

Exhibit to Agenda Item #4

Discuss approval of an increase to the aggregate contract not-to-exceed amount for medium voltage, secondary, overhead, underground, and other miscellaneous wire and cable by \$85.4 million, from \$55 million to \$140.4 million, for Contract No. 4600001348 with **The Okonite Company**, Contract No. 4600001771 with **Kortick Manufacturing, LLC**, Contract No. 4600001350 with **Southwire Company, LLC**, and Contract No. 4600001351 with **Anixter, Inc.** (collectively, the **Contracts**) and an extension of the Contracts to September 30, 2030.

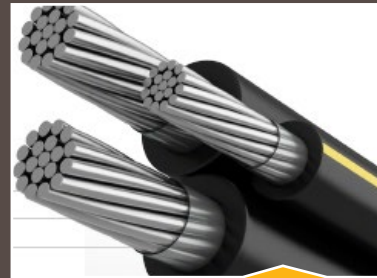
Board Energy Resources & Customer Services Committee and Special SMUD Board of Directors Meeting

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.

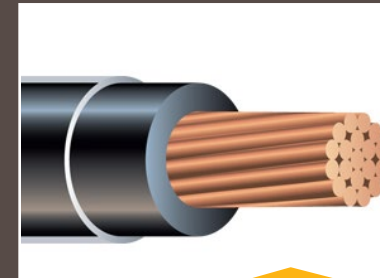
SMUD Headquarters Building, Auditorium

Contracts background

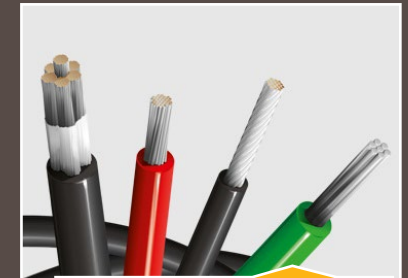
- Originally the Contracts were awarded on a competitive basis for the seven-year period from 2020 to 2027, for an aggregate contract not-to-exceed amount of \$55 million.
- Increases to the volume of work and inflation in the cost of goods have accelerated spend.
- This request will primarily enable staff to continue purchasing ethylene propylene rubber (EPR) cable



