

Exhibit to Agenda Item #5

Provide the Board with SMUD's financial results from the nine-month period ended September 30, 2023, and a summary of SMUD's current Power Supply Costs.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, November 14, 2023, scheduled to begin at 6:00 p.m.
SMUD Headquarters Building, Auditorium

September 2023 Financial Highlights

<p>\$219 Million</p> <p>“Net income” Net position YTD</p> <ul style="list-style-type: none"> • Favorable compared to budget • To be invested in capital expenditures 	<p>\$1,272 Million</p> <p>Customer Revenue</p> <p>\$18M or 1.4% lower customer revenues than budgeted (unfavorable)</p> <ul style="list-style-type: none"> • Customer revenue is below target primarily due to lower usage from commercial customers offset and lower bad debt expense.
	<p>\$393 Million</p> <p>Commodity</p> <p>\$37M or 8.7% lower commodity expenditures than budgeted (favorable)</p> <ul style="list-style-type: none"> • Purchased power was reduced due to increased hydro generation from higher precipitation for the year and overall lower load than plan
	<p>\$686 Million</p> <p>Other Operating Expenses</p> <p>\$4M or 0.6% lower expenditures than budgeted (favorable)</p> <ul style="list-style-type: none"> • Transmission and distribution expenses \$16M higher due to costs related to the storm response • Customer service and information expenses \$10M lower due delays in load management programs and transportation electrification projects, leading to delay in participation in customer programs • Public good expenses \$10M lower due to project delays in energy efficiency, community impact strategy programs, and research & development programs
	<p>\$17 Million</p> <p>Net Other Non-Operating Revenues (Expenses)</p> <p>\$65M or 135.2% higher than budgeted (favorable)</p> <ul style="list-style-type: none"> • Other non-operating revenue higher due to gain on sale of Solano land, insurance recovery payment on Cosumnes power plant repairs, and interest income.

* There are \$9M other net revenues not included in the highlights above

September 2023 Energy Sources



Hydro generation was 24% higher than budget in September, and 50% higher than budget year-to-date due to increased precipitation.

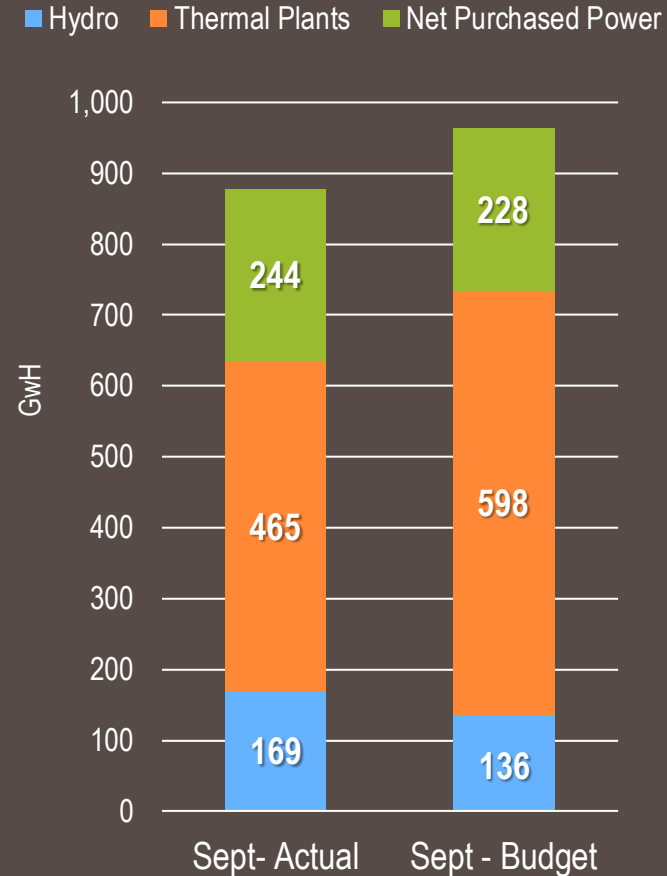


Thermal plants generation was 22% lower than budget in September due to increased purchase power, and 11% lower than budget year-to-date due to increased hydro generation

