate process determines future customer rates.

Key IRP variables to consider

Load growth:

How will building & transportation electrification increase demand? What about Large Load?



Local air quality and greenhouse gas emissions:

What are the major local contributors?



State policy on decarbonization:

How much faster can we reasonably move?



Affordability & Community resiliency:

What's the best path for our communities?



Clean resources: What clean resources are available & at what price; what about emerging technology?

Thermal generation: What role does our thermal fleet play in the path to decarbonization?

Distributed Energy Resources
How will customer DERs and load flex programs contribute?

The IRP will inform the following key questions



What does our decarbonization path look like considering the challenges in our industry today?



What major generation & grid investments are needed in the coming years? How do distributed energy resources and programs help?

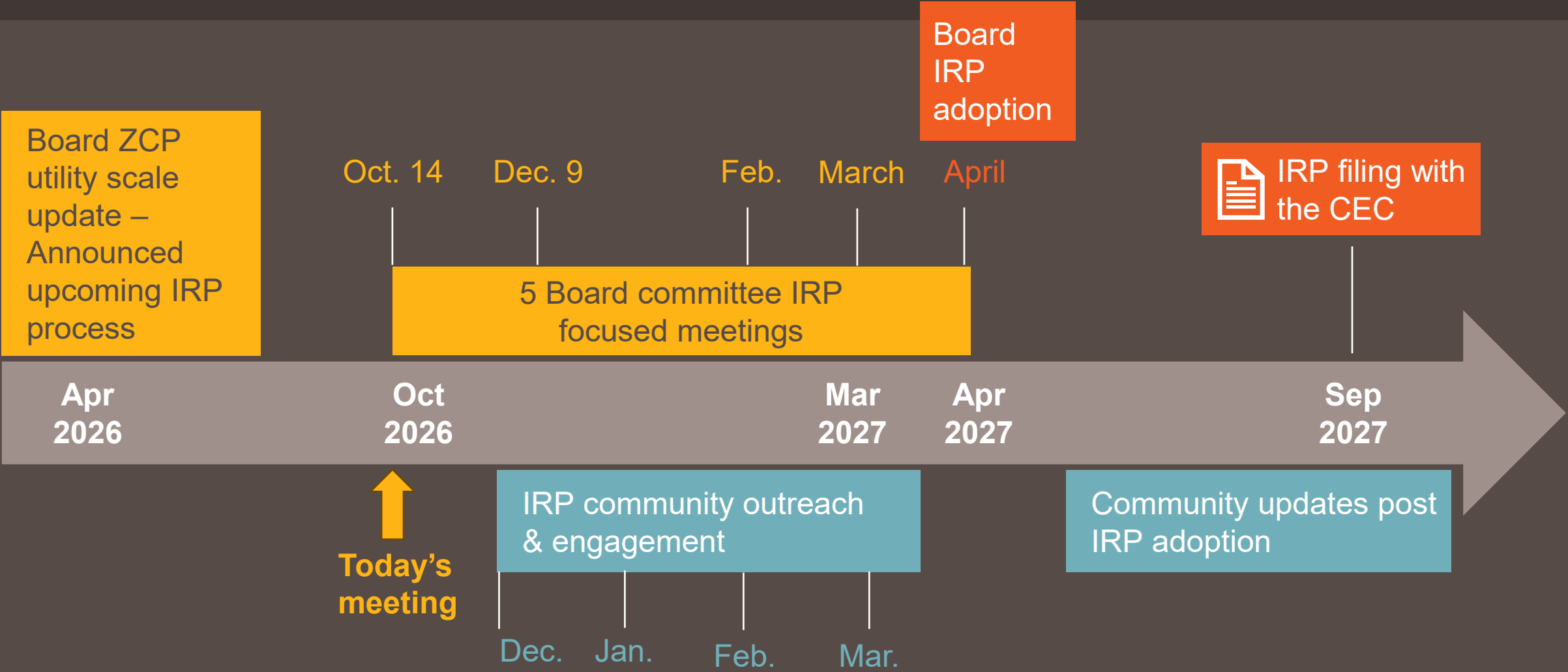


How do we maintain reliability & affordability while continuing to decarbonize? What levers do we have to balance these objectives?



Where should we focus given the constraints on costs? Where can we provide most value to our customers?

IRP public Board meetings and community outreach



IRP community outreach & communications

Public outreach to take place December through March:

Goal:

- Inform public about key IRP topics, scenarios analysis, and trade-offs.
- Gather community input on priorities related to affordability, reliability, and sustainability.
- Balance of broad and highly-targeted outreach to garner wide range of inputs.

Large presentations

- Virtual Forums open to the public
- Business Advisory Council
- Environmental Forum
- Key nonprofit organizations

Neighborhood meetings

- 14+ meetings with neighborhood associations in each Ward

Targeted outreach

- Focus groups
- Customer surveys
- Special populations such as Young Adults and Social Justice

Multi-pronged communications and outreach



Next Steps



Upcoming IRP Board Committee dates:

December 9th

2nd IRP Board Meeting: Board Policy Committee Meeting

- Review of foundational IRP elements, ZCP learnings, and scenarios to be explored.
- Review IRP community outreach timeline

Upcoming IRP Community Outreach dates:

December – Neighborhood Association meetings begin