

**SMUD ANNUAL DISCLOSURE
For the Year Ended 12/31/2020**

POWER SUPPLY RESOURCES

The following table sets forth information concerning SMUD’s power supply resources as of April 30, 2021. Capacity availability reflects rated or nameplate capacities at SMUD’s load center, as well as entitlement, firm allocations and contract amounts.

**POWER SUPPLY RESOURCES
(As of April 30, 2021)**

Source:	Capacity Available (MW)⁽¹⁾
Generating Facilities:	
Upper American River Project – Hydroelectric	685
Solano Wind Project – Wind ⁽²⁾	105
Sub-total:	789
Local Gas-Fired Plants:	
SFA (Cosumnes)	570
CVFA (Carson-Ice)	103
SCA (Procter & Gamble)	166
SPA (McClellan)	72
SPA (Campbell Soup)	170
Sub-total:	1,081
Purchased Power:	
Western Area Power Administration (WAPA) ⁽³⁾ ⁽⁴⁾	304
Feed-in-Tariff Photovoltaic – Solar	83
Grady – Wind	67
Rancho Seco Solar 1	8
Rancho Seco Solar 2	116
Recurrent – Solar	55
Wildflower Solar	11
Rock Tenn (Simpson) – Biomass	42
Iberdrola (PPM) – Wind	24
CalGeo – Geothermal	26
Patua (Gradient/Vulcan) – Geothermal	12
Other Long-Term Contracts	21
Firm Contract Reserves ⁽⁴⁾	15
Committed Short-Term Purchases ⁽⁵⁾	583
Uncommitted Short-Term Purchases	13
Sub-total:	1,379
Total	3,249

(1) Available capacity is the net capacity available to serve SMUD’s system during the peak month of July.

(2) Wind supply resources are intermittent and are shown at the average historical capacity over the past 3 years between 12:00 p.m. and 6:00 p.m.

(3) Total includes SMUD’s Base Resource share and WAPA Customer allocations.

(4) Assumes firm reserves of 5% are included.

(5) Committed Short-Term Purchases are primarily purchased on a year-ahead to season-ahead basis from various sources.

Note: Totals may not add due to rounding.

