

# Exhibit to Agenda Item #1

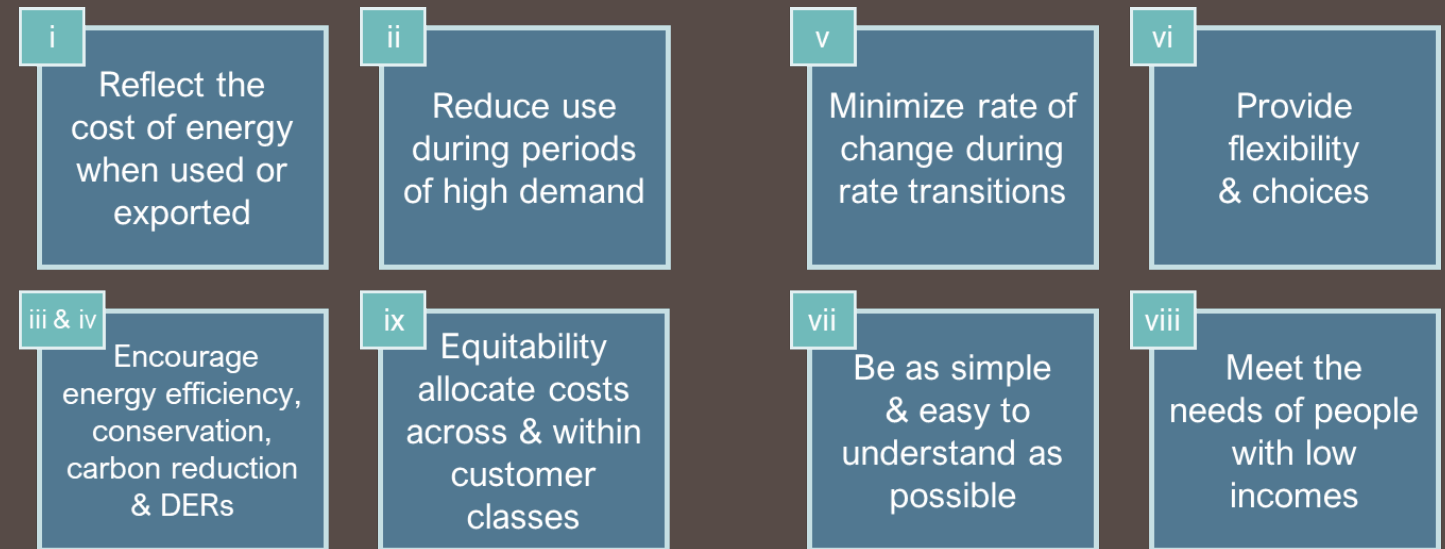
Discuss the monitoring report for **Strategic Direction SD-2, Competitive Rates.**

Board Policy Committee and Special SMUD Board of Directors Meeting  
Wednesday, February 19, 2025, immediately following the Board Energy  
Resources & Customer Services Committee and Special SMUD Board of  
Directors meeting scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

# SD-2 Competitive Rates – Board Directions

- SMUD shall be 18% below PG&E’s rates (system average basis)
- SMUD’s rates shall be competitive with other local utilities (system average basis)
- Rates shall be designed to balance and achieve the following goals



# Comparison to PG&E Rates

Class	SMUD <u>Below</u> PG&E		PG&E <u>Above</u> SMUD	
	2024	2025 <sup>1</sup>	2024	2025 <sup>1</sup>
Residential (all rates)	50%	47%	100%	90%
Residential low income (EAPR)	51%	45%	104%	83%
Commercial (all rates)	43% - 60%	43% - 59%	77% - 150%	76% - 142%
Other <sup>2</sup>	58% - 66%	57% - 65%	139% - 195%	133% - 185%
<b>System (all rates)</b>	<b>52%</b>	<b>51%</b>	<b>109%</b>	<b>103%</b>

Notes: 1) Includes SMUD and PG&E rates changes of 2.75% and -0.7%, respectively, effective Jan 1, 2025.

