

# 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

# Strategic Look Back

## Grant Strategy – Focus Areas

### 8 Main Focus Areas

- Clean Fuels
- Carbon Capture
- Long Duration Energy Storage
- Building Electrification
- Transportation Electrification
- Load Flexibility
- Under Resourced Communities
- Climate Emergency Prevention



June 6, 2023

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Board Strategic Development Committee and Special SMUD Board of Directors Meeting



March 11, 2025

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Board Strategic Development Committee and Special SMUD Board of Directors Meeting



# Grant Impact

Federal Awards\*



State Awards\*



\*Active projects and grants undergoing contract negotiation. Does not include grants that have not begun contracting.

Over 500 EV Chargers

200,000 Grid Edge Smart Meters

~150 Network protectors & transformers

100's of electrified homes

Local workforce development and job creation

# Regional and Peer Impact

2022

Letters of Support:  
~\$6M

2023

Letters of Support:  
~\$275M

2024

Letters of Support:  
~\$154M

## Select 2024 Supported Wins

- Calpine Sutter Carbon Capture and Sequestration Project for \$270M
- SacRT Transit and Intercity Rail Capital Program Proposal for \$28.9M
- La Familia Greening North Franklin Project for \$17.8M
- Girl Scout Community Troop Program for \$17,100

# Key Federal Grants Overview

## In Implementation

- **Connected Clean Power City (CCPC):** \$50M award, \$142M total project for next generation metering with fully enabled grid edge intelligence, Distributed Energy Resource Management System (DERMS) enhancements, and Outage Management System (OMS) replacement.
- **Meadowview Neighborhood Electrification:** \$3M Award, \$6.7M total project. Congressionally Directed Funding from Congresswoman Matsui's office to electrify single family homes in the Meadowview neighborhood

## Contracting / Pre-Implementation

- **California Energy Reliability & Resiliency Infrastructure (CERRI):** \$25M Award, \$78M Total project to install 148-192 Network protectors & transformers and underground cabling in 2026-2028.
- **CalPine Carbon Capture and Sequestration Project:** \$270M award to retrofit the Sutter Power Plant with CCS technology.
- **Dept of Transportation Charging & Fueling Infrastructure (CFI):** \$6M Award, \$13.1M Total Project to install 90 EV charging handles throughout SMUD territory.

High Risk to lose funds

# Key State Grants Overview

## In Implementation

- **REACH 1.0:** Installing 108 Level 2 EV Charging Stations across 11 Mutual Housing sites. Total Project- \$3.8M. Award- \$2.29M.
- **REACH 2.0:** Installing over 400 Level 2 EV Charging Stations across 26-41 Multi-Family Housing sites. Total Project- \$5.2M. Award- \$5M.
- **FAST:** Installing 15 Direct Current Fast Charger (DCFC) EV Charging Stations at Sacramento International Airport (SMF), California State University, Sacramento (CSUS), and Sacramento Valley Station (SVS). Total Project- \$5.6. Award- \$2.8M.

## Contracting / Pre-Implementation

- **California Energy Reliability & Resiliency Infrastructure (CERRI):** \$25M Award, \$78M Total project to install 148-192 Network protectors & transformers and 350k-400k of underground cabling 2026-2028.

Duplicate to Federal slide: Federal funds administered by the State.

- **Extreme Heat and Community Resilience Program:** Co-Applicant with the Sacramento City Unified School District to study impacts of extreme heat + design/engineering for microgrid and solar for schools. Total project- \$750k.

# Changing Landscape

## Critical Shift

- Removal of DEI and community benefit plans (Federal Policy)
- Energy Independence instead of Green New Deal

## Unchanged

- Affordability
- Job Creation
- Reliability / Resiliency

Risk Management

Federal Funding Priorities

- Delayed Reimbursements
- Likelihood of Audits
- Strict adherence to contracts and schedules
- Elimination of funding sources

- Resiliency
- Independence
- Security
- Affordability

# Notable Nationwide Headwinds

## Transportation Electrification

- Pause on \$5 billion in charging infrastructure funding via the National Electric Vehicle Infrastructure (NEVI) grant program.
- Discussion of removing Federal EV charging and EV fleets