**PROJECTED REQUIREMENTS AND RESOURCES TO MEET
LOAD REQUIREMENTS⁽¹⁾
ENERGY REQUIREMENTS AND RESOURCES (GWh)**

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Renewable Resources										
<u>District or Joint Powers Authority Owned:</u>										
UARP - Small Hydro	53	91	93	92	92	92	92	92	92	92
Solano Wind	659	593	594	559	854	854	854	854	854	854
SFA – Shell Landfill Gas and Digester Gas ⁽²⁾	229	206	725	720	767	691	692	692	692	676
Total	942	890	1,413	1,371	1,713	1,637	1,638	1,638	1,638	1,622
<u>Purchases</u>										
Western (WAPA) – Small Hydro	13	19	20	20	20	20	20	20	20	20
Rock Tenn (Simpson) – Biomass	192	--	--	--	--	--	--	--	--	--
Patua (Gradient/Vulcan) – Geothermal	137	147	147	147	147	147	146	147	147	147
Cal Energy – Geothermal	219	223	223	224	223	223	223	224	223	223
Iberdrola (PPM) – Wind	102	98	98	98	58	--	--	--	--	--
Grady – Wind	846	814	934	937	934	934	934	937	934	934
Recurrent Solarshares	176	171	171	170	172	169	169	169	169	166
Rancho Seco PV2	339	335	333	332	330	328	327	325	323	322
Feed-in-Tariff Photovoltaic – Solar	214	211	210	209	208	207	206	205	204	203
Navajo Solar	1	303	301	301	294	291	291	289	288	285
Kings Country	--	--	--	126	126	125	124	124	123	122
SVEC – Solar	--	--	--	509	510	507	505	502	500	497
Other Long-Term Contracts	243	238	238	235	206	194	182	179	179	177
Generic Renewables	--	--	--	--	1,858	3,000	3,020	4,238	5,452	6,273
Total	2,482	2,559	2,675	3,309	5,085	6,145	6,146	7,360	8,562	9,370
Non-Renewable										
<u>District or Joint Powers Authority Owned:</u>										
UARP – Large Hydro ⁽³⁾	1,297	1,297	1,513	1,554	1,554	1,554	1,554	1,554	1,554	1,554
SFA – Cosumnes	3,593	3,227	2,902	2,880	2,708	2,516	2,284	1,770	1,084	713
CVFA – Carson Ice	307	310	264	282	49	15	4	1	4	5
SCA – P&G	659	628	475	486	332	234	113	19	8	7
SPA – McClellan	17	2	2	2	--	--	--	--	--	--
SPA – Campbell Soup	616	453	190	63	--	--	--	--	--	--
Total	6,490	5,917	5,347	5,268	4,644	4,320	3,955	3,345	2,650	2,280
<u>Purchases</u>										
Western (WAPA) – Large Hydro	418	609	641	641	641	641	641	641	641	641
Western (WAPA) Customers (wheeling)	25	36	38	38	38	38	38	38	38	38
Calpine Sutter	1,150	1,502	1,099	--	--	--	--	--	--	--
Committed Purchases	95	--	--	--	--	--	--	--	--	--
Total	1,688	2,147	1,778	679	679	679	679	679	679	679
Total Resources	11,601	11,513	11,213	10,628	12,121	12,781	12,419	13,021	13,530	13,951
Uncommitted Purchases / (Sales)	(917)	(845)	(590)	16	(1,368)	(1,883)	(1,364)	(1,692)	(1,873)	(2,001)
Transmission Losses (COTP/CVP)	(31)	(45)	(50)	(45)	(38)	(67)	(58)	(91)	(120)	(109)
Total Projected Energy Requirements	10,653	10,623	10,573	10,599	10,714	10,831	10,996	11,238	11,537	11,842
Energy Efficiency (EE) Board Goals	84	161	236	314	334	391	451	514	556	608
SB1 Photovoltaic Goals	68	129	188	243	649	688	725	762	795	828
Expected Electric Vehicle (EV) Charging	(16)	(34)	(61)	(96)	(174)	(287)	(405)	(547)	(762)	(957)
Electric Building (EB)	(9)	(21)	(36)	(58)	(85)	(121)	(162)	(211)	(280)	(375)
Battery Storage (Utility)	--	--	--	(1)	(18)	(25)	(64)	(108)	(142)	(195)
Battery Storage (BTM)	--	--	--	--	(5)	(6)	(7)	(8)	(10)	(12)
Total Gross Energy Requirements before EE, SB1 and EV Charging	10,781	10,857	10,900	11,002	11,415	11,470	11,535	11,639	11,694	11,739

(1) Totals may not sum due to rounding.

(2) 2021-2030 includes a biomethane contract counted as renewable (see “POWER SUPPLY AND TRANSMISSION – Fuel Supply – Renewable Natural Gas Supply”).

(3) 2021 based on current precipitation levels. All other years assume average precipitation.