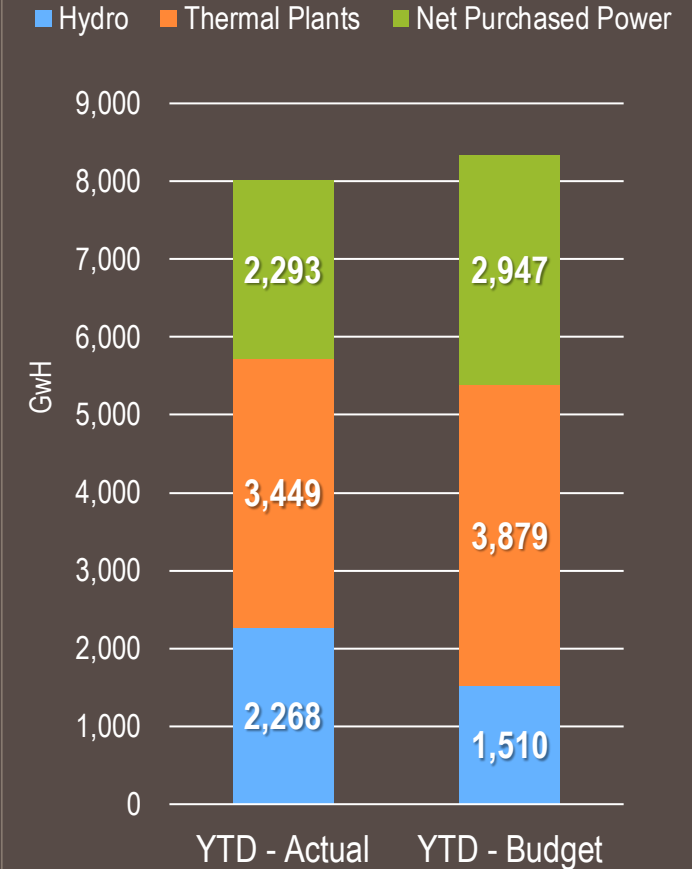


Net purchased power was 7% higher than budget in September due to decreased thermal generation and lower prices, but 22% lower year-to-date, from increased hydro generation and reduced load