## Timely Access to Information and Resources

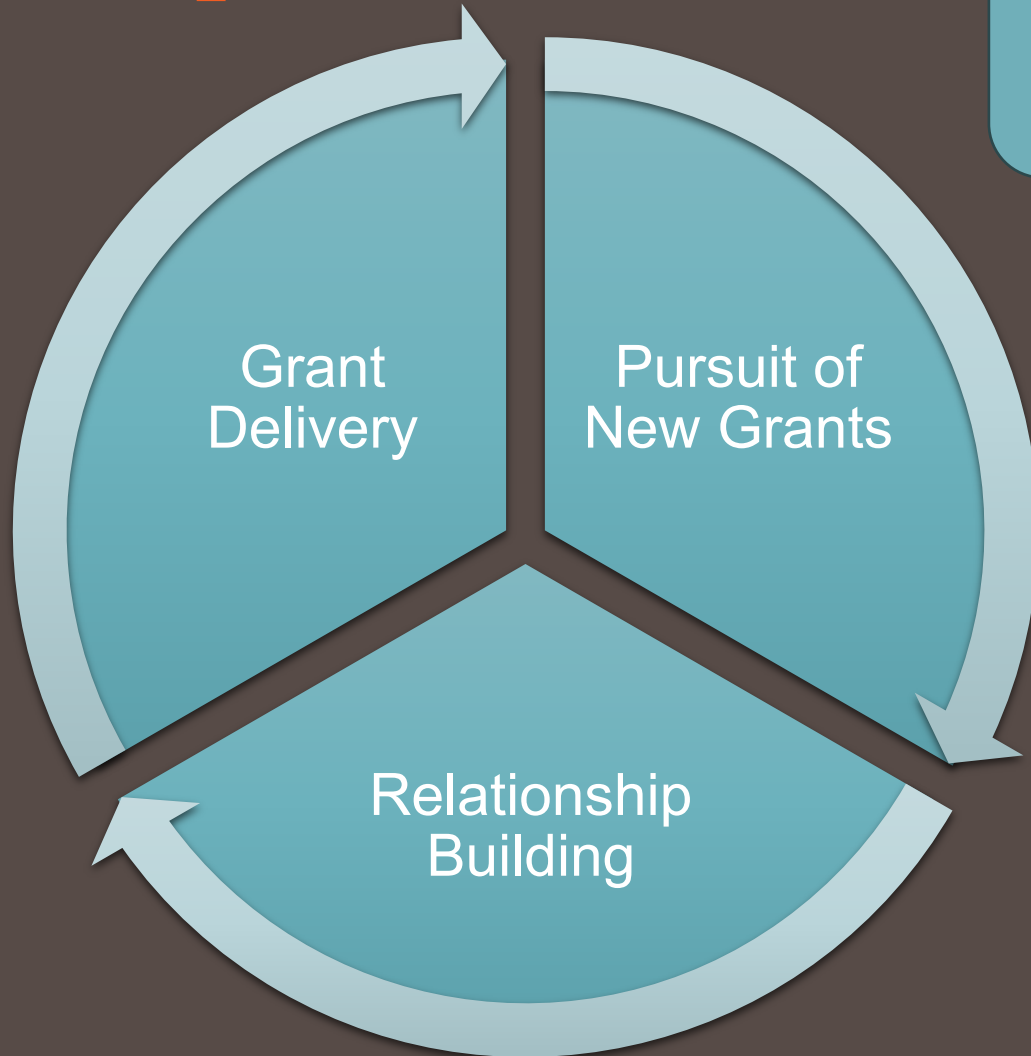
- Reduction in Federal workforce causing additional delays and uncertainty to Contracting process.
- Reduced reliability of some federal data submission and access portals.

## Uncertain Priorities and Availability of Future Funding

- Clear de-prioritization of DEI and community benefit plans.
- “Advance Energy Addition, Not Subtraction” -U.S. Department of Energy Secretary Chris Wright



# Adapt and Excel



We remain committed to our goal of achieving zero carbon. Part of that plan is to secure grant funding to ensure that we can keep rates low while we pursue decarbonization. Our efforts include providing equitable access and opportunities to our entire community, while not leaving anyone behind.

- Adapt language and focus of applications for federal funds.
- Prioritize securing and delivering existing grants.
- Increased focus on risk management.
- Continue aggressive pursuit of funding from California and other non-Federal sources.
- Evaluate and update Grant Focus areas in Q3 of 2025.

Questions?