

Exhibit to Agenda Item #5

Discuss approval of Contract Change No. 9 to Contract No. 4500083213 with **KUBRA America West, Inc.** for SMUD's bill presentment and payment solutions to extend the contract expiration date by five years from December 31, 2025, to December 31, 2030, and to increase the contract amount by \$10 million, from \$18,347,131 to \$28,347,131.

Board Energy Resources & Customer Services Committee and Special SMUD Board of Directors Meeting

Tuesday, March 18, 2025, immediately following the Finance & Audit Committee and Special SMUD Board of Directors Meeting scheduled to begin at 6:00 p.m.










SMUD Headquarters Building, Auditorium

Bill payment and presentment Background

- This contract was originally awarded competitively to KUBRA in October 2013 to provide a bill payment and presentment platform for a ten-year period for a not-to-exceed amount of \$16,679,210.
- Contract Changes 1-8 included fee adjustments, term extensions, minor scope changes, and terms and conditions modifications.
- This Contract Change No. 9 is requested, rather than issuing a new solicitation, to allow for stability and continuity of these critical services through two major technology transitions, which include:
 - i) a major upgrade to SMUD's Enterprise Resource Planning platform to SAP S4/HANA and
 - ii) the roll-out of a new Customer Experience Digital Platform with Smart Energy Water (SEW)/iPaySmart

Bill payment and presentment

Business need

	Current	Future	
Digital Payments & Digital Billing features for web and mobile app			Confirmed and In Progress Web and mobile app payments are transitioning from Kubra to SEW's payment company 'I Pay Smart'. Expected outcome: More than \$150,000 annually in payment transaction savings.
IVR and CSR payments		 	Confirmed and In Progress IVR payments are transitioning from Kubra to SEW's payment company 'I Pay Smart'. Expected outcome: More than \$20,000 annually in payment transaction savings.
Bill Presentment services (print and PDF)			Why this approach? Allows for billing and late notice stability during the SAP S4 Hana platform transition.
Printing and Mail Services: Printed Bill and Late Notices			

Bill payment and presentment Procurement strategy

KUBRA CONTRACT: 5-YEAR RENEWAL (2026-2030)

Summary of the Request

Requesting the continuation of Kubra billing and payment services from January 2026 through December 2030, including:

Payment services:

- Credit card, debit card, and ACH payments
- Digital self-service payments
 - Smud.org guest pay
 - My Account
 - Mobile app
 - IVR
 - Interconnections
- CSR ACH payments



March 18, 2025



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Billing services: printed and emailed SMUD bills.

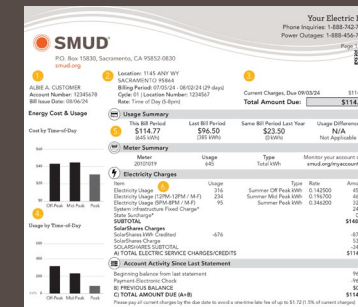
- Bill presentment of all bill types: Customer, Collective, SD, Braille, and Loan.
- PDF bill
- Paperless bill notifications
- Print and mail services

Late notices including: First notice (green envelope)

- Print and mail services

Summary of Renewal

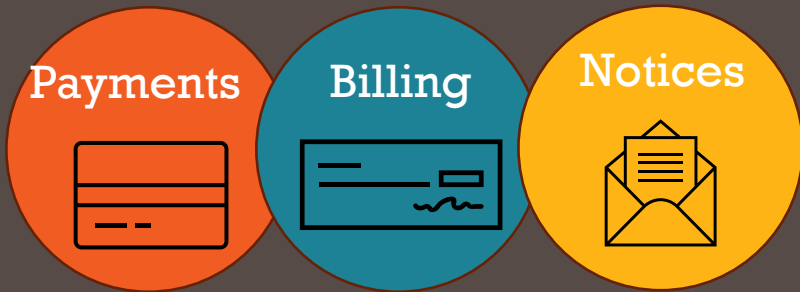
- Current contract with Kubra expires in December 2025.
- Requesting a Contract Change for the amount of \$10,000,000.
 - Fund payment services through the end of 2027.
 - Fund billing and late notice services through the end of 2030.
 - Continue the pay-as-we-use model.
 - Include an 'early-out clause' to allow flexibility.



Board Approval Request

KUBRA CONTRACT: 5-YEAR RENEWAL (2026-2030)

- ✓ Contract change from January 2026 through December 2030 for the amount of \$10,000,000
- ✓ Continue Kubra billing, payment, and late notice services.
- ✓ Ensure SMUD customers can receive SMUD bills and make payments.
- ✓ Make certain that SMUD can continue to collect revenue.



Your Electric Bill
 Phone Inquiries: 1-888-742-7683
 Power Outages: 1-888-456-7683
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SMUD
 P.O. Box 15830, Sacramento, CA 95852-0830
 smud.org

1 ALBIE A. CUSTOMER
 Account Number: 12345678
 Bill Issue Date: 08/06/24

2 Location: 1145 ANY WY
 SACRAMENTO 95864
 Billing Period: 07/05/24 - 08/02/24 (29 days)
 Cycle: 01 | Location Number: 1234567
 Rate: Time of Day (5-8pm)

3 Current Charges, Due 09/03/24
Total Amount Due: \$114.77

Energy Cost & Usage

Cost by Time-of-Day	This Bill Period	Last Bill Period	Same Bill Period Last Year	Usage Difference
	\$114.77	\$96.50	\$23.50	N/A
	(645 kWh)	(385 kWh)	(0 kWh)	Not Applicable

4 Usage by Time-of-Day

Off-Peak	Mid-Peak	Peak
~100	~200	~100

5 Usage Summary

Item	Usage	Type	Rate	Amount
Electricity Usage	316	Summer Off Peak kWh	0.142500	45.03
Electricity Usage (12PM-12PM / M-F)	234	Summer Mid Peak kWh	0.194700	46.03
Electricity Usage (5PM-8PM / M-F)	95	Summer Peak kWh	0.346200	32.89
System Infrastructure Fixed Charge*				24.80
State Surcharge*				0.19
SUBTOTAL				\$148.94
SolarShares Charges				
SolarShares kWh Credited	-676			-87.49
SolarShares Charge				53.32
SOLARSHARES SUBTOTAL				-34.17
ALL TOTAL ELECTRIC SERVICE CHARGES/CREDITS				\$114.77

6 Account Activity Since Last Statement

Beginning balance from last statement	96.50
Payment-Electronic Check	-96.50
B) PREVIOUS BALANCE	\$0.00
C) TOTAL AMOUNT DUE (A+B)	\$114.77

Please pay all current charges by the due date to avoid a one-time late fee of up to \$1.72 (1.5% of current charges)
 *See regulations on the back of the page.