2) Other includes streetlight, traffic signals and agricultural rates

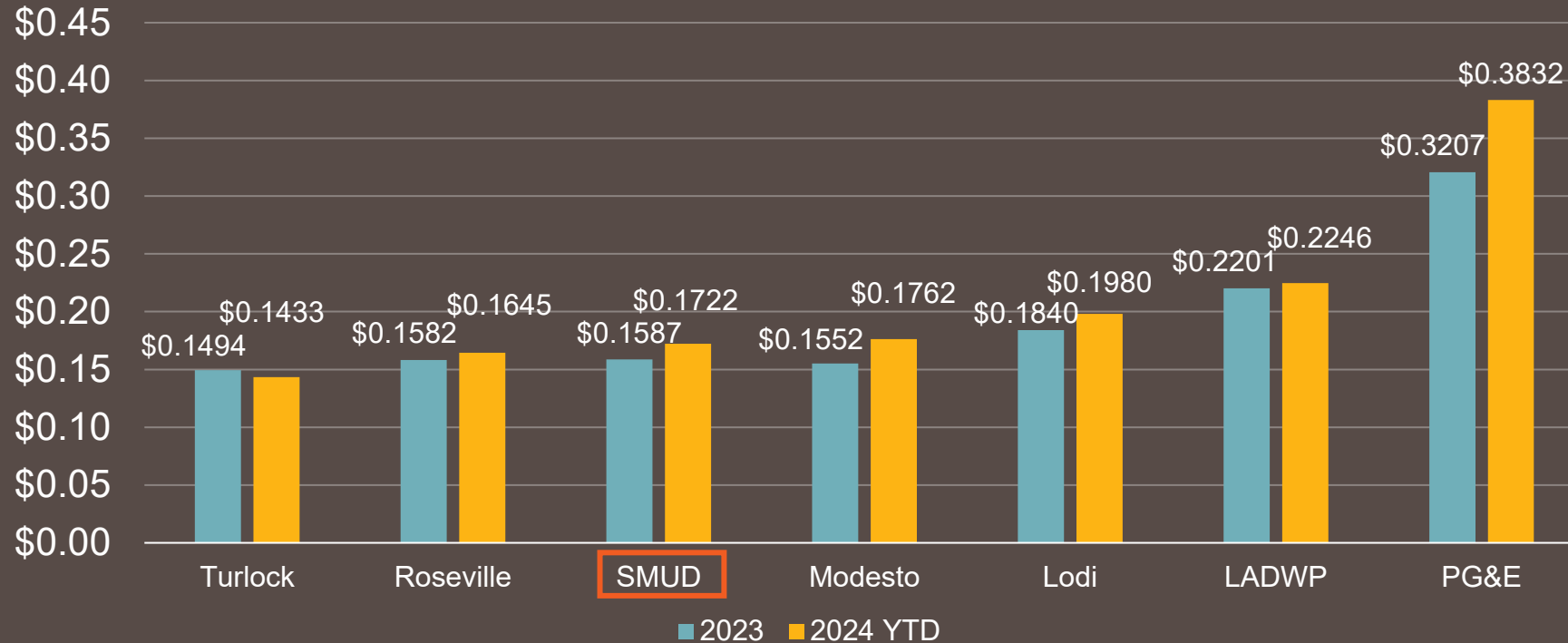
SMUD's system average rate is **51%** below PG&E, which results in an anticipated **\$1.9 Billion** annually in community savings in 2025.

This is about **\$1,400** of annual savings for residential customers on average.