CAPACITY REQUIREMENTS AND RESOURCES⁽¹⁾⁽⁴⁾
NET CAPACITY – MEGAWATTS

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Load:										
Planned Peak	2,870	2,877	2,856	2,849	2,870	2,881	2,881	2,893	2,919	2,931
Transmission Losses	28	28	28	28	28	28	28	28	28	28
Dispatchable Demand Resource	(73)	(73)	(73)	(73)	(32)	(48)	(71)	(100)	(138)	(182)
Adjusted Peak	2,825	2,832	2,811	2,804	2,866	2,861	2,838	2,821	2,809	2,777
15% Reserve Margin	424	425	422	421	430	429	426	423	421	417
Adjusted Peak with Reserves	3,249	3,257	3,233	3,225	3,296	3,290	3,264	3,244	3,231	3,193
Renewable Resources										
<u>District or Joint Powers Authority Owned:</u>										
UARP – Small Hydro	45	45	45	45	45	45	45	45	45	45
Solano Wind	105	60	60	57	80	80	80	80	80	80
SFA – Shell Landfill Gas and Digester Gas ⁽²⁾	51	63	120	120	120	120	120	120	120	120
Total	200	168	225	222	245	245	245	245	245	245
<u>Purchases</u>										
Western (WAPA) – Small Hydro	9	10	10	10	10	10	10	10	11	11
Rock Tenn (Simpson) – Biomass	42	--	--	--	--	--	--	--	--	--
Iberdrola (PPM) – Wind	24	14	14	14	--	--	--	--	--	--
Grady – Wind	67	32	32	32	32	32	32	32	32	32
Patua (Gradient/Vulcan) – Geothermal	12	12	12	12	12	12	12	12	12	12
CalGeo – Geothermal	26	26	26	26	26	26	26	26	26	26
Recurrent Solarshares	55	35	34	34	55	55	55	55	55	55
RanchoSeco PV2 – Solar	116	98	95	93	93	93	93	93	93	93
SVEC – Solar	--	--	--	81	81	81	81	81	81	81
Kings Country Solar	--	--	--	16	16	16	16	16	16	16
Navajo Solar	--	39	37	35	35	35	35	34	34	34
Feed-in-Tariff Photovoltaic – Solar	83	59	58	57	55	55	55	55	55	55
Other Long-Term Contracts	40	30	30	30	28	14	14	14	14	14
Total	472	354	347	438	441	426	426	426	426	427
Non-Renewable										
<u>District or Joint Powers Authority Owned:</u>										
UARP – Large Hydro	640	640	640	640	640	640	640	640	640	640
SFA (Cosumnes)	519	507	450	450	450	450	450	450	450	450
CVFA (Carson-Ice)	103	103	103	103	104	104	100	100	100	100
SCA (Procter & Gamble)	166	166	166	166	166	166	166	166	166	166
SPA (McClellan)	72	72	72	72	--	--	--	--	--	--
SPA (Campbell Soup)	170	170	170	170	--	--	--	--	--	--
Total	1,670	1,658	1,601	1,601	1,360	1,360	1,356	1,356	1,356	1,356
<u>Purchases</u>										
Western (WAPA) – Large Hydro	279	309	309	309	309	309	309	309	309	309
Western (WAPA) Customers (wheeling)	16	18	18	18	18	18	18	18	18	18
Firm Contract Reserves ⁽³⁾	15	17	17	17	17	17	17	17	17	17
Committed Purchases	325	250	250	--	--	--	--	--	--	--
Total	893	852	852	344	344	344	344	344	344	344
Uncommitted Purchases / (Sales)	13	225	208	620	907	916	894	873	860	821
Total Resources	3,249	3,257	3,233	3,225	3,296	3,290	3,264	3,244	3,231	3,193

(1) Totals may not sum due to rounding.

(2) The SFA Project is a 495 MW plant that includes 100 MW capacity attributable to a biogas contract counted as renewable (see “POWER SUPPLY AND TRANSMISSION – Fuel Supply – *Renewable Natural Gas Supply*”) and 395 MW capacity from natural gas.

(3) SMUD assumes that for all firm system purchases, the suppliers will be planning 5% reserves.

(4) Capacity values shown for 2022 onward are based on resource effective load carrying capability modeling.

AVERAGE CLASS RATES

	SMUD Rates (cents/kWh)⁽¹⁾	PG&E Rates (cents/kWh)⁽²⁾	Percent SMUD is Below PG&E⁽³⁾
Residential - Standard	17.00¢	28.31¢	40.0%
Residential – Low Income	11.83¢	17.74¢	33.3%
All Residential	16.05¢	24.58¢	34.7%
Small Commercial (Less than 20 kW)	16.59¢	27.75¢	40.2%
Small Commercial (21 to 299 kW)	15.34¢	25.85¢	40.7%
Medium Commercial (300 to 499 kW)	14.21¢	24.17¢	41.2%
Medium Commercial (500 to 999 kW)	13.28¢	20.84¢	36.3%
Large Commercial (Greater than 1,000 kW)	10.97¢	15.94¢	31.2%
Lighting – Traffic Signals	13.12¢	26.13¢	49.8%
Lighting – Street Lighting	15.90¢	30.10¢	47.2%
Agriculture	14.63¢	24.95¢	41.3%
System Average	14.72¢	23.19¢	36.5%

