

Exhibit to Agenda Item #2

Discuss authorizing submission of a SMUD Round 6 grant application for a **California Strategic Growth Council Transformative Climate Communities (TCC) Program Grant (Grant)** and authorize the Chief Executive Officer and General Manager to negotiate and execute in the name of Sacramento Municipal Utility District a **Grant** recipient contract with the State of California as well as other **Grant** documents, including, but not limited to, agreements, amendments, and requests for payment, necessary to facilitate **Grant** participation.

Board Strategic Development Committee and Special SMUD Board of Directors Meeting

September 8, 2026, scheduled to begin at 6:00 p.m.

Auditorium, SMUD Headquarters Building

Transformative Climate Communities Grant

California Strategic Growth Council (SGC) · Funded by Proposition 4, the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024

Up to \$27.5M

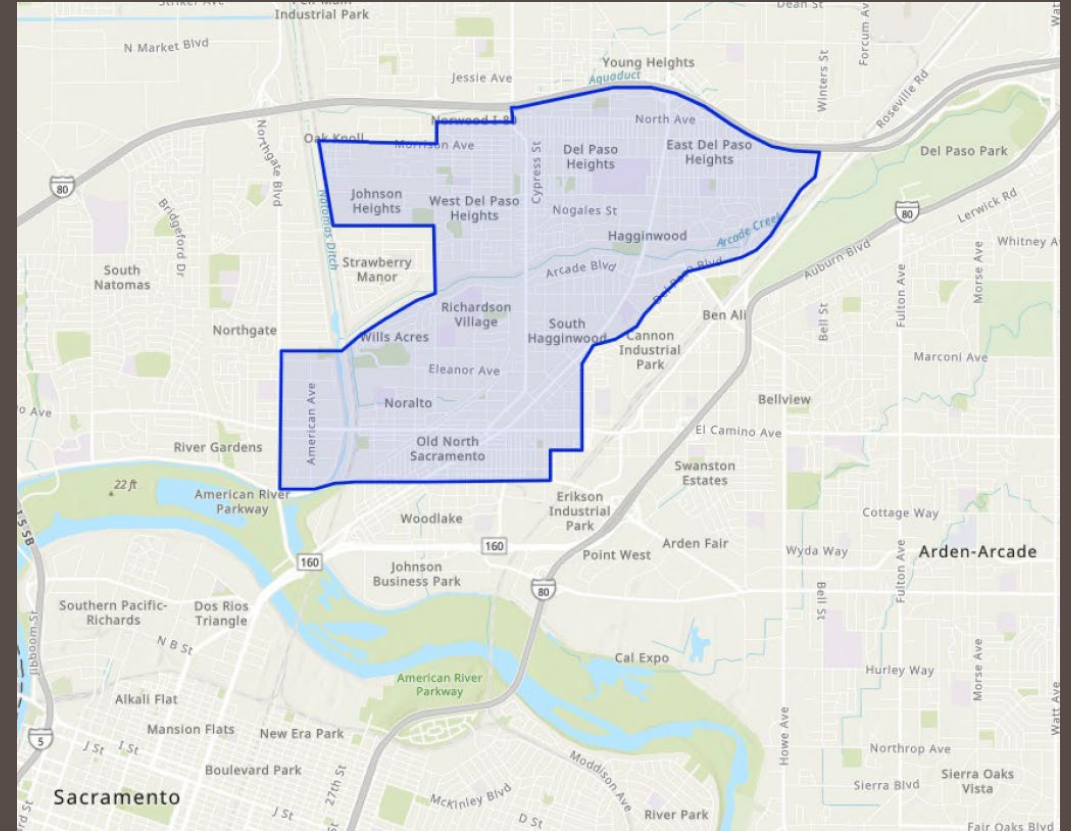
Maximum Implementation Grant.
\$82.5M statewide across 3
awards.

Sept 30, 2026

Application deadline.
Pre-proposal submitted June
2026.

Application Considerations

- Board approval is required prior to SMUD being able to apply.
- Applications are geographically limited to a 5 square mile area.
- Community collaboration is critical to success.
- SMUD is focused on electrification with community partners providing complimentary solutions.



Proposed Project Area

5- Square Mile Restricted Implementation Area



Intended SMUD Scope

1 EAPR — Customer

Residential Electrification & Weatherization

~200 residences, 2028–2031

2 Research & Development

Smart Panel Upgrades & Load Flexibility

~150 panels, 2028–2029

3 Sustainable Communities

Urban Greening & Tree Planting

Planting years 2028–2031

4 Community Relations

Community Collaboration and Leadership

Partner selection and ongoing coalition coordination through the grant term.

5 Marketing & Communications

Outreach & Communications

Customer outreach, education and engagement

Overall Perspective Scope*

1 Transportation & Mobility

- SacRT — bus stop improvements along Del Paso Blvd
- SacRT- Ride & Drive site w/ EV charging
- SMAQMD — car-sharing service upgrades
- Academy Stay — EV van for community food access
- ACE Valley Rail – High Speed Rail transit connection

2 Electrification & Clean Energy

- SMUD, EAPR — residential electrification and weatherization
- SMUD, R&D — SPAN smart panel upgrades
- GRID Alternatives — rooftop solar on 25+ homes

3 Recycling, Compost

- Republic Waste- new Electric Dump Trucks for organics and recycling pick-up and transfer

4 Urban Greening & Parks

- SMUD, Sustainable Communities — neighborhood tree planting
- City of Sacramento, Parks — Robertson splash pad and park upgrades; shade and equipment at Johnson Park
- Sierra Service Project — pocket park on a remediated brownfield site between two transit hubs

5 Housing & Community Facilities

- Habitat for Humanity — up to 38 new housing units
- Sacramento Native American Health Center — property acquisition to expand health services
- Sacramento Youth Center — community resource center upgrades
- Alchemist- purchase business incubator

6 Health & Food Access

- City of Sacramento, Dept. of Utilities — 3,000–5,000 water meter replacements
- Academy Stay — emergency food pantry
- Sierra Service Project — site of the weekly Mobile Farmers Market

*Application scope is not finalized may change as partner conversations progress ahead of application deadline.

Expected Path to Award

