

Exhibit to Agenda Item #1

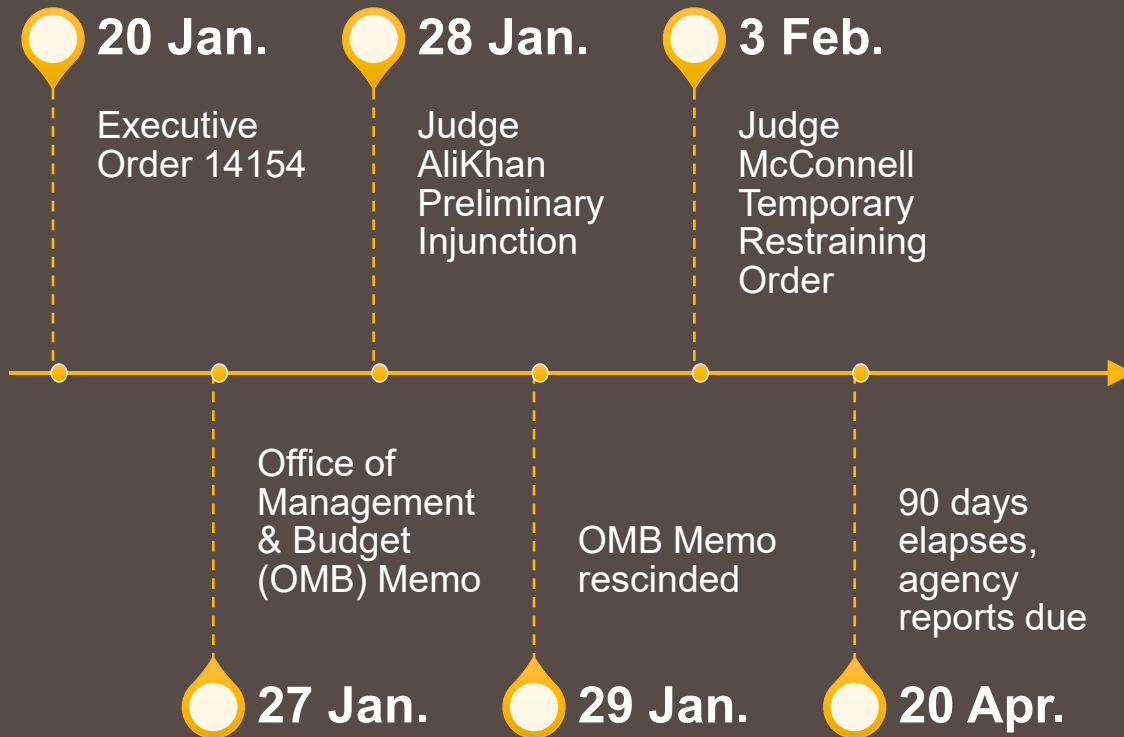
Provide the Board an overview of the current grant landscape based on the new federal priorities and review the revisions to SMUD's grant strategy.

Board Strategic Development Committee and Special SMUD Board of Directors Meeting

Tuesday, March 11, 2025, scheduled to begin at 6:00 p.m.

SMUD Headquarters Building, Auditorium

Federal Funding Freeze



Executive Order Deep Dive

Sec. 2

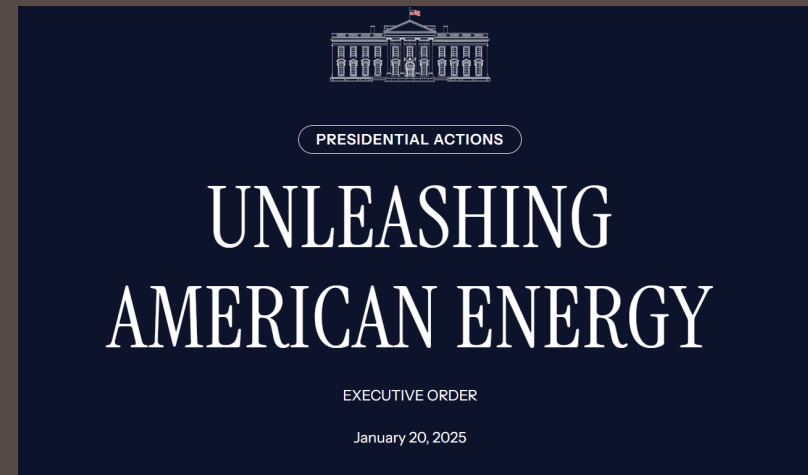
Policy provisions

- Encourage energy exploration on federal lands & waters
- Lead on non-fuel minerals and rare earths
- Ensure abundant, reliable energy is accessible in all 50 states
- Regulatory requirements grounded in clearly applicable law
- Eliminate EV mandate
- Consumer choice in appliances
- Global vs. domestic regulatory cost-benefit analysis
- Public comment and scientific analysis in agency action
- Ensure no federal funding is employed in a manner contrary to the above principles

Sec. 7

Ending the “Green New Deal”

- Pause disbursement of funds appropriated through Inflation Reduction Act and Infrastructure Investment and Jobs Act until cleared with OMB
- Review processes, policies, and programs for issuing assistance for consistency with ←←←
- Within 90 days, submit findings of review





“Adding not subtracting”

“Unleashing the Golden Era of American Energy Dominance” Memo

- Energy addition, not subtraction (refers to net-zero)
- Refocus on innovation and competitiveness
- Strengthen grid reliability and security (baseload/dispatchable)
- Streamline permitting



SMUD Engagement

Delegation incl. Rep. Kiley (R-CA)

Rep. Doug LaMalfa (R-CA)

Republican staff for House Energy & Commerce Committee

Republican staff for House Ways & Means Committee

DOE political appointees in Grid Deployment Office

What to Expect

- Community Benefits excised
- Awards cancelled or renegotiated
- Organizing within recipient groups
- Shift in strategy after April 20
- Lawsuits
- Impoundment
- Trump-ward shift on energy policy
- Speed over process, but potential to course-correct
- Tension must resolve



What to Do Next



Consider visibility strategy



Review award terms and legal strategy



Information sharing with other recipients



Continue engagement with horizontal partners



Monitor and catalogue actual impacts, decisions

Q-and-A



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