

# Exhibit to Agenda Item #1

Authorize the Chief Executive Officer and General Manager to award a sole source contract to **Siemens Industry, Inc.** for the upgrade of their proprietary **Energy Management System (EMS)** for the term September 20, 2024, through December 31, 2026, for a not to exceed amount of \$7 million.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting  
Tuesday, September 17, 2024, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

# Background

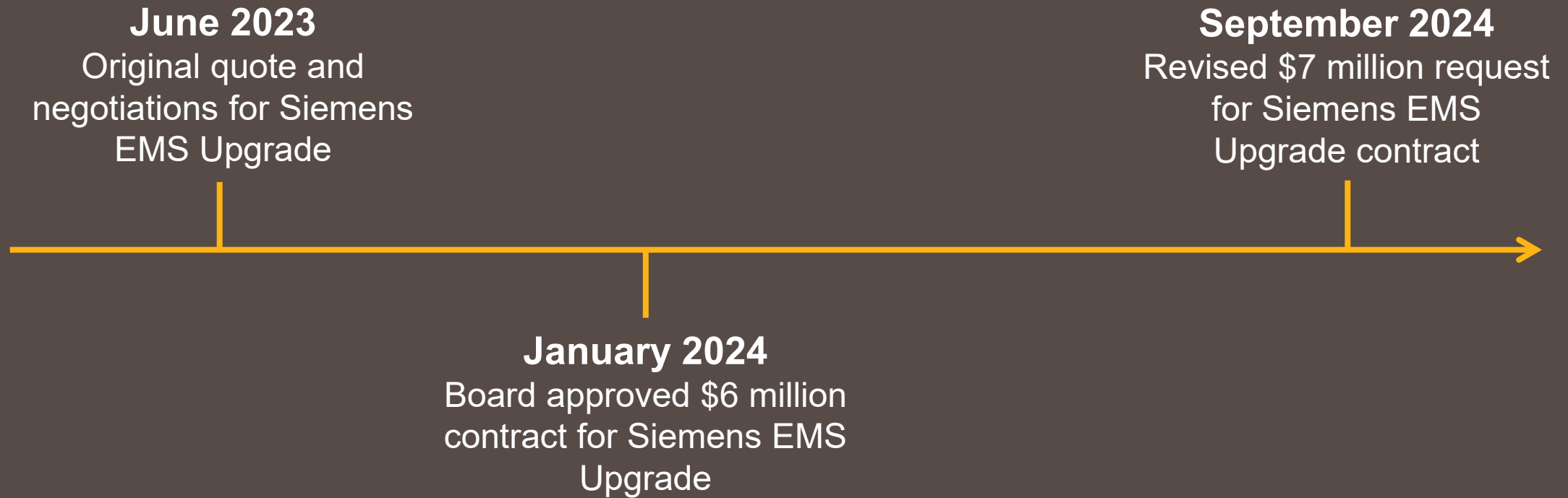
Siemens is our current EMS vendor and has been a SMUD strategic partner for over 35 years

- Critical platform used for real-time monitoring and operations of SMUD's transmission, generation, gas pipeline systems
- Minimizes operational cost to participate in CAISO based programs such as the Western Energy Imbalance Market (WEIM), Extended-Day Ahead Market (EDAM), and Reliability Coordinator (RC) programs
- No other vendors can upgrade our existing EMS due to the proprietary nature of the software, Siemens EMS is a sole source contract



# Timeline

The Board previously approved a contract with Siemens for these services in January 2024



# Change in Cost

The previously approved contract for these services in January 2024 was for a not to exceed amount of \$6 million

- Generation 11 Hewlett Packard (HP) hardware
- Additional physical servers
- Full Oracle licensing structure
- Engineering support and system integration

