

# Exhibit to Agenda Item #1b

2025 Proposed Information Technology Budget.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting  
Thursday, November 7, 2024, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium



# Information Technology 2025 Proposed Budget & Initiatives

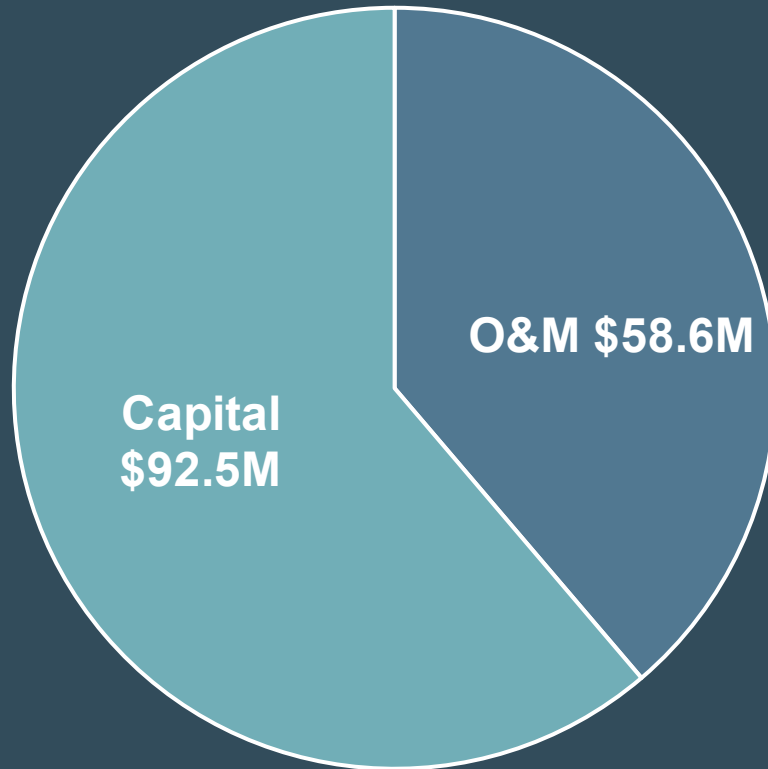
**Suresh Kotha**  
Chief Information Officer

# Information Technology

Corporate	Zero Carbon Energy Solutions	Customer & Community Services	Energy Delivery & Operations	Information Technology	Workforce, Diversity & Enterprise Partnerships
Governance	Power Generation	Customer Success	Transmission Planning & Operations	Customer & Grid Operations Technology Center	People Services & Strategies
Finance & Strategy	Advanced Energy Solutions	Customer Operations & Assistance	Distribution Planning & Operations	Enterprise Systems, Strategy & Governance	Facilities, Security & Emergency Operations
Legal, Government Affairs & Contracts	Research & Development, Grants and Partnerships	Community Energy Services	Line Assets	AI, Automation & Customer Self-Service Technologies	DEIB, Learning & Sustainable Communities
Communications, Marketing & Community Relations	Resource & Market Planning and Settlements	Customer Experience Planning & Integration	Substation, Telecom, Network & Metering	Cybersecurity	Enterprise Change & Organizational Effectiveness
Enterprise Affairs	Customer & Grid Strategy	Business Intelligence & Operations Support	Strategic Services & Operations PMO	IT Infrastructure Platform Services	
			Environmental, Safety & Real Estate Services		
			Operational Excellence		
			Specialized Enterprise Initiatives		

# Information Technology

## 2025 Proposed budget details



Capital	
Grid-Edge Intelligence (Advanced Metering)	\$47.2 million
Technology Lifecycle Upgrades	\$8.6 million
Outage Management System	\$8.5 million
SAP S/4HANA Implementation	\$8.0 million
Workforce Optimization and Vegetation Work Management	\$5.4 million
Digital Platform Transformation (SEW)	\$2.8 million
O&M	
Core IT Services	\$13.3 million
Technology Lifecycle Upgrades	\$8.7 million
Lean Project Management - Agile	\$7.7 million
SAP S/4HANA Implementation	\$5.8 million
Commodity Modeling (Cost/Risk)	\$1.9 million
Enterprise Asset Management and Analytics	\$1.8 million



# Infrastructure Investment

Alignment to Strategic Direction: SD-4 SD-6 SD-8 SD-11 SD-14 SD-16 SD-17

## Technology platform maintenance and ongoing transformation

- Maintain technology for reliability and operational excellence
- Technology platform evolution
  - Prepare for S/4HANA implementation
  - Mobile workforce management
  - Asset performance management and analytics
  - Artificial Intelligence technologies and tools
  - Replace Demand-Side Management platform
  - Transition SMUD workstations to Windows 11
  - LiDAR technology for remote location vegetation management
- Update system recovery plans for SMUD's critical system applications





# Infrastructure Investment

Alignment to Strategic Direction: SD-4 SD-6 SD-8 SD-11 SD-14 SD-16 SD-17

## Cybersecurity

- Critical Infrastructure Protection
  - Support 2025 North American Electric Reliability Standards (NERC) audit
  - Prepare for implementation of new and expanded standards
- Zero Trust security model
  - Optimize access
  - Data categorization and organization
- Employee awareness and training





# Zero Carbon Plan

Alignment to Strategic Direction: SD-2 SD-3 SD-7 SD-9 SD-10 SD-19

## Grid modernization technologies

- Connected Clean PowerCity
  - Grid-Edge Intelligence
  - Outage Management System replacement
  - Distribution Automation Network
  - Distributed Energy Resource Management System
  - Fiber-Optic cable installs
- Begin Extended Day-Ahead Market platform
- Transportation Electrification support
  - Deliver EV charging app and charging network pilot

### Connected Clean PowerCity (CCPC)

#### GRIP Grant TA-2 Technical Components

- Grid-Edge Intelligence
- OMS
- DA Network Upgrade
- DERMS
- Fiber

### Grid-Edge Intelligence (GEI)

#### Projects Under GEI

- 200K Riva meter installation
- 5-minute interval
- 8 DI Apps
- SMART (Meter Farm) Lab
- Data Hub





# Community Impact

Alignment to Strategic Direction: SD-5 SD-13 SD-15

## Supporting our customers and community

- Enhancing customer experience support
  - Digital Platform Transformation
  - Migrate Contact Center Interactive Voice Response application to new SaaS cloud platform
  - Electronic rebates and refunds
- Provide scalable and reliable technology for Community Choice Aggregation partners