Sept 2023 Month-to-Date

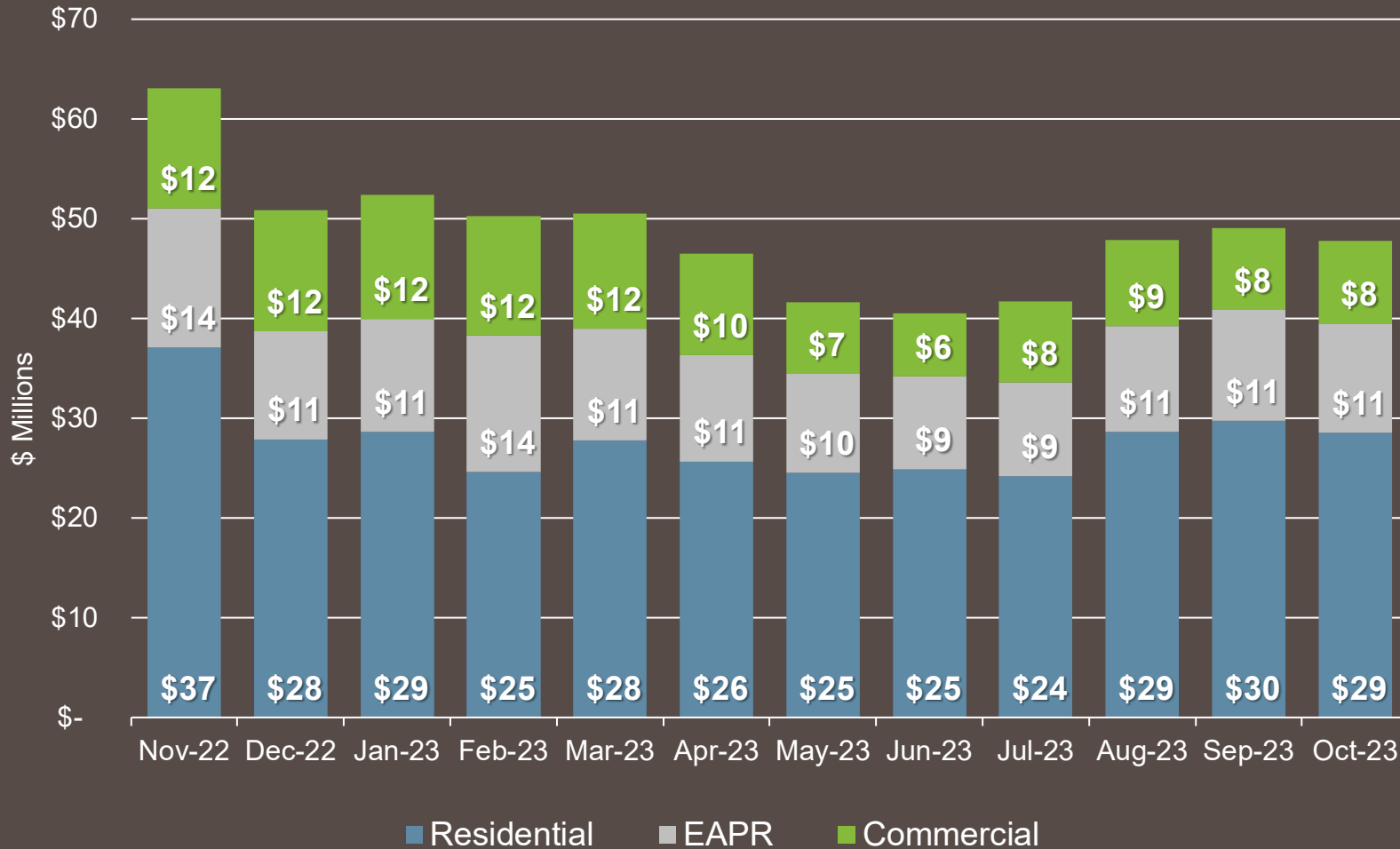


Sept 2023 Year-to-Date



Delinquency by Account Type

As of October 31, 2023



Delinquency Summary as of 10/31/2023		
	Delinquency (millions)	Number of Customers
Residential	\$28.5	118,257
Energy Assistance Program Rate (EAPR)	\$11.0	33,400
Commercial	\$ 8.3	8,165
All other (St. Lighting, Night Light, Agriculture)	\$ 0.5	1,468
Totals	\$48.3	161,290

Commodity Budget: Mitigations & Forecast



SMUD has in place financial mitigation tools that hedge against hydroelectric uncertainty

\$31.0 Million	HRSF balance
\$65.4 Million	HRSF deposit for Water Year April 2022 to March 2023
\$96.4 Million	HRSF remaining balance after deposit
\$3.5 Million	WAPA RSF balance
\$1.2 Million	WAPA RSF forecasted deposit for 2023
\$4.7 Million	WAPA RSF forecasted balance as of Dec. 31, 2023

