Exhibit to Agenda Item #2

Discuss the monitoring report for **Strategic Direction SD-5, Customer Relations**.

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

Wednesday, August 19, 2026, scheduled to begin at 6:00 p.m.

Auditorium, SMUD Headquarters Building

Agenda

- Strategic Direction SD-5, Customer Relations
- 2025 Results
  - Customer Satisfaction
  - Value for What you Pay (VFP)
  - Accomplishment Highlights
- Request the Board accept the 2025 monitoring report

Strategic Direction SD-5, Customer Relations

Policy:

Maintaining a high level of customer relations is a core value of SMUD. Additionally, the Board sets a customer satisfaction target of 95 percent with no individual component measured falling below 85 percent. In addition, the Board establishes an overall customer experience “value for what you pay” target of 70 percent by the end of 2025 and 80 percent by the end of 2030, with neither the average commercial customer score falling below 69 percent nor the average residential customer score falling below 65 percent in any year.

As part of this policy:

a) SMUD customers shall be treated in a respectful, dignified and civil manner.

b) SMUD shall communicate a procedure for customers who believe they have not received fair treatment from SMUD to be heard.

Customer satisfaction scores

Policy:

"Additionally, the Board sets a customer satisfaction target of 95 percent with no individual component measured falling below 85 percent."

Overall satisfaction	2023 **97%**	2024 **97%**	2025 **97%**
Tree trimming	96%	95%	96%
New connects	98%	99%	99%
Bill inquiries	94%	94%	95%
Outage	94%	97%	97%
IVR payment	97%	97%	95%
IVR payment arrangement	95%	95%	92%

Value for what you pay (VFP)

Policy:

"*In addition, the Board establishes an overall customer experience "value for what you pay" target of 70 percent by the end of 2025 and 80 percent by the end of 2030, with neither the average commercial customer score falling below 69 percent nor the average residential customer score falling below 65 percent in any year.*"

VFP segment thresholds	2023 **71%**	2024 **70%**	2025 **72%**
Commercial 69% minimum	72%	70%	73%
Residential 65% minimum	70%	69%	71%

Customer experience progress

Value our residential customers & community

5,540 customers
(571 Low-Income)
took steps to electrify their homes (HVAC, cooktop, HPWH)

50,611 downloads
(+18% YOY)
of the SMUD app

11,203 shade trees
planted, with 37% in under-resourced communities

520+ attendees
at the Connecting our Communities Resource Expo

$4.6 million
in bill assistance provided to our most vulnerable customers

382k Bill alert enrollees
+29K increase year-over-year

76,400
eligible EV owners on EV rate

2,556 incentives
for EV chargers issued, including 344 circuits with 266 chargers for low-income residences

377k+ customers
enrolled in outage text alerts

Value our commercial customers & community

"We aren't experts at everything, so it is nice to have people in our corner, helping us identify opportunities."

$11M
building electrification incentives

680
commercial chargers installed

$1.74M
energy efficiency incentives

7,510
Strategic Account Advisor personal touch points

Small Business Community Impact

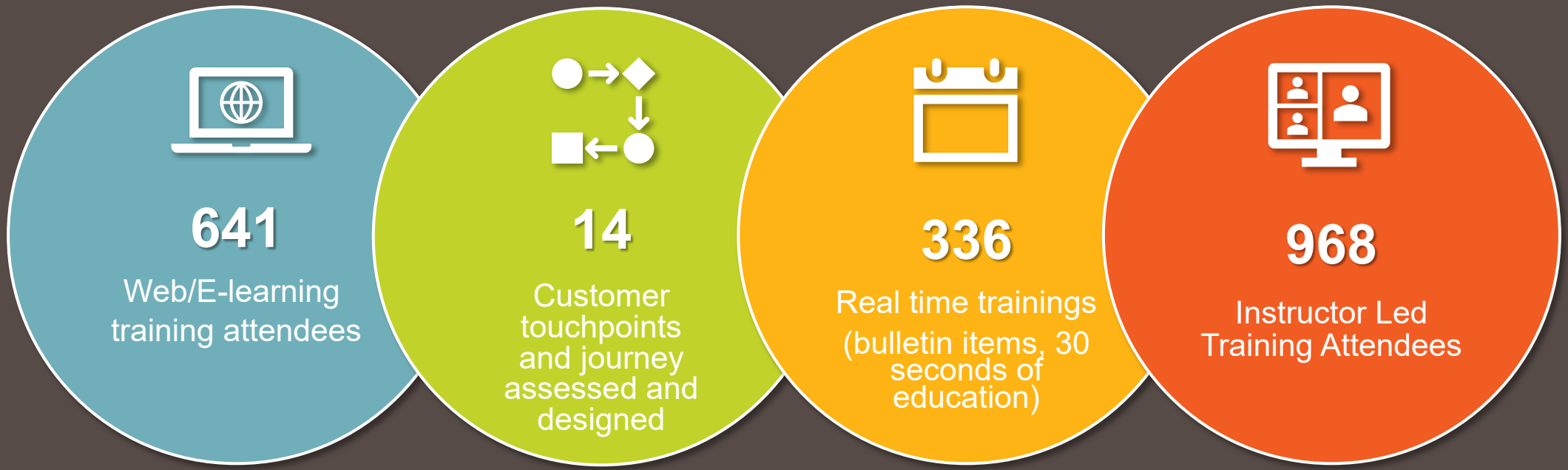
38
SMB/CIP projects

4
Business District Electrification Walks

Policy: *"a) SMUD customers shall be treated in a respectful, dignified and civil manner."*

2025 Status:

Customer experience supported by internal training and customer-centric experience design



Customer relations

Policy:

“ b) SMUD shall communicate a procedure for customers who believe they have not received fair treatment from SMUD to be heard.”

Status:

Hearing and appeal process is found in detail on smud.org

- smud.org/assets/documents/pdf/Board-Meeting-Procedures.pdf - Pg. 14 & 15
- The process is described on the back page of every bill

Customer communication process

+ 1,000,000+ contacts

>99.9% resolved

- Customer Service Representative
- Senior Customer Service Representative

Less than 1% escalated

- Customer Service Assistant
- Contact Center Supervisor
- Manager
- Director
- Board

2025 Awards & Recognitions

63 company and individual awards won in 2025, including:

Safety Award of Excellence	Regional Best Project in the Energy/Industrial Category	HIRE Vets Gold Medallion	Corporate Social Responsibility & Diversity Awards
Corporate Citizenship Award	Community Championship Award	Legacy Sponsor of the Year	Most Valued Partner
Influence Award	Corporate Leader Award	Chamber Champion Award	Annual Business Award

Request the Board accept the monitoring report for Strategic Direction, SD-5, Customer Relations