# Comparison to Local Utilities

SMUD continues to have one of the lowest system average rates as compared to other neighboring utilities

System Average Rate Actuals (\$/kWh)



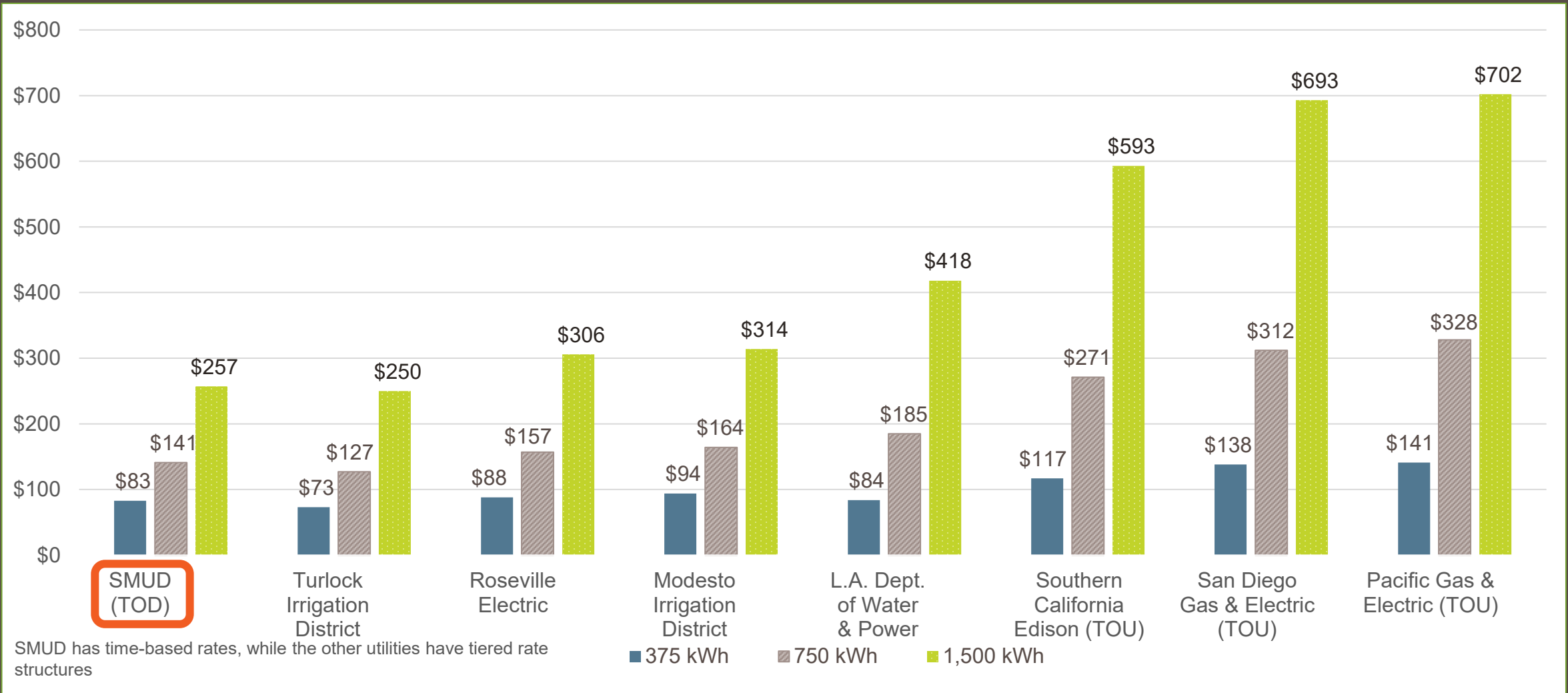
System Average Rate

$$\frac{\text{Total rates revenue (SIFC, demand charges, energy)}}{\text{Total kWh sold}}$$

Source: 2023: US Energy Information Administration (EIA-861 annual)  
2024: US Energy Information Administration (EIA-861 monthly, through September) and self reported data