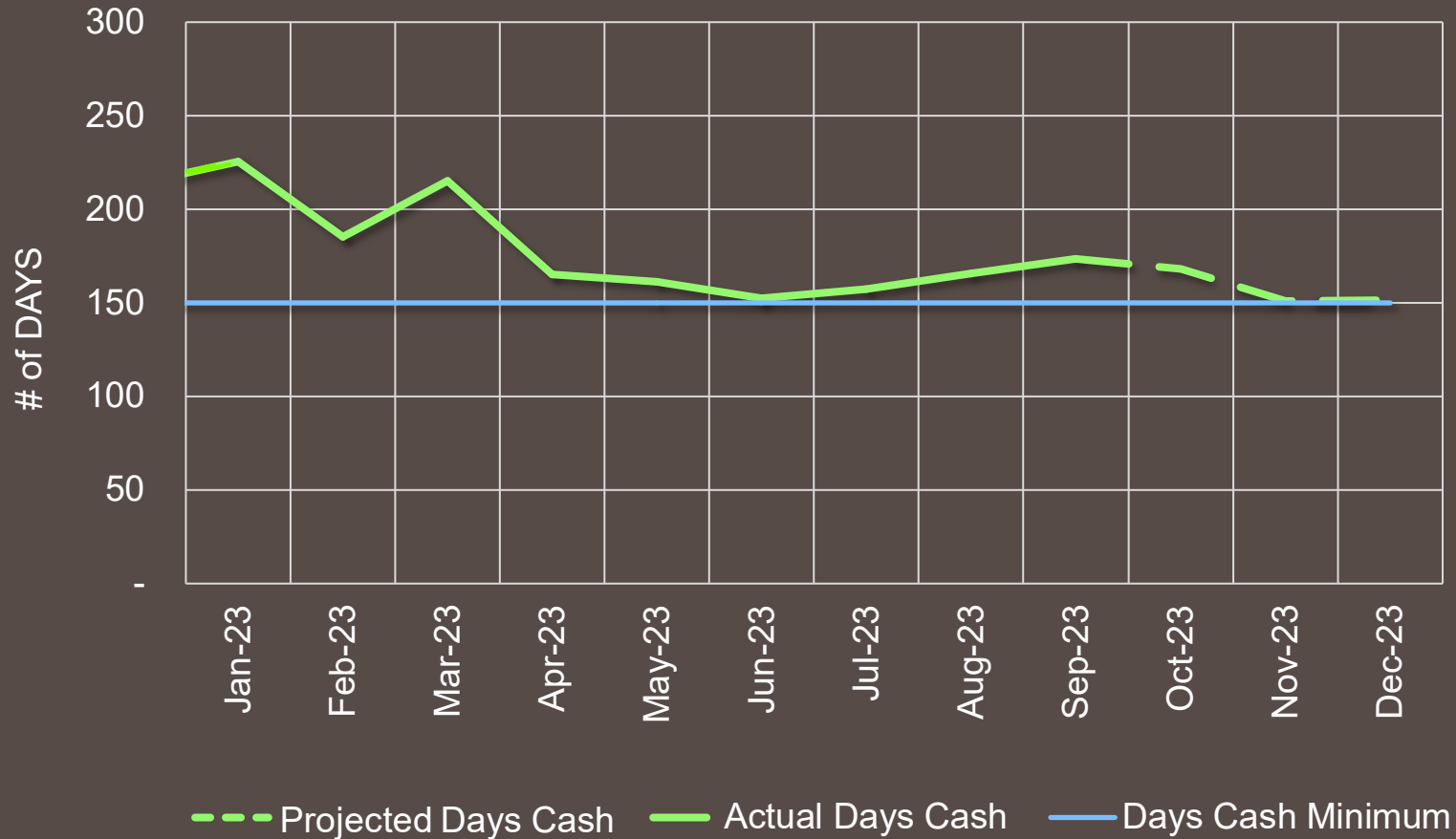
2023 Commodity Annual Costs as of September 30, 2023	
Forecast	\$500 Million
2023 Budget	\$485 Million
Difference	\$15 Million

Hydro Performance Annual Forecast as of September 30, 2023			
	UARP	WAPA	UARP + WAPA
Forecast	2,401 GWh	539 GWh	2,940 GWh
2023 Budget	1,635 GWh	511 GWh	2,146 GWh
Variance	766 GWh	28 GWh	794 GWh

HRSF: Hydro Rate Stabilization Fund **WAPA:** Western Area Power Administration **UARP:** Upper American River Project **RSF:** Rate Stabilization Fund

Days Cash on Hand

As of September 30, 2023



Days Cash on Hand As of September 30, 2023		
Sept. 30, 2023	Budget	244 days
Sept. 30, 2023	Actual	174 days
Dec. 31, 2023	Budget	166 days
Dec. 31, 2023	Projected	151 days