

Exhibit to Agenda Item #7

Provide the Board with a preview of SMUD's 2025 Proposed Budget.

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



Agenda

- 2025 proposed budget preview
- Budget alignment with Board direction
- SMUD's priorities for 2025
- New initiatives & spending
- 2025 budget & next steps

Priorities driving the 2025 Budget



Zero Carbon Plan



Infrastructure Investment

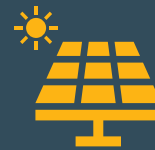


Community Impact

Zero Carbon Plan progress



\$5 million for Solano 2 Repower Assessment



\$22 million for Country Acres 1 & 2 solar and storage project: land option payments, CEQA & permits & design, lease payments, progress payments and agrivoltaic demonstration



\$10 million for long-duration battery energy storage at McClellan



\$4 million Extended Day Ahead Market (EDAM)

Zero Carbon Plan progress (continued)



\$42 million for building electrification



\$17 million for customer electric vehicles



\$1 million for SMUD electric vehicle fleet and charging infrastructure.



\$15 million for load flexibility programs including battery incentives



\$2.5 million in community solar partnerships with schools

Maintaining world class reliability



\$152 million for substation capital spending; \$35 million Elverta substation upgrades, \$7 million Delta Shores substation



\$22 million for cable replacement



\$17 million thermal plants overhauls to maintain reliable operations



\$5 million dam safety compliance activities



\$9 million Outage Management System (OMS) replacement



\$25 million Power Control Center building project



\$14 million for S4/HANA



New positions: apprentice classes & Grant/S4 related positions

Continued investment in our community



SMUD

Community Impact Plan

This strategy addresses SMUD's commitment to making meaningful investments in under-resourced communities to ensure their participation in a clean energy future.

Our focus

- Affordability**
- Equitable access**
- Community engagement**

We're doubling the current investment towards under-resourced communities!



\$14 million for Community Impact Plan



\$1 million investment in regional workforce development



\$2 million in electric vehicle research and infrastructure grants

Financial Security



\$25 million for Insurance Captive



\$10 million increase in set aside for the Community Impact Plan

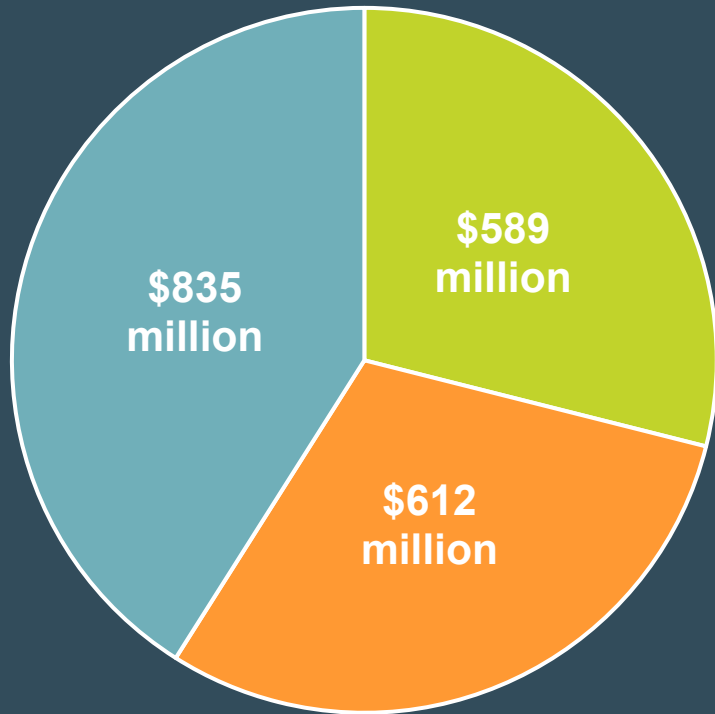


\$60 million in Commodity Stabilization Fund



Addressing commodity risks and SMUD's changing commodity portfolio

Budget summary



■ Capital ■ Commodity ■ O&M/Public Good



Commodity

- Clean energy commodities: \$250 million



Capital

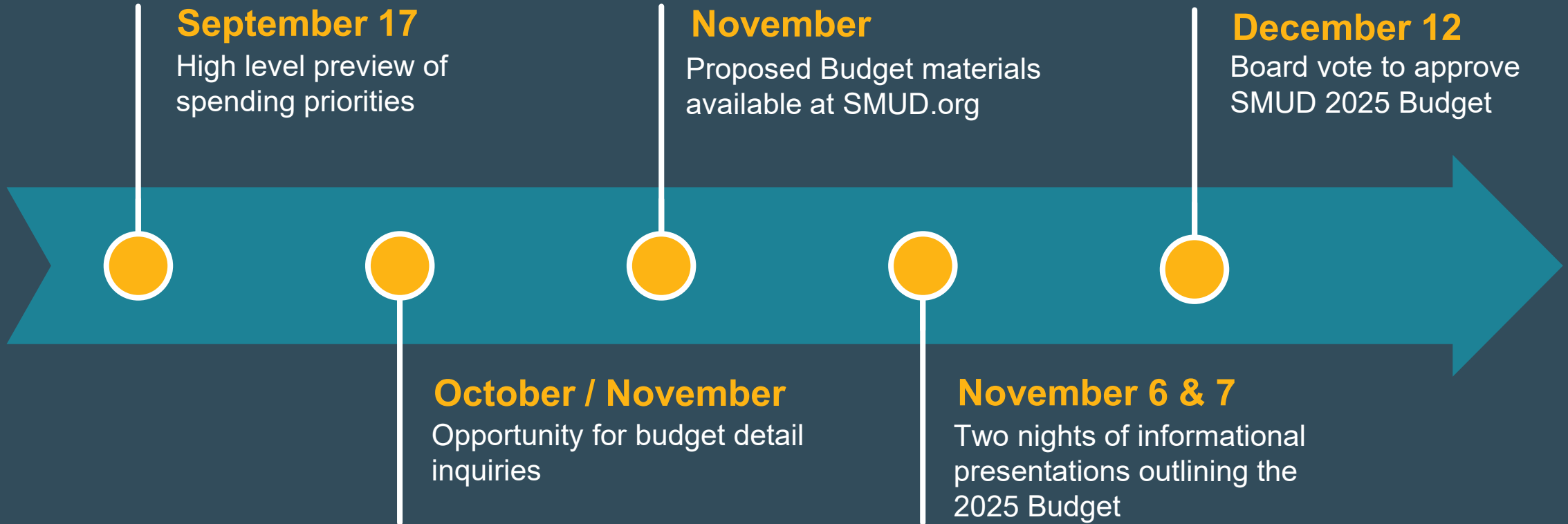
- 2030 Zero Carbon Plan: \$37 million
- Distribution and substation investments: \$152 million
- Capacity and new services projects: \$52 million



O&M / Public Good

- Building electrification and energy efficiency solutions: \$80 million
- Investment in under-resourced communities and community engagement efforts: \$64 million

Next Steps



Key messages



Community involvement

Investment for a clean energy future in the Sacramento region and increased support for our community



Infrastructure investment

Strong investment in infrastructure for maintaining a reliable grid today and in the future



Prudent financial management

Focus on alignment of key priorities while meeting key financial metrics



Executing SMUD's vision

Reliable, affordable and equitable energy