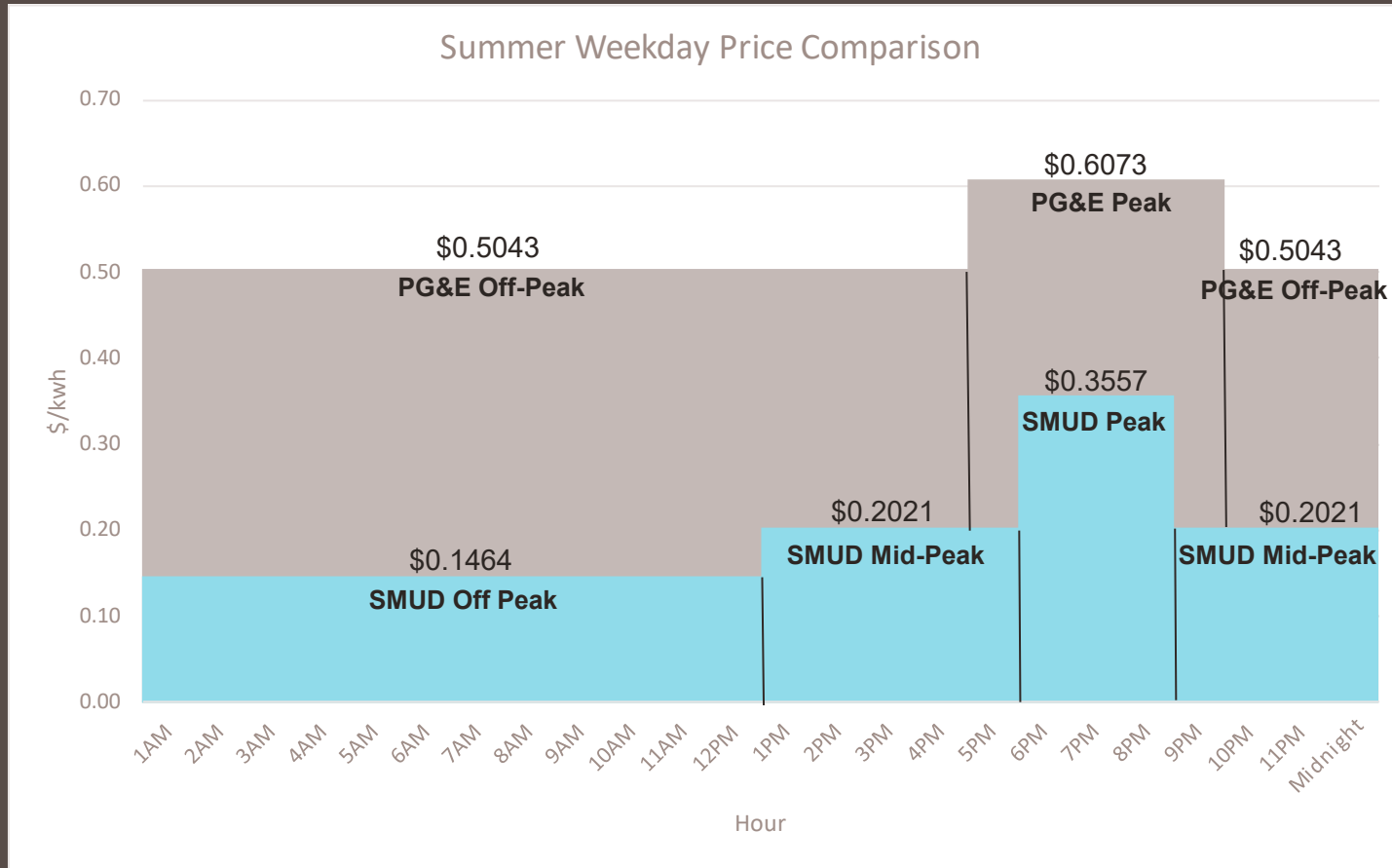


# Average Monthly Residential Electric Bill (Jan 2025)



• Rates effective as of January 1, 2025. Average bills include applicable fixed monthly charge, energy charge and surcharges, and exclude local taxes. SMUD and PG&E bill comparison is based on standard Time-of-Day pricing.