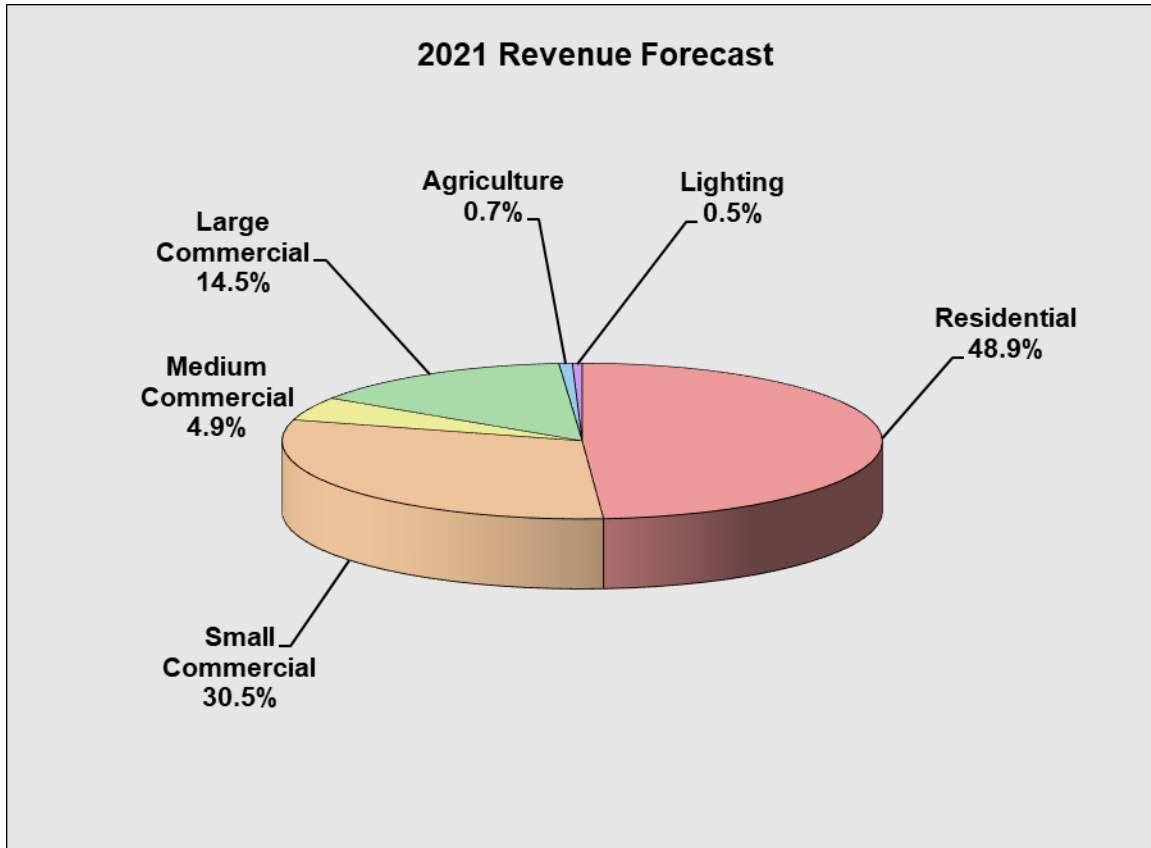
⁽¹⁾ Projected 2021 average prices for SMUD with rates effective January 1, 2021.

⁽²⁾ PG&E average prices in 2021 reflect rates effective March 1, 2021, per Advice Letter 5769-E dated February 26, 2021.

⁽³⁾ The rates in the Average Class Rates table are calculated by dividing the total revenue of each class by the total usage of that class in kWhs. The actual savings per customer will vary based on their actual electricity consumption.

ALLOCATION OF DISTRICT REVENUE BY CUSTOMER CLASS

The following chart sets forth the forecast percentage of SMUD revenues from billed sales associated with each customer class.



OPERATING DATA

Selected operating data of SMUD for the four years ended December 31, 2017 through 2020, and for the three months ended March 31, 2021 and March 31, 2020 are presented in the following table.

