

Errata to the Chief Executive Officer & General Manager's Report and Recommendation

on Rates and Services

May 25, 2017 • Errata No. 3



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May 25, 2017 GM 17-137

BOARD OF DIRECTORS

RELEASE OF ERRATA NO. 3 TO THE CHIEF EXECUTIVE OFFICER & GENERAL MANAGER'S REPORT AND RECOMMENDATION ON RATES AND SERVICES, DATED MARCH 16, 2017

Dear Board Members:

I am releasing Errata No. 3 to the Chief Executive Officer & General Manager's Report and Recommendation on Rates and Services (Report). Errata No. 3 contains two minor corrections to the Report.

Errata No. 3 is comprised of the following:

- Add language regarding minor changes to certain rate schedules made in Volume 2 of the Report that were inadvertently left out of Volume 1 of the Report; and
- 2. A minor language change to a 2017 rate schedule to make it consistent with the 2018 and 2019 rate schedules.

These items will be integrated into the remaining community presentations as applicable and posted on the SMUD website. If you would like more information relating to this or any other issues please let me know.

Sincerely,

Arlen Orchard Chief Executive Officer & General Manager

cc: Executive Team Corporate Files Chief Executive Officer & General Manager's Report and Recommendation on

Rates and Services

Errata No. 3

May 25, 2017

A Sacramento Municipal Utility District Publication

Chief Executive Officer & General Manager's Report and Recommendation on Rates and Services, Errata No. 3

May 25, 2017

Prepared by: Sacramento Municipal Utility District's Pricing Division of Planning, Pricing, Performance & Risk

Under the direction of: Arlen Orchard, CEO & General Manager

For additional copies of this errata, or for information on issues included in the report, call SMUD at:1-855-736-7655

Errata No. 3 to the Chief Executive Officer & General Manager's Report and Recommendation on Rates and Services March 16, 2017

SMUD has identified minor corrections to the Chief Executive Officer & General Manager's Report and Recommendation on Rates and Services dated March 16, 2017 (GM Report). There are minor language changes to certain rate schedules that are properly reflected in the actual rate schedule sheets in Volume 2 but were inadvertently omitted in the miscellaneous rates changes section of Volume 1 of the GM Report. In addition, a minor language change is needed to a 2017 rate schedule for consistency with the 2018 and 2019 rate schedules. The GM Report is amended as follows:

1- In Volume I, supplement the Miscellaneous Rates Changes section to add the following recommendation:

Effective July 1, 2017, amend rate schedule R-TOD, Section VI, Subsection A by adding the wording "The electricity usage charge and" to the beginning of the paragraph to read as follows:

A. Proration of Charges.

The electricity usage charge and the monthly System Infrastructure Fixed Charge will not be prorated, regardless of the number of days in the billing period or the spanning of multiple seasons. The monthly System Infrastructure Fixed Charge is determined by the billing period end date.

Amend Section VI of rate schedule R, effective July 1, 2017, and rate schedule R-SPO, effective January 2018, to read as follows:

VI. Billing

The Base Usage and Base Plus **KWh** *Uusage Allowance will* **may** be prorated for nonstandard billing periods and, when billing period spans a price change, and/or when the billing period spans more than one season. The following table shows the basis for the proration in these circumstances. The monthly System Infrastructure Fixed Charge will not be prorated, regardless of the number of days in the billing period or the spanning of multiple seasons. The monthly System Infrastructure Fixed Charge is determined by the billing period end date.

| Billing Circumstance | Basis for Proration |
|---|---|
| Bill period is shorter than 27daysBill period is longer than 34 days | Relationship between the length of the billing period and 30 days. (Billing period days divided by 30) |
| Seasons overlap and price changes within bill period | Relationship between the length of the billing period and the number of days that fall within the respective season or pricing periods . |

Revisions described about are detailed in the Residential rate schedules included in Volume 2 of this report.

2- In Volume 2, amend language in rate schedule R-TOD, effective July 1, 2017, in Section IV related to "SMUD Community Solar Option" to correct a misprint as follows:

1. SMUD Community Solar Option.

Under this premium service option, customers elect to contribute monthly payments toward the installation of a photoelectric system at a selected community locale. Refer to the SMUD website, www.smud.org, for further information on monthly contribution options and solar currently identified projects.