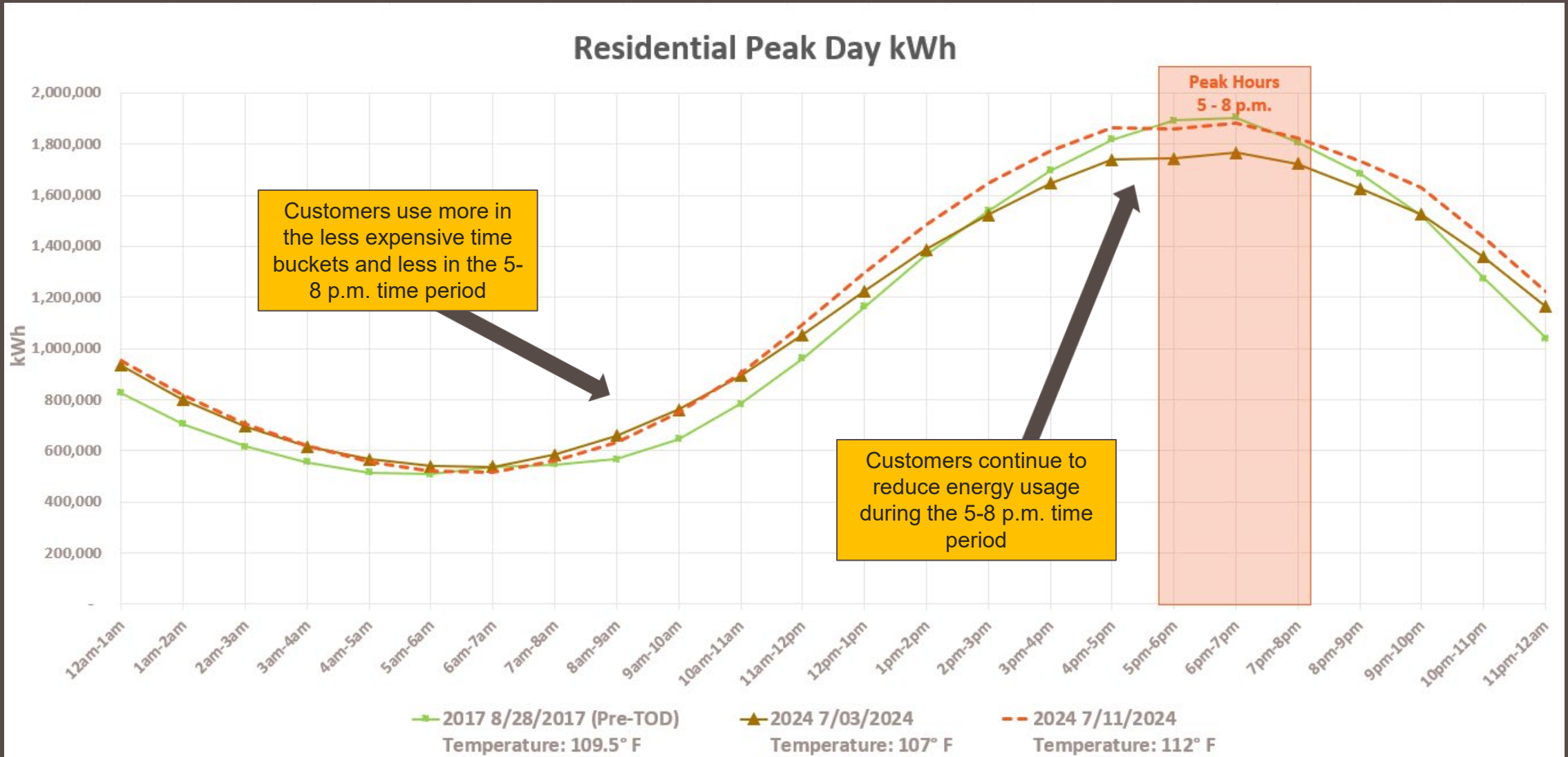
# SMUD and PG&E Time Period Price Comparison



SMUD's 2025 Time-of-Day (TOD) rate is competitive in all time periods as compared to PG&E's standard time of use rate.

Rates effective as of January 1, 2025. Chart does not include SMUD's System Infrastructure Fixed Charged and PG&E's equivalent charge. Summer prices represent PG&E standard TOU-C rate and SMUD standard TOD rate.

# TOD Rates Continue to Reduce Residential Peak



# Recommendation

Staff recommends accepting the Strategic Direction 2 Report as evidence of compliance with Strategic Direction 2, Competitive Rates