SMUD SELECTED OPERATING DATA CUSTOMERS, SALES, SOURCES OF ENERGY AND REVENUES

	Three Months Ended		Year Ended December 31,			
	March 31,					
	2021	2020	2020	2019	2018	2017
Customers at End of Period:						
Residential	570,267	566,736	568,741	565,103	559,907	554,201
Commercial and industrial	68,815	68,342	68,628	68,203	67,782	67,260
Other	7,362	7,388	7,354	7,406	7,448	7,491
Total	646,444	642,466	644,723	640,712	635,137	628,952
MWh Sales:						
Residential	1,042,800	994,276	4,906,566	4,493,548	4,515,031	4,957,240
Commercial and industrial	1,239,372	1,289,022	5,453,120	5,616,920	5,661,449	5,761,158
Other	14,239	14,441	55,590	55,770	57,031	57,952
Total	2,296,411	2,297,739	10,415,276	10,166,238	10,233,511	10,776,350
Surplus power/out of area sales	499,865	460,266	2,259,991	1,878,205	1,516,289	1,788,719
Total	2,796,276	2,758,005	12,675,267	12,044,443	11,749,800	12,565,069
Sources of Energy Sold MWh:						
Generated by SMUD	1,494,805	1,429,806	6,414,380	7,143,944	7,089,430	7,274,860
Purchased or exchanged	1,411,765	1,417,335	6,691,279	5,324,217	5,078,432	5,757,332
Total	2,906,570	2,847,141	13,105,659	12,468,161	12,167,862	13,032,192
Less System losses and SMUD usage	110,294	89,136	430,392	423,718	418,062	467,123
Total	2,796,276	2,758,005	12,675,267	12,044,443	11,749,800	12,565,069
Gross System peak demand (kW) ⁽¹⁾	1,549,000	1,520,000	3,057,000	2,927,000	2,944,000	3,157,000
Average kWh sales per residential customer ⁽²⁾	1,830	1,756	8,650	7,987	8,101	8,969
Average Revenue per kWh Sold:						
Residential ⁽²⁾ (cents)	13.90	13.25	15.27	14.90	14.43	14.05
Commercial & industrial ⁽²⁾ (cents)	12.97	12.52	13.17	12.71	12.57	12.63

⁽¹⁾ Peak system MW values are measured at the four SMUD interconnection points and exclude SMUD's generation losses. Historical values include the impacts of dispatchable, non-dispatchable, and energy efficiency program capacity savings.

⁽²⁾ The average kWh sales per residential customer and the average revenue per kWh sold are calculated based upon billed and unbilled sales.

Source: SMUD

SMUD UNCONSOLIDATED FINANCIAL DATA⁽¹⁾
(thousands of dollars)

	Three Months Ended		Year Ended December 31,			
	March 31,					
	2021	2020	2020	2019	2018 (restated)	2017
Summary of Income						
Operating Revenues ⁽²⁾	\$ 366,922	\$ 330,117	\$ 1,582,979	\$ 1,553,167	\$ 1,589,612	\$ 1,554,366
Operating Expenses	(352,001)	(316,977)	(1,397,845)	(1,412,199)	(1,376,987)	(1,366,555)
Operating Income (Loss)	14,921	13,140	\$ 185,134	\$ 140,968	\$ 212,625	\$ 187,811
Interest and Other Income (Expense) ..	7,842	12,172	63,014	(21,113)	76,966	58,217
Interest Expense	(21,515)	(18,365)	(80,699)	(66,185)	(73,021)	(78,554)
Change in Net Position	\$ 1,248	\$ 6,947	\$ 167,449	\$ 53,670	\$ 216,570	\$ 167,474
Selected Statement of Net Position Information						
Net Plant in Service	\$3,201,953	\$3,160,846	\$3,234,208	\$3,187,135	\$2,995,505	\$2,942,005
Construction Work in Progress	504,440	416,812	460,155	351,584	396,794	278,721
Electric Utility Plant – Net	\$3,706,393	\$3,577,658	\$3,694,363	\$3,538,719	\$3,392,299	\$3,220,726
Unrestricted Cash	\$ 582,240	\$ 388,536	\$ 662,155	\$ 451,800	\$ 434,103	\$ 608,311
Rate Stabilization Fund	\$ 174,444	\$ 141,770	\$ 168,726	\$ 143,669	\$ 96,694	\$ 99,899
Total Assets	\$5,734,957	\$5,381,813	\$5,826,449	\$5,429,137	\$5,254,839	\$5,426,013
Net Position	\$1,945,841	\$1,784,090	\$1,944,593	\$1,777,145	\$1,723,476	\$1,506,905
Long-Term Debt ⁽³⁾	\$2,515,538	\$2,158,799	\$2,523,921	\$2,166,389	\$1,803,840	\$2,001,767
Debt Service Coverage Ratios						
Parity Debt Service Coverage Ratio ..	N/A	N/A	2.25x	2.11x	2.37x	2.77x
Parity and Subordinate Debt Service Coverage Ratio	N/A	N/A	2.14x	2.06x	2.37x	2.75x

(1) The consolidated financial statements of SMUD comprise financial information of SMUD along with the consolidated component units, CVFA, SPA, SCA, SFA, NCGA and NCEA. This table includes only unconsolidated financial information of SMUD. Net operating revenues and expenses and Electric Utility Plant and Capitalization of CVFA, SPA, SCA, SFA, NCGA and NCEA are not included in this table, although amounts paid to or received from the Authorities by SMUD are included.