Schedule A:
Secondary Cable



Schedule B: Building
Wire



Schedule C:
Miscellaneous Cable



Schedule D: EPR
Cable



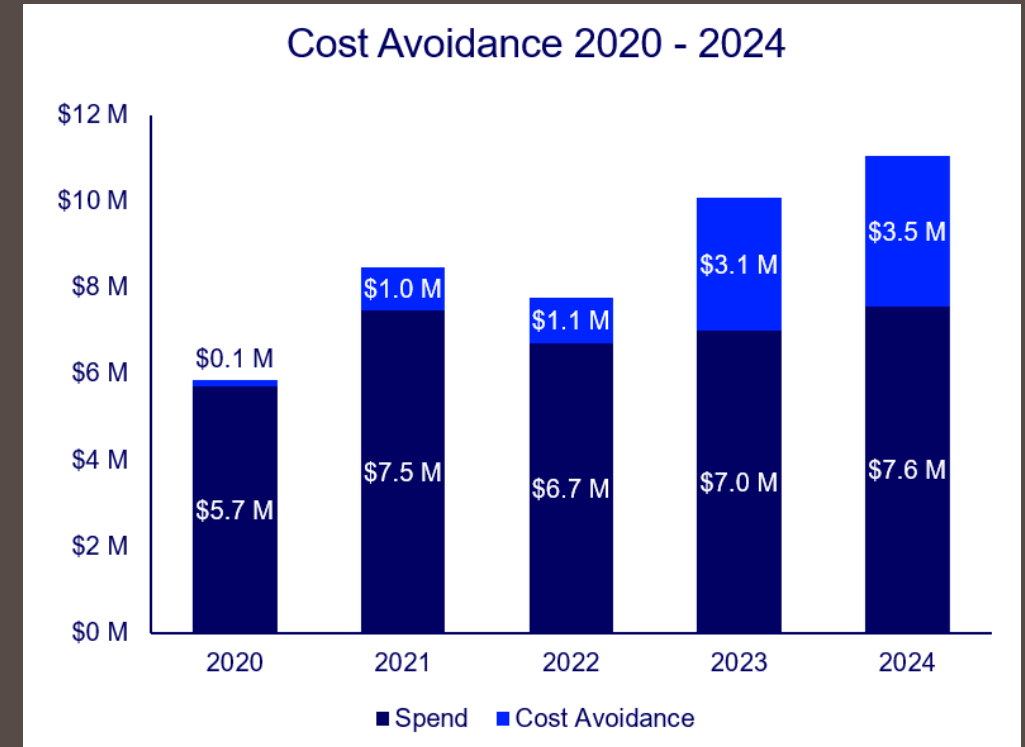
Schedule E: Bare
Aluminum Cable



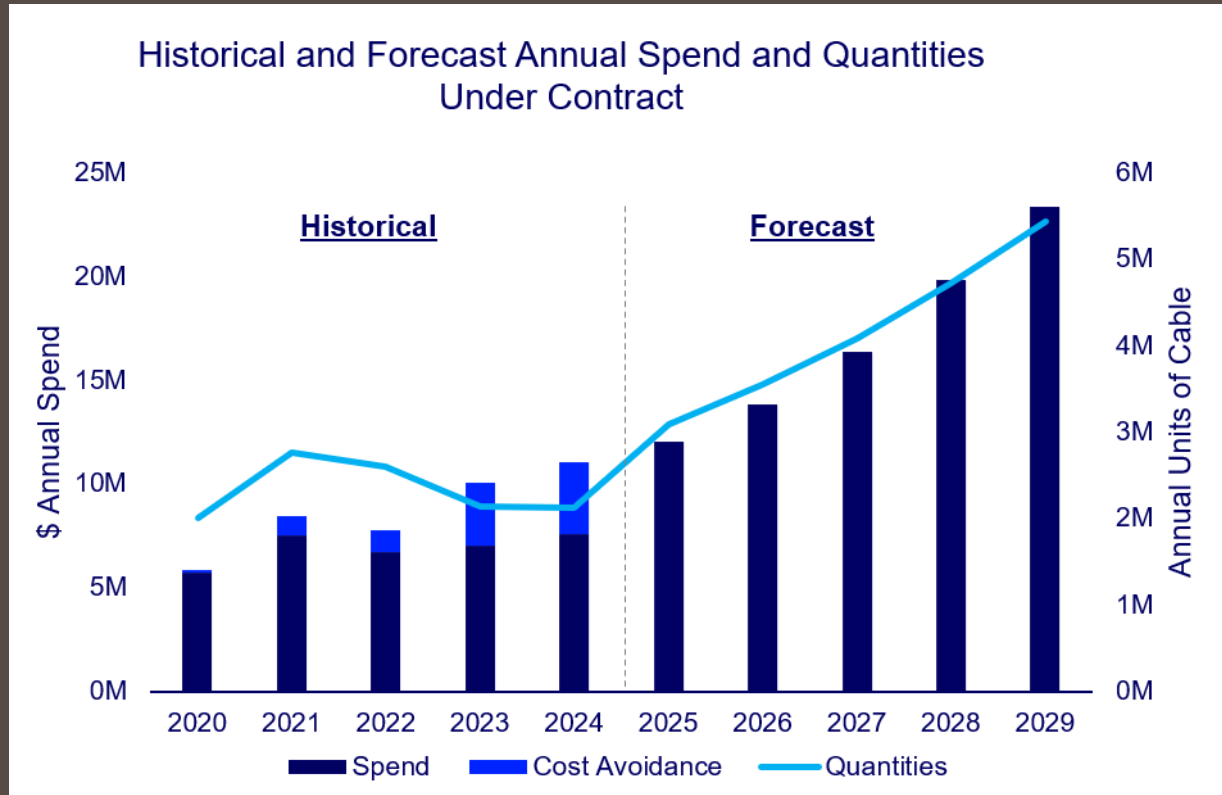
Schedule F: Bare
Copper Cable

Contracting strategy

- Staff negotiated fair and reasonable rates and price escalation through the extended contract period of September 30, 2030.
- The revised rates align with market escalation trends and expert cost models and benchmarking.



Contracting strategy



- Staff expects to spend \$85.4 million over the next 5 years
- Staff included 3% Consumer Price Index increases, median copper and aluminum price forecasts, and potential future increases for tariffs.
- Staff is working on a solicitation in addition to this change to the Contracts to enable additional secondary sources of supply

Requested action

Authorize the Chief Executive Officer and General Manager, or his designee, to increase the aggregate contract not-to-exceed amount for medium voltage, secondary, overhead, underground, and other miscellaneous wire and cable by \$85,400,000, from \$55,000,000 to \$140,400,000 and to extend the Contracts to September 30, 2030.