(2) Operating Revenues reflect net transfers to (from) the Rate Stabilization Fund for each full year as follows:
2021 \$5.7 million (through March 31, 2021)
2020 \$25.1 million
2019 \$47.0 million
2018 (\$3.2 million)
2017 \$64.7 million

Transfers to the Rate Stabilization Fund reduce operating revenues in the year transferred; transfers from the Rate Stabilization Fund increase operating revenues. Transfers from the HGA balancing account in the Rate Stabilization Fund are automatic based on the amount of precipitation received. See "RATES AND CUSTOMER BASE – Rates and Charges" above.

(3) Long-Term Debt includes Long-Term Debt due within one year and unamortized premiums.

DEBT SERVICE COVERAGE RATIOS

	Year Ended December 31,				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Parity Debt Service Coverage Ratio.....	2.25x	2.11x	2.52x	2.63x	2.59x
Fixed Charge Ratio.....	2.17x	2.02x	2.49x	2.54x	2.49x

Note: Previously shown figures have been updated to match current Accounting methodology.

METHOD OF COMPUTATION OF DEBT SERVICE RATIOS For the Year Ended 12/31/2020

	Debt Service Coverage Ratio (Parity Bond Basis)	Fixed Charge Basis
Operating Revenues ⁽¹⁾	\$ 1,582,979	\$ 1,582,979
Interest and Other Income	45,293	45,293
Adjustments:		
Build America Bonds rebate	9,256	-
Net receipts on Series K swap	4,268	-
CIAC (Cash Proceeds Only)	16,343	16,343
AFUDC-equity and borrowed funds	-	-
Grant Revenue	245	245
Revenue From Ineffective Gas Swaps	395	-
SB-1 Revenue Recognition	(2,276)	(2,276)
EPR Deferral	(3,501)	(3,501)
	1,653,003	1,639,083
Operating Expenses		
Operations & Maintenance (less Rosa accretion and PP&L amortization)	1,191,080	1,194,140
GASB 68 Reversal	(25,694)	(25,694)
OPEB Adjustment	36,464	36,464
GASB 73 Adjustment	6,247	6,247
Hydro License Expense (Non-Cash)	(899)	(899)
Pollution Remediation Liability Reduction	2,179	2,179
	1,209,377	1,212,437
NET REVENUES	\$ 443,626	\$ 426,646
Parity Bonds		
Principal	92,920	92,920
Interest	104,181	90,657
Subordinated Bonds Principal and Interest	-	10,000
Commercial Paper Interest	-	3,171
Parity Revenue Bond Debt Service	\$ 197,101	\$ 196,747
Debt Service Coverage/Fixed Charge Ratio	2.25	2.17

Notes:

1.) Includes transfer into the rate stabilization fund of: \$25,056,000

RANCHO SECO DECOMMISSIONING (As of 12/31/2020)

	<u>\$ Millions</u>
Total Decommissioning Cost Estimate (Excluding Site Restoration)	520.8
<u>Total Decommissioning Costs Incurred as of 12/31/2020</u>	<u>515.1</u>
Amount Needed for Remaining Decommissioning Costs	5.7
Balance in Decommissioning Fund ⁽¹⁾	8.9
Contribution to the Decommissioning Trust Fund in 2020	0
Estimate for Site Restoration Costs ⁽¹⁾	13.1

⁽¹⁾ Expected site restoration costs are not required to be funded per NRC requirements

ESTIMATED CAPITAL REQUIREMENTS
(Dollars in Thousands)

	Service Area and Other System Improvements Including Distribution System	Improvements to Existing Generation Plant	General Plant	Special Projects	Total Capital Requirements
2021	\$193,488	\$65,022	\$114,234	\$11,409	\$384,153
2022	120,336	70,441	123,836	77,794	392,408
2023	202,728	55,436	124,614	21,591	404,369
2024	204,728	55,436	124,614	21,591	406,369
2025	204,728	55,436	124,614	21,591	406,369